UNITED STATES



OF AMERICA

Congressional Record

PROCEEDINGS AND DEBATES OF THE 76th CONGRESS FIRST SESSION

VOLUME 84—PART 3

MARCH 7, 1939, TO MARCH 29, 1939 (PAGES 2335 TO 3502)

UNITED STATES

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PROCEEDINGS AND DEBATES OF THE 76" CONCRESS

VOLUME 84 CPART. 5

MARCH TO 1939, TO MARCH TO 1939.

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AMERICA OF

Congressional Record

PROCEEDINGS AND DEBATES OF THE 76th CONGRESS, FIRST SESSION

SENATE

TUESDAY, MARCH 7, 1939

(Legislative day of Monday, March 6, 1939)

The Senate met at 12 o'clock meridian, on the expiration of the recess.

The Chaplain, the Reverend ZeBarney T. Phillips, D. D., offered the following prayer:

Father of infinite mercy, love, and power, hearken to the prayer of Thy children, though we bring to Thee but broken aspirations and many a failure that maketh us ashamed.

Thou didst send us into life like infants, without knowledge, and because we failed to comprehend or grasp our little life's full meaning we essayed to manage it alone, lured by false promises of fame and the seductiveness of sin. Save us, O God, from the false choices we have made, and give to us hearty repentance. Quicken our wills that, remembering still the Father's house, where even the servants have enough and to spare, we, Thy children, may turn our steps homeward where, with the kiss of peace, Thou wilt meet our deep necessities and answer our unutterable desires. We ask it in the name of Thy beloved son, Jesus Christ our Lord.

On request of Mr. BARKLEY, and by unanimous consent, the reading of the Journal of the proceedings of the calendar day Monday, March 6, 1939, was dispensed with, and the Journal was approved.

MESSAGE FROM THE PRESIDENT

A message in writing from the President of the United States submitting nominations was communicated to the Senate by Mr. Hess, one of his secretaries.

MESSAGE FROM THE HOUSE

A message from the House of Representatives, by Mr. Chaffee, one of its reading clerks, announced that the House had passed the bill (S. 660) to amend the Agricultural Adjustment Act of 1938, as amended, to provide for the reapportionment of cotton acreage allotments not planted by farmers entitled thereto, with an amendment, in which it requested the concurrence of the Senate.

The message also announced that the House had passed the following bills and a joint resolution, in which it requested the concurrence of the Senate:

H. R. 136. An act to authorize contingent expenditures, United States Coast Guard Academy;

H.R. 139. An act to amend paragraph (1) of section 96 of title 2 of the Canal Zone Code relating to method of computing annuities;

H.R. 153. An act to transfer jurisdiction over commercial prints and labels, for the purpose of copyright registration, to the Register of Copyrights;

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H.R. 899. An act to provide for the establishment of a Coast Guard station on the east coast of the Keweenaw Peninsula, Mich.;

H. R. 913. An act to prohibit the unauthorized use of the name or insignia of the 4-H clubs, and for other purposes;

H. R. 1776. An act to provide for the assignment of medical officers of the Public Health Service for duty on vessels of the Coast and Geodetic Survey, and for other purposes;

H.R. 2750. An act to prohibit the issuance and coinage of certain commemorative coins, and for other purposes;

H. R. 3537. An act to extend the facilities of the United States Public Health Service to active officers of the Foreign Service of the United States;

H. R. 3577. An act to amend the Canal Zone Code;

H.R. 3655. An act to amend the act entitled "An act for the grading and classification of clerks in the Foreign Service of the United States of America, and providing compensation therefor," approved February 23, 1931;

H. R. 3812. An act granting postal employees credit for Saturday in annual and sick leave law, thereby conforming to the 40-hour workweek or 5-day-week law; and

H. J. Res. 150. Joint resolution to amend the joint resolution entitled "Joint resolution to provide that the United States extend to foreign governments invitations to participate in the Third International Congress for Microbiology to be held in the United States during the calendar year 1939."

CALL OF THE ROLL

Mr. LEWIS. Mr. President, as it is apparent that the pending amendment requires a vote, I note the absence of a quorum and suggest a roll call in order to secure one.

The VICE PRESIDENT. The clerk will call the roll.

The Chief Clerk called the roll, and the following Senators answered to their names:

Adams Andrews Ashurst Austin Bailey Bankhead Barbour Barkley Bilbo Borah Bridges Brown Bulow Burke Byrd Byrnes Capper Caraway Chavez Clark, Idaho Clark, Mo. Connally

Davis Donahey Lee Lewis Lodge Ellender Logan Lucas George Gerry Gibson Gillette Lundeen Glass Green Guffey Gurney Harrison Hatch Hayden Herring Hill

Danaher

Holman

King

Hughes Johnson, Calif. Johnson, Colo.

McKellar McNary Maloney Mead Miller Minton Murray Neely Norris Nye O'Mahoney Overton Pepper Pittman Radcliffe

La Follette

Reed Reynolds Russell Schwartz Schwellenbach Sheppard Shipstead Smathers Smith Thomas, Okla. Thomas, Utah Tobey Townsend Truman Tydings Vandenberg Van Nuys Wagner Walsh Wheeler White Wiley

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Mr. LEWIS. I announce that the Senator from California [Mr. Downey] and the Senator from West Virginia [Mr. HOLT] are detained from the Senate because of illness.

The Senator from Tennessee [Mr. Stewart] is absent on important public business.

The VICE PRESIDENT. Ninety-two Senators have answered to their names. A quorum is present.

BOARD OF VISITORS TO THE MILITARY ACADEMY

Mr. GLASS. Mr. President, I send a statement to the desk, which I ask to have read.

The VICE PRESIDENT. The clerk will read. The Chief Clerk read as follows:

United States Senate, Committee on Appropriations, Washington, D. C., March 7, 1939.

To the Senate:

By virtue of the authority vested in me by the act approved May 17, 1928, I hereby appoint Senators ELMER THOMAS and ALVA B. ADAMS to represent the Senate Appropriations Committee on the Board of Visitors to the United States Military Academy during the remainder of the first session of the Seventy-sixth Congress.

CARTER GLASS,

Chairman, Senate Committee on Appropriations.

Mr. SHEPPARD. Mr. President, I send a statement to the desk and ask that it be read.

The VICE PRESIDENT. The clerk will read.

The Chief Clerk read as follows:

UNITED STATES SENATE. COMMITTEE ON MILITARY AFFAIRS, March 7, 1939.

[Visitors to the U. S. Military Academy from the Senate Committee on Military Affairs]

To the Senate:

By virtue of the authority vested in me by the act approved May 17, 1928, I hereby appoint the following members of the Senate Military Affairs Committee to the Board of Visitors to the United States Military Academy for the first session of the Seventy-sixth Congress; Senators Schwartz, Hill, Clark of Missouri, Austin, and HOLMAN.

> MORRIS SHEPPARD Chairman, Senate Committee on Military Affairs.

PETITIONS AND MEMORIALS

The VICE PRESIDENT laid before the Senate the following resolution of the Senate of Indiana, which was referred to the Committee on Military Affairs:

Whereas one George G. Waldrop, a resident of the city of Fort Wayne, Allen County, Ind., was mustered into Federal service at Lexington, Ky., during the Spanish-American War as a private in Company F, of First Kentucky Volunteer Infantry; and Whereas 3 days after such mustering in, he was taken seriously ill and was removed to a Government hospital, where he was confined for a considerable length of time, and was then taken to his home by relatives, where he was reported to have died; and Whereas because of said erroneous report, the officers of his company found in the history of the company of the

pany failed to list his name as a member of said company on its muster roll; and

Whereas the War Department of the United States has no record

Whereas the war bepartment of the Officer States and Percola of such enlistment or of his discharge from service; and Whereas special legislation is to be introduced in the National House of Representatives on behalf of the said George G. Waldrop to establish his status as an enlisted private in said Company F, First Kentucky Volunteer Infantry, for service during the Spanish-American War: Therefore be it

American War: Therefore be it

Resolved by the Senate of the Eighty-first General Assembly of
the State of Indiana, That it does hereby respectfully and earnestly
urge upon the Congress of the United States to enact such legislation for the relief of the said George G. Waldrop, and that the
Senators and Representatives in Congress from this State support
such legislation; and be it further

Resolved. That copies of this resolution be transmitted by the

Resolved, That copies of this resolution be transmitted by the secretary of the senate to the United States Senate and the National House of Representatives, and to the Senators and Members of Congress representing the State of Indiana.

The VICE PRESIDENT also laid before the Senate a lengthy telegram from John I. O'Neill, Esq., counselor at law, Jersey City, N. J., relating to the bankruptcy proceeding in the case of William Berkowitz, and related matters, which was referred to the Committee on the Judiciary.

Mr. MEAD presented the petition of Rev. M. J. Higgins and sundry other citizens of Niagara Falls, N. Y., praying that the United States adhere to the general policy of neutrality as enunciated in existing law and extend the law to include civil

as well as international conflicts, which was referred to the Committee on Foreign Relations.

Mr. CAPPER presented memorials of members of the First Presbyterian Church of Vermillion and members of the Kansas City Baptist Theological Seminary and pastors of Baptist churches in the Kansas City area, in the State of Kansas, remonstrating against inclusion of religious bodies under the operation of the social-security system, which were referred to the Committee on Finance.

He also presented the petition of members of the Women's Missionary Society of Iola, Kans., praying for the adoption of a policy of nonparticipation in aggression and discontinuance of the shipment of war supplies to Japan for use in operations in China, which was referred to the Committee on Foreign Relations.

He also presented the petition of members of the American Association of University Women, of Pratt, Kans., praying for revision of the neutrality law so as to grant the President a wider discretion in the interpretation thereof in the interest of the maintenance of peace, which was referred to the Committee on Foreign Relations.

Mr. KING. Mr. President, I have before me a letter from the secretary of the State of Utah enclosing a concurrent resolution adopted by the legislature of that State, which I present and ask that both may be inserted in the RECORD and appropriately referred.

There being no objection, the letter and resolution were referred to the Committee on Agriculture and Forestry and, under the rule, ordered to be printed in the RECORD, as follows:

THE STATE OF UTAH,
OFFICE OF THE SECRETARY OF STATE,
Salt Lake City, March 4, 1939.

Hon. WILLIAM H. KING,

Hon. William H. King,

United States Senate, Washington, D. C.

Dear Senator King: I am requested by the Legislature of the State of Utah and have the honor to transmit to you herewith a copy of House Concurrent Resolution No. 6, passed by the Senate and House of Representatives of the State of Utah, entitled "A concurrent resolution favoring stabilization of the price of silver and the employment of silver purchases to increase exports of United States products."

Yours very truly,

E. E. Monson, Secretary of State.

Concurrent resolution favoring stabilization of the price of silver and the employment of silver purchases to increase exports of United States products

Be it resolved by the Legislature of the State of Utah (the Governor concurring therein):

Whereas the welfare of the State of Utah is concerned in the price of silver and also in the maintenance and expansion of foreign markets for United States products, especially agricultural

Whereas this legislature has already adopted a resolution with reference to the price of domestically mined silver; and Whereas it is the belief of this legislature that acquisitions of silver of foreign origin can be made to the benefit of the United States when the proceeds therefrom are employed to pay for exports from the United States: Now, therefore, be it

Resolved, That the Legislature of the State of Utah and the Governor approve and endorse a silver program for the United States of the nature set out in that certain bill known as S. 800 (76th Cong., 1st sess.) introduced by Senator KEY PITTMAN, of Nevada, and referred to the Committee on Agriculture and Forestry of the United States Senate, which bill proposes to continue acquisition by the Government of domestically mined silver and also to accept silver from foreign countries when the proceeds therefrom shall be used and applied solely in the purchase and payment for exports of United States products; be it further

Resolved, That a copy of this resolution be forwarded by the Governor and secretary of state to each of the Senators and Representatives in Congress from the State of Utah, to the chairman of the Agricultural Committee of the United States Senate and to the Legislatures of Alaska, Arizona, California, Colorado, Idaho, Michigan, Missouri, Montana, Nevada, New Mexico, Oregon, South Dekota, Tennessee, and Texas. Dakota, Tennessee, and Texas.

Mr. THOMAS of Oklahoma. I present a resolution in the form of a memorial from the Oklahoma State Senate and ask that it be printed in the RECORD as is usual and referred to the appropriate committee.

The VICE PRESIDENT. Without objection, the memorial will be received and properly referred, and, under the rule, printed in the RECORD.

To the Committee on Immigration:

Senate Resolution 17

Resolution memorializing the Federal Congress to enact adequate legislation providing for speedy deportation of all alien residents who do not signify their willingness, desire, and intention to become citizens of the United States within a reasonable time after entry into the United States of America

after entry into the United States of America
Whereas it is estimated that there are approximately 8,000,000
residents within the boundaries of the United States of America
who have neither become naturalized nor filed any declaration of
intention to become citizens of this Nation; and
Whereas this large group of alien residents provides a fertile
field for agitators and organizations who are not in sympathy with
the American form of government; and
Whereas it is the sense of the State Senate of the State of
Oklahoma that this large group of alien residents should not be
permitted to enjoy the freedom and privileges of this Nation
without assuming the corresponding duties and obligations of
citizenship: Now, therefore, be it

permitted to enjoy the freedom and privileges of this Nation without assuming the corresponding duties and obligations of citizenship: Now, therefore, be it

Resolved, by the Senate of the State of Oklahoma*, That the Federal Congress be, and it is hereby requested, to direct its attention to this condition and to enact adequate legislation which will provide for speedy deportation of all alien residents of this country, who do not within a reasonable time signify their willingness, desire, and intention, and qualify to assume the obligations of citizenship and become citizens of the United States of America: be it further

America; be it further

Resolved, That the secretary of the State senate be, and he is hereby, directed to transmit properly authenticated copies of this resolution to each branch of the Congress, to each member of the Oklahoma congressional delegation, and to each of the United States Senators from Oklahoma; be it further

Resolved, That the secretary of the State senate forthwith transmit presents without the state of this resolution to each of the

mit properly authenticated copies of this resolution to each of the legislatures of the several States of the Union, which are now in session, same for their consideration and action, if they so desire.

OLD-AGE PENSION-PETITION

Mr. BILBO. Mr. President, I present for the Record and appropriate reference a petition signed by over 500 citizens of Mississippi, asking for \$30 a month pension. I ask that the body of the petition, without the names, be printed in the RECORD.

The petition was referred to the Committee on Finance, and, there being no objection, the body of the petition was ordered to be printed in the RECORD, as follows:

MISSISSIPPI OLD FOLKS PENSION CLUB Charleston, Miss.

To the President and the Congress of the United States:

The old people and their sympathizers of Tallahatchie County, Miss., petition you as their representative to devise every method that can be brought to bear to get the Federal Government to appropriate \$30 a month for the relief of the old of 60 years of age

and older. Respectfully,

J. L. BURKE, Secretary, Old Age Pension Club of Tallahatchie County, Miss.

(513 signatures attached hereto.)

UNITED STATES HOUSING ACT

Mr. WAGNER presented resolutions of the New York State Industrial Union Council, New York, N. Y., and Flint Chapter 202, Society of Designing Engineers, of Flint, Mich., which were referred to the Committee on Education and Labor and ordered to be printed in the RECORD, as follows:

Whereas the increasing housing shortage is resulting in serious hardships for the low-income families of New York State; and Whereas housing construction provides much-needed employment for our building trades, industrial, and technical workers; and

Whereas the United States Housing Authority is an effective instrument for meeting the housing and employment needs of our community: Therefore be it Resolved, That the New York State Industrial Union Council, affiliated with the Congress of Industrial Organizations, support

and urge the passage, at the present session of Congress, of the United States Housing Act of 1939; and be it further Resolved, That copies of this resolution be sent to Senator James M. Mead, Senator Robert F. Wagner, and to Nathan Straus, Administrator, United States Housing Authority.

Whereas the increasing housing shortage is resulting in serious hardships for the low-income families of the city of Flint, Mich.;

Whereas the housing construction provides much-needed employment for our building trades, industrial, and technical workers;

Whereas the United States Housing Authority is an effective instrument for meeting the housing and employment needs of our community: Therefore be it

Resolved, That the Society of Designing Engineers, Flint Chapter, No. 202, support and urge the passage, at the present session of Congress, of the United States Housing Act of 1939; and be it

Resolved. That copies of this resolution be sent to Senator ROBERT F. Wagner, of New York; Senator Prentiss M. Brown, of Michigan; Senator Arthur H. Vandenberg, of Michigan, and Nathan Straus, Administrator, United States Housing Authority.

FREIGHT RATES

Mr. WAGNER presented a letter from the Chamber of Commerce of Jamestown, N. Y., with an accompanying resolution of the board of directors of that chamber, which, with the accompanying paper, was referred to the Committee on Interstate Commerce and ordered to be printed in the RECORD, as follows:

CHAMBER OF COMMERCE, Jamestown, N. Y., February 22, 1939.

SENATOR ROBERT F. WAGNER,

Senate Office Building, Washington, D. C.

MY DEAR SENATOR: I am enclosing a copy of a resolution adopted by the Board of Directors of the Jamestown (N. Y.) Chamber of Commerce at regular meeting February 21, opposing the enactment of S. 158 and also H. R. 188, or other bills having the same purpose. Yours very truly,

Jamestown Chamber of Commerce, G. L. Hilliard, Commissioner, Transportation Department.

Whereas there have been certain bills introduced into the Seventy-sixth Congress, namely H. R. 188 and S. 158 which, if passed, would be harmful to labor and industry in Jamestown; and Whereas the primary object of these bills is to compel by legislative action the establishment and maintenance of freight rates

from one rate territory to another on the rate per mile that applies within the destination territory which in turn would provide a substantially higher rate in one direction than in another

white a substantially higher rate in one direction than in another over the same rails and between the same points; and
Whereas the United States has been naturally divided into several rate territories because of differing costs of transportation caused primarily from the fact of differing volumes of tonnage produced and available for transportation in the various sections of the country; and

Whereas Jamestown is located in what is designated official territory and being that territory lying east of the Mississippi River and north of the Ohio and Potomac Rivers, and recognized as one of the greatest industrial sections, not only in the United States but of the entire world, and because of this fact it provides the greatest. est number of tons per mile of transportation and consequently the lowest cost of operation for the railroads in that territory of any territory in the United States; and

any territory in the United States; and
Whereas these bills or any of them, if enacted into law, would
require the Interstate Commerce Commission, regardless of the
facts, evidence, equity, their better judgment or otherwise, to
disregard differing costs which form the basis of these different
rate territories, and arbitrarily make from official territory to all
other territories rates which would be materially higher than
would be charged shippers in these other territories for shipping
the same or similar articles, the same or similar distances into
Jamestown, to the serious disadvantage of, and discrimination
against Jamestown; and
Whereas such a prejudice to Jamestown and preference to these

Whereas such a prejudice to Jamestown and preference to these other territories would not only seriously restrict the marketing and consequently the production of articles of commerce in Jamestown to the substantial and grave loss of its labor and industry, but, even more seriously, would induce removal of manufacturing operations from Jamestown to these more favored localities to the disadvantage of all its citizens: Therefore be it

disadvantage of all its citizens: Therefore be it

Resolved by the Board of Directors of the Jamestown Chamber
of Commerce, That New York Senators and Representatives in
Congress be earnestly requested and urged to not only vote against
these bills and any other similar bills or amendments to or provisions of bills which have the same purpose, but to also use
their effort to convince their colleagues in both Houses of Congress of the unfairness and impropriety of such legislation and
that copies of this resolution be forwarded to each Member of the
Seventy-sixth Congress from the State of New York.

EXCLUSION OF RELIGIOUS BODIES FROM SOCIAL-SECURITY SYSTEM

Mr. WAGNER presented a letter from the Stated Clerk of the Presbytery of Troy, Synod of New York, Mechanicville, N. Y., which was referred to the Committee on Finance and ordered to be printed in the RECORD, as follows:

> PRESBYTERY OF IROI,
> SYNOD OF NEW YORK,
> PRESBYTERIAN CHURCH, UNITED STATES OF AMERICA,
> March 3, 1939. PRESENTERY OF TROY,

Senator ROBERT F. WAGNER. Washington, D. C.

DEAR SIR: At a regular meeting of Troy Presbytery, held February 22, at Glens Falls, N. Y., I was authorized to forward the following resolution to each of our representatives in Washington:

"We, the representatives of Troy Presbytery, representing 37 churches, with a membership of more than 10,000, voted unanimous approval of the resolution that all ministers and other employees who are included in the pension plan of the Presbyterian Church be excluded from the Federal Social Security Act."

Very sincerely,

JAMES K. STEWART, Stated Clerk.

COMPENSATION TO VETERANS AND THEIR DEPENDENTS

Mr. WAGNER presented a letter from Ted Reilly, county adjutant, the American Legion, of Queens County, N. Y., which was referred to the Committee on Finance and ordered to be printed in the RECORD, as follows:

QUEENS COUNTY COMMITTEE,
THE AMERICAN LEGION,

DEPARTMENT OF NEW YORK.

Whereas the American Legion has sponsored legislation granting whereas the American Legion has sponsored legislation granting suitable compensation to all veterans attached in camps known as veterans' camps Nos. 1, 3, and 5 who suffered injuries, died, or shall die as a direct result of the hurricane at Windlys Island and Matecumbe Keys, Fla., on September 2, 1935, and to their dependents; and pendents; and

Pendents; and
Whereas the laws granting such compensation limit the time for the filing of claims to such an extent that needless hardships and injustices have resulted: Now, therefore, be it

Resolved, That the Queens County Committee of the American Legion, in regular meeting assembled this 24th day of February 1939, endorse the bill recently introduced in the House of Representatives as H. R. 3760, making the provisions of section 500 of the act entitled "An act to liberalize the provisions of Public Law No. 484, Seventy-third Congress," etc., applicable to those veterans aforesaid, or their dependents, who shall make application for compensation prior to July 1, 1941; and be it further

Resolved, That copies of this resolution be forwarded to Senators Robert F. Wagner and James M. Mean, to Representative at Large Matthew J. Merritt, and to Representatives William B. Barry, Eugene J. Keogh, and Leonard W. Hall, with the request that each of them give his active support to the enactment of the aforesaid bill, and also to John Thomas Taylor, national legislative chairman of the American Legion.

chairman of the American Legion.

TED REILLY. Queens County Adjutant.

CONSOLIDATION OF POSTAL DISTRICTS IN QUEENS COUNTY, N. Y.

Mr. WAGNER presented a resolution of the Central Civic Association, Hollis, N. Y., which was referred to the Committee on Post Offices and Post Roads and ordered to be printed in the RECORD, as follows:

Whereas the county of Queens, N. Y., has for years been divided into four separate postal districts, each under direct supervision of a postmaster; and Whereas there is now pending in the Congress of the United States a bill designated as H. R. 2552, introduced by the Honorable WILLIAM B. BARRY, same being referred to the Committee on Post Offices and Post Roads; and Whereas this bill provides for the consolidation of the four postal districts in the county of Queens, N. Y.; and Whereas the establishment of one postal district in the county of Queens, N. Y., would dispense with the services of three postmasters and their respective staffs, thereby reducing unnecessary costs; and

and their respective staffs, thereby reducing unnecessary costs; and Whereas the passage of this legislation would correct and remedy the present discriminatory conditions which have been a detriment to the 1,300,000 people of the county of Queens, N. Y., and automatically grant to them a 2-cent postage rate: Now, therefore, be it

Resolved, That we, the officers and members of aforesaid organiza Resolved, That we, the officers and members of aforesaid organization, in regular meeting assembled, do hereby respectfully petition the Congress of the United States to eliminate the injustice and discrimination so long endured by the people of the county of Queens, N. Y., and impel the enactment into law of the bill known as H. R. 2552; and be it further

Resolved, That the secretary be, and is hereby, instructed to transmit copies of this resolution to the following: Hon. Robert F. Wagner, Hon. James M. Mead, Hon. Kenneth McKellar, Hon. Hiram W. Johnson, Hon. Sheridan Downey, Hon. Milton A. Romjue, Hon. William B. Barry, Hon. Leonard W. Hall, Hon. Eugene J. Keogh, Hon. Matthew J. Merritt, and to the press.

ADMISSION OF GERMAN REFUGEE CHILDREN

Mr. WAGNER presented several letters and sundry newspaper editorials relative to the admission of German refugee children into the United States, which were referred to the Committee on Immigration and ordered to be printed in the RECORD, as follows:

NATIONAL BOARD OF THE YOUNG WOMEN'S CHRISTIAN
ASSOCIATIONS OF THE UNITED STATES OF AMERICA,
New York, N. Y., March 2, 1939.

Senator ROBERT F. WAGNER,

Senate Office Building, Washington, D. C.

MY DEAR SENATOR WAGNER: It is a pleasure to notify you that at its meeting yesterday the National Board of the Young Women's Christian Associations voted to endorse the Wagner-Rogers bill in favor of the admission to this country in the next 2 years of the

refugee children from Germany. This endorsement means that the association is now at liberty to work for the passage of this bill and that we shall certainly do so as best we may.

May we congratulate you upon the introduction of the bill and

express to you our appreciation and thanks. Very sincerely yours,

EMILY HICKMAN, Chairman, Public Affairs Committee.

Board of Education, City of New York, March 3, 1939.

Senator ROBERT F. WAGNER

Senator Robert F. Wagner,

Senate Chamber, Washington, D. C.

MY DEAR SENATOR Wagner: My heartiest congratulations to you for introducing a bill to permit the admission of 10,000 German refugee children this year and next.

You have my heartiest support and that, I am sure, of all other liberal-minded educators. My best wishes to the success of the

measure.

Sincerely yours,

RUTH GILLETTE HARDY, Principal.

BROOKLYN SOCIETY FOR ETHICAL CULTURE, Brooklyn, N. Y., March 2, 1939.

Senator ROBERT F. WAGNER,

Washington, D. C.

My Dear Mr. Wagner: Your bill to permit America to receive 10,000 German refugee children strikes me as eminently worth passing. It is not enough that we voice our sympathy for these unfortunate young people. Here is an excellent chance to do something for them to which nobody can offer any reasonable objection. objection.

With warm respects, Sincerely yours,

HENRY NEUMANN.

[From the Christian Science Monitor of February 17, 1939] HOME AND HOMELAND

A family with 2,000 children would hardly notice the difference if by adoption it should increase the number to 2,001. But to the one, what a difference the adoption might make! This is the case for Senator WAGNER'S bill which seeks to permit 20,000 children under 14 years of age to enter the United States from Germany. The proportions of the burden are as one to 2,000. The proportions of the blessing cannot be measured in cold figures.

These children are of the 50,000—shoult half of whom are Jew-

proportions of the blessing cannot be measured in cold figures. These children are of the 50,000—about half of whom are Jewish—who are innocent victims of social and political upheaval in Europe. Great Britain already has offered to adopt 5,000, and the Netherlands to take 1,700. The proposal for a similarly humane provision by the United States is not a proposal to increase the country's public charges; the children would be sent for by persons willing to take care of them. Not race alone, but in many cases their parents' courage to stand by convictions which every American shares, accounts for the need these children have of that which the United States can give them—homes and a homeland.

[From the Waterloo (Iowa) Courier of February 17, 1939] HUMANITARIANISM AND POLITICS

Partisan politics has no place when the fate of persecuted children is at stake.

Senator Wagner has introduced a bill providing for the admission of a certain number of German refugee children into the United States in the next 2 years. Representative EDITH NOURSE Rogers has introduced a companion bill in the lower House of

Senator Wagner is a Democrat. Representative Nourse Rogers is a Republican.

"Suffer the little children to come unto me, and forbid them

not," He said.

[From the Fort Wayne Journal-Gazette] A DECENT DEAL FOR REFUGEE WAIFS

Fifty thousand children of German birth and background—all of them under 14 years of age—have been expelled from Germany with a minimum of clothing on their backs and a few cents in their pockets, and must henceforth rely on individual citizens in

their pockets, and must henceforth rely on individual citizens in other nations to provide them with the necessities of life.

Approximately one-half of these boys and girls are Jewish. Some are Protestant or Catholic in faith and with predominantly non-Jewish heredity, the fact that one grandparent was a Jew being the sole cause of their persecution.

Not a few of the 50,000 have absolutely no Jewish blood at all. There is no racial antipathy toward this element in the homeland. It merely chances to be composed of the sons and daughters of men and women who actively opposed the new dominant regime and are suffering for that opposition.

These children need homes. Great Britain has opened its doors to 5,000 of them. Other countries have cooperated.

These charter heed homes. Great Britain has opened its doors to 5,000 of them. Other countries have cooperated.

It is now proposed that 20,000 be permitted to enter the United States in 1939 and 1940 in addition to those authorized by existing law, with the proviso "that satisfactory assurances are given that such children will be supported and properly cared for through the

voluntary action of responsible citizens or responsible private organizations * * and consequently will not become public

Senator Robert F. Wagner, of New York, has introduced a resolution containing this proposal, and the resolution has been referred to the Senate Committee on Immigration.

ferred to the Senate Committee on Immigration.

Catholic and Protestant churchmen have endorsed the resolution. Both labor groups have given it their stamp of approval, with the understanding that the youngsters would not compete in American labor markets. And other influential individuals and organizations have accorded it their support.

Under the conditions outlined above it certainly appears that the United States would make no mistake in permitting these unfortunates to be cared for within its borders. Not weepy sentimentality but common decency and common sense demand such action.

[From the Wilmington (N. C.) Star of February 18, 1939]

[From the Wilmington (N. C.) Star of February 18, 1939]

The normal human heart goes out in natural sympathy for all those in distress and particularly when those suffering the vicissitudes of a fate over which they have no control are children.

For the moment the most appalling picture of this kind is the Jewish children of Germany, too young to understand why they are mistreated; already looking at life with the hurt expression of the pet punished when there is no cognizance of wrong.

A bill by Mr. Wagner, of New York, would permit some of these children to migrate to the United States and become absorbed in this Nation where religious freedom is a guaranteed right and where descendents of every race on earth live in harmony.

Discussing the proposal, the New York Herald Tribune says:

"When all the politics and the passions surrounding the Nazi dictatorship are forgotten, it seems probable that the memory of crowds of helpless children, thrust into trains with a bare 40 cents in the pocket of each and perhaps, or perhaps not, tags recording the names of the parents who were forced to abandon them to perpetual exile, will survive as the most vivid monument to the inhumanity of the Hitlerian god state.

"The United States cannot and should not be asked to succor all the victims of race prejudice and high politics who have been set cruelly adrift by the new barbarism. Its first duty is to preserve its own unity as a nation. But the children are a special case. There are estimated to be about 50,000 German children under 14 whose parents are in concentration camps or who, for one reason or another, have been thrown on the mercy of the outer world. About half of them are Jews; the rest are Catholic or Protestant children who committed the crime of having a Jewish grandparent or were guilty of being born to purely Teutonic parents of too liberal or independent a cast of mind. Great Britain has already agreed to take 5,000 of these waifs; small and crowded Holland has taken in 1,700 and is accepting more. Senator

[From the Galveston News of February 20, 1939] GERMAN REFUGEE CHILDREN

No decisive objection can be offered to the proposal to admit 10,000 German refugee children into the United States during each of the calendar years 1939 and 1940. Introduced into the Senate as a joint resolution by Senator Wagner and referred to the Committee on Immigration, the proposal has the support of many prominent Catholic and Protestant churchmen and also of the leaders of both

branches of organized labor.

Admission of these refugee children, all of whom would be 14 years of age and under, would not affect the domestic unemployment situation. The stipulation that none should be admitted until provision for their care had been made by responsible American citizens or private organizations would insure against their becoming public

or private organizations would histor against the Charges.

It should be emphasized that the Wagner law would not suspend existing quota restrictions on the immigration of adults. Its sole effect would be to make possible the rescue of 20,000 hopeless and helpless children whom Nazi persecution has deprived of parental protection. In giving some of those children a chance to grow up free and self-supporting with the help of kindly Americans our country would be following the lead of England and Holland. Despite their crowded populations, those countries are admitting

refugee children as rapidly as arrangements can be made to accommodate them.

modate them.

Among the victims of Europe's politically inspired hate, none are more pathetic than the German children whose parents have been sent to concentration camps, or who, for other reasons, have been thrown upon the mercy of the world. It is estimated that 50,000 children under 14 have suffered that dreadful fate. About half are Jewish and the rest are Catholic and Protestant. Some of the latter group are treated as outcasts because they had one Jewish grandparent. Others of "pure Aryan" ancestry had the misfortune of being born to parents who insist upon thinking for themselves, which in the Nazi code is a crime as great as the possession of Jewish blood. Jewish blood.

Much as Americans sympathize with the oppressed peoples of Europe, it is impossible to offer sanctuary in this country to all refugees, however urgent their need. It would dishonor our traditions of humanity and freedom, however, to refuse the small measure of help contemplated by the Wagner resolution.

[From the Asheville (N. C.) Citizen of February 21, 1939] ORPHANS IN THE STORM

ORPHANS IN THE STORM

The plight of the child refugees from Germany has nowhere been better described than in a recent editorial in the New York Herald Tribune. "When all politics and passions surrounding the Nazi dictatorship are forgotten," says the metropolitan champion of oppressed minorities, "it seems probable that the crowds of helpless children, thrust into trains with a bare 40 cents in the pocket of each and perhaps, or perhaps not, tags recording the names of their parents who were forced to abandon them to perpetual exile, will survive as the most vivid monument to the humanity of the Hitlerian god state."

There are said to be 50,000 German children under 14 years of

There are said to be 50,000 German children under 14 years of There are said to be 50,000 German children under 14 years of age whose parents are either in concentration camps or are otherwise victims of the National Socialist revolution. About half of them are Jews and the other half are Protestants and Catholics who had either one Jewish grandparent or whose parents, while entirely Teutonic in blood, were too liberal and too outspoken in their views. Of these small and helpless waifs, England has agreed to take 5,000, and is now in process of absorbing that number into her national life. Holland, with her crowded population, is accepting 1,700, and so on over the world.

her national life. Holland, with her crowded population, is accepting 1,700, and so on over the world.

Senator Wagner has now introduced a bill, approved by both the A. F. of L. and the C. I. O., as well as by highly placed churchmen of both Protestant and Catholic faith, to receive 10,000 of these children a year into the United States for the next 2 years. This number would be outside our regular immigration quota for Germany, but the roll is so small in proportion to our native children under 14—about 1 in 2,000—that the addition would be but a drop in the bucket to our own population. Yet it would definitely serve as America's contribution toward solving one of the most pathetic situations facing the earth today.

This newspaper does not believe in indiscriminately or lightly setting aside our national immigration laws merely to relieve the congestion of crowded Europe or to succor all the victims of the spleen of maniac dictators. That condition, bad as it is, is beyond our control in days when our own unemployment problem remain practically untouched. But these 20,000 German children, of Jewish, Catholic, and liberal parents, might well be an exception. They will be taken care of by private charity upon arrival and it will be many years before their slight competition in the economic field could be felt.

Senator Wagner's proposed legislation has met with a warm-hearted response from a generous public all threath this exerting

Senator Wagner's proposed legislation has met with a warm-hearted response from a generous public all through this country. Our two giant labor organizations, themselves the ones to complain of competition if that is to be feared, are unitedly for it. It is difficult to see how even the most parochially minded Senator or Representative in Washington could refuse admission to these nitiful children.

[From the Miami (Fla.) News of February 21, 1939] SUFFER LITTLE CHILDREN

"Breathes there a man with soul so dead" that he can oppose Senator WAGNER's bill to raise the immigration quotas for the benefit of 10,000 refugee children this year and the same number next?

Ten thousand German refugee children under 14 years of age would be admitted, regardless of quotas, provided responsible citizens of institutions guaranteed their education and support, once they are here. This is the provision of the New York Senator's joint resolution now before the Immigration Committee of the Senate.

How many child refugees there will be in all from Germany—Catholic, Lutheran, and Jew—in these 2 years, no one can tell. Ten thousand, we may be sure, will be but a fraction of them all. We shall be admitting 20,000 in all. At the rate of 10,000 a year it would take a century to bring a million here. Twenty-five years ago we were receiving a total of a million allens a year.

Now we are asked to approve a special dispensation to permit the

Now we are asked to approve a special dispensation to permit the entrance of an extra 20,000—children, their support assured. There is a rumor that the plan will be opposed. We don't believe it. This is a land which professes admiration and even reverence for the source of the saying: "Suffer the little children to come unto Me, and forbid them not."

If there's a soul in free America so shrunk that he would not suffer these few children to come to us, there's more pre-Christmas Scrooges in the world than we had counted on.

The labor organizations are of all groups most sensitive to immigration acts. Confirming what has been said, the Wagner resolution has the approval of both John Lewis and William Green.

The proper objection to too-free immigration to the United States is social and political, not economic. Too much immigration can make serious difficulty with the social order and with politics. It does not, as so many suppose, take the bread out of the mouths already there. already here.

We can, and once on a time we did, welcome more immigration than we could comfortably digest. America is right in admitting no more immigrants than can be adjusted to their new environment and to our ways of thinking and carrying on. This is part

ment and to our ways of thinking and carrying on. This is part of the wisdom gleaned from the war.

The operation of a democracy is a difficult thing. How difficult it is we can see from the few successes where democracy is tried. It takes a habit of restraint in the citizens, an experience to tell what will work and what will not. Learning to be a good citizen of a democracy involves a practice and learning not less arduous than the preparation to be a good mechanic, surgeon, or politician.

America has learned, on this account, to be careful about the immigration it permits. This is no consideration in admitting 20,000 refugee children—children young enough, given the right chance, to be "Americanized" with quickness and ease.

Least of all is the question of jobs, the economic question, to be emphasized. Some extraordinary foolishness is talked when this question comes up. There is a certain number of jobs in the country. The immigrant adds to the number competing for those jobs. This makes him a detriment to labor, a lengthener of the relief rolls. We must bar him out.

This we say forgetting that every immigrant brings with him,

This we say forgetting that every immigrant brings with him, along with his muscle to work, a back to be clothed and a stomach to be filled. As a consumer he creates the job at which as a producer he works. In the long run no one is hurt. We shall be able to discuss the immigration question sanely once we have got this simple fact through our heads.

[From the Birmingham (Ala.) News of February 22, 1939] THE AMERICAN BUND AND CHILDREN REFUGEES

There is no outward connection between this rather disgraceful

There is no outward connection between this rather disgraceful meeting of the German-American Bund in New York and the filing of a bill in Congress seeking to permit 20,000 children under the age of 14 to enter the United States from persecuted European areas, but there is a subtle contrast in those incidents which cannot and should not be overlooked.

The bund members talked of persecutions. By their words and in their manner they endeavored to arouse racial prejudice. Through their uniforms and their military salutes and drills they directed the mind toward thoughts of war and oppression. In their use of the young in all their activities and plans they disregarded the natural right of childhood to happy play.

Contrast this, if you will, with the purposes and motives behind this bill in Congress to provide a haven for the childish victims of Nazi persecutions abroad. In this proposed action we find the heart of humanity going out in kindness to those who have been hurt through no fault of their own.

There are said to be some 50,000 children who are innocent victims of Nazi persecution or related activities. About half of these are Jewish children. Great Britain is taking 5,000 of these childish refugees, and the Netherlands has offered to find homes for 1,700. France, always a warm-hearted haven, is taking care of many thousands through unorganized as well as organized charity. The bill introduced by Senator Wagner in Congress would suspend the immigration quota limits so that, in addition to refugees from other areas, 10,000 German-born refugee children could be admitted to the United States in the next 2 years.

Many of these children are orphans, their parents killed in the racial hatred which this bund meeting in New York tried to inflame. Others are the children of parents held in concentration camps in denial of many of those human rights which the bund speakers falsely pretended to in this New York meeting.

Most Americans will be unable to hear what the American Bund leaders have to say because of th

they are made to suffer.

The American Bund leaders, in New York and in all their utterances, appeal to prejudice, which is an emotion. The sufferings of the children whose lives are seared by persecutions of the cousins of the bund across the seas arouse other emotions in American hearts, the emotions of kindness, generosity, pity, love, compassion,

hearts, the emotions of kindness, generosity, pity, love, compassion, and sympathy.

Let the German-American Bund enjoy all the privileges of freedom of speech and assembly. Better it is for this country that it continue to enjoy such freedom. But let its members not try to deny the right of all the rest of the country to make a choice between listening to bigoted and inflammatory speeches like those given in New York or listening to the cries of little children who have been foully wronged by people like those who spoke in that New York meeting.

In this land of freedom we tolerate meetings and speeches like those offered by the spectacle in New York. But ours is also a

land of kindly sympathy to all victims of persecution, especially to children. We tolerate prejudices, we aid the victims of prejudice.

[From the Lowell (Mass.) Evening Leader, February 13, 1939]

[From the Lowell (Mass.) Evening Leader, February 13, 1939]
There will be a good deal of sympathy, one imagines, with the proposal of Senator Wagner that the United States admit 20,000 refugee children from Germany. Representative Edith N. Rogers, of our own district, is introducing a similar proposal in the House. The plan is to sanction the entry of 10,000 this year and 10,000 next. Under its provisions there is no fear that this would involve any very serious burden, because no child would be admitted unless adequate guaranties were made for support and for assurance of a proper home with people of the child's own religious faith. Distributed as this responsibility would be, there is the impression that it would not be very difficult to finance the plan.

[From the Trenton (N. J.) State Gazette of February 23, 1939] CHILD REFUGEES

Human affliction makes its strongest appeal to sympathy when it touches those who are helpless by reason of advanced age or of extreme youth. It is upon these two classes that the effects of persecution in Germany fall most heavily. Among the saddest of sights in that benighted land at present is that of thousands of children, whose parents are in concentration camps or in exile, or who have mercifully been claimed by death, seeking vainly for a haven.

haven.

England and Holland have given sanctuary to many of these unfortunate children. Senator Wagner has now introduced a bill, endorsed by Catholic and Protestant churchmen, which would permit 20,000 children under 14 years to be received in the United States outside of quota restrictions within the next 2 years. They would not compete in American labor markets. They would not become public charges. They would simply be brought in by those already willing to receive and support them.

Adoption of this bill would constitute an immediate and practical contribution to the cause of human freedom, to which, as Senator

Adoption of this bill would constitute an immediate and practical contribution to the cause of human freedom, to which, as Senator Wagner says, "we are inseparably bound by our institutions, our history, and our profoundest sentiments." It would give practical expression to the sympathy which we profess to feel.

[From the Cleveland (Ohio) Plain Dealer of February 24, 1939] CHILDREN THE REAL VICTIMS

When the passions of prejudice have cooled there will be a terrible monument left to the memory of the Nazi state in the 50,000 children made to suffer because the regime does not approve the race, religion, or politics of their parents. The helplessness of these victims, all under 14 years of age, was shown recently when several hundred of them were shipped out of Germany with only 40 cents in their pockets and an unknown future ahead.

Senator Wagner has introduced a resolution, now before the Senate Committee on Immigration, to permit 10,000 of these children to enter the United States in the calendar years 1939 and 1940. They would be in addition to the regular number admitted under

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Private individuals and public charities would provide for their future. In no way would they become public charges or in any degree a threat to employment. Senator Wagner's plan has been endorsed by labor, the Catholic and Protestant Churches, and by leaders throughout the country.

The United States, of course, should not feel bound to take all refugees, but it should furnish a haven for a portion of these children. Little Holland has already accommodated 1,700 of them. Britain is finding homes for 5,000 more. Ten thousand are not too

Britain is finding homes for 5,000 more. Ten thousand are not too many for this country, with its resources and its organized charity. When the resolution is considered it will be well to keep in mind the misery such an act will end and its humanitarian influence on the rest of the world.

[From the Canandaigua (N. Y.) Daily Messenger of February 25, 1939]

CHILDREN IN THE DARK

It is hard to see how Congress or the American public can refuse the plea that Senator Wagner makes in his proposal to admit 10,000 German-born refugee children to the United States, outside the quota limits, within the next 2 years. If we had a barbed-wire frontier, as have some less fortunate countries, and could see these children, whose parents are dead or in prisons and concentration camps, we would not hesitate. All we need is imagination. They cry out to us from their darkness.

Can their admission do harm? To ask the question is to answer

Can their admission do harm? To ask the question is to answer it. All would be under 14, and so would not compete for employment. None could become public charges, for the law would require that their support be guaranteed by responsible individuals or organizations. They would be "of every race and creed." If heredity means anything, they would grow up to be good citizens, for in most instances they are alone in the world because their parents put obedience to conscience above obedience to tyranny. They

would love liberty, because they know from bitter experience what the loss of liberty means.

We have gladly given aid at different times to the children of Belgium, of devastated France, of revolutionary Russia, of postwar Germany, of eastern Europe, of China. Though we no longer

open our gates to all the earth's oppressed, it is our tradition, in keeping with the warm-heartedness on which we pride ourselves, to open them to these children.

There is nothing sectarian, nothing political in this appeal, noth-

ing but a helping hand to young boys and girls who sorely need it. Surely Congress need not fear lack of popular approval in passing the Wagner resolution.

[From the Chattanooga News of February 27, 1939] LET IN A FEW MORE REFUGER CHILDREN

Senator Wagner has introduced a bill authorizing admission into the United States of a limited number of German refugee children. The resolution is particularly important at this time for Germany has resumed exile of the Jews on a large scale.

Wagner's resolution has received such widely varying support as from the C. I. O. and the A. F. of L. on the one hand and the New York Herald Tribune on the other.

The letting down of the bars will not affect our wage earners. Indeed, the American public has a greatly exaggerated idea of the extent of immigration now. Dr. Jacob Billikopfi, formerly head of the national committee for coordinating immigration, points out that the entire German quota is limited to 27,300 men, women, and children. At most, such a quota does not represent more than children. At most, such a quota does not represent more than 10,000 wage earners. "The refugees from Germany and Austria are not economic cripples," said Dr. Billikopff. "They bring to this country new crafts, new arts, and new skills that do not compete with the native workers."

At any rate, the Wagner resolution for admission of a limited number of German refugee children should receive the sympa-thetic interest of the Senate. The Nazis have now demanded that the Jews leave Germany at the rate of 100 a day. If the "land of the free" shows no sympathy in their dilemma, what other country could be expected to do so?

[From the Hamilton (Ohio) Journal-News of February 27, 1939] CHILDREN REAL VICTIMS

When the passions of prejudice have cooled there will be a terrible monument left to the memory of the Nazi state, in the 50,000 children made to suffer because the regime does not approve the race, religion, or politics of their parents. The help-lessness of these victims, all under 14 years of age, was shown recently when several hundred of them were shipped out of Germany with only 40 cents in their pockets and an unknown future

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endorsed by labor, the Catholic and Protestant churches, and by leaders throughout the country.

The United States, of course, should not feel bound to take all refugees, but it should furnish a haven for a portion of these children. Little Holland has already accommodated 1,700 of them. Britain is finding homes for 5,000 more. Ten thousand are not too many for this country with its resources and its organized charity. When the resolution is considered it will be well to keep in mind the misery such an act will end and its humanitarian influence on the rest of the world.

[From the Waltham (Mass.) News-Tribune of February 23, 1939] OFFER THEM A REFUGE

The proposal of Senator Robert F. Wagner, of New York, that The proposal of Senator Robert F. Wagner, of New York, that 10,000 refugee children from Germany be admitted to the United States within the next 2 years, outside the quota limit, is one that should appeal to the best instincts of every citizen of the country. Common humanity dictates that these helpless children, all under 14 years of age, shall be given the opportunity to grow to manhood and womanhood where they can develop as individuals, not as mere slaves of the state. Their pitiful plight is not their own fault. They are the waifs left behind when their fathers and mothers were hustled off to a concentration camp because of their race, or because they failed to appreciate the blessings of national socialism. Many of them have lost their parents in one or another of the mysterious disappearances which have become daily occurrences in Nazi Germany.

There may be excellent economic reasons for not letting down the bars to admit adult immigrants without limit, but these forlorn youngsters will not for years compete with American labor in any line. Neither will they become public charges, for their support would by law be guaranteed by either individuals or organizations. Although many, possibly most, of the children are of the Jewish race and religion, there are also many Catholics and Protestants whose relatives have preferred to exercise freedom of thought and action to surrendering the right inherent in every human being to those dominant in the state. The background of these children is such that in itself it is an incentive to good

citizenship.

The resolution of Senator Wagner is in accord with the American tradition. It is to be hoped that Congress will give it favorable consideration.

[From the Danbury (Conn.) News-Times of February 20, 1939] ADMITTING REFUGEE CHILDREN

Americans almost unanimously support the Wagner bill proposing to improve the immigration laws so that 10,000 refugee children can be admitted from Germany into this country this year, and 10,000 next year.

There must be more than lip sympathy for the victims of Nazi persecution. These children will become a national asset if we take them in. How sad it is that children in such vast numbers must leave their parents and their friends because of man's cruelty to man. cruelty to man.

[From the Pensacola (Fla.) News of February 21, 1939]

UNITED STATES MAY AID NAZI REFUGEES

General approval is bound to come for a bill recently introduced in Congress, jointly sponsored by Senator Robert F. Wagner, Democrat, of New York, and Representative Edith Nourse Rogers, Republican, of Massachusetts, which will provide for practical action by the United States to aid the most helpless victims of Hitler persecution, the children of Germany's undesired people.

The bill would permit bringing into the United States a limited number of German children when there are persons here willing to give them a home. The age of the immigrants would be limited.

number of German children when there are persons here willing to give them a home. The age of the immigrants would be limited to 14 years and under. Annual admission of 10,000 for 2 years is provided. The low age would mean that the new citizens would be no burden on the labor market. This phase of the bill has received

approval of labor organizations.

approval of labor organizations.

American Friends Service Committee, although we hear little of it in the South, is a great factor in placing children in the East, and has pledged its support to the measure. Other organizations are willing to accept their share of the responsibility in getting the children into homes. This country should do this small part in helping to relieve a suffering people, suffering through no fault of their own. their own

[From the Newport News (Va.) Times-Herald of February 15, 1939] MERCY FOR REFUGEE CHILDREN

There is a striking unanimity and unity in the reception of a proposal to admit to the United States a limited number of refugee children from Germany during the next 2 years. Sympathy for the plight of these innocent unfortunates knows no politics nor creeds. A bill to admit 10,000 of the children for the next 2 years has been introduced in the Senate by Senator Wagner, a Democrat. Representative Epith Nourse Rogers, a Republican, has introduced a companion bill in the House. Leaders of various churches, Catholic and Protestant, have joined in approval. Offers to take such children to be reared in American homes have come from various outstanding people. The American Federation of Labor and the C. I. O. have approved in principle of the move.

The call of humanity in distress is universal and there is little The call of humanity in distress is universal and there is little doubt that the Wagner and Rogers bills will be adopted. There appears to be no reason to the contrary. A nation the size of ours can readily absorb this small group without materially affecting the unemployment situation. The wide prevalence of unemployment is, of course, the chief argument against any admission of immigrants. But that argument is transcended by the need for aid to the child refugees of Europe. Neighbor nations of Germany have the child refugees are numbered to the contract of the same problems as curve but have received great numbers. faced the same problem as ours but have received great numbers of these children, many of whom have been orphaned or made homeless by Nazi persecutions. The situation is a challenge to our freedom and democracy, the principles on which the Nation was founded and has existed. Tradition and humanitarianism unite in counseling us to aid the refugees in every way possible.

[From the Boise (Idaho) Statesman of February 28, 1939] THE CHILD REFUGEES

Elsewhere on this page is an editorial from the New York Herald Tribune describing a bill introduced by Senator Wagner, of New York, which would permit 20,000 children under the age of 14 years to be received in the United States outside of quota restrictions within the next 2 years. Purpose is to permit persons in the United States to receive some of the refugee German children whose parents are in concentration camps or "have been thrown on the mercy of the outer world."

It is noteworthy that Senator Wagner is one of the standard.

It is noteworthy that Senator Wacner is one of the stanchest supporters of organized labor in the Senate, that the measure has the endorsement of both the A. F. of L. and the C. I. O. and also Catholic and Protestant churchmen.

After reading the Herald Tribune editorial it is impossible to reach any other conclusion except this: Humanity demands the bill's passage.

REPORT OF THE COMMITTEE ON INTEROCEANIC CANALS

Mr. CLARK of Missouri, from the Committee on Interoceanic Canals, to which was referred the bill (S. 50) to provide for recognizing the services rendered by civilian officers and employees in the construction and establishment of the Panama Canal and the Canal Zone, reported it without amendment and submitted a report (No. 144) thereon.

BILLS INTRODUCED

Bills were introduced, read the first time, and, by unanimous consent, the second time, and referred as follows:

By Mr. BROWN:

S. 1714. A bill to provide for the establishment of a Coast Guard station on the east coast of the Keweenaw Peninsula, Mich.: to the Committee on Commerce.

By Mr. McNARY:

S. 1715. A bill authorizing the restoration to tribal ownership of certain lands upon the Umatilla Indian Reservation, Oreg., and for other purposes; to the Committee on Indian Affairs.

By Mr. THOMAS of Oklahoma:

S. 1716. A bill granting an increase of pension to Alma H. Aultman: to the Committee on Pensions.

By Mr. HARRISON:

S. 1717. A bill to revise the method of determining the payments to be made by the United States to the several States with respect to conservation lands subject to the jurisdiction of the Department of Agriculture; to the Committee on Agriculture and Forestry.

By Mr. WALSH:

S. 1718. A bill for the eradication of the Dutch elm disease in America, and for other purposes; to the Committee on Agriculture and Forestry.

S.1719. A bill for the relief of Edmund L. Moore; to the Committee on Patents.

By Mr. BONE:

S. 1720. A bill prohibiting the use of funds granted or lent by the United States for the purchase of materials which are not of domestic origin, and for other purposes; to the Committee on Interstate Commerce.

By Mr. CLARK of Idaho:

S. 1721. A bill conferring jurisdiction upon the Court of Claims to hear, examine, adjudicate, and render final judgment on any and all claims of whatsoever nature the Snake or Piute Indians, or any band thereof, may have against the United States, and for other purposes; to the Committee on Indian Affairs.

By Mr. BANKHEAD:

S. 1722. A bill for the relief of Hannis Hoven; to the Committee on Claims.

By Mr. DANAHER:

S. 1723. A bill to correct the military record of George M. Ruby; to the Committee on Military Affairs.

HOUSE BILLS AND JOINT RESOLUTION REFERRED OR PLACED ON CALENDAR

The following bills and joint resolutions were severally read twice by their titles and referred or ordered to be placed on the calendar as indicated below:

H. R. 153. An act to transfer jurisdiction over commercial prints and labels, for the purpose of copyright registration, to the Register of Copyrights; to the Committee on Patents.

H. R. 913. An act to prohibit the unauthorized use of the name or insignia of the 4-H clubs, and for other purposes; to the Committee on Agriculture and Forestry.

H.R. 136. An act to authorize contingent expenditures, United States Coast Guard Academy;

H.R. 899. An act to provide for the establishment of a Coast Guard station on the east coast of the Keweenaw Peninsula, Mich.; and

H. R. 1776. An act to provide for the assignment of medical officers of the Public Health Service for duty on vessels of the Coast and Geodetic Survey, and for other purposes; to the Committee on Commerce.

H. R. 139. An act to amend paragraph (1) of section 96 of title II of the Canal Zone Code relating to method of computing annuities; and

H.R. 3577. An act to amend the Canal Zone Code; to the Committee on Interoceanic Canals.

H.R. 2750. An act to prohibit the issuance and coinage of certain commemorative coins, and for other purposes; to the Committee on Banking and Currency.

H. R. 3537. An act to extend the facilities of the United States Public Health Service to active officers of the Foreign Service of the United States; to the calendar.

H. R. 3812. An act granting postal employees credit for Saturday in annual and sick leave law, thereby conforming to the 40-hour workweek or 5-day-week law; to the Committee on Post Offices and Post Roads.

H. R. 3655. An act to amend the act entitled "An act for the grading and classification of clerks in the Foreign Service of the United States of America and providing compensation therefor," approved February 23, 1931; and

H. J. Res. 150. Joint resolution to amend the joint resolution entitled "Joint resolution to provide that the United States extend to foreign governments invitations to participate in the Third International Congress for Microbiology, to be held in the United States during the calendar year 1939"; to the Committee on Foreign Relations.

PRINTING OF HEARINGS BEFORE SPECIAL COMMITTEE ON TAXATION OF GOVERNMENTAL SECURITIES AND SALARIES

Mr. BROWN submitted the following concurrent resolution (S. Con. Res. 6), which was referred to the Committee on Printing:

Resolved by the Senate (the House of Representatives concurring), That in accordance with paragraph 3 of section 2 of the Printing Act approved March 1, 1907, the Special Committee on Taxation of Governmental Securities and Salaries of the Senate be, and is hereby, authorized and empowered to have printed for its use 1,000 additional copies of the hearings held before said committee during the current session on the resolution (S. Res. 303, 75th Cong.) establishing a Special Committee on the Taxation of Governmental Securities and Salaries.

ASSISTANT CLERK TO COMMITTEE ON PATENTS

Mr. BONE. Mr. President, I ask for the immediate consideration of Senate Resolution 85, Calendar No. 149. Let me explain that this is a formal resolution authorizing the Patents Committee to employ an assistant clerk. A vast amount of work is piling up, and so far, I have had no clerk to do it.

The VICE PRESIDENT. Is there objection to the request of the Senator from Washington for the immediate consideration of Senate Resolution 85? The Chair hears no objection.

The Senate proceeded to consider the resolution, which had been reported from the Committee to Audit and Control the Contingent Expenses of the Senate, with an amendment.

The VICE PRESIDENT. The clerk will state the amendment reported by the committee.

The CHIEF CLERK. In line 4, it is proposed to strike out "\$2,800" and insert "\$2,200", so as to make the resolution read:

Resolved, That the Committee on Patents is hereby authorized to employ for the duration of the Seventy-sixth Congress an assistant clerk to be paid from the contingent fund of the Senate at the rate of \$2,200 per annum.

The amendment was agreed to.

The resolution, as amended, was agreed to.

REAPPORTIONMENT OF COTTON ACREAGE ALLOTMENTS

Mr. LEE. Mr. President, I rise to make a privileged motion. The House has passed Senate bill 660, providing for releasing the "frozen acres" and making allotments, with one amendment, which I have discussed with the chairman of the Committee on Agriculture and Forestry. I ask that the Chair lay the amendment of the House before the Senate.

The PRESIDING OFFICER (Mr. ASHURST in the chair) laid before the Senate the amendment of the House of Representatives to the bill (S. 660) to amend the Agricultural Adjustment Act of 1938, as amended, to provide for the reapportionment of cotton acreage allotments not planted by farmers entitled thereto, which was, in line 8, after "subsection", to insert a colon and "Provided, That hereafter such allotment of acreage in counties shall be to such farms as the county committee of such county may designate. In making such designation the county committee shall consider only the character and adaptability of the soil and other physical facilities affecting the production of cotton and the need of operator for an additional allotment to meet the requirement of the families engaging in the production of cotton on the farm in such year."

Mr. LEE. I move that the Senate concur in the amendment of the House.

The motion was agreed to.

FIRST DEFICIENCY APPROPRIATIONS

The PRESIDING OFFICER. The Chair lays before the Senate a message from the House of Representatives embodying an action of the House on certain amendments to the first deficiency appropriation bill, which the clerk will read. The legislative clerk read as follows:

> IN THE HOUSE OF REPRESENTATIVES, UNITED STATES March 1, 1939.

Resolved, That the House recede from its disagreement to the Resolved, That the House recede from its disagreement to the amendments of the Senate Nos. 10, 16, 17, and 18 to the bill (H. R. 2868) making appropriations to supply deficiencies in certain appropriations for the fiscal year ending June 30, 1939, to provide supplemental appropriations for the fiscal year ending June 30, 1939, and for other purposes, and concur therein;

That the House recede from its disagreement to the amendment of the Senate No. 13 to said bill and concur therein with an amend-

In lieu of the sum inserted by said amendment insert "\$2,250,-

That the House insist upon its disagreement to the amendment of the Senate No. 23 to said bill.

Mr. ADAMS. I move that the Senate disagree to the House amendment to Senate amendment numbered 13, and that it insist on the amendments still in controversy, namely, Nos. 13 and 23, ask for a further conference, and that the Chair appoint the conferees on the part of the Senate.

Mr. FRAZIER. Mr. President, I desire to inquire whether all the amendments which were in dispute have been

agreed to.

Mr. ADAMS. No; there are still in disagreement the two amendments above indicated, one in reference to the authorization of the construction of a building for the Census Bureau, the other what the Senator and I know as the "grasshopper amendment." My motion is that the Senate disagree to the House amendment to Senate amendment numbered 13, that it insist upon the amendments in disagreement, and ask for a further conference with the House thereon, and that the Chair appoint the conferees on the part of the Senate.

Mr. NEELY. Mr. President, will not the Senator inform us in a word what the "grasshopper amendment" is?

Mr. ADAMS. I may explain to the Senator from West Virginia that what I referred to as the "grasshopper amendment" is an amendment to the House text. The House inserted in the original bill an appropriation of \$2,000,000 for the eradication of a number of agricultural pests. The major one, in numbers, was the grasshopper, in the western prairie and farm country. The Senate committee, supported by the Senate, increased the amount allowed by the House to \$5,417,000, which was the amount requested by the Department of Agriculture. The representatives of the Department told us that a partial battle against the pests would be practically useless, that in past seasons they had made a partial contest, that they had covered the cultivated areas, but that there was an infestation on uncultivated areas, where the grasshopper eggs were laid, and they stated that unless they continued their campaign out in those areas it would be impossible to carry on the battle in an efficient

The Senate committee felt that the Department should be given what they asked for in order to make the battle, and if they failed, then we might say that it was useless. So we are asking that we be permitted to go back and reconfer with the House conferees.

The PRESIDING OFFICER. The question is on agreeing to the motion of the Senator from Colorado [Mr. ADAMS1.

The motion was agreed to; and the Presiding Officer appointed Mr. Adams, Mr. Glass, Mr. McKellar, Mr. Hayden, Mr. Byrnes, Mr. Hale, and Mr. Townsend conferees on the part of the Senate at the further conference.

ONE HUNDRED AND FIFTIETH ANNIVERSARY OF CONGRESS-ADDRESS BY SENATOR M'NARY

[Mr. Johnson of California asked and obtained leave to have printed in the RECORD a radio address by Senator

McNary on Saturday, March 4, 1939, in observation of the one hundred and fiftieth anniversary of the first meeting of Congress, which appears in the Appendix.]

MERICAN FOREIGN POLICY—ARTICLE BY HENRY L. STIMSON

[Mr. Logan asked and obtained leave to have printed in the RECORD an article concerning the foreign policy of the United States written by Hon. Henry L. Stimson and published in the Washington Post of this date, which appears in the Appendix.]

PRINCIPLES OF MONETARY SCIENCE

IMr. Logan asked and obtained leave to have printed in the RECORD a letter from Mr. A. N. McLean, of St. Johns, New Brunswick, Canada, addressed to former Senator Robert L. Owen, with regard to a document prepared by Mr. Owen on the principles of monetary science, which appears in the Appendix.]

FRANK AND JESSE JAMES IN REVIEW-ADDRESS BY HON. HARRY B. HAWES

[Mr. Truman asked and obtained leave to have printed in the RECORD an address delivered by Hon. Harry B. Hawes, former Senator from Missouri, before the Missouri Society at Washington, D. C., February 25, 1939, entitled "Frank and Jesse James in Review," which appears in the Appendix.]

THE CONSTITUTION-REMARKS OF DANIEL WEBSTER

IMr. WILEY asked and obtained leave to have printed in the Record excerpts from remarks made by Daniel Webster in the Senate of the United States on January 25, 1850, on the subject of the Constitution, which appear in the Appendix.]

TWENTY-FIFTH ANNIVERSARY OF SIGNING OF THE FEDERAL RESERVE ACT

IMr. Hill asked and obtained leave to have printed in the RECORD the proceedings at the Federal Reserve Building commemorating the twenty-fifth anniversary of the signing of the Federal Reserve Act, which appear in the Appendix.]

THE MONOPOLY INVESTIGATION—ADDRESS BY WENDELL BERGE

[Mr. Mean asked and obtained leave to have printed in the RECORD an address on the subject of the monopoly investigation, delivered by Wendell Berge, special assistant to the Attorney General, before the National Retail Credit Association at Rochester, N. Y., February 20, 1939, which appears in the Appendix.]

OUR VARIED BUT UNITED STATES—ARTICLE BY WILLIAM ALLEN WHITE

IMr. Borah asked and obtained leave to have printed in the RECORD an article by William Allen White, published in the New York Times World's Fair section for March 5, 1939, entitled "Our Varied But United States," which appears in the Appendix.]

PHILIPPINE INDEPENDENCE-ARTICLE BY H. FORD WILKINS

IMr. Gibson asked and obtained leave to have printed in the RECORD a portion of an article written by H. Ford Wilkins, appearing in the New York Times of February 26, 1939, entitled "The Filipinos View the Future With Misgivings," which appears in the Appendix.]

KEEPING OUT OF WAR-ARTICLE BY HARRY HANSEN

[Mr. Lundeen asked and obtained leave to have printed in the Appendix an article on the subject of keeping the United States out of war, by Harry Hansen, printed in the New York Telegram of March 6, 1939, which appears in the Appendix.]

AFFIRMATION OF CHRISTIAN PACIFIST FAITH

[Mr. Clark of Missouri asked and obtained leave to have printed in the RECORD an Affirmation of Christian Pacifist Faith, signed by various clergymen and printed in the magazine Fellowship, which appears in the Appendix.]

SILVER PURCHASE PROGRAM

[Mr. Townsend asked and obtained leave to have printed in the RECORD a statement by the Economists' National Committee on Monetary Policy relative to the silver-purchase program, which appears in the Appendix.1

ACTIVITIES OF NATIONAL LABOR RELATIONS BOARD IN NEW YORK

[Mr. Wagner asked and obtained leave to have printed in the Record the report of the second regional office, National Labor Relations Board, 1935 through 1938, published in the New York Times for Monday, March 6, 1939, which appears in the Appendix.]

THE PORT OF NEW LONDON—EDITORIAL FROM MANCHESTER (CONN.)
HERALD

[Mr. Maloney asked and obtained leave to have printed in the Record an editorial from the Manchester (Conn.) Herald relative to the port of New London, which appears in the Appendix.]

RECOVERY OR ECONOMY-EDITORIAL FROM PHILADELPHIA RECORD

[Mr. Minton asked and obtained leave to have printed in the Record an editorial from the Philadelphia Record of Tuesday, March 7, 1939, entitled "Recovery or Economy? We Can't Have Both," which appears in the Appendix.]

THE NATIONAL DEFENSE

The Senate resumed the consideration of the bill (H. R. 3791) to provide more effectively for the national defense by carrying out the recommendations of the President in his message of January 12, 1939, to the Congress.

Mr. BARKLEY. Mr. President, in view of the completion of action on the committee amendments to the pending bill, and in view of what I suppose is the completion of what might be termed general debate on the bill, I have felt it my duty as well as my desire to speak briefly concerning the situation which calls forth this measure, with particular reference to the range of the discussion which has been indulged in since the beginning of the consideration of the measure.

In doing so, I do not hope that I can add much, if anything, to the very able addresses which have been made by Senators on both sides of the question, if there really are two sides to the provisions of this bill. I do not know, of course, how many votes will be cast against the measure when it reaches final conclusion. I have a feeling that very few votes will be cast against it; that it will be enacted by an overwhelming majority. I have no doubt that some of our colleagues who have spoken against the policies which have called forth the bill, either specifically or generally, will vote for the measure on final roll call. But certain things have been injected into the discussion to which I wish to call attention, and, if possible, to brush aside some of the confusion which may have existed and may still exist in the minds of some of our colleagues and the public with reference to the things which have been discussed during the past week.

I am not going into the question of neutrality. We all have our individual opinions about the question of neutrality, about how neutral we really can be and remain when war is being waged in other parts of the world. We are all familiar with the effort, covering a period of more than 2½ years, from 1914 to 1917, to preserve neutrality as between the combatants in the World War, until we ourselves finally became a party to that great contest.

I voted for the Neutrality Act. Most of us here voted for it. All of us who voted for it, I am sure, did so in the hope that it might make a substantial contribution to the preservation of peace in the world. If it has made such contribution, the evidences of it are not now visible to the naked eye.

Mr. CLARK of Missouri. Mr. President, will the Senator yield?

The VICE PRESIDENT. Does the Senator from Kentucky yield to the Senator from Missouri?

Mr. BARKLEY. I yield.

Mr. CLARK of Missouri. When has the Neutrality Act ever been enforced?

Mr. BARKLEY. I shall discuss that subject a little bit

Mr. CLARK of Missouri. I should be very glad if the Senator, in the course of his remarks, would point out the

enforcement of the Neutrality Act as between China and Japan.

Mr. BARKLEY. Insofar as it has been enforced or observed, except probably in recent months, during which there has been a sort of understanding between the Secretary of State and the manufacturers of certain war implements, it is questionable in whose behalf it may have operated.

Mr. CLARK of Missouri. Mr. President, will the Senator

further yield?

Mr. BARKLEY. I yield to the Senator.

Mr. CLARK of Missouri. I was very free to yield to the Senator in both the addresses I recently made.

Mr. BARKLEY. Yes.

Mr. CLARK of Missouri. Does not the Senator know that the Neutrality Act has never been invoked to any degree whatever as between China and Japan, by reason of the fact that the President failed to find as a matter of fact that a state of war existed?

When every other citizen of the United States familiar in any degree whatever with the facts knew that a brutal war was in progress, the President of the United States did not recognize that a state of war existed between China and Japan, and never did put the Neutrality Act into effect, and the Neutrality Act has never been invoked to any extent whatever as between China and Japan.

Mr. BARKLEY. That raises the question whether the President of the United States has the authority under the act to invoke its provisions in an undeclared war, which is a new type of war in the history of mankind, at least in recent centuries. The President must act officially according to the terms of the law, and not according to what somebody else may think.

But regardless of what has happened in China and Japan, regardless of whether technically the President was right in not recognizing an undeclared war, which I think he was, in order that the Neutrality Act might be put into operation, the general observation I was in process of making was that it is doubtful whether the Neutrality Act, whether enforced or not enforced, has contributed to the peace of the world.

Mr. President, there has been a great deal of discussion here with respect to certain mysteries that have transpired in connection with the sale of airplanes to the Republic of France. I am only going to refer to that subject in connection with what, it seems to me, has been the general practice of our Government since the enactment of the Neutrality Act, and especially section 5, which authorizes the President to issue a proclamation with respect to the sale of munitions of war under the control of the Munitions Control Board in the State Department.

Under the law, every concern which engages in the export of war materials, whether airplanes or engines or parts or any other form of war materials, must obtain a license from the State Department, or from the Board set up by section 5 of the Neutrality Act to determine the right of exporters to engage in the exportation of war materials. The law requires that Board to make an annual report, which it does, The first report made by the Control Board was made for the year beginning November 30, 1935, and ending November 30, 1936.

During that 12 months' period, licenses were issued to exporters, and exportations of war materials were engaged in, to the Republic of Argentina in the amount of \$2,922,369.

Australia bought from the United States—I mean by that not from our Government, of course, but from American manufacturers—\$588,000 worth of war materials contemplated in the categories set out in the President's proclamation issued in pursuance of the law.

The Republic of Bolivia bought \$96,000 worth.

The Dominion of Canada purchased, in 1935-36, \$754,000 worth of war materials for which licenses had to be issued. The Republic of Chile purchased \$276,000 worth.

The Republic of China in 1935–36 bought \$7,547,653 worth under the license system inaugurated by section 5 of the Neutrality Act.

Costa Rica bought \$453,000 worth.

During the same period French West Africa bought \$344,-000 worth of war materials.

Germany bought \$502,000 worth.

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Great Britain and Northern Ireland bought \$348,727 worth of war materials.

Greece bought \$1,111,000 worth of war materials.

The Irish Free State purchased in the same period an insignificant quantity, but there were some purchases made by the Irish Free State.

During the same period Italy bought \$452,000 worth of war materials.

During the same period Japan bought \$1,176,000 worth of war materials.

During the same period the Republic of Mexico purchased in the United States \$733,000 worth of war materials for which licenses were issued.

During the same period the Netherlands bought \$1,015,000 worth, and the Netherlands Indies purchased \$1,505,000 worth.

During the same period Palestine purchased in the United States, under licenses issued, \$254,000 worth of war materials.

Poland purchased \$256,000 worth. Siam bought \$786,000 worth.

Uruguay bought \$1,330,000 worth.

And so on. These are the more important purchases by foreign nations from November 30, 1935, to November 30,

Mr. President, there may have been secrecy about that. I do not recall whether in 1935 and 1936, up to November 30, any publicity was given to the fact that these various nations were purchasing in the United States these war materials in the amounts shown by the figures which I have quoted. But I dare say there was no publicity connected with it, for the very reason that the countries purchasing these war materials, presumably to be used in their national defense, or in their national aggression, if such might have been the case with respect to any nation, did not advertise to their prospective opponents the fact that they were making these purchases in the United States of America.

I have here the second annual report of the National Munitions Control Board, set up by section 5 of the Neutrality Act. I wish to put into the RECORD a statement of the amount of munitions or war materials purchased in the United States by various countries.

During the same period to which I have referred, November 30, 1936, to November 30, 1937, Australia purchased \$5,619,000 worth of war materials under licenses issued in the United

Austria purchased \$1,077,000 worth. Belgium purchased \$162,000 worth. Brazil purchased \$1,911,000 worth. Canada purchased \$2,595,000 worth. China purchased \$8,338,000 worth. Colombia purchased \$304,000 worth. Czechoslovakia purchased \$507,000 worth. France purchased \$392,000 worth.

Germany purchased \$1,042,000 worth of articles of war in the United States, some of which were airplane engines and other parts which went into the manufacture and assembling of airplanes for the benefit of Germany.

Great Britain and Northern Ireland, in the year referred to, purchased \$1,940,000 worth of war materials.

Honduras purchased \$360,000 worth. Iran purchased \$199,000 worth. Jamaica purchased \$370,000 worth.

Japan in the same period purchased \$1,773,000 worth of war materials in the United States.

Mexico purchased \$2,697,000 worth. The Netherlands purchased \$2,535,000 worth. The Netherlands Indies purchased \$3,686,000 worth. New Zealand purchased \$201,000 worth. Rumania purchased \$1,749,000 worth. Siam purchased \$1,053,000 worth.

The Straits Settlements purchased \$329,000 worth. Switzerland purchased \$791,000 worth. Turkey purchased \$4,971,000 worth of war materials. The Union of South Africa purchased \$522,000 worth.

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The Union of Soviet Socialist Republics purchased \$12,446,000 worth.

Venezuela purchased \$444,000 worth of war materials. Yugoslavia purchased \$174,000 worth.

Mr. CLARK of Missouri. Mr. President-

The PRESIDING OFFICER (Mr. Logan in the chair). Does the Senator from Kentucky yield to the Senator from Missouri?

Mr. BARKLEY. I yield.

Mr. CLARK of Missouri. Can the Senator inform the Senate whether in either of these years any of the raw materials purchased by the Straits Settlements, or the Windward Islands, or any other people had to do with the purchase of airplanes which were being prepared for entry in the competition of the American War Department before the War Department had a chance to examine them themselves?

Mr. BARKLEY. The report does not show. Mr. CLARK of Missouri. I dare say the report does not

Mr. BARKLEY. The report does not show, and the law does not require it to show, anything more than the issuing of the licenses and the sale of these war materials. I do not know, and I cannot obtain from the report, which is, of course, more or less statistical, information as to whether any of the things purchased by these various countries may have been articles similar to any which the United States would have bought, or did buy, or was in the process of purchasing. It is entirely likely that some of them were. Especially might that be true of the sale of engines for airplane construction to Germany, for instance.

Mr. CLARK of Missouri. Or scrap iron to Japan?

Mr. BARKLEY. Or scrap iron to Japan. It is impossible for me to answer the Senator's question from the report from which I have been reading.

Mr. CLARK of Missouri. If the Senator will yield for just one moment, let me suggest to him that the whole importance of the incident to which reference has been made here, of the sale of these planes to France, had not anything to do with the sale of war materials, which is regulated by the law to which the Senator has referred, but it had to do with the unusual divergence from the regulations in force, promulgated by the Aeronautical Board set up by the Army and Navy of the United States, in permitting any foreign country to even observe, much less purchase, planes which were being prepared for the use of the United States Army, or entrance into the competition of the United States Army, at least before they had even been entered in the competition, or the United States War Department had had a chance to examine them.

Mr. BARKLEY. I think we all understand that there was an interdepartmental policy agreed to by the War Department and the Navy Department with respect to the sale or examination of these planes. It was not a matter of law; it was a matter of common agreement between the two departments, over which the President of the United States presides as Commander in Chief of the Army and Navy, and regardless of what individual opinion may be as to the propriety or the necessity or the desirability of the President's overriding of anyone in the War Department in respect to this matter, I think the testimony of the Army officers shows that while they did oppose the action in an initial attitude which they took, because it violated a policy which they themselves had adopted, they finally came to the conclusion, and so testified in the hearings before the committee, that there was no impropriety in the overriding of the Department by the President, that no secrets were divulged to anyone engaged in the process of purchasing this particular airplane which was inspected by the French mission to which the Senator refers.

Mr. CLARK of Missouri. Mr. President-

The PRESIDING OFFICER (Mr. Austin in the chair). Does the Senator from Kentucky yield to the Senator from Missouri?

Mr. BARKLEY, I yield.

Mr. CLARK of Missouri. There is not a scintilla of evidence in the record at any point, not one single scintilla of evidence in the whole record of the testimony before the Military Affairs Committee, in which any responsible officer of the War Department stated that the objections on the part of the War Department had been formal objections, or that the objections which they made had ever been withdrawn. They said they were instructed by higher authority.

Mr. BARKLEY. I understand that, but I think the Senator will recall testimony—I am not so certain about whether it was General Arnold or General Craig who testified, I do not recall now from memory which one it was, but one or the other of the responsible officers of the War Department stated over and over again that one of the reasons, whether it was the main reason or not I do not know, was that it was not in accordance with section so-and-so of their release policy.

Mr. CLARK of Missouri. Certainly, Mr. President, and it also was in violation of the causes and reasons for which those regulations had been adopted. I asked General Craig whether possibly the objection of the War Department might be that it would slow up the production of planes under the American program, and take away from us a plane which the War Department would like to have, and he said, "Doubtless that was one of the reasons for our objection."

Mr. BARKLEY. Of course the whole incident to which the Senator refers has been thrashed over here time and time again.

Mr. CLARK of Missouri. The Senator is threshing it over again.

Mr. BARKLEY. It was not my purpose to go into that in detail. The reason I thought it proper to quote from these reports of the board that controls the exportation of war munitions was that in the sale of airplanes or in the sale of any other war material to France we have pursued no different policy from that which has been pursued with respect to the sale of similar munitions to all other countries, unless the Senator from Missouri and other Senators in perfect good faith wish to place in a special category this particular sale to France because of the circumstances under which the airplane was inspected.

Mr. CLARK of Missouri. Mr. President, will the Senator yield to me again?

Mr. BARKLEY. I yield.

Mr. CLARK of Missouri. I do wish to place a different construction on it by reason of the fact that in no other case, so far as I am informed, or have ever heard, in all these sales of munitions, has there been such a situation as existed in the case of the sale of planes, possibly necessary and desirable to the United States Army itself, to a foreign country upon the direct order of the Commander in Chief. And as far as the Army officers are concerned, I understand, of course, that the Army officers did not controvert the fact that the Commander in Chief of the Army had the right to give them an order which they were not only honor bound, but legally bound, to objey or else resign from the United States Army. There is no controversy about that. But when the Senator says that this remarkable transaction is on the same basis as the transactions represented by the statistics he has been reading, it seems to me that statement is open to very serious question.

Mr. BARKLEY. I imagine that there were different circumstances pertaining to all the sales made to all these countries. What those different circumstances may have been we do not know. There was no publicity given, so far as I recall, or so far as there is any evidence to show, concerning the sale of these other millions upon millions of dollars' worth of munitions of war to the various countries of the world, which were made legally under the sanction of the Neutrality Act to which I have referred. My object in putting them in the Record and calling the Senators' attention to them is that we may understand that there has been no difference in the policy adopted by our Government toward the various nations which have bought these things, subject probably to a reservation that in recent months the

Secretary of State has had a gentleman's understanding with certain manufacturers in this country that they would not ship materials to Japan.

Mr. MINTON. Mr. President, will the Senator yield?

Mr. BARKLEY. I yield.

Mr. MINTON. I direct the Senator's attention to page 179 of the committee report, where General Arnold, in answer to various inquiries directed to him, gave the War Department grounds for objection, as follows:

General Arnold. The grounds of the objection, as far as I could recall now, were based upon the release policy, in that this did not conform to the release policy.

Mr. BARKLEY. Yes; that is what I am referring to—the release policy—and, of course, having agreed with the Navy Department upon a certain written release policy, they did not feel at liberty to deviate from it. But the President of the United States had the authority, and exercised it, to overrule that particular section of the release policy and permit the sale of these planes.

Mr. CLARK of Missouri. Mr. President, will the Senator again yield?

Mr. BARKLEY. I yield.

Mr. CLARK of Missouri. The facts clearly show that the sale violated not only the written policy in existence between the War and Navy Departments, but the reason which had led to the establishment of that policy, which was that foreign countries will get planes which we might need before we get them ourselves,

Mr. BARKLEY. The proof, I think, shows that that reason did not exist, although they thought it might exist at the time. It turned out that it did not then exist.

Mr. President, I wish to complete a recital of these figures. I have here also a report for the year ending November 30, 1938. During that 12 months we sold to Argentina \$7,219,000 worth of munitions. We sold to Australia \$742,000 worth of munitions. To Belgium we sold \$116,000 worth; to Bolivia, \$528,000 worth; to Brazil, \$2,627,000; to Canada, \$3,171,000; to Chile, \$136,000; to China, \$9,180,000; to Colombia, \$296,-000; to Cuba, \$161,000; to Curaçao, \$268,000; to Cechoslovakia, \$156,000; to the Dominican Republic, \$87,000; to Estonia, \$692,000; to France, \$6,446,000; to Germany, \$189,000.

I call attention to the fact in connection with the dropping off of the sales to Germany in 1938, that in the meantime Germany had established her own munitions plants and made the products herself in sufficient quantities. They had bought from a certain manufacturer of airplane engines in the United States over 600 airplane engines, which they took to Germany and installed in German-manufactured planes, and they had obtained from a firm which manufactures these engines in the United States a license, issued in the name of the Bavarian Motor Works of Bavaria, authorizing them to use certain patents which were the property of the Pratt & Whitney Co., of Hartford, Conn., which explains why it was no longer necessary and why it is not now necessary for Germany to replenish her supply in the United States or elsewhere.

We sold in that year to Honduras \$200,000 worth of munitions. We sold to Japan \$9,241,000 worth of munitions.

Mr. NORRIS. Mr. President, will the Senator yield?

Mr. BARKLEY. I yield.

Mr. NORRIS. Can the Senator give us any information as to the kind of war material that went to Japan that year?

Mr. BARKLEY. A large part of it was scrap iron, out of which, of course, they could manufacture in their own country cannon and all sorts of war munitions. It has been facetiously said that every backyard in America has been cleaned up by the sales of scrap iron to Japan.

During that same year we sold to Mexico \$1,091,000 worth of munitions. We sold to the Netherlands \$2,357,000 worth. To the Netherlands Indies we sold \$10,053,000 worth of munitions. We sold to Peru in that same period \$1,227,000 worth of munitions. We sold to Poland \$703,000 worth; to Rumania, \$663,000 worth; to Siam, \$765,000 worth; to Sweden, \$215,000 worth; to Switzerland, \$194,000 worth; to Turkey, \$595,000 worth; to the Union of South Africa, \$260,000 worth;

to the Union of Soviet Socialist Republics, \$2,263,000 worth; to Venezuela, \$533,000 worth; and to Yugoslavia, in the year ending the 30th day of last November, \$305,000 worth of munitions

Mr. KING. Mr. President, will the Senator yield?

Mr. BARKLEY. I yield.

Mr. KING. The Senator has stated the various amounts which have been sold to various countries. Is it not a fact that the larger part of those sales, although the ultimate destinations were the countries to which the Senator referred, were made to private individuals, and they made agreements, perhaps, with individuals in those respective States? The sale was from one individual to another individual, but perhaps ultimately the commodities were acquired by the governments of those various States.

Mr. BARKLEY. Undoubtedly many of them were sold to individuals in the countries to which they were destined.

Mr. KING. But not to the governments themselves? Mr. BARKLEY. But in many cases the government itself bought these munitions from the American manufacturers. That is true of Germany. It is true of France.

Mr. NORRIS. Mr. President, will the Senator yield?

Mr. BARKLEY. I yield.

Mr. NORRIS. It would be very important and interesting if the Senator were able to give us the total value of the munitions which were shipped from the United States during the 3 years mentioned by the Senator.

Mr. BARKLEY. I have not tabulated them, I will say to the Senator.

Mr. NORRIS. Will the Senator have them tabulated?

Mr. BARKLEY. I have the individual items here. I have not read them all, because some of them are small. I have read the outstanding items. But I can have them tabulated and placed in the RECORD, in connection with my remarks.

Mr. NORRIS. I wish the Senator would.

Mr. BARKLEY. Showing the total amount for the 3 years.

Mr. NORRIS. For each year and for the 3 years.

Mr. BARKLEY. Yes. I can have that done. I think it would be very helpful to have it done.

The total amounts of their shipments are as follows:

For the 12 months ending November 30, 1936, \$25,050,998. For the 12 months ending November 30, 1937, \$45,076,316. For the 12 months ending November 30, 1938, \$94,209,532. The total amount for the 3 years is \$164,336,846.

Mr. President, I did not read those figures in order to go again into the circumstances surrounding the sale of airplanes to France, or the circumstances under which the French Government was permitted to inspect a particular plane in the United States. I think that the testimony before the Military Affairs Committee, regardless of the controversies about it and the differences of opinion which may exist, amply justifies the policy of the President in permitting the inspection and sale of this particular airplane. If there were anything lacking in the hearings, I think the very able speech made a few days ago by the Senator from Vermont [Mr. Austin], who now occupies the chair, dispelled all doubt with respect to the propriety and the wisdom of the action taken by our Government at the time of the sales. I have placed these figures before the Senate, taken from official reports to show that we have dealt with practically all the great nations of the world impartially.

Mr. President, I now wish to revert for a few moments to what seems to me to have been an unjustified criticism, made either openly or covertly, of the President of the United States because of the foreign policy involved in his attitude and that of the Secretary of State in dealing with the very difficult problems which today beset the world of which we are a part.

Reference has been made to an address delivered by the President on the 14th of August 1936 at Chautauqua, N. Y., and an effort has been made to conjure up some sort of inconsistency between the policy announced in that address and the policy announced on October 5, 1937, in an address delivered in the city of Chicago; in the annual address of the President to Congress on the 4th day of January 1939; and

in the statement he made only a few weeks ago in outlining his present policy in dealing with the nations of the world.

I wish to quote a few paragraphs from that famous Chautauqua address:

As many of you who are here tonight know, I formed the excellent habit of coming to Chautauqua more than 20 years ago. After my inauguration in 1933, I promised Mr. Bestor that during the next 4 years I would come to Chautauqua again; it is in fulfillment of this that I am with you tonight.

A few days ago I was asked what the subject of this talk would be read I am with the former of the subject of the subj

A rew days ago I was asked what the subject of this talk would be, and I replied that for two good reasons I wanted to discuss the subject of peace: First, because it is eminently appropriate in Chautauqua; and, secondly, because in the hurly-burly of domestic politics it is important that our people should not overlook problems and issues which, though they lie beyond our borders, may, and probably will, have a vital influence on the United States of the future the future.

Many who have visited me in Washington in the past few months may have been surprised when I have told them that personally and because of my own daily contacts with all manner of difficult situations I am more concerned and less cheerful about international world conditions than about our immediate domestic prospects.

prospects.

I say this to you not as a confirmed pessimist, but as one who still hopes that envy, hatred, and malice among nations have reached their peak and will be succeeded by a new tide of peace and good will—I say this as one who has participated in many of the decisions of peace and war before, during and after the World War; one who has traveled much, and one who has spent a goodly portion of every 24 hours in the study of foreign relations.

Long before I returned to Washington as President of the United States, I had made up my mind that pending what might be called a more opportune moment on other continents, the United States could best serve the cause of a peaceful humanity by setting an example. That was why on the 4th of March, 1933, I made the following declaration:

"In the field of world policy I would dedicate this Nation to the policy of the good neighbor—the neighbor who resolutely respects himself and, because he does so, respects the rights of others—the neighbor who respects his obligations and respects the sanctity of his agreements in and with a world of neighbors."

the neighbor who respects his obligations and respects the sanctity of his agreements in and with a world of neighbors."

This declaration represents my purpose; but it represents more than a purpose, for it stands for a practice. To a measurable degree it has succeeded; the whole world now knows that the United States cherishes no predatory ambitions. We are strong; but less powerful nations know that they need not fear our strength. We seek no conquest: We stand for peace.

Mr. President, I believe that the attitude expressed only 6 years ago last Saturday expresses the view, the attitude, and the purpose of the President of the United States at this particular time.

In the whole of the Western Hemisphere our good-neighbor

In the whole of the Western Hemisphere our good-neighbor policy has produced results that are especially heartening.

The noblest monument to peace and to neighborly economic and social friendship in all the world is not a monument in bronze or stone but the boundary which unites the United States and Canada—3,000 miles of friendship with no barbed wire, no gun or soldier, and no passport on the whole frontier.

Mutual trust made that frontier; to extend the same sort of mutual trust throughout the Americas was our aim.

The American republics to the south of us have been ready always to cooperate with the United States on a basis of equality and mutual respect, but before we inaugurated the good-neighbor policy there was among them resentment and fear, because certain, administrations in Washington had slighted their national pride and their sovereign rights.

Can anybody truthfully deny the accuracy of that statement? Can anybody deny, Mr. President, that after 6 years of the good-neighbor policy inaugurated by the present administration on the 4th of March, 1933, we now enjoy infinitely better relations with South America and Central America than we have ever enjoyed in the history of the Western Hemisphere? We have been able to convince the republics to the south of us that we desire to take no economic advantage of them; that we covet not a square mile of their territory; and that we demand from them no right that we are not willing to accord to them. Because of that friendly attitude, and because of the industrious efforts which have been made by our Republic, through the President and Secretary of State, we have been able to bring about a solidarity in the Western Hemisphere never before enjoyed or even dreamed of by preceding administrations.

The President, pursuing his address, in particular reference to this situation, said:

In pursuance of the good-neighbor policy, and because in my younger days I had learned many lessons in the hard school of

experience, I stated that the United States was opposed definitely to

armed intervention.

We have negotiated a Pan American convention embodying the principle of nonintervention. We have abandoned the Platt amendment, which gave us the right to intervene in the internal affairs of the Republic of Cuba. We have withdrawn American marines from Haiti. We have signed a new treaty which places our relations with Panama on a mutually satisfactory basis. We have undertaken a series of trade agreements with other American countries, to our mutual commercial profit. At the request of two neighboring republics, I hope to give assistance in the final settlement of the last serious boundary dispute between any of the American nations.

Since the delivery of that address that ambition has been very largely, if not completely consummated:

Throughout the Americas the spirit of the good neighbor is a practical and living fact. The 21 American republics are not only living together in friendship and in peace, they are united in the determination so to remain.

determination so to remain.

To give substance to this determination a conference will meet on December 1, 1936, at the capital of our great southern neighbor, Argentina, and it is, I know, the hope of all chiefs of state of the Americas that this will result in measures which will banish wars forever form this vast portion of the earth.

Peace, like charity, begins at home; that is why we have begun at home. But peace in the western world is not all that we seek. It is our hope that knowledge of the practical application of the good-neighbor policy in this hemisphere will be borne home to our neighbors across the seas.

For ourselves we are on good terms with them—terms in most

our neighbors across the seas.

For ourselves we are on good terms with them—terms in most cases of straightforward friendship, of peaceful understanding.

But, of necessity, we are deeply concerned about tendencies of recent years among many of the nations of other continents. It is a bitter experience to us when the spirit of agreements to which we are a party is not lived up to. It is an even more bitter experience for the whole company of nations to witness not only the spirit but the letter of international agreements violated with impunity and without regard to the simple principles of honor. Permanent friendships between nations as between men can be sustained only by scrupulous respect for the pledged word.

In spite of all this we have sought steadfastly to assist international movements to prevent war. We cooperated to the bitter end—and it was a bitter end—in the work of the general disarmament conference. When it falled we sought a separate treaty to deal with the manufacture of arms and the international traffic in arms. That proposal also came to nothing. We participated—

arms. That proposal also came to nothing. We participated—again to the bitter end—in a conference to continue naval limitations, and when it became evident that no general treaty could be signed because of the objections of other nations, we concluded with Great Britain and France a conditional treaty of qualitative limitation which, much to my regret, already shows signs of ineffectiveness. ineffectiveness.

We shun political commitments which might entangle We shun political commitments which might entangle us in foreign wars; we avoid connection with the political activities of the League of Nations; but I am glad to say that we have cooperated wholeheartedly in the social and humanitarian work at Geneva. Thus we are a part of the world effort to control traffic in narcotics, to improve international health, to help child welfare, to eliminate double taxation, and to better working conditions and laboring hours throughout the world.

We are not isolationists except insofar as we seek to isolate ourselves completely from war. Yet we must remember that so long as war exists on earth there will be some danger that even the nation which most ardently desires peace may be drawn into war.

war

I have seen war. I have seen war on land and sea. I have seen blood running from the wounded. I have seen men coughing out their gassed lungs. I have seen the dead in the mud. I have seen cities destroyed. I have seen 200 limping, exhausted men come out of line—the survivors of a regiment of 1,000 that went forward 48 hours before, I have seen children starving. I have seen the agony of mothers and wives. I hate war.

I have passed unnumbered hours, I shall pass unnumbered hours

thinking and planning how war may be kept from this Nation.

I wish I could keep war from all nations; but that is beyond my power. I can at least make certain that no act of the United States helps to produce or to promote war. I can at least make clear that the conscience of America revolts against war and that any nation which provokes war forfeits the sympathy of the people of the United States.

Many causes produce war. There are ancient hatreds, turbulent frontiers, the "legacy of old, forgotten, far-off things, and battles long ago." There are new-born fanaticisms, convictions on the part of certain peoples that they have become the unique depositories of ultimate truth and right.

A dark old world was devastated by wars between conflicting religions. A dark modern world faces wars between conflicting economic and political fanaticisms in which are intertwined race hatreds. To bring it home, it is as if within the territorial limits of the United States, 48 nations with 48 forms of government, 48 customs barriers, 48 languages, and 48 eternal and different verities, were spending their time and their substance in a frenzy of effort to make themselves strong enough to conquer their neighbors or strong enough to defend themselves against their neighbors. In one field, that of economic barriers, the American policy may be. I hope of some assistance in discouraging the economic source

be, I hope, of some assistance in discouraging the economic source

of war and therefore a contribution toward the peace of the world. The trade agreements which we are making are not only world. The trade agreements which we are making are not only finding outlets for the products of American fields and American factories but are also pointing the way to the elimination of embargoes, quotas, and other devices which place such pressure on nations not possessing great natural resources that to them the price of peace seems less terrible than the price of war.

We do not maintain that a more liberal international trade will stop war, but we fear that without a more liberal international trade will stop war, but we fear that without a more liberal international

trade war is a natural sequence.

The Congress of the United States has given me certain authority to provide safeguards of American neutrality in case of war.

The President of the United States who, under our Constitution, is vested with primary authority to conduct our international relations, thus has been given new weapons with which to maintain our neutrality.

Nevertheless—and I speak from a long experience—the effective maintenance of American neutrality depends today, as in the past, on the wisdom and determination of whoever at the moment oc-Nevertheless

on the wisdom and determination of whoever at the moment occupy the offices of President and Secretary of State.

It is clear that our present policy and the measures passed by
the Congress would, in the event of a war on some other continent,
reduce war profits which would otherwise accrue to American
citizens. Industrial and agricultural production for a war market
may give immense fortunes to a few men; for the Nation as a
whole it produces disaster. It was the prospect of war profits that
made our farmers in the West plow up prairie land that should
never have been plowed but should have been left for grazing
cattle. Today we are reaping the harvest of those war profits in
the dust storms which have devastated those war-plowed areas.

They would tell you—and, unfortunately, their views would get
wide publicity—that if they could produce and ship this and that
and the other article to belligerent nations, the unemployed of
America would all find work. They would tell you that if they
could extend credit to warring nations that credit would be used
in the United States to build homes and factories and pay our
debts. They would tell you that America once more would capture
the trade of the world.

It would be hard to resist that clamor; it would be hard for many

It would be hard to resist that clamor; it would be hard for many Americans, I fear, to look beyond—to realize the inevitable penal-ties, the inevitable day of reckoning that comes from a false pros-perity. To resist the clamor of that greed, if war should come, would require the unswerving support of all Americans who love

peace.

If we face the choice of profits or peace, the Nation will answer—must answer—"we choose peace." It is the duty of all of us to encourage such a body of public opinion in this country that the answer will be clear and for all practical purposes unanimous.

With that wise and experienced man who is our Secretary of State, whose statesmanship has met with such wide approval, I have thought and worked long and hard on the problem of keeping the United States at peace. But all the wisdom of America is not to be found in the White House or in the Department of State; we need the meditation, the prayer, and the positive support of the people of America who go along with us in seeking peace. peace.

No matter how well we are supported by neutrality legislation, No matter how well we are supported by neutrality legislation, we must remember that no laws can be provided to cover every contingency, for it is impossible to imagine how every future event may shape itself. In spite of every possible forethought, international relations involve of necessity a vast uncharted area. In that area safe sailing will depend on the knowledge and the experience and the wisdom of those who direct our foreign policy. Peace will depend on their day-to-day decisions.

At this late date, with the wisdom which is so easy after the event and so difficult before the event, we find it possible to trace the tragic series of small decisions which led Europe into the Great War in 1914, and eventually engulfed us and many other nations.

Because in that speech at Chautauqua the President called attention to our success in maintaining the good-neighbor policy in the Western Hemisphere, because we have succeeded in inaugurating a policy of solidarity among the nations of the Western Hemisphere, whether under the aegis of the Monroe Doctrine or under a universal desire in the western world to maintain peace and accord for our mutual advantage and advancement, the mere fact that the President mentioned these things is held up as an indication that we are not minding our own business, that we are taking part in the internal affairs of other nations, and that we are undertaking to pursue a policy which would involve the American Republic in war somewhere in the world. No man has ever more accurately expressed the aims or attitude of the American people.

Now I wish briefly to refer to the address delivered at Chicago when the President of the United States dedicated a bridge, as I recall, in the city of Chicago. After some preliminary remarks, he said, in part:

It is because the people of the United States under modern conditions must, for the sake of their own future, give thought to the rest of the world that I, as the responsible executive head of the

Nation, have chosen this great inland city and this gala occasion to speak to you on a subject of definite national importance.

The political situation in the world, which of late has been

growing progressively worse, is such as to cause grave concern and anxiety to all the peoples and nations who wish to live in peace and amity with their neighbors.

No intelligent man can deny that statement. No one will gainsay the assertion that between the 14th day of August 1936 and the 5th day of October 1937 conditions in the world were growing progressively worse. I need not refer to outstanding isolated instances; I need not refer to the fact that back in 1931 even before the present administration came into power one of the nations of the Orient started out upon an aggressive policy by the invasion of Manchuria. I need not refer to the fact that under a previous administration the Secretary of State, Mr. Henry L. Stimson, made representations to Great Britain with respect to the attitude of Japan in Manchuria because that attitude violated the Briand-Kellogg Pact and violated the Nine Power Treaty, to which we were all parties. I am not enough of a prophet to foresee what might have happened in the long processes of the aggressive attitudes of other nations if the Government of Great Britain had heeded the advice and warning of the Secretary of State under the Hoover administration.

Mr. ASHURST. Mr. President-

The PRESIDING OFFICER. Does the Senator from Kentucky yield to the Senator from Arizona?

Mr. BARKLEY. I yield. Mr. ASHURST. The able Senator from Kentucky has put his finger upon a most important point. If firm action had then been taken, there might have been a more nearly tranguil world. With pride, every American will remember that our then Secretary of State, Henry L. Stimson, not only cabled but telephoned to Sir John Simon, the British Secretary of State for Foreign Affairs, directing the attention of the British Secretary of State for Foreign Affairs to the fact that Japan was violating the Kellogg-Briand Pact. Our Secretary of State, to his credit, urged the British Secretary of State for Foreign Affairs to cooperate with the American Government in directing attention to Japan's aggression. The British Secretary of State for Foreign Affairs for 1 week declined even to answer Mr. Stimson's telephone messages or to communicate with him. Finally he declined to cooperate with the American Government. Japan would not have moved into China if the British Secretary of State for Foreign Affairs had at that time agreed with Mr. Stimson. The Senator has called attention to a circumstance that in destiny will be of colossal consequence.

Mr. BARKLEY. I thank the Senator from Arizona for his contribution. Our hindsight in matters of this kind frequently is better than our foresight.

Mr. ASHURT. Mr. President, will the Senator pardon me for a moment more?

Mr. BARKLEY. I yield. Mr. ASHURST. When Great Britain declined, the most surprised of all the statesmen of the world at that time were the Japanese statesmen, and, if Great Britain had supported the position of the United States, Japan never would have moved into Manchuria.

Mr. BARKLEY. And, in all likelihood, if the example which Mr. Stimson desired to set with respect to the particular nation had been followed, all the other series of aggressions which have continued from that day until now might never have occurred.

Mr. ASHURST. Mr. Stimson, to his great credit and to the credit of the American Government, happened to be a statesman who believed in the sanctity of treaties and in keeping them.

Mr. BARKLEY. I desire to join with the Senator and with my colleague [Mr. Logan] in congratulating Mr. Stimson upon his statesmanship then and now, because in our international affairs, he rises above petty politics and endorses the course which has been pursued and is now being pursued by the present administration dealing with our foreign relations, though disagreeing radically with some of its domestic policies. It is a tribute to the broad-minded

Americanism of Henry L. Stimson that he rises above petty considerations in dealing with a world which is almost on the verge of chaos and out of which we hope, in part, to lead it by the policies which we are undertaking to pursue.

Mr. KING. Mr. President-

Mr. BARKLEY. I yield to the Senator from Utah.

Mr. KING. I desire to supplement the statement made by the Senator from Arizona [Mr. ASHURST]. When I was in Japan and in China only 2 or 3 years ago, as were other Senators who are now on the floor, I conferred with a large number of Japanese and Chinese. The statement from them was practically unanimous that when Manchuria was invaded Japan halted, particularly after the statement made by Mr. Stimson, as it was expected that the United States and Great Britain would join in remonstrating with Japan because of her violation of the Kellogg-Briand Pact and the Nine Power Treaty. It was stated to me that if Great Britain and the United States had persisted in that course, undoubtedly Japan would have desisted, and, of course, the consequences which have ensued since then would have been averted.

Mr. BARKLEY. The course pursued in that instance and in numerous others that have followed it-and they have followed because of it-have brought about such a world condition that we doubt now whether any treaty is worth the paper on which it is written and whether there is now among the nations of the world any international law which, prior to the World War, at least, we thought nations had risen high enough in the scale of civilization to develop and observe.

Mr. ASHURST. Mr. President— Mr. BARKLEY. I yield to the Senator from Arizona.

Mr. ASHURST. The able Senator from Kentucky about 20 minutes ago, in the course of his address, diverted for a moment to refer to the fact that within recent years wars are not "declared." Our Constitution grants to Congress the

To declare war, grant letters of marque and reprisal . . .

The particular portions of the Constitution regarding the granting of letters of marque and reprisal, of course, are not resorted to, and it is doubtful if any nation in the future will "declare" war. That is a doleful condition to contemplate, for, with all the horrors of war, its devastation and ruthlessness, there was once a sort of chivalry when a nation announced it was getting ready to fight. Chivalrous nations scorned to slay women and children and men not in uniform. Now nations do not "declare" war.

Amidst all the tragedy of the present posture of affairs there is irony that should not be overlooked. It was not very long ago when the Japanese Ambassador to China called at the Chinese chancery and collected a few dollars that happened to be due to his Government. He and the Chinese officials had tea together, decided that there was no war between China and Japan and that, therefore, they could conduct the negotiations, arrange for the payment of the small debt, and indulge in social converse. That is one of the ironies that should be remarked upon, tending to show that in the future war is not going to be formally declared.

Mr. BARKLEY. It is all a part of the situation which resulted in the violation of international law during the World War when vessels were sunk "spurlos versenkt" without warning and without trace, violating a tenet of international law that had existed for a century, that, although a belligerent proposes to destroy the cargo of a ship, even though it be neutral, if it is carrying contraband of war, it is required to give notice and to preserve the lives of the passengers on the ship, without regard to their nationality and bring the ship into a prize court. We have gotten away from those nice distinctions and observation of the proprieties among nations in time of war.

Mr. ASHURST. That is true, to my regret. When the Senator mentions the barbaric conduct of Germany which led us into the World War, I wish to put into juxtaposition with that conduct the action of a great man, Admiral Raphael Semmes, a Confederate commander, during the Civil War. Admiral Semmes captured a large number of Union prisoners. They were so numerous that there was hardly room for them on his ship. He was about to land the prisoners at a certain port, but, to his horror, he discovered that there was yellow fever at that port. He said, "No, I will suffer the inconvenience of a crowded vessel rather than land prisoners where they may contract yellow fever." That was chivalrous conduct on the part of that commander.

Mr. BARKLEY. Oh, yes; I appreciate that situation. Now, to resume my reference to the address of the President-

Mr. BONE. Mr. President-

Mr. BARKLEY. I yield to the Senator from Washington. Mr. BONE. As I read the history of the World War, it seems very clear that during that war even the slightest pretense of respect for the maintenance of international law was wholly abandoned; that the nations of the world threw international law into the wastebasket. There was complete disregard for the rules of international law as lawyers and other students understood it for a hundred years.

Mr. BARKLEY. I agree to that statement; but I may say, to the credit of our own Nation, that we never abandoned the tenets of international law. Their abandonment was attempted to be justified by others purely on the ground that self-preservation is really the first law of nature. However, I wish to return to the address delivered by the President. because it has been injected into this debate and an effort has been made to create the impression that the President of the United States has not pursued a consistent policy of peace in his influence and in his statements.

Some 15 years ago-

Said the President at Chicago-

the hopes of mankind for a continuing era of international peace were raised to great heights when more than 60 nations solemnly pledged themselves not to resort to arms in furtherance of their national aims and policies. The high aspirations expressed in the Briand-Kellogg Peace Pact and the hopes for peace thus raised have of late given way to a haunting fear of calamity.

Can anybody doubt that?

The present reign of terror and international lawlessness began a few years ago.

Ought not the President to have said that? Was it not his duty, as the great leader of a great nation, to call the attention of our people to this era of chaos, of international banditry? Was it not his duty to call our people's attention to the fact that there was an outlaw abroad in the world, so that they might prepare themselves spiritually or physically, for any eventualities that might develop because of that situation?

It began through unjustified interference in the internal affairs of other nations or the invasion of alien territory in violation of treaties and has now reached a stage where the very foundations of civilizations are seriously threatened.

Is Franklin D. Roosevelt the only man who has said that? He was one of the first to say it. But read the article of Henry L. Stimson this morning in the Washington Post, and you will find that he says the same thing, and warns his own countrymen in almost the identical language, and certainly in the identical spirit, used by the President in his Chicago address.

The landmarks and traditions which have marked the progress of civilization toward a condition of law, order, and justice are being

wiped away.

Without a declaration of war and without warning or justification of any kind, civilians, including women and children, are being ruthlessly murdered with bombs from the air. In times of so-called peace ships are being attacked and sunk by submarines without cause or notice. Nations are fomenting and taking sides in civil warfare in nations that have never done them any harm.

That was undoubtedly true.

Nations claiming freedom for themselves deny it to others. Innocent peoples and nations are being cruelly sacrificed to a greed for power and supremacy which is devoid of all sense of justice and humane consideration.

To paraphrase a recent author-

The President quotes:

"Perhaps we foresee a time when men, exultant in the technique of homicide, will rage so hotly over the world that every precious thing will be in danger, every book and picture harmony, every treasure garnered through two millenniums, the small, the delicate, the defenseless—all will be lost or wrecked or utterly destroyed."

If those things come to pass in other parts of the world, let no one imagine that America will escape, that it may expect mercy, that this Western Hemisphere will not be attacked and that it

that this Western Hemisphere will not be attacked and that it will continue tranquilly and peacefully to carry on the ethics and the arts of civilization.

If those days come "there will be no safety by arms, no help from authority, no answer in science. The storm will rage till every flower of culture is trampled and all human beings are leveled in a vast chaos."

If those days are not to come to pass—

Said the President

If we are to have a world in which we can breathe freely and live in amity without fear, the peace-loving nations must make a concerted effort to uphold laws and principles on which alone peace can rest secure.

The peace-loving nations must make a concerted effort in opposi-tion to those violations of treaties and those ignorings of human instincts which today are creating a state of international anarchy and instability from which there is no escape through mere isola-

tion or neutrality.

Those who cherish their freedom and recognize and respect the equal rights of their nations to be free and live in peace must work together for the triumph of law and moral principles in order that peace, justice, and confidence may prevail in the world.

Mr. President, I wish to read further from that address in order to see whether the President has been consistent and whether he is leading us down the road to war.

and whether he is leading us down the road to war.

A bishop wrote me the other day: "It seems to me that something greatly needs to be said in behalf of ordinary humanity against the present practice of carrying the horrors of war to helpless civilians, especially women and children. It may be that such a protest might be regarded by many, who claim to be realists, as futile, but may it not be that the heart of mankind is so filled with horror at the present needless suffering that that force could be mobilized in sufficient volume to lessen such cruelty in the days ahead. Even though it may take 20 years, which God forbid, for civilization to make effective its corporate protest against this barbarism, surely strong voices may hasten the day."

There is a solidarity and interdependence about the modern world, both technically and morally, which makes it impossible for any nation completely to isolate itself from economic and political upheavals in the rest of the world, especially when such upheavals appear to be spreading and not declining. There can be no stability or peace either within nations or between nations except under laws and moral standards adhered to by all. International anarchy destroys every foundation for peace. It jeopardizes either the immediate or the future security of every nation, large or small. It is, therefore, a matter of vital interest and concern to the people of the United States that the sanctity of international treaties and the maintenance of international morality be restored.

of the United States that the sanctity of international treaties and the maintenance of international morality be restored.

The overwhelming majority of the peoples and nations of the world today want to live in peace. They seek the removal of barriers against trade. They want to exert themselves in industry, in agriculture, and in business, that they may increase their wealth through the production of wealth-producing goods rather than striving to produce military planes and bombs and machine guns and cannon for the destruction of human lives and useful property. In those nations of the world which seem to be piling armament on armament for purposes of aggression, and those other nations which fear acts of aggression against them and their security, a very high proportion of their national income is being spent directly for armaments. It runs from 30 to as high as 50 percent. The proportion that we in the United States spend is far less—11 or 12 percent.

How happy we are that the circumstances of the moment permit us to put our money into bridges and boulevards, dams and reforestation, the conservation of our soil, and many other kinds of useful works rather than into huge standing armies and vast supplies of implements of war.

implements of war

implements of war.

I am compelled and you are compelled, nevertheless, to look ahead. The peace, the freedom, and the security of 90 percent of the population of the world is being jeopardized by the remaining 10 percent who are threatening a break-down of all international order and law. Surely the 90 percent who want to live in peace under law and in accordance with moral standards that have received almost universal acceptance through the centuries can and must find some way to make their will prevail.

The situation is definitely of universal concern. The questions involved relate not merely to violations of specific provisions of particular treaties; they are questions of war and of peace, of international law and especially of principles of humanity. It is true that they involve definite violations of agreements, and especially of the Covenant of the League of Nations, the Briand-Kellogg pact and the Nine Power Treaty. But they also involve problems of world economy, world security, and world humanity.

It is true that the moral consciousness of the world must recognize the importance of removing injustices and well-founded griev-

nize the importance of removing injustices and well-founded griev-

ances; but at the same time it must be aroused to the cardinal necessity of honoring sanctity of treaties, of respecting the rights and libertles of others, and of putting an end to acts of international aggression.

It seems to be unfortunately true that the epidemic of world

lawlessness is spreading.

When an epidemic of physical disease starts to spread, the community approves and joins in a quarantine of the patients in order to protect the health of the community against the spread of the

It is my determination to pursue a policy of peace and to adopt every practicable measure to avoid involvement in war. It ought to be inconceivable that in this modern era, and in the face of experience, any nation could be so foolish and ruthless as to run the risk of plunging the whole world into war by invading and violating in contravention of solemn treaties, the territory of other nations that have done them no real harm and which are too weak to protect themselves adequately. Yet the peace of the world and the welfare and security of every nation is today being threatened by that very thing.

threatened by that very thing.

No nation which refuses to exercise forbearance and to respect the freedom and rights of others can long remain strong and retain the confidence and respect of other nations. No nation ever loses its dignity of good standing by conciliating its differences, and by exercising great patience with, and consideration for,

the rights of other nations.

War is a contagion, whether it be declared or undeclared. It can engulf states and peoples remote from the original scene of hostilities. We are determined to keep out of war, yet we cannot insure ourselves against the disastrous effects of war and the dangers of involvement. We are adopting such measures as will minimize our risk of involvement but we cannot have complete protection in a world of disorder in which confidence and security have broken down.

If civilization is to survive, the principles of the Prince of Peace must be restored. Shattered trust between nations must be

Most important of all, the will for peace on the part of peace-loving nations must express itself to the end that nations that may be tempted to violate their agreements and the rights of others will desist from such a cause. There must be positive endeavors to preserve peace.

America hates war. America hopes for peace. Therefore America actively engages in the search for peace.

The President goes on to compare the situation to an epidemic; and then he says, by way of analogy-whether or not it was a figure of speech I do not know-that where there is an epidemic, those who are afflicted with it or by it are quarantined, in order that the disease may not spread.

Members of the Senate and our fellow-citizens may quibble as they wish over the use of the word "quarantine." have always understood it to mean that the person afflicted with an epidemic disease would be isolated in a sense from the community, so that the disease would not spread to others. I have never understood it to mean that those who desire to protect themselves from epidemic will go out and murder the man, woman, or child who happens to be afflicted with a contagious disease. I think, if I might interpret the President's words, he had in mind an effort to insulate or protect our country, our hemisphere, the peace-loving nations of the world, from the epidemic of lawlessness and unprovoked murder which he was discussing in his address in the city of Chicago.

Mr. President, I do not intend to quote from it, but only to refer to the annual message of the President to the Congress of the United States delivered on the 4th day of last January, which fits into the policy that he announced in Chautauqua, the policy that he announced on the 4th of March, 1933, the policy that he announced in Chicago in 1937, and his foreign policy epitomized in the excellent statement he

gave out to the press only a few weeks ago.

What is that policy?

On the 22nd day of February we heard read the great and immortal address of George Washington, in which he counseled us against entangling alliances. Most of us quote Washington and most of us quote Jefferson as the devil quotes the Bible for his own purposes, and frequently leaves out the most significant quotations in the context of that which we desire to use. Jefferson is frequently quoted as having remarked that "that government is best that governs least," without any regard to the context of what Jefferson was talking about. He was talking about an ideal society in which all men recognize the rights of all other men, and said that in such a society the least government is the best government, because it inflicts its orders and its regulations in the smallest possible degree upon the people over whom that government reigns. But in one of his great letters, written in 1824 or 1825, only a year or two prior to his death, Jefferson said he believed that all constitutions ought to be changed every 20 years; that there ought to be automatic provisions in them for their change, because he said no dead generation has any right to bind a living generation. Nobody ever quotes that from Jefferson.

In his Farewell Address, George Washington counseled us against permanent entangling alliances, and then almost in the same breath said we may rely upon temporary alliances in particular emergencies for the protection of the rights of the United States.

Mr. President, so far as I recall, we have never had an entangling alliance with any nation, either permanent or When, in response to the call of liberty and justice, in 1898 we fought the Spanish-American War, although the immediate occasion for the declaration of war was the blowing up of the battleship Maine in the harbor of Habana, fundamentally that situation arose out of the desire of the American people to abolish a festering sore of brutality and iniquity and despotism in the Western Hemisphere; but there was no alliance, either before, during, or after that war.

There was no alliance with Cuba. There was no alliance with any South or Central American nation. There was no alliance with the Philippine Islands. There was no alliance in the World War; but, if there had been, it would not have been in violation of the Farewell Address of George Washington, because, while inveighing against permanent alliances and giving the reasons therefor, he in effect counseled temporary alliances whenever the circumstances might justify them, growing out of conditions that might exist at the time. But in spite of the fact that General Washington apparently counseled temporary alliances, there has never been even a temporary alliance between the United States and any other nation that bound us to engage in armed conflict, to go to war to protect them or to protect anybody else, or even ourselves. We entered into the World War as the result of conditions that had accumulated for 21/2 years. We were associated with the Allies in the prosecution of that war; but there was no alliance, either openly or secretly, that took us into that war, or bound us by the terms of its conclusion.

We asserted our own independence as a nation when the war had concluded. Whether wisely or unwisely, we need not now debate, we asserted our independence in the matter of the solution of the world problems which came as a result of that war, and finally entered into a separate treaty with Germany and Austria in the settlement of the war.

What is our foreign policy, Mr. President? First, the President said, "We are against any entangling alliances, obviously." Of course we are. We have always been. We have never entered into one. We are not a party to any entangling alliance today, and I daresay that whatever may be the exigencies of our defense in the future, whatever may be the requirements of our National Government to protect not only our people and our liberty and our traditions, but whatever activities we may be called upon to indulge in to protect the Monroe Doctrine, or all the things that are associated with the Monroe Doctrine, it will not be done as the result of any alliance between our Nation and any other nation, but will be done in the protection of our interests, will be done in the protection of our civilization, will be done in carrying out the theory of the Monroe Doctrine, that any effort on the part of any European-or, I might add, Asiatic-nation to gain a foothold in the Western Hemisphere would be regarded as an unfriendly act by the United States. Of course we are opposed to entangling alliances, and the President is opposed to them.

No. 2. "We are in favor of the maintenance of world trade for all nations, including ourselves."

Mr. President, I need not go into any detail in discussing the desire for world trade. I need not call the attention of the Senate and of the country to the indispensability of international trade. There has never been a great nation, commercial or military, which did not have its ships plying the

Seven Seas carrying to the waiting hungry, naked, and wanting nations of the world the products of its labor in field and factory.

I need not call attention to the fact that international law has so sanctioned international trade that even in time of war it protects trade carried by the ships of one nation to another nation, subject to certain reservations with respect to contraband of war, and search and seizure of ships, in order to prevent the enemy from obtaining supplies.

I need not expatiate upon the desire of this administration to bring about an increase in world trade. I need not refer to the fact that a decade ago, almost by our own example, barriers were erected around nations declaring themselves self-sufficient, announcing to mankind that they would neither sell nor buy, that they were a land unto themselves, and did not need their neighbors. I need not refer to the disaster which came over the world as a result of that policy, which was followed by other nations after the example had been set by one of the greatest nations in the world.

I need not refer to the fact that our great Secretary of State, Cordell Hull, who will go down in history as one of the great Secretaries of State of the American Republic, has devoted himself intelligently and patriotically to lowering some of these artificial barriers, so that the products of mankind may find distribution among those who need them and do not have them. Of course, we believe in international trade.

No. 3. "We are in complete sympathy with every effort made to reduce or limit armaments."

Can anyone deny that? Can anyone deny that we took the initiative soon after the World War, through our Secretary of State, now the great Chief Justice of the United States, to assemble here in Washington a conclave representing the great nations of the world in an effort to relieve the tax-burdened men and women of the world of taxation, and the burdens of armaments, in order that we might escape from the incentive or the inducement to war? And when that conclave had concluded its deliberations and had entered into a treaty providing for the 5-5-3 ratio as between the United States, England, Japan, and others, we rejoiced in the belief, we were spurred on with the hope, that, after all, there had come a reversion in the trend of international relationships, and that the suffering men and women of the world who are not responsible for war or for its disasters or its hazards or its catastrophes might, after a while, lift their bended backs and look the sun in the face, and feel that, after all, civilization and Christianity had come to their relief in lifting these burdens from their shoulders. How we rejoiced in the consummation of that treaty. Can anyone deny or doubt that it has been our policy from the beginning to encourage the limitation of armaments?

Then, when the Nine Power Treaty was entered into, and when, under the leadership of a great French statesman, Aristide Briand, and another great American Secretary of State, Mr. Frank B. Kellogg, nearly all the nations of the world entered into an agreement to abolish war as a means of advancing their national policy, those of us who love peace and hate war, those of us who desire to see the inventive genius of mankind converged upon the solution of social and economic problems, those of us who desire to take away the slavery from children in future generations who are in advance committed to a policy which may result in war, again shouted our hosannas and our hallelujahs across the world, which recognized the futility of war, because it had entered into an agreement encompassing nearly all the nations of mankind to abolish war as a means of national policy. No one can deny that it has been our policy to advocate limitation of armaments.

No. 4. Said the President-

As a nation, as American people, we are sympathetic with the peaceful maintenance of political, economic, and social independence of all nations in the world.

No one can deny that statement. No one can controvert the assertion that that is our policy, and has always been our policy, though at times in the past historians have criticized the course of the American Republic in marching across the Western Hemisphere and taking into its arms the body of the midcontinent between the two oceans. When the War with Spain was over, there were those in our country who announced that they were in favor of a policy which would take us on to Panama, on to Mexico, on to Central America, and when the Panama Canal had been completed there were important people in this country who advocated our taking every foot of land between here and Panama, in order that there might never be any occasion for any foreign nation to set foot upon the part of America which might be contiguous to the Panama Canal.

Happily we have followed no such policy; happily we do not believe in any such policy, and happily there is not a foot of land in the Western Hemisphere which we desire from any nation. Yet, as the Senator from Idaho stated a few days ago, the Monroe Doctrine is a doctrine which was instigated and inspired by an enlightened selfishness.

I do not believe there is any considerable body of American sentiment which would be in favor of the abandonment of the Monroe Doctrine, for if in 1823 the obtaining of a foothold by any other nation in the Western Hemisphere could have been regarded as an unfriendly act on the part of that nation toward the United States, certainly today it would be more dangerous than it was 116 years ago for any such nation to obtain a foothold in the continent of America.

So, Mr. President, I do not think it is necessary for us meticulously to examine the statements of our Government in order to prove that our foreign policy is a policy inspired by the desire for peace, and yet a policy inspired by the desire to protect and defend democracy, under which we have lived for 150 years, for the inauguration of which our ancestors did not fear to fight, and for the preservation of which our people for 150 years have been willing to make whatever sacrifice might be necessary not only to preserve democracy for ourselves, but to advance it among the people of the world.

I happened to be reading a day or so ago a book written by the very able senior Senator from Michigan [Mr. Vanden-Berg]. He has written two very excellent books on Alexander Hamilton, and one of these books is entitled "If Hamilton Were Here Today." I have marked a passage or two in the book which emphasize what I am trying to say with respect to our foreign policy.

As for the reciprocal elements of independence, this same Federalist—

He was quoting from the Federalist-

sounded clarion call, not only to the young Republic, but to all generations that should inherit the benefits of unentangled freedom.

Then he quotes Alexander Hamilton:

Let Americans disdain to be the instruments of European greatness. Let the Thirteen States, bound together in a strict and indissoluble union, concur in erecting one great American system, superior to the control of all trans-Atlantic force or influence, and able to dictate the terms of the connection between the Old and the New World.

The Senator from Michigan uses the quotation as a basis for the assertion that the Monroe Doctrine was in fact the doctrine of Alexander Hamilton, and that later on James Monroe put it into language and emphasized it in the declaration which he made, which has come down to us as the Monroe Doctrine.

Then says the Senator:

One of the major reasons which the Federalist unremittingly urged for adequate military and naval defenses was the desirability of possessing a national strength equal to these national ideals, to the end that our obvious power should cause our independence of foreign turmoil and our neutrality in the midst of it, be acknowledged and thus to be unquestioned and pacifically respected.

Quoting again from Alexander Hamilton:

The rights of neutrality will only be respected when they are defended by an adequate power. A nation, despicable by its weakness, forfeits even the privilege of being neutral. * * * Our commerce would be a prey to the wanton intermeddling of all nations at war with each other; who, having nothing to fear from

us, would with little scruple or remorse, supply their wants by depredations on our property as often as it fell in their way. Some of these observations

Said Senator Vandenberg in his excellent book-

Let it be parenthetically said, sound as though written in the midst of our vain efforts to maintain early neutrality during the recent World War. We do not discuss the question whether this early neutrality was right; we recall merely that it was impossible—largely for the reason of an unpreparedness which The Federalist warned would make neutrality impossible. "Should a war be the result of the precarious situation of European affairs—

Again quoting Hamilton-

And all the unruly passions attending it be let loose on the ocean, our escape from insults and depredations, not only on that element, but every part of the others bordering on it, will be truly miraculous. ulous.

Quoting again from Hamilton-

A cloud has been for some time hanging over the European world.

This was language uttered by Alexander Hamilton nearly 150 years ago, and yet it can be appropriately quoted today. Listen to what Hamilton said:

A cloud has been for some time hanging over the European world. If it should break forth into a storm, who can insure us that in its progress a part of its fury would not be spent upon us? No reasonable man would hastily pronounce that we are out of its reach.

The Senator from Michigan stated that what Hamilton said was true in 1914. It was true in 1923 when this book was written, and it is true in 1939.

I read further from the book of the Senator from Michigan:

Hamilton believed in looking these facts fearlessly in the face Hamilton believed in looking these facts fearlessly in the face—a habit too little maintained, unfortunately, in subsequent and recent eras of uncertainty, expediency, and drift. Can there be any mistake in deductions assuming to conclude what he would say and do if he were here today? He believed in an intelligently self-reliant Americanism, as independent abroad as it is at home. He believed in scrupulously denying ourselves to any entanglements not dictated by our own inclinations and welfare. In determining what our welfare is, he did not hesitate to consider situations in Europe and assess their possible relationship to our own posture. His allegiance stopped at the American shoreline; but his vision roamed the world. He was not the astigmatized isolationist who fools himself into thinking that America is wholly immune to the effects of eruption, economic or political, in wholly immune to the effects of eruption, economic or political, in other continents.

Neither was he the anesthetized internationalist who dreams himself into the notion that America must make common lot with all self into the notion that America must make common lot with all the uneasy, quarrelsome—and frequently imperialistic—powers on earth. His unremitting effort, if he were here today, would be to determine the extent to which American economic welfare is contingent upon Old World vicissitudes, and then to serve this economic need as a matter of enlightened national selfishness. But his unswerving counsels would compromise with no program seeking to the American destiny into the political fates of the Old World, or to make us party, directly or indirectly, to any compelling moral obligations that involve transoceanic partnerships. He would say again that, as Europe should keep out of America, so America should keep out of Europe unless Americanism itself is to America should keep out of Europe unless Americanism itself is to

America should keep out of Europe unless Americanism itself is to be served by voluntary exceptions to this age-old rule. His "League of Nations" primarily would be Pan American, not intercontinental. Insofar as "isolation" implied American immunity to foreign contagions, Hamilton was its devotee and advocate. He was everlastingly wedded to that idea that the indivisible fidelity of American citizens should inure exclusively to the land of the Stars and Stripes. There were no hyphens in his heart or soul. "We are laboring hard to establish in this country principles more and more national," he wrote, "and free from all foreign ingredients, so that we may be neither 'Greeks nor Trojans,' but truly Americans." If he were here today, he would endorse, reecho, and promote every doctrine of this character which found its most recent and dynamic exponent in the late lamented its most recent and dynamic exponent in the late lamented Theodore Roosevelt.

But if Hamilton were here to day he would urge with all the earnestness at his command that America take nothing for granted in these respects; in other words, that she constantly maintain herself on a preparedness basis of adequate national defense—adequate, that is, in ratio, reduced or otherwise, with the armaments of other powers. Next to its persistent admonitions against the danger of multiphased faction. The Federalist had more to say of menace on this score of idealistic and impractical pacifism than of any other single subject. "Let us recollect that peace or war will not always be left to our own option; that, however moderate or unambitious we may be, we cannot count upon the moderation, we cannot hope to extinguish the ambitions of others. * * To judge from the history of mankind, we shall be compelled to conclude that the fiery and destructive passions of war reign in the human breast with much more powerful sway than the mild and beneficent sentiments of peace; and that to than the mild and beneficent sentiments of peace; and that to

model our political systems upon speculations of lasting tranquility is to calculate on the weaker springs of the human character."

How bitterly true we found all that to be, in the wake of the Lustratia's destruction! "If a Federal Constitution could chain the ambition or set bounds to the exertions of all other nations, the ambition or set bounds to the exertions of all other nations, then indeed might it prudently chain the discretion of its own government, and set bounds to the exertions for its own safety * * . The means of security can only be regulated by the means and the danger of attack." In other words, we must avoid the menace of unshared idealism—"the paradox of perpetual peace." "The steady operations of war against a regular and disciplined army can only successfully be conducted by a force ciplined army can only successfully be conducted by a force of the same kind." We learned that lesson all over again within the last bloody decade. God only knows how many thousand men

the last bloody decade. God only knows how many thousand men we sacrificed to the murderous notion that a good soldier needs nothing more than a willing heart.

This theory of resting American defense upon the untrained fidelities of "a million men springing to arms overnight" is the treachery of nonsense. "The facts which, from our own experience, forbid a reliance of this kind, are too recent to permit us to be the dupes of such a suggestion." Adequate national defense, legitimately proportioned to the defenses of other world powers, continues to be a necessity which Hamilton would preach—to put and keep the United States "in such a situation as, instead of inviting war, will tend to repress and discourage it." Then will foreign powers "be much more disposed to cultivate our friendship than to provoke our resentment" and, let it be added, much more than to provoke our resentment" and, let it be added, much more disposed to follow us in concerts that seek world-wide limitations upon these armaments which otherwise we are in position dominantly to use against them.

I should like to have my colleagues bear in mind that what I have quoted was written by Alexander Hamilton nearly 150 years ago, before a steam engine puffed its way on the first railroad between Baltimore and the city of Washington. That announcement by Alexander Hamilton was made decades before the invention of steam engines as a means of propulsion. It was written before the Atlantic cable was laid between the American and European Continents. It was made before the discovery of electricity. It was made before the wireless was ever thought of. It was made before the telegraph was invented, before the telephone was invented. It was made almost a century before the invention and perfection of the automobile. It was made a century before wireless, telegraph, and radio were thought of. It was made a century before the airplane came into play as a part of national defense and national aggression.

Hamilton's statement came in the "horse-and-buggy days" in all their pristine beauty, if there was such a thing. We now, in our imagination, look upon the beautiful old days when the stagecoach carried Washington, Jefferson, and Hamilton and all their contemporaries from one place to another, and if what Hamilton said a century and a half ago were true, when they did not have our present means of communication, when they did not have our present means of transportation, when it took 5 or 6 weeks to travel from one side of the ocean to the other, how much more true is it today, when time has been eliminated and space has been obliterated by the inventions of modern science, and when all nations have been drawn into infinitely closer relationships.

Mr. President, it is not our desire to stick our noses in other people's business, but what is our business and what is other people's business?

No straight line can be drawn by government, nor can we by the passage of any law or by proclamation make certain that always in the years to come all that is on one side of that line would be our business and all that is on the other side will be the other nation's business. For 150 years we have been devoted to democracy. For 150 years we have been devoted to self-government. We have developed a civilization which we are proud to believe justifies and emphasizes the right of man to govern himself, to protect his rights wherever those rights may be jeopardized. We have no desire to send a single soldier to the shores of Europe or to the shores of Asia to mingle in other Nation's internal affairs, and I dare say that we will not do so. But when by the confluence of influences and the convergence of authority and tendencies our own democracy, our civilization, not only within the bounds of the United States, but within the Western Hemisphere, are endangered, the American people are not so cowardly or supine as to take no note of those circumstances, and to defend the rights and traditions of our people and our Nation.

Mr. AUSTIN. Mr. President-

The PRESIDING OFFICER (Mr. King in the chair). Does the Senator from Kentucky yield to the Senator from Vermont?

Mr. BARKLEY. I yield.

Mr. AUSTIN. I am moved to ask the Senator from Kentucky if we ought not to consider how far we are interested in affairs clear across the Pacific Ocean, if we stop to remember that there we have a United States Court for China, a part of the ninth circuit of the United States. We also have a bar association there, of which I happen to be a member. In addition to that we have the mixed courts before which American citizens have the right to appear if they are summoned as defendants. We are actively and physically represented in the spiritual and educational development of China, and for decades we have been a leader of all the great treaty powers of the world in undertaking to protect the territorial integrity and the governmental sovereignty of that great and helpless country.

For my part I appreciate the distinguished remarks of the Senator from Kentucky, because they bear directly on that situation in the Orient which in part impels me to support that program, which includes the development of Guam among the other preparations for national defense.

Mr. BARKLEY. I thank the Senator from Vermont, I do not wish at this time to enter into a discussion of Guam, because it is not in the pending bill, but later on I shall reserve the right to discuss that subject, and I will say to the Senator that I am in complete sympathy with the suggestion which he makes.

During all our national history our people have been meticulous in the defense and in the protection of our citizens and their rights. I believe that now, more than ever before, by reason of our foreign policy we are enjoying a greater degree of respect among the nations than ever before, not only in the western hemisphere but all over the world, with the possible exception of those who do not believe in our form of government, who do not believe in democracy, who talk about parliaments and congresses and legislatures as assemblages of gabbling geese, thus showing their disrespect for our process of government. I do not believe that the time has come in the history of America when we will abandon the policies which we have advocated and followed for a century and a half in protecting every legitimate right of the American people which they have been ready to believe they would enjoy under the right of international law.

We do not desire to enter into the internal affairs of the other nations. But Mr. President, what is the situation in the world? We are considering a bill to give our Army 6,000 planes. We are told on what I believe is reliable authority that one of the nations of Europe now has more than 10,000 planes, and that another one closely associated with it has 5,000 planes, making between those two nations alone a total of 15,000 airplanes. And we are told that at Munich Mr. Hitler told Mr. Chamberlain that unless England capitulated and unless France capitulated, Germany would send 100 airplanes every hour for 24 hours to bombard London. And before that time in England people were already digging subterranean shelters inside of London and throughout England to protect themselves.

I do not know whether Mr. Hitler delivered such an ultimatum as that to Mr. Chamberlain or not, but I do know that it is the general opinion that Mr. Chamberlain and Mr. Daladier retreated and yielded because of the fear that Mr. Hitler would carry out such a threat as that. At least it is believed to have had an important influence in the events transpiring at Munich.

Mr. President, suppose such a threat were carried out. Suppose that airplanes were bombing the city of London and destroying millions of innocent civilians. Suppose that in that bombardment the American Embassy should be destroyed, and that the American Ambassador and American

citizens housed in the American Embassy should be victims. Suppose the same thing should occur in the city of Paris, and the city of Paris were destroyed by airplanes, and the American Embassy there were destroyed, and the American Ambassador and American citizens who were there were victims. Does anybody doubt that the spirit of the American people would rise, just as it rose when the *Maine* was destroyed in the harbor of Habana? Does anybody doubt it?

Mr. BORAH. Mr. President, will the Senator yield?

Mr. BARKLEY. I yield.

Mr. BORAH. I can understand the attitude of our country with respect to our ambassadors; but suppose that France and Italy, as now seems possible, should get into a conflict with reference to Corsica or Tunisia, the islands about which they are now in controversy. Does the Senator think that the spirit of the American people would rise to insist that we go over there and see that France succeeds in retaining her territory?

Mr. BARKLEY. I do not; and I have said in previous remarks that I do not think the American people would get worked up over a situation of that kind. That is quite a different matter from having some foreign nation deliberately and in cold blood murder American citizens. The point that I am making is not necessarily that we ought to have an ambassador in London or in Paris, but that if the things I have been describing should transpire, the American people will not be indifferent to them.

Mr. BORAH. Certainly not, Mr. President.

Mr. BARKLEY. I will say to the Senator that I would not advocate, and I do not believe that anybody in any responsible position in this Government would advocate, sending an Army or Navy into the Mediterranean Sea in order to protect Corsica or Tunisia, or any other property belonging to Italy or France, or any country on the Mediterranean. However, if the progress of such a conflict resulted in the destruction of France or England, and in the negotiation of a treaty of settlement the successful nation, as a part of the treaty, should demand and obtain the island of Trinidad, or Jamaica, or any other islands belonging to England or France in the route of our trade or our national defense, or of our hemisphere defense in the neighborhood of the Panama Canal, does not the Senator think that under the theory of the Monroe Doctrine we could not ignore such a conclusion as the result of a successful war by an aggressor nation in

Mr. BORAH. I agree with the Senator. If this debate is all over the question of whether or not the United States shall protect its citizens in their rights, and the interests and rights of the United States, then I can see that there is very little difference, if any, between us. Of course, it has been the principle of this Government, and of every government worthy of respect, to protect the rights of its citizens, wherever those rights might be assailed. That, I presume, we will always do and ought always be prepared to do. However, that is not the matter about which I am concerned. I am concerned about this Government's furnishing military forces to defend the supposed rights of the citizens or the rights of other governments.

Mr. BARKLEY. I realize that, if the Senator will permit me. However, that very question has been raised in the debate which has been in progress during the consideration of this bill. I think that in preparing ourselves for defense we must not only take account of the probabilities, but of the possibilities, because when things are transpiring which not only endanger our safety in continental United States, but the rights and liberties of American citizens wherever they are enjoyed under the tenets of international law, which we have always observed, if we are to take seriously our obligation to protect the Monroe Doctrine, as a selfish matter, as the Senator so aptly said the other day, because it is a doctrine of enlightened selfishness, we have to take into account not only the probabilities, but the possibilities. We must take into account the possibilities of world chaos as they now exist, 150 years after the wise words of the founder of the party to which those on the other side of the aisle pay and owe allegiance. It seems to me that the

bill now under consideration goes no further than we ought to go in preserving our readiness to protect our country, our citizens, and our liberty.

So far from trying to drag us into war, I believe it has been the policy and is the policy of our President, our Secretary of State, and our entire Government, to pursue a course which will not only preserve peace in the Western Hemisphere, but may make some contribution to the preservation

of peace in other parts of the world.

So far as I am concerned, I am proud of the standing our country enjoys among the nations of the western world. I am proud of the respect that it enjoys among the libertyloving nations of the world; I am not one of those who would tear to shreds the consistent policy which has been followed for the past 6 years, and even under prior administrations, in order to emphasize and enforce the doctrines of peace, democracy, and liberty.

I trust that not an airship we are providing for today will ever be necessary in armed conflict. I trust that not a battleship or cruiser or submarine which we provided for in the bill we passed a year ago will ever be necessary in armed conflict, either in the Western Hemisphere or any other part of the world. However, if they are necessary, I want them to be ready. As a nation, I want us to be in the attitude so beautifully described in the Bible:

Watch therefore; for ye know neither the day nor the hour wherein the Son of Man cometh.

I want us, as a nation, to keep our lamps trimmed and burning, for we know not when the enemy will come, nor from what quarter he may appear. This democracy of ours, this liberty of ours, is worth defending whenever it is in danger. It is worth bequeathing to our children for a thousand generations. Let us not be afraid to defend it or bequeath it.

Mr. NEELY obtained the floor.

Mr. JOHNSON of California. Mr. President, will the Senator be good enough to yield to me?

Mr. NEELY. I yield. Mr. JOHNSON of California. I wish to congratulate the Senator from Kentucky [Mr. BARKLEY] upon the very eloquent address he has just delivered. He has spoken long and well. To most of it I can subscribe, and to most of it I do subscribe.

However, Mr. President, I still ask, What is the foreign policy of the United States? I have been unable to learn from the speech of the Senator from Kentucky what that

foreign policy is.

Mr. NEELY. Mr. President, war is the bankrupter of nations, the blight of civilization, the scourge of Christianity, and the curse of the human race. Next in wickedness to the hideous crime of war is that of burdening taxpayers with the

cost of preparing for military aggression.

The American people hate war. Correlatively they love They love it with an ardor second only to that with which they love their honor, their country, and their God. In the temple of peace Americans habitually worship, in the vineyard of peace they diligently labor, to the Prince of Peace they fervently pour out their hearts in prayer. They have unanimously and irrevocably determined that they will never go to war, except in defense of their territory, their institutions, their liberty, or their life.

The bill before the Senate is not antagonistic to these sentiments. Its object is not preparation for war to be waged by us against others, but indispensable preparation to defend ourselves against war which others may wantonly

wage against us.

Unhappily no one knows or even pretends to know the exact number of military airplanes this country must procure in order to attain what Horace calls the "golden mean between the little and the great." In the light of worldwide unrest and recent and continuing European and Asiatic aggression, no one definitely knows whether we need 600 or 6,000 additional planes. But practically all wellinformed and solicitous American officials believe that we need more than we have. If this country does not need a greater air force than it now possesses, a city does not need a fire department when it is filled with the flames of its own combustion and shrouded with the smoke of its own conflagration.

Not a Member of the Senate would, for a moment, sympathetically consider a proposal that the United States manufacture a single airplane, build a single battleship, or cast a single cannon for this Government to use in an aggressive war against any nation on earth. We know and the world knows that the people of the United States covet no other nation's territory; that they are jealous of no other nation's success; that they intend to interfere with no other nation's internal affairs. Therefore, whatever military preparations may be made by the United States should be understood to be for the sole purpose of defense against overt acts of aggression by warlike countries that are situated beyond the

A friendly nation to the north of us: friendly nations to the south of us; a wide ocean on our east, and a wider one on our west make it possible for us to provide reasonable security for ourselves with comparatively moderate expenditures for defense.

Today no power in the Eastern Hemisphere has airplanes with which it could successfully attack us from bases within its own boundaries. But in spite of the fact that the highly developed, efficient air forces of certain European nations cannot, with their most modern instrumentalities, at present, raid our coastal cities without having first established operating bases near our shores, we have no assurance that rapidly, constantly, and persistently advancing inventive genius may not, overnight, make it possible for bombing planes to make round trip, nonstop, flights from Europe or Japan to America, or even around the world.

Experience teaches that this achievement in the near future should be prudently expected and not be imprudently ridiculed as a phantom of fear, or a spector of the

imagination.

The debate has revealed the fact that some believe our national good conduct alone will render us immune from attacks by other countries. "For love of grace" let no one

"lay that flattering unction" to his soul.

Look at China-one of the most pacific countries in the world. She has been as free from offense against Japan as the lamb in the fable was innocent of injury to the quarrelsome wolf by which it was devoured. Yet Japan carved Manchukuo from the bleeding side of China and made of it a puppet state which she now rules as completely as she rules her own. And Japan, not content with this unprovoked act of monstrous injustice, has ruthlessly overrun China, bombed her cities, destroyed her railroads, laid waste her fields, seized vast areas of her territory, and murdered untold thousands of her unoffending people, including innocent babes in arms.

Look at Ethiopa. A few years ago it was at peace with all mankind. From motives of greed which manifest themselves with every throb of a rapacious dictator's heart, Mussolini, with no more right to Ethiopia than Japan has to China, laid this African country waste with fire and sword, and after slaughtering countless multitudes of the helpless inhabitants annexed it by force of arms to the new Roman Empire, over which he imperiously rules.

Look at Austria and Czechoslovakia. Until recently they were proud, independent, flourishing nations. Without a shadow of justification, Hitler annihilated the last vestige of the independence of the one, merged it with the German dictatorship, and with mailed fists, blood-curdling threats, and the disgraceful assent of England and France pusillanimously given, wrested from the other its most valuable territory and possessions, and millions of the Czechs are now subject to the most boisterous, blood-thirsty, and dangerous dictator on

But Hitler is not satisfied. His covetous eyes are looking to the Ukraine which he will doubtless sooner or later attempt to seize. A few days ago his field marshal-Goeringaccording to the reliable Associated Press, declared, "The German air force is the terror of our enemies and we are determined to keep it that way." In other words, the games of

blackmail and terrorization, of which Hitler and Mussolini are consummate masters, are to be played on and on and onregardless of the rights or the protests of the rest of the

Mussolini, as everyone knows, is now attempting to force France to surrender much of her African territory to him. Unless the French grant their own property to Mussolini as generously as they helped to give that of Czechoslovakia to Hitler, they will probably be attacked by Italy and a vast army of Italian soldiers will, in that event, be conveniently transferred from their drill ground in recently conquered Spanish territory to new battle lines in Africa and France.

And is anyone so blind that he cannot see, so deaf that he cannot hear, or so optimistic that he cannot understand that after the Mikado has absorbed all of China, and perhaps the rest of Asia, and Hitler and Mussolini have swallowed up Africa and parceled Europe between themselves they will, with the inexhaustible resources extorted from the nations they have conquered, attempt to do to America precisely what they have done to every country that has fallen before their infamous aggression?

And the day or the hour that this calamity may come upon us no man knows. But we should learn from the Master's parable of the fig tree:

When his branch is yet tender, and putteth forth leaves, ye know that summer is nigh: So likewise ye, when ye shall see all these things, know that it is near, even at the doors. Verily I say unto you, This generation shall not pass, till all these things be fulfilled.

In present circumstances we should learn another parable that of the 10 virgins, of whom 5 were wise and 5 were foolish. The foolish ones failed to prepare themselves for a most important event. They failed to provide oil for their lamps. And at midnight the cry was heard, "Behold, the bridegroom cometh. Go ye forth to meet him." And the foolish virgins, because of their failure to make proper preparation, discovered at the critical moment that they were in the dark; that the door of the marriage chamber was shut, and they could not get in. Let us emulate the wisdom of the wise and prepare to live in peace, and not repeat the folly of the foolish and die in despair.

Some of the opponents of the bill have reminded us of Washington's admonition against this country's entering into entangling alliances "with any portion of the foreign world." We remind them that Washington also said, "To be prepared for war is one of the most effectual means of preserving peace."

Since our highest ambition is to preserve the peace of this country, we should be reasonably prepared to defend it in the air, and that is as far as the pending bill will enable us to go.

The experts of our Army, in whose knowledge of military affairs the most of us have entire confidence, testify, in effect, that the Nation's safety demands all the airplanes authorized by the measure before us. In spite of my abhorrence of war and my antipathy to every expenditure for unnecessary defense, my conscience, my judgment, and my duty admonish me to vote for the protection provided by the bill. This admonition will not be ignored.

This country is the last great stronghold of democratic government. Under Washington's leadership our forefathers struggled and suffered and sacrificed and died to obtain the beneficent form of government which we enjoy as the most precious heritage ever bequeathed to man.

The patriotic descendants of those who purchased liberty for us with their blood will defend that liberty against the world, the flesh, and all the hosts of evil that may be launched against it until the end of time.

As we pass this defensive measure today, we solemnly warn all land-grabbing dictators, international gunmen, and militaristic racketeers that, regardless of our love of peace, if they and their minions ever attempt to set invading feet on American soil, they will be met at the water's edge by an innumerable and invincible host of adequately prepared defenders with banners bearing the minatory inscription, "All hope abandon ye who enter here." And over that patriotic host will brood the immortal spirit of every heroic American general and admiral from George Washington and John Paul

Jones to John J. Pershing and Dewey of deathless fame. And the descendants of all the heroes of Lexington and Concord and Bunker Hill will be there; and the posterity of all those who fought with Perry on Lake Erie and "Old Hickory" Jackson at New Orleans will be there; and all the descendants of the survivors of Gettysburg and Chickamauga, and of those who marched with Sheridan at Winchester, and stood with Stonewall Jackson at the second Battle of Manassas will be there; and the survivors of Manila and their sons and the veterans who transmuted apparent defeat into decisive victory for the Allies on the bloody fields of France-they, with millions and millions of others, will all-all be there. And, if necessary, all will defend to the last drop of their precious blood America's soil, her people, and her absolute freedom of speech and press and assemblage and worship and everlasting immunity from persecution because of race or color or religious belief. And everyone who shall, unfortunately, fall in this righteous defense, in this noble struggle, in this glorious cause will say with his latest breath, in the language of the immortal Nathan Hale: "I only regret that I have but one life to lose for my country."

Mr. LUNDEEN. Mr. President-

The PRESIDING OFFICER (Mr. ASHURST in the chair). Does the Senator from West Virginia yield to the Senator from Minnesota?

Mr. NEELY. I yield to the Senator, and also yield the

Mr. LUNDEEN. Mr. President, I was just wondering if the Senator had declared war.

Mr. NEELY. No, Mr. President; but if I were to declare war it would be first against those in this country who are encouraging the Hitlers and Mussolinis to believe that there is a division of sentiment among us concerning our intention to protect this Nation to our last dollar and our last man against all foreign aggression regardless of the country or the combination of countries from which it may come.

The PRESIDING OFFICER. The question is on the amendment offered by the Senator from Tennessee [Mr. McKellar].

Mr. McKELLAR. Mr. President, I desire to perfect my amendment, and I send to the desk a copy of it, so that it may be read by the clerk. After "\$300,000,000" it has been suggested that I add the words "in addition to the amounts allowed by existing authorizations."

I should like to have the amendment, as modified, stated. The PRESIDING OFFICER. The clerk will state the amendment presented by the Senator from Tennessee as modified by him.

The Legislative Clerk. On page 2, line 3, after the word "thereof", it is proposed to insert a semicolon and the words "there is hereby authorized to be appropriated for such purposes an amount not exceeding \$300,000,000 in addition to the amounts allowed by existing authorizations."

Mr. SHEPPARD. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll. The legislative clerk called the roll, and the following Senators answered to their names:

Reed Reynolds Russell

Sheppard Shipstead Smathers

Smith Taft

Schwartz Schwellenbach

Thomas, Okla. Thomas, Utah

Tobey Townsend Truman Tydings

Van Nuys

Wagner Walsh Wheeler White

Wiley

Vandenberg

Adams	Danaher	La Follette
Andrews	Davis	Lee
Ashurst	Donahey	Lewis
Austin	Ellender	Lodge
Bailey	Frazier	Logan
Bankhead	George	Lucas
Barbour	Gerry	Lundeen
Barkley	Gibson	McCarran
Bilbo	Gillette	McKellar
Bone	Glass	McNary
Borah	Green	Maloney
Bridges	Guffey	Mead
Brown	Gurney	Miller
Bulow	Harrison	Minton
Burke	Hatch	Murray
Byrd	Hayden	Neely
Byrnes	Herring	Norris
Capper	Hill	Nye
Caraway	Holman	O'Mahoney
Chavez	Hughes	Overton
Clark, Idaho	Johnson, Calif.	Pepper
Clark, Mo.	Johnson, Colo.	Pittman
Connally	King	Radcliffe

The PRESIDING OFFICER. Ninety-two Senators having answered to their names, a quorum is present.

Mr. TYDINGS. Mr. President, I should like to ask the chairman of the committee a question. An amendment has been offered limiting to 10 percent the profits on the planes built in pursuance of the authority contained in the pending bill. I have no objection to the amendment, but I understand that in the wording of the amendment no allowance is made for certain expenses which should, in my judgment, be incorporated in the cost formula.

I should like to ask the chairman of the committee, now that the amendment has been tentatively agreed to, whether, if these objections are called to the attention of the conferees, it will not be possible to give those interested, and who are in full possession of the facts, a hearing, so that in conference the amendment basically can be perfected, not destroying its philosophy, but making sure that it does no more and no less than it is intended to do.

Mr. SHEPPARD. Mr. President, the entire matter will be studied very carefully in conference.

Mr. TYDINGS. And there will be given to those who are interested an opportunity to present their side of the case?

Mr. SHEPPARD. Opportunity will be given to anyone

who desires to come before the conference, of course.

Mr. TOBEY. Mr. President, will the Senator from Mary-

Mr. TOBEY. Mr. President, will the Senator from Maryland yield?

Mr. TYDINGS. I yield.

Mr. TOBEY. The Senator from Maryland, no doubt, is thoroughly cognizant of the fact that the amendment which I have offered and to which he has referred is practically identical as to exemptions of certain mechanical devices and materials with the amendment added to the Vinson-Trammell Act and the Merchant Marine Act and also with the provision which has been a part of all naval appropriation bills since 1934. I presume he likewise knows that losses in one year can be charged against the profits of the next. In other words, the Senator is aware of the fact that it is a replica of what has been done by the Senate at least four times heretofore.

Mr. TYDINGS. All that may be true, but the building of airplanes is not as old a business as is the building of ships for the high seas, and it is perfectly conceivable that this amendment may apply with equity to the lines of endeavor to which the Senator has alluded and not apply with equity to airplanes, the development of which is still in more or less of an experimental stage.

It has been represented to me that a great deal of the cost of airplanes is in experimental work, which continually goes on, and certainly the Government wants it to go on. My sole purpose in rising at this time is to make sure that we do not make the definition so stringent that the experimental work will cease. I am not quarreling with the general purpose of the amendment, but representatives of several concerns have called at my office today and suggested that the amendment as now worded will preclude them from carrying on some of the work which is essential to the most proficient planes.

Mr. TOBEY. If I may again address myself to the Senator from Maryland with reference to his remarks, concerning experimental work, as I stated yesterday, this Government, through the Navy and the Army, the Board of Aeronautics has contributed \$45,000,000 in the last 4 years. The same attitude is shown both by the Army and the Navy. I certainly have no objection to the matter being reviewed, but I also wish to point out to the Senator that the amendment in the Vinson-Trammell Act includes all naval aircraft, as well as naval ships, so that the operations of the aircraft industry have been reviewed by the Congress several times, and the airplane producers have been functioning under the Vinson-Trammell Act and building aircraft thereunder for the last 5 years

Mr. TYDINGS. I think that never in the history of the United States have we embarked upon the purchase of aircraft, and particularly fighting craft, on the scale proposed by the pending bill. Everyone knows that the airplane industry is still in the infant stage, and it may be that the rep-

resentations which the men who are engaged in this business have made to me are sound; namely, that there must be more latitude in the experimental part of the cost formula if the best plane possible is to be produced in the factories. I am not contending that that is the case, but I can see that it may be the case.

Mr. TOBEY. I can, also.

Mr. TYDINGS. The purpose of my question was to insure that these gentlemen obtain a hearing before the conferees, where if their case is good it can be accepted, and if their case is bad it can be rejected. Naturally, I am not familiar with all the details involved in a matter of this kind, but they have asked that they have opportunity to present what they claim is factual matter, which will prove that the definition as applicable to airplanes must be a little broader than that applied to the general, ordinary character of other governmental work. My sole purpose was to insure that they would get a hearing. As to the details of their case, I am not greatly familiar with them, and I am in no position either to advocate their contentions or oppose them.

Mr. TOBEY. My proposal is not de novo, but is something that has been in effect for years among the aircraft manu-

facturers themselves.

Mr. TYDINGS. I appreciate that, but I think we are engaged in airplane development on so large a scale that it would be wise to make sure that the best planes will be built within a certain length of time, and we ought not to put definitions in the measure which may prevent the accomplishment of that objective. For example, one manufacturer today represented to me that the penalties for not delivering planes in accordance with schedules were so prohibitive and the experimental work so varied that they might get into such a condition that if the Government enforced the penalties they would lose a considerable sum of money and make no profit at all. Whether or not that be true, I do not know. I am not familiar with the airplane industry even in the slightest degree. But I did want to make sure that these gentlemen would be accorded a hearing, and if their case is sound, I am satisfied the conferees will deal expeditiously and justly with them.

Mr. TOBEY. One more word and I will sit down. A concern may expend \$100,000 or \$1,000,000, we will say, on an experimental model for planes that may be put out on a large scale thereafter. It is beyond question that that concern should amortize that experimental cost into the amount it charges the Government for planes built on a production basis. They always do that. What I wish to guard against—and that is why I cited the horrible record yesterday—is that no fifth estate shall thimblerig these things, and to invade the Halls of Congress with their subtle arguments and try to prevent the passage of needed regulatory legislation.

Mr. TYDINGS. I think the position of the Senator from New Hampshire may be sound. I feel that now in airplane industry, even if a type of plane has been determined upon, it may be necessary to make experimental changes in an airplane from time to time as development proceeds, and that, as has been pointed out to me, is something which may cause extraordinary and unforeseen delay; therefore there ought to be sufficient latitude in respect to the penalties so that an honest manufacturer who wants to do honest work can safely cooperate with the Government and not be penalized by the profit limitation provision. I am satisfied if the conferees will hear these gentlemen, that whatever good there is in their case will be incorporated by any necessary amendment into the profit-limitation amendment. That was the sole purpose of my asking the committee chairman if he would not approach the proposal in the spirit I have suggested.

Mr. GEORGE. Mr. President, I desire to call attention to the fact that the House Committee on Naval Affairs at the present session has already favorably reported a bill (H. R. 7777) to amend section 3 of the act of March 27, 1934. The language of that bill is identical with the language of the amendment proposed to be made to the pending bill. I wish to bring to the attention of the chairman of the committee in charge of the pending bill the report filed by the Committee on Naval Affairs on that bill, H. R. 7777, which is a favorable report asking for the amendment of section 3, the language of which is now offered as an amendment to the pending bill. I think there are some very pertinent facts set out in the report.

I particularly want to say, Mr. President, that the mere matter of constructing 6,000 planes, even if the outside number should be purchased by the Navy and put in operation, would be of no great consequence in any great national emergency. If the national-defense bill is to be of real service, if it is to effectuate what I think must have been the intent and the purpose of the President of the United States in commending it and recommending it, producers must develop the capacity to produce in order to meet any emergency. I think the House of Representatives itself has recognized in connection with its own proposal to amend section 3 of the act of 1934, in language identical with the language of the pending amendment, that with respect to a new industry, in the development of which many experiments must be undertaken, and which necessarily changes from day to day, from week to week, from year to year, if the capacity to produce to meet an emergency is really to be secured under any national-defense bill, the industry cannot be hedged about by restrictions of the nature and character of the restrictions contained in the pending amendmet.

The House committee report contains a significant statement made by the Chief of the Bureau of Aeronautics. I do not know whether or not it is true, but the statement is inserted as a part of the House committee report. It is the testimony of the Chief of the Bureau that in the years 1927 to 1933, inclusive, the producers of airplanes made a net profit of 8 percent upon the construction of planes, while they lost 34 percent upon all the experimental efforts to develop new types of planes.

The report also contains the statement that in the years 1934 to 1936, inclusive, while the audit is not complete, the airplane manufacturers made a net of 2.8 percent upon new production, but lost 71 percent in the construction of new

types of planes. Mr. President, I consider the program under consideration purely a defense program. I have not been concerned about the questions of national policy, of neutrality, or what not, but I have regarded the program under consideration to be purely a defense program, one not inadequate, and one not out of proportion to the resources of this country to maintain. I am going to vote for it. I want to vote for the proposal as it has been submitted, because I must assume that in that field the experts of the Army and Navy, the experts in the Government, must know more about the subject than I can possibly know with the limited time I have to study it. Looking at the program from the standpoint of pure national defense there is danger that we may greatly hamper a new industry, one that must conduct experiments from day to day and from year to year, if it is to keep abreast of improvements and changes made in airplane construction. I imagine that there is nothing more useless for national defense purposes than a set of antiquated planes.

Mr. President, I imagine that the entire number of 6,000 planes provided by the bill would last us about 20 days in any great national emergency. I know that in order to develop an effective national defense the United States must develop the capacity of its plants to supply the necessary implements and munitions of war.

Mr. MALONEY. Mr. President, will the Senator yield? Mr. GEORGE. I yield.

Mr. MALONEY. I am anxious to associate myself with the remarks of the Senator from Georgia, not only as he refers to the pending bill but also in relation to the particular amendment now under discussion. I am fully aware of the abuses in this particular field in days gone by. As the Senate knows, we now have in effect a law which is similar to this amendment affecting planes and other equipment of national defense. However, it seems to me that the situation creating that law came as a result of these earlier

abuses which were practiced at a time when planes were purchased by negotiation rather than by bid.

As I understand, it is now planned to purchase the planes as a result of bidding. Because competition seems to me to be pretty wide, I want to ask the Senator, who seems so well versed on the subject, if there is not keen competition in the field of airplane manufacture?

Mr. GEORGE. I understand that there is, Mr. President. I rose not so much to take issue with the purpose of the amendment offered, because I think all of us would readily agree with the purpose of the amendment; namely, that unconscionable profits should not be made by the manufacturer of any airplane or any of the appurtenances which go with it.

Mr. BARKLEY. Mr. President, will the Senator yield? Mr. GEORGE. I yield to the Senator from Kentucky.

Mr. BARKLEY. I appreciate the force of the remarks which are being made by the Senator from Georgia. Of course, our primary purpose is not so much to regulate profits, but to provide for national defense. If, incidentally, we can regulate profits without in any way affecting or crippling the objective of the bill, I am in sympathy with that purpose; but I am wondering whether the amendment takes account of the fact that while the Government may indulge in certain research work in order to figure out the best possible planes, private manufacturers will also have to do the same thing. I am wondering whether the amendment takes sufficient account of the expenditure that may have to be indulged in for research and investigation, which might not reflect itself in the cost of producing a certain number of planes so as to make it possible to fix a limitation on profits. I think that element must be taken into consideration

In other words, if the 10 percent is to be on the over-all cost of investigation, research, and everything, as it may be allocated to the planes the Government actually buys, that might not be a bad thing. However, if the 10 percent is to be allowed merely on the actual cost of manufacture after the investigations, research, and preliminary work have all been done, it might result in a dead loss to the manufacturers, which would make it unattractive for them to bid on the planes.

Does the Senator know whether this amendment—which is really not the one which is pending, but is the one about which we are talking—sufficiently safeguards or insures proper competition on a basis which would be fair to all the concerns?

Mr. GEORGE. I will say to the Senator from Kentucky that I am not sufficiently well informed about the amendment to answer the question.

Mr. MALONEY. Mr. President, will the Senator yield to me on that question?

Mr. GEORGE. I yield.

Mr. MALONEY. I think the fears of the Senator from Kentucky are justified. Because this is a national-defense program, I think we incur some danger by imposing this limitation, because if we should rigidly enforce such a requirement we might not obtain the widespread distribution of the business we desire, or the widespread bidding on airplane contracts. I am fearful that a limited few of the large manufacturers might obtain the business.

I am in sympathy with what I believe is the intent of the proposal of the Senator from New Hampshire [Mr. Tobey]; but it seems to me that we are living in an era of confusion insofar as international, military, and naval affairs are concerned; and I think we ought to proceed with great care, so that we will not bring about the situation feared by the Senator from Kentucky.

Mr. BARKLEY. I appreciate that; and that is what concerns me. We are providing a \$300,000,000 program of construction. If the amendment of the Senator from Tennessee is adopted, it provides no authorization for future maintenance. We should require another bill authorizing the maintenance of the ships after they were constructed, because, as I see it, we are not going to spend \$300,000,000 to build up an air force and then just leave it and go off and forget it. We must maintain it from year to year. That is one thing which

makes me fear the propriety of the \$300,000,000 limitation, because that is for the construction of the air force.

Mr. CLARK of Missouri. Mr. President, will the Senator yield at this point?

Mr. BARKLEY. I have not the floor.

Mr. CLARK of Missouri. Will the Senator from Georgia permit me to ask a question of the Senator from Kentucky?

Mr. GEORGE. I yield.
Mr. CLARK of Missouri. Does not the Senator realize that
the figure \$300,000,000 is taken from the President's estimate?
There is \$170,000,000 for purchase and construction of planes

during the next 2 years and \$130,000,000 for other aviation purposes.

Mr. BARKLEY. Yes; I realize that.

Mr. CLARK of Missouri. Mr. President, there is no difference between the President's recommendation on the subject and the amendment of the Senator from Tennessee.

Mr. BARKLEY. No.

Mr. CLARK of Missouri. If I may say so—because a number of Senators have asked me—there is no difference between the amendment which the Senator from Tennessee proposes and the amendment I proposed, except that the amendment of the Senator from Tennessee is more inclusive. He took the entire \$300,000,000 recommended by the President for all aviation purposes. I simply took the \$170,000,000 recommended by the President for the purchase or construction of new ships.

Mr. BARKLEY. I understand that, and I am not worried about that part of it. What I mean is that the bill as drawn provides a continuing authorization from year to year for the necessary appropriation to maintain the air force after it is constructed. The \$300,000,000 is for the primary, initial construction to bring the air force into existence. The total authorization of the bill is \$300,000,000. If this amendment is adopted, then when the air force is completed there will have to be another bill authorizing appropriations from year

to year to maintain it.

Mr. CLARK of Missouri. Mr. President, as I understand the amendment of the Senator from Tennessee, it is precisely in accordance with the President's recommendation. Mr. McKELLAR. It is absolutely in accord with it.

Mr. CLARK of Missouri. It was never intended that the \$300,000,000 should do anything except provide for the purchase of airplanes and the other purposes set out in the Presi-

dent's message for a period of 2 years.

Mr. BARKLEY. I do not want to take the Senator's time. I did not rise to discuss that question. I was discussing an amendment which is not yet really before us. The point is that, so far as the figure of \$300,000,000 is concerned, I do not differ with the Senator from Missouri in relation to the President's recommendation for construction. What I am saying is that we want to do more than simply authorize the construction of the planes. We want to authorize their maintenance over a period of years. After they are constructed there must always be an authorization for continuing the appropriation in the future.

The point I make is that the adoption of this amendment will make it necessary, after the program is completed, to pass another bill authorizing Congress to appropriate the

money to maintain the air force.

Mr. McKELLAR. No; no.
Mr. CLARK of Missouri. It is hoped that Congress will
be in session next year, the year after that, and in future
years. That has been the theory of our legislation.

Mr. McKELLAR. Mr. President, will the Senator yield? Mr. GEORGE. I yield to the Senator from Tennessee.

Mr. McKELLAR. I find that there is a distinct item of \$3,000,000 for maintenance.

Mr. BARKLEY. That is not for the maintenance of these airplanes.

Mr. McKELLAR. It says so. I am taking the word of the President in his message. The amount seems small.

Mr. BARKLEY. The Senator is too good a mathematician and financier, and has had too much experience on the Appropriations Committee, not to know that the \$3,000,000 is

not to be construed as an annual authorization to maintain a \$300,000,000 air force.

Mr. McKELLAR. The bill provides for the annual maintenance of the airships. It will not be necessary to have any further legislation. All the amendment does is to limit the amount to that which the President recommended.

The Appropriations Committee ought not to have an unlimited appropriation for the purpose of building airships. The President has not asked for it. He has asked for \$300,-000,000. The bill proposes to give it to him. As the chairman of the Appropriations Committee knows, the committee is constantly confronted with the question of unlimited appropriations. My amendment merely makes a limited appropriation in the amount asked for by the President.

Mr. BARKLEY. Mr. President, will the Senator from

Georgia yield?

Mr. GEORGE. I yield.

Mr. BARKLEY. I desire to get back to the matter which we are discussing. Let us suppose that some airplane construction company desires to enter this field. Let us suppose that on a contract for \$50,000,000 worth of airplanes the company is required to make research of all sorts for the construction of the airplanes, which research would cost, let us say, \$5,000,000. In the ultimate cost of the planes to the Government, will the \$5,000,000 be taken into consideration in determining the basis on which a 10-percent profit should be allowed under the amendment?

Mr. GEORGE. I do not so understand. However, I obtain from the House committee my understanding of the amendment which is now offered to the bill. I am not prepared to speak beyond that understanding. My attention was called to the House bill and to the report on the House bill. I have had but little time to give attention to the matter.

It seems to me that the bill now before the Senate is an authorization bill. The Secretary of War is simply authorized to make contracts. I presume anything that is legitimately within the contract, so far as the purchase of planes, parts, and so forth, is concerned, would be covered in the contract. The amendment offered is not a cost-plus proposal.

Mr. BARKLEY. No.

Mr. GEORGE. It does not guarantee the builder of planes, or the concern which sells them to the Government, a profit of 10 percent. It merely puts a ceiling of 10 percent on profits. Therefore it seems to me that the observations made by the House committee were most pertinent, because they point out that when the manufacturers are merely reproducing planes according to an accepted model, they have made a profit during one period of 8 percent, and during another period an indicated profit of 2.8 percent, and that on all their experimental work or work of developing new types of planes they would sustain very heavy losses.

Inasmuch as the entire matter will be in conference, as I understand, the House bill having no provision of this kind, I wanted to call the especial attention of the chairman of the conference committee, who I presume will be the chairman of the Senate Committee on Military Affairs, to the House report in considering amendments to the particular amendment which, as I understand, the chairman of the committee has indicated his willingness to accept as

a part of the bill.

Mr. BARKLEY. I see the Senator from New Hampshire is present, and I should like to make an inquiry. I think we are all driving at the same object, though we may not have the same basis in our minds. However, for instance, if any single airplane factory or any group of them that might want to enter this field to compete for this Government business already have made research necessary for them to begin the construction of the type of airplanes the Government would want, of course, probably they would not be entitled to use the expenses heretofore incurred in research work as the basis or as any part of the basis on which this 10 percent would be allowed; but if in order to manufacture planes the Government would accept, they have got to start in ab initio amake necessary research in order to meet the requirements of the Government, when those requirements are met and the

result of those researches can no longer be used in the ordinary manufacture of airplanes for private industrial or commercial purposes, then I think the amount of money spent in preliminary research ought, in fairness, to be included in the amount upon which the 10 percent may be allowed. Does the Senator's amendment make any provision for a situation of that kind, where part of the total expense of a given number of airplanes, say, a thousand, would perhaps be \$3,000,000 or \$4,000,000 expended in order to develop a type that would enable the manufacturer to compete?

Mr. TOBEY. An answer to that would be to assume that the Senator from Kentucky was in the manufacturing business and making a product, let us say, locomotives; that he had prospective orders from different railroad companies in the country, and he built a research laboratory and went to great expense to produce a locomotive to compete with others. The Senator from Kentucky, as would any good businessman, would take that cost and pro rate it in his selling price for the year; it would become an integral factor of his selling price. That is good business practice. We would all do the same thing.

Mr. BARKLEY. I appreciate that; but in that case the cost could be recouped over a period of years in general production.

Mr. TOBEY. I think the manufacturer, whether the Senator from Kentucky or myself, would cover it in the year's operations. We would clean it up entirely through the charges for overhead and other costs of the goods sold.

Mr. BARKLEY. What I have in mind is not to make the terms so hard that a concern will not be interested in engaging in this field of activity for the benefit of the Government.

Mr. TOBEY. I do not think there is a chance of that, I will say to the Senator from Kentucky.

Mr. President, the Senator from Georgia has the floor, has he not?

Mr. GEORGE. I yield to the Senator from New Hampshire.

Mr. TOBEY. I should like to read into the Record at this point a statement as to the amount of money that the Government, by its departments, has been expending for research and experimental work, some of this money being distributed directly to industries and some being expended by the departments themselves. I invite the attention of the Senator from Georgia to the fact that in the pending bill there is a \$3,000,000 item for research and experimental work to be paid for by the Government. The amounts expended by the Government for research and experimental work in connection with aircraft and aircraft accessories, stated in tabular form, are as follows:

AIRCRAFT AND AIRCRAFT ACCESSORIES

Grants by Navy Department to private contractors for experimental and research work

1935	\$1,319,000 1,270,000 1,781,000 3,854,000
Total	10, 400, 000
Total amounts expended by Navy D	
1935	
1936	
1937	
1938	4, 682, 812
1939	2, 903, 500
Total	14, 242, 000
Total amounts expended by the We research	
1936	\$2, 800, 951
1937	
1938	
1939	2, 107, 740
Total	10, 317, 000

Civil Aeronautics Authority—Amounts expended in experimental and research work

Approximately \$200,000 Not yet available National Advisory Council on Aeronautics—Amounts expended in experimental and research work, as given by Dr. George Lewis, Director of Aeronautical Research

Proof, up je	General purposes	Construc- tion	Total
1935	\$766, 530 1, 177, 550 1, 177, 550 1, 380, 850 1, 500, 000	\$478, 300 1, 367, 000 353, 000 200, 000	\$1, 244, 830 1, 177, 550 2, 544, 550 1, 733, 850 1, 700, 000
Total	6,002,480	2, 398, 300	8, 400, 780

Thus it will be seen that during the past 5 years the Government has expended for research and experimental work of the character referred to, a total of \$43,559,780. Three million dollars of new money for this purpose is provided in the pending bill. So the Government is acting as a tutelary, so to speak, as a good neighbor and big brother to private industry in helping them by private grants, and by its own research work. There is no disposition on the part of the Government to hamper private industry or to discourage them in the attempt to engage in this business.

I believe half the suggestions made on this floor are not founded upon real need, because I know that in the House of Representatives the effort was made to enact legislation along the line suggested by the Senator, and for 4 years the House refused to pass it. The rights of private manufacturers are protected by allowing them 10-percent profit on what they sell to the Government. If all the manufacturers of this country in all industries could obtain 10 percent on the goods they produce we would have no unemployment problem in the United States.

Mr. GEORGE. But the Senator overlooks the fact that there is no guaranty of 10 percent.

Mr. TOBEY. It is up to the perspicacity of business and the acumen of those engaged in private industry to make 10 percent.

Mr. GEORGE. But one year they may make nothing and another year they may take a loss.

Mr. TOBEY. Then they would charge it against the profits of the next year under this amendment.

Mr. GEORGE. It may be that they could do that, but I do not so understand it.

Mr. TOBEY. They are allowed to do it by the very terms of the amendment.

Mr. GEORGE. I do not understand that the amendment does that. I am looking at the Vinson Act—

Mr. TOBEY. Let me read that to the Senator, if he will permit me.

Mr. GEORGE. I have it before me now, but it does not seem to me to do that. I am not quarreling with the Senator's purpose.

Mr. TOBEY. I understand that.

Mr. GEORGE. I served as a member of the Munitions Committee and I know something of the evidence that was adduced before that committee. I know something of the outrageous practices that were carried on by way of suppressing bids and predetermining contractors who would receive certain bids. I have the fullest sympathy with the amendment. I think, however, that a far better way of reaching it would be through a tax measure which has been introduced in this body, and a similar bill was introduced in the last Congress. In effect, it proposes to tax profits in excess of a certain fixed profit made upon Government contracts, so that if contractors with the Government make more on their whole transaction with the Government than a given percent, they lose in the excess-profits tax. But in that case they have always got a gain; they simply cannot carry the gain beyond the point fixed in the tax act. Here, however, there is simply a limitation upon profits that may be made under one contract, whereas other contracts may show net losses.

What I am trying to point out is that in a highly experimental and developing business, such as the manufacture of airplanes, upon which this Nation and all other nations

now so vitally depend for national-defense purposes, any national-defense program must look not merely to the purchase of a few planes, safeguarding meanwhile the Government against unconscionable contracts for the purchase of those planes, but it must look to the development of the production capacity of the industry of the country, or else this whole national-defense program will be utterly useless

after the next 2 or 3 years have elapsed.

I am not controverting the Senator's position; I am in fullest sympathy with the desire to limit these profits. I should say they should not be as high as 10 percent; if the proposal here was to impose an excess-profits tax on profits beyond 8 percent net income on these contracts, I would not have one suggestion to make about it; but inasmuch as the proposal is to limit the profits that may be made on any contract to 10 percent, with no guaranty of any profit upon other contracts, I thought it proper for the committee to take into consideration the bill now pending in the other House to amend the section of the Vinson Act which the Senator proposes to offer to this bill as an amendment, and especially the pertinent provisions in the House Naval Affairs Committee's report calling attention to what it undoubtedly thinks is the necessity of amending the act which we are now about to incorporate as an amendment in the pending national defense bill.

I want the Senator please to understand that I am not quarreling with his purpose, and I am not controverting the very great abuses that have led to these limitations upon Government contracts, because I am aware of those abuses. I sat through the committee hearings under the able leadership of the distinguished Senator from North Dakota [Mr. NyEl, the Senator from Missouri [Mr. CLARK], the Senator from Washington [Mr. Bone], and other Senators, and heard developed step by step many of the perfectly outrageous advantages that were taken of the Government in collusive bidding by various contractors who desired to procure contracts from the Government. I wanted to call attention, however, to this other act and to the proposal to amend it.

Mr. AUSTIN. Mr. President-

The PRESIDING OFFICER. Does the Senator from Georgia yield to the Senator from Vermont?

Mr. GEORGE. I yield to the Senator.

Mr. AUSTIN. I ask the Senator if he interprets section 3 (b) of the act referred to in this amendment as tying up the Government or the contractor to any one contract in ascertaining the limit of the contractor's profits. The reason why I ask the question is that I myself must be in error if that is the meaning of the section.

May I, before finishing, read the section to which I refer? Mr. GEORGE. If the Senator will permit me to answer him, I think the section undoubtedly relates to one contract, even though the same manufacturer may have a series of contracts, because it expressly provides "in excess of 10 percent of the total contract price."

Mr. AUSTIN. That is the point of difference between us; and I am wondering whether there is an error in the

copy the Senator is reading.

Mr. GEORGE. I am not prepared to say about that. Mr. AUSTIN. I have the original before me, and the word

is "prices," not "price." The section reads:

Ten percent of the total contract prices of such contracts within the scope of this section as are completed by the particular contracting party within the income taxable year.

I should interpret that description-

Mr. GEORGE. That is different language from that which I have before me; and I should be disposed to interpret it as limiting the profits on all the contracts held by a particular contractor.

Mr. AUSTIN. Yes; that is the way I interpret it.

Now, if the Senator will yield once more

The PRESIDING OFFICER. Does the Senator from Georgia further yield?

Mr. GEORGE. I do.

Mr. AUSTIN. I desire to ask the Senator how he interprets the first part of section 3 (b) with reference to the rule or rules to be applied by the Treasury Department in

ascertaining costs. My question specifically is, Does the statute tie the Treasury Department to any specific rule of calculating costs when the statute uses this language:

To pay into the Treasury profit, as hereinafter provided, shall be determined by the Treasury Department—

My question relates to that language. Does it tie the hands of the Treasury Department at all in calculating the costs?

Mr. GEORGE. By any particular method?

Mr. AUSTIN. That is the question; does it?
Mr. GEORGE. I should think it would have precisely the same meaning that very similar provisions have throughout the tax act. The tax act, as the Senator knows, imposes a tax upon the net income, always as determined by the Treasury Department; and I do not think the Treasury Department is bound by any particular method of cost accounting. In fact, I am sure it is not bound by any particular method of cost accounting, except as it itself may approve that method, because from year to year in the Finance Committee we have had a proposal to compel the Treasury to use a certain cost-accounting method in instances of deferred sales or deferred payments over a period of time in ordinary cases of sale and purchase. I think this language would be given the same interpretation that is given very similar language in any of the tax provisions.

Mr. AUSTIN. Mr. President, if the opinion of the Senator from Georgia were followed by the Treasury Department, I think I should favor this amendment. I favor the principle of preventing excess profits. The question in my mind, however, is similar to the question raised by the Senator from Georgia, and that is whether this language would be so interpreted as to render entirely futile one of the principal objectives of the bill. That is the objective of research and development of planes, of tools, and of equipment with which

to increase our production.

If I may be permitted just a minute more, I should think the Treasury Department, in construing costs to ascertain profits, should carry into effect one of these principal objectives of the measure, and calculate into the costs of the contracts of the taxable year all the costs of research and development, to which I have referred rather briefly, so that these institutions could go forward on a living basis and not be destroyed by the first year's attempt to do business under this law.

Mr. WHITE. Mr. President, will the Senator from Vermont yield?

Mr. AUSTIN. I have not the floor. The Senator from Georgia has the floor.

Mr. BONE. Mr. President, will the Senator from Georgia yield to me?

The PRESIDING OFFICER. Does the Senator from Georgia yield to the Senator from Washington?

Mr. GEORGE. I yield to the Senator from Washington. Mr. BONE. In the development of any particular model of plane which might be sold in considerable numbers to the Government, can the Senator advise us whether or not experimental work on that plane might by the Treasury Department be authorized as an overhead cost? I have not heard that matter discussed on the floor of the Senate. and that is one of the questions which the Senator from Vermont has raised.

Mr. GEORGE. I think the Senator from Vermont raised it, and the Senator from Kentucky raised it.

I should not be prepared to say that the Treasury Department, or the Secretary of War in the first instance, would not be authorized to take into consideration certain research work by the company in preparing to meet the terms and stipulations of a contract which the Department desired the company to enter into with it; but I should say, as the Senator knows, that the departments of Government are very hesitant to allow any latitude in that regard, because, of course, they would be very much afraid of criticism.

Mr. BONE. It might be very important for us to determine that particular fact, because, if the Treasury allowed that as a proper overhead expense, the contractor might be permitted to collect not to exceed 10 percent profit on that

expense. Certainly it would be of no moment to the contractor how much experimental work he did, provided he made 10 percent on it. That is why I raised the question whether it might be allowed.

Mr. GEORGE. My answer to the distinguished Senator from Washington would be that the Secretary of War would not in the first instance, nor would the Treasury Department finally, approve a contract which included any item for experimental work, because, in the nature of things, I do not see how that could be done.

I yield the floor.

Mr. NORRIS. Mr. President, I wonder if I would be out of order if I should discuss the amendment pending before the Senate. [Laughter.]

The PRESIDING OFFICER. The Senator is in order in discussing the amendment now pending.

Mr. NORRIS. With that assurance from the Chair, Mr. President, I will take up the amendment.

The PRESIDING OFFICER. It is not a violation of the rules of the Senate to discuss the amendment which is pending. [Laughter.]

Mr. McKELLAR. Mr. President, will the Senator yield?

Mr. NORRIS. I yield.

Mr. McKELLAR. Will the Senator permit the clerk to read the perfected amendment, to which the chairman of the committee has agreed, so that it may be before the Senate?

Mr. NORRIS. I was about to suggest a modification of the amendment which I thought would be satisfactory to the Senator from Tennessee and the Senator from Texas. Perhaps that has already been done.

Mr. McKELLAR. I suggest that the Senator wait and see. The PRESIDING OFFICER. The Senator from Tennessee, as is his right, has perfected his amendment. The clerk will read the amendment as perfected.

The LEGISLATIVE CLERK. In line 4 of the amendment, after "\$300,000,000," there have been added the words:

together with such annual appropriations as may be necessary to maintain such air force.

Mr. NORRIS. Mr. President, that perhaps meets the proposition to which I was going to call the attention of Senators

The measure which it is sought to amend by this amendment reads as follows:

The Secretary of War is hereby authorized to equip and maintain the Air Corps with not to exceed 6,000 serviceable airplanes

And so forth. The objection is made to the amendment by the Senator from Kentucky [Mr. BARKLEY] that the limitation put on by the amendment of the Senator from Tennessee would cripple the maintenance of planes, because it would limit the maintenance by the amount stated in the amendment. The amendment does make such a limit, because it applies both to equipment and to maintenance. was about to suggest that the Senator from Tennessee modify his amendment so that it will apply only to equipment, and not to maintenance, thus meeting the objection, which seems to me to have some merit, made by the Senator from Kentucky; but if the proposed change meets that point, I will not press my suggestion.

Mr. McKELLAR. I think the change meets that point, and the chairman of the committee has agreed to it.

Mr. NORRIS. Is the chairman of the committee satisfied with it?

Mr. SHEPPARD. I think the amendment meets the situation

The PRESIDING OFFICER. The question is on agreeing to the amendment offered by the Senator from Tennessee [Mr. McKellar].

Mr. SHEPPARD. I accept the amendment.

Mr. McNARY. Mr. President, the chairman of the committee may be ever so influential, but he cannot bind the Senate.

The PRESIDING OFFICER. The Senator from Oregon is correct.

Mr. McNARY. The proper procedure is to bring the amendment to the attention of the Senate for a vote.

The PRESIDING OFFICER. The Senator is correct. The question is on agreeing to the amendment proposed by the Senator from Tennessee.

Mr. AUSTIN. Mr. President, may we have the amendment stated?

Mr. SHEPPARD. Just a moment. In what I stated I meant, of course, that I accepted the amendment only insofar as my own action could affect the matter.

The PRESIDING OFFICER. The clerk will state the amendment.

The Legislative Clerk. The amendment proposed, as modified, is as follows: On page 2, line 3, after the word "thereof", to insert a semicolon and the words "and there is hereby authorized to be appropriated for such purposes an amount not exceeding \$300,000,000, together with such annual appropriations as may be necessary to maintain such air force."

The PRESIDING OFFICER. The question is on agreeing to the amendment of the Senator from Tennessee [Mr. Mc-Kellar] as modified.

The amendment, as modified, was agreed to.

Mr. TOBEY. Mr. President, I now ask that the amendment I have presented be laid before the Senate.

The PRESIDING OFFICER. The clerk will state the

The LEGISLATIVE CLERK. It is proposed to add the following new section at the end of the bill:

SEC. —. All of the provisions of section 3 of the act of March 27, 1934, as amended (48 Stat. 505; 49 Stat. 1926) (relating to payment into the Treasury of excess profits under contracts with respect to certain naval vessels and aircraft), shall be applicable with respect to contracts for aircraft for the Army to the same extent and in the same manner that such provisions are applicable with respect to contracts for aircraft for the Navy: Provided, That the Secretary of War shall exercise all functions under such section with respect to aircraft for the Army which are exercised by the Secretary of the aircraft for the Army which are exercised by the Secretary of the Navy with respect to aircraft for the Navy.

Mr. SHEPPARD. Mr. President, General Arnold, the Chief of the Air Corps, in the course of his testimony before the Senate Committee on Military Affairs, stated, in effect, that a measure of this kind would be distinctly helpful.

Mr. TOBEY. Would "do the trick," in the general's own

Mr. SHEPPARD. So far as I am concerned, I have no objection to the amendment.

Mr. TOBEY. Mr. President, prior to a vote on the amendment, I should like to read, for the benefit of the Senator from Georgia, the Senator from Vermont, and other Senators, the exact wording of the amendment to which the amendment I have offered makes reference. reads as follows, and I think covers some of the points brought out in the interrogations:

Provided, That no contract shall be made by the Secretary of the Navy-

And of course the Secretary of War would be included, under the proviso in my proposed amendment-

Provided, That no contract shall be made by the Secretary of the Navy for the construction and/or manufacture of any complete naval vessel or aircraft, or any portion thereof, herein, heretofore, or hereafter authorized unless the contractor agrees—

(a) To make a report, as hereinafter described, under oath, to the Secretary of the Navy upon the completion of the contract.

(b) To pay into the Treasury profit, as hereinafter provided, shall be determined by the Treasury Department in excess of 10 shall be determined by the Treasury Department in excess of 10 percent of the total contract prices of such contracts within the scope of this section as are completed by the particular contracting party within the income taxable year, such amount to become the property of the United States, but the surety under such contracts shall not be liable for the payment of such excess profit: Provided, That if there is a net loss on all such contracts or subcontracts completed by the particular contractor or subcontractor within any income taxable year, such net loss shall be allowed as a credit in determining the excess profit, if any, for the next succeeding income taxable year: Provided further, That if such amount is not voluntarily paid, the Secretary of the Treasury shall collect the same under the usual methods employed under the internal-revenue laws to collect Federal income taxes: Provided further, That all provisions of law (including penalties) applicable with respect to the taxes imposed by title I of the Revenue Act of 1934, and not inconsistent with this section shall be applicable with respect to the assessment, collection, or payment of excess profits to the Treasury as provided by this section, and to refunds by the Treasury of overpayments of excess profits into the Treasury: And provided further, That this section shall not apply to contracts or subcontracts for scientific equipment used for communication, target detection, navigation, and fire control as may be so designated by the Secretary of the Navy, and the Secretary of the Navy shall report annually to the Congress the names of such contractors and subcontractors affected by this provision, together with the applicable contracts and the amounts thereof: And provided further, That the income taxable years shall be such taxable years beginning after December 31, 1935, except that the above provisor relating to the assessment, collection, payment, or refunding of excess profit to or by the Treasury shall be retroactive to March 27, 1934.

(c) To make no subdivisions of any contract or subcontract for the same article or articles for the purpose of evading the provisions of this act, but any subdivision of any contract or subcontract involving an amount in excess of \$10,000 shall be subject to the conditions herein prescribed.

the conditions herein prescribed.

(d) That the manufacturing spaces and books of its own plant, affiliates, and subdivisions shall at all times be subject to inspection and audit by any person designated by the Secretary of the Navy, the Secretary of the Treasury, and/or by a duly authorized committee of Congress.

(e) To make no subcontract unless the subcontractor agrees to

(e) To make no subcontract unless the subcontractor agrees to the foregoing conditions.

The report shall be in form prescribed by the Secretary of the Navy and shall state the total contract price, the cost of performing the contract, the net income, and the percent such net income bears to the contract price. A copy of such report shall be transmitted to the Secretary of the Treasury for consideration in connection with the Federal income-tax returns of the contractor for the translet wars or years concerned. for the taxable year or years concerned.

Listen to this:

The method of ascertaining the amount of excess profit to be paid into the Treasury shall be determined by the Secretary of the Treasury in agreement with the Secretary of the Navy—

So the two, working together, might determine these factors making up the profits-

and made available to the public.

That is important

The method initially fixed upon shall be so determined on or before June 30, 1934: Provided, That in any case where an excess profit may be found to be owing to the United States in consequence hereof, the Secretary of the Treasury shall allow credit for any Federal income taxes paid or remaining to be paid upon the amount of such excess profits.

The contract or subcontracts referred to herein are limited to those where the award exceeds \$10,000.

Now I wish to revert to the remarks of the chairman of the Committee on Military Affairs.

Mr. AUSTIN. Mr. President, will the Senator yield?

Mr. TOBEY. I yield.

Mr. AUSTIN. I note that there is a limitation of time there which is in the past. We are talking about something in the future. Has the Senator considered that date-1934in the last proviso, with respect to ascertaining costs?

Mr. TOBEY. It reads that the method fixed upon in the beginning shall be so determined on or before that date. It

shall be determined on or before that time.

Mr. AUSTIN. The Treasury Department has not had this type of law under consideration and this project of development under consideration before. I suggest to the Senator that he consider the question of the applicability of that particular clause to this amendment of his.

Mr. TOBEY. I am perfectly satisfied, myself, but I suggest to the Senator that we let the conferees, who will have charge of the matter in conference, consider that suggestion.

Mr. AUSTIN. Probably they will do it with more deliberation than we can on the floor.

Mr. WALSH. Mr. President, will the Senator yield? Mr. TOBEY. I yield.

Mr. WALSH. Is the amendment which the Senator has read the exact language employed now by the Navy Department in making its contracts for naval planes?

Mr. TOBEY. Yes.

Mr. WALSH. This method as to limiting profits has been in force for several years?

Mr. TOBEY. Since 1934. Mr. WALSH. And, so far as we know, it has been satisfactory?

Mr. TOBEY. Yes; and I may say to the Senator from Massachusetts and to the chairman of the Committee on Military Affairs, referring to what he said about General Arnold, that I desire to quote him again:

At this writing, Mr. Senator, we know the profits that every company makes that is connected in any way primarily with airplane contracts. For instance, last year the average profit made by all the airplane companies was 10.8 percent. The average profit on engines was 9.1 percent. The average profit on accessories was 24.2 percent. We have auditors in all those plants. With that background, we can come pretty close to telling when anybody bids on a contract how much the airplanes should cost.

Then he closed with these words:

That, coupled with a bill to limit profits to 10 percent, should do the trick.

I rest my case on that.

Mr. WALSH. Mr. President, if I may ask the Senator another question, if I remember correctly, this form of amendment has been evolved after a good deal of study and experience. The original amendment has been changed from time to time.

Mr. TOBEY. The Senator and I worked together on it.

Mr. WALSH. So that this form of language now used was found by the naval officials and others interested to be the acceptable manner of determining the best method of limiting profits.

Mr. TOBEY. Exactly.

Mr. NORRIS. Mr. President, will the Senator from New Hampshire yield?

Mr. TOBEY. I yield.

Mr. NORRIS. I am in entire sympathy with the amendment. I am a little worried, however, by the question asked by the Senator from Vermont. The Senator from Vermont called attention to the fact that we were considering an amendment which is already law as applied to the Navy Department. When the Senator from New Hampshire reads that law, he finds in it something which shall be done prior to 1934, which, of course, we cannot change here. The date in the pending amendment should not be 1934, and I doubt whether the conferees will have jurisdiction to change the amendment so that it would not apply to 1934. I do not think it would be very serious, because any court, in construing it, I think, would have to give it a construction in accordance with the facts.

Mr. TOBEY. Yes.

Mr. NORRIS. But there might be some difficulty, and it might be impossible for the conferees to meet the point.

Mr. TOBEY. What would the Senator from Nebraska

Mr. NORRIS. Without having read the law recently, I would be unprepared to suggest anything to remedy the point now on such short notice. I do not see how we could put that date in the amendment.

Mr. TOBEY. Let us leave that clause out entirely. Mr. NORRIS. I should be afraid of that. We cannot leave anything out of another law which we are not seeking to amend here.

Mr. TOBEY. I should like to ask a question of the Senator from Vermont. Would it be his judgment with reference to the clause, "the method initially fixed upon shall be so determined on or before June 30, 1934," that it would not prejudice what I am trying to do, with the approval of the Senate; that it would not hurt the amendment of the measure to leave that sentence out?

Mr. AUSTIN. I think, then, that the proposal under consideration would have to be amended by adding at the end an exception, "except that part of section 3, as follows," which shall read so and so. I do not see how the conference committee can possibly take the bill with the pending amendment in it, and conform it to an old statute which has a date in the past. They would not have any jurisdiction to amend that old statute. The only way that I can see that the situation could be remedied would be to rewrite that particular part of the statute into the amendment of the Senator from New Hampshire in the form in which he wishes to have it. I do not think the conference committee would have jurisdiction to do that. It is my opinion that only the Senate could do it, and the conference committee, if there be disagreement, can modify the language. I do not know whether or not they could completely rewrite the amendment.

Mr. NORRIS. Mr. President, will the Senator yield?

Mr. AUSTIN. I yield.
Mr. NORRIS. The sentence which brings on this difficulty is as follows:

The method initially fixed upon shall be so determined on or before June 30, 1934.

That time is long past. That sentence is now in the law. The amendment proposes to make that language applicable to the pending bill. It seems to me the Senator might add to his amendment language to the effect that the provision referred to shall apply to the measure we are now considering, with the exception of the date on which the method initially fixed upon shall be determined and put in some subsequent date.

Mr. AUSTIN. That is my idea.

Mr. NORRIS. I do not know that it would be a very bad thing to let it pass, knowing that it is a mistake to do so; that what is provided cannot, in fact, be done. If we adopt the amendment without change, we require the officials of the Government to perform an impossibility.

Mr. TOBEY. And let the chips fall where they may.

Mr. NORRIS. Yes.

The PRESIDING OFFICER. The question is on the amendment offered by the Senator from New Hampshire [Mr. TOREY].

The amendment was agreed to.

Mr. BARKLEY. Mr. President, I send to the desk an amendment which I ask to have stated.

The PRESIDING OFFICER. The amendment will be stated.

The LEGISLATIVE CLERK. On page 2, line 14, after "War", it is proposed to insert a colon and the following:

Provided, That for the purposes of this act or any other act heretofore or hereafter enacted, appropriating or authorizing the
appropriation of any funds for national defense, no contract shall be
awarded to any person who at the time of such award shall be
interfering with, restraining, or coercing his employees in the
exercise of their rights to self-organization, to form, join, or assist
labor organizations, to bargain collectively through representatives
of their cown chossing or to energe in concerted activities for the of their own choosing, or to engage in concerted activities for the purpose of collective bargaining or other mutual aid or protection.

Mr. SHEPPARD. So far as I am concerned, that amend-

ment is entirely acceptable.

Mr. VANDENBERG. I should like to ask the Senator from Kentucky a question. I want to see how that provision might operate under a certain set of circumstances. As I understand the amendment, no contract under the proposed expenditure could be awarded to any person who at the time of such award is deemed to be guilty of the various interferences set forth in the amendment, which are virtually the application of the Wagner Act to the bill. The question I wish to ask the Senator is, Suppose a contractor at the time of such award had an appeal pending from an order of the National Labor Relations Board, and, for the sake of the argument, suppose that appeal was upheld by the Supreme Court subsequently; if the award happened to catch the contractor between the Labor Board's order and the Supreme Court's decision, the contractor would be out of luck, would he not?

Mr. BARKLEY. In the first place, I will say to the Senator, that the provision is not to be administered by the National Labor Relations Board. While it deals with the same subject. it is not an amendment to the Wagner Act. It is not to be administered by that Board, but by the War Department. Undoubtedly the War Department could take into consideration the status of an official proceeding to determine whether a given concern was violating the provision, but the amendment is offered wholly independent of the National Labor Relations Act.

I will say to the Senator that I do not wish to call the names of any manufacturers, but it is true that some of them are at the present time paying lower wages than some of their competitors. They are also preventing the organization of their employees into unions for the purpose of collective bargaining. Obviously such concerns would have an advantage over a competitor who is observing the spirit set out in the amendment.

The object of the amendment is to create such a condition that a given concern would not by coercion and intimidation, or by any other method designed to prevent the organization of their employees, create such a situation that they would have an unfair advantage, not only over their competitors in bidding, but also with respect to their employees, and the employees of other concerns, because if they could take advantage of the situation to underbid their competitors, it would be not only unfair to their competitors but unfair to the employees of their competitors, who are permitted under the law or by mutual consent to engage in organization or collective bargaining.

Mr. VANDENBERG. I have no objection to remedying such a condition as that to which the Senator addresses himself, and I realize that the provision has nothing to do with the Wagner Act per se, or the Labor Relations Board per se; but I ask the Senator if the National Labor Relations Board had issued an order against a contractor, identifying him as being one who was restraining or coercing his employees in the exercise of their rights, and so forth, quoting the language of the Senator's amendment, would not the War Department consider that contractor automatically barred from building planes for the Government?

Mr. BARKLEY. I should not say so. I think the War Department would have the right to exercise its own judgment based upon its own information, independent of temporary adjudication of orders of the Labor Board or some other organization. I can see that there could arise a sort of a hiatus between the decision of the Board and the decision of the Supreme Court in a given case which might lead to confusion. I believe, however, inasmuch as the matter does not come under the jurisdiction of the Labor Relations Board but it is to be administered by the War Department itself, that the Department can exercise sufficient discretion in connection with any given case to determine for itself whether there is actually a violation, especially when it has not been ultimately determined by the final authority whether there is or is not.

Mr. VANDENBERG. I dislike to have the decision of the National Labor Relations Board final with respect to the rights of an employer under the language of the amendment. I now understand the Senator to say that he would not consider that a decision of the Labor Board would be in any degree binding upon the decision of the War Depart-

ment under the amendment. Is that correct?

Mr. BARKLEY. I will say to the Senator that in the case of a decision by the National Labor Relations Board, from which an appeal was taken to the Supreme Court, or any other court, very naturally a supersedeas would be executed, which would suspend the operation of the decision of the Board, and would hold the matter in abeyance until the Supreme Court decided the question, and in that situation I think the War Department would be justified in reaching its own conclusion based upon facts which it itself has looked into, and that it would not be bound by an order of the Board which was on appeal to a higher court.

Mr. VANDENBERG. Then, the Senator would say, speaking generally, that the point I raised can be obviated by the War Department as a free administrator of the amendment?

Mr. BARKLEY. I think so.

Mr. MILLER. In connection with the question raised by the Senator from Michigan, I ask the Senator from Kentucky if he would accept a perfecting amendment to the language of the Senator's amendment, in line 6, after the word "shall", to insert the words "be found by the Secretary of War to", so that that line would read:

The time of such award shall be found by the Secretary of War to be interfering with, restraining-

And so forth.

Mr. BARKLEY. I do not object to that perfecting amendment being placed in my amendment. It will be necessary in any event to work the matter out in conference.

Mr. MILLER. I think my perfecting amendment would | clarify the language of the Senator's amendment.

Mr. BARKLEY. Yes, undoubtedly.

Mr. REED. Mr. President, a point of order. The Senate is not in order.

The PRESIDING OFFICER. The Senator's point is well taken. The Senate will be in order.

Mr. REED. It is impossible to hear what Senators on the

other side of the Chamber are saying.

Mr. BARKLEY. The suggestion is that the language in line 6 of my amendment be amended by adding the words "be found by the Secretary of War to." I stated that I have no objection to that language being added, because, according to my interpretation, the Secretary of War is the final authority anyway in the awarding of the contracts, and he can take the various facts into consideration. Inasmuch as the amendment will go to conference and it may have to be modified somewhat in conference, I have no objection.

I modify my amendment to meet the suggestion of the

Senator from Arkansas [Mr. MILLER].

Mr. AUSTIN. Mr. President, will the Senator yield?

Mr. BARKLEY. I yield to the Senator from Vermont. Mr. AUSTIN. I ask the Senator if he would not be just as well pleased with his amendment if he confined it to the measure we have under consideration? I do not like to legislate generally upon so broad a subject as the matter of labor relations and the Labor Board and all its ramifications in an amendment of this kind, in which we really have not all the points of view on the general subject covered by the amendment.

In lines 2 and 3 of the amendment are the words "or any other act heretofore or hereafter enacted." Those are the

offending words.

No; that provision has to do with national Mr. BARKLEY. defense. It is limited to national defense.

Mr. AUSTIN. I understand.

Mr. BARKLEY. Of course, so far as any previous acts are concerned, those acts are already in process of completion; I mean, the appropriations and the construction under them. The provision does not apply generally. As the Senator knows, we have the Walsh-Healey Act, which applies to certain contracts engaged in between the Government and private industry. The principles set out in this amendment have been heretofore adopted in regard to railroad labor. We have the act setting up the board of mediation, and also the act with respect to railroad reorganizations. In the Chandler Act, setting up a system of corporate reorganizations, we have a provision similar to the amendment.

There is nothing new in principle involved in the amendment. However, I think Senators will agree that any manufacturing concern which is violating the spirit of the amendment ought not to be permitted to take advantage of that situation in order to underbid other concerns which are dealing with their employees according to the spirit of our law. Inasmuch as the amendment is limited to acts providing for national defense, I do not think it ought to be

limited to this particular measure.

Mr. AUSTIN. May I ask the Senator another question?

Mr. BARKLEY. I yield.

Mr. AUSTIN. Let us assume, for example, that we are about to build a base in Puerto Rico. Is it not apparent that if in the future we pass a statute relating to that particular item of defense, or if we pass one with respect to the Hawaiian Islands, or Guam, or the Philippines, or the Aleutian Islands, all such future acts would be brought under the scope of this particular amendment without any consideration at all by us of what may be the conditions and circumstances of those particular cases?

We are attempting to do something in the dark, without any knowledge of future conditions; and I should much prefer to have the words "or any other act heretofore or

hereafter enacted" stricken from the amendment.

Mr. BARKLEY. Of course the Senator realizes that whether the great bulk of the work is done under an existing law, or under the proposed act, or under some future authorization, it will be done in the United States. If in the future an act should be passed covering Guam, or the Philippines, or the Hawaiian Islands, Congress could do with respect to that particular situation what it started to do in this bill. An amendment was reported by the committee and later withdrawn, which undertook to lift the contracts for educational orders from the provisions of the Walsh-Healey Act. That amendment was withdrawn, I think properly so, because it was thought by the Senate that in this particular measure there ought not to be any lifting out of the provisions of the law regulating the relationship of employer and employee in the manufacture of Government goods. In other words, the Government ought to require that those from whom it purchases goods shall comply with the spirit of the law which the Government itself has imposed with respect to private employment and the private purchase of materials.

In the case of Hawaii, or in the case of any other particular situation, if a necessity existed to lift a particular case out from under the provisions of the amendment. Congress could do so. It seems to me that course would be preferable to making the amendment applicable only to the measure

which is under consideration.

Mr. WHITE. Mr. President, will the Senator yield? Mr. BARKLEY. I yield to the Senator from Maine.

Mr. WHITE. As I understand, the Senator from Kentucky has modified his amendment so that it now reads:

No contract shall be awarded to any person who at the time of such award shall be found by the Secretary of War to be interfering with, restraining, or coercing his employees in the exercise of their rights to self-organization, to form, join, or assist labor organiza-

And so forth. Those are matters which, under existing legislation, are peculiarly within the jurisdiction of the National Labor Relations Board. What I desire to know is whether or not, with respect to this particular kind of contract, we are ousting the National Labor Relations Board of jurisdiction, or whether there is to be a joint coexistent authority between the National Labor Relations Board and the Secretary of War to determine such questions. I am wondering what the situation would be if there were a determination of one sort by the Secretary of War and a determination of an opposite sort by the National Labor Relations Board.

Mr. BARKLEY. There is no purpose to oust the Labor Relations Board from its jurisdiction, and the language does not do so. In other words, the amendment applies to the general run of business of a corporation manufacturing things for public consumption. The original purpose was to give the Secretary of War and the War Department the power to determine whether a given concern is violating the stipulation set out; and if so, to give the War Department authority to withhold the contract. The National Labor Relations Board has no jurisdiction over contracts of this sort.

Mr. WHITE. But the National Labor Relations Board has jurisdiction over the question whether an employer is interfering with, restraining, or coercing his employees in the exercise of their right to bargain collectively.

With respect to a particular contract, or the performance of particular work, the question might arise whether the power of collective bargaining was respected, or whether there was any attempt to interfere with or coerce the employee. What troubles me is that if we give to the Secretary of War the power suggested, it seems to me we necessarily oust the National Labor Relations Board from jurisdiction, or else we have a dual authority over the same subject matter.

Mr. BARKLEY. No; there would be no dual authority. Under the amendment the Secretary of War would have no jurisdiction to regulate the conditions of labor, the wages, the hours, the right to organize, or anything else. All he could do would be to withhold a contract from a company which refuses to permit its employees to exercise their rights.

Mr. WHITE. A company which he finds is doing so.

Mr. BARKLEY. A company which he finds is doing so. With respect to all other matters, and with respect to the general situation between employer and employee, there is no ousting of the jurisdiction of the National Labor Relations

Board; but the Secretary of War is authorized, when certain conditions exist, to withhold the contract.

Mr. KING. Mr. President, will the Senator yield?

Mr. BARKLEY. I yield.

Mr. KING. It seems to me this is a condition precedent to obtaining a contract, and the Secretary of War is charged with the responsibility of letting the contract. Suppose we should offer an amendment under the terms of which the Secretary of the Navy, in letting contracts, should determine whether or not any of the materials utilized in the construction of a battleship, or any other mechanism, is foreign in origin, in which event he is not permitted to let the contract to the particular concern involved.

Mr. WHITE. I have no quarrel with that position.

Mr. KING. Obviously, that is a condition precedent to letting the contract. After the contract is let, if the contracting party should violate the terms of the Labor Relations Act, then the contract, or at least the alleged violation, would be submitted to the Labor Board to determine what violation, if any, there was, and to judge the penalties to be prescribed.

Mr. REED and Mr. HOLMAN addressed the Chair.

The PRESIDING OFFICER. Does the Senator from

Kentucky yield; and if so, to whom?

Mr. BARKLEY. If the Senators will wait just a moment I will say to the Senator from Maine that I wish to emphasize the fact that under the amendment the Secretary of War has no power to regulate the relations between employer and employee.

Mr. WHITE. I agree to that.

Mr. BARKLEY. He has only the power to withhold the contract if he finds that the terms of the amendment are being violated. He may accept or he may not accept, as advisory to him, the conditions which may be reported by the National Labor Relations Board on the general subject of the relations between the employer and the employee in cases in which the Board has authority to issue orders in relation to those relationships; but the authority of the Secretary of War is limited to withholding contracts.

Mr. WHITE. Yes; it is limited to withholding contracts upon a factual finding by him with respect to the very matters which are committed to the National Labor Relations

Board.

Mr. BARKLEY. Of course he may accept as evidence information from any official body, or any information which he himself has as to those conditions.

Mr. REED. Mr. President, will the Senator yield?

Mr. BARKLEY. I yield to the Senator from Kansas.

Mr. REED. I wish to inquire of the Senator from Kentucky whether or not he is running into a further difficulty. The amendment reads as follows:

Provided, That for the purposes of this act or any other act heretofore or hereafter enacted, appropriating or authorizing the appropriation of any funds for national defense, no contract shall be awarded to any person who at the time of such award shall be found by the Secretary of War—

And so forth. All funds for the national defense are not subject to the War Department, are they? I ask the Senator from Kentucky. They might be a part of the expenditures of the Navy Department.

Mr. BARKLEY. That is true. They might be; yes.

Mr. REED. And yet the Senator would incorporate in the bill a provision under which the Secretary of the Navy would have to reject or accept a contract subject to a finding by the Secretary of War.

Mr. BARKLEY. No; I think not. I think that there is probably an oversight in the amendment offered by the Senator from Arkansas [Mr. Miller] to the amendment. The head of the department which has to do with a contract ought to pass upon the subject, but that is a technical matter that can be remedied. In the case of a naval contract, evidently the Secretary of the Navy, and not the Secretary of War, should make the determination. Of course, the Secretary of War was in the mind of the Senator from Arkansas because this is a bill dealing with the War Department particularly,

but I think the Senator from Arkansas ought also to cover the naval situation. I thank the Senator for calling it to my attention.

Mr. REED. The distinguished Senator agrees that that should be corrected?

Mr. BARKLEY. Yes. Our minds were on the military phases; but in naval matters it would apply, for instance, to the naval expansion bill that we passed a year ago, and that ought to be under the jurisdiction of the Secretary of the Navy.

Mr. REED. The Senator from Kentucky, of course, is a sailor, as he lives so close to the Ohio and the Tennessee, but the Senator from Arkansas and the Senator from Kansas are soldiers, as they live in the interior.

Mr. MILLER. The Senator from Kansas overlooks the fact that the Senator from Arkansas lives on the Mississippi, but I thank the Senator.

Mr. HOLMAN. Mr. President, I inquire if the Senator from Kentucky still has the floor?

Mr. BARKLEY. If the Senator from Oregon desires to address the Senate, I yield the floor.

The PRESIDING OFFICER. The Senator from Oregon is recognized.

Mr. HOLMAN. Mr. President, I am opposed to this amendment. On the Pacific coast we have seen aliens tie up industry and prevent the operation of manufactories that have had no trouble with their employees incident to conflicting jurisdiction claimed by the A. F. of L. and the C. I. O. I can vision that in case of war, let us assume within the next few days or weeks, if we should adopt this amendment we might be confronted with a tying up of industry that would prevent the Government obtaining the needed munitions and equipment with which successfully to defend our Nation, due, possibly, to the interference of aliens, a situation which we have already witnessed in the United States. I think the purpose of House bill 3791 is in defense of our homeland and the protection of our country, and we should not involve such a grave matter in labor politics.

The PRESIDING OFFICER. The question is on the amendment proposed by the Senator from Kentucky, which he has modified. The amendment as modified will be stated.

The LEGISLATIVE CLERK. It is proposed to modify the amendment in line 6, after the word "shall", by inserting the words "be found by the head of the department awarding the contract", so as to read:

Provided, That for the purposes of this act or any other act heretofore or hereafter enacted, appropriating or authorizing the appropriation of any funds for national defense, no contract shall be awarded to any person who at the time of such award shall be found by the head of the department awarding the contract to be interfering with, restraining, or coercing his employees in the exercise of their rights to self-organization, to form, join, or assist labor organizations, to bargain collectively through representatives of their own choosing, or to engage in concerted activities for the purpose of collective bargaining or other mutual aid or protection.

The PRESIDING OFFICER. The question is on agreeing to the amendment offered by the Senator from Kentucky as modified.

The amendment as modified was agreed to.

Mr. DANAHER, Mr. SCHWARTZ, and Mr. BRIDGES addressed the Chair.

The PRESIDING OFFICER. The Senator from Connecti-

Mr. DANAHER. I have submitted an amendment, which I now offer. The proposed amendment is at the clerk's desk. I should like to have the clerk read the amendment as modified.

The PRESIDING OFFICER. The Senator has a right to modify his amendment. The clerk will state the amendment as modified.

The Legislative Clerk. On page 2, line 1, between the word "hangars" and the word "and", it is proposed to insert the words "radio stations, beacons, emergency landing fields, landing fields."

Mr. SHEPPARD. Mr. President, I am willing to accept that amendment and have it go to conference.

The PRESIDING OFFICER. The question is on agreeing to the amendment, as modified, offered by the Senator from

The amendment was agreed to.

Mr. SCHWARTZ. I desire to offer an amendment. The PRESIDING OFFICER. The amendment offered by the Senator from Wyoming will be stated.

The CHIEF CLERK. On page 4, line 12, section 4, after the word "schools", it is proposed to insert between commas the words "including at least one Negro school for the training of Negro air pilots."

Mr. KING. Mr. President, will the Senator permit me to offer an amendment, as I am compelled to leave the Chamber

to attend a committee meeting?

Mr. SCHWARTZ. Mr. President, the Senator from Utah [Mr. King] says he desires, necessarily, to leave the Chamber, and I yield to him in order that he may offer his amendment.

Mr. KING. I thank the Senator. There has been some discussion with respect to the status of Reserve officers who might be allocated for temporary service to Civilian Conservation Corps camps. The view prevailed that they were not in the military service of the United States and had not the status of those who were performing military service. In order to remove any doubt on that point, I offer an amendment which I have submitted to my friend the Senator from Alabama and ask for its adoption.

The PRESIDING OFFICER. The Chair understands the Senator from Wyoming [Mr. Schwartz] temporarily to withdraw his amendment, and the Senator from Utah offers an amendment, which will be stated.

The CHIEF CLERK. On page 6, after line 17, it is proposed to insert the following:

Provided further, That the duty of the Reserve officers assigned to Civilian Conservation camps shall not be considered active military service.

The PRESIDING OFFICER. The question is on agreeing to the amendment offered by the Senator from Utah.

Mr. AUSTIN. Mr. President, I ask the Senator from Utah if he understands what the effect of that amendment, if adopted, would be by way of discrimination between Reserve officers and officers of the Regular standing Army?

Mr. KING. As I understood the debate yesterday, there was some question raised as to whether or not Reserve officers who may not have been in the service for many years, but were temporarily selected to serve in Civilian Conservation camps, would be held to be in the military service so as to obtain all the benefits that would flow to persons who were in active military service. The amendment is designed to make it clear that such Reserve officers shall not be held to be in the military service.

Mr. AUSTIN. I should like to ask the Senator from Utah if he does not understand that officers of the Regular Army are detailed to Civilian Conservation Corps camps to perform exactly the same duties that Reserve officers perform?

Mr. KING. If they are, the amendment applies only to Reserve officers.

Mr. AUSTIN. Therefore, if a Reserve officer and a Regular officer, performing the same duty, should suffer similar injuries, one of them would receive a certain type of treatment and the other would receive another and different type of treatment, would he not, if the Senator's amendment should be adopted?

Mr. KING. I am not sure as to just what benefits would be derived by one in the military service, but it seemed to me, and I thought that was the view of the majority of those who participated in the debate yesterday, that Reserve officers who are clamoring for these positions in the Civilian Con-servation Corps camps—and the statement was made that 5,000 of them are now connected with the camps—and other persons taken from civil life and allocated temporarily to these conservation camps, are not, and should not be considered to be entitled to all the benefits of men who are in the Army and are giving their lives to the military service, assigned today abroad and assigned tomorrow in some mili-

tary task in Washington or some other part of the United States.

It seemed to me, as the debate proceeded yesterday, that there ought to be a distinction between those in the military service per se and those who are temporarily placed in charge of some C. C. C. camp.

Mr. AUSTIN. That is the theory of the Regular Army Establishment. They objected to the whole proviso very strenuously. If we had followed that theory, logically we should not have this proviso in the bill at all. However, after consideration we decided, notwithstanding that argument, to put the proviso in the bill.

I call attention to the fact that the Reserve officer must have engaged in this service for at least 30 days in order to

obtain the benefits of this proviso.

For my part, I conceive the detail to duty at a Civilian Conservation camp of either an officer of the standing Army or an officer of the Reserve Officers' Corps as military duty and as comprehended within the meaning of the proviso. Therefore I regret to say I shall feel obliged to oppose the Senator's proposal.

Mr. SHEPPARD. Mr. President, I think the amendment should be sent to conference. There is a question involved which ought to be worked out.

The PRESIDING OFFICER. The question is on the amendment offered by the Senator from Utah [Mr. KING].

The amendment was agreed to.

The PRESIDING OFFICER. Does the Senator from Wyoming renew the proffer of his amendment?

Mr. SCHWARTZ. I renew my amendment. It comes in on page 4, line 12, section 4. That section provides that the Secretary of War may lend to certain institutions which have military training courses aeronautical equipment and accessories belonging to the Government. My amendment proposes, in line 12, after the word "schools", to include the words "including at least one Negro school for the training of Negro air pilots."

At a time when I was not present in the Military Affairs Committee some representatives of the Negro race appeared before the committee and stated the reasons why they felt that some provision should be made whereby they would be given an opportunity to secure this training. The matter apparently was not further considered in the committee. As I am on the committee, and was not present at the time, I make this statement as my reason for presenting the amendment now, since the subject has come to my attention.

Of the schools that might be permitted, if the provision is put in the bill, to institute this training, I mention simply Howard University of Washington; Wilberforce University, which, as Senators know, is close to Wright Field in Ohio; Tuskegee Institute, at Tuskegee, Ala.; and Hampton Insti-

tute, at Hampton, Va. I believe the amendment does not touch any of the controversial matters that have arisen from time to time in the Congress relating to the Negro race. I believe the amendment will be supported, or should be supported, especially by those who come from States where there is a large Negro population, because, to my mind, the white men in those States have been the friends of the Negro, and they have always been glad to see him advance. But in these higher institutions of learning, some of which are already supported by the Federal Government, when an American citizen who is a Negro has demonstrated that he has the mental capacity to acquire the knowledge and the technique required of an air pilot, I feel that we should give him that opportunity.

Somebody may say, "There is no provision in the bill now which would prevent a Negro receiving such training," but, Mr. President, I can only judge the future by the past. I believe the situation is such that unless we give this specific and affirmative recognition, possibly our qualified Negro citizens will not have an opportunity to become air

For that reason I have offered this amendment. I will say at this time that according to the census of 1937 there are now 123 licensed commercial private and student pilots of the colored race; and, of course, if opportunity afforded, a great many more of them would be glad to go into this occupation, which, if they are called to the colors, they realize also would call them to the ground quite quickly.

I hope the Senate will not object to this amendment.

Mr. BRIDGES. Mr. President, some days ago, when this bill was first under consideration, I offered an amendment covering these points, and asked that it be printed. It was printed, and has been for several days on the desks of the various Senators. It covers, as I understand, the points outlined by the Senator from Wyoming.

I have before me a copy of the amendment of the Senator from Wyoming; and the amendment I have offered is a more complete amendment following through the bill. My reasons for offering the amendment are the same as those stated by the Senator from Wyoming. I believe members of the Negro race of America have a right to training similar to that which the white young men of our Nation receive.

With some 12,000,000 Negroes in the country, they constitute approximately one-tenth of our population. I believe they are entitled to special training along aviation lines. We are opening up a great new industry and a particular new branch of the service, and the Negroes should have consideration.

I should like to offer my amendment—which has been printed, and has been lying on the table for a period of days—as a substitute for the amendment offered by the Senator from Wyoming.

Mr. SCHWARTZ. Mr. President, I should like to add to what I have already said that my amendment has been submitted and is entirely satisfactory to Edgar G. Brown, president of the United Government Employees, and the leaders of the colored race, who desire to have this form of amendment. I do not believe we shall accomplish anything by an amendment to the statute which says that there shall be no discrimination on account of race, color, or something else, because we have had such a provision in the Federal Constitution, and what is or what is not discrimination has been a matter of great debate. All I am trying to do, without seeking to disturb social conditions here, there, or elsewhere, is to secure an affirmative, plain, simple declaration that at least one qualified colored college shall be given an opportunity to educate colored men as air pilots.

I hope the substitute will not prevail, and that the amendment as I have submitted it will be adopted.

The PRESIDING OFFICER. The question first is on the amendment offered by the Senator from Wyoming. After that the amendment offered by the Senator from New Hampshire will be in order.

Mr. BRIDGES. I offer my amendment as a substitute, Mr. President.

The PRESIDING OFFICER. The amendment offered in the nature of a substitute will be stated.

The CHIEF CLERK. On page 4, line 18, after the word "purposes", it is proposed to insert a colon and the following:

Provided further, That the Secretary of War is specifically authorized to establish at appropriate Negro colleges identical equipment, instruction, and facilities for training Negro air pilots, mechanics, and others for service in the United States Regular Army as is now available at the Air Corps Training Center.

Mr. BORAH. Mr. President, may the amendment offered by the Senator from Wyoming be stated?

The PRESIDING OFFICER. The amendment offered by the Senator from Wyoming will be restated.

The CHIEF CLERK. On page 4, line 12, after the word "schools", it is proposed to insert a comma and the words "including at least one Negro school for the training of Negro air pilots."

Mr. SCHWARTZ. Mr. President, a parliamentary inquiry. Is the substitute offered by the Senator from New Hampshire in order?

The PRESIDING OFFICER. The amendment in the nature of a substitute offered by the Senator from New Hamp-

shire proposes, on line 18, page 4, to insert certain matter, whereas the Senator from Wyoming proposes, on line 12, to insert certain matter. There is an incongruity in that the matter proposed by the Senator from New Hampshire could not very well be a substitute for the amendment of the Senator from Wyoming.

Mr. McNARY. Mr. President, the only difficulty seems to be as to the place where the amendment is to be made.

The PRESIDING OFFICER. That is true.

Mr. McNARY. I understand that both amendments cover the same subject matter, but the amendment of the Senator from New Hampshire covers it more comprehensively; so the situation could be met by having a common meeting ground somewhere in the bill where the substitute amendment could be inserted.

The PRESIDING OFFICER. The Chair is of that opinion. As the amendment is offered, it would not be a substitute. If offered at the same place in the bill as the amendment of the Senator from Wyoming, undoubtedly it would be in order as a substitute.

Mr. McNARY. I suggest that the Senator from New Hampshire offer his substitute at the same place in the bill where the original amendment was offered by the Senator from Wyoming.

Mr. BRIDGES. I accept that suggestion.

The PRESIDING OFFICER. The Senator may compose the matter by asking unanimous consent to insert the matter proposed by him in line 12, at the same place where the amendment is proposed by the Senator from Wyoming. Then a vote can be had on the amendment in the nature of a substitute.

Mr. BRIDGES. I make that request.

The PRESIDING OFFICER. Is there objection?

Mr. MILLER. Mr. President, I do not see how the amendment offered by the Senator from New Hampshire could be offered as a substitute for the other amendment, except possibly the first seven lines of the amendment of the Senator from New Hampshire, because he also proposes to amend the bill on page 7, line 19, and on page 8, line 1, and on page 8, line 25, and on page 12, line 7. There are four proposals that do not deal with schools at all. The amendment offered by the Senator from Wyoming deals only with schools, whereas the amendment offered by the Senator from New Hampshire, in the provisions that I have mentioned, deals with other matters, not schools.

I make that suggestion to the Chair, that the amendment of the Senator from New Hampshire is not a substitute for the amendment of the Senator from Wyoming, and cannot be construed as a substitute, it matters not where it is put.

Mr. McKELLAR. Mr. President, a parliamentary inquiry, or perhaps I ought to make the inquiry of the Senator from Texas, in charge of the bill. Is there any provision in the bill for training women pilots?

Mr. SHEPPARD. There is none. At the Air Corps Training Center, at Randolph Field, near San Antonio, all men

who qualify may enter.

The PRESIDING OFFICER. The Chair is of opinion that the amendment of the Senator from New Hampshire is not tenable as a substitute. It is in order as an amendment to the other amendment. The Senator from New Hampshire may offer it as an amendment to the amendment proposed by the Senator from Wyoming; but it is not tenable as a substitute, for the reasons pointed out in reading the amendment. Does the Senator from New Hampshire wish to offer it as an amendment?

Mr. BRIDGES. Mr. President, I offer my amendment as an amendment to the amendment of the Senator from

The PRESIDING OFFICER. It is in order as an amendment to the amendment, and it will be read.

The CHIEF CLERK. It is proposed, on page 4, line 12, after the word "schools", to insert a colon and the words "Provided, That the Secretary of War is specifically authorized to establish at appropriate Negro colleges identical equipment, instruction, and facilities for training Negro air pilots, mechanics, and others for service in the United States Regu-

lar Army as is now available at the Air Corps Training Center"; on page 7, line 19, after the word "center", to insert a comma and the words "or other Air Corps training schools or centers as may hereinafter be provided in accordance with this act"; on page 8, line 1, after the word "war", to insert a comma and the words "except no exclusion shall be made on account of color, creed, or race"; on page 8, line 25, after the word "discretion", to insert a comma and the words "provided the selection shall be made without regard to race, creed, or color"; on page 12, line 7, after the word "thousand", to insert a comma and the words "without regard to race, creed, or color."

The PRESIDING OFFICER. The question is on agreeing to the amendment proposed by the Senator from New Hampshire to the amendment proposed by the Senator from Wyoming.

Mr. LOGAN. Mr. President, I do not know exactly what the Senator from Wyoming has proposed. I should be glad to have the clerk state the amendment.

The PRESIDING OFFICER. The clerk will state the amendment proposed by the Senator from Wyoming.

The CHER CLERK. It is proposed, on page 4, line 12, after the word "schools", to insert a comma and the words "including at least one Negro school for the training of Negro air pilots" and a comma.

Mr. LOGAN. Mr. President, I think that either of the proposals is satisfactory to me. I am not sure, however, that an amendment can be properly placed in the bill which will reach the point.

We all know that in every war we have fought members of the colored race have been most faithful and loyal soldiers. They have distinguished themselves on the battlefield. They are as loyal as any other group of people in the United States, and perhaps more patriotic. They never knew any flag but the Stars and Stripes. They have made greater improvement since the War between the States than any race in the history of the world ever made in the same length of time.

There are quite a number of Negro aviators in the United States at this time, and I ask to have printed as a part of my remarks a list of them, which has been handed to me.

The PRESIDING OFFICER. Is there objection?

There being no objection, the list was ordered to be printed in the RECORD, as follows:

This list of Negro aircraft pilots were prepared in the office of the acting specialist, Negro statistics, Bureau of the Census, Department of Commerce, from information furnished by the Civil Aeronautics Authority.

Negro aviators

Name and address	License No.	Expiration date Feb. 28, 1939 Feb. 15, 1939 Apr. 30, 1939 May 15, 1939	
Anderson, Charles A., 26 Ardmore Ave., Ardmore, Pa Coffey, Cornelius R., 1043 West Van Buren St., Chicago, Ill Greene, John W., Jr., 30 Bradford St., Boston, Mass Renfro, Earl W., 4646 Michigan Ave., Chicago, Ill	7638 36609 15897 32546		
LIMITED COMMERCIAL PILOTS		713 11	
Allen, George W., 737 Waldon St., Latrobe, Pa Newkirk, Troy Webster, 574 St. Nicholas Ave., apartment 32, New York, N. Y. ¹ Powell, William J., 3705 Raymond Ave., Los Angeles, Calif. Wells, Irvin E., 938 East 48th St., Los Angeles, Calif.	32630 34797 24335 29884	May 31, 1939 Dec. 15, 1938 Mar. 15, 1939 Feb. 15, 1939	
PRIVATE PILOTS	corbig	ma crists	
Aiken, William, 1150 East 51st St., Los Angeles, Calif. Brown, Willa Beatrice, 5440 Indiana Ave., Chicago, Ill. Cable, Theodore, 423 North West St., Indianapolis, Ind. Chalmers, Willie J., Marion and Ist Ave., Glassboro, N. J.1. Claytor, W. W. Schieffelin, 1710 P St. NW., Washington, D. Cl. Cooper, Walter T., 173 Oakwood Pl., Orange, N. J. Davis, Ralph H., 51 Vine St., East Providence, R. I. Dillon, William H., 1528 Wallace St., Harrisburg, Pa. Forsythe, Albert E., 44 North Kentucky Ave., Atlantic City, N. J. Hutcherson, Fred, Jr., 1904 Asbury Ave., Evanston, Ill. Jackson, Abram D., 4020 West Lake Rd., Erie, Pa. Mills, Thomas, 238 West 146th St., New York, N. Y. 1 Expired.	35071 43814 33738 34527 31533 49886 45351 33192 27287 34679 49866 31780 30217	July 15, 1939 June 30, 1939 Nov. 30, 1939 Aug. 15, 1938 Dec. 15, 1938 July 15, 1939 Do. May 31, 1939 Oct. 31, 1937 May 31, 1939 Sept. 15, 1939 May 15, 1938 Sept. 30, 1939	

Negro aviators—Continued PRIVATE PILOTS—continued

PRIVATE PILOTS—continued		
Name and address	License No.	Expiration date
Paris, William, 1237 West 112th Pl., Chicago, Ill. Payne, L. Verdell, 306 Giles St., Ithaca, N. Y. Rey, Ernst F., Roosevelt Aviation School, Mineola, L. I., N. Y.¹ Robinson, John C., 3621 Cottage Grove Ave., Chicago, Ill. Sully, Justo R., 2109 8th Ave., New York, N. Y. Terry, Robert, Building Lane, Basking Ridge, N. J. Walker, Clinton T., Jr., 3858 Yemens St., Hamtramck, Mich. Ware, Charles, 227 West 149th St., New York, N. Y. Wheeler, Rostell C., 57 10th St., Springfield, Mass. White, Dale L., 4358 Michigan Ave., Chicago, Ill.	51064 28358 35216 26042 34781 29452 35477 34381 29196 34746	Aug. 15, 1939 July 31, 1939 July 31, 1939 July 31, 1939 May 15, 1939 Oct. 31, 1939 June 30, 1939 June 30, 1939 June 15, 1939
SOLO OR AMATEUR PILOTS		
Cosby, Albert, 4612 Cottage Grove Ave., Chicago, Ill Darby, Dorothy, 307 Hendrie Ave., apartment 14, Detroit,	45027	Apr. 30, 193
Mich. Hankins, Roscoe, Jr., 2400 16th St. NW., Washington, D. O. Hurd, Harold, 6109 Calumet Ave., Chicago, Ill. Johnson, Charles Richard, 1048 West Van Buren St. Chi.	38794 58107 44998	Jan. 15, 194 Nov. 11, 193 Apr. 30, 193
cago, III Jones, Lola, 4919 Vincennes Ave., apartment 2, Chicago, III-Ray, Herman, 7235 Coles Ave., Chicago, III. Turner, Luther, 40 Herman St., Rochester, N. Y Walden, Coburn E., 1921 Magnolia St., Flint, Mich. Washington, Eddie, 110 North 2d St., Blytheville, Ark. Yates, Leonard L., 1975 Birchall Ave., New York, N. Y. 12_ Young, Perry H., 238 North Pleasant St., Oberlin, Ohlo	43038 43703 45512 43940 47366 47984 31806 43715	Apr. 15, 193 Do. Apr. 30, 193 Apr. 15, 193 May 15, 193 June 17, 193 Feb. 28, 193 Apr. 4, 193
STUDENT PILOTS	L GIA	
Adair, Frank B., 1708 West 2d St., Pine Bluff, Ark. Alleyne, Joseph S., Jr., 38 Quincy St., Brooklyn, N. Y. Anderson, Grady Prince, Anderson, S. C. Ashe, Charles M., 1326 V St. NW., Washington, D. C. Avery, Delores, 3725 Rhodes Ave., Chicago, Ill. Benjamin, Zola A., 7381/£ East 48th St., Los Angeles, Calif. Black, William, Jr., 9022 Suthbin Blyd, Jamaica, Long Is.	54383 33428 (³) 54573 (³) (³)	Sept. 9, 193 June 21, 193 Aug. 4, 193 Sept. 29, 193 May 11, 193 Apr. 10, 193
land, N. Y.1	(3)	Oct. 28, 193
Brooks, Jesse L., 2441 7th Ave., apartment 42, New York, N. Y. Brown, Aaron, 2212 Division St., Baltimore, Md. Browning, Frank L., 4401 South Parkway, Chicago, Ill Bruce, Percy Lee, 1300 East 48th Pl., Los Angeles, Calif. Caldwell, Walter M., Jr., 123 West 129th St., New York,	51134 52476 (3) 55551	July 18, 193 Aug. 19, 193 June 7, 193 Sept. 1, 193
N. Y. Chipps, Leon A., 258 West 117th St., New York, N. Y. Coleman, Gus, 208 Inman Ave., Atlanta, Ga. Cox, Alexander, 220 East 55th St., Chicago, Ill. Davis, Albert Porter, 422 Minnesota Ave., Kansas City,	51133 45531 (³) (³)	June 23, 193 Apr. 30, 193 Feb. 18, 193 June 16, 193
Kans. Dickerson, Marie A., 12281/2 East Adams Blvd., Los Angeles,	3902	June 4, 193
Calif. Edmonson, Charles Milton, 946 East 24th St., Los Angeles, Calif. Calif.	(3)	Mar. 17, 193 Apr. 29, 193
Evans, Walter, 150-26 20th Ave., Whitestone, Long Island, N. Y.	(3)	Apr. 15, 193
Fisher, Albert Hobert, 1908 19th St., Santa Monica, Calif Freeman, Arthur Willie, 300 East Kennelworth Ave.,	(³) 57395	Oct. 21, 193
Freeman, Arthur Willie, 300 East Kennelworth Ave., Flint, Mich. Gales, Richard Alfred, 724 Wood St., Crestline, Ohio 1. Gans, Dr. Louis H., 6126 South Carpenter St., Chicago, Ill. Garrett, Leroy, 1068 West 13th St., Chicago, Ill. Greene, Bene LaRue, 877 East 47th St., Los Angeles, Calif. Grimmett, Theodore, 1704 Piggott Ave., East St. Louis, Ill. Hampton, Clyde Barthaw, 60 East 31st St., Chicago, Ill. Hanson, Jesse McCoy, 1018 4th St. NW., Washington, D. C. Harden, Rudy, 1509 Tacoma Ave., Tacoma, Wash. Hardel, Walter James, Jr., 42 Camp St., Providence, R. I.—Hawkins, Thomas, 504 Grand Ave., Brooklyn, N. Y.—Herndon, Edward L., 76 South 23 St., Newark, Ohio. Howland, James H., 235 West 139th St., New York, N. Y.—Jackson, Lola, 172-06 108th Ave., Jamaica, Long Island, N. Y. Jefferson, Ann R., 9417 Parmalee Ave., Los Angeles, Calif.	(3) 43305 (8) 57404	Oct. 31, 193 Aug. 12, 193 Mar. 20, 193 Apr. 6, 193 Apr. 27, 193 Nov. 1, 193
Hampton, Clyde Barthaw, 60 East 31st St., Chicago, III Hanson, Jesse McCoy, 1018 4th St. NW., Washington, D. C.	(3) (3) 57282	Apr. 19, 193 Apr. 18, 193
Hardy, Fred, 257 North Artesian Ave., Chicago, Ill. Hareld, Walter James, Jr., 42 Camp St., Providence, R. I	(3) 57709	Aug. 1, 193 Nov. 3, 193
Hawkins, Thomas, 504 Grand Ave., Brooklyn, N. Y. Herndon, Edward L., 76 South 2d St., Newark, Ohio	41130	Aug. 21, 193 Feb. 7, 193
Jenerson, Karl Garrett, 9417 Parmaice Ave., Los Angeles,	8	Mar. 10, 193 Oct. 8, 193 Apr. 27, 193 Apr. 3, 193
Jones, Albert S., 444 East 64th St., Chicago, Ill.¹ Julian, Hubert, 2293 7th Ave., New York, N. Y.¹ Lilly, Joseph H 980 Washington Ave., Norfolk, Va. Love, Maxwell Lawrence, 1332 East 20th St., Los Angeles,	(3) (3) 42770	Apr. 28, 193 Apr. 28, 193 Apr. 1, 193
Calif. ¹ . Lowe, William E., 1714 Maypole Ave., Chicago, Ill. ¹ . Lundy, Russell G., 912 S St. NW., Washington, D. C. Lytle, Laurence E., 235 West 110th St., New York, N. Y.— McDonald, Clarence J. W., 1837 12th St. NW., Washington,	(3) (3) 48870 48206	Apr. 10, 193 Aug. 1, 193 June 17, 193 May 27, 193
D. C. McFarland, William P., 4641 South State St., Chicago, Ill.! Mitchell, Frank Braddock, 635 East 43d St., Los Angeles	48058 (3)	June 23, 193 May 2, 193
Calif.¹ Moulden, William W., 304 Grant St., Palo Alto, Calif. Muldro, Joseph, 1308 South Wabash Ave., Chicago, Ill.¹ O'Berry, Benny, 1315 NW. 6th Ave., Miami, Fla. Paris, Leon D., 1927 McCulloh St., Baltimore, Md. Parks, Perry C., Jr., 1335 East 15th St., Los Angeles, Calif Patrick, Howard N., 1409 West 35th Pl., Los Angeles, Calif Payne, Verdell L., 306 Giles St., Ithaca, N. Y. Perry, Lane G., 215 West 134th St., New York, N. Y. Porter, Ambers, 419 East 45th St., Chicago, Ill.	(3) 45437 (3) 58434 (3) (3) (3) (3) (3)	Apr. 30, 193 May 4, 193 Apr. 11, 193 Nov. 16, 193 June 3, 193 Apr. 10, 193 Apr. 3, 193 June 3, 193 Aug. 16, 193
Payne, Verdell L., 306 Giles St., Ithaca, N. Y. Perry, Lane G., 215 West 134th St., New York, N. Y. Porter, Ambers, 419 East 45th St., Chicago, Ill.	(8) 54784 (8)	Apr. 3, 193 June 3, 193 Aug. 16, 193 Mar. 22, 193

Amateur classification discontinued Nov. 1, 1937.

Student licenses issued prior to Nov. 1, 1937, did not bear license numbers.

Negro aviators-Continued STUDENT PILOTS-continued

Name and address	License No.	Expiration date
Proctor, Charles Vincent, 211 Murdock St., Canonsburg, Pa.		Aug. 3, 1939 June 15, 1937
Reed, Frank S., Jr., 5933 Lafayette Ave., Chicago, Ill	(3) 46079	May 12, 1939
Renfro. Anna Rosetta, 61 East 46th St., Chicago, Ill.		May 2 1937
Robinson, Robert Lee, 1109 Clanton St., Los Angeles, Calif.1	00000	Apr. 27, 1938
Ross, Curtis, 2300 East 97th St., Cleveland, Ohio	(3)	June 8, 1939
Ross, Harry M., 570 West 146th St., New York, N. Y.1	(3)	Jan. 26, 193
Ross, Timothy, 2300 East 97th St., Cleveland, Ohio St. Clair, Marie Rowe, 1102 West 61st St., Chicago, Ill	(3)	June 8, 1939 Sept. 4, 1939
Sansing, James, 302 Roosevelt St., Indianola, Miss.	(3)	July 15, 1938
Scott, David L., 116 Arnold St., Greenville, Miss	42257	Mar. 14, 1939
Sims, Willa Mae, 1670 East 111th St., Los Angeles, Calif.1	(3)	Apr. 17, 1938
mith, Archie, 34 Mount Morris Park, New York, N. Y mith, Floyd Joseph, 1309 Wallach Pl. NW., Washington,	53195	Aug. 16, 1939
D.C.	48270	June 7, 1939
Stanley, Milford, 190 Oakwood Pl., Orange, N. J	(3)	Dec. 25, 1939
ington, D. C.	(3)	Nov. 16, 1939
tevens, Leslie T., 1587 West 36th Pl., Los Angeles, Calif.1	(3)	Apr. 2, 1938
Strode, Bethel Julius, 3728 H St., Galveston, Tex.	(3)	May 4, 1939
Thomas, Robert, 229 West 136th St., New York, N. Y. Preadway, Timothy T., 108-43 171st Pl., Jamaica, L. I., N. Y.	40081	Apr. 3, 1937 Jan. 7, 1939
Valton, Bridget, 1786 West 35th St., Los Angeles, Calif.		May 8, 193
Vaterford, Janet Harmon, 363 East 51st St., Chicago, Ill.	(3)	June 17, 1938
Webster, George, 424 East 50th Pl., Chicago, Ill.1	(3)	May 2, 193
White, Harry C., 1163 East 51st St., Los Angeles, Calif.1	(3)	Apr. 3, 1939
Villiams, Lee A., 2527 East 115th St., Los Angeles, Calif. Villiamson, James C., 971 Austin St., Los Angeles, Calif. L.	(3)	May 18, 193 Apr. 27, 193

¹ Expired.
⁸Student licenses issued prior to Nov. 1, 1937, did not bear license numbers.

Although our effort has been to make this list of Negro aviators as complete as possible, some omissions and errors have no doubt occurred. Recipients of the list will confer a favor by calling our attention to omissions and errors.

Mr. LOGAN. As I have stated, Mr. President, I am not sure whether this amendment properly belongs in the bill. It seems to me, however, it can do no harm.

Mr. BRIDGES. Mr. President, will the Senator yield?

Mr. LOGAN. I yield.

Mr. BRIDGES. In connection with the list of aviators which the Senator has asked to have printed, I ask whether they are mainly aviators in the Military Establishment of the United States, or are they commercial aviators?

Mr. LOGAN. On page 313 of the hearings they are classified. The list was put into the record by Edgar G. Brown, who is the president of the United Government Employees. There are commercial pilots, limited commercial pilots, private pilots, solo or amateur pilots, and student pilots. None of them appear to be in the Regular Air Service of the United States.

The colored race comes and says, "We would like to have the privilege of fighting in your wars. If you have to have air pilots, we want to be in on it."

If I am correctly advised, the Civil Aeronautics Authority designates certain schools, and the War Department accredits those schools. At present I am advised-and I do not make the statement upon any authority except hearsay—that no institutions of learning for Negroes have been designated by the Civil Aeronautics Authority. It is true that no right is taken away from the Negro by the law as it is now, and the Civil Aeronautics Authority could designate such civilian schools and the War Department could accredit them; but it has not been done.

It seems that when a young colored man wants to go into the Air Service, and makes an application, he is in a good deal of difficulty, because he must be sent to some white civilian school, as there is no Negro civilian school to which he can go.

I am assuming that the amendment proposed by the Senator from New Hampshire has been thoroughly worked out. I have tried to familiarize myself with it in the last few days. While it does not fit in exactly, I should like to have the Negroes of America know that the United States Senate appreciates their service in the past, and that when their sons go to the proper authority to ask to be enrolled, they need not be sent to some white school, where perhaps they would not be entirely happy. They would not be in the South, I am quite sure; the student bodies might not welcome them. It is unfortunate that such is the case, but we must take life as it is, and not as we would have it.

If either of the amendments should be adopted-and I do not think they differ materially, except that I think the Senator from New Hampshire has gone into the matter a little more fully-then such an institution as Howard University, or Wilberforce College, in Ohio, which has an R. O. T. C. unit, or Tuskegee Institute, in Alabama, or Hampton Institute, at Hampton, Va.—any of these could be designated by the Civil Aeronautics Authority and accredited by the War Department. Then, when Negroes asked for permission to enroll, they could be sent to one of those institutions. In my humble judgment, we ought to recognize this right, and I hope that one of the amendments will be agreed to.

The PRESIDING OFFICER. The question is on agreeing to the amendment offered by the Senator from New Hampshire [Mr. Bridges] to the amendment presented by the Senator from Wyoming [Mr. Schwartz].

Mr. SCHWARTZ. Mr. President, I should like to know whether the Chair has ruled that the amendment offered by the Senator from New Hampshire cannot be considered as a substitute for the amendment I have offered.

The PRESIDING OFFICER. The Chair has so ruled. The question is on agreeing to the amendment to the amendment.

The amendment to the amendment was rejected.

The PRESIDING OFFICER. The question now is on agreeing to the amendment proposed by the Senator from Wyoming [Mr. Schwartz].

The amendment was agreed to.

Mr. SHEPPARD. Mr. President, I have a few amendments which have been approved by the committee, and which were overlooked in the report. I ask that they be presented.

The PRESIDING OFFICER. The clerk will state the amendments offered by the Senator from Texas.

The CHIEF CLERK. It is proposed, on page 4, line 22, to strike out the word "call" and to insert in lieu thereof the word "order."

The amendment was agreed to.

The CHIEF CLERK. On page 12, line 20, it is proposed to strike out the word "called" and to insert in lieu thereof the word "ordered."

The amendment was agreed to.

The CHIEF CLERK. On page 12, line 24, it is proposed to strike out the word "called" and to insert in lieu thereof the word "ordered."

The amendment was agreed to.

The CHIEF CLERK. On page 13, line 2, it is proposed to strike out the word "called" and insert in lieu thereof the word "ordered."

The amendment was agreed to.

The CHIEF CLERK. On page 7, lines 16 and 17, it is proposed to strike out the words "completed not less than one year's" and to insert the word "performed."

The amendment was agreed to.

The CHIEF CLERK. On page 7, line 19, following the word "Center", it is proposed to strike out the semicolon and to insert in lieu thereof a comma.

The amendment was agreed to.

The CHIEF CLERK. It is proposed, on page 7, line 22, after the word "provided", to insert a semicolon.

The amendment was agreed to.

The PRESIDING OFFICER. The bill is open to further amendment. If there be no further amendment to be offered, the question is on the engrossment of the amendments and the third reading of the bill.

The amendments were ordered to be engrossed and the bill to be read a third time.

The bill was read the third time.

The PRESIDING OFFICER. The question now is, Shall the bill pass?

Mr. BARKLEY. I ask for the yeas and nays.

The yeas and nays were ordered, and the Chief Clerk proceeded to call the roll.

Mr. REED (when his name was called). The junior Senator from Tennessee [Mr. Stewart] is unavoidably absent from the Senate. Before he left I agreed to pair with him. If the junior Senator from Tennessee were present and at liberty to vote, he would vote "yea." If I were at liberty to vote, I should vote "nay."

Mr. McKELLAR (when Mr. Stewart's name was called). The junior Senator from Tennessee is unavoidably detained from the Senate. If he were present and at liberty to vote, he would vote as stated by his pair, the Senator from Kansas [Mr. Reed].

The roll call was concluded.

Mr. BYRNES. I have a general pair with the Senator from Maine [Mr. Hale], but I am informed that if present he would vote as I intend to vote. I therefore am at liberty to vote, and vote "yea."

Mr. MINTON. I announce that the senior Senator from Illinois [Mr. Lewis] and the junior Senator from Florida [Mr. Pepper] are detained on official business at Government

departments.

I also announce that the junior Senator from Delaware

[Mr. Hughes] is unavoidably absent.

If the Senators named were present, they would all vote "yea."

I announce that the Senator from California [Mr. Downey] and the Senator from Iowa [Mr. GILLETTE] are detained from the Senate because of illness. I am advised that if present and voting these Senators would vote "yea."

The Senator from South Dakota [Mr. Bulow] is absent on official business.

The Senator from West Virginia [Mr. Holt] and the Senator from South Carolina [Mr. SMITH] are detained because of illness.

The result was announced—yeas 77, nays 8, as follows:

	YE	AS-77	
Adams Andrews Ashurst Austin Bailey Bankhead Barbour Barkley Bilbo Bone Bridges Brown Burke Byrd Byrnes Caraway Chavez Connally Danaher	Donahey Ellender George Gerry Gibson Glass Green Guffey Gurney Harrison Hatch Hayden Herring Hill Holman Johnson, Calif. Johnson, Colo. La Follette Lee	Logan Lucas Lundeen McCarran McKellar McNary Maloney Mead Miller Minton Murray Neely Norris O'Mahoney Overton Pittman Radcliffe Reynolds Russell	Schwellenback Sheppard Smathers Taft Thomas, Okla Thomas, Utah Tobey Townsend Truman Tydings Vandenberg Van Nuys Wagner Walsh Wheeler White Wiley
Davis	Lodge	Schwartz	
	N.A.	YS-8	
Borah Capper	Clark, Idaho Clark, Mo.	Frazier King	Nye Shipstead
	NOT V	OTING-11	
Bulow Downey Gillette	Hale Holt Hughes	Lewis Pepper Reed	Smith Stewart

So the bill (H. R. 3791) was passed.

EXECUTIVE SESSION

Mr. BARKLEY. I move that the Senate proceed to the consideration of executive business.

The motion was agreed to; and the Senate proceeded to the consideration of executive business.

EXECUTIVE MESSAGE REFERRED

The PRESIDING OFFICER (Mr. ASHURST in the chair) laid before the Senate a message from the President of the United States submitting several nominations in the Army, which was referred to the Committee on Military Affairs.

(For nominations this day received, see the end of Senate proceedings.)

EXECUTIVE REPORTS OF FINANCE COMMITTEE

Mr. HARRISON, from the Committee on Finance, reported favorably the following nominations:

Austin J. Mahoney, of Rochester, N. Y., to be collector of customs for customs collection district No. 8, with head-quarters at Rochester, N. Y. (reappointment);

Surg. William L. Smith to be senior surgeon in the United States Public Health Service, to rank as such from April 15, 1939; and

Asst. Surg. James G. Telfer to be passed assistant surgeon in the United States Public Health Service, to rank as such from February 5, 1939.

Mr. GUFFEY, from the Committee on Finance, reported favorably the nomination of Joseph T. McDonald, of Scranton, Pa., to be collector of internal revenue for the twelfth district of Pennsylvania, to fill an existing vacancy.

The PRESIDING OFFICER. The reports will be placed on the Executive Calendar.

If there be no further reports of committees, the clerk will proceed to state the nominations on the calendar.

THE JUDICIARY

The legislative clerk read the nomination of Charles E. Clark to be judge of the United States Circuit Court of Appeals for the Second Circuit.

The PRESIDING OFFICER. Without objection, the nomination is confirmed.

Mr. WAGNER. Mr. President, I ask unanimous consent that the President be immediately notified of the confirmation of the nomination of Judge Clark.

The PRESIDING OFFICER. Without objection, the President will be notified.

DEPARTMENT OF THE INTERIOR

The legislative clerk read the nomination of Richard H. Rutledge to be Director of Grazing.

The PRESIDING OFFICER. Without objection, the nomination is confirmed.

POSTMASTERS

The legislative clerk proceeded to read sundry nominations of postmasters.

Mr. McKELLAR. I ask that the nominations of postmasters be confirmed en bloc.

The PRESIDING OFFICER. Without objection, the nominations of postmasters are confirmed en bloc.

IN THE NAVY

The legislative clerk proceeded to read sundry nominations for promotions in the Navy.

Mr. WALSH. I ask that the nominations in the nature of promotions in the Navy be confirmed en bloc.

The PRESIDING OFFICER. Without objection, the nominations for promotions in the Navy are confirmed en bloc.

That concludes the calendar.

ADJOURNMENT

Mr. BARKLEY. As in legislative session, I move that the Senate adjourn.

The motion was agreed to; and (at 4 o'clock and 50 minutes p. m.) the Senate adjourned until tomorrow, Wednesday, March 8, 1939, at 12 o'clock meridian.

NOMINATIONS

Executive nominations received by the Senate March 7 (legislative day of March 6), 1939

APPOINTMENT IN THE REGULAR ARMY

Col. Edwin Martin Watson, Field Artillery, to be brigadier general from April 1, 1939, vice Brig. Gen. Evan H. Humphrey, United States Army, to be retired March 31, 1939.

APPOINTMENT TO TEMPORARY RANK IN THE AIR CORPS IN THE REGULAR ARMY

Col. Jacob Earl Fickel, Air Corps, to be wing commander with the rank of brigadier general, from March 1, 1939, vice Brig. Gen. Delos C. Emmons, wing commander, who accepted appointment as commanding general, General Headquarters Air Force, on March 1, 1939.

CONFIRMATIONS

Executive nominations confirmed by the Senate March 7 (legislative day of March 6), 1939

UNITED STATES CIRCUIT COURT OF APPEALS

Charles E. Clark to be judge of the United States Circuit Court of Appeals for the Second Circuit.

DEPARTMENT OF THE INTERIOR

Richard H. Rutledge to be Director of Grazing, Department of the Interior.

PROMOTIONS IN THE NAVY

Richard W. Ruble to be lieutenant commander. William E. Hennigar to be lieutenant commander, Samuel G. Fugua to be lieutenant commander. Joyce A. Ralph to be lieutenant commander. Philip D. Lohmann to be lieutenant commander. John A. Morrow to be lieutenant commander. William J. Mullins to be lieutenant commander. John R. Johannesen to be lieutenant commander. Oscar E. Hagberg to be lieutenant. Enoch G. Brian to be medical inspector. Harry A. Keener to be medical inspector. Harry M. Peterson to be chaplain.

POSTMASTERS

CALIFORNIA Mary E. Byrne, Hinkley. Lucy A. Angell, Rosamond.

Roy J. Summers, San Simeon. Pearl Bosch, Smith River. Opal Lambert, Summerland.

OHIO

Benjamin J. Chambers, Genoa.

HOUSE OF REPRESENTATIVES

TUESDAY, MARCH 7, 1939

The House met at 11 o'clock a. m. The Chaplain, Rev. James Shera Montgomery, D. D., offered the following prayer:

O Thou who art infinitely great and good, who hast set Thy glory above the heavens, create within us clean hearts; make our souls the sanctuary of Thy spirit. Impart unto us strength for our needs. In all that pertains to the issues of this day, possess us with Thy spirit that we may see clearly the way and walk fearlessly in consonance with the highest dictates of conscience. We earnestly pray Thee to make us rich in love that we may lose ourselves; fill us with faith that we may endure hardness and labor for the value of man, for whom our Saviour made the supreme sacrifice. From generation to generation may His voice resound through this burdened world. Heavenly Father, put a cross in our hearts; at its altar may we kneel, and henceforth may it be tomorrow's crown. Enable us to think nobly and to act worthily in the vocation whereunto our country has commissioned us. In the name of the Master. Amen.

The Journal of the proceedings of yesterday was read and approved.

MESSAGE FROM THE SENATE

A message from the Senate, by Mr. Frazier, its legislative clerk, announced that the Senate had passed a concurrent resolution of the following title, in which the concurrence of the House is requested:

S. Con. Res. 3. Concurrent resolution authorizing the Temporary National Economic Committee of the Congress to have printed for its use additional copies of all parts of its hearings held in connection with a complete study and investigation with respect to the concentration of economic power in, and financial control over, the production and distribution of goods and services.

PERMISSION TO ADDRESS THE HOUSE

Mr. BARTON. Mr. Speaker, I ask unanimous consent to address the House for 1 minute.

The SPEAKER. Is there objection to the request of the gentleman from New York?

There was no objection.

THE LATE FRANK W. STEARNS

Mr. BARTON. Mr. Speaker, years ago a leading Boston merchant, a trustee of Amherst College, used to come down to New York to attend the annual dinners of our Amherst Alumni Association. His purpose in coming was to tell us that we had a fellow alumnus in western Massachusetts, a young State senator, who would some day be President of the United States. The name of the State senator was Calvin Coolidge, the merchant was Frank W. Stearns.

We regarded his enthusiasm as a harmless eccentricity: but through the years he never wavered in his conviction that Providence had raised up this strange silent Yankee politician for special service to the Nation. The faith of Frank Stearns was fulfilled; he himself came to play a unique role in the life of our country. The closest friend of the President of the United States, he never asked a favor for himself or for anyone else. A dweller in the White House, he volunteered no advice, took no part in political discussions, sought to exercise no political influence. His attitude toward Coolidge was that of a father to a son. Seldom if ever has there been in our history such complete self-sacrificing devotion to a younger man on the part of an older friend. Stearns abandoned his business, put aside every personal consideration in order to serve the interests of Calvin Coolidge and, through him, as he firmly believed, the welfare of the United States.

He was peculiarly happy in his life and friendships. All of his dreams came true. He lived to see his dearest friend in the White House and his son, the Honorable FOSTER STEARNS, of New Hampshire, a Member of this body.

Running through the fabric of his practical New England character was a golden thread of mysticism. He was led in his last years to become a communicant of the Roman Catholic Church. He believed in God and in the American people. He never doubted that, in the long run, their voice would speak the divine decision. He lived 83 years, and his life was an abundant proof that love of country and unselfish friendship are the secret of serenity and peace.

EXTENSION OF REMARKS

Mr. HARNESS. Mr. Speaker, I ask unanimous consent to extend my remarks in the RECORD at this point on behalf of a bill which I recently introduced.

The SPEAKER. Is there objection to the request of the gentleman from Indiana?

There was no objection.

Mr. HARNESS. Mr. Speaker, I have just introduced a bill which will force a drastic revision of the New Deal free-trade policy followed by Secretary of State Hull in negotiating reciprocal-trade agreements:

A bill (H. R. 4743) to repeal section 350 of the Tariff Act of 1930, as amended, and to terminate all foreign-trade agreements entered into thereunder

Be it enacted, etc., That section 350 of the Tariff Act of 1930, as amended, be, and the same is hereby, repealed.

SEC. 2. After the effective date of this act, all foreign-trade agreements entered into by the President under the authority of said section 350 of the Tariff Act of 1930, as amended, and all modification of existing tariff duties and import restrictions proclaimed by the President pursuant thereto, shall cease to have any force or

I realize, of course, that this has been the subject of many remedial measures and much debate and discussion in the Congress in recent years. Minority Members in both the House and Senate have opposed the program under which the free-trade doctrinaires have saddled a succession of these agreements upon the country. These same men in the minority have also repeatedly and forcefully warned against the damages which have resulted and are resulting from this blind sacrifice of American interests.

In submitting this measure, I know, therefore, there is little new that I can add to the case already made. Colleagues within my own party have pointed out that my protests will be ignored exactly as the protests of others have been during this regime. But I believe that the grave injustices resulting from New Deal tariff tinkering cannot be overemphasized. I believe that constant repetition on the subject will at least hasten the day when outraged public opinion will force the administration to remedy these injustices.

TRADE AGREEMENTS ARE INJURING INDIANA LABOR AND AGRICULTURE

Furthermore, it is my duty to speak the preponderant sentiments of my own district, which has been voiceless in this matter in recent years. I must also add to the already overwhelming evidence specific instances in which the present program has wrought serious hardships upon my Indiana friends and neighbors.

In my district there are steel mills, glass plants, shoe and paper factories, and other diversified industries bankrupt or working on reduced schedules, largely because foreign producers are absorbing an increasing share of their domestic market. There are thousands of skilled workers idle or on part time largely because low-wage foreign labor now has their jobs.

There are also hundreds of thousands of acres of Indiana farm land—literally the finest farm land in the world—in enforced idleness, while the farmers among my constituents are confronted with the bitter spectacle of sagging prices and a steadily growing invasion of their domestic markets.

The steel mill in my home town specializes in wire and farm fence. You would naturally assume that as a result of its favorable location and the consequent savings in freight rates, this mill would enjoy a practical monopoly in the immediate territory. Actually, however, Belgian barbed wire—shipped across an ocean, then reshipped half way across a continent—is retailing in the shadow of that mill at prices below those of the domestic products.

We naturally think of steel in this country as big business, and rightly so. Our mental picture of the steel industry is that of an industrial giant, capable of performing manufacturing miracles upon notice. We can scarcely imagine this domestic Goliath as being vulnerable to a foreign David. How, then, can a foreign steel producer undersell an American plant, in spite of the fact that he must absorb the important additional costs of freight and import duties? The answer for steel is the answer for a hundred other industries.

AMERICAN WAGE SCALES HIGHEST IN THE WORLD

Quality of product is a small factor in most cases. Where a foreign-made commodity is underselling an American-made counterpart, it will usually be found that the American product is superior in design, workmanship, and materials. That is demonstrably true in the case of the fence wire, which I use as an illustration. But that is by no means the important reason.

The Belgian wire maker clears the freight and tariff barriers almost solely on his advantage in wage scales. The average Belgian steelworker makes 17 cents per hour, while the average worker in an American steel plant earns 82 cents—almost five times as much. In fact, there is no steelworker anywhere else in the world who makes quite half as much as our own. The highest foreign scale is the English, where the worker receives 40 cents per hour. The lowest-paid steelworker is the Japanese, who receives only 10 cents per hour. Thus, the American workmen employed in the steel industry earn from 200 percent to 800 percent as much as their fellow workmen who make the steel in foreign mills.

If you were to run through every classification of industrial employment in this country, you would find American workmen enjoying similar wage advantages. In fact, nowhere else in the world does labor receive anything even remotely approaching the share of industrial income which goes to the people in industry here.

At Marion, Hartford City, Dunkirk, Redkey, and Gas City—all formerly prosperous industrial communities in our district—there are a number of glass plants which should be providing highly paid employment for several thousand skilled flint-glass workers. But here, also, foreign competition is making serious inroads on the industry. Foreign glass from Czechoslovakia, Japan, and England is now entering this country at such prices that every one of those plants is in a

desperate struggle for its very existence, and idleness or parttime work is the lot of almost half of those skilled craftsmen. Yet, in the face of these facts, the administration made further concessions to foreign producers in the agreement recently concluded with Great Britain.

Worse still has been the plight of the shoe factories there. One in Huntington was long closed in bankruptcy and was finally reorganized only with the greatest difficulty. Another at Marion went through receivership and is now operating only because the employees themselves were willing to take the risk and the sacrifice of financing its reorganization out of their incomes. And neither of these companies is "out of the woods" yet by any means. In fact, they are confronted with foreign competition which can deliver shoes in their natural markets at or below their own former costs of production. For them this means deep cuts in production costs, including wages, must be effected. Or if not that, then it means added expenditures in a search for new outlets.

These examples are not merely selected exceptions. In fact they are distressingly typical. I could extend the story almost endlessly, for there are dozens of other industries in my district in similar plight. There are literally thousands of honest, industrious American workmen who are paying a terrific price for this New Deal folly; and they realize it. There are just as many thrifty, hard-working Hoosier farmers who also know the damage this program is inflicting on agriculture.

You can understand then that I speak the overwhelming desires of farmers, workers, and businessmen in my district when I urge an immediate revision of the destructive tariff policy which has brought about these conditions. Indiana producers want a fair chance to retain their natural domestic markets. Indiana labor wants a fair chance to make a decent, honest living. And I submit that this is nothing more than the minimum protection which our people have a right to expect and demand of the Government.

PRESENT TARIFF POLICY IS HURTING ENTIRE COUNTRY

If the total national results of this New Deal trade-agreement program were proving beneficial, I might be willing to admit the necessity of sacrificing my district to the general welfare of the Nation. But the things which are happening in the Fifth District of Indiana as a result of this policy are exactly the same things which are taking place everywhere else in the country. The Indiana story is merely the national story with local scenery.

Or if I could find any point of consistency between the New Deal domestic program and this tariff policy, I might at least understand the purposes which the administration has in mind in these trade agreements. But hunt as I will, I cannot find the first glimmer of intelligent relationship. At home the New Deal has tried for 6 frantic years to jack up prices, wages, and purchasing power. Everything attempted has been undertaken with that frankly avowed purpose. But, having worked on the one hand to rig wage and price levels, the administration has worked just as diligently on the other hand to knock down wages and prices through the reciprocal-trade agreements. It bemoans the misfortunes of our underprivileged, and preaches the gospel of the American standard of living; yet recklessly exposes us to the low-wage, low-standard foreign competition which is the surest brake upon any improvement in our own living standards. But, of course, this is merely another of the many New Deal violations of logic and arithmetic.

Even the constitutionality of the amendments by which this authority has been delegated to the Executive is sharply questioned. Important authorities maintain that Congress cannot divest itself of its constitutional duties of tariff and treaty making. I agree; but I see no reason to argue the matter of constitutionality of an act or practice which has proved so palpably unwise and costly.

RECORDS INDICATE THAT TRADE TREATIES ARE INEFFECTIVE

You know the important facts about our foreign trade in recent years, but I want to call certain items to your attention again; 1933 was the low point of foreign trade under

the New Deal; 1937 was the high point. Between these years imports rose from \$1,449,559,000 to \$3,009,852,000—an increase of 107.6 percent. Exports likewise increased from \$1,647,220,000 to \$3,298,929,000; but here the increase, while impressive, was only 106.1 percent—slightly below the rate of increase in imports. To put it another way, in 1933 our exports exceeded our imports by some \$200,000,000. In 1937 exports exceeded imports by some \$290,000,000. Actually when volume of trade is considered, the percentage of favorable trade balance has diminished slightly over those 4 years. Every other factor aside, here is the proof that trade agreements are not working to our advantage.

When a New Deal department head starts glossing over the failures of the tariff program, a rosier type of figuring is invoked. As an example, a State Department release points to the export-import figures for January in 1937–38 to prove that the agreements are producing desirable results. Those figures indicate that exports increased 31.6 percent, while imports were declining 28.5 percent. The report, however, neglected to mention the significant fact that January of 1937 was at the peak of our business recovery, whereas January of 1938 found practically every important index near the bottom touched in the Roosevelt depression.

TRADE TREATIES FAVOR FOREIGN COUNTRIES

For the State Department's purpose, the figures are impressive. When compared with major trade indices for the same period, they become positively startling. They point out the fact that the slump in American business actually exceeded our drop in imports. They call glaring attention to the fact that our foreign competitors suffered lighter losses than our farmers, laborers, and businessmen. Since the figures are from New Dealers, they themselves have contrived a fitting commentary upon the blind course we are pursuing.

But let me point out further significant things about those figures. While the average of increase in exports was 31.3 percent, examination shows that the rate of increase to agreement countries was only 19.7 percent, while exports to nonagreement countries grew 35.7 percent in those selected months. On the other side of the picture, while imports were generally declining 28.5 percent, they fell only 21.1 percent from agreement countries, but dropped 32.3 percent from nonagreement countries. Taken as a complete picture, our trade position with nonagreement countries improved easily twice as much as it did with agreement nations. There, surely, is trade promotion in reverse.

INTERNATIONAL FACTORS AID AMERICAN EXPORTS

I scarcely need point out that the New Deal program has failed in spite of tremendous factors which have bolstered America in international trade. Most important among these factors have been dollar devaluation, plus heavy purchases of gold and silver; and the extreme demands for war materials from abroad. All these factors have served to swell our export trade.

When the New Dealers were presenting the case for devaluing our currency and sterilizing our gold reserves, half the argument in favor of the scheme was that it would automatically improve our competitive position in foreign trade. In fact, this was the only defensible assumption in the entire coin-clipping program. When we trimmed 40 percent off the dollar, we generously extended to any foreign country which cared to take advantage of the offer a flat 40 percent discount on every American commodity offered for sale in the international market. Dollar devaluation, likewise, amounted to a horizontal cut of 40 percent in all our existing tariff schedules.

The explanation, of course, is as simple as fifth-grade arithmetic. If, prior to devaluation, our dollar was worth 5 francs, it obviously took 5 units of the French buyer's money to buy a dollar's worth of American goods. Or if it were a case of a French seller sending goods into our markets, it took 5 francs to pay a dollar's worth of duty. But after devaluation the dollar which used to be worth 5 francs became a dollar worth only 3 francs. Because the franc became worth more in relation to our dollar, the Frenchman could buy more American goods, or pay more tariff duties with his money than before. The same was true of any foreign nation

whose currency increased in value in relation to our dollar as a result of devaluation.

We at once made it easier for foreigners to buy goods, on the one hand, and we made it easier for the foreign shipper to pay his tariff duties here. This, of course, we did at a single stroke; and it was above and beyond every other concession the New Deal has so magnanimously made to our foreign competitors through the trade agreements.

GOLD PURCHASES SUBSIDIZE OUR FOREIGN TRADE

Our gold and silver purchasing has also had a tremendous influence on foreign trade. Since we have blindly followed this program of buying precious metals at ridiculously artificial prices, these metals have increasingly lost their monetary character and have more and more become inutile commodities. In the 5 years of money manipulation we have imported about \$8,000,000,000 worth of gold and about \$1,000,000,000 worth of silver. Only a fraction of this vast amount has had any sensible relation to the monetary system or to the normal balancing movements of international exchange. The vast residue should be frankly recognized for what it is—a heavy addition to our imports purchased out of American wealth. Common sense will tell you that this is just another way of financing foreign purchasers who come to our markets for American goods. It is some aid to our export trade, but it is an aid purchased at a terrific price.

Finally, even the most ardent New Dealer will admit that world conditions in the past few years have distinctly worked to our advantage in international trade. Widespread wars have raged, and the tensions between nations have grown increasingly bitter. As a result, there has been an unusual demand in our markets for all types of war materials and supplies. This, of course, has swollen our export volume. As a further result, foreign industrial systems have been so busy producing munitions and war materials that the natural competition we would ordinarily expect from them has been greatly curtailed.

Likewise, poor wheat yields in Canada and Australia, accompanied by good crops here, have also aided our exports. But these are extraordinary conditions which we cannot hope and do not want to see continued. America does not care to base its success in foreign trade on the misfortunes of the rest of the world.

No matter how you examine the records, these patent facts shine through the fog of wishful thinking, trick economics, and press agentry as proof that the New Deal reciprocal trade agreements have not only failed of their promises but that they are working tremendous hardships and losses on our farmers, laboring people, and our industries. And the fault obviously lies with the administration, which has usurped the congressional prerogative of tariff and treaty making. The trouble is born of those native, idealistic free-trade doctrinaires who have taken the subject of tariffs from the public forums to the star chamber, to the detriment of the American economy.

REPUBLICAN TARIFF METHODS THE ONLY SALVATION FOR AMERICAN LABOR, AGRICULTURE, AND INDUSTRY

Star-chamber tactics entered our tariff practice in 1934, as a New Deal amendment to the Tariff Act of 1930, a Republican measure which offered an honest, intelligent approach to our tariff problems. The Republican act of 1930 embodied the principles of reciprocity in tariffs. It established the Federal Tariff Commission as an impartial, bipartisan research and fact-finding body. It incorporated the flexible-duties feature, which is admittedly desirable in a world of unstable currencies.

Further, it insured the American enterpriser, farmer, and laboring man a voice in tariff making. It not only gave him the right to express his opinions in full and free open hearings, but it guaranteed that his elected representatives in Congress should be the final judges in accepting or rejecting tariff programs. But above everything else it guaranteed a schedule of duties which would protect the domestic markets against the inroads of low-wage, low-standard foreign competition

All this was Republican. All that has followed is New Deal. The Republican solution was an honest attempt to protect American wage scales and the American standard of living. The New Deal alternative is naive theorism sacrificing us to a world of realistic bargain drivers. The Republican method was an honest effort to provide for American welfare by giving voice to the farmers, laboring men, and industrialists. The New Deal alternative is to revert to the Old World star chamber, to which the common man has no access, and in which his interests are so consistently ignored.

This measure I offer is a simple one, but its importance is immeasurable. It fosters the interests of my district—and of the Nation. It will wipe out New Deal tariff tinkering and restore the sound principles of the act of 1930. And it will give back the duty of tariff making to those to whom the Constitution says it belongs—to the people and their elected representatives in Congress.

Under the Tariff Act of 1930 American farmers will again be given a chance to farm, and to supply the great domestic markets which have always been theirs. The skilled men and women who have always manned our industries will again have an opportunity for steady employment at decent, American wages. Our industrialists and businessmen will be permitted to operate at decent profits which will enable them to support the Government with taxes, and to serve as assets to the community and Nation.

I urge the passage of this measure for a return to sanity in tariff making as the broadest possible insurance of renewed prosperity in America.

PERMISSION TO ADDRESS THE HOUSE

Mr. RANKIN. Mr. Speaker, I ask unanimous consent to address the House for 1 minute.

The SPEAKER. Is there objection to the request of the gentleman from Mississippi?

There was no objection.

Mr. RANKIN. Mr. Speaker, I merely rise to call the attention of the House to the fact that today is an important anniversary in the history of our country.

Eighty-nine years ago today Daniel Webster made his famous 7th of March speech that probably had more effect on the affairs of this Nation at that time than any other one utterance made by any public man during that turbulant decade.

On that day, Mr. Speaker, there was born a man who was destined to play a great part in the history of America and, especially, to leave his imprint upon the history of the House of Representatives Champ Clark, of Missouri, a former Speaker of this House and one of the great men of this Republic. These two great men contributed much to the advancement of our American institutions, and we all join today in honoring their sacred memories. [Applause.]

EXTENSION OF REMARKS

Mr. SCHIFFLER. Mr. Speaker, I ask unanimous consent to extend my own remarks in the Record and in addition thereto to include a publication in the Wheeling Intelligencer, relative to the one hundred and fiftieth anniversary of the Congress.

The SPEAKER. Is there objection to the request of the gentleman from West Virginia?

There was no objection.

Mr. ANGELL. Mr. Speaker, I ask unanimous consent to extend my own remarks in the Record and to include a joint memorial of the Oregon Legislature with reference to the Port of Bay City, Oreg.

The SPEAKER. Is there objection to the request of the gentleman from Oregon?

There was no objection.

Mr. MARTIN of Massachusetts. Mr. Speaker, I ask unanimous consent that my colleague the gentleman from Massachusetts [Mr. Wigglesworth] may have permission to extend his own remarks by publishing a statement he made over the radio.

The SPEAKER. Is there objection to the request of the gentleman from Massachusetts?

There was no objection.

Mr. MAPES. Mr. Speaker, I ask unanimous consent to extend my own remarks in the Record and to include therein an address by our distinguished minority leader, the gentleman from Massachusetts [Mr. Martin], over the National Broadcasting Co. on Saturday, March 4, 1939, on the occasion of the one hundred and fiftieth anniversary of the convening of the first Congress.

The SPEAKER. Is there objection to the request of the gentleman from Michigan?

There was no objection.

Mr. GEARHART. Mr. Speaker, I ask unanimous consent to extend my own remarks in the Appendix of the Record and to include therein a speech by the Secretary of the Interior, Hon. Harold L. Ickes.

The SPEAKER. Is there objection to the request of the gentleman from California?

There was no objection.

CALENDAR WEDNESDAY

Mr. RAYBURN. Mr. Speaker, I ask unanimous consent that business in order on tomorrow, Calendar Wednesday, may be dispensed with.

The SPEAKER. Is there objection to the request of the gentleman from Texas?

There was no objection.

REORGANIZATION BILL OF 1939

Mr. COCHRAN. Mr. Speaker, I move that the House resolve itself into the Committee of the Whole House on the state of the Union for the further consideration of the bill (H. R. 4425) to provide for reorganizing agencies of the Government, and for other purposes.

The motion was agreed to.

Accordingly the House resolved itself into the Committee of the Whole House on the state of the Union for the further consideration of the bill H. R. 4425, with Mr. McCormack in the chair.

The Clerk read the title of the bill.

Mr. COCHRAN. Mr. Chairman, I yield 30 minutes to the gentleman from Georgia [Mr. Cox].

Mr. COX. Mr. Chairman, on the subject of the reorganization of the executive departments of the Government, I occupy the same ground that the opposition formerly occupied. If there has been any retreat, it has not been on my part. I opposed the reorganization bill that was considered during the last Congress. My opposition to the bill was predicated upon certain objections that were then developed in the debate. The gentleman responsible for bringing the pending measure before the House evidently took into account the objections then raised to that measure, as in the preparation of the bill all such objections are entirely eliminated. Therefore, I can find no valid ground upon which to base objection to this measure. Everyone frankly concedes that executive departments of the Government should be reorganized. Congress would probably undertake the task had it the facilities for working out essential details. Here draft is made upon the services of the official who is in best position to serve congressional needs. The President is designated as the agent to do the work, and heretofore there has been no serious objection to his being entrusted with the duties created by the bill. We must use his services if we are to get desired results. This is an intelligent approach to the solution of the problem.

Mr. Chairman, the bill we have before us may have been prepared upon the theory that some legislative power is being delegated to the President. I know there is difference of opinion between some of us as to this feature of the bill.

As for myself, I am not prepared to accede to the proposition that it is within the competency of the Congress to delegate essential legislative powers to the Executive, or to any other. This bill before us has been very carefully prepared, and no matter what theory the draftsmen may have had in mind in putting it together, it does not delegate any kind of legislative power to the agent of the Congress designated to do the job which the Congress proposes shall be done. The President is charged with the responsibility of making investigation, of ascertaining facts, and then applying the formula or rule which Congress lays down in the bill. There is left to the President no freedom of discretion that he might exercise independently of congressional control. The powers to be exercised under the bill are not legislative. They are not executive, but are ministerial only. The President is not given a roving commission of broad and unlimited powers to work his will upon the problem, but is confined within certain channels by limitations set up in the bill.

Mr. Chairman, except for some doubts expressed by some Members, I would hardly be justified in participating in this debate. But, for the benefit of the record, and for the influence it might have upon the determination of some question that might arise in the future in the event the bill is attacked in the courts, I feel it necessary to express a contrary opinion to that entertained by the author of the bill as expressed in the report filed by him. Certainly there is nothing critical in what I say. The gentleman, along with the gentleman from North Carolina [Mr. WARREN], deserves the thanks and the applause of this House and the country, because they have done a wonderful job in the construction of the measure, and in their presentation of the proposal to the House. Because of their perseverance I believe we are now closer to the adoption of a reorganization bill, that its operation will reflect greater credit upon everyone taking part in its passage, than has heretofore been the case. The bill is expressive of the will of this House wholly uninfluenced by any outside interference.

I note in the report of the gentleman from Missouri [Mr. COCHRAN], the author of the bill, that he says that the bill "unlike the bill voted on in August 1937, is a bill which has as its objective solely the reduction of agencies in the executive branch of the Government."

I think the gentleman inadvertently used the word "solely" because his bill is so drawn as to effectuate its major purpose, as set out in section 1, part 1; that is, reduce expenditures; increase efficiency; group, coordinate, and consolidate executive agencies of the Government; to reduce the number of such agencies through consolidation; and to eliminate overlapping and duplication of effort.

If my brethren will indulge me, I should like, in the effort to dissipate any doubt that may be upon their minds as to the constitutionality of the procedure here taken, to quote somewhat extensively from a decision of the Supreme Court rendered at the October term, 1938, in the case of Currin and others against Wallace. This was a case in which the constitutionality of the Tobacco Inspection Act of August 23, 1935, was raised. Gentlemen will recall the general provisions of that law. In this opinion the Court said:

Congress finds that the classification of tobacco according to type, grade, and other characteristics affects the prices received; that "without uniform standards of classification and inspection the evaluation of tobacco is susceptible to speculation, manipulation, and control" and "unreasonable fluctuations in prices and quality determinations occur," constituting a burden upon commerce; and that the use of uniform standards is imperative "for the protection of producers and others engaged in commerce and the public interest therein."

The Secretary of Agriculture is authorized to investigate the handling, inspection, and marketing of tobacco and to establish standards by which its type, grade, size, condition, or other characteristics may be determined, and these standards are to be the official standards of the United States (secs. 3, 4).

The Secretary is authorized to designate those markets where tobacco bought and sold at auction or the products customarily manufactured therefrom move in commerce. He is not to designate a market unless two-thirds of the growers, voting at a prescribed Congress finds that the classification of tobacco according to

a market unless two-thirds of the growers, voting at a prescribed referendum, favor it. The act provides that after public notice that a market has been so designated, no tobacco shall be offered for sale at auction thereon until it has been inspected and certified by an authorized representative of the Secretary according to the established standards.

Violation of the requirement of inspection and certification at designated markets is made a misdemeanor punishable by a fine of not more than \$1,000 or imprisonment for not more than 1 year,

On the question of the delegation of power, the Court said:

The argument that there is an unconstitutional delegation of legislative power is equally untenable. This is not a case where Congress has attempted to abdicate or to transfer to others the essential legislative functions with which it is vested by the Constitution (art. I, sec. 1; sec. 8, par. 18). See Panama Refining Co. v. Ryan (293 U. S. 528, 541, 542, 553). We have always recognized that legislation must often be adapted to conditions involving details with which it is impracticable for the legislature to deal directly We have said that "The Constitution has never been regarded as denying to the Congress the necessary resources of flexibility and practicality which will enable it to perform its function in laying down policies and establishing standards, while leaving to selected instrumentalities the making of subordinate rules within prescribed limits and the determination of facts to which the policy as declared by the legislature is to apply. Without capacity to give authorizations of that sort, we should have the anomaly of a legislative power which in many circumstances calling for its exertion would The argument that there is an unconstitutional delegation of thorizations of that sort, we should have the anomaly of a legislative power which in many circumstances calling for its exertion would be but a futility" (Panama Refining Co. v. Ryan, supra). In such cases "a general provision may be made, and power given to those who are to act under such general provisions to fill up the details" (Wayman v. Southard, 10 Wheat, 1, 43). We think that the Tobacco Inspection Act belongs to that class.

So far as growers of tobacco are concerned, the required reference of the content of the state of the content of the state of

Inspection Act belongs to that class.

So far as growers of tobacco are concerned, the required referendum does not involve any delegation of legislative authority. Congress has merely placed a restriction upon its own regulation by withholding its operation as to a given market "unless two-thirds of the growers voting favor it."

Here it is Congress that exercises its legislative authority in making the regulation and in prescribing the conditions of its application. The required favorable vote upon the referendum is one of these conditions. The distinction was pointed out in Hampton & Company v. United States (276 U. S. 304, 407), where, in sustaining the so-called "flexible tariff provision" of the act of September 21, 1922, and the authority it conferred upon the President, we said: "Congress may feel itself unable conveniently to determine exactly when its exercise of the legislative power should become effective, because dependent on future conditions, and it may leave the determination of such time to the decision of an executive, or, as often happens in matters of State legislation, it may be left to a popular vote of the residents of a district to be effected by the legislation. While in a sense one may say that such residents are exercising legislative power, it is not an exact statement, because the power has already been exercised legislatively by the body vested with that power under the Constitution, the condition of its legislation going into effect being made dependent by the legislature on the expression of the voters of a certain district."

Nor is there an unconstitutional delegation to the Secretary of Agriculture. Congress has set forth its policy for the estab-

Nor is there an unconstitutional delegation to the Secretary of Agriculture. Congress has set forth its policy for the establishment of standards for tobacco according to type, grade, size, condition, and other determinable characteristics. Sections 3, 4. condition, and other determinable characteristics. Sections 3, 4. The provision that the Secretary shall make the necessary investigations to that end and fix the standards according to kind and quality is plainly appropriate and conforms to familiar legislative practice as shown by the various statutes already mentioned. It is not different in principle from the authority conferred upon the Secretary of the Treasury to establish "uniform standards of purity, quality, and fitness for consumption of all kinds of teas imported into the United States" (Butterfield v. Stranahan (192 U. S. 470, 494)), or from that conferred upon the Interstate Commerce Commission to fix standards for safety devices and equipment (St. Louis & Iron Mountain R. Co. v. Taylor (210 U. S. 281, 286, 287); Napier v. Atlantic Coast Line (272 U. S. 605, 612)) or from that conferred upon the Secretary of War to determine whether bridges and other structures constitute unreasonable obstructions to navigation and to specify and prescribe the structural changes that are required (Union Bridge Co. v. United States (204 U. S. 364)).

The Secretary of Agriculture is authorized to designate those

The Secretary of Agriculture is authorized to designate those markets where tobacco bought and sold thereon at auction moves in commerce. Section 5: This calls for the ascertainment of a fact. The intention of Congress is clear that markets thus ascertained The intention of Congress is clear that markets thus ascertained shall be designated subject to the prescribed conditions and as rapidly as facilities for inspection are available. We find no unfettered discretion lodged with the administrative officer. The requirement of a referendum, as already noted, calls for the expression of the wishes of the growers and the Secretary acts merely as an administrative agent in conducting the referendum. The provision for the suspension of a designated market because competent inspectors are not available or the quantity of tobacco is not enough to justify the cost of the service, sets forth definite as well as reasonable criteria. The statute also lays down a practical rule for the guidance of the Secretary in the selection of markets in the event that because of lack of inspectors or other reasons the Secretary is unable to furnish inspection and certification at all auction markets within a type area. In that case he is first to designate those auction markets "where the greatest number of growers may be served with the facilities available to him."

The statute thus defines the policy of Congress and establishes

The statute thus defines the policy of Congress and establishes standards within the framework of which the administrative agent is to supply the details. The provisions of the act are well within the principle of permissible delegation which we applied in relation to the administration of the forest reserve in *United States* v. *Grimaud* (220 U. S. 506, 517); to the allocation of licenses, wave lengths, etc., in Federal Radio Commission v. Nelson Bros. Co. (289 U. S. 266, 285); and to the exercise of the powers conferred upon the Interstate Commerce Commission in New York Central Securities Corporation v. United States (287 U. S. 12, 24).

This same question was discussed in the case of United States v. Grimaud (220 U. S. 517). In that case Mr. Associate Justice Lamar, speaking for the Court, said:

It must be admitted that it is difficult to define the line which separates legislative power to make laws from administrative authority to make regulations. This difficulty has often been recognized and was referred to by Chief Justice Marshall in Wayman v. Southard (10 Wheat. 1, 42), where he was considering the authority of courts to make rules. He there said: "It will not be contended that Congress can delegate to the courts, or to any other tribunals, powers which are strictly and exclusively legislative. But Congress may certainly delegate to others powers which the legislature may rightfully exercise itself." What were these nonlegislative powers which Congress could exercise but which might also be delegated to others was not determined, for he said: "The line has not been exactly drawn which separates those important subjects, which must be entirely regulated by the legislature itself from those of less interest in which a general provision may be made and power given to those who are to act under such general provisions to fill up the details."

From the beginning of the Government various acts have been passed conferring upon executive officers power to make rules and regulations—not for the government of their departments but for administering the laws which did govern. None of these statutes could confer legislative power. But when Congress had legislated and indicated its will it could give to those who were to act under such general provisions "power to fill up the details" by the establishment of administrative rules and regulations, the violation of which could be punished by fine or imprisonment fixed by Congress, or by penalties fixed by Congress or measured by the injury done.

Thus it is unlawful to charge unreasonable rates or to dis-It must be admitted that it is difficult to define the line which

the injury done.

by Congress, or by penalties fixed by Congress or measured by the injury done.

Thus it is unlawful to charge unreasonable rates or to discriminate between shippers, and the Interstate Commerce Commission has been given authority to make reasonable rates and to administer the law against discrimination. Int. Com. Comm. v. Ill. Cent. R. R. (215 U. S. 452); Int. Com. Comm. v. Chicago, Rock Island, &c. R. R. (218 U. S. 83). Congress provided that after a given date only cars with drawbars of uniform height should be used in interstate commerce, and then constitutionally left to the Commission the administrative duty of fixing a uniform standard. St. Louis & Iron Mountain R. R. v. Taylor (210 U. S. 281, 287). In Union Bridge Co. v. United States (204 U. S. 364); In re Kollock (165 U. S. 526); Buttfield v. Stranahan (192 U. S. 470) it appeared from the statutes involved that Congress had either expressly or by necessary implication made it unlawful, if not criminal, to obstruct navigable streams; to sell unbranded oleomargarine; or to import unwholesome teas. With this unlawfulness as a predicate the executive officers were authorized to make rules and regulations appropriate to the several matters covered by the various acts. A violation of these rules was then made an offense punishable as prescribed by Congress. But in making these regulations the officers did not legislate. They did not go outside of the circle of that which the act itself had affirmatively required to be done, or treated as unlawful if done. But confining themselves within the field covered by the statute they could adopt regulations of the nature they had thus been generally authorized to make, in order to administer the law and carry the statute into effect.

And again he said in Field v. Clark (143 U. S. 649, 694):

The legislature cannot delegate its power to make a law, but it The legislature cannot delegate its power to make a law, but it can make a law to delegate a power to determine some fact or state of things upon which the law makes, or intends to make its own action depend. To deny this would be to stop the wheels of government. There are many things upon which wise and useful legislation must depend which cannot be known to the law-making power and must therefore be a subject of inquiry and determination outside of the halls of legislation.

So, Mr. Chairman, there should be no serious doubt in the mind of anyone about the constitutional right of the Congress to do what is here proposed. The bill simply declares what is the purpose of the Congress and then sets out in language simple and understandable how those purposes can be effectuated. It names the President as its ministerial agent and charges him with the duty of investigating and ascertaining the facts and making application of the rule which is prescribed. In performing under the act the President exercises no legislative or executive power, but only as the ministerial agent of the Congress acts in accordance with directions that are given.

Some contend that under the bill there is provision made for the exercise of discretion on the part of the President, but that contention is erroneous. There is no room for freedom of discretion. There can be none if the bill is to stand against attack in the courts.

Mr. Chairman, possibly I would have preferred considering this question of reorganization under a plan submitted by the President, but the President has submitted no plan, and probably for the very good reason that he knows that such would have been an idle gesture; but the fact that this has not been done does not relieve this House of its own responsibility to do its part to eradicate the evils which are admitted to exist. If reorganization is necessary, and if that is the opinion of the House, then there is here before us the opportunity to bring it about.

So, Mr. Chairman, as one who believes he is entirely independent of every sort of pressure influence—and there has been none exerted in behalf of this bill—as one who has heretofore opposed reorganization upon certain grounds, I want to say that I find nothing in this proposal which offends the Constitution or my own understanding of what is reasonable

and right.

Thus far the indications have been that our friends, the minority, will possibly, en bloc, oppose the adoption of this bill. I trust that that will not prove to be the case. Reorganization is not a partisan question. This bill should not be made a partisan issue.

Mr. MICHENER. Mr. Chairman, will the gentleman yield?

Mr. COX. With great pleasure. Mr. MICHENER. The gentleman says reorganization is not a partisan question. In the last Congress, when the matter was being considered by the House, it was made a partisan question, and the distinguished majority leader [Mr. RAYBURN], who is now on the floor, took the floor as a partisan and appealed to the House to pass the bill as a partisan measure.

Mr. COX. If the former bill did take on the complexion of partisanship, it is to be regretted. However, if that was the case, it is no justification for our repeating a similar performance on this occasion. This is our common country, and we all want to serve it well.

Mr. MICHENER. I agree with that. Mr. RAYBURN. Mr. Chairman, will the gentleman yield?

Mr. COX. Certainly.

Mr. RAYBURN. Of course I took the floor and made an appeal to my colleagues on the Democratic side to support the measure, because I knew that was the only way to save it, and that will probably turn out to be so in the instant case, because I understand a conference was held yesterday afternoon. I do not know just what resolves were made, if any, but one gentleman on the Republican side, the leader in the opposition to this bill, made it a partisan issue yesterday insofar as he could, by saying that he was against any bill that would give to the present President of the United States any additional power.

Mr. McCORMACK. Mr. Chairman, will the gentleman

yield?

Mr. COX. I yield.

Mr. McCORMACK. I might call to the attention of my friend from Georgia the fact that apparently the merits of the bill will not govern the action of certain Members. Yesterday the gentleman from Kansas [Mr. LAMBERTSON] said that he would not vote for this bill because he felt that the present man in the White House was not the man to reorganize the Government.

Mr. COX. Such remarks are to be regretted. It is quite probable that if the gentleman had presented to him the opportunity to make correction he would withdraw that statement. He probably had no serious intention of challenging the motives of the President.

Mr. GIFFORD. Mr. Chairman, will the gentleman yield? Mr. COX. I yield.

Mr. GIFFORD. I think I made a reasonable speech on yesterday and that the whole text of the speech fully explains the matter. Several Members tried to place me in an embarrassing position, but I think I expressed myself in my statement in a way and manner which anyone with any wish to understand would fully understand.

Mr. RAYBURN. I have no disposition to quarrel with anybody on this side or on the other side.

Mr. GIFFORD. There was plenty of quarreling yesterday, and now it has been brought up again. I simply ask anyone differing with me to read my remarks fully if he wants to interpret it.

As far as what the gentleman from Texas said last year, I read his remarks of last year only yesterday.

Mr. RAYBURN. That is perfectly all right, but I certainly did not start any quarreling this morning.

Mr. GIFFORD. The gentleman from Texas raised this issue.

Mr. RAYBURN. I did not. The gentleman from Michigan started this when he said it was a partisan issue.

Mr. GIFFORD. The gentleman from Michigan did not mention it in his speech. I was the one who mentioned it, day before yesterday.

Mr. MICHENER. I referred to positions taken in the last Congress on the reorganization bill. If anyone here says it was not a partisan question, why were the telephones so busy, why were so many Members being called to the phone and, man after man-and they will not deny it-told what to do?

Mr. COX. Mr. Chairman, I cannot yield further.

Mr. GIFFORD. Here is the speech of the gentleman from Texas right here, if you would like to have the facts as to what he said in the RECORD.

Mr. COLE of New York. Mr. Chairman, will the gentleman yield?

Mr. COX. I yield.

Mr. COLE of New York. Apparently the gentleman is attempting to create the inference that the minority is injecting partisanship into this discussion. If the sponsors of this measure are so completely free of partisanship, would the gentleman tell me why section 11 was inserted in this bill limiting the application of the reorganization powers to the present President and to no succeeding President? If it is good for one President to do this why is it not good for his successor to have the same power?

Mr. COX. Mr. Chairman, on that question there is difference of opinion as between members of the Reorganization Committee. Those really dominating the question more or less arbitrarily accepted the date fixed in the bill, or else they timed expiration with the end of the term of the present President. But I am of the opinion that to make valid the grant it was necessary to fix some time within which the power was to be exercised; and I say this in spite of the fact that I know that heretofore a reorganization bill was passed in which no limitation as to performance was imposed.

In the Schechter case the Supreme Court on this particular point indicated that time of performance could not be left to the discretion of the delegate.

[Here the gavel fell.]

Mr. COCHRAN. Mr. Chairman, I yield 15 additional minutes to the gentleman from Georgia.

Mr. WARREN. Mr. Chairman, will the gentleman yield?

Mr. COX. I yield.

Mr. WARREN. I think the gentleman from Georgia has covered it, but I may say further to the gentleman from New York [Mr. Cole] that what governed us in putting a limitation in the bill was that we felt that an incoming President should not be bound by this particular scheme if he did not desire it, that we should not hamper an incoming President with it, that we should leave it up to him to make his own recommendations.

Mr. MICHENER. Mr. Chairman, will the gentleman yield?

Mr. COX. I yield. Mr. MICHENER. If Congress is going to do the reorganizing eventually, and we write a formula, why should we not write a formula that is good for Mr. A as President as well as for Mr. B as President?

Mr. WARREN. The gentleman and I are not an inch apart on that. As far as I am concerned, I am willing to see it made permanent law, but we did this to meet the objection that had been made by many Members that it should be confined to a single President.

Mr. MICHENER. May I say one thing more? I am not without misgivings. I have not yet decided how I am going to vote on this bill. There was no conference last night at

which the Republicans decided how the Republicans were going to vote. We do not hold caucuses. We hold conferences, discuss our views, and then the Members are not bound but are permitted to vote as their consciences dictate.

Mr. WARREN. I am delighted to hear that. I have not accused the Republicans of that.

Mr. COX. Mr. Chairman, in debate, of course, gentlemen will sometimes indulge in extravagant statements which do not altogether represent their quiet and deliberate judgment.

It has been stated by some that their sole objection to the pending bill is lack of confidence in the Chief Executive to believe that he will earnestly carry out the provisions of the law. I cannot believe that any gentleman really believes this. Speaking for myself, I have differed from the President on many occasions, but I could not say and I would not say that I have not the confidence in him to believe that he will faithfully perform the trust that is here reposed and bring back to us a reorganization plan or plans that we can gladly accept. He is obliged to be as greatly interested in bringing about the purposes of the bill as any other.

Mr. Chairman, in the instant case the Congress is doing a rather unusual thing in attaching to the grant the condition that Congress may set aside what is done in pursuance thereof by concurrent resolution. It is legal and has been done before but is unusual.

Mr. O'CONNOR. Will the gentleman yield right upon the point he is discussing?

Mr. COX. I yield to the gentleman from Montana.

Mr. O'CONNOR. My interpretation of section 5 of the bill is that the plan becomes effective unless within 60 days the Congress by concurrent resolution adopts a contrary

Mr. COX. That is correct.

Mr. O'CONNOR. All right. Now, is Congress required to adopt that plan in toto or is the plan subject to amendment?

Mr. COX. It is either up or down. That is my opinion and I think I am correct.

Mr. O'CONNOR. Is it fair that this Congress should be bound by a plan in toto that the President or anybody else may bring before this Congress and not have it subjected to amendment?

Mr. WARREN. Will the gentleman yield?

Mr. COX. I yield to the gentleman from North Carolina. Mr. WARREN. I will tell the gentleman why. I approached the problem for 3 months to give us a right to amend one of these plans, and after an exhaustive study of at least 3 months it was found it was humanly impossible. that there was no possible way whereby a rule could be drawn which would prevent a filibuster; therefore, give the opponents the right to vote, if you allowed amendment. In effect it will amount to this: Suppose the President would send up a plan with 15 or 20 propositions in it. Suppose all the debate centered around one single thing or two single things and the plan was rejected. There is nothing in the world to keep him from sending up the next day the very items in the plan to which there was no objection. It was simply impossible to prepare a rule which would prevent filibuster if we allowed amendments.

Mr. O'CONNOR. May I suggest this: Supposing the plan of the President would include say the transfer of the Forestry Department to the Interior Department, taking it away from the Department of Agriculture, and the gentlemen who happened to represent the western country or who may represent the western country in the next Congress, either ourselves or somebody else, would object to that transfer. Our hands are tied if we vote for this bill. In other words, we are hog-tied, as the phrase is used, if we adopt the rule here today that whatever plan he brings in, or whatever plan the President brings in, may not be subjected to amendment.

Mr. COX. If any plan offends a majority of the two Houses, then it can be set aside by Congress.

I was saying that what we are doing here is rather unusual. It is not the normal way of legislating. There are but few other incidents in our legislative history that accord

with it. We are providing for something that is in the nature of a referendum. We designate an agent to do something which we cannot well do and at the same time provide that in the event we are dissatisfied with the result of his study and labor we may by concurrent resolution reject it. I might say, however, that I have no objection to the setting up of this check on the delegate. When Congress was considering the reorganization bill of 1932, which bill charged the President with the duty of working out a reorganization plan, the then Attorney General rendered an opinion in which he said that attaching the condition to the grant that any order made by the President might be vacated by action of either House was unconstitutional. This is erroneous. The Attorney General said that neither a simple nor concurrent resolution would satisfy the law; that nothing less than legislation would suffice. In my opinion, this opinion of the Attorney General was erroneous.

Mr. Chairman, if we expect to get reorganization of the executive departments of the Government within any time in the near future, a reorganization which effectuates economy, promotes efficiency, and eliminates duplications as a result of performance under the major provisions of the act, then this is our opportunity; and I trust that those on both sides of the aisle may find it perfectly agreeable to their sense of what is reasonable and right to adopt this measure and let this work be done. If there is any breach of the trust that is reposed, then we can exercise our right of rejection by concurrent resolution. [Applause.]

Mr. COLE of New York. Will the gentleman yield?

Mr. COX. I yield to the gentleman from New York.
Mr. COLE of New York. There is a point involved in the
bill which I would like to have the gentleman answer, because,
being a leader on the Rules Committee, he is particularly
fitted to answer this question. Is it the thought of the
gentleman that this Congress, even by legislative act, has
the power to prescribe the rules for a succeeding Congress?

Mr. COX. Oh, it is not binding, of course; no. This rule would simply govern the action of the two Houses—that is, the adoption of this bill, in which this rule is set up, would govern the action of the two Houses until repealed by either House.

Mr. COLE of New York. Until the Seventy-seventh Congress came into being; is that true?

Mr. COX. No; either House of the Congress might amend the rule the following day.

Mr. COLE of New York. Assume they did not amend it. Mr. COX. As a matter of fact, they might disregard it, because neither House of the Congress can constitutionally tie their hands in the fixing of their own rules.

Mr. COLE of New York. If then tomorrow the House of Representatives may ignore part 2 of this bill, why do we enact it?

Mr. COX. Yes; but it would be a most violent assumption to say that such a thing would take place.

Mr. COLE of New York. That is true. What I have in mind is that when the Seventy-seventh Congress comes into being on January 3, 1941, if part 2 is not binding on that Congress then what is to prevent the President from submitting a sweeping reorganization proposal on January 19 or a few days before his term expires?

Mr. WARREN. Mr. Chairman, will the gentleman yield? Mr. COX. Yes.

Mr. WARREN. Of course, Congress could repeal this rule the day after it was enacted because the Constitution fixes in each House of the Congress the right to make its own rules; but is not this the answer, I may say to the gentleman, that we are setting up the rule for the consideration of this specific legislation? Is there no such thing as honor left in legislation any more? Does the gentleman believe either House after fixing the rule to consider this specific legislation would turn around after its enactment and repeal the rule?

Mr. COLE of New York. Not as far as the Seventy-sixth Congress is concerned, of course, but there is nothing we can do to bind the Seventy-seventh Congress.

Mr. COX. If I get the gentleman's thought, it is that this rule cannot be binding upon the new Congress?

Mr. COLE of New York. For that one month of January.
Mr. COX. It would be binding upon the Congress until
either amended or repealed.

Mr. COLE of New York. That is right.

Mr. COX. That is correct.

[Here the gavel fell.]

Mr. TABER. Mr. Chairman, I yield 15 minutes to the gentleman from North Dakota [Mr. Burdick].

Mr. BURDICK. Mr. Chairman, after listening to the debate upon this bill I have come to three definite conclusions: First, that the bill now before this body is not the same bill that was here last year; second, that it is going to pass because there are enough Democrats here to pass it; and third, the people have elected Democrats as the majority of this Congress and consequently they will be responsible to the people for this measure.

As I look at it, as the bill now stands it does not make a great deal of difference whether it passes or whether it does not pass. No power is leaving the Congress. I may say as one Republican that I have never been to any caucus or had any understanding with respect to how I am going to vote on the bill, and I am not saying now how I shall vote on it. However, I want to address this House on what I believe is a more serious question, one that affects the life and liberty of the American farmer.

Mr. Chairman, on the first day of this session I introduced in the House a resolution for the appointment of a Select Committee to investigate the subject of futures trading. It is known as House Resolution 25, and it has been referred to the Committee on Rules. The board of trade lobbyists that infest this city have sought in every possible way to prevent the appointment of such a committee and the holding of hearings on futures trading. Thus far the Committee on Rules has taken no action on my resolution.

On the second day of last month I addressed the House on the importance of an investigation such as is called for in House Resolution 25. I made mention of some very pertinent facts. I not only charged that futures contracts are gambling contracts and are generally recognized by the courts as such, but I also charged openly, on the floor of this House, that the practice of futures trading fixes a low ceiling above which the price of wheat and the price of cotton and the price of other exportable products cannot rise, try as we may to enact farm legislation in behalf of agriculture. That is a very grave charge for this House to permit to pass unchallenged.

I charged openly, on the floor of this House, that our farmers in the United States are today as much subject to the economic domination of Great Britain as they were in colonial days, before the Revolutionary War. I charged, and I now renew the charge, that the price of wheat and cotton and other exportable farm products is dictated from England; and that, due to the operation of the futures market ticker tape, American prices are lower than prices paid at Liverpool, which is a buyer's world market. That is a very grave charge for this House to permit to pass unchallenged.

I made other charges, which I am prepared to support. I charged openly, on the floor of the House, that Secretary of Agriculture Wallace condones the criminal conduct of the Chicago Board of Trade and permits his underlings to print, publish, and distribute false propaganda in support of such conduct. I mentioned one of several instances of that sort. I mentioned the propaganda article of H. S. Irwin, a Commodity Exchange Administration pay-roller, which was published in the June 1937 issue of the Illinois Law Review. That is a very grave charge for this House to permit to pass unchallenged.

I charged, and I now renew the charge, that Secretary of Agriculture Wallace and the Commodity Exchange Administration have condened the favoritism that has been shown by the business-conduct committee of the Chicago Board of Trade in favor of certain traders and against certain other traders. That is a very grave charge for this House to permit to pass unchallenged.

Mr. Chairman, I have barely begun to mention the charges that I shall, in due time, level against Secretary Wallace, the Commodity Exchange Administration, and the Chicago Board of Trade. The Commodity Exchange Act is not being enforced as the Congress intended it to be enforced. And Secretary Wallace and the Commodity Exchange Administration are equally guilty along with the commodity gamblers who continue, under the protection of friendly governmental agents, to rob and to exploit the farmers.

I shall be more specific in my charges. The Commodity Exchange Act, by its express terms and provisions, contemplates that the futures contract markets shall be markets for the future delivery of commodities. Today the wheat futures market, for example, is more of a gambler's market and less of a market for future delivery than it was yesterday. During the fiscal year ended June 30, 1937, the volume of deliveries under wheat futures contracts, on the Chicago Board of Trade, was only fifteen one-hundredths of 1 percent, and in the ensuing fiscal year the volume of deliveries was only thirteen one-hundredths of 1 percent. That is a very grave charge for this House to permit to pass unchallenged.

I charge that Secretary Wallace and the Commodity Exchange Administration, well knowing that one of the chief reasons for the enactment by the Congress of the Commodity Exchange Act was to eliminate excessive speculation in futures contract markets, have condoned the recent action of the Chicago Board of Trade in reducing margin requirements in wheat futures trading from 4 cents a bushel to 2 cents a bushel, with the obvious intention of stimulating speculation. That is a very grave charge for this House to permit to pass unchallenged.

I charge that short selling is rampant in all futures contract markets that are under the jurisdiction of Secretary Wallace and of the Commodity Exchange Administration. That is a very grave charge for this House to permit to pass unchallenged.

Mr. Chairman, my time is limited today. I shall have more to say on this important subject in the near future. However, before I take my seat I wish to go on record with another very serious charge against Secretary Wallace and the Commodity Exchange Administration. I refer to the willful violation by the Chicago Board of Trade of one of the most fundamental conditions imposed by the Commodity Exchange Act on futures contract markets. This willful violation has been under the protection of friendly governmental agents who are responsible to Secretary Wallace.

The Chicago Board of Trade boasts that it is the largest grain market in the world. That is far from the truth. It is a big gambling institution, dealing extensively in lottery tickets on price fluctuations, but it handles very, very little actual grain. This has for a long time been a bone of bitter contention between the Chicago Board of Trade, on the one hand, and the farmers, on the other hand. Yet the Chicago Board of Trade will not furnish any figures. The law requires, as a condition precedent to designation by the Secretary as a contract market that such market shall first make provision for—

The making and filing * * * of reports * * * showing the details and terms of all transactions entered into by the board, or the members thereof, either in cash transactions * * * or transactions for future delivery.

And shall make provision-

For the keeping of a record * * * showing the details and terms of all cash and future transactions entered into by them, consummated at, on, or in a board of trade * * *.

I wrote Dr. J. W. T. Duvel, Chief of the Commodity Exchange Administration, on February 13, asking whether the Secretary of Agriculture had ever complained against the Chicago Board of Trade for failure to keep records and to make reports of cash transactions. I did not ask Dr. Duvel as to records and reports of futures transactions. I asked him specifically as to the violation of the act for failure to keep records and to make reports of cash transactions. Dr. Duvel's reply, dated February 17, 1939, is evasive and unresponsive

I then wrote to Dr. Duvel on February 24, 1939, and asked him this pointed question:

Am I to understand from your letter that the Secretary, by failing to make and promulgate rules and regulations on the subject, has, in effect, repealed that portion of section 5 and subsections (a) to (f) that relate to cash transactions?

Dr. Duvel has not replied to my letter. I here and now charge that Dr. J. W. T. Duvel, Chief of the Commodity Exchange Administration, is protecting and has been protecting the Chicago Board of Trade in a very serious violation of the Commodity Exchange Act in this particular, which is a fundamental condition precedent to its designation by the Secretary of Agriculture as a contract market, without which designation it would not be entitled, under the law, to do business at all. And I charge that Dr. Duvel tried by his letter of February 17 to suppress the information I asked for.

These are very grave charges against Secretary Wallace and Chief Duvel. They are too grave for this House to permit them to pass unchallenged.

Mr. Chairman, I charge openly, on the floor of this House, that Secretary Wallace, in condoning the action of La Salle Street, contributes to robbing and exploiting the farmers. If Mr. Wallace were enforcing the law instead of condoning the illegal practices of the Chicago Board of Trade, he would be cleaning up the situation so that no investigation would be necessary.

Mr. Chairman, the honor of this House demands that the light of day be shed on the operations of these futures traders that nullify every legislative attempt to help the farmer and that seek, by underground means, to defeat the enactment of any measure that would be of constructive aid to agriculture.

Mr. Chairman, I here and now renew my demand on this House for the appointment of a select committee to investigate the important subject of futures trading, pursuant to my resolution, House Resolution 25.

If you will take time to figure it up, you can see by comparing the number of bushels actually handled with the number of bushels sold on futures contracts that if the grain merchants received one-eighth of a cent a bushel for the sale of every fictitious bushel, their income by reason of their one-eighth of 1 percent commission would be more than the farmer who raises the wheat today gets for it.

Mr. REES of Kansas. Mr. Chairman, will the gentleman yield?

Mr. BURDICK. I yield to the gentleman from Kansas.

Mr. REES of Kansas. I believe the gentleman has made a rather severe challenge there. As I understand, he is charging the Secretary of Agriculture, together with others, with permitting excessive speculation, which is not allowed under the present law.

Mr. BURDICK. The gentleman is correct. If this law were enforced, the number of bushels of cash wheat sold, the actual wheat, would be at our disposal. There is no record here in Washington anywhere that I can find, after communicating with the Commodity Exchange Administration, of the actual bushels of wheat sold on the Chicago Board of Trade. I can get only the amount of futures transactions.

Mr. GEHRMANN. Mr. Chairman, will the gentleman yield?

Mr. BURDICK. I yield to the gentleman from Wisconsin.
Mr. GEHRMANN. Does the gentleman from North Dakota believe that if we could pass the cost-of-production bill he would not have to look any further as far as the charges regarding these gamblers are concerned? Does not the gentleman believe the same group is opposing the gentleman's resolution that is opposing the cost-of-production bill? What effect would that have upon the trading in futures?

Mr. BURDICK. I believe the gentleman from Wisconsin is perfectly right in his conclusion. If we should pass a cost-of-production bill, of course, that would take away the power of these boards of trade to fix prices, which are gambling prices that are fixed upon the Liverpool price. Let me prove it to you.

I have here a report from Chicago yesterday which states:

Quiet but persistent selling of wheat prompted by lower quotations abroad caused fresh declines of as much as one-half cent in value here today.

Poor demands from importing countries, with shipments of exporters and wheat stocks afloat larger, had a depressing effect on prices at Liverpool and thus indirectly exerted pressure on the Chicago market.

If you do not believe this gambling operation has any effect on the price of our grain, listen to this statement from Chicago. John M. MacMillan, Jr., president of Cargill Elevator Co., speaking:

The position taken by the board of trade would tend to depress the price of corn received by the farmers and would benefit the short sellers in the Chicago corn pit. The only way shorts can fill their contracts is by bringing grain to the Chicago market.

But when they have sold short 100,000,000 bushels and the delivery day arrives and they are not compelled to go on the cash market and buy for the purpose of delivery, you see there is only one side to that market, and that is the selling side, and that is the side which is supported by the board of trade in Chicago and supported by the administration of this act, which is under the supervision of the Secretary of Agriculture, the Attorney General, and the Secretary of Commerce. Under the authority of this board their agents have published articles advising the American people it would be much better for us if we would legalize these transactions.

Mr. BOLLES. Mr. Chairman, will the gentleman yield?

Mr. BURDICK. I yield to the gentleman from Wisconsin.

Mr. BOLLES. Is it not the truth that this is one of the great reasons for the depressed price of grain?

Mr. BURDICK. Yes; one of the principal reasons; you are right. I now want to say that when this hearing opened it opened here in the city of Washington.

Mr. LANDIS. Mr. Chairman, will the gentleman yield?

Mr. BURDICK. I yield.

Mr. LANDIS. I notice an article stating:

Congressman named Burdick, he shot off his mouth over on the Hill. He has got it off his chest, and if he wants to follow these hearings he can follow them through the record prepared by our stenographers here.

Is it a fact that they moved these hearings from Washington to Chicago?

Mr. BURDICK. That is true.

Now, there are a lot of Members of Congress, some of them sitting here now, who would like to have taken in that hearing to understand what the situation is and then prepare to meet it by legislation, but the gentleman from Indiana [Mr. Landis] is correct. That statement was made by this attorney for the Chicago Board of Trade on February 2, and he says that now if I want to find out what that committee is doing I can follow the records as they shall keep them by their stenographer, and they moved the hearings out of the city of Washington and moved them to the Sherman Hotel in Chicago, and that is where the hearings are taking place now.

However, you see, one of them has been injured. One of these gamblers has been injured himself, and it is a good deal like revolutions. The common people of the world never started a revolution in the history of time. Revolutions are only generated by the barons. When they injure the barons they will have a revolution, but the common people never had one. Now we are injuring the barons in these proceedings, and one of these barons himself states that this practice of protecting the men who sell without protecting the buyer has the effect of depressing the price of grain.

Now, what difference does it make? If we pass the cost-of-production bill, all the difference in the world. That is one act they do not want passed by this Congress because the moment you do that, you put them out of commission. There is another bill they do not want passed. They do not want the Townsend bill passed, and I will tell you why they do not. As I pointed out to this House a week ago, they sell so many bushels of paper wheat, that if they had to pay 2 cents on every transaction it would cost them \$5 to carry on the fictitious sales that do not represent the sale of one

actual bushel. They will fight that plan and they will fight the cost-of-production plan. They will fight anything that interferes with their power to continue gambling transactions in these boards of trade.

I have not anything against any individual in Chicago or elsewhere. The only interest I have in it is the thousands of farmers in my own State and the thousands in other States who cannot meet their interest payments, who cannot make a living, who are living off of this Government. When we have these millions of people in distress in America, it seems to me this Congress should be willing to appoint a committee to find out whether all of these statements I am making are true or false. Information will never hurt anybody, but the fact you do not have the information will hurt the farmers of this country.

When a man on the board of trade can sit there with his heels on a mahogany desk and make more money out of a bushel of wheat by gambling in it than a farmer in North Dakota or elsewhere in this country can make by digging the wheat out of the soil, it seems to me that the farmer's side of this question should be heard in this Congress, and I am thinking about those farmers, the men who raise corn and wheat and cotton and tobacco.

I know how poor they are. I live with them myself, and I know they are so poor they can hardly afford to raise a crop. There is no one who can raise cotton at the price they are getting today, and if it were not for the fact that these men who own the land have a sympathetic feeling for the men who till it there would be much more suffering in the South than there is today. Many, many thousands of the men who produce cotton in America are kept from abject want by the good will of the men who own the land.

The CHAIRMAN. The time of the gentleman from North Dakota has expired.

Mr. BURDICK. May I have 1 more minute?

Mr. GIFFORD. On the bill? I would like to know what the gentleman thinks of the bill.

I yield the gentleman 1 additional minute, Mr. Chairman. Mr. BURDICK. The gentleman insists that I talk on the bill——

Mr. GIFFORD. No; I do not insist.

Mr. BURDICK. If you do, I will surely give it to you.

Mr. GIFFORD. No; I do not.

Mr. BURDICK. The only thing I am asking of this Congress, and that is not very much, is to use your influence, if you have any—I do not think I have—to have a committee appointed by this Congress to investigate this gambling institution that does more harm and causes more losses to the American farmer every year than anything else permitted to continue in this country. [Applause.]

[Here the gavel fell.]

Mr. GIFFORD. Mr. Chairman, I yield 3 minutes to the gentleman from Indiana [Mr. Halleck].

Mr. HALLECK. Mr. Chairman, I ask unanimous consent to proceed out of order on a matter of interest to all of us and to our districts.

The CHAIRMAN. Is there objection?

There was no objection.

Mr. HALLECK. Mr. Chairman and Members of the Committee, as some of you may know, I represent the Second Indiana District, a district located in the Middle West and which includes within its borders the city of La Fayette, Ind. My district is one of the greatest agricultural and dairying districts in the country. The dairy industry is carried on under strict supervision and regulation, and its products move into many markets over the country.

You probably have noted within the last few days an account in the newspapers of quite a spectacular capture of some cream alleged to have moved from La Fayette, Ind., to the city of Washington, in the District of Columbia, in violation of law. Throughout many of the statements and articles there has been the implication that that product is impure and unfit for human consumption, and of such character as that it should not be permitted to come to the

city of Washington and the District of Columbia by reason of these facts.

Being interested in my district and in the Middle West and its activities, in its agriculture and its dairying, and believing that anything that is good enough for a Hoosier is good enough for almost anybody, and knowing something of our regulations, rules, and practices governing the dairy industry, I called up Dr. John Noble, the bacteriologist of the Department of Health of the District of Columbia, and got from him the result of the tests which I understood were to be made on this cream. His first statement to me was, "It is very good," and then he gave me the figures. Samples were taken from different groups of five cans, selected at random, from that consignment.

On sample No. 1, he reported, the bacteria count was 30,000 with no B. coli; the second sample, 8,000 bacteria count and no B. coli; the third, 5,000 bacteria, no B. coli; the fourth, 4,000 bacteria, no B. coli; and the fifth, 6,000 bacteria, no B. coli. Experts in the cream business tell me this is a very high grade. I then inquired of Dr. Noble how that compared with the average cream produced in the vicinity of the District of Columbia and sold here. He said that it is as good as the average or better.

Mr. Chairman, I am not making this talk with the idea of going into the fundamental question of what is to be done in this country in respect to interstate barriers set up as against agricultural and other products, although I may have something to say about that later; nor am I trying a lawsuit here in Congress, because the lawsuit downtown should be tried in the courts and not in the Congress or in the newspapers. I am not talking about that, but I want the Congress and the people of the District of Columbia and the people of the country to know that so far as purity is concerned, and as far as quality of product is concerned, this cream that moved from my district in the State of Indiana is as good as any that can be found anywhere. [Applause.]

Mr. GIFFORD. Mr. Chairman, I yield 8 minutes to the gentleman from Indiana [Mr. Springer].

Mr. SPRINGER. Mr. Chairman, at the outset of what I have to say, I must say that I agree fully with everything that the gentleman from Indiana [Mr. Halleck] has just said with respect to cream from Hoosierland.

Mr. CRAWFORD. Mr. Chairman, will the gentleman yield?

Mr. SPRINGER. Yes.

Mr. CRAWFORD. Mr. Chairman, I might say to the gentleman that a few days ago all the members of my family were ill, with the exception of myself. I then switched to this particular brand of Indiana ice cream, and now they are all up feeling fine, better than they have been. [Applause.]

Mr. SPRINGER. That is mighty fine, and that is the usual result when you use Indiana cream.

I am very happy to present my views respecting the Reorganization Act of 1939, which, to my mind, is of outstanding importance to the people of our Nation.

We have listened to many speeches delivered on this floor which related to the liberty of our people and the freedom of our citizens, and it is well that we reflect upon the words spoken in those masterful efforts while we are considering the question of this pending bill. Let us keep in mind the liberty and freedom of the people while we, in our calm deliberations, consider this legislation. At the same time, I am certain we will remember that ours is a representative form of Government—one in which the chosen representatives of the people have the power, and they should retain that power, to determine what changes, if any, are necessary to be made in order to properly carry on the functions of our Government.

Much more is involved in the pending bill than the naked question of reorganizing the various agencies of our Government. The question of granting more power to the President of the United States is involved in this pending measure, and that means if more power is vested in the President, then the people will have been divested, to that extent,

of their inalienable right to rule by and through their chosen representatives.

While it may be said by the majority that the granting of the right and power, sought in this bill, which is to reorganize our governmental agencies, is so slight and so insignificant that it should not be considered as an act of any great importance to the Members of this body, or to the people. However, may I suggest that the rights of a people, with respect to their government, are not usually taken entirely away at any one time. History tells us that in such cases the people's rights have been limited in some particular, in one instance, and at another and a different time those rights and prerogatives are further abridged until the people are, finally, without either voice or power respecting their own government, or its agencies.

This bill is just another measure which takes away from the people another segment of their rights as citizens of this country. It is of no concern to me how slight, or how insignificant, that loss of power in the people may be, if this measure should pass the House. We will remember that this bill does give to the President additional power to that which he now possesses, and, at the same time, it takes away from the people in every congressional district in this country, and from the people of every walk in life, some right and power respecting their own Government. Those Representatives who support the pending bill may have some explanations to make to their constituents back home.

Mr. WARREN. Will the gentleman yield?

Mr. SPRINGER. I cannot yield. I have but 8 minutes. Mr. WARREN. I just wanted to correct the gentleman. Mr. SPRINGER. I cannot subscribe to any plan which

Mr. SPRINGER. I cannot subscribe to any plan which takes away from the people any right or power respecting their own Government.

The Members of this House quite well recall the bill which was introduced during the last session of this Congress to do the same and identical things the present bill proposes, with but few exceptions and changes. That measure was defeated largely because it sought to extend more power to the President of these United States.

This proposed legislation is nonpolitical in its character. However, the right of the people to govern, under our Constitution, is directly involved in this proposal.

It is highly dangerous to vest unlimited power in any one man, no matter who that man may be. It is likewise unhealthy to grant to any President, no matter who that President may be, too much power. When great and unlimited power is once vested in any person, the tendency is to create a craving for more power. And when great power is vested in any person it is very hard to revoke or rescind that action and to get that power back.

The very first subdivision, title I, of section 1, of the pending bill identifies this measure and gives to it the true character which it bears. That portion of the bill reads:

The President shall investigate the organization of all executive agencies of the Government and shall determine what changes therein are necessary to accomplish the following purposes.

Therefore, by the specific terms of this bill, the President of the United States is the one person, of all of the 130,-000,000 of our people, who would have the right and power to "investigate" all executive agencies and to determine what changes are, in his opinion, necessary to be made. If this bill should pass, in my opinion, it would be another case of the Congress abdicating its power and right granted under our Constitution, to the President.

If this bill should pass, would the people have any voice or vote in the change or reorganization of our Government or its agencies? The answer is "no." It may be urged by the proponents of this measure that under section 5 of the bill the power is retained in the Congress. The power retained is negative power. If this bill should pass, we would have given the President the power to decide and to determine and to make such changes as he may desire in reorganization unless he is stopped by a negative vote, and that by a concurrent resolution of the Senate and the House. One of these bodies voting against such proposed change is insufficient to stop the action by the President. When Congress

now possesses the power here involved, why pass it on to another, why delegate it to the President and reserve only the right to negative his action by a concurrent resolution

adopted by both the Senate and the House?

The people of our country want a voice in any change or reorganization that may be made in their government or its agencies. And, if I mistake not, the people in our country still desire to rule. They are opposed to any further investment of power in the hands of the President. The people want some of the power which has heretofore been vested in the President, removed and taken away from him and restored again in the people, where it rightfully belongs.

We should well consider another element which is here involved respecting the usurpation of power. When the right and power to do a certain thing is removed from the people and given to any individual or to any President, a precedent is thereby established and thereafter it is quite, if not entirely, impossible to restore that power again in the people to whom it actually belongs. And, pray tell me, who can visualize today what the President of our Nation would do in the reorganization of the governmental agencies, in our country, if this pending bill should be enacted into law?

It is true that the proposed bill gives the added right to name and "appoint not to exceed six administrative assistants and to fix the compensation of each at the rate of not more than \$10,000 per annum," and the President, and no other person, is by the bill fully authorized to prescribe all the duties of such administrative assistants. The people have no voice in it; they are merely the paymasters.

I cannot subscribe to the proposed bill because:

First. It vests greater and additional power in the President.

Second. It takes away the right of the people to determine for themselves their own policies of government.

Third. It vests the sole determining power in the President to change or reorganize our Government and its agencies as he alone may decide.

Fourth. If this bill should pass it strikes at the very fundamentals of our Government, in that it takes away the right of the people to govern themselves by and through their chosen representatives.

Fifth. If this measure should pass, it will tend to further centralize our Government and to create individual dictation and domination in our governmental affairs.

When I think of the ills in this pending and proposed legislation I like to read again the words of that great American, that great President of our Nation, Thomas Jefferson. He said:

To take a single step beyond the boundaries thus specifically drawn around the powers of Congress is to take possession of a boundless field of power no longer susceptible of any definition.

Let us awaken before it is too late. Let us retain the "boundless field of power" in the people themselves.

Mr. GIFFORD. Mr. Chairman, I yield 5 minutes to the gentleman from Kansas [Mr. Rees].

Mr. REES of Kansas. Mr. Chairman, I have listened with some interest to those who are supporting the so-called "reorganization" bill. The debate up to this time has been more or less a bickering back and forth. Little has been said with respect to its value, if enacted into law.

We do need a great deal of revamping and readjustment as well as reorganization in the various departments of our Government, but unless it can be pretty definitely shown that this particular measure will result in material savings and benefit to our citizens, then we had better let the subject matter alone. I just do not believe the people of this country are in a mood to accept any reorganization plan which will give the Chief Executive any more power and authority than has been placed in his hands. As a matter of fact, I believe there is a general feeling that the Congress, whether it realizes it or not—has already surrendered too much of its power to the executive department.

So far as I have been able to learn, no one has been able to show that this bill will result in material financial benefit if its terms are carried out. Hardly anyone advocates this to be a fact. In passing, it provides for six executive assistants with annual salaries of \$10,000 each.

I think it should be pretty definitely shown that the enactment of this legislation would not only provide for economy but would also provide for the elimination of a lot of red tape. It seems rather strange that those who are promoting this legislation admit that during the past 5 or 6 years a great bureaucracy has grown up in our Government. It is claimed this was done because emergencies existed, and it was in the interests of the people of this country. Now then, they tell us that in order to get rid of a lot of agencies and bureaus we do not need—that it is necessary for the administration to submit a plan of reorganization to Congress in order to dispose of them. In other words, the Chief Executive of the administration that created them is expected to bring in a plan to get rid of them where it is deemed necessary and for the best interests of our Government.

While we are talking on the form of this bill, you will observe that the President is to bring in a plan of reorganization and that unless both Houses of Congress vote negatively, then the plan will be carried out. No one on the floor of the House has yet been able to tell us why, if we are going to adopt this measure, it is not handled like any other law; that is, why not let the President bring in his plan and let Congress approve it if it is to become effective or disapprove it if it is not satisfactory. This would at least help the form of the bill. In other words, let us at least strike out section 5 and provide for an affirmative vote by Congress.

Furthermore, it is conceded by those on both sides of the aisle that the President now has the authority to submit to Congress any plan that he might have in mind, with reference to changes which may be suggested or reorganization which might be required in our governmental departments. Why not let him submit such a plan if he has one and let

Congress pass on it in the regular way.

We could reach the same objective if a committee from the House and Senate would take charge of this problem, and would go into the question rather definitely after securing information from experts on the subject, and then submitting a plan to the Congress that would provide for the elimination of a number of useless bureaus and agencies, as well as the elimination of a number of duplications that now exist under our system.

I have been interested in reading some of the conclusions that have been reached by the Brookings Institution, which has made a complete investigation of this question. One of the conclusions says, in substance, that excess personnel in Government does not arise so much from duplication and overlapping but that the cause for duplication and overlapping and for unnecessary costs of Government come about by the creation of unnecessary positions that are filled by political appointees. This has been significant during the present administration.

Another interesting finding of the Brookings Institution is a further statement that the appointment of employees not possessed of proper qualifications for the efficient performance of their duties has also caused excessive costs in administration; and that failure to reduce the staff, when the organizational installation period is over, and permitting such individuals to remain on the pay roll, adds to the further cost of government. Furthermore, the failure to adopt efficient practices and procedures has made the cost of our Government extravagant.

In discussing this question the Brookings Institution says that what we really need is an honestly and efficiently administered competitive civil-service merit system. If such a system were properly operated, it would help prevent the creation of unnecessary jobs for political purposes. It would secure for every position a person qualified to perform efficiently the duties of that job. If we could operate on a merit career basis, we would be free from political and personal favoritism. It has been admitted a number of times on the floor this afternoon, on both sides of the aisle, that because of political favoritism it is difficult to eliminate some of these agencies or bureaus.

Under the Budget Act of 1921, the Budget Bureau may at any time, under the direction of the President, investigate the structure of the administrative branch of the Government and make recommendations with respect to its reorganization. That is the present law. The President is authorized to submit his recommendations to Congress. As I view it, Congress can pass the necessary laws. If the Budget Bureau would operate at its highest efficiency, it would help insure business practices and procedures in the organization of government. It could help determine the personnel employed to do the work.

A further suggestion offered by the Brookings Institution provides for a competent research investigating staff, under the independent control of Congress and responsible to Congress for its investigations and reports. I think a statement on this question is pertinent. I quote from the Brookings Institution report:

Under the American system of the division of powers and of checks and balances, the Congress exercises legislative control over the administrative branch of the Government. It controls the purse strings, and it should be equipped to use this power to check waste, extravagance, and inefficiency in the administrative branch. It may so operate by reducing appropriations, by passing laws that require administrative officers to follow sound practices in administrative matters, and through its power of investigation, by exposing to the public instances of abuse of trust by administrative officers. To perform its functions efficiently the Congress, and more particularly its appropriations committees, need a competent corps of independent investigators capable of getting information of a character that cannot be secured through committee hearings.

Since it has not been shown by those who are supporting this bill that any material benefit will come about by reason of its passage, and since there haven't even been any hearings held by the committee in charge of the legislation, and in further view of the fact that the people generally do not favor giving the Chief Executive further power and authority-it seems to me that this situation can, if we have a mind to do it, be handled just as efficiently without the enactment of this legislation.

It has been said that governmental reorganization would result in a saving of administrative expenses. It is, after all, Congress that spends the money. I know it is difficult to cut a great number of expenditures, and probably there are some which cannot be reduced. But, on the other hand, we are unnecessarily spending, and authorizing the expenditure of millions of dollars, thus increasing the ever growing national debt.

The Brookings Institution shows that about 17 percent of the money spent is for administrative expenses. I think this is too much, and it should be cut down, but I do think that when it comes to the question of cutting expenses, this Congress can do it a great deal more effectively and save a great deal more money in its authorizations and appropriations if it has a will to do so.

Just last week the House eliminated an unnecessary expense of \$17,000,000 for the Gilbertsville Dam, but the Senate put it back, and the House agreed to it. In a few days we will consider the expenditure of \$200,000,000 to build a canal across the State of Florida. Unnecessary; but there are a few people who think they want it. At the last Congress we spent millions of dollars for parks and parkways, as well as monuments of various kinds. All worth while, but in view of our financial circumstances certainly unneces-I am also advised that we are spending about \$7,000,000 or more for a big Jefferson Memorial in St. Louis.

In closing let me suggest again that if we really want our Government to operate more efficiently and more wisely, there are many ways by which we can do it. We can adopt a competitive civil-service merit system. Right now we have almost 900,000 persons on the pay roll in the executive departments of our Government. A few years ago 80 percent of the Federal employees were under some kind of competitive civil-service system. Now the average has been reduced so that almost one-third, or approximately 300,000 Federal employees, who may or may not be qualified, hold their positions because their first qualification was that of party affiliation. We need to apply business methods in the affairs of our Government.

Mr. TABER. Mr. Chairman, I yield 8 minutes to the gentleman from Rhode Island [Mr. RISK].

Mr. RISK. Mr. Chairman, I am going to attempt to approach this matter from a purely legalistic standpoint at the beginning, because it seems to me that there are two important questions involved: First, Does there exist at the present time a necessity for a reorganization of Government agencies in the interests of efficiency and economy? and second, Is the procedure as outlined in the bill in conformity with the spirit of constitutional government and long-established practices of the American Congress?

As to the first question, none of us who try to be sincere can deny the existence of a need for a thorough reorganization of governmental agencies. I believe we are unanimous in the opinion that, due to the magnitude of this thing we call Federal Government, errors and abuses are bound to creep in; that emergency units established from time to time outlive their usefulness, and that there are very often overlapping of function and duplication of effort.

The second question is not nearly so easily answered. Now, it might appear from a casual examination of the provisions of this measure that it is merely one which directs the Chief Executive to make recommendations for legislation designed to accomplish the purposes set forth. We may as well agree on one point right now, and that is that he knows and has known for 2 years or more exactly what is considered necessary. And that being so, we need only refer to article 2, section 3, of the Constitution, which makes it incumbent upon the Executive to "recommend to their—the Congress—consideration such measures as he shall judge necessary and expedient."

I do not propose to go into the reasons why the Civil Service Commission, the Board of Tax Appeals, and the Veterans' Administration were added to the exempt list, nor as to the reasons why the Department of Welfare, included in the 1937 bill, has been left out of this one. I fully agree with the gentlemen from North Carolina that no good purpose would be served by stirring up the feeling engendered by that title in the past but which has now subsided.

The gentleman from North Carolina truly said yesterday that section 5 is the heart of the bill. After the plan has been worked out and put into final form, the Executive is directed to transmit the plan to the Congress. Section 5 provides as follows:

SEC. 5. The reorganizations specified in the plan shall take effect

SEC. 5. The reorganizations specified in the plan shall case that in accordance with the plan:

(a) Upon the expiration of 60 calendar days after the date on which the plan is transmitted to the Congress, but only if during such 60-day period there has not been passed by the two Houses a concurrent resolution stating in substance that the Congress does not favor the reorganization plan.

In plain words, here is the situation if this bill is adopted in its present form. The Executive submits a plan of reorganization, involving one or a score of agencies. Both Houses, by joint resolution, must reject it within a period of 60 days during a session of Congress, or it automatically becomes the law of the land. The Congress thus grants to either body the power to enact the proposal into law by sitting tight and taking no action. It will then be not an instance of negativing proposed legislation, but one of legislation by negation. Why not reserve to both of the bodies of the Congress the inherent constitutional power that is theirs, namely that they must concur in the passage of

Mr. WARREN Mr. Chairman, will the gentleman yield? Mr. RISK. I yield.

Mr. WARREN. I wonder if the gentleman has read the opinion of Chief Justice Hughes in the tobacco inspection case, cited by the gentleman from Georgia [Mr. Cox].

Mr. RISK. I may say that I tried all morning to get a copy of it, but I listened with a great deal of interest to the gentleman from Georgia [Mr. Cox], and I think his explanation of it was so clear that I have a fairly good idea of the contents of that decision.

Mr. WARREN. Chief Justice Hughes wrote that opinion only about 3 weeks ago.

Mr. RISK. As far as that is concerned, that is merely a decision which upholds the constitutionality of a referendum provided in the act whereby a certain percentage of the farmers within a given area must approve a particular site selected by the Secretary of Agriculture as a tobacco market. I do not think anyone will contend that the two cases are parallel.

Mr. WADSWORTH. And that was affirmative action.

Mr. RISK. And that was affirmative action.

Now, Mr. Chairman, in the past few years I think we have all noticed the growing tendency on the part of the legislative branch of the Government to surrender its rights to the Executive, sometimes at the request of the Executive. But we must have this in mind, that we are sent here to represent constituencies and we are supposed to represent those men and women who elected us to office. Even though we might be inclined for political reasons to surrender our rights as legislators, do not forget that when we do so we surrender the rights of those people we represent.

Mr. Chairman, I yield back the balance of my time.

Mr. TABER. Mr. Chairman, I yield 8 minutes to the gentleman from Pennsylvania [Mr. Van Zandt].

Mr. VAN ZANDT. Mr. Chairman, like Topsy of Uncle Tom's Cabin, the executive branch of this Government just grew. From time to time for 150 years various executive functions and new offices have been added to the Federal governmental structure. Unfortunately, this growth has been accomplished without any special regard for some of the duties of already existing agencies. As a consequence of this piecemeal, patchwork job, our governmental structure now resembles a rambling old farmhouse with wings, cupolas, and gingerbread trimmings, many of them even less useful.

For many years Republicans and Democrats alike have advocated the streamlining of this architectural monstrosity. It is indeed a consummation devoutly to be wished from many standpoints. I dare say there is not a Member of this House, Republican or Democrat, Progressive, Farmer-Laborite, or Independent, who does not favor the reorganization of the executive departments, bureaus, and agencies. Certainly the American people all wish to see reorganization in the interest of economy and efficiency in government. Nothing would be more pleasing to the people than a businesslike coordination of the functions of government so as to reduce the number of alphabetical agencies and eliminate duplication and overlapping of effort.

If this measure would accomplish that purpose, I venture to say there would not be a single vote cast against it. Unhappily, however, this bill would do nothing of the kind. To enact this bill in its present form would be like buying a pig in a poke. We do not know what we would get. We do not know whether we would get anything at all or whether something distinctly undesirable would be foisted upon the country. And if we passed this bill in its present form, we would be powerless to prevent the President from putting over some

sort of hocus-pocus.

Everybody who has read this bill carefully has discovered the weasel-worded "joker" in section 5. The President, his advisers, and the authors of this bill apparently failed to learn a lesson from the fate of the late and unlamented reorganization bill. They still are trying to sneak a fast one over the plate. But I trust they will meet with no more success this time than they did on a former occasion.

We will pass over the rather amazing declaration in subsection (b) of section 1, which is tantamount to a confession by Congress that it is not competent to reorganize the Government. While I do not for one moment concede even the fact that the President can accomplish reorganization "more speedily" than Congress could by the enactment of specific legislation, I would let that pass if it were not for the "joker."

Reorganization of the Government is so much to be desired that I might even be willing to overlook the unseemly haste with which some gentlemen are attempting to "railroad" this bill through the House if that "joker" were eliminated. Only two and a half hours' consideration was given to this bill in committee. All efforts to secure hearings on this important

measure were denied. An effort was made to speed up the all too brief consideration and discussion of the bill on the floor. It was only after consent was denied to an agreement to read the bill for amendments that 8 hours' debate began. Hence the House and one of its committees will have devoted just ten and a half hours' formal consideration to the question of reorganization of the executive branch of the Government when we vote on this measure. And if that is not "railroading" a bill, I do not know what you call it.

After discovering this joker, it is easy to understand the evident haste of the sponsors of this bill to secure its enactment before the people can learn about it and unfavorable action comes from the country. For under that joker Congress would abdicate its legislative power to the Executive through a trick.

The bill provides that the President shall transmit to Congress all plans for the transfer, consolidation, or abolition of the various functions of executive agencies. The reorganizations specified in the plan shall take effect if both Houses of Congress fail to adopt a concurrent resolution vetoing the plan within 60 days after the plan is submitted to Congress.

The limitation of time is not so important. If Congress simply slept on its rights and allowed the 60-day period to elapse without taking action, Congress should deserve no better consideration. It is the negative action provided in the bill which is dangerous.

If we are to reverse the constitutional functions of the executive and legislative branches of government and surrender the legislative function to the President, Congress should most certainly retain the full veto power of the Executive. We do not want the President to effect any unwise or undesirable reorganization of the Government by the deliberate default of one House of Congress to act within the 60-day time limit. Yet that is altogether probable if a group of determined gentlemen in the body at the other end of the Capitol engaged in a filibuster.

This is no occasion for gentlemen to pooh-pooh such a proposition. The history of Senate filibusters for many purposes is all to familiar. It could and it would happen here if a little group of willful men took a notion to make it happen. And it is quite conceivable that this little group might have the support-even the inspiration-of the White House in their desperate enterprise.

Affirmative action by Congress should be required to make any reorganization proposal by the President effective. I would not object to a reasonable time limit if the bill provided that Congress must vote recommendations up or down. If Congress failed to act within the fixed period, it would serve the same purpose as a pocket veto by the President at the close of a Congress. That would be tit for tat in this proposed exchange of constitutional functions of the legislative and executive branches of Government.

Yes; I want reorganization to effect economy and efficiency in the Government, but I do not want it at the expense of delegating legislative authority to the Executive without Congress' being able to exercise a veto power. Congress wants reorganization, but not at the price asked for it in the present bill. The people want reorganization, but they already have demonstrated their disapproval of Congress' abdicating its constitutional powers to the President.

I know of no better illustration of the folly of the wholesale delegation of legislative authority to the President than the ruthless treatment of the veterans of the World War and the Spanish-American War under the so-called Economy Act. You gentlemen will remember with everlasting regret and shame the blanket authority granted to the President in the name of economy.

There may be some excuse for gentlemen who voted for that measure under a delusion that it would result in real economy in the Government. Ignorance of the law is no excuse when a citizen is haled before the bar of justice, but some of the gentlemen who voted for the so-called Economy Act may be excused on the ground of ignorance. That act was passed on March 20, 1933, little more than 2 weeks after this administration came into power.

With a great fanfare of trumpets, the Democratic National Convention at Chicago adopted a platform plank pledging the party and the nominee for President to effect a 25-percent saving in the cost of running the Federal Government. The Economy Act was supposed to be the first step in that

Well, the economies were taken out of the hides of the defenders of the American flag, Spanish-American War veterans, the men who charged up San Juan Hill, had their pittance, called compensation, cut to the bone. The widows of these men, who were heroes in 1898, had their pensions slashed from a measly \$30 a month to \$15. Battle casualties of the World War, men who had left an arm or a leg in France, had their woefully small pension cut by 40 percent. Many service-connected cases, battle casualties, had their compensation cut out altogether.

The most brutal action taken in that sorry and shameful chapter in our history was the evacuation of World War veterans from the Government hospitals. Veterans with wounds received in Flanders Field, men who were sick and dying of disease, who looked to a grateful Government for care in return for their sacrifices, were turned out of hospitals in the cold without adequate clothing. Thousands of veterans were forced to hitch-hike home, hundreds and

thousands of miles in many instances.

Veterans who were entitled to every care and consideration the Government could give them were forced to depend upon the generosity of kind-hearted citizens for their very lives. Heroes who marched away in 1917 with the bands playing and the flags flying were forced to beg and borrow. Yes, and the number of suicides was appalling. Scores of veterans, too sick to work, too proud to beg, took their lives rather than carry on under conditions too cruel to bear.

Public opinion forced the restoration of most of the cuts in compensation to World War and Spanish American War veterans and their dependents. These restorations came little by little and the individual veteran and the veterans' organizations had to fight every inch of the way to gain them. And that is not hearsay with me. I was in the midst of that fight for justice to the veterans. I personally investigated hundreds of cases. When it comes to the Economy Act and what it did to the veterans, I know whereof I speak. The veterans never will forget that cruel deed done in the name of economy. And that is the last we have heard of economy from this administration.

"A burnt child fears the fire," according to the old saw. Never again do I want to witness anything remotely resembling the heartless action taken by the President under the blanket authority granted by the so-called Economy Act. But that is just what you will be inviting if you pass this

bill in its present form.

If you are going to trade functions with the President, then I say trade him even. Do not vote away the constitutional powers of Congress to one man and take nothing in return for it. If economy and efficiency in government must be achieved in this way, Congress should at least insure itself of a veto power.

Advocates of this bill tell us that bureaucracy threatens to destroy this Government. Let me say to them that dictators are made by just such measures as this one. And let me add, a dictator would do a quicker and more complete job of destroying our Government than any bureaucrat who

There should be no question of partisanship involved in this question, despite the attempt of some Democrats to make it a party issue. I am opposed to this measure simply because I am convinced it is a bad bill. It may not be as bad as the original reorganization bill, but the very fact that the President yielded and the bill was rewritten, indi-cates that the old bill was a bad bill. If not, why did not the President stand by his guns?

Let the Democrats cry "partisanship" at those who oppose this measure. Despite my confidence that the next President will be a Republican I would not vote this delegation of legislative power to a Republican President any more than I would vote it to a Democratic Chief Executive, unless

Congress retained an unqualified veto power over his actions in this respect.

The citizens of my district, Democrats as well as Republicans, sent me to Congress to legislate for them. They did not send me down here to delegate legislative power to any one man. I came down here to represent them, and that I am going to do. [Applause.]

Mr. COCHRAN. Mr. Chairman, I yield 5 minutes to the

gentleman from Mississippi [Mr. FORD].

Mr. FORD of Mississippi. Mr. Chairman, I rise this afternoon to compliment the gentleman who prepared this legislation and brought it before the Congress. I happen to be one of those who could not support the reorganization bill that was before the Congress during the last session. I am glad to say, however, that practically all of the objections to that bill have been removed. In my judgment this piece of legislation will give the President of the United States an opportunity to economize and, at the same time, bring about efficiency in government through the elimination of overlapping bureaus, a condition which has grown especially bad in the last several years.

The gentlemen who have worked so hard and long in drafting this legislation deserve a vote of confidence on the part of the membership of this House. We, as practical men. know that it is impossible, with the many views that prevail among the membership of this House, for the Congress itself to undertake to reorganize the Government. We know that if we are to really accomplish anything, we are bound to delegate the authority to some one person or to some few persons who can study the reorganization question from one end to the other, and then eliminate, consolidate, coordinate, and abolish a great many of the useless bureaus and agencies of our Government if we are ever to do an effective job that the people of this country will be proud of. I stress the word "abolish." The pay roll of the Federal Government is more than twice larger than it should be. So I say to my friends here this afternoon that having opposed the other reorganization bill because of undesirable features of it I am glad to come before the House today and say that I think this piece of legislation will permit the job to be done in an effective and admirable way.

Mr. MAHON. Mr. Chairman, will the gentleman yield?

Mr. FORD of Mississippi. I yield.

Mr. MAHON. I compliment the gentleman on his statement. I assume his position is that certainly no great harm could come of this revised bill, and yet it does afford great possibilities for good in the administration of the executive branch of the Government and also has possibilities from the standpoint of producing possible economies which might accumulate in the coming years.

Mr. FORD of Mississippi. That is exactly it. Under this legislation the President cannot add additional bureaus and agencies, but he is given authority and power to coordinate consolidate, and abolish a great many agencies and bureaus, and in that way actually bring about some economy in the Government. I trust that this bill will become a law and that the President and those working under his direction will cut the personnel of our Government and abolish bureaus at every turn. [Applause.]

Mr. Chairman, I yield back the balance of my time.

Mr. TABER. Mr. Chairman, I yield such time as he may desire to the gentleman from Ohio [Mr. JENKINS].

Mr. JENKINS of Ohio. Mr. Chairman, I opposed the reorganization bill last year with fervor and intensity. I see no reason why I should change my attitude or my tactics. I expect to vote against this bill and do it most enthusiastically. [Applause.] I am not one of those who needs to apologize for my record in connection with reorganization bills, for I also voted against the reorganization bill of 1937. I am proud of this fact also. [Applause.]

Somehow I have an abiding antipathy for these reorganization bills because they are born out of an insincerity that to me is very plain. These bills that were considered in 1937 and 1938 have certain unmistakable marks of insincerity about them. This insincerity comes from a false presumption which is that the Congress of the United States

is impotent to pass a reorganization bill. In these bills the President takes the position that Congress is impotent and incompetent. There is a sort of fatalistic feeling that the Congress of the United States cannot free itself from prejudice sufficiently to reorganize the departments of the Nation. I do not subscribe to this belief. In fact, I take the opposite view. Anyone who has observed the manipulations through the executive department in this country through the last 6 years knows that the present administration has seldom, if ever, presented a straight-out honest and sincere proposition without attaching to it some sinister ambiguous unpopular proposition with the sole purpose of getting some unfair advantage or taking from the Congress or the people some right that belongs to them and does not belong to the Executive. I maintain that if and when the Congress of the United States through its leadership in both the Senate and the House takes upon itself the responsibility of reorganizing the Government the same will be done. The Congress has not been responsible for increasing the bureaus and the alphabetic commissions by the hundreds as we have seen in the last 6 years. The Executive has been responsible and has been able to coerce a supine and tractable Congress into following his will.

I am opposed to the present reorganization bill for several reasons.

First. In this bill Congress surrenders up its legislative power into the hands of the Executive.

Second. It is evident from the wording of this bill that the Executive has some ulterior motives in view.

Third. Nobody has claimed that the reorganization that might be effected under this bill will save the people any money.

Fourth. The President has the power under this bill to wreak his vengeance on certain departments and certain groups as he might be disposed. Democrats who suffered the purge and Republicans who have observed the tactics of the administration know that the President will exact vengeance when he can.

Fifth. If this bill is passed as it is now written, the President can consolidate two departments which are now operated under laws which may be very inconsistent in their operation. The laws governing each of these departments before the consolidation will, of course, not operate after the consolidation. Two inconsistent laws could not operate. One would be in conflict with the other. In order for the President to make a consolidation effective it would require that he render null and void one or the other of these controlling laws. In that way the President would have the right to practically repeal statutes without any action on the part of Congress.

In the last 6 years, like never before, the Congress of the United States has been importuned at every juncture to abdicate its power of legislating in favor of the Executive. When the present administration came into power its cry was that Congress should give to the President great emergency powers. Under the magic of this appeal Congress did in many enactments surrender up its constitutional power to legislate and turned it over to the President through some form of commission or through the numerous alphabetical combinations with which we are all more or less familiar. It is in subsection (b) on page 2 of this bill that we find the first cowardly surrender by the Congress of legislative power given it by the Constitution for which we all profess so much reverence. Note how smooth this language is and how harmless it appears at first blush. When you consider it carefully, however, you will see that the Congress acknowledges its own inability to legislate for the best interests of the country. Here is the language:

(b) The Congress declares that the purposes specified in subsection (a) may be accomplished in great measure by proceeding immediately under the provisions of this title, and can be accomplished more speedily thereby than by the enactment of specific legislation.

I maintain that to vote for this bill with this language included is a complete surrender of the legislative functions

of the Government over into the hands of the Executive. I maintain that too much power has been given to the present Chief Executive. The greatest task before the Republican membership of this Congress is to regain from the President many of these powers that he has usurped from the people by various pleas for economy and for emergency. By this language they make us recite after them, as a parrot would do, that reorganization can be more speedily accomplished by the Executive than by specific legislation. I for one am ready to reorganize the departments of Government. I shall vote for any honest, sincere program that will cut the Government red tape or will release the strangle hold which some of the bureaus have on the Government. I will vote for any reasonable reorganization plan that will save money. But, let not yourselves be deceived. This administration has never yet shown any signs of being anxious to economize. Day by day, as the days come and go our national debt climbs up the steps at the rate of about \$10,000,000 per day. The Government employees are now at the highest number in the history of the country. Extravagance and wastefulness in governmental affairs is noted everywhere. While they profess a great desire to economize, we must know them by their deeds and not by their promises.

The second place in this bill where the administration insults the intelligence and the honor of Congress is in section 5 of the bill. Where the bill provides that when the President has figured out his reorganization plan and has submitted it to Congress it shall become a law. For emphasis, let me repeat, it shall become a law unless both Houses of Congress shall by concurrent resolution indicate that it does not favor the plan. In other words, unless both Houses indicated their disapproval of the plan it would become a law. Or stating it the other way, if one House unanimously opposed the plan and so indicated, and if the other House favored the reorganization plan or failed to act upon it through filibuster or negligence, then the plan would become a law. In order to state exactly what I mean, let me read this section to you:

SEC. 5. The reorganizations specified in the plan shall take effect in accordance with the plan:

in accordance with the plan:

(a) Upon the expiration of 60 calendar days after the date on which the plan is transmitted to the Congress, but only if during such 60-day period there has not been passed by the two Houses a concurrent resolution stating in substance that the Congress does not favor the reorganization plan.

I maintain that this surrender by the Congress to the Executive will not meet with the approval of the people of this country. I remember too well the tremendous opposition that was registered by the people to the passage of the reorganization bill in 1938. At no time in my somewhat long service in this Congress have I ever seen as much indignation expressed so universally as I did when the American people rose up in their might and smote the 1938 bill. 'The country had just come through the great agitation that had arisen because of the attempt of the administration to pack the Supreme Court. When the administration attempted to press the reorganization bill in 1938, it found the people up in arms against it. From every city and hamlet and from every countryside came a tremendous chorus of opposition. The bill was buried under an avalanche of opposition which was carried by many people into the last election. The great wave of resentment against the present administration as shown by the elections of 1938 was produced because of the revulsion of the people against the Supreme Court scandal and later against the attempted reorganization by misrepresentation and deceit.

The present reorganization bill is just as bad as the one that was defeated last year. I hope the membership of this Congress will not be misled by any representation to the contrary. All through this bill can be seen the fingerprints of the administration writing soft sentences here and omitting sentences there, all with the one purpose of filching from the Congress and the people the right to legislate for themselves and giving it to the Executive who can use it, and will use it, so as to find its way into the ballot box. In other words, we surely do not want every branch of the Government to present on election day the sorry spectacle that we saw in every

section of the country last year among the W. P. A. employees. We should raise up in our might and again strike down this effort on the part of the Executive to arrogate to himself powers which the Constitution does not give him and which the people should not give him.

In support of my second and third reasons for opposition to this bill I shall say that this bill proclaims in strong language that it may be intended to reduce expenditures to the fullest exent. Let us not be deceived. It is not mandatory that the President must as a prerequisite to presenting the reorganization bill show that it will effect economies. If this bill passes the President can reach out and reorganize any department he pleases and can pass up any department that he pleases. If he wishes to punish and purge any department he can do so and pass by some other department that is servile to him and heeds his every beck and call. In the 1938 bill his main purpose was to reorganize the General Accounting Office because that Office had repeatedly called a halt to his extravagant expenditures. The leopard cannot easily change his spots. Be not deceived into the belief that great economies will be effected. Most of you have seen and are familiar with the recent opinion rendered through the Brookings Institution to the effect that no great

economies can be expected from the enactment of this bill. Under my fourth reason for opposing this bill I will call your attention to the fact that this bill does not compel a complete reorganization of the Government. This is left absolutely to the discretion of the President. He can reorganize or consolidate or add to or take from as he sees fit. Judging the future by the past it is not too much to expect that he will set out to purge those departments that have not jumped to his every beck and call and that he will transfer favorites into favored places and will subordinate unwelcome groups to subordinate places to their disadvantage. He might transfer one group protected by civil service into a department not protected by civil service and thereby result in the loss of civil-service status to some of those transferred. In other words he can use this power that Congress is asked to surrender not to reorganize but to completely disorganize. If he sets out on a program of disorganization and sends such a program to Congress under a caption of "reorganization" he may be able to win his point because the Congress cannot stop his mad course except by a majority action of both Houses. In view of past experiences it surely would not be a violent presumption for me to presume that the present Chief Executive would mix a little politics into his reorganization program. Everyone who knows the facts knows that in the last 6 years politics has been a stronger factor in increasing the Government employees by several hundred thousand than practically any other factor.

Politics was a more important factor in the selection of this great army of employees than was the need of their services. Politics will be used to play an important part in any reorganization program. Then why should I be foolish enough to turn over the rights which the Constitution gives me to participate in legislation and give it over to any Executive, Republican or Democrat, who will be sure to be actuated to a large degree at least by political expediency?

My fifth reason may not appeal to you, but it appeals strongly to me. Somehow I feel that when the Congress of the United States goes through the prescribed formalities of passing legislation, and when this legislation receives the approval of the President and becomes in fact a live part of the organic law of the Nation, that nobody has a right to repeal that law except that it be repealed with the same formalities that attended its enactment. In other words, our National Constitution and the constitutions of our various States provide specifically how legislation is to be enacted. I confess that in many cases the laws are fearfully and wonderfully made, but when the law has received the constitu-tional sanction of the House of Representatives and the Senate and the constitutional sanction of the President, then that law is the law of the land. It shall continue to be the law of the land until it is repealed in a manner prescribed by the Constitution. The Constitution does not provide that the Executive can, directly or indirectly, repeal any law. He has no more to do with the repeal of a law than a man in the street. He can recommend to the Congress that certain laws be repealed and he can even go so far as to advocate the repeal of laws in the public forum. He has no right to counsel the nullification of a law. He has no right to counsel the violation of a law. On the contrary, he takes an oath to support and to execute all of the laws of the land. In this bill we open the way for him to nullify live statutory enactments. As I have heretofore stated, if he decides to consolidate a certain department which was set up under a certain law and has been operating under a certain law with another department that likewise had been set up under a certain law and was operating under a certain law and these laws are inconsistent, then it is inevitable that the new set-up cannot operate under inconsistent laws, and, of course, some of these laws must be nullified. This is a very serious prospect. I refuse to put myself in the position of giving support to any such program.

I am in favor of reorganizing the Government departments, but I insist that it be done legally and constitutionally, and by a branch of the Government to which the Constitution gives authority. I am willing to accept the aid of the Chief Executive, and, in fact, I would encourage any program that would call upon the Chief Executive to assist in the program of reorganization, but I would not surrender up to him authority which he does not have under the Constitution. [Applause.]

Mr. COCHRAN. Mr. Chairman, I yield myself 10 minutes. Mr. Chairman, it was not my intention again to take the floor in general debate, but I think it is only proper that the membership of this House and the country understand the part the Brookings Institution has played in the reorganization plans that have been submitted to the Congress. It so happens that this Institution bears the name of a great citizen of the city which I have the honor to represent in part. It also happens that at the moment the chairman of the board of trustees also is a resident of my city, former Secretary of War Dwight Davis.

Back in 1936, when the late Mr. Buchanan, of Texas, was chairman of the Reorganization Committee, we made an agreement with the Brookings Institution. They came with a letter which they requested us to sign. Senator Byrd, of Virginia, had already made an agreement with the Brookings Institution to give them \$20,000 of his appropriation, provided the House committee allocated \$10,000 and the President's committee allocated \$10,000. To this \$40,000 the Brookings Institution agreed to add \$20,000 of their own money. After reading the letter I called to the attention of Mr. Buchanan that they could comply with the requirements and earn their \$40,000 by taking the Congressional Directory and listing the agencies of Government there appearing, and then turning to that part of the directory which carried the official duties of the various agencies and copying that.

We refused to sign the letter, but did make an agreement with them which specifically provided that they would be required to submit to the committee recommendations for reorganization and to state where reduction in expenditures could be made. I say the Brookings Institution has not fulfilled its contract or agreement.

On Saturday they issued their third study. If you have secured a copy of that book, you will find that it did not even pass the proofreaders, in such a hurry were they to get it in print, because in several instances it was necessary for them to take pen and ink and rearrange the paragraphs.

It was hurried along so it would reach the public on the eve of the consideration of this bill. What do they do in this latest study? It does contain some sound observations. They call attention to the fact that the administrative costs of this Government are only 17.65 percent of the total Budget. They are correct in their estimate, and this is one of the reasons why the members of the committee of this House have refused time and time again to say how much money could be saved by a general reorganization. It will be remembered that a year ago the administrative leaders were severely criticized by Senator Byrd and by conservative newspapers because they did not make such claims.

The Brookings book fully justifies the position of the President and of the leaders in Congress. However, it would be a mistake to assume that substantial and important economies cannot be secured through reorganization. Great economies were secured by the consolidation of the agricultural credit activities under the Farm Credit Administration and by centralizing purchasing and supply under the Procurement Division. These are two illustrations of economy that were achieved through reorganization in 1933. The savings to be made through sound administrative organization are not limited to administrative expenses. At the present time a number of different Government agencies often present to Congress requests for appropriations for competing and sometimes conflicting programs. If similar and related functions can be grouped together Congress will be in a much better position to consider Budget requests and to make reductions not only of administrative expenses but of functions of government. In fact, until the Government is soundly organized it will be extremely difficult to make the reductions in functions which are

What else do they advocate in this book? They advocate setting up in the Bureau of the Budget additional help so that the Budget Director could make investigations and challenge the requests of various Government departments when they submit their figures to him.

If they had read the hearings on the Treasury Department appropriation bill, they would have found that that question was thoroughly discussed, and when the bill was brought to the floor it provided an additional appropriation for the Bureau of the Budget to carry out the plan submitted by

Mr. Bell, which is now pending in the Senate.

One thing that pleases me in connection with this report is the fact it recommends that Congress have an investigating agency of its own so that it could challenge Budget estimates. That provision is not in this bill, but it was in the bill which was defeated last year. That is just exactly what your committee did when it recommended an Auditor General answerable only to the Congress, the Auditor General to have no other functions than to make checks and investigations and report to the Congress, continually, day in and day out throughout the year, investigate the operations of the executive branch of the Government, and make reports to the Speaker and to the Vice President, so that the committees of Congress would have something to work on when the bureau chiefs came before them demanding appropriation of money. The Brookings study at many points reflects the fact that it has been in opposition to the reorganization legislation proposed in the last 2 years. Throughout the book the advantages of a thorough administrative reorganization are minimized. It is significant in this connection to note that until 2 years ago the Brookings Institution was the leading advocate of a thorough reorganization of the Federal Government. In 1933 Mr. W. F. Willoughby, the director of the institute for Government research of the Brookings Institution, published an elaborate study stoutly advocating a thorough reorganization of the administrative branch.

Mr. TABER. Will the gentleman yield?

Mr. COCHRAN. I yield to the gentleman from New York. Mr. TABER. May I call the gentleman's attention to the fact that the appropriation to enlarge the activities of the Budget was first made last spring and took effect on July 1 last. In spite of this, there have been no recommendations, and the result has been only increased estimates.

Mr. COCHRAN. In reply let me say to the gentleman that I discussed this matter very fully with Mr. Bell, whom I have known for many years, and he told me the success of the organization that must be built up in the Bureau of the Budget depends upon the personnel that is secured. To get good men they must go slow. They are going to get career men of outstanding ability, men who have had experience in Government agencies and who will serve the Bureau of the Budget in the future and not be answerable in any way to any other Government agency. For a long time the Bureau of the Budget was required to borrow men from departments and independent establishments, who drew their pay from appropriations made to the departments and independent establishments. Now, when Mr. Bell places them in the Bureau of the Budget they will not be answerable to any officials of the executive branch of the Government but to the Bureau of the Budget alone. We expect to get something beneficial as a result of this set-up. I know we will if you will but give them a chance to select the proper personnel.

May I say further that I hope the time will come, whether it be through a reorganization bill or not, that this Congress will set up some kind of an organization such as the Auditor General we recommended last year, so that Congress will have an agency continually investigating the executive branch of the Government. If we do this, the dollars and cents saved to the taxpayers of this country cannot be estimated.

This study by the Brookings Institution is the third study which has been made attacking pending legislation in Congress. It was employed in 1936 by the committees from both Houses to make a thorough investigation of the administrative changes of the Government and to recommend reorganization to do away with overlapping and duplication and also point out where economies could be made. It failed to provide Congress with a constructive program and has devoted its energies to attacking programs developed by committees of Congress.

[Here the gavel fell.]

Mr. TABER. Mr. Chairman, I yield 8 minutes to the gentleman from Michigan [Mr. HOFFMAN].

Mr. HOFFMAN. Mr. Chairman, yesterday when the distinguished gentleman from North Carolina [Mr. WARREN] was explaining this bill he made a statement, and as a member of the committee which had to do with the drafting of the bill now under consideration his statements are entitled to a great deal of weight, although not everything he states is true. He said, speaking of the gentleman from New York [Mr. Taber] and the gentleman from Massachusetts [Mr. Gifford]—I quote from page 2311 of the Record

We have never yet heard a constructive suggestion come from either one of you.

Did that statement have anything to do with the merits of the bill, or was it intended to ridicule, to belittle, those two gentlemen; to detract from anything and everything that they may have said or that they may say in their opposition to this bill?

That you may get the full significance of that statement, let me read it again:

We have never yet heard a constructive suggestion come from either one of you.

JOHN TABER probably does as much work on the business before the House as any Member in it. Several of us know that the gentleman from New York [Mr. TABER] not only devotes his daylight working hours to the measures before the House, but that he spends evening after evening going over proposed legislation, gathering the facts and figures, delving into prior legislation and appropriations on the same subjects, and that he brings to this House a wealth of information which is invaluable; which saves many of us drudgery which we under no circumstances could give to the consideration of these appropriation bills.

Very true, we cannot all at all times agree with all the amendments that the gentleman from New York [Mr. TABER] proposes; we cannot always follow him on his amendments, his motions. But this without exception I think every Member on this side of the House and many on the other side will agree on: We never yet have seen the day or the hour when he has attempted to mislead us, to make an unfair statement or to advocate action in which he did not sincerely believe, after a painstaking investiga-

Yet the gentleman on the right-hand side of the aisle, the gentleman from North Carolina [Mr. WARREN] says:

We have never yet heard a constructive suggestion come from either one of you.

Mr. WARREN. About this bill.

Mr. HOFFMAN. The gentleman did not say "about this bill." He said:

We have never heard a constructive suggestion come from either one of you.

That is what he said. If he did not mean that, why, all well and good. If it was not true, and it is not true in the opinion of many of us, why did he make it? Did it add anything to the knowledge we have of the bill? No, it did not. The Members all know that time and time again the suggestions of the gentleman from New York [Mr. TABER] of the Appropriations Committee have been adopted by the House and that those suggestions were constructive, that they were of value to the House as a whole and that they resulted in improving certain legislation. I know the gentleman was enthusiastic, as all of us get enthusiastic once in awhile. The gentleman from North Carolina [Mr. WARREN] apparently wanted to detract from, to discredit, anything that either the gentleman from New York [Mr. Taber], or the gentleman from Massachusetts [Mr. Gifford] might have said or might say against the adoption of this bill. But that is no reason why he should on the floor of the House attempt to create disrespect, want of esteem, for men who, in season and out, have patriotically given of their time, of their ability which is great, in order that there might be a better understanding in the House of measures on which we were called upon to vote.

Mr. WARREN. Will the gentleman yield?

Mr. HOFFMAN. I yield to the gentleman from North

Mr. WARREN. I should not dignify what the gentleman

is saying by attempting to reply.

Mr. HOFFMAN. Do not do it then. I am not asking the gentleman to either interrupt me or make any observation or comment. The gentleman from North Carolina [Mr. Warren] asked me if I would yield and I yielded to him and, if he does not care to dignify what I had to say by making a reply, why ask me to yield? His statement shows a lack of consistency.

Mr. WARREN. I was talking about the bill; the gentleman knows that and the gentleman was sitting there listening.

Mr. HOFFMAN. Why did the gentleman say it then? He brushes it aside with this, that, or the other statement, but that is what he said about the activities of these two gentlemen. I read it again:

We have never yet heard a constructive suggestion come from either one of you.

Well might we ask who made him a judge over us.

Then the gentleman from North Carolina [Mr. WARREN] further said, speaking of the gentleman from Massachusetts [Mr. Gifford], and I read from page 2312 of the Record:

Off the floor he is one of the most delightful gentlemen I have ever met. I really love him. Living at the same hotel I delight to talk with him nights, and I profit by his wisdom and his Cape Cod philosophy; but when it comes to this legislation, he is like a disappointed old woman; he becomes a carping and garrulous critic.

Now was that not a fine knife to stick into the back of the Member from Massachusetts [Mr. Gifford], who has served so long, so faithfully, and with such great ability in this House?

That statement of the gentleman from North Carolina [Mr. Warren] takes me back to the statement of the President made down in Georgia when, speaking on the platform where sat his fellow Democrat, Senator George, the President, in substance, said that Senator George was a fine gentleman and a scholar but, if he, the President, had a vote in Georgia, he would vote for his opponent, and then went over, shook the hand of Senator George, and said something like this: "God bless you, Walter; I hope we can always be friends."

The gentleman from North Carolina [Mr. Warren] loves the gentleman from Massachusetts [Mr. Gifford] evenings and nighttimes. He "profits by his wisdom and his Cape Cod philosophy," but, like the President, when the gentleman whom he so greatly admires for his lovable qualities, and his

wisdom ventures to disagree with him, then he would, politically speaking, assassinate him with the knife of ridicule or invective.

During the 4 short years that it has been my privilege to be here never yet have I heard successfully challenged any statement made by the gentleman from Massachusetts [Mr. Gifford]. Those who have crossed swords with him in debate on the floor of the House know that always he has a ready and a logical answer to their taunts.

They know that he not only has done the research work necessary to marshal his facts but that he logically presents them. Many a dull moment has been enlivened by his discussions which are not only interesting but instructive.

Even the wise and gifted gentleman from North Carolina [Mr. Warren]—and when I say wise and gifted I mean wise and gifted, and I am not being sarcastic—could at times on the floor of the House, as well as at the hotel where they both live, perhaps listen with profit to the observations of the gentleman from Massachusetts [Mr. Gifford].

The gentleman from North Carolina [Mr. WARREN] is adopting the same tactics as his chief, the President. When he cannot argue with reason, then he ridicules his opponents and pokes fun at us; he abuses us and misuses us.

The two gentlemen about whom he made those disrespectful remarks took them in silence and without reply, evidently because they did not care to descend to personalities, but undoubtedly having been made by so prominent a Member of the opposition and being so utterly without foundation, they must have rankled in their minds. It is a tribute to their patience, to their generosity, that they did not reply in kind.

No reference to the matter would have been made by me, were it not that I wanted the Members to know that we on this side realize what he is doing and we were not deceived by it. Nor are we deceived by that plaster of flattery which the gentleman pasted over the gentleman from Michigan [Mr. Mapes] and the other gentleman from Michigan [Mr. Crawford]. There is nothing new to those methods. They are old, old tactics, used sometimes by lawyers in a justice court.

When a certain type of lawyer—and I will not describe him; and I do not refer in any manner to the gentleman from North Carolina [Mr. WARREN]—finds both the law and the facts against him, then he resorts to abuse of his opponents, hoping to distract the attention of the jury, to confuse them and becloud their judgment.

It is the course followed by the great New Dealer himself from the very beginning of his administration, when, down through the years, he has branded everyone who ventured to disagree with him as lacking in knowledge, in wisdom, in kindliness, in charity, in patriotism.

The gentleman from North Carolina [Mr. Warren] did not go that far. He merely said that those two who happened to differ with him on this bill lacked the ability to offer constructive suggestions. It is fortunate that not all the wisdom is found in the possession of the gentleman from North Carolina [Mr. Warren], because, if that were true, when the gentleman goes fishing, as he sometimes does, the House would be left without the ability to act.

Quoting a little further, on page 2312 of the Record, still speaking of the gentleman from Massachusetts [Mr. Gifford], the gentleman from North Carolina [Mr. Warren] said:

He would vote against a bill containing the Ten Commandments if it were offered from the Democratic side of the House.

I do not know what the gentleman from Massachusetts [Mr. Gifford] would do, if, through some error or mistake, the President or the new dealers sent up to the House the Ten Commandments, but this I do know: That, with the record which this President and his administration have made for violating his and its promises, one could well justify his refusal to accept at its face value and without examination anything advocated by the new dealers.

With the record which this administration has for its refusal to carry out the promises contained in the platform it adopted in 1932 and which the President said, in substance, was a solemn contract with the people, no one in his right mind would be justified in placing any further reliance upon any measure advocated by it.

Having in mind the inconsistent statements which the President has made from time to time; remembering his transcendent ability to disregard without the quiver of an eyelash promise after promise which he made to secure votes, why should anyone with the record before him accept any New Deal measure without a careful examination?

Because the President has deliberately time and again failed to keep his plighted word with the people, if there should come to this House from the new dealers a bill labeled "The Ten Commandments" or "The Lord's Prayer," I for one would want to look inside the package to see what it was; see if the commandments had not been rewritten; if, in conjunction with John L. Lewis, the President had not added an eleventh one, one which read, "Thou shalt not work until you have signed on the membership card of the C. I. O." I would want to know that the President or his ghost writer had not rewritten the Lord's Prayer, if it came up to us from the White House—this not only because of the failure to keep faith, but because of that other attitude, that expression some time ago that certain things belonged to the "horse and buggy" days and that we must get away from them. If memory serves correctly, the Ten Commandments and the Lord's Prayer were further back even, than the "horse and buggy" days.

With the procession which has wended its way in and out of the White House since the beginning of the New Deal, I would be inclined to suspect that there are some among that outfit or on its fringes, some at least among that group which has supported the New Deal, who think they could improve on the Ten Commandments and perhaps the Lord's

Prayer.

In fact, if information carried by the press is correct, the government which the President insisted upon recognizing, the Russians, those now in control of Russia, at least think they can do without the Lord's Prayer.

Mr. O'TOOLE. Mr. Chairman, will the gentleman yield?

Mr. HOFFMAN. No; I refuse to yield.

One gentleman this morning said, "Some of the things you have against this bill seem to grow out of the fact that you lack confidence in the man in the White House." I wish you would come over some time and read some of the letters written to me by the old farmers, the dumb old farmers, the uneducated old farmers who are furnishing the food on which you live, the farmers who work day after day, and some of them far into the night, to produce the things which keep us alive; who dig up the money to pay the taxes which we wastefully spend; and see what they say about the gentleman in the White House and what they think about his ability to carry out his promises.

Lack of confidence? Why, your own man over in the Senate, the head of the Finance Committee, and in the House here, the chairman of the Committee on Ways and Means, the gentleman from North Carolina [Mr. Doughton], have written the President publicly telling him in effect, though not in words, that the people have no more confidence in him, in his spending program; that the things he has advocated have failed, and that he is down now to where he has to get back to hard common sense and adopt the one sure cure which, as an old farmer wrote me, is to do without the things we cannot afford to buy, the things we

cannot pay for.

When we recall that the President told us the \$5,000,000,000 deficit that Hoover ran up was going to sink us into bankruptcy, and then that he went on and every year on an average since then has given us a \$3,000,000,000 deficit, and has been doing all these things that would make it sure that we go into bankruptcy, is it any wonder we do not trust him to monkey with the machinery of government? He is like an irresponsible, willful child who, when the folks go to church, takes the clock to pieces and cannot get it back together again. Here he is at the end of the 6 years, with all the wheels and strings and springs and weights on the floor, and he does not know what under heaven to do, so he comes

forward and tells us we are in danger of war from some foreign power and we must have a reorganization.

Mr. BOLLES. Mr. Chairman, will the gentleman yield? Mr. HOFFMAN. I yield to the gentleman from Wisconsin. Mr. BOLLES. I should like to ask the gentleman if he has noticed that the gentleman who proposed the bill very carefully said the White House did not have anything to do with the preparation of it?

Mr. HOFFMAN. Oh, yes; they took the White House label off it. The gentleman from North Carolina himself, if I recall correctly, and his associate the gentleman from Missouri, very loudly proclaimed that neither the White House, the administration, nor anyone else had anything to do with this bill—that it was their child. If I were really sure that it is their baby and that their line of ancestry went straight back for 500 years or more, I might be willing—I do not know—to accept it at its face value, but I am afraid they do not know the parentage of their own child. [Applause.]

Did the gentleman from North Carolina so painstakingly on the floor of the House assure us that this was not a White House and New Deal bill because he had confidence in the White House, in the New Deal? Or did he take that label off the proposed legislation because he realized that it was a discredited label; that no longer was it an asset; that it was a liability; that with a New Deal label on the bottle, no one cared to take a drink?

The people are suspicious of a reorganization bill which grants to the Executive any additional authority. The people in the last campaign saw the Communists in Michigan and the "wild and woolies" in other States; they saw the C. I. O. in Pennsylvania hook up, join forces, and present a common front with the President's new dealers. They saw the Communists in New York City join forces with the new dealers to defeat that capable, patriotic Democrat, John O'Connor; and they are now suspicious of anything and everything that the President backs. They have reason for their suspicion.

Throughout the 2 long years of the history of the sit-down strikes they saw the Communists, without interference from the Chief Executive or any of his friendly Governors, bring about violence, permit riots and civil strife in several of the States.

They recall that the President has told them time and again that the country was on the verge of bankruptcy, and then see him send in new requests for more money which would send us farther along that road.

They have heard him talk, and they have read his speeches about the unfortunate and the needy. They know that he said that some millions of our people were without the necessities of life, and then they have read how he went on vacations at public expense, vacations which cost the taxpayers hundreds of thousands of dollars, and they have wondered whether he ever really had one single thought while on those expensive vacations, enjoyed at their expense, about their hardships.

Certainly hundreds of thousands, yes, millions, of people lack confidence in him; do not want him longer entrusted with anything having to do with the reorganization of our Government.

In the years that have passed he obtained the appropriation of billions of dollars to be used for relief. Thousands of dollars of that relief money were used to advance the political interests of his favorites. The people suspect—and with good reason—that, if this bill is passed, he will use his powers to reorganize to strengthen the lines for his political favorites in 1940.

If he permitted the use, as he did permit the use, of money appropriated to buy food, clothing, and shelter for the needy, for the purchase of votes, is there any reason to believe that he would not use, or permit the use of, the power granted him under this bill to further the political fortunes of his favorites?

Those on the Democratic side should not forget so soon that the money they voted him was used in the purge. They should not fail to realize that the power now granted him by this bill will be used in 1940 against some of the very men who are now giving him this power.

The purpose of any reorganization bill is to accomplish two objects. One is economy. It is conceded that this bill will not do that. In any event, the President can bring about economy without the enactment of this legislation by lessening his demands for ever-increasing appropriations. He can bring it about by causing the discharge of those in many governmental positions where they are not needed.

The other purpose is to bring about efficiency. That, too, the President can accomplish without this bill. In one department alone, the N. L. R. B., which was recently granted some \$3,000,000, he can get rid of inefficient, biased, and prejudiced Government agents who are continually creating and stirring up industrial warfare. And so it is in many other departments.

No, the President is not seeking economy. Has he not within the last few days announced that he intends again to insist upon an added \$150,000,000 to the relief appropriation? Has he not within the last day or two refused, or failed, at least, to accept the suggestions of the chairman of the Senate Finance Committee, of the House Ways and Means Committee, to join with them and give us real economy, not some time in the future, but at this session of Congress?

We do not need this reorganization bill at this time. The two great purposes which might be accomplished by reorganization can, as has just been stated, be brought about by the action of the President, and certain it is that any measure sent down here which promises economy and efficiency will receive overwhelming support in the House.

[Applause.]

Mr. BEAM. Mr. Chairman, I yield 10 minutes to the gentleman from California [Mr. VOORHIS].

Mr. VOORHIS of California. Mr. Chairman, the gentleman who just preceded me mentioned something having been said that was not pertinent to the bill by one of the Members on the Democratic side. I feel it quite a privilege for me to be able to follow a speech which so carefully was limited to the merits of this proposed legislation and struck so closely home to the real point we have at issue here.

I should like to draw an imaginary circle here in front of the House. It is supposed to represent the present scope of the powers of the executive department of government. The limits of this circle have been determined by acts of Congress heretofore passed. Within this circle the executive department, including the President and other people who are working in that department, are allowed to operate under the mandates the Congress has heretofore given them. The President, as I might remind the House, because we may have forgotten it, is the Chief Executive of the United States according to the Constitution and is charged with the task of carrying out as best he can with the assistance of his Cabinet the laws which are passed. He is charged with the task of putting into operation those powers which the Congress delegates to him from time to time. As the Chief Executive of the Government the President therefore is responsible for the efficient operation of the executive department.

The bill we have before us now is in a certain very important sense different from any other kind of legislation we could be asked to pass upon, for it has to do only with the reorganization of the executive department in the interest of making of it a more efficiently functioning organization. There is nothing in this bill which extends the boundaries of that imaginary circle I drew—not one iota. There is nothing in this bill which gives to the President or any other executive officer a single bit of additional power he did not have before. There is nothing in this bill that states that Congress could not tomorrow immediately after passing this bill pass legislation to abolish entire departments or set up new ones or change anything else it might have in mind to change.

As I said a moment ago, the President is the Chief Executive of this Government. What we are saying in this bill is simply that we charge the President with the task of seeing to it that that job is done in a more efficient and effective and coordinated manner than it has been done heretofore.

With a view to accomplishing this purpose we instruct and empower the President to effect within certain limits such reorganization of the various agencies, bureaus, and entities within that circle that I drew for you as he may deem to be wise, subject, however, to the power of Congress to refuse to ratify the action he proposes to take.

SIGNIFICANCE OF REORGANIZATION BILL

Why do we have this bill? Fundamentally, I believe, we have this bill before us because it represents an attempt on the part of a democratic legislative body to prove to the world that it is possible for such a democratic legislative body to inject additional efficiency into the functioning of democratic government. We hear all the time about the fact that there is a conflict in the world between democracy on the one hand and dictatorship on the other. Well, the proof of democracy is going to be found in the ability of bodies like this House of Representatives to see to it that democratic government is conducted in such fashion that it can match the efficiency of any dictatorial government in the world and at the same time maintain those fundamental liberties which our Constitution guarantees. This measure, as I said, without increasing one single iota the power of the President or any executive officer, looks forward to that end and that goal, and as such it is a most important bill.

Now where does the opposition come from? So far as I can determine the opposition to this bill boils down substantially to this. After 6 years of the administration of the President, it has at last become possible, through a continuous hammering of propaganda, for political opponents to think that they can safely attack him and his policies and make effective political capital out of such attacks. I do not think they reckon with the very natural insistence of the people that some better answer to our economic problem be advanced by people who presume to try to tear the Roosevelt program to pieces.

I do not want to be misunderstood, neither do I want to be represented as saying that nobody who is opposed to this bill is sincere in his opposition. Of course, I know that many gentlemen are, but I am trying to summarize what seems to me to be the gist of the opposition, and it is that the country is not yet in a prosperous economic condition, that that is all the fault of the President, and therefore the reorganization bill must be a bad thing.

Now, fundamentally the basic economic policy of this administration is sound. And sometime when I get time before the House I shall demonstrate to you what I mean. The real economic difficulty in America lies in our failure to balance our productive capacity with equivalent capacity to consume. This administration has tried to attack that problem. It has accomplished much in that direction, though not enough, it is true, to bring us out of the difficulty that we now face. No policy which does not take account of this central problem and put it in its proper central place can possibly succeed over any considerable period of time.

It appears to me that after all the recital of the high crimes and misdemeanors of Franklin Delano Roosevelt has been gone through with, they sum up very largely to this fact: That he, among a very few people who have occupied high places in all the history of the world, has been one who has been willing, at times when it was difficult to do it, to stand before the world and before the people that he represents and say that the man who could not speak for himself, the little man of the Nation, the man who was pushed clear out of the economic system itself, has certain rights to life, liberty, and the pursuit of happiness, and that he as President would do what he could to see that those things were protected, if not in the way that was best and easiest to do it, then in the way that was available to him under the circumstances and in view of the opposition.

I am not impressed by the possibility that some of our political bickerings here in the House are a means of solving America's problems. I know there are certain necessary measures that have got to be taken. I am hopeful in the course of a very few days to have one of them prepared so that I will be

able to speak to the House about it. But I do not believe that America is going to be saved by Members trying to prove that one political organization is right and another one wrong, or that one man has made mistakes and another one has not. The only hope that we can offer the people of this country lies in constructive suggestions which may come from one or another of us as to what practically we can do about these things.

In this reorganization bill we have something of that nature. We have a partial answer, at least, to the multiplicity of bureaus and agencies which have grown up in the executive department of government over a period of time. We have a possibility of taking a step in the direction of making democratic government, through free democratic decisions, a more efficiently functioning organization. I think a far, far better thing can be done that offers far, far more hope to the American people by the passage of this bill than by a good deal of the inconsequential oratory which we have heard so much in this very vital session of Congress.

As I see it, this bill represents the very heart of this whole idea of reorganization to which some of us have devoted so much attention in the last few years. I think this select committee has done a fine job. I think Mr. WARREN, who drafted the bill, has done a fine job. I cannot find in it any objectionable feature, and I think it deserves the support of this House. [Applause.]

[Here the gavel fell.]

Mr. TABER. Mr. Chairman, I yield 8 minutes to the gentleman from Wisconsin [Mr. Johns].

Mr. JOHNS. Mr. Chairman, this is the first time I have appeared before you to say a word. [Applause.] I have been a patient listener to the proceedings of this House, and I know that if some of my friends back home could see the partisanship that exists here they would wonder how we ever get any legislation passed at all that is worth while.

It was my good fortune to be born in the West, educated in the South, and to finish my education in the East. I think this has made me more tolerant and has made me more cosmopolitan. I have learned to love a number of the men of the South, and some are here today. I owe a great deal of my success in life to Judge McReynolds, who is now a Member of Congress here and chairman of the Foreign Affairs Committee. I am sorry he has not been able to be in the House more than he has.

However, I cannot let this bill pass by without expressing to you my views on it because we have a reorganization bill in the State of Wisconsin patterned after this bill and we have had experience with it and I can tell you first-hand just how it has worked.

I say to you frankly that it has been the most unsuccessful law ever enacted in the State of Wisconsin. In fact it has been so bad that the present legislature has wiped it out. I feel as one who has had observation in political life to some extent, and who knows something about the Constitution, having practiced law for over 30 years and having written articles on that instrument, that I know something about it, and it seems to me that we are doing the wrong thing here. The President of the United States is a very busy There can be no question about that. We are going to ask him to reorganize this Government. He cannot do that personally; he must delegate it to somebody else to do. We created these different departments here, and I think we ought to be able to take care of them when it comes to putting them out of existence, if they are not satisfactory, or if we do not need them any longer.

As I read the bill, the first object of the bill is-

To reduce expenditures to the fullest extent consistent with the efficient operation of the Government.

With that I am in hearty accord, and I think possibly they could be reduced very materially, and ought to be reduced very materially, and that very soon. Yesterday the Associated Press said that the Treasury figures showed that the first months of the present fiscal year cost over \$6,000,000,000; that at the close of business on March 3 the expenses of the fiscal year which began last July 1 totaled \$6,029,286,657.

This was \$2,333,287,066 more than the Treasury's income in the same period, and resulted in hoisting the Federal debt to a new high of \$39,927,798,000. It seems to me there is plenty of room for reducing the debt and that it must be reduced. If this reorganization will do it, of course the reorganization is a good thing. The only question involved is how it ought to be done. I am perfectly willing, sitting here as I have, from the time Congress convened up to the present time, and knowing the Speaker of the House as I do and the good Democratic friends that I have met on the other side of the House. without even consulting my colleagues on the Republican side, to let the Speaker of this House appoint a certain number of Democrats to reorganize the departments of the United States Government, and if they will bring in a report here and tell me what departments ought to be eliminated, I shall vote for it. Of course, that is all very nice; but something ought to be done and has to be done, and I think a committee of Congress is the proper way to go about this reorganization.

It is said that such a committee will never get any place, that they would not bring in any report, but nevertheless it is the duty of the Members of Congress to do it. When a new department is established we have hearings, and there is a reason given and some necessity shown for establishing it. If some of these departments are not workable, if they are not necessary, then the thing to do is to get the facts and figures and eliminate them. Let Congress do it. Congress created them, let Congress eliminate them. That is the way I feel about this thing. If we had a business, and if we found there was some department, as I have, that was not paying, then we would have an investigation made by men in whom we had faith, and if they reported that a certain department was losing money, and if we could not improve it in some way, we would eliminate it. That is the way I think Congress should do, because this is a business organization as well as a political organization.

Mr. MAY. Mr. Chairman, will the gentleman yield?

Mr. JOHNS. I yield.

Mr. MAY. We have heard a good deal about yardsticks lately, and I suggest as the yardstick for the elimination of unnecessary bureaus, the democratic platform of 1932 and the democratic platform for 1936, particularly that of 1932. We declared then in favor of a 25-percent reduction. Since the growth of bureaucracy in the Government from that time up to this time I think it ought to be a 50-percent reduction now.

Mr. JOHNS. I am in hearty accord with what my distinguished colleague from Kentucky says. I have read that platform, and as a man who loves his country, it might be interesting at this time if I say this to you, that I was interested particularly in what the President said about the debt not being any larger at the present time than it was in 1929. That is true to a certain extent, but here is the difference. The President of the United States said that he was 100 percent for the Democratic platform in 1932. That platform said that they were going to reduce the expenses of this country 25 percent. The people of the country took the President at his word. The private obligations of this courtry have been reduced \$30,000,000,000 while the National Government has increased its indebtedness \$30,000,000,000, so that we stand just where we did at that time. [Applause.]

The CHAIRMAN. The time of the gentleman from Wisconsin has expired.

Mr. COCHRAN. Mr. Chairman, I yield 5 minutes to the gentleman from North Carolina [Mr. CLARK].

Mr. CLARK. Mr. Chairman, I am one of those who voted against the reorganization bills heretofore considered by this body. There were a good many objections, in my opinion, to the previous bills, many of which have been eliminated in the bill now under consideration. It has been my view that the people of the country have been interested in reorganization chiefly with two things in view: First, some economy in expenditures for the operation of the Government; and, second, the elimination of so much red tape, and in making contacts of the Government with its citizenship a little more simple.

I have looked through this bill in the hope of finding something that would at least tend in the direction of accomplishing some real economy in governmental expenditures. I want to call the committee's attention to the language of the bill, on page 5, in lines 17 and 18, where it is said:

The President in his message transmitting a reorganization plan is requested to state (in such cases and to such extent as he deems advisable) the reduction of expenditures which it is probable will be brought about by the taking effect of the reorganizations specified in the plan.

I had in mind to offer an amendment eliminating the rather ambiguous language above, and to require in direct and simple language that the President, with his plan, should submit at least an estimate of what it might be expected would be saved by the proposed plan. I have discussed this with some members of the committee and am pleased to find that the committee itself expects to offer that kind of an amendment. I feel that if that is done, there will be at least a great likelihood of showing some genuine reduction in the expenses of administering this Government. With that in the bill, I feel I can consistently vote for its adoption. After all, the effect of this bill will be to call upon the executive department, as it were, to make a report to this body as to what can be done in the way of reorganizing the Government, and what, if anything, can be done in the way of curtailing governmental expenditures. I shall be interested to see not only what the proposed plan may be, but very much interested to see what reduction in expenditures, if any, it is proposed to accomplish by such plan.

And I also hope that something may be worked out that will make the ever-increasing contacts of the Federal Government with its citizenship more simple and more understandable to the average businessman, and that in any proposed reorganization the useless expenditures of public funds in the administration of Government may be eliminated, or at least some practical plan laid down by which the Congress, in the exercise of the final right, may accomplish something

concrete in both directions. [Applause.]

The CHAIRMAN. The time of the gentleman from North Carolina has expired.

Mr. TABER. Mr. Chairman, I yield 8 minutes to the gentleman from Ohio [Mr. BENDER].

Mr. BENDER. Mr. Chairman, I did not have the privilege last year of voting against the reorganization bill because I was not here, but in my campaign for election to Congress, wherever I campaigned, I promised that in the event such a reorganization bill should be presented I would vote against it. I received a majority of over 100,000 votes on the basis of that pledge and other pledges that were made.

I was in the Ohio Senate for 10 years, and during that period I had occasion to listen to a lot of soft soap and a lot of honeyed words about various measures. They told us that certain measures would do this and others would do that. Then we voted for them or we voted against them on those promises or statements, only to find the Supreme Court of Ohio, and sometimes the Supreme Court of the United States, telling us we did not know what we were voting on or how we were voting or that we were voting wrong when we thought

we were voting right.

This measure has been before this body only a few days. It was stated yesterday that only a few copies of the bill were available on last Saturday. Thus far we have heard not a word from the Nation. We have not heard from the people back home. We have had no demand for this legislation from anywhere. No one has asked us to vote for this proposition. No emergency exists. There is no need for haste. We have spent weeks in debate and discussions of various kinds, and we have accomplished very little in some directions, I think, sometimes, and yet the committee meets and forces this measure through without proper consideration, and here we have it on the floor, just as though the whole country were demanding that this be done.

There is no demand for it. You have had no word from back home. I do not care whether you are from California, Tennessee, Georgia, or Ohio, you have had no word from your constituents asking for this measure. Then, why the haste? Where does this thing come from? You say that our Parliamentarian, who comes from Ohio and who is a very good man, was the author of this legislation. Of course, he will prepare a bill for you or prepare one for me if we tell him what we want in the bill. But I would like to have word from him as to who asked him to prepare this bill. Some say that Franklin D. Roosevelt had something to do with it. Others say he had nothing to do with it. I would like to know what he did have to do with it.

I say in reply to the gentleman from California, who said in his statement that we have been here 6 years and this is the first time the people have risen in protest, I say that last year the Democrats and Republicans had the good sense to rise in protest and say, "No, this thing shall not pass." It failed of passage not because of Republican opposition, particularly, but because of Democratic opposition. I thank God for those Democrats and those Republicans who joined hands last year in opposing the reorganization bill.

I say to you that, in view of the fact that the only people who have prospered in the past 6 years have been the manufacturers of red ink, we ought to think pretty hard when the taxpayers are put through the wringer again. It is essential that we stop, look, listen, watch, and pray about this

proposition.

I read in the newspapers yesterday and today certain comments from editorial writers-a very few of them. Not many have learned about it because they did not know it was before us. When the people back home hear about this railroading you are going to catch—well, you are going to catch plenty from them. They are going to tell you how they feel. They are not for this reorganization bill, especially not for section 301, under title III, which reads:

The President is authorized to appoint not to exceed six administrative assistants and to fix the compensation of each at the rate of not more than \$10,000 per annum. Each such administrative assistant shall perform such duties as the President may

What does that mean? I think I understand the English language. I think it means that the Corcorans, the Cohens, and Jimmie Roosevelts will have some more time to experiment on the rest of the country—use the rest of us as a lot of guinea pigs as they have in the past.

I hope the Republicans and the Democrats in this House will have the good sense to join hands today or tomorrow, when the vote comes, and record a decisive "nay" vote on this measure. Your people back home will applaud you as they applauded you last year. Thank you. [Applause.]

The CHAIRMAN. For the information of the Committee, the gentleman from New York has 1 hour 171/2 minutes remaining. The gentleman from Missouri has 1 hour and 30 minutes remaining.

Mr. COCHRAN. Mr. Chairman, I yield 5 minutes to the

gentleman from Oklahoma [Mr. Johnson].

Mr. JOHNSON of Oklahoma. Mr. Chairman, I was interested and amused by the alleged argument of the distinguished gentleman from Ohio who has just thanked God several times that the reorganization bill was defeated in the last Congress. I may say in reply that instead of thanking God he might thank the propagandists. He might also thank some of the anti-Roosevelt newspaper columnists. He might thank some of the reactionaries of both Houses and on both sides of the aisle who talked economy, fought against the only bill that made any serious effort to that end. He might thank those who gave out misinformation to the public with reference to the purposes of that bill.

I am not apologizing to anyone for having supported bills to reorganize governmental agencies in the past.

Mr. VOORHIS of California. Mr. Chairman, will the gentleman yield?

Mr. JOHNSON of Oklahoma. I gladly yield to the dis-

tinguished gentleman from California.

Mr. VOORHIS of California. Does not the gentleman feel that this is not a matter in which the people of the country can have any great interest one way or another, but that it it is a matter about which it is our responsibility to do something? When the opposition Members appeal for more time what they are really appealing for is a chance for those agencies who are against the bill to get in their work.

Mr. JOHNSON of Oklahoma. There is no doubt, as the gentleman from California has pointed out, why those who are so vigorously opposing this bill are now demanding delay.

I do not agree, however, that the public is not greatly interested in this legislation. The public is interested in any kind of legislation that will bring about a greater efficiency and better coordination of departments of the Government and save hundreds of millions of dollars a year. I do agree wholeheartedly with the gentleman, however, that Government reorganization is the responsibility of this Congress [Applause.]

I supported a much more drastic reorganization in the last Congress than the pending measure. Before that I joined Republicans and Democrats alike in supporting such legislation back in those dark, never-to-be-forgotten days, when Republicans were in control. I voted to give the great engineer, Herbert Hoover, much more power than it is proposed to give President Roosevelt in the pending bill, or even in the bill defeated in the last Congress, and I did not hear all of this opposition from the Republican side of the aisle. Where were our Republican brethren then? We heard no talk then about a dictator, or charges and counter charges that we were giving President Hoover too much power. You see, it all depends upon whose ox is gored or in the ditch-or to be perfectly frank, who is to do the reorganizing.

Mr. RANDOLPH. Mr. Chairman, will the gentleman vield?

Mr. JOHNSON of Oklahoma. I yield.

Mr. RANDOLPH. The able gentleman from Oklahoma would not agree, I feel sure, with the gentleman from Ohio, who just spoke, when he made the pronouncement that in a campaign he simply said he would be against reorganization legislation when he could not possibly know in what form the bill would come up or what provisions a reorganization measure might contain when it should come before the House of which he might or might not be a Member. Every measure coming before us should be considered on its merit at the time it is being debated and voted up or down.

Mr. JOHNSON of Oklahoma. No; I do not agree that the gentleman's pronouncement to his constituents that he would oppose government reorganization before knowing what would be in a bill, is any definite proof or shows the essential marks of statesmanship. Of course, that is a matter of opinion. Never in the several years I have been here have I heard anyone admit, much less boast, that he promised his constituency to oppose a bill before any of the provisions of the bill in question could possibly be known. Frankly, I am really surprised that the gentleman now states he made a promise that he would be against any kind of reorganization bill even though the bill might save hundreds of millions of dollars to the taxpayers and promote greater efficiency in government.

Mr. BENDER. Mr. Chairman, will the gentleman yield?

Mr. JOHNSON of Oklahoma. I yield.

Mr. BENDER. I might amend that by adding: And attaching greater powers to the gentleman now in the White House.

Mr. JOHNSON of Oklahoma. Oh, I thought the gentleman would want to amend that statement. And as to the gentleman's statement that he is afraid this legislation might give President Roosevelt more power, I realize that the country has been propagandized so thoroughly for the past several months that some of our Republican friends in and out of Congress are still laboring under the hallucination that the President wants to be a dictator. This bill, of course, grants no such power. May I say, in passing, that if I remember correctly President Roosevelt swept the great State of Ohio by a tremendous majority in 1932, and increased that smashing majority in Ohio in 1936.

I happened to be in and through Ohio during both campaigns. The great masses of Ohio, like those in every other section, irrespective of politics, have an abiding faith in Franklin D. Roosevelt. [Applause.]

I was told that most Republican candidates in Ohio simply out-promised their Democratic opponents. In some districts I was told our Republican friends advocated and promised more funds for W. P. A., higher wages for all, decidedly increased pensions for the old, more funds for youth, and, of course, by all means, balance the Federal Budget. [Laughter.]

Oh, you boys are to be congratulated on establishing the record in the last campaign of being the champion promisers of the world. Not only in Ohio, but in other States that I visited, I found our genial Republican friends promising the world with a fence around it. They reminded me of the proverbial school teacher who in applying for a job declared he was prepared to teach either the flat or the round system. He freely admitted he was eminently prepared to teach any system, provided, of course, he could get the job. Many apparently were for anybody's system that was calculated to get

the votes. [Applause.]

But getting back to the pending reorganization bill, in the years I have been in Congress I have noticed that regardless of whether the Democrats or the Republicans happened to be in power, when Congress has created a new agency of government, that almost without exception that agency has immediately begun to expand and expand. Like a rolling snowball, the agency, unit, board, or commission will keep on growing and, of course, demanding additional money in order to further expand. For the past two sessions of Congress I have had some responsibility in framing and presenting two of the large annual appropriation bills.

[Here the gavel fell.]

Mr. COCHRAN. Mr. Chairman, I yield the gentleman 5 additional minutes.

Mr. JOHNSON of Oklahoma. Mr. Chairman, it has been my experience that almost without exception when any Government agency, department, bureau, or commission comes before either of the Subcommittees on Appropriations, of which I happen to be a member, invariably they make it plain they feel that is the most important agency of any department of government. Even though it may be an emergency set-up, it soon blooms out as a regular governmental set-up and apparently here to say. No doubt they honestly believe in their hearts it is the most important function of the entire Government. In spite of the sincere efforts of our committees, which have consistently sought to cut these appropriations far below the Budget estimates, we find many of the functions of Government growing by leaps and bounds.

The gentleman from Wisconsin made the suggestion awhile ago, if I understood him correctly, that if Congress would reorganize the Government agencies he would support such a program. That sounds reasonable. But the RECORD will show that the same argument was used by the opposition against reorganization in the last Congress. This Congress, like past Congresses, will be unable to actually reorganize the departments of the Government. The reason is obvious. The departments and agencies are too powerful. They have too many friends in and out of Congress. Representatives of some Federal agencies of Government are out here in the corridor of the Capitol at this hour opposing this reorganization bill, because, forsooth, somebody might lose their jobs if and when this bill is enacted into law.

Mr. SIROVICH. Will the gentleman yield?

Mr. JOHNSON of Oklahoma. I yield to the gentleman from New York.

Mr. SIROVICH. As a matter of observation, under the Coolidge administration a committee of the House and Senate, under Republican influence, was appointed to reorganize the Government departments, as the gentleman from Wisconsin stated, but the bureaucracy was so strong the bill was unable to pass the House or Senate.

Mr. JOHNSON of Oklahoma. The gentleman has stated the history of the record correctly as I remember it.

We all know as a matter of history that Congress has absolutely failed to reorganize the Government in the past. Even the most vicious opposition to this legislation freely admit that the Government should be overhauled and a lot

of overlapping bureaus, boards, and commissions eliminated. For example, it has been pointed out time and time again that we have some 68 units of government doing statistical work when we know it should all be under one head. We have at least 15 or 16 agencies of the Government doing forestry work when it might be all under one head. If this Congress fails and refuses to do anything, then it is our responsibility. We cannot consistently pose as favoring real economy and at the same time refuse to vote to do anything about it.

Mr. WHITE of Ohio. Will the gentleman yield?

Mr. JOHNSON of Oklahoma. Yes; I yield to the gentleman from Ohio.

Mr. WHITE of Ohio. The gentleman cast some reflection upon the campaign tactics used in the State of Ohio. I would like to inquire if the gentleman was speaking about the Thirteenth Ohio District, which I happen to represent?

Mr. JOHNSON of Oklahoma. I will say to my good friend from Ohio that I do not believe I happened to have the pleasure of being in the Thirteenth Ohio District which the gentleman represents, but I did visit some fourteen or fifteen States. I found that in practically every section in the States I visited that our Republican friends were all things to all people. I might remind the gentleman that I was merely answering his colleague from Ohio, who boasted that he had promised his constituents that he would not vote for the pending bill, although he could not have possibly then known a single provision in the measure.

Mr. WHITE of Ohio. I would not want the gentleman to apply his remarks to my campaign or to my district.

Mr. JOHNSON of Oklahoma. I have just stated that I did not have the pleasure of being in the gentleman's district, so, of course, am not familiar with his campaign. I may say, in all fairness, that I have had the pleasure of serving on the same committee with the gentleman from Ohio [Mr. White], who represents the Thirteenth Ohio District, and I have found him to be a very sincere, capable, and fair-minded gentleman, for whom I have the highest regard.

Mr. BENDER. Will the gentleman yield?

Mr. JOHNSON of Oklahoma. Since I anwered some of the statements the gentleman made, I feel that I should again yield to the gentleman.

Mr. BENDER. Which district would the gentleman say that actually occurred in?

Mr. JOHNSON of Oklahoma. Well, I would not, for a moment, cast any aspersions upon the gentleman. His own admissions simply speak for themselves. Nor did I mean to be offensive to any of his Republican colleagues who may have made so many preelection promises. Of course, inasmuch as the gentleman solemnly promised his constituents that he would not support this bill, even before he read it, there is nothing he can now do but vote against it. But I repeat that some of his colleagues made many other promises—in fact every promise imaginable calculated to garner the votes.

Mr. THORKELSON. I did not promise anything of that

Mr. JOHNSON of Oklahoma. Well, I am delighted to know there is one good Republican who admits he made no such rash promises. Such confessions might be good for the soul.

Mr. THORKELSON. The gentleman is the one who has accused me and I do not like it.

Mr. JOHNSON of Oklahoma. Oh, I deeply regret that the gentleman takes exceptions to my remarks. Certainly I have no thought of being offensive. But, I submit that the opposition to this legislation injected politics into this discussion.

The discussion here today is not far different from discussions in the past for and against Government reorganization. Moreover, the tactics of the opposition to this measure are about the same tactics as used in the past.

In the first place, the opposition will attempt to load it down with amendments. That is always the tactics—clever tactics too—of the opposition to any legislation. If it cannot

be defeated outright, then the idea is to destroy its usefulness and effectiveness by some perfecting amendments. So I warn friends of this legislation to look out for these amendments from those that profess to be "for Government reorganization, but—"

There is no deep, dark secret about this bill. It is a comparatively short, plain, and simple measure, with practically every objectionable feature, actual or imaginary, of the last reorganization bill eliminated. It is a great forward step in sane, constructive, economical, and progressive government. [Applause.]

[Here the gavel fell.]

Mr. TABER. Mr. Chairman, I yield 8 minutes to the gentleman from Michigan [Mr. DONDERO].

Mr. DONDERO. Mr. Chairman, the question of reorganization of the Federal Government is again before us. This question held the attention of the Congress during April of 1938. This time it is before us in the form of a modified bill, H. R. 4425.

It is a modified bill in the sense that any plan of reorganization proposed by the President would not become a law if the Congress of the United States by concurrent resolution acted negatively within 60 days from the time such plan was submitted to the Congress.

Section 5 of the proposed measure contains this unusual proposal. It is one of the most subtle provisions ever included in a proposed piece of legislation that has come to my attention during my 6 years' service in the House of Representatives. To the most casual reader, it must be apparent that the plan would become a law if Congress did not act. It would also become a law unless both Houses of Congress concurred in disapproval. It would also become a law if one branch voted in the affirmative and the other branch of Congress voted in the negative. It must be obvious to every Member of this body who has been here during the last 4 years, that regardless of the unsound, extravagant, and wasteful nature of Gilbertsville Dam in the T. V. A., which the House has on at least four different occasions disapproved, that it was put back in the bill by the Senate and there it is today committing this Nation to an exepnditure of \$112,000,000 for a dam that is not needed, for a project that will do more damage than good, and the American people will foot the bill for the mistake.

That is exactly the method provided in the pending bill to secure the adoption of any plan of reorganization that the President may submit. To say that it is subtle is a charitable expression.

Under this bill, if it becomes law, the President will submit a plan of reorganization. The House of Representatives may disapprove of it, as in the case of Gilbertsville Dam. It will go to the Senate, and the Senate can either act affirmatively or not act at all, and the plan will become law. No Member of this body will be deceived into thinking that any other plan or course will be followed if this proposed reorganization bill becomes the law of the land.

Not one Member of this body or of the committee of this House has told the membership of the House of Representatives why any reorganization plan under this measure should not take the same course as any other bill that is presented to it, namely, that it should receive the affirmative action of both Houses of Congress before it becomes the law of the land.

During the last 6 years the country has very justly applied the opprobrious name of "rubber stamp" to the Congress. A reason exists for that epithet. It has come because the representative branch of the Government has surrendered its functions to the Executive of the Nation. We have delegated our power and authority to the President. We have shifted our responsibility and direct duty to the American people to the executive branch of the Government, and it has made the laws. This bill calls for a further delegation of power and authority and a further surrender of our powers and abandonment of our duty to the people to the President of the United States.

No one claims this will effect any great economy in the conduct of the Government. The report of the Brookings

Institution, one of the most reliable institutions of its kind in this or any other country, points out that this reorganization plan might accomplish some degree of efficiency. It would accomplish very little economy.

Possibilities of economy through mere structural reorganization of Federal administrative agencies are relatively minor in comparison with those which might be realized by the elimination and curtailment of activities, according to a study made public today by the Brookings Institution.

I quote from the Brookings report:

Savings large enough to play a really important part in bringing Government outgo down to the level of income can come only from elimination and curtailment of certain types of activities, a step which involves large issues of public policy.

The entire Budget for operation of administrative agencies, including the administration of all "emergency" extinities.

the entire Budget for operation of administrative agencies, including the administration of all "emergency" activities, amounted to \$1,827,318,000 in the last fiscal year, which was approximately 17.65 percent of the total amount available for expenditures. The remaining \$8,522,590,000 was appropriated for various functions and activities which administrative reorganization would not

Real economy to be effected in the running of the Government must come through a withdrawal or suspension of many wasteful and expensive activities in which the Government is now engaged. We may well take heed of the statement in the Brookings Institution report touching on this phase of the question. Listen:

The study, which was made by Dr. Lewis Meriam, chairman of the Institute for Government Research, and Dr. L. F. Schmecke-bier, points out that two procedures may be utilized in seeking these larger savings.

these larger savings.

One involves subjecting all present functions and activities to a rigorous, detailed pruning process, which involves examining the multitudinous activities of the executive agencies, abandoning those which are not regarded as essential and reducing others to the necessary minimum. Such a program means that beneficiaries of the National Government who are now receiving from it subsidies, grants, donations, loans, pensions, and special services, and even direct or indirect employment would find these aids curtailed or abandoned. curtailed or abandoned.

This bill should be amended by striking out section 5 and inserting in its place a section which will provide for the affirmative action on the part of both Houses of Congress before any plan for reorganization shall be considered and become law.

The minority report filed on this bill very justly included the statement, and I quote:

This bill is a device to allow the Executive to obtain legislation by indirection rather than by the usual and proper method of leg-islating.

[Applause.]

Mr. COCHRAN. Mr. Chairman, I yield 10 minutes to the gentleman from Kentucky [Mr. May].

Mr. MAY. Mr. Chairman, in view of my opposition to the reorganization bill at the last session of Congress and my activity in opposition to that measure, I feel it is due to my colleagues here, to the people of my district, and to the people of the country at large that I should make some explanation of my position in support of this bill at this time.

It was a matter of deep regret to me during the last session of Congress to be put in the attitude of opposing what was supposed to be a desire of the administration to reorganize the Federal Government. At that time I was convinced that the bill we had under consideration-and I am no less convinced now-was entirely wrong in many particulars. bill we had under consideration at that time provided for the establishment of a new, unlimited department of government rather than a reduction of the number of agencies and bureaus. I have reference to that part of title II of the bill considered in the last session of Congress which proposed to set up a Department of Welfare. I am one of those Democrats, whether you call me a conservative or reactionary, or what not, who really believes that organized bureaucracy, financed and supported by the taxpayers' money, is after all a more dangerous enemy of real, genuine democracy than hostile armies. [Applause.]

In the bill of last session section 4 provided for the establishment of a Department of Welfare and the appointment of a secretary of welfare. I am quite sure if the bill had

passed at that time most of us knew who would be secretary. In the same bill it was provided that under this secretary of welfare should be placed (1) public health, (2) sanitation, (3) protection of the consumer, (4) relief of unemployment, (5) relief of hardship and suffering caused by unemployment, (6) relief of the needy and distressed, (7) assistance and benefits to the aged, and (8) rehabilitation and assistance to the physically disabled.

In other words, we would have taken about 8 or 10 of the largest public welfare activities of the country and place them in one bureau, the operation of which would have required an appropriation of from four to six billion dollars

a year.

Mr. THORKELSON. Mr. Chairman, will the gentleman yield?

Mr. MAY. Not just now, please.

I thought then, as I think now, that this was placing too much power in the hands of one man. I can visualize that a man with four or five billion dollars to expend in desirable avenues and in laudible undertakings such as the building of school houses, the construction of highways, and the relief of the sick, the distressed, the aged, and the poor, might acquire unusual and extremely dangerous power in this country, in fact, enough power that he could destroy any candidate for any public office in any district in the United States whom he desired to destroy. I believed that was too much power for one man to wield in a free country, as old Andrew Jackson said to the president of the Bank of the United States over 100 years ago when the banker boasted he controlled 75,000 votes and would see that Jackson was defeated for reelection.

The bill that has been brought here today has been the subject of study for quite a long time. I wish to pay tribute to the gentleman from Missouri [Mr. Cochran] and to the gentleman from North Carolina [Mr. WARREN] for having done the very best job they could possibly do. Any committee that can bring to this House a bill that has in it but a single section that is really controversial has done a mag-

I am supporting the bill at this time largely on the provisions of subsection (1) of subsection (a) of section (1), which reads:

To reduce expenditures to the fullest extent consistent with the efficient operation of the Government.

I can recall that back yonder as far as 1930 when I had been first elected to Congress I was sitting by the radio one afternoon and heard a young gentleman in the State of New York making an inauguration speech accepting the office of Governor of that State. His name was Franklin D. Roosevelt. I said then that man sounded to me as if he would be a good Governor and would make a good President, so I wrote him a letter and asked him to be a candidate for President. I am not certain whether or not that was the inducement that induced him to run, but after he did become a candidate for President I read with a great deal of interest his speech at Pittsburgh and the Democratic platform of 1932 upon which he was a candidate and in which I believed, and which I today believe is the best political document that has ever been written by the Democratic Party since the days of Thomas Jefferson. He was then arguing with great power for the abolition at Washington of Government bureaus and economy in government.

In that platform we promised the American people a reduction in Government expenses and the abolition of unnecessary bureaus and agencies of government. We fixed a yardstick at that time of a 25-percent reduction in the cost of government. Of course, we did not anticipate then that a great depression would hit the country just as we were inaugurated into office, which it did, and that, of course, required temporary expansion of Government activities and the enlargement of bureaus to a large extent. Now we believe we have gone through at least the worst years of that depression, and I regard it as now being up to the Democratic Party on that pledge, as well as subsequent pledges to redeem its pledge to the American people by

abolition of unnecessary bureaus and by reducing the cost of government at least 25 percent, and this will help us balance the Budget.

Today I am informed that we have on the Federal Government pay roll approximately 20,000,000 people receiving money from the Government. That is bureaucy run wild, that is extravagance magnified, that is unwisdom in the extreme, and I warn you that the people are deeply concerned about this whole matter.

Mr. REES of Kansas. Mr. Chairman, will the gentleman yield?

Mr. MAY. I yield to the gentleman from Kansas. Mr. REES of Kansas. The gentleman has just called our attention to the great increase in the number of bureaus and agencies that have come into being during the administration of the present occupant of the White House. Does the gentleman believe, in view of the fact that these agencies have been brought into being, they cannot be got rid of without this proposed legislation? Why not use the same authority to get them out of the way as was used to establish them, if you do not want them?

Mr. MAY. We could have let a number of them expire by limitation of the statute which created them, but I find from the record that when we undertook to do so the vote was practically unanimous on both sides of the House to leave them in existence. We find that when we undertake to bring out legislation on reorganization here and get it through the House we have never been able to do it. The continual creation of new bureaus and agencies proves the necessity for this legislation.

This bill, as a matter of fact, is not a bill setting up a reorganization plan. It is merely a bill directing the President to submit to the Congress his plan for reorganization, for the approval, or rather, the disapproval in its present form by the Congress, if it so desires, of whatever plan he may submit.

Mr. COX. Mr. Chairman, will the gentleman yield? Mr. MAY. I yield to the gentleman from Georgia.

Mr. COX. I hope the gentleman will not adhere to the statement he has just made. This is not the President's bill. This does not call for a plan of the President. This is the action of the Congress. The plan will be the plan of the Congress, and it must be if the measure is to stand the test that will hereafter be made. This will be a plan of the Congress made by its agent in accordance with its positive

Mr. MAY. The gentleman from Georgia has apparently misunderstood my statement.

Mr. COX. I hope not.

instruction.

Mr. MAY. I did not say this was the President's bill and I do not say it now. I said this was simply a direction or request to the President to submit his plan to the Congress for approval or disapproval.

[Here the gavel fell.]

Mr. COCHRAN. Mr. Chairman, I yield the gentleman 5 additional minutes.

Mr. COX. I must take issue with the gentleman on that statement. This is not a request, this is an instruction-

Mr. MAY. Well, call it a direction, if it suits you better. Mr. COX. And the President is empowered to exercise discretion because we cannot delegate to him a legislative function. It is true it has been referred to by the courts in one instance as a quasi-legislative act, but the courts have been uniform in holding that it is not within the competency of the Congress to delegate legislative power to another; but in this instance there is being done what was done in the tariff act and in a great many others, declaring as to what the condition is and as to how it must be treated, and laying down certain standards, setting up criteria, and selecting your agent that you want to do the job.

Mr. MAY. I cannot yield further because I do want to get clearly before the House that there is no difference between myself and the gentleman from Georgia on this bill. I simply said this was a direction to the President to submit a plan of reorganization to the House of Representatives and the Senate for either rejection or approval by those bodies after it comes here.

Mr. DONDERO. Mr. Chairman, will the gentleman yield for a question?

Mr. MAY. I yield to the gentleman.

Mr. DONDERO. The gentleman referred to the bill as having only one controversial section in it, and I assume the gentleman refers to section 5.

Mr. MAY. Yes.

Mr. DONDERO. Does the gentleman know of any reason why this bill should not be amended to take the same course as any other bill before the House, and require affirmative action on the part of both branches of Congress rather than to remove practically all opposition to it by using a negative concurrent resolution as now provided?

Mr. MAY. I do not know of any reason why it should not be such as would require affirmative action by the Congress. and I will say to the gentleman from Michigan that I am very seriously considering the question of whether I shall vote for the provision which requires that the bill become law if the Congress does not act, or whether I shall vote for an amendment that will provide that the bill shall not become effective unless it is approved by the Congress. Whatever form the act may take, we must all realize that there must come a time, and that very quickly, when expenditures of Government, both State and Federal, must be greatly curtailed. Otherwise we may witness a complete collapse of our economic structure. We may face chaos as a people. To that I am sure all will agree. It is either a case of reduction of expenses or burdens of taxation beyond the endurance of our people.

Mr. TABER. Mr. Chairman, I yield 10 minutes to the gentleman from New York [Mr. Fish].

Mr. FISH. Mr. Chairman, I feel the time has come for the Republican Party not merely to criticize the legislation that has been offered by the New Deal or by the Democratic Party but to point out where they differ with that legislation and to submit constructive legislation of their own. There is not a Republican who is not in favor of more efficiency, economy, and simplification in the administration of the Government. There are many of us who are opposed to the Cochran bill and to certain of its features and who prefer the Byrd bill as written to the pending measure.

Therefore I maintain it is the duty of the Republicans to point out why they oppose this particular measure, why they prefer the Byrd bill, and why they will not vote for the Cochran proposal. I hope the Byrd bill will be substituted by some Democrat offering it or by some Republican on a motion to recommit.

In the first place, why the great rush to jam through this particular measure? There have been no public hearings on it and only one committee meeting of a few hours, and then this Cochran bill is thrust at us and we are practically told to take the bill as it is written or oppose all reorganization measures.

I honestly do not believe the Members of the House have had an opportunity to study the bill at all. I do not believe my friend the gentleman from Georgia [Mr. Cox] has studied the Cochran bill. I do not believe he has studied that provision that changes the rules of the House and emasculates certain of our rules and makes us do away with certain of the Senate rules and the Senate to do away with certain of the rules of the House—an utterly preposterous proposition.

Mr. COX. Mr. Chairman, will the gentleman yield? Mr. FISH. I yield.

Mr. COX. That section of the bill does not disturb me at all, because it is admitted that no attempt in that provision is made to tie the hands of either body in the making of its own rules. That simply governs the conduct of the two branches insofar as the consideration of this particular measure is concerned and in no other respect. The House might tomorrow or the day or the hour following the adoption of this bill amend the rule that is set up in the resolution.

Mr. FISH. Of course, we can undo anything we do, but what does it do? For the first time in anyone's memory the rules of the Senate and the rules of the House of Representatives are to be legislated and emasculated to suit the purposes of the Executive. Each body, since the inception of the Congress just 150 years ago, has adopted the rules for its own procedure without consulting the other body and never dreaming of consulting the Executive. Now, for the first time in all history, part 2 of the bill provides for the House changing the rules of the Senate or the Senate passing upon the rules of the House and the Executive to approve a veto of such changes. I would like to know what is going on. These are the facts.

Mr. COX. There is no special virtue in the approval of the President insofar as this rule is concerned.

Mr. FISH. There is no question about the facts, Mr. COX. It is simply a matter of the two Houses agreeing upon a rule by which they will act.

Mr. FISH. The House is changing the Senate rules and

the Senate is changing our rules.

Mr. COX. We are simply saying what the rules shall be governing the two Houses in respect of the plan that the

President might set up under this bill.

Mr. FISH. The reason the Republicans are opposed to surrendering any more power to the President of the United States, unless the Congress has final control over it, is the fact that we on this side have no confidence and no faith in the President. We believe he has an obsession and a passion for power, that he seeks to grab more and more power at every opportunity. We believe that he has had more power than any President of the United States, and that every time we have given him additional power he has failed to handle it properly, and as a result we have more unemployment and more deficits. We Republicans would like to take back some of the powers that we have already granted the President and restore representative government in the United States. [Applause.]

We favor the Byrd bill over the Cochran bill, and the reason is the fact that under that bill the Congress does not delegate, it does not surrender or abdicate any more of its powers to the President. It says to the President, you make these recommendations to reorganize the agencies of the Government, and after you have made these recommendations to the Congress, we will pass on them, and if we approve them they will be adopted. It is entirely different from the Cochran bill of surrendering our power and saying to the President, you go ahead and reorganize the executive agencies, and if we do not negative it it becomes the law automatically. In that way you reverse the whole legislative

practice and put the cart before the horse.

Mr. COX. Mr. Chairman, will the gentleman yield? Mr. FISH. No; I cannot yield any more. We also oppose this bill because its provisions expire in 1941. It is not permanent legislation; it does not give the next incoming administration a chance to reorganize its bureaus and departments if it wants to, whether it happens to be Republican

or Democratic. This is supposed to be a nonpartisan bill; it ought to be a permanent law, and instead of that it is written for President Roosevelt, and for Roosevelt alone, who probably is the real author of the bill. Furthermore, the Byrd bill does not provide for six administrative executives at \$10,000 salaries, these so-called coordinators who would snoop around and find out how Democratic Members of Congress voted, in order to establish a blacklist and to purge more Democratic Members of Congress. For the sake of economy the Byrd bill strikes that all out and thereby saves several hundred thousand dollars annually, including their staffs and traveling expenses. Are we legislating for economy and efficiency, or are we legislating to create more bureaucracy, and to give the President more power? The Brookings Institution, a factfinding commission, a nonpartisan commission, supposed to be utterly impartial, says the President has the power anyhow under the Budget Control Act, that he can make these recommendations at the present time if he wishes. Furthermore, the Brookings Institution only yesterday stated that there will be no saving under this bill. Therefore, why jeopardize and further surrender and delegate away the powers of Congress? Why grant further power to the President? I hope some Democrat, someone who believes in constitutional government and in upholding our three separate and independent branches of government, someone who wants to protect the rights, prerogatives, and powers of the Congress, will offer the Byrd bill as an amendment, or on a motion to recommit to the Cochran bill, and if he does that, then I believe every Republican will support the Democratic motion. But if that is not done, most of the Republicans will vote against the Cochran bill, because we have no faith in the President, and we want to take back some of the power already surrendered by Congress instead of giving him additional power. [Applause.]

The CHAIRMAN. The time of the gentleman from New

York has expired.

Mr. TABER. Mr. Chairman, I yield now to the gentleman from Illinois [Mr. Mason].

Mr. MASON. Mr. Chairman, I gladly take the time allotted to me to explain my attitude toward this bill and to definitely state my position upon it.

This bill reverses the orderly processes of lawmaking, by which the Congress makes the laws and the Executive only approves or vetoes. It really gives the power to the President to make laws and reserves to the Congress the veto power over the same. In this connection, I feel that someone should point out the fact that the veto power in the hands of the President, one person, one identity, one mind, is an altogether different thing than the veto power in the hands of a dual body, composed of two separate and distinct organizations, a divided identity or personality, a pair of Siamese twins, with differences of opinion, twins that often differ in opinion and want to do opposite things.

Regular bills become laws when a majority of each House approves them and the President signs them. This is the natural way, the proper way, the logical way, the normal way. The proponents of this bill want to depart from the normal way, the straight and narrow way, and institute into law an Executive order, made by one man, without the approval of

the majority of the two branches of Congress.

I want to call your attention to the fact, and it is a fact, that many of our present-day troubles have come about because Congress turned over to the President powers that properly belong to the Congress. The sponsors of this bill have not learned anything by these mistakes and are saying, in effect, "Let's do it again." The opponents of this bill are saying, in effect: "We have made mistakes: we have departed from the proper way of doing things, the normal way; we shouldn't make the same mistakes again; we ought to know better by now; let's not give the President any more power, but rather let's pass a real reorganization bill, the Byrd bill, a bill that requires economy, that enforces reductions in Government expenditures, a bill that lops off instead of adding to, and a bill that requires the approval of the majority of each branch of Congress before any reorganization Executive order may go into effect."

I therefore propose that we strike out everything after the enacting clause in the bill before us, and substitute the provisions of the Byrd bill.

Mr. COCHRAN. Mr. Chairman, I yield 10 minutes to the gentleman from Mississippi [Mr. RANKIN].

Mr. RANKIN. Mr. Chairman, the gentleman from New York [Mr. Fish] complains that the provisions of this bill are limited to expire in 1941. I presume if we were to extend it indefinitely he would support it, if he is sincere in his criticism.

He urges that some Democrat move to recommit the bill and substitute the Byrd bill when he knows that that prerogative rests with the Republican side.

There is one amendment, Mr. Chairman, I am going to offer to this bill, and that is to exempt the Rural Electrification Administration. I want it understood that I am not doing this out of any lack of confidence in the administration, but because I believe the amendment should be adopted. I am going to offer this amendment to exempt the Rural Electrification Administration just as the bill now exempts the General Accounting Office, the Federal Power Commission, the Bituminous Coal Commission, the National Labor Relations Board, and so forth. I am going to do that because I am intensely interested in the electrification of the farm homes of America. The Rural Electrification Administration is serving a wonderful purpose. It is doing the job with the least possible amount of overhead expenditures. If we want economy in all of the branches of the Government, we would do well to take a lesson from the Rural Electrification Administration.

If you will turn to page 860 of the Appendix of the RECORD you will see that I inserted the amount that has already been allotted by the Rural Electrification Administration to the farmers of the various States to build rural power lines to their homes. It amounts to \$193,000,000 and provides for approximately 193,000 miles of rural line, serving more than 600,000 farms of 2,500,000 people. Nothing that has ever been done by any governmental department in the same length of time has meant so much to the farmers of America as has the work of this institution in taking to them light and life and hope and relief from drudgery, by providing for them the same conveniences that we have in the towns and in the cities throughout the country.

I have some maps here showing the amount that has been expended in the various States. Here is one of the State of Indiana. Those black spots indicate the lines that have been energized. The next one shows the lines under construction. The third one the lines that have been allotted. More than \$11,000,000 have been allotted for rural electrification in Indiana.

That is doing more for the farmers of that State than anything else that has been done in your day and mine. That money is not wasted. It is encouraging individualism; it is not making Socialists, as some people contend. Nothing you can do will encourage individualism more than to make it possible for the farmer to live decently on his own land and in his own home.

Here is a map of the State of Iowa. If any of you gentlemen are dissatisfied with what the R. E. A. is doing in your own State, you should examine these maps and these figures. More than \$13,000,000 have been allotted for rural electrification in the State of Iowa to build 13,000 miles of rural lines. Here is the State of Kansas and the State of

Mr. DONDERO. Have you got Michigan? Mr. RANKIN. Yes. Here is Michigan; more than \$10,-000,000 have been allotted to that State.

Here is Minnesota: more than \$14,000,000 have been allotted to Minnesota.

Mr. HOFFMAN. Will the gentleman yield?

Mr. RANKIN. Yes; I yield.

Mr. HOFFMAN. Is the gentleman aware of the fact that in Michigan there was one plant where the Government loaned something like \$150,000-

Mr. RANKIN. I understand that. I cannot go into the question of municipal plants at this time but will do so later. I am now discussing the question of rural electrification. I am asking the Members of the House, without regard to party, to join me in inserting an amendment that will exempt the Rural Electrification Administration from the provisions of

Someone has said, "Oh, it may be they will not change the R. E. A. at all." But let us not leave it in a state of uncertainty. I have no selfish interest in this matter. Every county in the district I represent already has a rural-electrification program, and approximately half of them had it before the Rural Electrification Administration was created. My district is largely taken care of; but we are moving this program on and reaching out to get isolated homes and to get isolated communities, in order that we may build up farm life and encourage our people to go back there and stay

and not crowd into the cities seeking relief rolls or W. P. A. rolls or fall into the bread line, as so many of them have done in the past.

So I am appealing to you not from the standpoint of partisanship. I have no partisan feeling in this matter. But I have a burning desire to see us electrify the farm homes of America as they are doing in other countries. Someone took issue with me the other day when I said that in Europe 90 percent of the farm homes in nearly every country are electrified. I went back and checked up, and I find that my statement is correct. In Sweden, in Norway, in Denmark, in France, in Germany, and in Italy 90 percent of the farm homes have electricity. In France and Germany, both, now they are making drives to make it 100 percent. In Holland and in Switzerland practically 100 percent of the farm homes have electricity. Even in far away Japan 90 percent of the farms have electricity.

Someone said last year that those were socialistic countries-old countries that were thickly populated. Yet in New Zealand, a new and sparsely settled country, 65 percent of the farm homes are electrified, while in the United States, with all we have done, less than 15 percent of the farms have electricity.

If you want prosperity, you might as well get this fixed in your mind. You will never restore normal conditions in this country until you restore normal prosperity among the farmers of this Nation. [Applause.] They are the backbone of the Nation. Prosperity will not leak down from the 10-story buildings on to the farmers of the country. It is going to have to come from the farmers themselves.

Out of those old run-down homes back there have come the great men and women of this Republic. Their children would like to go back, and we are asking them to go back. They want to avoid the bread lines and the W. P. A. rolls. Nothing in God's world that we can do would stimulate them more along that line or offer more encouragement to them or to the ones who are there now than to put electricity into every farm home of America at rates the people can afford to pay. That is what I am driving at.

I hope every Member of the House will join me in supporting my amendment. [Applause.]

The CHAIRMAN. The time of the gentleman from Mississippi has expired.

Mr. TABER. Mr. Chairman, I yield 8 minutes to the gentleman from Oregon [Mr. MOTT].

Mr. MOTT. Mr. Chairman, by its language this bill (H. R. 4425) is designated the reorganization bill of 1939. It is successor of the reorganization bill of 1938. I opposed the reorganization bill of 1938 for reasons which are well known to everyone in this House, for the same reasons that every other opponent of the bill opposed it, and for the same reasons that the country generally opposed it.

I oppose the present bill on exactly the same grounds as its 1938 predecessor because, in my opinion, there is no essential difference between the bill now before us and the bill upon the same subject which was recommitted in the last Congress.

It is true that there have been some changes in the bill which purport to be modifications of last year's bill, but careful study and analysis of the pending bill will show, I believe, that they are modifications in form only. They do not really change in any essential particular the bill we recommitted at the last session.

Those who opposed the reorganization bill of 1938 did so because they were convinced that the purpose of that bill was not reorganization of the executive agencies of the Government. To that no one objects, and no one ever has objected. Those who fought the 1938 bill did so because they were convinced that the real object of that bill was to enable the President to gain control of the independent agencies created by the Congress and to change them from independent agencies to executive agencies, and thus to concentrate more governmental authority in the hands of the Chief Executive.

In this conviction a majority of the Congress concurred, and so did the overwhelming majority of the people of the United States, and the reorganization bill of 1938 was defeated by recommittal in the House.

What was the principal objection to the 1938 bill? The objection was that under it the President was permitted to make law by Executive order—a thing forbidden to him under the Constitution. He was permitted to make any change he desired in the several agencies of the Government, including the General Accounting Office, the Civil Service Commission, and all of the other agencies. And when he made those changes by Executive order, that order became law unless the Congress should veto it by concurrent resolution of both House and Senate—a thing which everyone knows would be a practical impossibility.

The Congress defeated the 1938 bill because it did not choose to give to the President this unusual and extraordinary power. And the Congress particularly did not want to give to the President the power to reorganize or transform

an independent agency into an executive agency.

Let me now call your attention to what seems to me to be the essential provisions of the bill before us, and let me undertake to show you why, in my opinion, the real purpose of this bill is to permit the President to so change and alter the character of the independent agencies that they will become instead the direct agencies of the President, responsible to him for their actions and dependent upon him for their existence.

If you will turn to the first section of the bill, in part I of title I, you will find this language:

SECTION 1. (a) The President shall investigate the organization of all executive agencies of the Government and shall determine what changes therein are necessary to accomplish the following purposes.

One of those enumerated purposes is "to increase the efficiency of operation of the Government to the fullest extent practicable within the revenues." There are four purposes enumerated altogether, and in submitting a reorganization plan the President may assign any one of them as the reason for sending a reorganization plan to Congress. This, then, is no restriction at all, because he may submit any plan he wants to and it will fit one or more of those enumerated purposes.

This bill, therefore, gives the President absolute authority to bring in any kind of reorganization scheme he may choose, and when he brings it in by that very action it virtually becomes law.

The only way it can be defeated is by a concurrent resolution of both Houses declaring that the Congress disproves of it; and, as has been already clearly brought out in the debate, this is a practical impossibility. Under this bill, requiring a concurrent resolution to prevent a plan of reorganization from going into effect, no plan submitted by the President would ever be vetoed. The result would be that the President could reorganize any agency in such a way as to control it completely.

There are some purported exceptions in this bill, and by virtue of the purported exceptions the sponsors claim the President could not interfere with the independence of some 16 independent agencies enumerated in the bill. These so-called exceptions are set forth in section 3. This section reads:

No reorganization plan under section 4 shall provide for the abolition or transfer of an executive department or all the functions thereof.

This, of course, would prevent the President from abolishing an entire department. He could, however, bring in a plan for the transfer or the abolition of nine-tenths of the functions of any department of the Government. And in that event the department for all practical purposes would be abolished. There is no question at all about that. The language is plain and admits of no other interpretation.

But the real joker of the whole bill, it seems to me, lies in this language which follows that which I have just read: No reorganization plan under section ${\bf 4}$ shall provide, in the case of the following executive agencies—

Naming them-

for the transfer, consolidation, or abolition of the whole or any part of such agency or of its head.

In this section 16, independent agencies, including the General Accounting Office, are named, and to the casual reader the impression is given that those 16 agencies are exempted from the provisions of the bill. In this regard, however, the language is misleading. This so-called exemption section would, of course, prevent the President from transferring, consolidating, or abolishing these agencies, but it would not prohibit the President from doing anything else that he wanted to do with them, and it would not prevent him from doing anything in regard to them that he could do under the reorganization bill of 1938.

What was it the President wanted to do with these agencies under that 1938 bill? He wanted to change the character and responsibility of these independent agencies of the Government and make them agencies of the President instead, with their heads responsible to him and not to the Congress. He wanted to make the appointment of those at the head of these agencies appointments without term. He wanted to make the tenure of the men at the head of those departments and commissions subject to his will.

I ask now, and I here challenge anyone to answer this question: Aside from transferring, consolidating, or abolishing it, in what one of the 16 departments or agencies enumerated under section 3 of this bill cannot the President do exactly what he could have done to it under the reorganization bill of 1938 had that bill become law?

Let me take for example the General Accounting Office, which is purported to be exempt under this bill. There is nothing in the bill to prevent the President from making the Comptroller General a direct agent of the President. There is nothing to prevent him from making the tenure of that office, under a reorganization plan or order, subject to the will of the President, even though existing law provides an irremovable term of 15 years for the Comptroller General. The same is true of every other agency named in this bill. The President cannot transfer, consolidate, or abolish the head of an independent agency but he can change both his tenure, his independence, and his responsibility.

The authority for the President to make this reorganization is given in the sections which precede section 3 and the sections which follow it. This authority is unlimited and is not materially restricted by section 3. Again I ask the question, if there are those here who will say the President, under this bill, cannot do with these so-called independent agencies exactly what he could have done under the bill of 1938, except for transferring, consolidating, or abolishing them, I will yield some of my time for any Member on the other side to explain why the President cannot do it under the language of this bill.

There is no real difference between the two bills. If we pass this bill we will be taking the very step we refused to take when we recommitted the reorganization bill of 1938. To have passed that bill would, in the opinion of the majority of the House, have been a step in the wrong direction. To pass the pending bill will also be a step in the wrong direction. This bill delegates legislative powers to the President; it delegates to him lawmaking authority which he has no right to possess under the Constitution. We have already gone too far. It is time for the Congress now to recapture the jurisdiction it has already lost during the past 7 years and from now to function as the constitutional lawmaking body of the United States.

[Here the gavel fell.]

Mr. COCHRAN. Mr. Chairman, I yield 5 minutes to the gentleman from Arkansas [Mr. KITCHENS].

Mr. KITCHENS. Mr. Chairman, I find after a short term in Congress that it is very difficult to please everybody, and some refuse to be pleased even when they are offered what

they clamor for. I find that almost anything that is submitted here which has the President's name connected with

it is always opposed by those on my left.

The gentleman from New York [Mr. Fish] said he had no faith or confidence in the President of the United States. Millions and millions of the people of the United States do have confidence in him. I heard the same gentleman remark on the floor of this House recently that he had more faith in that old Negro up there in his State who calls himself Father Divine, and who claims to be a deity or the Divinity, than he does in the President of the United States. I have not been able to understand such a state of mind, but I yield to him his right to entertain his own views, secure his own information, and draw inspiration from wherever he chooses.

As I see this bill, every man who votes against it will vote against the reduction of the expenditures of this Government.

One or two Members on the Republican side stated that this question of reorganization was not in the campaign last year. I venture to say there is not a Member on the floor of this House who did not tell his people that he was in favor of reducing the expenses of this Government; that he was in favor of doing away with useless agencies, departments, commissions, and bureaus and duties that overlap each other; yet we have the spectacle on the floor of the House of the gentlemen on my left criticizing what? The expenditures of this Government, and then concentrating their efforts to prevent reduction. They know that the present administration took office at a time when the people of the United States were flat upon their backs, suffering as they never had endured before. It has taken a great many more people-auxiliary agencies, if you please-to assist them to rise from their utter collapse and desperate condition than ever before in the history of the country. New agencies necessarily were created, and the President has left nothing undone to give them help.

Mr. Chairman, the President and the people now want to do away with some of these useless, expensive agencies in the interest of efficiency and economy. Here is what is provided in the first section of this bill. We authorize, or rather request, the President to do what? To prepare and present a plan and transmit same to us for our consideration and approval, and the bill specifies the objects. The first one is to reduce expenditures to the fullest extent consistent with

the efficient operation of the Government.

Who opposes that? No one but those on my left, so far as I have been able to find. They are demanding in one breath that we cut the expenditures of the Government; then, when the President of the United States asks for the authority to do it, they stand up here and fight, hamstring, handicap him, obstruct, and oppose him in every possible way.

I am reminded of the old fellow who was on the outs with his wife a little bit. He told a friend, "I am going home to lunch now. If lunch is not ready, I am going to raise hell with my wife. If it is ready, I am not going to eat a blamed bite."

That is the position they take upon this bill. Nothing satisfies them. In fact, the only policy or plan they have is to criticize, condemn, find fault, and oppose.

The second proposition is what? To increase the efficiency of the operations of the Government to the fullest extent practicable within the revenues. You gentlemen over here on the left now oppose that. Are you going back to your constituents and tell the people, "I opposed and tried to prevent a reduction of expenditures of government. I opposed the only real and reasonable means of bringing about a reduction of expenditures in the executive departments of the Government. I opposed the President in all his efforts to increase the efficiency of all the agencies which he has to employ to carry out the will of Congress and the people"?

The next provision of the bill is to group, coordinate, and consolidate executive agencies of the Government in the public interest as nearly as may be done according to major purposes. You oppose that.

[Here the gavel fell.]

Mr. COCHRAN. Mr. Chairman, I yield the gentleman 5 additional minutes.

Mr. KITCHENS. Mr. Chairman, the next provision is to reduce the number of such agencies by consolidating those having similar functions, and so forth, for the efficient conduct of the Government. Are you going back to your constituents and tell them you fought the Democratic Party in Congress on that proposition, that you fought the President of the United States when he honestly in cooperation with the Congress sought authority to bring this about, subject to our control?

The next provision is as follows:

To eliminate overlapping and duplication of effort.

Every one of you who yote against this bill will vote against that. It will be in effect an affirmative statement that you favor the overlapping and duplication of these many agencies and bureaus. You stand up here from day to day and denounce expenditures, you put it in the papers, make propaganda, and say that this Government is full of bureaucracy, that we have too many agencies, too many commissions, too many bureaus, and too many departments, yet you decry and denounce the President when he seeks to improve, by consolidation, elimination, and coordination of such agencies of government, to enable the executive department of this Government to bring about reduction of expenses, consequent efficiency and economy. The President of the United States heads the executive department, a coequal department, one of the three great departments of this Government. He is responsible to the people of the United States. Are you going to further obstruct him in performing his executive duties? Are you going to handicap and hamstring him all the way through?

The gentleman from New York [Mr. Fish] a few moments ago made the statement that the time has now come when we should not only criticize but should offer something constructive. The people and Congress will wait in vain for anything constructive. You criticize every act that the President does or proposal he makes. You criticize everything the President has done. You misconstrue his every effort and misinterpret what he says. He has as great a responsibility as Congress. He has had one of the greatest responsibilities of any President who ever occupied the office.

Mr. VINCENT of Kentucky. Will the gentleman yield?
Mr. KITCHENS. I yield to the gentleman from Kentucky.
Mr. VINCENT of Kentucky. With all the criticism, does not the Gallup poll show that the President's popularity has

increased during the last 3 months? Mr. KITCHENS. I do not care what the Gallup poll shows. It is worth about as much as that paper over here. You know these polls cannot amount to very much. You know they tried to tell us how the people of the United States were going to vote in a Presidential election. I forget the name of the magazine that tried to make that forecast. I believe it was the now defunct Literary Digest. I do not care to rely upon the Gallup poll. I prefer to rely upon what I see, hear, observe, and know. I sit here day in and day out and I listen for something constructive. I find there is nothing in the minds of the members of the minority party in this House but criticism—an effort, plan, and concerted action to destroy; an effort to tie down, cripple, and humiliate the President of the United States, and fighting against the best interests of the great mass of people of the United States who demand relief, who demand economy, who demand a reduction in a lot of these bureaus. They are thinking in terms of the old deal. I hope that so long as I remain in this Congress I will not hear these gentlemen over here on my left criticize the bureaucracies again or charge extravagance in expenditures.

Mr. Chairman, the President has great responsibility in this country. These various agencies and departments, in great part, operate under him. May I say if I were President of the United States, I would tell this Congress and the Senate of the United States that I would run my departments? I would run the job placed by the people in my hands. I would demand that right; and if I did not get it from the Congress,

I would run the executive department of the United States regardless of any Congress and regardless of any clique or clan or anybody else in the United States that might attempt to thwart my efforts. I would do my duty under the Constitution. Yet over on this side they are trying desperately to hamstring him, handicap him, frustrate and embarrass him all along the line for political purposes. They refuse to let him do what he wants to do to efficiently coordinate and operate his own agencies. We hold the purse strings. This Congress holds the purse strings of the United States. We should cooperate in every way possible for economy and efficiency.

Mr. COX. Will the gentleman yield?

Mr. KITCHENS. I yield to the gentleman from Georgia.
Mr. COX. I trust the gentleman will not take the position
the President is seeking to dominate the situation that we
have before us today. The President is not in the picture,
except that we have brought him into it.

Mr. KITCHENS. The gentleman expresses it correctly. The President of the United States wants to carry out his part under the Constitution and his obligation to the people. This Congress needs his help. He is willing to give it, and this bill furnishes the most expedient remedy. He wants to consolidate these bureaus so that they will work more efficiently. He wants to economize. He wants to save and help all the people of the United States in every way possible. Let it not be forgotten that this Nation was sick unto death when the people placed the President at our head.

[Here the gavel fell.]

Mr. GIFFORD. Mr. Chairman, I yield myself 1 minute. Mr. Chairman, I desire to make a suggestion in line with the argument made by the gentleman from Oregon [Mr. Mott]. He made the statement that this is the same sort of measure as was before us last year.

Who killed cock robin last year? This little group of 80 over here? Oh, no. The hardest question we know how to answer or to prove is when a kitten becomes a cat. This bill is a kitten of the same breed. We cannot possibly know how fast it may grow, in another body, and when it will become a cat. Certainly it was a wildcat last year and so acknowledged by the majority. Please do not blame the minority for what you did. We disclaim any particular importance in the action last year.

[Here the gavel fell.]

Mr. GIFFORD. Mr. Chairman, I yield 10 minutes to the gentleman from Pennsylvania [Mr. DITTER].

Mr. DITTER. Mr. Chairman, to the American people there are three terms that are synonymous—"court packing," "reorganization," and "purge." All three of these terms are distasteful to Democrats. The new dealers know that these three terms meant the doom of the New Deal. The term "purge" brings back to us a memory of last year's reorganization bill. I wish to recall to the minds of the men on this side of the aisle the name of an outstanding Democrat, an independent Democrat, a fearless Democrat, an able Democrat, a Democrat who knew what he believed and had the courage of his convictions. I wish to recall to your mind the name of John O'Connor, of New York. [Applause.] And I want to remind you that John O'Connor is not in the House today because he had the moral courage to oppose the reorganization bill, and as a result he was purged.

These three terms, "court packing," "reorganization," and

These three terms, "court packing," "reorganization," and "purge" meant but one thing, and that was power—power in the President, power to control the courts, power to hog-tie the legislative body, and, lastly, power to command his party. This bill means more power. Let me read just a word or two from the majority report. I read:

The President is given power.

Another sentence-

He is given power.

Another sentence-

He is given power.

Mr. WHITE of Idaho. Will the gentleman yield at that point?

Mr. DITTER. And still another sentence—

The President is given power.

Mr. WHITE of Idaho. Mr. Chairman, I asked, Will the gentleman yield?

Mr. DITTER. Mr. Chairman, I refuse to yield. The CHAIRMAN. The gentleman declines to yield.

Mr. DITTER. The doctrine of the separation of powers should be more jealously guarded today than ever. Upon this doctrine the whole structure of our system of government depends. Without such separation our democratic processes, and the rights of the individual citizen which are dependent on them, would be threatened with the same calamitous consequences as the people have suffered in other countries where the might of a man reigns supreme. I submit, Mr. Chairman, the proposal before us transfers powers, delegates powers from the legislative to the executive branch of the Government, and instead of safeguarding the powers which the Constitution has conferred upon this body it countenances their surrender to the President. A purely legislative function, yes, a legislative duty, is delegated to the executive branch of the Government with only a pretense of protection against the exercise of arbitrary authority. In the light of past performances, with the Courtpacking proposal, with the discredited reorganization bill, with the pitiless purge, with these before us, so vividly before us that we still blink at their brazenness, what is our responsibility? Have not our suspicions been aroused? Can the Democrats help but be apprehensive? The purge was the assumption of power—power, more power, the very thing that is sought in this bill. Have you already forgotten the purge? Are we not charged with the exercise of caution in dealing with this problem of power? What better guide can we have for the course of future conduct than an honest appraisal of past performances? The child that has been burned stays away from the fire. Two philosophies of government are at war with each other. The one delegates power, the other limits or restrains power. The one surrenders liberties, the other safeguards them.

All of us know that the reorganization policies of the present administration are closely related to the recommendations of the President's Committee on Administrative Management. There was little doubt left in the mind of anyone as to what the recommendations of that committee contemplated. In a nutshell the findings were that economy and efficiency could only come by increasing Executive power, even though such increases were contrary to the limitations and separations, prescribed by the Constitution. It projected a plan of Executive management for the country completely at variance with the letter and the spirit of our fundamental law, regardless entirely of the inevitable consequences of such a plan on the rights of the people. Efficiency was put in the saddle, the rights of the people could take care of themselves as best they could. But the people rejected the plan emphatically in November, and that action should be our mandate today.

· Again, we should reflect upon the emergency powers which were granted to the President. To all intents and purposes the emergency still exists—the powers are, to use the words of Justice Cardozo, still, "unconfined and vagrant." And still more power is sought.

Last Saturday here in the House a rather outstanding event took place. It is generally conceded that the Chief Justice of the United States made an outstanding contribution to the cause of good government and to the perpetuation of democratic processes. It seems to me we might quote a word or two of the Chief Justice as he solemnly advised not only the Congress but the executive branch of the Government and the country as well last week in these words:

Seeking through the very limitation of power the promotion of the wise use of power.

Further

If our checks and balances sometimes prevent the speedy action which is thought desirable, they also assure in the long run a more deliberate judgment.

And again:

Only by wisdom and restraint in our own day that we can make that system last.

Those words are words of wisdom. They urge restraint. They suggest caution. They counsel us to be careful. They emphasize the value of limitations of power. They warn against excesses of power. They should be heeded today.

There is but one intention in this present bill. That is the delegation of power which the Congress seems to feel it cannot exercise itself. The general impression is that the Congress is powerless to do the job it is asking the President to do. The impression prevails that the Congress, because of pressure groups, because of the influence of certain blocs, cannot eliminate needless and useless agencies of the Government. By this bill we ask the President to do that which we are afraid to do ourselves. We are going to turn over to the President the power to eliminate and consolidate and reorganize these needless and useless agencies because we want to hide behind the White House. If this job is to be done, it should be done by the Congress.

The pretended purposes of this bill are economy and efficiency. The best way to decide whether that is likely to follow is to look at the past record. I recall the quotation:

By their fruits ye shall know them.

I wonder what the fruits of the New Deal have been in the matter of economies in government. What has the present administration done in order to effectuate these purposes?

May I recall to the men who served here a year ago that the President of the United States in his message to the Congress deplored, at least by intimation, the fact that he did not see how he could curtail or eliminate any function of Government and effect savings. I quote from his speech:

To many who have pleaded with me for an immediate balancing of the Budget by a sharp curtailment or even elimination of Government functions, I have asked this question, "What present expenditure would you reduce or eliminate?" and the inevitable answer has been, "That is not my business."

The suggestion is certainly given there by the President that he knows no way of providing any economies. As these complainants have come, as these men from all parts of the country have come urging economy, the President has said in so many words, "I do not know the answer to the question, I do not know how it can be done. You tell me how we can provide these economies."

If on January 3, 1938, the President did not know any ways by which these economies could be effected, how has he acquired the knowledge since then? Where there is a will there is a way.

The record of the present administration has been written. Let it stand as it is. It has been an administration of profligacy. It has been an administration of extravagance. It has been an administration of political wastefulness. We are convinced that the American people know that the leopard does not change its spots. The administration will continue to be a spending outfit. It will continue to be an administration which believes the only way prosperity can be brought to this country is by the profligate, wasteful, and extravagant disbursement of public funds.

I submit, Mr. Chairman, there are avenues open by which the executive branch of the Government could be operated efficiently and at the same time substantial savings effected. I recommend them to the majority. They will appeal to the country much more than this idle gesture. The country will know you mean business. I suggest that you have a real regard for civil-service qualifications, and insist that the multitude of new Federal employees that you have taken on since you came into power shall qualify on the basis of ability. I suggest that merit rather than political worth should determine the qualifications of Federal appointees. Lastly, and most important, I suggest that the sinecures that you have created be eliminated and that the Public Treasury be spared the expense of their maintenance. These will be real endeavors toward economy, not artificial gestures.

The record of the Republican Party stands as it has always stood, for an honest, an economical, and an efficient administration. We challenge the leadership of the House to bring in a bill providing that this Congress itself shall eliminate those agencies that are needless and useless. We, on the Republican side, will support such legislation. It will be a credit to you and a benefit to the country. [Applause.]

[Here the gavel fell.]

Mr. COCHRAN. Mr. Chairman, I yield 5 minutes to the

gentleman from New York [Mr. PFEIFER].

Mr. PFEIFER. Mr. Chairman, the previous speaker has used three terms, one court packing, the other reorganization, and the third purge, as being distasteful. I agree with him on court packing, I also agree with him on purge, but not on reorganization.

Last year I voted against the reorganization bill for several reasons when it came before this House, and one reason particularly was the creation of a new department, the Department of Public Welfare. The head of that department was to be given entirely too much power and was to be given functions which were essentially medical in character.

I am for reorganization and so is the gentleman who spoke before me. I know the Members of this House favor reorganization, the only difference being in the form or manner

in which it is to be introduced.

Reorganization is not a new thing. One hundred and fifty years ago, when the Government was formed, the War Department took care of the Navy as well as the Army. Within 10 years after that Department was formed, it was divided into the Army and the Navy Departments. Likewise, 90 years ago the Department of the Interior was created, which took care of agriculture, and within 12 years after that time the Department of Agriculture was formed. So you see, reorganization is not a new thing.

We know there is a conglomeration of civil-administrative agencies scattered throughout the various departments, which require unification and simplification. Economy is not the only thing that has to be taken into consideration in the reorganization of any department. The main thing, and let this be known to the Republican Members, is efficiency, and that we all look for. The people of this country as well as you and I are anxious for reorganization provided it is going to benefit the people. I never shudder at reorganization, I welcome reorganization. I welcome constructive criticism at all times. As I stated before, I was opposed to the bill of last year, but this bill that is now under discussion I am in favor of because it is the foundation of what is to come, and why kick before you know what is coming. Let us take care of those things when they present themselves.

Mr. MOTT. Mr. Chairman, will the gentleman yield?

Mr. PFEIFER. Yes.

Mr. MOTT. First, let me ask the gentleman whether in his opinion, except for the prohibitions and exemptions set out in the bill, in his opinion the President's power in reorganization is unlimited.

Mr. PFEIFER. The President's power is unlimited, that I admit.

Mr. MOTT. Now, will the gentleman tell me anything in the language of this bill to prevent the President from sending in here a reorganization bill which will make an executive agency out of all of the independent agencies as well as the agency of Congress, and I have in mind particularly the Comptroller General's office.

Mr. COX. Mr. Chairman, will the gentleman yield there? Mr. PFEIFER. I yield to the gentleman from Georgia.

Mr. MOTT. Will the gentleman answer my question? Mr. COX. I wish the gentleman to yield to me.

Mr. PFEIFER. I yield to the gentleman for a brief question or an answer to the gentleman if he so desires.

Mr. COX. The check upon the power of the President is set out in the bill. The President would not have the right to depart from the instructions that are set forth in the bill.

Mr. MOTT. Mr. Chairman, a parliamentary inquiry. The CHAIRMAN. Does the gentleman yield for a parliamentary inquiry?

Mr. MOTT. Yes; will the gentleman yield for a parliamentary inquiry?

Mr. PFEIFER. I yield.

The CHAIRMAN. The gentleman will state his parlia-

mentary inquiry.

Mr. MOTT. The gentleman from Georgia [Mr. Cox] has ceased his questioning of the speaker, so I have no further use of my parliamentary inquiry, but if the gentleman will continue his answer to my question I will appreciate it very much and I think everybody else will.

Mr. COX. That is not a parliamentary inquiry.

Mr. PFEIFER. The President has unlimited power, but the Congress has a check on it, and that is all that is essential here in this House.

[Here the gavel fell.]

Mr. TABER. Mr. Chairman, I yield the gentleman 1 minute.

Mr. MOTT. Mr. Chairman, will the gentleman yield?

Mr. PFEIFER. Yes.

Mr. MOTT. Then if I understand the gentleman correctly, unless the Congress should veto the reorganization plan, the President, under this bill or under any reorganization plan he may send in, would have authority to change every independent agency of the Government to an executive agency and also would have the power to change the agency of the Congress, the Comptroller General's office, to an executive agency. Is not that right?

Mr. PFEIFER. Yes; that is right.

Mr. COCHRAN. Mr. Chairman, will the gentleman vield?

Mr. PFEIFER. Yes; I yield to my distinguished friend. Mr. COCHRAN. The bill specifically provides that he cannot touch the Comptroller General's office at all.

Mr. MOTT. There is no such provision in this bill.

Mr. COCHRAN. The bill provides that he cannot touch the General Accounting Office.

Mr. MOTT. There is no such thing in the bill.

Mr. COCHRAN. Then the gentleman has not read the hill

Mr. MOTT. The gentleman stated it, and so did the gentleman who has now charge of the floor, and that gentleman gave it as his opinion that under this bill the President may send in a reorganization program which may change the General Accounting Office to an agency of the President.

Mr. COCHRAN. If the gentleman will read paragraph (b) on page 3, he will find that the bill specifically exempts that.

The CHAIRMAN. The time of the gentleman from New York has expired.

Mr. TABER. Mr. Chairman, I yield to the gentleman from Michigan [Mr. MICHENER].

Mr. MICHENER. Mr. Chairman, believing thoroughly in economy, reduction of the expense of government, and efficiency in government, I have had great concern about the much-publicized reorganization of the Government. After the memorable contest in this body less than a year ago it is regrettable that a bill of this importance, dealing with this very controversial question, should be brought in for consideration without hearings, with only 21/2 hours' consideration by the committee, and without the country having information as to what it is all about.

On tomorrow, however, we shall be compelled to vote "yes" or "no"; that is, we will have to take it or leave it. Possibly pressure enough can be brought to bear by the administration to jam the bill through the House, but I am confident that the bill, as drafted, will never become a law.

This bill consists of: Title I-Reorganization; title II-Budgetary control; title III-Administrative assistants.

Title II is not controversial.

Title III has nothing to do with reorganization of the Government, other than that it adds to the expense of Government in authorizing the President to appoint six additional presidential secretaries, at a salary of \$10,000 per annum each. In addition, these secretaries must be implemented; that is, there will be quarters, stenographers, clerks, messengers, and all the things that go with six newly created officials of the Government.

Title I is divided into two parts:

Part 1 directs the President to make certain investigations looking toward the reorganization of the Government, and to

report his recommendations to the Congress. He is specifically directed not to consider in any plan of reorganization certain executive agencies and departments enumerated in

Now, much stress throughout this debate has been placed upon the vast power granted to the President, and, to that extent, the surrender of power by the Congress. It seems to me that we are overlooking the fact that part 1 of this bill gives the President no power which he does not already have. Under the Constitution, it is not only the President's privilege, but his duty, to report to the Congress on the state of the Union, and to make recommendations for needful legislation.

President Roosevelt has demonstrated time and again that he thoroughly understands this provision of the Constitution. I think we all remember that in the last Congress he not only recommended to the Congress the reorganization of the judiciary, but he submitted his plan and went so far as to accompany his message and his recommendation with the specific bill putting his plan into effect. That bill, commonly known as the court-packing bill, is fresh in the minds of all of us, and possibly would be the law today if the bill we are now considering had been the law of the land at the time the court-packing bill was considered by the Congress. This is a patent illustration of the fact that the President is already clothed with sufficient authority to permit him to submit to Congress any specific plans of reorganization which he feels will be for the common good.

Again, the Budget and Accounting Act of 1921 goes further, and sets up an agency of the Government to assist the President in determining what, if any, consolidations or reorganizations might be effected that would be beneficial to the taxpayers. That law provides in part as follows:

The Budget Bureau, when directed by the President, shall make a detailed study of the departments and establishments for the purpose of enabling the President to determine what charges (with a view to securing greater economy and efficiency in the conduct of the public service) should be made.

And so forth. As has been pointed out in the debate, there are no limitations in that law. The Budget Bureau is the agency set up to make this study. The President is directed to use the service of this agency whenever he desires, and for 6 long years he has had this opportunity. It seems to me that it is idle to talk about giving the President additional power, so far as his making proper recommendations to the Congress is concerned. The pending bill, exempting as it does 16 agencies upon which the President cannot operate, is a limitation rather than an extension of power. If the President really wants to reorganize the Government, why does he not accept the opportunity now available? It cannot be charged that he has no information as to where consolidations, eliminations, and overlapping agencies might be abolished or correlated. Senator Byrn, of Virginia, recently made an investigation of this whole subject, and among other things said:

Some of these agencies fill very definite needs. Others overlap. Some have outlived their usefulness or have been superseded. There are glaring cases of duplicated effort. Where the Government was complex before, it frequently is found to be confusing now. To point out 50 Federal agency legal divisions in Washington alone is enough to describe the Federal jungle.

There have been at least 29 agencies concerned with lending Government funds, according to reports taken from Government records.

records.

There have been at least three agencies concerned with insuring

deposits and loans.

There have been at least 34 agencies concerned with the acquisition of land.

There have been at least 16 agencies concerned with wildlife

preservation. There have been at least 10 agencies concerned with Government

construction. There have been at least nine agencies concerned with credit and finance.

There have been at least a dozen agencies concerned with home and community planning.

There have been at least 10 agencies concerned with materials

of construction.

of construction.

There are more than two score personnel officers for the Government listed in Washington offices alone.

There are more than 100 information and publications offices in Federal agencies at Washington.

There are more than 100 Federal agency libraries in Washington besides the Library of Congress.

The Federal Government operates an average of one motor vehicle for every 1,200 people in the United States, and they travel enough miles every year to traverse nearly every highway in the world

The gentleman from North Carolina [Mr. WARREN] pointed out that in addition, we have 28 agencies of this Government handling welfare matters, 40 agencies handling forestry matters, 4 agencies dealing with examination of banks, and 65 agencies gathering statistics for the Federal Government.

Now we know that all these agencies referred to by Senator Byrd and Representative Warren exist, and I doubt not but if I had the time I could dig up a number more. In this connection, let me repeat that at this good hour, there are more than 190 principal bureaus and divisions in the 10 executive departments of the Government; 58 independent establishments, bureaus, authorities, commissions, and what not, exclusive of at least a dozen interdepartmental committees and various governmental groups, making a grand total of more than 270.

By the act of 1933 the President was directed, or given authority, if you like that phrase better, to effect economies and bring about efficiency through reorganization. That specific direction or authority expired in 1935, yet, with the exception of not to exceed 27 minor changes, nothing has been done. Rather, the number of these agencies has increased more than 50 percent during the present administration.

There are many who believe that the present administration desires to revamp the whole Government, concentrating more power in the Executive, and that the purpose of this legislation is to bring about that result. Personally, I know that if the President really wants reorganization for the sake of economy and efficiency and will submit his proposals to Congress at once, he has the assurance that not only the Congress but the country will be much interested in early enactment of any legislation that will effect economy and, incidentally, efficiency. At the same time, let him be assured that the country, and, I believe, the Congress, is absolutely opposed to lodging more discretion and power in the Chief Executive.

In part 2 is found the insidious part of this proposal. Here an effort is made to rewrite the rules of procedure in the House of Representatives and in the Senate, reversing the ordinary processes of legislation. I think everybody understands that legislation under the Constitution must be passed by the House, by the Senate, and approved by the President, or passed by two-thirds of the House and Senate over the President's veto. If the President submits any plan for reorganization of the departments and agencies of the Government to the Congress, under existing law, as was done in the court-packing bill, his recommendations will not become effective unless a majority of both the House and Senate so vote. That is as it should be.

Under part 2 of this title the President could perfect the reorganization of the departments to suit his fancy, submit his statement as to what he had done, and if either the House or Senate does not disagree to his action within a period of 60 days, his plan would be the law of the land. If either House failed to act within the 60-day period, presto! the President's plan is the law, even though the other House has rejected it. This part of the bill is artfully and subtlely drawn. Its real import can only be measured by those parliamentarians expert in the rules of the House and Senate. Part 2 is the heart of the bill. As has been evidenced by the debate thus far, the parliamentarians and the lawyers themselves do not agree. For my part I have no hesitancy in asserting that those familiar with parliamentary procedure, filibuster, and the intricacies of piloting legislation through the Congress will have no difficulty in preventing action by either the House or the Senate within the 60-day period. We all know what has been accomplished by filibuster. United States would be a member of the League of Nations had it not been for the filibuster in the Senate. The antilynching bill would have been embodied in the law a long time ago had it not been for the filibuster in the Senate. If action on these measures can be delayed, not only for months but for years, what sacred thing is there about a reorganization bill that would make it impossible to delay action for 60 days?

Much has been said, and more will be said when this bill is being read for amendment, as to the constitutionality of part 2 of the bill. If it requires the joint action of the Congress and the President to make a law, it would seem perfectly clear that it should require the joint action of the Congress and the President to unmake or repeal the law. It is what the statute accomplishes, rather than what we say about it, that determines what is legislation. Why should not the Congress be permitted to take affirmative action, approving or disapproving any plan of reorganization submitted by the President? Why should you attempt to accomplish by indirection and circumlocution what you cannot accomplish directly?

The gentleman from Georgia, Judge Cox, has devoted considerable time to a discussion of this aspect of this bill. The gentleman is a good lawyer, but I can hardly follow him in his effort to make the North Carolina tobacco case, decided by the Supreme Court, the authority for this proposal. It seems to me that in the judge's argument he meets himself coming back and that his reasoning is enmeshed in his own words.

The Department of Justice held in 1932 that a resolution of but one House, disagreeing to a plan of reorganization proposed by the President, violated constitutional provisions. It has been conceded here that constitutionally there is no difference between this concurrent resolution action and the action of but one House. Therefore it would seem that the ingenious device set up in this bill, the purpose of which is to make it appear that the Congress has an assured right of veto on Presidential action, is unreal and without guaranty.

There is no assurance that this bill will result in any economy. When the President's reorganization bill, which was defeated in the last Congress, was up for consideration it was not contended that economy would be effected. It was claimed that the measure would bring about efficiency. The same statements are made about the present bill. There has been little in the debate concerning economy, excepting a hope for economy. In view of the past performances of the present administration I cannot get excited about any professions of economy and thrift coming from that source. Neither can I get excited about any promised efficiency.

To summarize, I am 100 percent for any legal reorganization legislation that will effect economy and promote efficiency. I have no reason to believe that the measure before us will accomplish either of these things.

I am 100 percent opposed to any bill that makes it possible for the President to reorganize the Government as he may desire, without the affirmative consent of the Congress. The sole purpose of this bill is to give the President such authority.

Therefore, I shall vote against this bill unless these objectionable features are removed. I shall be pleased to vote for the Byrd bill, if it is possible from a parliamentary standpoint to offer that bill as a substitute for the bill we are now considering.

The CHAIRMAN. The time of the gentleman from Michigan has expired.

Mr. COCHRAN. Mr. Chairman, I yield now to the gentleman from California [Mr. Thomas F. Ford].

Mr. THOMAS F. FORD. Mr. Chairman, I have listened with keen interest to the gentlemen on the minority side in their vain attempt to avoid appearing inconsistent in their opposition to the reorganization bill of 1939—H. R. 4425.

This opposition seems to me to be particularly inconsistent with the minority's insistence on economy and efficiency in government, particularly with reference to their crocodile tears over the vast number of bureaus that now exist.

Gentlemen, if you are sincere and really want economy and efficiency, here is your golden opportunity. Will you take advantage of it? You will not.

Most of the elder statesmen on the minority side voted for a much more drastic reorganization bill which was designed to give to former President Hoover almost unlimited power to reorganize, coordinate, consolidate, and abolish bureaus, agencies, and even departments. The present measure is merely a mild beginning—a first, but necessary, step in the carrying out of a platform promise that both party platforms for years have pledged to accomplish if its candidates were elected.

With these votes on previous reorganization bills staring them in the face, with the speeches, in which they solemnly proclaimed that they favored a reorganization bill, but not this or that bill because it would abolish this or reorganize that.

Now, these same gentlemen are face to face with a bill that if compared, title by title, section by section, paragraph by paragraph, with bills that they so loudly contended for. Will they vote for it? They will not.

But, my good friends on the minority, when you vote "no" on the reorganization bill of 1939, you stand convicted of, if not hypocrisy, at least of blatant and inexcusable and unexplainable inconsistency.

A reorganization of the Government is necessary if the Government is to be efficiently and economically administered.

That, Mr. Chairman, is why I am going to vote for the reorganization bill of 1939.

Mr. COCHRAN. Mr. Chairman, I yield 5 minutes to the gentleman from Michigan [Mr. Hook].

Mr. HOOK. Mr. Chairman, some of my Republican friends who have confessed that they are truly rubber stamps by admitting that the voting on the Republican side will be "mass voting" cast at the order or the whim of those who shaped the destiny of the special interests have mentioned that the American people spoke last fall. They seem to think that by the election of a handful of Republicans that a mandate was issued to vote against this bill. Yes, the American people spoke last fall. They spoke in no uncertain terms and elected to the Congress of the United States an overwhelming majority of Democrats. The people of this Nation believe in democracy and the principles of the Democratic Party because it is the party of the people. Those who lay aside all prejudices and think in the interest of America and democracy have faith in the President of the United States and the Democratic leaders.

Yes; the voters of this Nation spoke last fall in the face of misrepresentation of issues and tremendous sums of money. They returned to Congress a clean-cut Democratic majority. This Congress, by virtue of that overwhelming majority, owes a duty to the people and to the Government in the interest of democracy to make a change in government organization that will bring about a reduction in cost of governmental agencies. In the interest of efficiency and good government we must authorize the President to submit such a plan as will result in grouping and consolidation of executive agencies of the Government as will effectuate and bring about such saving and efficiency.

Yes; Mr. Chairman, 71 new Republican Members were sent here last fall, not to tear down as their leaders want them to do, but to join in constructive legislation for the best interests of this Nation. Seventy-one new Members of that side of the House promised everything and more than the New Deal has to offer. Oh, yes; they outpromised the Democrats. I can hear them now, saying "I promise you that I will vote to break down bureaucracy in Washington and cut down the cost of government." Yes; I can hear them saying "We will not take away the agencies that have saved you from destruction, but will make them more effective. I promise you that the Republican Party will be for efficiency in government." I note, however, that the Republican side of the House is voting en masse to stop any organization that will bring about efficiency and economy in the administration of the executive branch of this Government, hoping and praying that there will be enough conservative Democrats who will join with them in their march toward destruction.

Yes; a large majority of the newly elected Republicans outpromised their Democratic opponents.

Mr. GROSS. Mr. Chairman, will the gentleman yield? Mr. HOOK. No. I do not think the gentleman could add anything to this discussion. We must ever progress and go forward. History shows that progress has always been made under protest. When we go back into that history we find that those who loaned Robert Fulton money for his steamboat project stipulated that their names be withheld for fear of ridicule were it known that they supported anything so foolhardy. There are certain Members on that side of the aisle who, when they oppose this bill, protest against progress. They are a little jittery about the progress that will be made under the provisions of the present bill. I am wondering whether they believe that reorganization is foolhardy, as was the steam engine. Each one of the major political parties' platforms since the early 1900's have contained a plank pledging a reorganization of the executive agencies of the Government.

Now the Republicans say "Let the Congress do it." What foolishness. May I ask my Republican friends: Why did you shirk that responsibility when the Republicans were in charge of the Congress?

It was a part and parcel of your Republican platform. You did not do it when you were in control. Either you could not do it or you did not want to do it. So, therefore, the Democrats are now submitting to you in the interest of the tax-payers and in the interest of good government a program whereby reorganization can be accomplished. But it is the same old story. You claim that you believe in reorganization, but you do not believe in the method by which it is to be accomplished. When he have passed this reorganization bill, you will find that the progress it will make will be just as farreaching as the progress that was made from the days of Robert Fulton down to this present day in development of the steam engine.

Do you who seem to fear progress know that widespread sentiment against printing was expressed by Governor Berkeley, of Virginia, in 1670, when he said?—

I thank God there are no free schools nor printing, for learning has brought disobedience and heresy into the world, and printing has divulged them.

Are you afraid, as he was afraid at that time, that if the reorganization bill passes this House the fallacies of the past will be divulged?

I notice also that the editor of the Springfield Republican at one time refused an invitation to ride in an early automobile, claiming it was incompatible with the dignity of his position. Are you in this day and age going to follow that line of thought on the reorganization bill? Do you feel that it is incompatible with your dignity as Republicans to follow the suggestions of the President of the United States when he offers constructive legislation? I hope not. I hope that you Republicans will join up with progress and vote for this bill in its present form without amendments.

[Here the gavel fell.]

Mr. TABER. Mr. Chairman, I yield 2 minutes to the gentleman from California [Mr. HINSHAW].

Mr. HINSHAW. Mr. Chairman, I would like to address a question to either the author of the bill, the gentleman from North Carolina [Mr. Warren], or the chairman of the committee, Mr. Cochran. The Constitution says that "every order, resolution, or vote to which the concurrence of the Senate and House of Representatives may be necessary—except on a question of adjournment—shall be presented to the President of the United States; and before the same shall take effect shall be approved by him, or being disapproved by him, shall be repassed by two-thirds of the House of Representatives, according to the rules and limitations prescribed in the case of a bill."

In Jefferson's Manual, page 37, it says that-

Although the requirement of the Constitution seems specific, the practice of Congress has been to present to the President for approval only such concurrent resolutions as are legislative in effect.

This bill provides that the President may transmit a plan of reorganization simultaneously to both Houses of Congress, and unless both Houses shall within 60 days pass a concurrent resolution stating in substance that the Congress does not favor the plan, it shall then take effect.

The question I want to ask is, suppose that under this bill the Congress of the United States passed a concurrent resolution disapproving the President's plan of reorganization, would it be necessary, if the President chose to veto that concurrent resolution, to pass it again over his veto by a two-thirds vote of the House and Senate?

Mr. WARREN. I wish to state to the gentleman from California that, of course, a concurrent resolution does not go to the President, and therefore there is no possible way by which he could veto it.

Mr. HINSHAW. The gentleman thinks that this concurrent resolution, then, would not be "legislative in effect"?

Mr. WARREN. Absolutely, I do not.

Mr. HINSHAW. That it would be final. Then you do not agree with the Constitution?

Mr. WARREN. A concurrent resolution never goes to the President. It is only a joint resolution that goes to the President.

Mr. HINSHAW. I am just reading the Constitution. It says "every order, resolution, or vote in which the concurrence of the House and Senate may be necessary."

Mr. WARREN. The gentleman is talking about one form of resolution and I am talking about another. A concurrent resolution, of course, does not go to the President. It is a concurrent resolution of the two Houses.

[Here the gavel fell.]

Mr. COCHRAN. Mr. Chairman, I yield the gentleman 2 additional minutes.

Mr. WARREN. Let me also point out to the gentleman that when we pass a resolution submitting a constitutional amendment, of course that does not go to the President. It goes immediately to the States.

Mr. HINSHAW. That is a different proposition. That

is not legislation.

Jefferson's Manual, in the sentence preceding the one I just quoted, says:

It has been settled conclusively that a joint resolution proposing an amendment to the Constitution should not be presented to the President for his approval.

Note that in this case it is a "joint resolution" that does not go to the President.

Mr. Chairman, I submit that there is a question whether or not this concurrent resolution would constitute a part of what is termed "continuing legislation," and therefore be subject to the veto power of the President under the Constitution. If it is-and apparently it would take a decision by the Supreme Court to determine that it was not—then the President by exercising the veto power could require a two-thirds vote of both Houses to prevent the reorganization plan submitted from taking effect.

I have asked this question of eminent lawyers on this side of the House and they are in doubt. I asked the eminent gentleman from North Carolina and immediately he answers that the concurrent resolution would not go to the President. but would be final.

Mr. Chairman, I favor reorganization of the executive agencies in order to simplify our Government and save money for the taxpayers, but I do not want to see some plan shoved through by this or any other President or by this or any other Congress that would make a dictatorship possible in this country.

If I am correct in the premise of my question—and there is a serious doubt on both sides of it, but if I am correct—then under this bill such a plan could be put into effect over the heads of two-thirds of this House. I would like an authoritative answer to my question, and that is said with very great respect for the splendid attainments of the gentleman from North Carolina.

Mr. Chairman, I yield back the balance of my time.

Mr. COCHRAN. Mr. Chairman, I yield 5 minutes to the

gentleman from Arizona [Mr. MURDCCK].

Mr. MURDOCK of Arizona. Mr. Chairman, by one line of reasoning I could bring myself to vote against this bill. I am reminded of a little story that I think is probably historically true. At least, the story refers to Germany years ago at the time of Frederick the Great. Students of history will recall that that was a period of religious controversy and intolerance. As I remember the story, some folks came to Frederick the Great one time and said, "Some of your subjects believe in predestination and election, and you ought to put a stop to that." This sovereign is said to have remarked, "If some of my loving subjects choose to be eternally damned, who am I to interfere?"

When I was at home, some of my Democratic constituency, large taxpayers, took me to task because I voted against recommittal of the reorganization bill last year. I explained to them that I thought there was urgent need of reorganization, and particularly of economy. Now, if I saw fit to follow this particular line of reasoning, which I do not, I might very well say to myself, "If large taxpayers object to any attempt to economize by an act of reorganization, why should I interpose objection?"

That, however, is not my line of reasoning.

As I have listened to the debate, especially that emanating on my left, I have thought many, many times how possible and perhaps natural but, after all, illogical fears arise when we are initiating something. This reminds me of the time when Patrick Henry was speaking in the Virginia Convention at the time of the adoption of the Constitution. That great leader said in substance this:

"As I read this document I see vast powers given to the President. He shall be Commander in Chief of the Army and the Navy. He will come at the head of the Army and crush all opposition. Your mace bearer cannot stop him. He will make himself absolute. Away with your President! He will become a king!"

Those gloomy predictions did not seem foolish to some men in 1787-88. However, Patrick Henry's fears were unfounded. Subsequent history has not shown that a great error was made in the formation and the adoption of the Constitution of the United States. We have heard today similar fears expressed on the Republican side of the aisle and lack of confidence in the present occupant of the White House. Are the fears of, barely possible but highly improbable, Presidential action in the future any more reasonable than those of Patrick Henry one and a half centuries ago? I think not.

We should look well to the future and guard our form of government, but I think it is properly guarded in this bill. It is true that last year I did not want to see the reorganization bill forced through the House with insufficient debate and voted against that attempt. We took about a week's time, as I recall it. That bill was thoroughly debated. One after another amendments were offered, and when the measure came before this House I voted against recommitting the

I feel that the pending measure accomplishes part of what the bill a year ago aimed to accomplish. I voted against a recommittal of the bill a year ago after it was fully amended by the House, after certain independent organizations had been exempted from the bill. I find those same organizations exempted in this bill, and I have the same inclination to vote today or tomorrow, whichever it shall be, as I did on the final action of the House on the bill last year.

Mr. Chairman, I find that as we made progress in political science we took away or diminished the powers of the cumbersome legislative bodies of our cities back yonder 25, 30, or 40 years ago, and we centralized power concerning the government of our cities in a smaller group of men because we found inefficiency in the larger group. The same tendency is shown in modernizing our State governments.

Time after time the question has been asked: Why does not Congress do this thing? This question has been answered, I think, by both logic and experience. Congress has the power to do it, but it is a complicated, technical matter for Congress to do, and Congress has not done it. We delegate to the President of the United States, or, in the words of the distinguished gentleman from Georgia, we direct the President of the United States in this bill to do certain things. Since he has more information and has available all sources of information, as well as having the executive responsibility, the President is in better position to suggest changes in administrative machinery than Congress could possibly do. Therefore I think it logical to do as this bill does and place

the responsibility of studying the need for change and suggestions of change upon the President, leaving to Congress the final say in approving or disapproving all such suggestions.

Writers on political science contend that State governments may be improved by placing more power in the hands of the Governor and holding him strictly accountable for the exercise of that power. Administrative reform in a number of States has taken the direction of decreasing administrative boards and commissions and in giving the Governor relatively more power than he formerly had. This is done in the name of efficiency and businesslike procedure. Why should not the same be true of the executive department here at Washington?

Most of the argument that I have heard against this bill is Franklin D. Roosevelt. Some of the men who have been loudest in declaring that this measure is not a partisan matter have been most outspoken in making it a personal matter. It would almost seem that some who have been most vehement in their denunciation would be willing to vote for this bill if any other person were in the White House, be he Democrat or Republican. I not only do not share their attitude toward the President, but I do believe that were the President 10 times as unreliable and dangerous as they seem to think him to be that the welfare of the country is duly protected by the later provisions of this bill. I would not object to affirmative action instead of the negative action provided for in section 4, but I cannot see the need of it with the several later provisions that are included in the bill.

[Here the gavel fell.]

Mr. COCHRAN. Mr. Chairman, may we be advised as to how the time stands?

The CHAIRMAN. The gentleman from Missouri has 251/2 minutes remaining; the gentleman from New York has 32 minutes remaining.

Mr. TABER. Mr. Chairman, I yield 2 minutes to the gentleman from Michigan [Mr. ENGEL].

Mr. ENGEL. Mr. Chairman, some months ago there was a movement on foot to transfer the United States Forestry Division of the Department of Agriculture, together with the control of 175,000,000 acres of United States forest lands, from the Department of Agriculture to the Department of the Interior. Should this bill become law, could the President, under the powers granted therein, effect that transfer of the United States Forestry Division from the Department of Agriculture to the Department of the Interior?

Mr. WARREN. Does the gentleman ask me that question? Mr. ENGEL. Either the gentleman from North Carolina or the gentleman from Missouri.

Mr. WARREN. Yes; the President could do it if he wanted to.

Mr. ENGEL. Could the President change the name of the Department of the Interior to the Department of Conserva-

Mr. WARREN. No; indeed he could not. That is specifically prohibited; nor can the President set up any new departments.

Mr. ENGEL. But he could transfer the control of the 175,000,000 acres of United States forest lands and the United States Forest Service from the Department of Agriculture to the Department of the Interior?

Mr. WARREN. Yes.

Mr. ENGEL. And unless such action were disaffirmed by both Houses of Congress within 60 days after the transfer, the transfer would stand?

Mr. WARREN. That is correct. The gentleman can sit there and conjure up almost any theoretical case that he wants to.

Mr. ENGEL. I beg the gentleman's pardon. I am not conjuring up anything.

Mr. WARREN. I say that could happen.

Mr. ENGEL. I have been asking a question that is vital to thousands upon thousands of the American people interested in the Forest Service. I have 3,000,000 acres of forest land in my district. I believe we are entitled to know what might happen under the provisions of this bill. I object

to the characterization that I am conjuring up questions. I have the right to ask questions.

[Here the gavel fell.]

Mr. COCHRAN. Mr. Chairman, I yield 2 additional minutes to the gentleman from Michigan.

Mr. DITTER. Mr. Chairman, will the gentleman yield?

Mr. ENGEL. I yield. Mr. DITTER. Would not this just intensify the difference that exists between Mr. Ickes and Mr. Wallace with reference to this proposed transfer?

Mr. ENGEL. I presume it would. Does the gentleman from North Carolina desire to make any further statement?

Mr. WARREN. I just want to tell the gentleman from Michigan that under this bill the President can transfer anything that is not specifically exempted. I cannot help from telling the gentleman that he himself was one of those who on August 13, 1937, voted for this bill containing that same power that he questions now, without any veto power whatsoever.

Mr. ENGEL. The 1937 bill was not the same as this bill, and in 1937 no one called attention to what power the President might have under the bill.

Mr. WARREN. Oh, an amendment was offered to exempt the Forest Service and was defeated by a 3-to-1 vote on this

Mr. ENGEL. Yes; and I voted for that amendment.

Mr. COCHRAN. Mr. Chairman, will the gentleman yield? Mr. ENGEL. I yield.

Mr. COCHRAN. I may say to the gentleman that at the present time there are 12 or 13 agencies of the Government handling public lands. The President can consolidate them into the Forest Service and put them in the Department of Agriculture under this bill.

Mr. ENGEL. In other words, the President could juggle them back and forth regardless of any opinions we might have, and the House or the Senate would be helpless unless Congress by a majority vote of both Houses disaffirmed the order within 60 days; unless that happened the order would

Mr. COCHRAN. The purpose of the bill is to consolidate these agencies that are doing the same class of work.

Mr. ENGEL. Why does not the President consolidate some of the 132 agencies which the Brookings Institute states he could consolidate now?

Mr. SCHAFER of Wisconsin. Will the gentleman yield?

Mr. ENGEL. I yield to the gentleman from Wisconsin.

Mr. SCHAFER of Wisconsin. Would the President have the authority to abolish the Navy Department and the War Department and consolidate it under Admiral Morgenthau who seems to be running those two Departments in the French airplane scandal?

[Here the gavel fell.]

Mr. TABER. Mr. Chairman, I yield the balance of the time on this side to the gentleman from Illinois [Mr.

Mr. COCHRAN. Mr. Chairman, the majority side is pleased to yield 5 minutes additional to the gentleman from Illinois [Mr. DIRKSEN].

Mr. DIRKSEN. Mr. Chairman, I thank the very distinguished and genial gentleman from Missouri for yielding me 5 additional minutes. I cherish for him a deep affection and a high regard. I wish that the spirit that has been manifest in him might have tempered the entire debate on this bill. May I say to our brethren sitting over on the Democratic side of the aisle that there has been no disposition on the part of those on the minority side to make this a partisan issue. There is nothing partisan about economy any more than there is about a broken leg. There is nothing more partisan about increased efficiency in government than there is about a case of appendicitis, and we do not yield to you on that side in respect to our desire to effect efficiency and economy in this tremendous and rambling structure that we call the Government of the United States.

Unfortunately some partisanship has crept into the debate. It comes about in some measure, I may say, by extreme and sometimes untempered statements that are thoughtlessly made. I thought the remarks of our good friend the gentleman from North Carolina [Mr. Warren], yesterday with respect to my two colleagues on the committee, the gentleman from New York [Mr. Taber], and the gentleman from Massachusetts [Mr. Gifford], were ill becoming and a bit unseemly; but we do not hold that against the gentleman from North Carolina.

May I say to him and to everybody who heard those remarks yesterday that the gentleman from Massachusetts [Mr. Gifford] first served 7 years in the Massachusetts Legislature and he has been in the Congress for 18 years. He has been serving the public with distinction for a quarter of a century, and you do not fool a solid constituency of the great Bay State of Massachusetts unless you have something on the ball. [Applause.] You cannot laugh that off.

The gentleman from New York [Mr. Taber] has been a member of the bar of the State of New York for 35 years. He is the ranking minority member on the Appropriations Committee of this House. He is an indefatigable worker. Everybody knows that. He has been here going on 17 years. He has not been able to fool the people up in the great State of New York. He is here because they recognize substance and ability, which is the answer to any splenetic statements that might be made.

With reference to the gentleman from North Carolina, may I say that I like him like a brother? He is a brilliant lawyer. He is a great constitutionalist and is one of the great and able statesmen of this House. He ranks with the great men who have come from North Carolina to sit in this legislative body. So I shall indulge charity as a virtue rather than industry and say that I feel that the gentleman from North Carolina did not mean exactly the statements he made in derogation of my colleague from New York and my colleague from Massachusetts.

Mr. Chairman, perhaps we had some cause for feeling a bit offended and ill-tempered on our side. After all, this bill is here after one meeting of the Special Committee on Government Organization. We met last Thursday afternoon in the room of the Committee on Accounts. We arrived there at 1:30 and finished our deliberations at 4 o'clock, at which time the bill was reported. No one will stand in his place and deny that. The bill received 2½ hours of profound consideration.

We asked for hearings and this was denied. We suggested some things in the course of the committee session that probably should have been clarified. One, for instance, in connection with this bill is that section which provides that when an agency is transferred all the laws that are applicable shall be applicable when it is transferred to some other agency. I raised this question: Agency A is under civil service. Under this bill it is transferred and consolidated with agency B, which is not under civil service. Now, what happens to the personnel? Is their civil-service status expunged or is it not? No later than this afternoon Mr. Beeman and Mr. O'Brien, both very talented members of the Legislative Reference staff, stated they had not found the answer to the question. Do you not think we ought to know before we extend this authority, because it is rather important?

So, because of this summary treatment we had a right, perhaps, to feel just a little bit curt in our observations.

Getting back for a moment to the statements made with reference to this bill and particularly to the long statement made by the gentleman from North Carolina, I am afraid he is a good deal like the lawyer from Tennessee. This lawyer stated, "When the facts are against me, I argue the law. When the law is against me, I argue about the facts. When both the facts and law are against me, I raise hell generally."

I think the gentleman from North Carolina sort of raised hell generally on this bill yesterday without quite going to the heart of the thing. [Laughter and applause.] Mr. Chairman, I think we can isolate the truth of this matter by propounding this query: Why is the bill here? We can start with that broad question and ascertain what we want to know.

In the first place, it has been intimated this is a "must" bill, which makes no difference to me. I have voted for lots of "must" bills in the last 6 years. Lots of my colleagues have voted for "must" bills during that same time. We do not care whether it is a "must" bill or not. We are concerned with "merit" and not with "must."

The statement is made that this bill is here in order to promote efficiency. If you will examine the dissertation by the Brookings Institution, which was released only yesterday, you will find that out of the fiscal Budget for 1938, aggregating eight and one-half billion dollars, in their estimation, approximately 18 percent is devoted to administrative expenditures, which would be slightly in excess of \$1,800,000,000. If they cut 25 percent, under this bill, that might amount to three or four hundred million dollars. But how much is it so far as the national deficit is concerned? I suggest that the Members look at the mail-order catalog of 1,100 pages known as the official Budget of the United States.

There you will find that the deficit this year will be \$4,000,000,000, and the expected deficit in 1940 will be in the neighborhood of \$4,000,000,000. So when they talk about economy, well, it will be only a nominal economy at best, and that in itself is not the moving reason the bill is here.

Is it here because of efficiency? Let me say to you, and particularly you on the majority side, do you not know that the President has complete control over some 78 assorted agencies of government today? Thirteen of them came into being by Executive order. Seven of them came into being by a letter or by approval of the President. This includes the Electric Home and Farm Authority. This includes the Export-Import Bank. It includes other similar agencies. If you want efficiency, why have we not had a demonstration of it before now? Out of the 133 agencies of government today that are sought to be affected by the provisions of this bill, the President without a single line of legislative authority can consolidate, transfer, coordinate, or abolish 78 agencies. They have been in existence 4, 5, and 6 years. Why has there not been a demonstration? Why should we be persuaded now, after all these years of splurging, that you are now so zealous for efficiency?

Mr. SCHAFER of Wisconsin. Mr. Chairman, will the gentleman yield?

Mr. DIRKSEN. Not now.

Why do we wait until now to show what the fruits of reorganization may be when the Chief Magistrate of this Nation has that authority today? You cannot say to us that because of the efficiency involved this measure must be passed. You say to us it is to reduce the agencies of government. The President by a stroke of the pen can put out of business more than 70 agencies today. Why has he not done it? Since he has not done it, do not come to us at this late hour and say, "Oh, it is in the interest of reducing the agencies of government." He has had a chance without being given any more authority and he has failed to do so. You cannot with good grace insist at this late hour, with Federal agencies sprawling through the land, with present talk of raising the debt limit from \$45,000,000,000 to \$55,000,000,000, and with Federal agencies manifold multiplied, that these are the reasons for this measure.

No, Mr. Chairman, there must be some other reason. Now I ask this question, Is this authority needed? Oh, do not think so. In all the dissertations made on this bill

I do not think so. In all the dissertations made on this bill by my genial and beloved friend the gentleman from Missouri, the chairman of this committee, and by the very talented gentleman from North Carolina, which you will find in this morning's Record, there was no single allusion to the authority that is carried in the Budget and Accounting Act of 1921. Let us see what this particular provision does. It is permanent law. It has been on the books for 18 years. This is the language of section 209 of that act, which was discussed by Mr. Taber on yesterday. Listen carefully:

The Budget Bureau, when directed by the President, shall make a detailed study of the departments and establishments from the purpose of enabling the President to determine what changes (with a view to securing greater economy and efficiency in the conduct of the public service) should be made—

in (1) the existing organization, activities, and methods of business of such departments or establishments; (2) the appropriations therefor; (3) the assignment of particular activities to particular services; or (4) the regrouping of services. The result of such study shall be embodied in a report or reports to the President, who may transmit to the Congress such report or reports, or any part thereof, with his recommendations on the matters covered thereby.

Let us take a look at that authority and see precisely what it does. Has the President directed that kind of a study? No. Ask anyone who is familiar with the appropriations, and you will find that no such detailed study has been authorized except-

Mr. COCHRAN rose.

Mr. DIRKSEN. If the gentleman will wait I will get to except such limited undertaking as has thus far been made by the Budget Bureau, as indicated before the Appropriations Committee in connection with the 1940 Treasury

appropriation bill.

Does it contain all the needed authority? Well, let us The bill pending before us today will prohibit the transfer or the abolition or consolidation of executive departments. The President can, under the 1921 act, recommend the entire annihilation of every Cabinet department. You can go infinitely further. There are really no exceptions or exemptions in the Budgetary Act of 1921. The bill before us today excepts 16 agencies, upon which the President must not lay a hand. In the act of 1921 there is no exception, no exemption, and that authority would go as far as the Aurora Borealis on the north and Little Antarctica on the south. It is infinitely broader than the authority contained in the bill before us at the present time. It calls for efficiency, it calls for economy, it calls for all those things, and if it has more authority as permanent law, than that contained in the pending bill, then I repeat my question which is the premise for these observations: Why is this bill here today?

Mr. COCHRAN. Mr. Chairman, will the gentleman yield?

Mr. DIRKSEN. I yield with pleasure. Mr. COCHRAN. I believe the gentleman will find the answer in the last sentence of the law itself, if he will read it.

Mr. DIRKSEN. I read it, and I will get to that portion of it because that is precisely where we hit off today. It is not partisan, it is not extreme, it is not sectional, it is not ill-tempered. We come to the "how" of doing this thing.

We can dismiss many of the abortive speeches that were made this afternoon to the effect that if we do not go along with this bill we are against economy. That is sheer poppycock, nonsense, and balderdash, and everybody knows it. We are interested in how this shall be done, and you know as well as I do that we firmly and patriotically believe we are making a mistake in the pending bill if we seek to do it in the fashion you suggest.

Mr. WHITE of Idaho. Mr. Chairman, will the gentleman yield?

Mr. DIRKSEN. I cannot yield.

The gentleman from Missouri gave us the answer yesterday. When the gentleman from Wisconsin [Mr. KEEFE] talked about incompetence and about fear of doing the job, the gentleman from Missouri said that was exactly the answer, better than he himself could express it. I say to the gentleman from Missouri and to everybody, particularly after we review and recite and emphasize the democratic processes and the forces of democracy through which the sunlight ought to shine in, are we going to stand before the world and confess our lack of intestinal fortitude before the departmental personnel of this country, and put our tails between our legs and say, "Oh, we will let the President do it under a bogus procedure where we hand him particular grants of legislative authority"?

Mr. COCHRAN. Mr. Chairman, will the gentleman yield? Mr. DIRKSEN. I yield, with pleasure.

Mr. COCHRAN. The gentleman from Wisconsin is the one that gave the answer.

Mr. DIRKSEN. Yes, the gentleman from Wisconsin [Mr.

Mr. COCHRAN. And he asked the question, but I told him his own answer was better than anyone's, and the fact of the matter is that the Congress has, during all these years, done just exactly what the gentleman from Wisconsin said yesterday, and this applies to both sides of the aisle.

Mr. DIRKSEN. And we will get to that in just a moment. You see, when reorganization starts under this bill, it will come quietly; it will sneak up on a division or agency, like a thief in the night. No one shall know, and then comes the day for the coup de grace, when this little orphan stepchild of a reorganization proposal is suddenly deposited on the doorstep of Congress. Nobody has got wise during all that time, but when it is put upon the doorstep of this body, the President will say, "Gentlemen of the Congress, there is the little child, now it is up to you to disavow it." Then what happens? When we undertake to do the job, then, of course, it becomes necessary for Congress to shoulder the burden of proof under the negative proposal that is carried in this bill. We will have to disavow it in this House and then we must go to the Senate and have it disavowed. No matter how objectionable a reorganization proposal might be and no matter how great a mixture of good and bad, it becomes law until disapproved and when it comes to disapproval, we must fight from the bottom up in order to contrive its disapproval. What a tragic business that would be.

Now, when they bring that up, I want to allude to the Hoover proposal of 1932. Did it require both Houses? Ah, no; and no one will stand in his place and contend so. It required disavowal by only one House of the Congress, and in addition thereto, you could reject so much of it as you wanted and accept so much of it as you wanted. So they cite the name of Hoover and the Hoover proposal as if that has anything to do with the bill that is before us now. The fact is that the Democratic Congress of 1932 took precious care that with a Republican Senate and a Democratic House, that disapproval of only one House was necessary to throw the President's reorganization proposals into the ashcan.

It was also contended that they have inserted in this bill the requirement that both the Senate and the House of Representatives shall spurn this reorganization child, otherwise it shall become an effective statutory child, and they say they did this because the Attorney General, under the Hoover administration, ruled that one House was not enough.

I have gone through all the debates on that old legislative appropriation bill in 1932 and I cannot find that the question was raised in the debates. It came up afterward, but what justification is there for seeking to impose this kind of a measure upon the country and the Congress at the present time? So they are seeking here to do this quietly, to do it secretly, and then to place the onus upon the Congress and let us wrestle with it wheresoever and whensoever we please. Once this authority is granted it is gone. Only by action of both House and Senate in disapproval the most heinous kind of reorganization bill that human ingenuity might contrive can we recover that authority. My colleagues, are you ready to sell your own Congress down the river in that summary fashion? I am certain that you are not.

Now, there is another important thing in this bill, and make no mistake about this. You can alter statutory law by

executive flat under this bill and I will prove it.

Last year the Committee on Interstate and Foreign Commerce created the Civil Aeronautics Authority and I know my distinguished friend from Illinois [Mr. Keller] is very much interested in that authority. To make sure that there would be independent investigation of all airplane accidents, they created within the heart of this authority the Air Safety Board. It is independent, but may I say to you and say to everybody who has an interest in the development of aeronautics, the President can abolish the Air Safety Board under the provisions of this bill, and we will have one deuce of a time restoring that independence that is so necessary and so vital, in my judgment, to the orderly development of aviation. There is an example of how the President, with a stroke of the pen could undo the most careful and painstaking work of the Congress.

The other day we had a deficiency appropriation bill here and an amendment was offered from the floor to make certain that the \$800,000 to be expended by the Wage-Hour Division would be expended not by Mrs. Perkins, but by the Administrator. Who offered that amendment? My friend from Missouri, the chairman of this committee, offered that amendment, and when the matter was before the House, this is what he said, at page 2103 of the RECORD, and he was addressing himself to the House:

I am asking that this man, who is responsible to the Congress or the conduct of that office, have charge of the appropriations we vote to run that office.

And now, John, when we pass this bill-if we do-in spite of all your solicitude about Mrs. Perkins and Elmer Andrews, the President can take Mr. Andrews and just rub him out and let Mrs. Perkins spend all the dough, and all your solicitude will have been in vain under this bill. Do you want that to happen? Well, if you do not, I think you ought to be very careful as to whether you vote for all the provisions that are contained in the present bill.

Mr. COCHRAN. I want anything to happen in connection with the reorganization of the Government that will increase efficiency in the Government and simplify procedure and bring about such reductions in expenditures as may be possible.

Mr. DIRKSEN. And the President has that power under the Budgetary Act of 1921. Why does he not bring us a recommendation? We have been waiting for it for years. Why does he not bring that law up here or a proposal under an Executive order and say, "There it is—take it or leave it—disavow it or approve it." Since that historic day in March of 1933 when he took office, there has been no dearth of messages and proposals from the White House to the Congress. Since that historic day, he has by the nod of approval and by Executive order created scores of new agencies which today flourish in the garden of the New Deal. He is the author and finisher. He is the creator. He can give and he can take away. Having proven his creative genius in this direction, why can he not send us an occasional message under the authority of the Budget and Accounting Act of 1921 and recommend that an occasional agency be rubbed out? Why does he not exercise the authority which he now holds over 78 agencies of government and fashion a pleasing bit of economy and efficiency? We are waiting.

In all the time that I have been here, and that is contemporaneous with the great man in the White House, there has been no such proposal come to the Congress of the United States. That is the answer to it.

Mr. COCHRAN. And since the enactment of the Budget and Accounting Act, we have had several Republican Presidents.

Mr. DIRKSEN. Now you want us to believe there is a change of heart, but let us see how far this change of heart has gone. You have been shricking in the wilderness for economy. Look at title III of this bill. While we are talking about economy we see that the President shall have authority to appoint six additional administration assistants at \$10,000 per year each. So while we are talking about economy we are creating six new jobs at a cost of \$60,000 per year. Is there any consistency about that kind of representation in this bill?

Mr. TABER. Mr. Chairman, will the gentleman yield? Mr. DIRKSEN. Yes.

Mr. TABER. Is the gentleman familiar with the fact that under the administration of Calvin Coolidge and the administration of Warren Harding, thousands and thousands of useless jobs and bureaus were gotten rid of by the Budget?

Mr. COCHRAN. How many thousands?

Mr. TABER. Many thousands.

Mrs. ROGERS of Massachusetts. Mr. Chairman, will the gentleman yield?

Mr. DIRKSEN. Yes.

Mrs. ROGERS of Massachusetts. Is it not true under this bill that the employment agency now under the Department of Labor could be transferred to the Social Security, for instance? I know every veteran in the country with whom I have talked, or had any contact, and veterans' organizations, is bitterly opposed to that. They feel that it belongs to the Department of Labor where labor can find a job for people.

Mr. DIRKSEN. I have a very happy suggestion. My good friend, the gentleman from Mississippi [Mr. RANKIN] stated this afternoon that he is going to offer an amendment to exempt the Rural Electrification Administration. That will make No. 17. If somebody will exempt the Forestry Service, that will make 18, and then if we can find about 112 more Members of Congress who will undertake to pick out some other agency and exempt that, we will have exempted them all, and there will be no need for the bill. But the very fact that you have 16 or 17 exceptions indicates that you have no faith in the bill. If you have faith in it, why do you not wipe out the National Labor Relations Board, or the Federal Communications Commission and the Coal Commission and the Coast Guard and other agencies? Have you not any faith in your President? In effect, you say that you will trust the President with your watch but not with the Civil Service Commission. You say that you will let him hold your wallet but do not trust him with the Army engineers. What kind of a faith is it that you have been so gustily protesting? Do you have to make exceptions and hamstring him? Why not give us a bill without exceptions, and see what the result will be? But you have not any faith in him and that is why you want to hog-tie him by legislative proposals and exceptions. [Laughter and applause.]

Mr. COCHRAN. Mr. Chairman, will the gentleman

Mr. DIRKSEN. I yield to my friend. Mr. COCHRAN. The gentleman picks out those he would like to have eliminated. Why does he not ever pick out some he wants in there, like the Veterans' Bureau and other organizations? The gentleman would not vote to take them

Mr. DIRKSEN. Put them all in the motion, and I will vote for it.

Mr. COCHRAN. And the gentleman knows very well, if we did that, on the final roll call the bill would be defeated. and we are not going to do that for you.

Mr. DIRKSEN. Mr. Chairman, there is one thing that the gentlemen cannot say to me. They cannot shout in the wilderness and say, "Remember the 13th of August 1937-you voted for it; you voted for a far more drastic bill." Gentlemen, I did not vote for that bill. Oh, no, the record is still clean; but why do you not strike them all out and show faith with the Congress, and say that you have faith in the justice and in the capacity and in the general equitable principles of the gentleman in the White House, and let him do the job. Oh, no, no; there is nothing like that. You trust him as far as it pleases you, and then chide us for being against the President to cover up your own sins. Oh, ye of little faith.

Mr. MAY. Mr. Chairman, will the gentleman yield?

Mr. DIRKSEN. No: let me continue now. I hope one of the members of this Reorganization Committee—I hope one of the three, Mr. TABER, Mr. GIFFORD, or myself-will offer as a substitute when we read this bill tomorrow the bill introduced in the Senate by Senator BYRD, known as Senate 1706. There are 50 or 60 copies here for the Members. That bill is far more to my kidney than the one before us at the present time. It starts out in great fashion. It has a preamble. It says that the Congress hereby declares that a serious emergency exists.

You want this bill because there is an emergency. You have been shouting at us all of the time about economy and efficiency and drastic reorganization. If you are not hypocritical about it, you would have no objection to writing that preamble in the bill that an emergency exists and that there is imperative need for economy everywhere. There is another thing in the Byrd bill. It is to eliminate waste. That ought to be in this bill. He has got it in his bill. That makes it a better bill.

Mr. McCORMACK. Mr. Chairman, will the gentleman

vield?

Mr. DIRKSEN. In a moment. In addition, he carries exceptions in his bill, so that it is not different in that respect. Substantially the same agencies are exempted from reorganization, and that, of course, will appeal to those majority Members who have faith in the President, but not quite enough faith to trust him with the whole job of reorganization.

It says there shall be no continuation of the emergency agencies by virtue of the reorganization plan. Are you willing to go along with that or do you want to continue all of these emergency agencies in power? I like that statement in the Byrd bill. He provides that there shall be no new agencies created. If you are honest about economy and efficiency you will go along with that provision. He provides that there shall be no numerical increase in the agencies over what exist today. If you are fair about this thing you will go along with that provision in the Byrd bill.

Finally, it puts it on an affirmative basis. In other words, when a proposal to reorganize comes up action starts 1 hour after the 20 calendar days after its receipt by Congress. We take it or leave it. We throw it into the ash can or we approve it, but it cannot become effective by reason of failure or neglect or refusal of either branch of this Government to act. Is

that not infinitely better?

In that connection how skillfully the majority report was drawn. They point to this Supreme Court decision to show that it is perfectly legal for something to happen under a contingency. In other words, unless two-thirds of the tobacco planters in North Carolina fail to register their protest, certain tobacco quotas shall become effective, but how did that law get out of this House? How did it get out of this Congress? Was it by a negative vote? Certainly not. Did it get into the statutes automatically because of a failure or refusal on the part of Congress to act. Certainly not. It is law today because of affirmative action by the Congress. I am not interested in the incidence of that legislation. I am interested in protecting the integrity and procedure of the Congress of the United States. Not even the gentleman from North Carolina [Mr. WARREN] has the temerity to stand here and say that because of failure on the part of the Congress to act we placed some kind of a quota upon the tobacco farmers of North Carolina.

Mr. McCORMACK. Mr. Chairman, will the gentleman yield?

Mr. DIRKSEN. I yield to the gentleman from Massachusetts.

Mr. McCORMACK. In the event the Byrd bill should be substituted, would the gentleman vote for it?

Mr. DIRKSEN. Yes, sir. [Applause.] Make no mistake about it. I will vote for it. [Applause.]

Mr. MAY. Mr. Chairman, will the gentleman yield?

Mr. DIRKSEN. I yield.

Mr. MAY. I am wondering about section 5 of this bill, whether or not if a plan were sent back to the House of Representatives by the President, the House would be put in the attitude of a litigant who held the burden of proof in a court case, instead of in the position of a defendent who did not have to offer any proof at all.

Mr. DIRKSEN. The gentleman is right.

Mr. KELLER. Mr. Chairman, will the gentleman yield? Mr. DIRKSEN. Let me allude to one more thing. This, gentlemen, is very important. In the Byrd bill there is a provision that when the President submits a reorganization proposal it shall be accompanied by a detailed statement showing the increase or decrease in expenditures. What is the language of the House bill? It reads, "if the President deems it advisable." Oh! Courtesy from the legislative branch to the executive branch. But you do not save any dough with that kind of courtesy. When he sends us a reorganization proposal I want to know whether it will cost more or cost less. That is in the Byrd bill. That is why we should substitute the Byrd bill. I will go along with the gentleman, and I say that very advisedly to all of my good friends and colleagues on the Democratic side of the aisle. I will offer it tomorrow because it is affirmative, because it may really establish some economies without bartering away the legislative authority and power of the Congress.

I yield now to the gentleman from Illinois [Mr. Keller]. Mr. KELLER. How many others on your side will do that?

Mr. DIRKSEN. All of them. [Applause.]

Mr. KELLER. Of course, that answers it. Mr. DIRKSEN. And the Byrd bill can get through the Senate. So I say to you if you really want reorganization, if

you want to go along with a good affirmative bill and still preserve the prerogatives and procedure and integrity of the House, then you can join us as we offer the Byrd bill as a substitute for the bill that is now pending.

Mr. HOOK. Mr. Chairman, will the gentleman yield?

Mr. DIRKSEN. I yield.

Mr. HOOK. Has the gentleman conferred with Senator Byrn to determine whether or not he is opposed to this present bill, or whether he is offering that bill to try to spite the President of the United States? [Laughter.]

Mr. DIRKSEN. The gentleman ought not reflect upon a great statesman from the great State of Virginia. I never would have done it, I am sure. [Applause.]

Mr. Chairman, I yield back the balance of my time.

Mr. COCHRAN. Mr. Chairman, I yield 2 minutes to the gentleman from Indiana [Mr. Luplow].

Mr. LUDLOW. Mr. Chairman, I have asked for these 2 minutes in order that I may propound an inquiry to the gentleman from North Carolina [Mr. WARREN].

I look upon this bill, Mr. Chairman, with mixed emotions. I think the Government ought to be reorganized. I think there is a great field for service in rearranging activities so as to eliminate overlapping and waste now so glaringly in evidence; but I do not want to see, either directly or indirectly, any way left open for the establishment of any new governmental departments, because my experience on the Appropriations Committee tells me that when a governmental department is established it opens a pipe line straight into the United States Treasury.

The gentleman from North Carolina [Mr. WARREN] said a while ago that under this bill no new departments could be established. I know he means it, because he is a man of truth and honor. The part of the bill that relates to the abolishing and transfer of executive departments is contained in subsection (a) of section 3. It says:

No reorganization plan under section 4 shall provide

(a) For the abolition or transfer of an executive department or all the functions thereof—

I am asking the gentleman from North Carolina whether, for the purpose of clarification and to effectuate the identical purpose which he states is the object of the bill, he would be willing to accept an amendment I contemplate offering which would insert after the word "thereof" and before the semicolon, in line 4, on page 3, the following language:

Or for the establishment of any new executive department.

This would make it absolutely clear to everybody in this House that there is no intention of establishing any new executive department. It would relieve the bill altogether of its ambiguity in respect to the determination of Congress that no new departments shall be created, and I feel it would improve the character of the bill in the opinion of many Members of the House.

Mr. WARREN. Mr. Chairman, as has previously been stated, this bill specifically provides that no new department of the Government may be created. In order absolutely to clarify that, if there is any possible doubt, I will say that we will very gladly accept the amendment to be proposed by the gentleman from Indiana.

Mr. LUDLOW. The gentleman assures me he will accept the amendment.

Mr. ROBERTSON. Mr. Chairman, will the gentleman yield for a question?

Mr. LUDLOW. Yes.

Mr. ROBERTSON. Under the present bill, would the President have power to transfer the functions of a temporary agency, whose life would expire according to the terms of the act which created it, to a permanent agency or department, and thus continue indefinitely the function of the expiring agency?

Mr. WARREN. Yes; he would have a right to transfer a

function

Mr. ROBERTSON. And give permanent life to a temporary function in that way?

Mr. WARREN. The function would die when the agency

Mr. ROBERTSON. That is what I wanted to make clear. The Byrd bill contains a special paragraph that would not keep alive a temporary agency.

Mr. WARREN. He could not, of course, do it beyond the

expiration of the law.

Mr. COCHRAN. Mr. Chairman, may I ask how much time I have remaining?

The CHAIRMAN. The gentleman from Missouri has 18½

minutes remaining.

Mr. COCHRAN. Mr. Chairman, I yield 7 minutes to the

Mr. COCHRAN. Mr. Chairman, I yield 7 minutes to the gentleman from Massachusetts [Mr. McCormack].

Mr. McCORMACK. Mr. Chairman, I was very much interested in listening to the reply of my distinguished friend, the gentleman from Illinois [Mr. DIRKSEN], when I asked him if he would vote for the passage of the Byrd bill. I expected, naturally, the answer he gave, because the Byrd bill, with the exception of the 20-day provision, contains nothing but existing law. I have the greatest respect for the Senator from Virginia, and anything I say is under no condition to be construed as criticism of him; but his bill, with the exception I have stated, as I see it, carries into effect nothing but existing law. The President now has the power, but you and I as practical men know that if the President sends up recommendations with reference to a reorganization, whether the President is Franklin Roosevelt, former President Hoover, the late President Coolidge, or the late President Harding, because of bureaucratic influence that exists, the Congress would not pass the necessary enabling resolution that would carry into effect the reorganization recommendations of any President.

This debate has brought out some very interesting indications not only to you and me, but to the American people. Last fall we had an election, and the Republican Party in this House made some substantial increases. I respect every Member, old and new; but most of those increases, I submit, as one analyzes the votes, were due to local conditions. [Laughter.] Oh, you can laugh, you can laugh. In Massachusetts they did not discuss a national issue. We know in Massachusetts what the reason was. In Connecticut no national issues were discussed. The results in Connecticut were due to local conditions. The same is true of Rhode Island and of Pennsylvania in the main.

Mr. KELLER. And in Illinois.

Mr. McCORMACK. Illinois, Ohio, and Michigan. There local conditions contributed. I cannot speak about the other States because I have no knowledge upon which to base an abiding opinion.

What I say is no way derogatory and is not intended in derogation of any new Republican Member, but I have seen since the first of the year the older members of the Republican Party engaging in "the work-up," as we call it—and we have all participated in bodies, social, fraternal, or otherwise, where "the work-up" was engaged in, "the working up" of new Members to bring about, as the distinguished gentleman from Pennsylvania [Mr. Ditter] said a few days ago in the press, "mass voting on the part of the Republican Members." What have we seen? Speaking now to the

Democratic side. We have heard the gentleman from Massachusetts [Mr. Gifford] say:

I do not trust the President of the United States.

If I did not know the gentleman as well as I do I would say it was a message of hatred. We have heard the gentleman from Kansas [Mr. Lambertson] say:

The man in the White House is not the man to reorganize the Government.

If I did not know the gentleman I would say it was a message of hatred. We have heard the gentleman from New York [Mr. Fish] say:

The Republican Party has no faith or confidence in the President.

If I did not know the gentleman from New York [Mr. Fish] I would say, "A message of hatred." We have heard others assert they had no faith in the President of the United States. What a message from the minority party—I do not say all the members of it, but for the minority party, as such, to send to the people of the United States.

The minority party has been doing nothing but chastising ever since Congress met. We Democrats have sat here in a tolerant mood listening to them, listening to their remarks, remarks which constituted insults not only to the President as an individual, but to the President and to the office of the President of the United States. I have never said an unkind word yet about the President of my country, and I served under the late Calvin Coolidge for several months, and I served during the 4 years that former President Hoover was in the White House.

Mr. SCHAFER of Wisconsin. Mr. Chairman, will the gen-

tleman yield?

Mr. McCormack. My time is so limited I cannot yield. I have nothing but respect for former President Hoover. As far as I can remember I voted for every program and every bill he recommended to enable him to try and put his program into effect. But I would never say under any conditions, even the most emotional imaginable, that I have not got faith in the President of the United States, any President of the United States, and never would I have said that or even thought that while former President Hoover or the late President Calvin Coolidge was President of the United States.

Oh, yes; "anybody else," they say, and "we would vote for this bill." That is the message to decent thinking Americans, that the minority party has no constructive program, that the minority party is not making constructive criticism which is one of its functions. Under no conditions should the minority party simply oppose; its duty is to go along on constructive legislation. The Republican Party has failed to perform this duty.

The minority party has no constructive program. Its program is sniping. That is the only way I can characterize it. They are simply engaging in sniping tactics. This small

thing and that small thing.

Now, let us discuss the bill. The bill eliminates practically all of the provisions that were objectionable to some Members last year. Practically the entire press of the United States is unanimous in support of the passage of reorganization legislation. The press of the United States—Republican, Democratic, and Independent—as a result of the introduction of this bill, have all, with as great unanimity as possible, approved the bill and approved editorially its passage.

Mr. Chairman, I submit that the opposition to this bill is not sincere. I submit that what the gentleman from North Carolina [Mr. Warren] said is correct—that the Republican Party would oppose any bill recommended by the President. They are not against reorganization. They are against Presi-

dent Franklin Delano Roosevelt.

[Here the gavel fell.]

Mr. COCHRAN. Mr. Chairman, I yield the balance of my time to the gentleman from Illinois [Mr. Beam].

Mr. BEAM. Mr. Chairman, in the closing period of this debate, we sometimes give vent to our feelings, commingled

with sentiment and affection, as it were, and also in the excitement of the hour and the tenseness of the moment we unwarrantedly and unintentionally sometimes speak in harsh and pungent tones. This has prevailed throughout the Chamber during the course of the debate on the pending bill. I assure my colleague from Illinois [Mr. Dirksen] the sentiments and imputations of the gentleman from North Carolina [Mr. WARREN] were not meant to impugn the noble motives of the two distinguished and able gentlemen Mr. GIFFORD, of Massachusetts, and Mr. Taber, of New York, who have served so effectively and well upon this committee. I may say that during their service, since the organization of the committee, they have contributed their thoughts, their beliefs, their sentiments, and the philosophy which they preach and practice, but I also want to say to my fellow Democrats here today that that philosophy has been the dogma of the Republican Party and we have not received much succor or support when any Democratic thoughts or principles were written or incorporated in the pronouncement of this contemplated legislation.

The distinguished gentleman from Illinois, during the course of his discussion, proposed the interrogatory "Why is this bill here?" when he states as a matter of fact the present budgetary law enacted in 1921 adequately clothed the President of the United States with power sufficient to put into force and effect the functions he requests and which we are now trying to enact into the law of the land. The only answer I can make to the gentleman from Illinois and to my distinguished colleagues on the left of the aisle is, that from 1921 to 1932 no affirmative action was taken by the Republican Presidents who so nobly, patriotically, and loyally, as the gentleman stated, served their country during that period. Not one affirmative action was taken under the blanket control or power which my colleague from Illinois so forcibly stated the present Chief Executive of the Nation is adequately empowered.

But, Members of the House, contrary to the logic or reason of the gentleman, we find President Hoover, in a special message to Congress, requested a delegation of power to organize the Federal Government. The House of Representatives at that time had a Democratic majority, but, notwithstanding that fact, a Democratic Speaker, the present Vice President of the United States, and a Democratic committee, brought out the bill and conferred upon Mr. Hoover greater powers than any peacetime President ever enjoyed since the founding of the Republic. We were not motivated or prompted by partisan motives, but animated with a desire to do all in our power to combat the devastating and devitalizing effects of the depression for the welfare of humanity and the security of the country. But, as the gentleman from North Carolina pointed out, when we were about to write President Hoover's recommendations into the basic law of this Nation, his then Director of the Budget, Colonel Roop, appeared before the committee and stated: "Those plans will not work, and if you take my advice you will reject them."

Mr. Chairman, those are the facts in the case and when all the verbiage, the temper of the moment is passed, we come down to the basic principle of whether or not we want to write into law now the pronouncements of economy which the gentlemen on the left of the aisle have preached so loudly and vociferously not only here in Congress but throughout the country since Franklin D. Roosevelt became President of the United States.

Mr. Chairman, something was said about the silence of the press at the present time relative to the pending measure. We cannot very well forget that in 1938 there was a national political campaign throughout America in which the gentlemen on the left of the aisle were active participants. We very well remember how the press of the Nation during the time this proposed legislation was before the House publicized and characterized the measure as a "dictator's bill" and unsparingly and severely criticized and condemned all who supported the bill as "arch betrayers of the country," saying that we abdicated the rights of the Congress of the United States and violated our oaths as Congressmen.

What is the fact today? There is not a newspaper in the Nation today that opposes this bill. There is not a reasonable, reputable string of newspapers from one side of this country to the other that comes out and tells you not to support the pending measure. You have received no direct communication from the folks at home telling you not to vote for the bill. In making this statement, I want to refer to the remarks made by the gentleman from Wisconsin [Mr. KEEFEl yesterday, in which he stated that those who voted for this bill were defeated because of the stand they took on the reorganization proposal.

I want to caution him that I was just advised by the very able and distinguished chairman of the committee [Mr. COCHRAN] that the following Members from the great and illustrious State of Wisconsin, Messrs. Amlie, Sauthoff, Withrow, Boileau, Schneider, and others, all voted against the reorganization bill at the last session, and, parenthetically and as paradoxical as it seems, were left at home. [Applause.]

Mr. Chairman, this is not a partisan measure. It greatly transcends partisan politics. We have made great strides in the development of our country in the 150 years since the formation of the First Congress.

No one could have listened to the eloquent and scholarly speech of our learned Speaker, or the sound and logical arguments of Chief Justice Hughes, of the Supreme Court, or the far-reaching, effective, and inspiring address of the President of the United States, without feeling a sense of pride in the great advances we have made from those formation days in New York 150 years ago.

The operation of government has become greatly enlarged and enhanced since that time. It logically follows that with this great advancement necessary changes and circumstances must be encountered in our various departments to effectively meet the conditions as now prevail.

Questions which confront us today are vastly different than those which engaged our attention in days gone by. Every Member of the House knows there are governmental agencies which have been in operation since the World War which have outlived their usefulness. Today they perform no necessary governmental function and must be terminated either by failing to appropriate adequate funds for them or by legislative enactments which will dispose of them.

Mr. Chairman, if we are interested in economy, if we are serious in putting into effect the economies so earnestly advocated by the minority Members from 1932 up to the present time, then I call upon the distinguished Republican Members of the House to join with us in enacting this bill into law to bring about their desired and often requested economy program. This is a time when economy must be practiced in government. We must serve notice to the American businessmen that we have placed our own house in order. We must give the business of the Nation some effective assurance, not of governmental impediments but of governmental cooperation. To the end and purpose of once more starting the wheels of industry upon a sound basis, so that we can reduce our relief rolls and again return the vast army of the unemployed to private industry.

If the passage of the reorganization bill accomplished nothing more than this, I respectfully commend it for the serious consideration of every Member of the House.

The declaration of policy and philosophy enunciated in the following sentences commends this bill for passage to anyone who is animated with a real desire of public service.

- (1) To reduce expenditures to the fullest extent consistent with the efficient operation of the Government;
 (2) To increase the efficiency of the operations of the Government to the fullest extent practicable within the revenues;
- (3) To group, coordinate, and consolidate executive agencies of the Government, as nearly as may be, according to major purposes;
 (4) To reduce the number of such agencies by consolidating those having similar functions under a single head and to abolish such agencies or such functions thereof as may not be necessary for the efficient conduct of the Government; and
 (5) To eliminate overlapping and duplication of effort.
 - (5) To eliminate overlapping and duplication of effort.

In the course of the debate some mention was made of the pending Byrd bill, introduced in the Senate. Personally, at the present time I know nothing about the contents of that proposal, but I do know that the most effective argument that has been made on the floor of the House in support of this bill was made by the distinguished gentleman from North Carolina on yesterday when he enumerated some of the agencies which the distinguished and learned Senator from Virginia called to the attention of the country and which for the sake of the RECORD I am again repeating:

There have been at least 29 agencies concerned with lending Government funds, according to reports taken from Government

There have been at least three agencies concerned with insuring

deposits and loans.

There have been at least 34 agencies concerned with the acquisition of land. There have been at least 16 agencies concerned with wildlife

preservation.

There have been at least 10 agencies concerned with Government

construction. There have been at least nine agencies concerned with credit

There have been at least a dozen agencies concerned with home

and community planning.

There have been at least 10 agencies concerned with materials

of construction.

There are more than twoscore personnel officers for the Government listed in Washington offices alone.

There are more than 100 information and publication offices in Federal agencies in Washington.

There are more than 100 Federal agency libraries in Washington

besides the Library of Congress.

The Federal Government operates an average of one motor vehicle for every 1,200 people in the United States, and they travel enough miles every year to traverse nearly every highway in the

This in itself is an argument more convincing than anyone could utter here today as to why this proposed reorganization plan should be written into law in order to effectuate and to obtain these much-needed reforms.

In the closing hours of this debate I was a little chagrined when the distinguished gentleman from Pennsylvania [Mr. DITTER] stated that under the present administration there has been a profligate and wasteful expenditure of money.

How fleeting is time and how quick is the human mind to forget the great catastrophe which engulfed our entire nation in 1933 when President Franklin D. Roosevelt assumed control of our National Government. Impoverished and hungry people clamored at the very doors of the Capitol for food and sustenance. What might have happened had we failed to alleviate their suffering I sometimes shudder to contemplate.

By speedy legislative enactment we passed the necessary relief measures. We saved their homes and their farms. We guaranteed their bank deposits. We initiated a program of public works. We passed measures pertaining to the social well-being and security of our people. We instilled into the hearts and breasts of our citizens a new hope and confidence in the integrity of our Government.

Irrespective of your political affiliations, my fellow colleagues, do you believe those actions come within the category characterized by the gentleman from Pennsylvania as profligate and wasteful expenditures of the people's money?

Mr. Chairman, by the passage of this proposed legislation we have an opportunity to take a forward step in the accomplishment of a much-desired and much-cherished hope.

The Nation awaits our answer today. I appeal to you to adopt this measure on the grounds of national expediency and national economy.

I have confidence in the high purpose and noble spirit which has always imbued and animated the Members of this distinguished and august body. [Applause.]

[Here the gavel fell.]

The CHAIRMAN. The time of the gentleman from Illinois has expired. All time has expired. The Clerk will read. The Clerk read as follows:

Be it enacted, etc., That this act may be cited as the "Reorganization Act of 1939."

TITLE I-REORGANIZATION

PART I

SECTION 1. (a) The President shall investigate the organization of all executive agencies of the Government and shall determine what changes therein are necessary to accomplish the following

(1) To reduce expenditures to the fullest extent consistent with the efficient operation of the Government;
(2) To increase the efficiency of the operations of the Government to the fullest extent practicable within the revenues;
(3) To group, coordinate, and consolidate executive agencies of the Government, as nearly as may be, according to major purposes;
(4) To reduce the number of such agencies by consolidating those having similar functions under a single head, and to abolish such agencies or such functions thereof as may not be necessary for the efficient conduct of the Government; and
(5) To eliminate overlapping and duplication of effort.

(5) To eliminate overlapping and duplication of effort.
(b) The Congress declares that the purposes specified in subsection (a) may be accomplished in great measure by proceeding immediately under the provisions of this title, and can be accomplished more speedily thereby than by the enactment of specific legislation.

Mr. COCHRAN. Mr. Chairman, I move that the Committee do now rise.

The motion was agreed to.

Accordingly the Committee rose; and the Speaker having resumed the chair, Mr. McCormack, Chairman of the Committee of the Whole House on the state of the Union, reported that that Committee, having had under consideration the bill (H. R. 4425) to provide for reorganizing agencies of the Government, and for other purposes, had come to no resolution thereon.

FURTHER MESSAGE FROM THE SENATE

A further message from the Senate, by Mr. Crockett, its Chief Clerk, announced that the Senate agrees to the amendment of the House to a bill of the Senate of the following title:

S. 660. An act to amend the Agricultural Adjustment Act of 1938, as amended, to provide for the reapportionment of cotton acreage allotments not planted by farmers entitled

The message also announced that the Senate disagrees to the amendment of the House to the amendment of the Senate numbered 13 to the bill (H. R. 2868) entitled "An act making appropriations to supply deficiencies in certain appropriations for the fiscal year ending June 30, 1939, to provide supplemental appropriations for the fiscal year ending June 30, 1939, and for other purposes"; it still further insists upon its amendments numbered 13 and 23 to the said bill, disagreed to by the House; requests a still further conference with the House on the disagreeing votes of the two Houses thereon, and appoints Mr. Adams, Mr. Glass, Mr. McKellar, Mr. HAYDEN, Mr. BYRNES, Mr. HALE, and Mr. Townsend to be the conferees on the part of the Senate.

INDEPENDENT OFFICES APPROPRIATION BILL, 1940

Mr. WOODRUM of Virginia. Mr. Speaker, I ask unanimous consent to take from the Speaker's table the bill (H. R. 3743) making appropriations for the Executive Office and sundry independent executive bureaus, boards, commissions, and offices for the fiscal year ending June 30, 1940, and for other purposes, with Senate amendments, further insist on the disagreement to the Senate amendments, and agree to the conference requested.

The SPEAKER. The gentleman from Virginia asks unanimous consent to take from the Speaker's table the bill H. R. 3743, further insist on the disagreement to the Senate amendment, and agree to the conference requested. Is there objection?

Mr. WADSWORTH. Reserving the right to object, Mr. Speaker, merely for the purpose of addressing a question to the chairman, may I ask if the amendment relating to the reenlistment allowance is still in disagreement?

Mr. WOODRUM of Virginia. Nothing has been done on this since it was acted on in the House, I may say to the gentleman. I understand the Senate has further insisted on its amendment.

Mr. WADSWORTH. The gentleman's request is that the House further insist on its disagreement to the Senate amendment?

Mr. WOODRUM of Virginia. That the House further insist on its disagreement, which throws the amendment back into conference again and makes it come back here for a

The SPEAKER. Is there objection to the request of the gentleman from Virginia? [After a pause.] The Chair

hears none and appoints the following conferees: Messrs. WOODRUM of Virginia, Johnson of Oklahoma, FITZPATRICK, Houston, Starnes, Wigglesworth, Dirksen, and Case of South Dakota.

FIRST DEFICIENCY BILL, 1940

Mr. WOODRUM of Virginia. Mr. Speaker, I ask unanimous consent to take from the Speaker's table the bill (H. R. 2868) making appropriations to supply deficiencies in certain appropriations for the fiscal year ending June 30, 1939, to provide supplemental appropriations for the fiscal year ending June 30, 1939, and for other purposes, further insist on the disagreement of the House to the amendments of the Senate and agree to the conference asked by the Senate.

The SPEAKER. The gentleman from Virginia asks unanimous consent to take from the Speaker's table the bill (H. R. 2868) further insist on the disagreement of the House to the amendments of the Senate and agree to the conference asked by the Senate. Is there objection? [After a pause.] The Chair hears none and appoints the following conferees: Messrs. Taylor of Colorado, Woodrum of Virginia, Cannon of Missouri, Ludlow, McMillan, Snyder, O'Neal, Johnson of West Virginia, Taber, Wigglesworth, Lambertson, and DITTER.

EXTENSION OF REMARKS

Mr. DIRKSEN. Mr. Speaker, I ask unanimous consent to revise and extend the remarks I made this afternoon.

The SPEAKER. Is there objection to the request of the gentleman from Illinois?

There was no objection.

The SPEAKER. The Chair may state to the gentleman from Illinois that by unanimous consent heretofore granted, all Members are entitled to 5 legislative days within which to revise and extend their own remarks on the pending bill.

IMMIGRATION, DEPORTATION, NATURALIZATION, AND EXPATRIATION

Mr. COLMER, from the Committee on Rules, submitted the following privileged report for printing in the RECORD under the rule:

House Resolution 115

Resolved, That the Committee on Immigration and Naturaliza-Resolved, That the Committee on Immigration and Naturalization be, and it hereby is, authorized and directed (1) to make a study of all existing statutes, Executive orders, rules, regulations, instructions, and general orders which relate to immigration, deportation, naturalization, and expatriation; (2) to make a study of dual nationality in the United States; (3) to investigate the unlawful entry and smuggling of aliens into the United States and effective methods and laws to overcome this problem; (4) to conduct other necessary studies as may be helpful to Congress in establishing new legislative policies on immigration, deportation, naturalization, and expatriation; and (5) to study all other questions in relation to the foregoing that may aid Congress in any necessary remedial legislation and in the creation of separate codes of law relating to immigration, deportation, naturalization, and expatriation.

or law relating to immigration, deportation, naturalization, and expatriation.

The said committee, or any subcommittee thereof, is hereby authorized to request and secure, for the purposes of this resolution, the cooperation of, the production of records and rules and regulations of, and the assistance of such personnel under the Secretary of Labor, the Secretary of State, and the Attorney General, and the services, bureaus, or offices under their respective jurisdiction, as may be deemed necessary by the committee.

The said committee shall report to the House and there shall be filed by, or in behalf of, such committee and to be deemed as parts of such committee report four bills proposing a comprehensive codification of all existing statutes, Executive orders, rules, regulations, instructions, and general orders (with such repeals, amendments, enlargements, and other changes deemed necessary by the committee) relating to each of four general subjects as follows: One bill to propose an immigration code, one bill to propose a deportation code, one bill to propose a naturalization code, and one bill to propose an expatriation code. Such bills shall provide for such proper legislative coordination as the committee may deem necessary for effective administration of the four proposed codes by the executive officers charged with the duty of enforcing the law. enforcing the law.

For the purposes of this resolution, the said committee or any subcommittee thereof is hereby authorized to sit and act at such times and places within the United States, whether the House is sitting or has recessed or has adjourned, to hold such hearings, to require the attendance of such witnesses and the production of such books or papers or documents or vouchers by subpena or otherwise, to take such testimony and records, as it deems necessary. Subpenas shall be issued under the signature of the Speaker of the House at the request of the chair-man of the committee and shall be served by the Sergeant at Arms of the House or by such person or persons as may be designated by him. The chairman of the committee or any member of the committee may administer oaths to witnesses. Every person who, having been summoned as a witness by authority of said special committee or any subcommittee thereof, or having been required to produce necessary books or papers or documents or vouchers by authority of said special committee or any subcommittee thereof, willfully makes default, or who, having appeared, refuses to answer any question pertinent to the study and investigation heretofore authorized, or who fails to produce such books or papers, or documents or vouchers as required by subpenas, shall be held to the penalties provided in section 102 of the Revised Statutes of the United States (U. S. C., title 2, sec. 192), as amended. 192), as amended.

EXTENSION OF REMARKS

Mr. RANDOLPH. Mr. Speaker; I ask unanimous consent to extend my remarks in the RECORD in two particulars, first, by including a communication sent by the President to the National Aviation Forum, and, also, to include as an extension of my remarks an editorial from this afternoon's Washington Evening Star with respect to a permanent publicworks program.

The SPEAKER. Is there objection to the requests of the gentleman from West Virginia?

There was no objection.

Mr. ANDERSON of Missouri. Mr. Speaker, I ask unanimous consent to extend my own remarks in the RECORD and to include therein a statement of Hon. J. M. ELIZALDE, Resident Commissioner of the Philippines.

The SPEAKER. Is there objection to the request of the

gentleman from Missouri?

There was no objection.

Mr. WHITE of Idaho. Mr. Speaker, earlier in the session I asked and secured permission to extend my remarks in the RECORD and to include a communication by a number of economists. Due to pressure of work, I was unable to prepare the matter, and I now renew the request.

The SPEAKER. Is there objection to the request of the

gentleman from Idaho? There was no objection.

Mr. COFFEE of Washington. Mr. Speaker, I ask unanimous consent to extend my own remarks in the RECORD and to include a brief epistle from a constituent, Ray N. Davis.

The SPEAKER. Is there objection to the request of the

gentleman from Washington?

There was no objection. Mr. SCHAFER of Wisconsin. Mr. Speaker, I ask unanimous consent to extend my own remarks in the RECORD on the question of the New Deal aviation scandal, and to include therein brief extracts from documentary records.

The SPEAKER. Is there objection to the request of the

gentleman from Wisconsin?

There was no objection.

Mr. HANCOCK. Mr. Speaker, I ask unanimous consent to extend my own remarks in the RECORD and to include therein a brief quotation from a recent message by Governor Lehman to the New York State Legislature.

The SPEAKER. Is there objection to the request of the gentleman from New York?

There was no objection.

Mr. HAWKS. Mr. Speaker, I ask unanimous consent to extend my own remarks in the RECORD and to include therein an article written by Mr. Fred H. Clausen, on Six Years of Job Insurance in Wisconsin, which appears in Nation's Business

The SPEAKER. Is there objection to the request of the gentleman from Wisconsin?

There was no objection.

Mr. BRADLEY of Michigan. Mr. Speaker, I ask unanimous consent to extend my own remarks in the RECORD on the bill (H. R. 4425).

The SPEAKER. Is there objection to the request of the gentleman from Michigan?

There was no objection.

Mr. GORE. Mr. Speaker, I ask unanimous consent to extend my remarks in the RECORD by including a brief resolution from the Legislature of Tennessee.
The SPEAKER. Is there objection?

There was no objection.

Mr. THORKELSON. Mr. Speaker, I ask unanimous consent to extend my remarks in the Record on the reorganization bill.

The SPEAKER. Is there objection?

There was no objection.

Mr. MAPES. Mr. Speaker, I ask unanimous consent to extend my remarks in the Record and to include therein an address delivered by the Republican minority leader, the gentleman from Massachusetts [Mr. Martin], on the Republican Viewpoint over the National Broadcasting Co. National Radio Forum on March 6.

The SPEAKER. Is there objection?

There was no objection.

LEAVE TO ADDRESS THE HOUSE

Mr. DICKSTEIN. Mr. Speaker, I ask unanimous consent that on Thursday next, after the disposition of business on the Speaker's table and the legislative program of the day, I be permitted to address the House for 20 minutes.

The SPEAKER. Is there objection?

There was no objection.

WILLIAM BROWNRIGG

Mr. RAMSPECK. Mr. Speaker, I ask unanimous consent to proceed for 5 minutes.

The SPEAKER. Is there objection?

There was no objection.

Mr. RAMSPECK. Mr. Speaker, on February 22 the gentleman from Michigan [Mr. Hoffman] addressed the House and criticized the Attorney General in regard to the appointment of a personnel director. He used this language:

Mr. Murphy poses—and it is a pose—as a friend of the civil service. In that connection let me here quote what was said in the Times-Herald this morning by George Reilly, on the spoils system.

He then inserted an article in the Record by Mr. Reilly criticizing the appointment of Mr. William Brownrigg as Personnel Director of the Department of Justice. The article intimates that the appointment of Mr. Brownrigg was not in accordance with the civil-service law and procedure. The facts ought to be known to the House, and that is the purpose of my statement here this afternoon.

Under date of August 15, 1938, the United States Civil Service Commission announced an examination for Director of Personnel. This was given noncompetitively to those already in the Federal service and was given competitively

to those not in the Federal service.

One of those taking the open competitive examination was Mr. William Brownrigg, of Lansing, Mich., who obtained a rating of 93.40 for the position of Director of Personnel. Based upon his experience and qualifications, Mr. Brownrigg attained a rating of No. 1 on the open competitive register and was certified by the Civil Service Commission to the Department of Justice on February 21, 1939.

Mr. Brownrigg was born in Michigan and graduated from the University of Michigan in 1917. He served as an enlisted man and an officer in the United States Army from 1917 to 1919, including service in the A. E. F. He has been engaged in personnel administration and related duties for a large period of the time since 1920. From 1931 to 1937 he was in charge of the staff of the State Personnel Board of the State of California in connection with the administration of the merit system, his position being chief of division of personnel and organization.

From 1937 to 1939 he has been State personnel director of the State of Michigan, installing and administering a State civil-service system in the State of Michigan government. Mr. Brownrigg has taken an active leadership in public per-

sonnel activities for many years.

Mr. Speaker, I am not personally acquainted with the Attorney General, but he needs no defense at my hands. The fact is that in making this appointment he not only followed the rules and regulations and the law relating to the appointment but he selected the No. 1 eligible on the list, who happened to be Mr. Brownrigg, of the State of Michigan. I think it ill becomes a Member of this House, because he personally dislikes an official of the Government, to misstate the facts in regard to an appointment, as was done in this case. He

should have ascertained the facts before making such a charge. I am putting the facts into the Record in order to show that the Attorney General followed the law and the regulations and selected a man who in my judgment is eminently qualified for the position and will, I am quite sure, fill it to the satisfaction of all concerned.

EXTENSION OF REMARKS

Mr. HORTON. Mr. Speaker, I ask unanimous consent to extend my own remarks and to include therein a joint memorial, No. 3, from the Legislature of Wyoming, having to do with two oil bills that amend the Federal Oil Leasing Act of 1920.

The SPEAKER. Is there objection?

There was no objection.

Mr. HORTON. Also, Mr. Speaker, I ask unanimous consent to include a joint memorial from the State of Wyoming, memorializing the Congress of the United States to consider means for protecting the livestock industry which is seriously threatened by the importation of meat and meat products.

The SPEAKER. Is there objection?

There was no objection.

Mr. HORTON. Also, Mr. Speaker, I ask unanimous consent to extend my remarks and to include an editorial that appeared in the News and Courier of Charleston, S. C., entitled "In These Six Years," an editorial by a southern gentleman, giving his impression of these things that have taken place during the last 6 years. I find it very instructive, and I think it may well be worth including in the Record.

The SPEAKER. Is there objection to the request of the gentleman from Wyoming?

There was no objection.

SENATE CONCURRENT RESOLUTION REFERRED

A concurrent resolution of the Senate of the following title was taken from the Speaker's table and, under the rule, referred as follows:

S. Con. Res. 3. Concurrent resolution authorizing the Temporary National Economic Committee of the Congress to have printed for its use additional copies of all parts of its hearings held in connection with a complete study and investigation with respect to the concentration of economic power in, and financial control over, the production and distribution of goods and services; to the Committee on Printing.

ADJOURNMENT

Mr. COCHRAN. Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to; accordingly (at 4 o'clock and 45 minutes p. m.) the House adjourned until tomorrow, March 8, 1939, at 12 o'clock noon.

COMMITTEE HEARINGS

COMMITTEE ON RIVERS AND HARBORS

The Committee on Rivers and Harbors will meet Wednesday, March 8, 1939, at 10:30 a.m., to continue hearings on H. R. 3222 and H. R. 3223, bills for the completion of the construction of the Atlantic-Gulf Ship Canal across Florida.

COMMITTEE ON IMMIGRATION AND NATURALIZATION

There will be a meeting of the Committee on Immigration and Naturalization in room 445 of the House Office Building at 10:30 a. m. Wednesday, March 8, 1939, for the public consideration of H. R. 4100 and H. R. 4646, and on private bills H. R. 4353, H. R. 4354, H. R. 4357, and H. R. 4358.

COMMITTEE ON INDIAN AFFAIRS

There will be a meeting of the Committee on Indian Affairs on Wednesday, March 8, 1939, at 10:30 a. m., for the consideration of H. R. 4535, H. R. 3367, H. R. 4403, and H. R. 4679.

COMMITTEE ON FOREIGN AFFAIRS

There will be a meeting of the Committee on Foreign Affairs Wednesday, March 8, 1939, at 11 a.m., in the committee rooms, Capitol, for the consideration of the following: H. Res. 107—requesting the President to furnish the House of Representatives data in regard to seizure of certain American property in Mexico.

COMMITTEE ON INTERSTATE AND FOREIGN COMMERCE

There will be a meeting of the Committee on Interstate and Foreign Commerce at 10 a.m. Wednesday, March 8, 1939. Business to be considered: Railroad rate differentials.

COMMITTEE ON MERCHANT MARINE AND FISHERIES

The Committee on Merchant Marine and Fisheries will hold public hearings in room 219, House Office Building, Washington, D. C., at 10 a. m. Thursday, March 9, 1939, on the bill (H. R. 4307) to extend the provisions of the Shipping Act, 1916, and the Intercoastal Shipping Act, 1933, to all common carriers by water in interstate commerce, and for other purposes.

The Committee on Merchant Marine and Fisheries will hold public hearings in room 219, House Office Building, Washington, D. C., at 10 a. m., on the bills and dates listed below:

Tuesday, March 14, 1939:

H. R. 180, H. R. 202, construction of a Nicaraguan Canal; H. R. 201, additional facilities for Panama Canal; H. R. 2667, construction of a Mexican Canal.

In listing the bills to be heard on March 14, 1939, House Joint Resolution 112 (Tinkham), to create a commission to study and report on the feasibility of constructing the Mexican Canal, was inadvertently omitted from the notice.

This is to advise all interested parties that House Joint Resolution 112 will be considered at that time with the following bills: H. R. 180 (IZAC), relative to the construction of a Nicaraguan Canal; H. R. 202 (BLAND), relative to the construction of a Nicaraguan Canal; H. R. 201 (BLAND), need for additional lock facilities at Panama; H. R. 2667 (TINK-HAM), relative to the construction of a Mexican Canal.

Tuesday, March 21, 1939:

H. R. 137, H. R. 980, H. R. 1674, relating to annuities for Panama Canal construction force.

Thursday, March 23, 1939:

H. R. 141, H. R. 142, H. R. 1819, miscellaneous Panama Canal bills.

Tuesday, March 28, 1939:

H. R. 197, relating to the clearance of vessels; H. R. 199, relating to the allotment of wages by seamen; H. R. 200, relating to foreign towboats towing between American ports; H. R. 1780, relating to penalties on certain undocumented vessels and cargoes engaging in the coastwise trade or the fisheries; H. R. 1782, relating to change of masters of vessels. Wednesday, March 29, 1939:

H. R. 198, relating to the measurement of vessels; and H. R. 132, authorizing the use of condemned Government vessels for breakwater purposes.

Tuesday, April 4, 1939:

H. R. 3209, making it a misdemeanor to stow away on vessels; H. R. 3398, regarding the down payment of construction of new vessels; H. R. 3935, relating to the discharge of seamen. Wednesday, April 5, 1939:

H. R. 3052, uniform insignia for Naval Reserve radio operators.

COMMITTEE ON THE PUBLIC LANDS

There will be a meeting of the Committee on the Public Lands on Wednesday, March 15, 1939, at 10 a. m., in room 328, House Office Building, to consider H. R. 3794, to establish John Muir-Kings Canyon National Park, Calif., to transfer thereto the lands now included in the General Grant National Park, and for other purposes.

There will be a meeting of the Committee on the Public Lands on Thursday, March 23, 1939, at 10 a.m., in room 328, House Office Building, to consider H. R. 3759, to authorize a National Mississippi River Parkway and matters relating thereto.

COMMITTEE ON THE JUDICIARY

Beginning at 10 a.m. on Wednesday, March 22, 1939, there will be a hearing held before the Subcommittee No. 4 of the Committee on the Judiciary on House Joint Resolution 176, declaring the conservation of petroleum deposits underlying submerged lands adjacent to and along the coast of California, below low-water mark and under the territorial waters of the United States of America, essential for na-

tional defense, maintenance of the Navy, and regulation and protection of interstate and foreign commerce; reserving the same as a naval petroleum reserve, subject to any superior vested right, title, or interest; and authorizing appropriate judicial proceedings to assert, ascertain, establish, and maintain the right and interest of the United States of America in such reserve and to eject trespassers.

EXECUTIVE COMMUNICATIONS, ETC.

Under clause 2 of rule XXIV a letter from the Secretary of the Navy, transmitting the draft of a proposed bill to authorize the Secretary of the Navy to grant to the city of San Diego for street purposes two parcels of land situate in the city of San Diego and State of California, was taken from the Speaker's table and referred to the Committee on Naval Affairs (H. Doc. 496).

REPORTS OF COMMITTEES ON PUBLIC BILLS AND RESOLUTIONS

Under clause 2 of rule XIII,

Mr. BLAND: Committee on Merchant Marine and Fisheries. H.R. 4246. A bill to authorize necessary facilities for the Coast Guard in the interest of national defense and the performance of its maritime police functions; without amendment (Rept. No. 125). Referred to the Committee of the Whole House on the state of the Union.

Mr. ELLIOTT: Committee on the Disposition of Executive Papers. House Report No. 126. Report on the disposition of records in the Federal Housing Administration. Ordered to be printed.

Mr. ELLIOTT: Committee on the Disposition of Executive Papers. House Report No. 127. Report on the disposition of records in the United States Fuel Administration. Ordered to be printed.

Mr. ELLIOTT: Committee on the Disposition of Executive Papers. House Report No. 128. Report on the disposition of records in the United States Maritime Commission. Ordered to be printed.

Mr. ELLIOTT: Committee on the Disposition of Executive Papers. House Report No. 129. Report on the disposition of records of the census of partial employment, unemployment, and occupations. Ordered to be printed.

Mr. ELLIOTT: Committee on the Disposition of Executive Papers. House Report No. 130. Report on the disposition of records in the Veterans' Administration. Ordered to be printed.

Mr. ELLIOTT: Committee on the Disposition of Executive Papers. House Report No. 131. Report on the disposition of records in the Department of Agriculture. Ordered to be printed.

Mr. ELLIOTT: Committee on the Disposition of Executive Papers. House Report No. 132. Report on the disposition of records of the Panama Canal. Ordered to be printed.

Mr. ELLIOTT: Committee on the Disposition of Executive Papers. House Report No. 133. Report on the disposition of records in the Department of the Interior. Ordered to be printed.

Mr. ELLIOTT: Committee on the Disposition of Executive Papers. House Report No. 134. Report on the disposition of records in the Department of State. Ordered to be printed.

Mr. ELLIOTT: Committee on the Disposition of Executive Papers. House Report 135. Report of the disposition of records in the Federal Emergency Administration of Public Works. Ordered to be printed.

Mr. ELLIOTT: Committee on the Disposition of Executive Papers. House Report No. 136. Report on the disposition of records of the Board of Governors of the Federal Reserve System. Ordered to be printed.

Mr. ELLIOTT: Committee on the Disposition of Executive Papers. House Report No. 137. Report on the disposition of records in the Civil Service Commission. Ordered to be printed.

Mr. ELLIOTT: Committee on the Disposition of Executive Papers. House Report No. 138. Report on the disposition of records in the Tennessee Valley Authority. Ordered to be printed.

Mr. ELLLIOTT: Committee on the Disposition of Executive Papers. House Report No. 139. Report on the disposition of records in the Smithsonian Institution. Ordered to

he printed

Mr. ELLIOTT: Committee on the Disposition of Executive Papers. House Report No. 140. Report on the disposition of records in the War Department. Ordered to be

Mr. ELLIOTT: Committee on the Disposition of Executive Papers. House Report No. 141. Report on the disposition of records in the Navy Department. Ordered to be printed.

Mr. ELLIOTT: Committee on the Disposition of Executive Papers. House Report No. 142. Report on the disposition of records in the Federal Trade Commission. Ordered to be printed.

Mr. ELLIOTT: Committee on the Disposition of Executive Papers. House Report No. 143. Report on the disposition of records in the Department of Labor. Ordered to be printed.

Mr. ELLIOTT: Committee on the Disposition of Executive Papers. House Report No. 144. Report on the disposition of records in the Post Office Department in the custody of National Archives. Ordered to be printed.

Mr. ELLIOTT: Committee on the Disposition of Executive Papers. House Report No. 145. Report on the disposition of records in the Farm Credit Administration. Ordered to be

printed.

Mr. ELLIOTT: Committee on the Disposition of Executive Papers. House Report No. 146. Report on the disposition of records in the Works Progress Administration. Ordered to be printed.

Mr. ELLIOTT: Committee on the Disposition of Executive Papers. House Report No. 147. Report on the disposition of records in the Department of Commerce. Ordered to be printed.

Mr. ELLIOTT: Committee on the Disposition of Executive Papers. House Report No. 148. Report on the disposition of records in the Post Office Department. Ordered to be printed.

Mr. MURDOCK of Arizona: Committee on Indian Affairs. S. 876. An Act to authorize the purchase of certain lands for the Apache Tribe of the Mescalero Reservation, N. Mex.; without amendment (Rept. No. 149). Referred to the Committee of the Whole House on the state of the Union.

Mr. ROGERS of Oklahoma: Committee on Indian Affairs, S. 1477. An act to repeal section 9 of the act of March 3, 1875 (18 Stat. L. 450), as amended; without amendment (Rept. No. 150). Referred to the Committee of the Whole

House on the state of the Union.

Mr. CURTIS: Committee on Indian Affairs. H. R. 2971. A bill for the relief of certain Indians of the Winnebago Agency; without amendment (Rept. No. 151). Referred to the Committee of the Whole House on the state of the Union.

Mr. CARTWRIGHT: Committee on Indian Affairs. H. R. 3703. A bill to provide for conveying to the United States the land, buildings, and improvements comprising the Choctaw and Chickasaw Sanatorium and General Hospital; with amendment (Rept. No. 152). Referred to the Committee of the Whole House on the state of the Union.

Mr. ROGERS of Oklahoma: Committee on Indian Affairs. H. R. 4117. A bill to provide for the payment of attorney's fees from Osage tribal funds; with amendment (Rept. No. 153). Referred to the Committee of the Whole House on

the state of the Union.

Mr. BLOOM: Committee on Foreign Affairs. S. 1523. An act to authorize the payment of burial expenses and expenses in connection with last illness and death of native employees who die while serving in offices abroad of executive departments of the United States Government; without

amendment (Rept. No. 154). Referred to the Committee of the Whole House on the state of the Union.

Mr. CROSSER: Committee on Interstate and Foreign Commerce. H. R. 1661. A bill granting the consent of Congress to the city of Youngstown, Ohio, to construct, maintain, and operate a free highway bridge across the Mahoning River at or near Marshall Street, Youngstown, Ohio; without amendment (Rept. No. 155). Referred to the House Calendar.

Mr. CROSSER: Committee on Interstate and Foreign Commerce. H. R. 1962. A bill granting the consent of Congress to the city of Youngstown, Ohio, to construct, maintain, and operate a free highway bridge across the Mahoning River at or near Cedar Street, Youngstown, Ohio; without amendment (Rept. No. 156). Referred to the House Calendar.

Mr. BOREN: Committee on Interstate and Foreign Commerce. H. R. 2192. A bill to extend the time for commencing and completing bridges across Cross Bayou, Twelve Mile Bayou, and Caddo Lake in Caddo Parish, La.; with amendment (Rept. No. 157). Referred to the House Calendar.

Mr. CROSSER: Committee on Interstate and Foreign Commerce. H. R. 2635. A bill granting the consent of Congress to Westmoreland County in the State of Pennsylvania to construct, maintain, and operate a free highway intercounty bridge and approaches across the Allegheny River, connecting Valley Camp in Westmoreland County and East Deer Township in Allegheny County, to connect State Highway Routes Nos. 28 and 56; without amendment (Rept. No. 158). Referred to the House Calendar.

Mr. WADSWORTH: Committee on Interstate and Foreign Commerce. H. R. 2661. A bill to extend the times for commencing and completing the construction of a bridge across the St. Lawrence River at or near Ogdensburg, N. Y.; with amendment (Rept. No. 159). Referred to the House Calendar.

Mr. COLMER: Committee on Rules. House resolution 115. Resolution authorizing the Committee on Immigration and Naturalization to make a thorough study of need for revision and separate codifications of laws relating to immigration, deportation, naturalization, and expatriation; without amendment (Rept. No. 160). Referred to the House Calendar.

REPORTS OF COMMITTEES ON PRIVATE BILLS AND RESOLUTIONS

Under clause 2 of rule XIII,

Mr. LESINSKI: Committee on Immigration and Naturalization. H. R. 4025. A bill for the relief of John Barbu; without amendment (Rept. No. 124). Referred to the Committee of the Whole House.

CHANGE OF REFERENCE

Under clause 2 of rule XXII, committees were discharged from the consideration of the following bills, which were referred as follows:

A bill (H. R. 3342) granting a pension to Lindsay Powers; Committee on Pensions discharged, and referred to the Committee on Invalid Pensions.

A bill (H. R. 4062) for the relief of Clarendon Davis; Committee on Claims discharged, and referred to the Committee on War Claims.

A bill (H. R. 4063) to authorize the payment of adjusted-compensation benefits to the estate of Lula Brimm Horne; Committee on Claims discharged, and referred to the Committee on War Claims.

A bill (H. R. 4123) for the relief of Capt. Charles E. Gerlach; Committee on Claims discharged, and referred to the Committee on War Claims.

A bill (H. R. 4257) for the relief of the estate of Bartholomew Lawler; Committee on Claims discharged, and referred to the Committee on War Claims.

PUBLIC BILLS AND RESOLUTIONS

Under clause 3 of rule XXII, public bills and resolutions were introduced and severally referred as follows:

By Mr. COLE of New York:

H.R. 4820 (by request). A bill to amend section 22 of an act entitled "An act to provide for the fifteenth and subsequent decennial censuses and to provide for apportionment of Representatives in Congress," approved June 18, 1929; to the Committee on the Census.

By Mr. LEAVY:

H. R. 4821. A bill to provide for the reopening of certain lands in the Colville Indian Reservation, in the State of Washington, to entry under the mineral-land laws; to the Committee on Indian Affairs.

By Mr. LESINSKI:

H. R. 4822. A bill to provide for the acquisition by the United States of the Grosse Ile Airport; to the Committee on Naval Affairs.

By Mr. DICKSTEIN:

H.R. 4823. A bill to eliminate the requirement for production of a separate manifest of Chinese passengers, and to amend other laws in accordance therewith; to the Committee on Immigration and Naturalization.

By Mr. CLARK:

H. R. 4824. A bill to authorize a preliminary examination and survey of the Lumber River and its tributaries in the States of North Carolina and South Carolina for flood control, for run-off and water-flow retardation, and for soilerosion prevention; to the Committee on Flood Control.

By Mr. DINGELL:

H. R. 4825. A bill to provide for the payment to any person employed in the Postal Service as a special-delivery messenger, during the fiscal years 1933, 1934, or 1935, of the amount by which the fees of such person were reduced pursuant to the economy legislation; to the Committee on the Post Office and Post Roads.

By Mr. HANCOCK:

H. R. 4826. A bill to prohibit United States district attorneys and marshals, and their assistants, from the private practice of the law; to the Committee on the Judiciary.

By Mr. LEA:

H.R. 4827. A bill to amend the Interstate Commerce Act by adding a new part III, to be known as the Forwarding Carrier Act; to the Committee on Interstate and Foreign Commerce.

By Mr. SUMNERS of Texas:

H. R. 4828. A bill to amend the law limiting the operation of statutes of limitations in certain cases; to the Committee on the Judiciary.

By Mr. TREADWAY:

H.R. 4829. A bill to authorize the construction of flood-control works on the Hoosic River, N. Y., Vt., and Mass.; to the Committee on Flood Control.

By Mr. COCHRAN:

H.R. 4830. A bill to amend the act approved April 27, 1937, entitled "An act to simplify accounting"; to the Committee on Expenditures in the Executive Departments.

By Mr. MURRAY:

H.R. 4831. A bill authorizing the Secretary of the Interior to pay salaries and expenses of the chairman, secretary, and interpreter of the Menominee General Council, members of the Menominee Advisory Council, and official delegates of the Menominee Tribe; to the Committee on Indian Affairs.

By Mr. CLASON:

H. R. 4832. A bill for the protection of the bald eagle; to the Committee on Agriculture.

By Mr. COLMER:

H. R. 4833. A bill to revise the method of determining the payments to be made by the United States to the several States with respect to conservation lands subject to the jurisdiction of the Department of Agriculture; to the Committee on Agriculture.

By Mr. BUCK:

H. R. 4834. A bill to amend the Social Security Act with respect to the meaning of the term "agricultural labor"; to the Committee on Ways and Means.

By Mr. JONES of Texas:

H. R. 4835. A bill to amend the Agricultural Adjustment Act of 1938, as amended; to the Committee on Agriculture.

H. R. 4836. A bill to amend section 12 of the Soil Conservation and Domestic Allotment Act, as amended; to the Committee on Agriculture.

By Mr. FULMER:

H. Con. Res. 11. Concurrent resolution continuing the Special Joint Committee on Forestry; to the Committee on Rules.

By Mr. SCHULTE:

H. Res. 115. Resolution authorizing the Committee on Immigration and Naturalization to make a thorough study of need for revision and separate codifications of laws relating to immigration, deportation, naturalization, and expatriation; to the Committee on Rules.

MEMORIALS

Under clause 3 of rule XXII, memorials were presented and referred as follows:

By the SPEAKER: Memorial of the Legislature of the State of Montana, memorializing the President and the Congress of the United States to consider their Senate Joint Memorial No. 14, with reference to enacting silicosis compensation laws; to the Committee on Ways and Means.

PRIVATE BILLS AND RESOLUTIONS

Under clause 1 of rule XXII, private bills and resolutions were introduced and severally referred as follows:

By Mr. BREWSTER:

H.R. 4837. A bill for the relief of Amanda R. Nadeau; to the Committee on Claims.

By Mr. CLUETT:

H.R. 4838. A bill granting a pension to Helen I. Velie; to the Committee on Invalid Pensions.

By Mr. D'ALESANDRO:

H. R. 4839. A bill granting a pension to Lucy Pierce; to the Committee on Invalid Pensions.

By Mr. DEMPSEY:

H. R. 4840. A bill for the relief of William C. Wood; to the Committee on Claims.

By Mr. HAVENNER:

H. R. 4841. A bill granting the retired pay and allowances commensurate with the rank and grade of lieutenant colonel to Edmund Sears Sayer, United States Marine Corps, retired; to the Committee on Naval Affairs.

By Mr. KENNEDY of Maryland:

H. R. 4842. A bill for the relief of Katie Goldberg and Jesse Fine, trustees under the last will and testament of Morris Goldberg, deceased; to the Committee on Claims.

H. R. 4843. A bill to confer jurisdiction on the Court of Claims of the United States to hear, determine, and render judgment upon the claim of John L. Alcock; to the Committee on Claims.

By Mr. MURDOCK of Utah:

H. R. 4844. A bill for the relief of Royal Terry, Chris Larsen, Joe Pargis, and S. L. Hinckley; to the Committee on Claims.

By Mr. PETERSON of Florida:

H. R. 4845. A bill for the relief of Harriet T. Johnston; to the Committee on War Claims.

By Mr. SOMERS of New York:

H. R. 4846. A bill for the relief of John Buturuga and Norah Buturuga; to the Committee on Immigration and Naturalization.

By Mr. TALLE:

H. R. 4847. A bill for the relief of Leland J. Belding; to the Committee on Claims.

H. R. 4848. A bill granting an increase of pension to Maggie B. Gunsalus; to the Committee on Invalid Pensions.

By Mr. WADSWORTH:

H. R. 4849. A bill granting a pension to Mary E. Allen; to the Committee on Invalid Pensions.

By Mr. WOODRUFF of Michigan:

H. R. 4850. A bill for the relief of Thomas J. Haffey; to the Committee on Naval Affairs.

PETITIONS, ETC.

Under clause 1 of rule XXII, petitions and papers were laid on the Clerk's desk and referred as follows:

1590. By Mr. ALLEN of Louisiana: Petition of sundry citizens of Winn Parish, La., urging the passage of House bill 1816, providing a direct Federal old-age pension of \$30 per month, beginning at the age of 60; to the Committee on Ways and Means.

1591. By Mr. BURCH: Petition of Fred W. Greene, W. L. Benazzi, W. T. Petty, George W. Cole, and numerous other citizens, of Danville, Va., petitioning the Congress, for as long as we shall adhere to the general policy as enunciated in the act of August 31, 1935, to retain on our statute books the further and corollary principle enunciated in the act of May 1, 1937, extending the original act to include civil as well as international conflicts and urging that Congress launch an investigation of those leftist groups which are sponsoring propaganda favoring lifting of the embargo on arms to "red" Spain; to the Committee on Foreign Affairs.

1592. By Mr. CASE of South Dakota: Petition urging consideration of Senate Concurrent Resolution No. 10, relating to the distribution of food commodities by Federal relief agencies; to the Committee on Ways and Means.

1593. By Mr. FISH: Petition signed by Rev. Walter C. McClurkin, of Walden, N. Y., and 35 other citizens of Orange County, N. Y., in favor of the passage of legislation which will stop the advertising, by press and radio, of alcoholic beverages for sale; to the Committee on Interstate and Foreign Commerce.

1594. Also, petition signed by Rev. Philip Goertz, pastor, Garden Memorial Presbyterian Church, of Washington, D. C., and 37 members and friends of his congregation, protesting the passage of House bill 101, which would include church employees under the provisions of the Social Security Act; to the Committee on Ways and Means.

1595. By Mr. GERLACH: Petitions of sundry citizens of Bucks County, Pa., urging retention on the statute books of the Neutrality Act of May 1, 1937, and extension of the act to include civil as well as international conflicts; to the Committee on Foreign Affairs.

1596. By Mr. GUYER of Kansas: Petition of citizens of Allen County, Kans., urging the enactment of legislation prohibiting the sale of raw materials capable of being used as munitions of war to aggressor nations, and particularly to Japan; to the Committee on Foreign Affairs.

1597. By Mr. HART: Petition of the First Baptist Church, Union City, N. J., opposing amendment to the Social Security Act so as to include religious bodies; to the Committee on Ways and Means.

1598. Also, petition of the session and the board of trustees of the Westminster Presbyterian Church, of Jersey City, N. J., opposing amendment to the Social Security Act to include religious bodies; to the Committee on Ways and Means.

1599. By Mr. HAVENNER: Petition of the Board of Supervisors of the City and County of San Francisco, expressing opposition to the proposal now before the Congress to tax municipal bonds; to the Committee on Ways and Means.

1600. By Mr. JENKINS of Ohio: Petition by 1,000 subscribers of the Meigs United Telephone Co. of Meigs County, Ohio, requesting Congress to vote for the passage of House bill 3842, an amendment to the Fair Labor Standards Act, to exempt telephone exchanges of 1,000 subscribers or less; to the Committee on Labor.

1601. By Mr. LUTHER A. JOHNSON: Petition of Rev. Herman G. McCoy, pastor, Central Presbyterian Church, Waxahachie, Tex., opposing the amending of the Social Security Act so as to include disabled and retired ministers; to the Committee on Ways and Means.

1602. By Mr. JOHNSON of Illinois: Petition of 150 endorsers of House bill 11, from the Fourteenth Illinois District, urging enactment of this measure; to the Committee on Ways and Means.

1603. By Mr. MICHAEL J. KENNEDY: Memorial of the New York State Board of Housing, urging support of a bill to amend the United States Housing Act of 1937, as amended, to the effect that there be enacted by the Senate and the House of Representatives of the United States a law that the United States Housing Authority be authorized to issue and sell its obligations in an amount not to exceed \$800,000,000 in addition to the amount of such obligations heretofore authorized by the United States Housing Act of 1937, as amended, and to enter into contracts which provide for annual contributions aggregating not more than \$45,000,000 per annum in addition to the contracts heretofore authorized by the United States Housing Act of 1937, as amended; to the Committee on Banking and Currency.

1604. By Mr. SCHIFFLER: Petition of Rev. George Mc-Pherson Hunter, First Presbyterian Church, Mannington, W. Va., urging that ministers be excluded from the provisions of the Social Security Act; to the Committee on Ways and Means

1605. By Mr. KEOGH: Petition of Washington Irving Schools, Tarrytown, N. Y., concerning the Federal aid education bill; to the Committee on Education.

1606. Also, petition of the united telephone organizations, New York City, concerning the Social Security Act and the benefits derived from their own pension system; to the Committee on Ways and Means.

1607. Also, petition of Pikeville city schools, Pikeville, Ky., concerning House bill 3517 and Senate bill 1305; to the Committee on Education.

1608. By Mr. LAMBERTSON: Petition of Mrs. Mary E. Vogan and 51 other Atchison citizens, urging the President of the United States and Congress, in accordance with the principle of the good neighbor and in the interests of the people of the United States, to bring an end to the traffic which is compelling us to be a partner in the destruction of the Chinese people; to the Committee on Foreign Affairs.

1609. Also, petition of Harry F. Boyer and 56 other letter carriers, of Topeka, Kans., requesting passage of House bill 3812, eliminating Saturday from annual vacation and sick leave; to the Committee on the Post Office and Post Roads.

1610. Also, petition of F. W. Arnold and 21 other members of the First Presbyterian Church, of Vermillion, Kans., urging nonpassage of the bill introduced to cancel the amendments to the Social Security Act which exclude persons employed in the service of nonprofit organizations, religious, charitable, and educational; to the Committee on Ways and Means.

1611. Also, petition of Owen Russell and 29 other members of the First Presbyterian Church, of Axtell, Kans., urging nonpassage of the bill introduced to cancel the amendments to the Social Security Act which exclude persons employed in the service of nonprofit organizations, religious, charitable, and educational; to the Committee on Ways and Means.

1612. By Mr. LANDIS: Petition of certain citizens of Vincennes, Ind., protesting the sale of munitions to Japan during the invasion of China; to the Committee on Foreign Affairs.

1613. By Mr. PIERCE of Oregon: Petition of the Oregon State Legislature, urging consideration of Senate Joint Memorial 1, favoring Senate ratification of reciprocal-trade agreements; to the Committee on Ways and Means.

1614. By Mr. PITTENGER: Petition of Ida Torseth, of Virginia, Minn., president and sponsor of the National Old Age Retirement Grant Association, together with sundry accompanying documents; to the Committee on Ways and Means.

1615. By Mr. POLK: Petition of the Church of Christ in Christian Union, of Portsmouth, Ohio, signed by its pastor, Rev. Lester C. Benner, and 26 members, opposing the recommendation of the Social Security Advisory Council that religious bodies of our country be no longer exempt from taxa-

tion for old-age pensions and unemployment compensation; to the Committee on Ways and Means.

1616. By Mr. ROUTZOHN: Petition of the Farmers' Freedom League of America, seeking repeal of the Compulsory Crop Control Act of 1938 and the banning of importation of farm products to the United States; to the Committee on Agriculture.

1617. Also, petition of 2,008 residents of the United States Veterans' Administration facility at Dayton, Ohio, praying for adequate and equitable compensation for disabled veterans of the World War; to the Committee on Ways and Means.

1618. By Mr. SABATH: Petition of the Sixty-first General Assembly of the State of Illinois, urging the playing of the annual football contest for the season 1939 between the teams of the Army and Navy cadets to be held in the city of Chicago; to the Committee on Military Affairs.

1619. By Mr. SANDAGER: Memorial of the Lincoln Social Club, advocating the erection of a veterans' hospital in Rhode Island; to the Committee on World War Veterans' Legisla-

tion.

1620. By Mr. SECCOMBE: Petition of G. M. Whetstone, of Minerva, Ohio, and other railroad engineers and firemen of that community, urging the enactment of legislation limiting the mileage of railroad engineers and firemen to 2,600 miles per month; to the Committee on Interstate and Foreign Commerce.

1621. Also, petition of employees of Berger Division, Republic Steel Corporation, Canton, Ohio, commending Congressman Seccombe upon his proposal to introduce legislation prohibiting the employment of married couples in Government activities; to the Committee on the Civil Service.

SENATE

WEDNESDAY, MARCH 8, 1939

The Chaplain, Rev. ZeBarney T. Phillips, D. D., offered the following prayer:

O God, who art the Source of being, the Light of all that is true, the Strength of all that is good, and the Glory of all that is lovely: Speak to us now as we turn aside from the ceaseless fret of life; stay time's busy shuttle for a moment, that we may watch the pattern it is weaving, and learn something of the mysteries of being as we hush our wandering thoughts.

Lead us by Thy love into fuller light and to more glorious life, for we are tired of twilight, falsehood, and the easy way. Help us to emulate the perfect life that Jesus lived beneath the Syrian sky, that, with helping hands outstretched to bless in time of need and glowing hearts attuned to His most holy purpose, we, at the close of day, may find rest unto our souls through the mercy of Him whose yoke we have taken upon us and in whose name we pray. Amen.

THE JOURNAL

On request of Mr. Barkley, and by unanimous consent, the reading of the Journal of the proceedings of the calendar day Tuesday, March 7, 1939, was dispensed with, and the Journal was approved.

MESSAGE FROM THE HOUSE

A message from the House of Representatives by Mr. Calloway, one of its reading clerks, announced that the House insisted upon its amendment to Senate amendment No. 13 to the bill (H. R. 2868) making appropriations to supply deficiencies in certain appropriations for the fiscal year ending June 30, 1939, to provide supplemental appropriations for the fiscal year ending June 30, 1939, and for other purposes; that the House further insisted upon its disagreement to Senate amendment No. 23 to the bill, agreed to the further conference asked by the Senate on the disagreeing votes of the two Houses thereon, and that Mr. Taylor of Colorado, Mr. Woodrum of Virginia, Mr. Cannon of Missouri, Mr. Ludlow, Mr. Thomas S. McMillan, Mr. Snyder, Mr. O'Neal, Mr. Johnson of West Virginia, Mr. Taber, Mr. Wig-

GLESWORTH, Mr. LAMBERTSON, and Mr. DITTER were appointed managers on the part of the House at the further conference.

The message also announced that the House further insisted upon its disagreement to the amendments of the Senate Nos. 17 and 18 to the bill (H. R. 3743) making appropriations for the Executive Office and sundry independent executive bureaus, boards, commissions, and offices, for the fiscal year ending June 30, 1940, and for other purposes, agreed to the further conference asked by the Senate on the disagreeing votes of the two Houses thereon, and that Mr. WOODRUM of Virginia, Mr. Johnson of Oklahoma, Mr. Fitz-patrick, Mr. Houston, Mr. Starnes of Alabama, Mr. Wigglesworth, Mr. Dirksen, and Mr. Case of South Dakota were appointed managers on the part of the House at the further conference.

ORDER OF BUSINESS

Mr. TYDINGS. Mr. President, I do not wish to upset the routine, but I am very anxious to get the floor before the Senate begins the consideration of the calendar so that I may make a few short remarks on the activities of the United States Housing Authority.

The VICE PRESIDENT. The Chair will take cognizance of the Senator's desire.

PETITION

The VICE PRESIDENT laid before the Senate a resolution adopted by the Northern California Public Health Association at Sacramento, Calif., favoring an appropriation of \$5,000,000 for the United States Public Health Service, fiscal year ending June 30, 1940, for investigation and control of venereal diseases as authorized in the act of May 24, 1938, which was referred to the Committee on Appropriations.

CALL OF THE ROLL

Several Senators addressed the Chair.

The VICE PRESIDENT. Let the Chair state the situation, as he is trying to protect the Senator from Maryland. The Senator from Maryland has asked unanimous consent that he may address the Senate at this time. Is there objection?

Mr. LEWIS. Mr. President, will the Chair recognize the assistant "whip," the Senator from Indiana—

The VICE PRESIDENT. Just a moment. Is there objection to the request of the Senator from Maryland that he may address the Senate at this time? The Chair hears none.

Mr. LEWIS and Mr. MINTON addressed the Chair.

The VICE PRESIDENT. The Chair will recognize any Senator to whom the Senator from Maryland may yield.

Mr. TYDINGS. I yield to the Senator from Illinois.

Mr. LEWIS. The assistant "whip" desires to suggest the absence of a quorum.

Mr. MINTON. Will the Senator from Maryland yield in order that I may suggest the absence of a quorum?

Mr. TYDINGS. I yield for the purpose of the Senator suggesting the absence of a quorum.

Mr. MINTON. I suggest the absence of a quorum.

The VICE PRESIDENT. The clerk will call the roll.

The Chief Clerk called the roll, and the following Senators answered to their names:

Adams	Danaher	La Follette	Reed
Andrews	Davis	Lee	Reynolds
Ashurst	Donahey	Lewis	Russell
Austin	Ellender	Lodge	Schwartz
Bailey	Frazier	Logan	Schwellenbach
Bankhead	George	Lucas	Sheppard
Barbour	Gerry	Lundeen	Shipstead
Barkley	Gibson	McCarran	Smathers
Bilbo	Gillette	McKellar	Smith
Bone	Glass	McNary	Taft
Borah	Green	Maloney	Thomas, Okla.
Bridges	Guffey	Mead	Thomas, Utah
Brown	Gurney	Miller	Tobey
Bulow	Harrison	Minton	Townsend
Burke	Hatch	Murray	Truman
Byrd	Hayden	Neely	Tydings
Byrnes	Herring	Norris	Van Nuys
Capper	Hill	Nye	Wagner
Caraway	Holman	O'Mahoney	Walsh
Connally	King	Radcliffe	A SECTION OF THE PARTY OF THE P
Chavez Clark, Idaho Clark, Mo.	Hughes Johnson, Calif. Johnson, Colo.	Overton Pepper Pittman	Wheeler White Wiley

Mr. MINTON. I announce that the Senator from California [Mr. Downey] and the Senator from West Virginia [Mr. Holt] are detained from the Senate because of illness.

The Senator from Tennessee [Mr. Stewart] is absent on important public business.

The VICE PRESIDENT. Ninety-one Senators have answered to their names. A quorum is present.

UNITED STATES HOUSING AUTHORITY

Mr. TYDINGS. Mr. President, in 1937 the Congress passed and the President approved an act to create the United States Housing Authority. It became the law of the land on September 1, 1937.

The purpose of this act was declared in its title, as follows:

To provide financial assistance to the States and political subdivisions thereof for the elimination of unsafe and insanitary housing conditions, for the eradication of slums, for the provision of decent, safe, and sanitary dwellings for families of low income, and for the reduction of unemployment and the stimulation of business activity, to create a United States Housing Authority, and for other purposes.

In sum, the purposes of the act were declared to be, first, the eradication of slums and unsafe and insanitary housing conditions; second, replacing these undesirable human habitations by modern apartment buildings. These two worthy objectives were to be obtained by "financial assistance to the States and political subdivisions thereof" from the Treasury of the United States.

It is safe to assume that there is not a person in America who is not in thorough sympathy with the fine and humanitarian aims set forth in this law. It sounds both impressive and progressive. The elimination of disreputable dwellings, of unsafe and insanitary apartment houses, the tearing down of slums and replacing them with suitable living quarters for the people of the country is very appealing.

With such worthy objectives it was easy to attract popular support for this project, particularly when, as stated in the act, there was to be a "reduction of unemployment and the stimulation of business activity" at one and the same time.

The method by which all this was to be accomplished was not closely scrutinized. The law itself was drawn to confer wide powers upon the United States Housing Authority, which was the agency created in the law to do the job.

In effect Congress said, "We authorize the United States Housing Authority to eliminate the slums in the big cities of the Nation, and to build in their places safe, sanitary, and substantial houses." The means and methods of doing this were sketchily defined; and thus the United States Housing Authority was pretty much left to its own means and methods to accomplish the desired result.

Those who read the act at the time it was pending before Congress noted that it covered 13½ closely printed pages; and it seemed apparent to many at the time it was enacted into law that few Members of Congress really knew just how all of this was to be done.

Having declared that Congress wanted slums eliminated, having declared that Congress wanted unsafe and insanitary dwellings torn down, having indicated that Congress wanted new, safe, and livable houses to take the place of the unsightly and disreputable structures for human habitation, Congress provided \$500,000,000 to do the job, and then left it up to the United States Housing Authority to work out the details.

In the 18 months since the act became effective, the United States Housing Authority has been engaged in this work. We have its latest report, issued on December 22, 1938, just 2 months ago. We can now begin to see the method followed by the United States Housing Authority in doing its work

I pass over the fact that Congress did not define the policy which was to actuate the United States Housing Authority in its endeavors. This, in my judgment, was a serious and unpardonable error. In reality, we conferred our own legislative power upon the United States Housing Authority; for the act was drawn so broadly that almost any plan which the United States Housing Authority thought feasible could be employed by it to eradicate the slums.

As I see it, as the act is now written and as it is now being administered, the Government of the United States of America has launched upon the greatest scheme of state socialism it has ever entered into. It seems to me to be on the Russian model. While undoubtedly accomplishing some of the objectives set forth in the act, it is creating disadvantages and burdens for the remaining poorly housed of the Nation to an extent almost unbelievable.

Up to the present time the far-reaching consequences of the United States Housing Act are comprehended by very few. Like many other recent acts of the Congress with noble declared objectives, at the time of its enactment there was little opposition to the method proposed. Now, after it has had its trial, more and more persons are beginning to question the wisdom of the method employed.

Do the people of America know, for example, that the families now living in the slums or in unsafe and insanitary houses are to be rehoused in new, modern, high-priced apartment buildings which cost more per family unit than the average house of the average American family?

Do the people of America know that those who will live in these new Government-financed houses will be exempt, in whole or in part, from their proportionate share of local taxation?

Do the people of America know that a part of the rent of those who will live in these Government-financed houses which supplant slums is to be paid by the Government of the United States under contract for a period of 60 years in the future?

Do the people of the United States know that in essence these houses are to be built by the Government of the United States and given to the cities of America free of any construction costs whatsoever, together with an additional sum of money, so that the city will really make a profit by accepting this free gift from the National Government?

Of course, the people of America do not know this. Indeed, it is my belief that many Members of Congress do not know it, and that, if all did know it, both the people and the Congress would demand that the act be redrawn and its entire philosophy changed.

Now let me resort to facts to prove my contentions, to point out what is now going on in the United States Housing Authority.

The United States Housing Authority, as you will recall, was empowered to borrow \$500,000,000 in the name of the United States Government, and then to "lend" this sum to States and cities of the United States for the purpose of tearing down unsafe and insanitary houses and slums, and rebuilding in their stead substantial, safe, and sanitary houses, the lowest-income groups in any community to be given first preference in occupying these new quarters.

So far, 141 apartment houses in 22 States of the Nation, the District of Columbia, and Hawaii have been contracted for and are being constructed under the United States Housing Authority. The total cost of these 141 apartment houses, which will provide living quarters for 64,431 families, will be \$356,695,341, or an average cost per apartment house of \$2,529,045. This gives us an average cost of \$5,520 for each family unit in these new apartment houses supplanting the slums.

According to another agency of our Government, whose activities are wholly confined to insuring private homes—that is, the Federal Housing Administration—the average cost of the average American home lived in by the average American family today is \$5,384.

Thus, the families who will occupy the new apartment houses replacing the slums, and built at Federal Government expense, will live in apartments which cost \$136 more than does the average house occupied by the average American family today.

Mr. KING. Mr. President, will the Senator yield?

The PRESIDING OFFICER (Mr. Glass in the chair). Does the Senator from Maryland yield to the Senator from Utah?

Mr. TYDINGS. Yes; I yield.

Mr. KING. I am not sure that I properly understood one of the observations of the Senator. Is \$2,000,000 plus the cost of each apartment house?

Mr. TYDINGS. The average cost per apartment house is \$2.529.045.

Mr. KING. I want to say that that is a most extravagant price.

Mr. TYDINGS. If the Senator will bear with me, that is only a start of the extravagance, and, in my judgment, the most wasteful method that can be conceived of doing what might be a very forthright thing to do.

Moreover, by the contracts entered into between the United States Housing Authority and the cities of America, these new apartment houses supplanting the slums and, consequently, the families that will live in them, are to be exempted in whole or in part from local taxation.

But that is not all. The United States Housing Authority—and that means the Government of the United States—has made contracts with each of the cities where this work is under way, providing that a part of the rent of each family residing in the apartment houses which supplant the slums is to be paid out of the Treasury of the United States. These are all facts, and they are very salient facts.

Why, you may ask, does the Government propose to pay a part of the rent of each family occupying these apartments? Because of the high cost of the buildings—a cost not originally contemplated—it is impossible to obtain sufficient rental from the low-income groups to make the buildings self-liquidating, or even self-supporting. If a rental were charged sufficient to amortize the high cost of the apartment building, it would be very far beyond the means of this low-income group to pay.

Thus, in sum, we have the following spectacle: First, in the new apartment houses supplanting the slums, the families housed therein will be living in quarters which cost more to build than does the average American home. Second, these families will be exempt, in whole or in part, from their proportionate share of local taxation. Third, these families are to have a large part of their rent paid by the Federal Government for a period of 60 years in the future.

Let me refer further to the report, issued December 22, 1938, wherein the United States Housing Authority, referring to its contracts with the cities where the apartment houses are to be constructed, states it has guaranteed to pay to these cities, for a period of 60 years, the sum of \$13,864,364 each year. In exchange for this money, the municipalities are to exempt in whole or in part the Government apartment houses from all or a large part of all local taxes. Further, the municipalities are to charge the occupants of the new apartment houses, not rentals on an ordinary rental basis, which would retire the cost of constructing the apartments, but a rental far below such a figure.

Note that the rents to be paid by the United States Government over the 60-year period on these 141 projects will amount to \$831,861,840, according to the figures of the United States Housing Authority report. This is approximately two and one-half times the original cost of erecting these apartment houses. In other words, according to the contracts the Housing Authority has already made, and taking their own figures, the annual rent subsidies over a period of 60 years will take from the Federal Treasury two and a half times as much as the apartment houses cost to build in the first instance.

Mr. TOWNSEND. Mr. President, will the Senator yield? Mr. TYDINGS. I yield.

Mr. TOWNSEND. Is there any interest on the amount of money figured in that statement?

Mr. TYDINGS. I think I will come to that in my remarks later, but I will answer the question now. The Federal Government, first of all, lends to the cities 90 percent of the cost of these apartment houses. The cities are to pay that back annually; but the Federal Government gives to the cities each year a rent subsidy not only sufficient to pay back the annual amount due plus interest but also to pay off the local contribution and to leave a sum of money over as profit. Does that answer the Senator's question?

Mr. TOWNSEND. Yes.

Mr. ADAMS. Mr. President, will the Senator yield?

Mr. TYDINGS. I yield.

Mr. ADAMS. Did the Senator state that the average citizens of the United States, the average home owners and taxpayers, are building houses for the low-income group which are better than the house in which they themselves live, and then as taxpayers they are to pay a substantial part of the rent of the houses which they build?

Mr. TYDINGS. It is even worse than that, for Mr. Stewart McDonald's organization, which is the Federal Housing Authority, shows that the average house in America today which is insured by that agency of the Government costs less than the house which is being built by the United States Housing Authority. Furthermore, these houses which are better than the average of all the American homes are to be exempt, in whole or in part, from all local taxation, and for 60 years in the future the occupants of such houses are to have a part of their rent paid by the Treasury of the United States under contracts already entered into.

Mr. ADAMS. If I may ask another question, what is the mechanics by which the houses so built are exempted from local taxation?

Mr. TYDINGS. At the time the city comes to the United States Housing Authority and says, "We desire to clear our slums and build some up-to-date houses to take their places," the Housing Authority compels the city to make what are called local contributions, which usually take the form of exempting the property from taxation.

Mr. ADAMS. The title is vested in the city or in some municipal organization?

Mr. TYDINGS. The United States Housing Authority in the city, in Denver, St. Louis, Lexington, Ky., or wherever the houses are built.

Mr. ADAMS. Then the title is in some quasi-public corporation?

Mr. TYDINGS. Absolutely. In effect we are actually giving all the money to build these houses because we give the cities each year more than the cities have obligated themselves to pay back to the Federal Treasury, so that they not only have sufficient to meet all their annual payments to the Treasury but, in addition, have enough left over to take care of their own local part and a profit besides.

In other words, I have pointed out, from Mr. Straus' own figures, that the cost of these 141 houses is three-hundred-and-fifty-six-million-and-some-odd-thousand dollars, but the rent subsidy on the same houses is eight hundred and some million dollars, which is two and a half times as much as the completed houses cost to build in the first instance.

I am taking every figure I utter about each one of the projects from this very voluminous report [exhibiting] issued by the United States Housing Authority on the 22d of December last year, which was 60 days ago, approximately.

Mr. BYRD. Mr. President, will the Senator yield?

Mr. TYDINGS. I yield.

Mr. BYRD. What is the average cost per unit?

Mr. TYDINGS. Per family unit?

Mr. BYRD. Per family unit.

Mr. TYDINGS. I will give the Senator that figure. Let me quote it exactly. The average cost per family unit is \$5,520, and the average cost of the average American home built without any Government assistance is \$5,384. So that it costs the United States Housing Authority to build these houses for the low-income group approximately \$180 more than the home in which an average American family lives today.

Mr. KING. Mr. President, will the Senator yield?

Mr. TYDINGS. I yield.

Mr. KING. And the average American family not only owns the bricks, and the mortar, and the roof, constituting the home, but the ground upon which it is built, plus, in most instances, a plot of ground constituting the garden.

Mr. TYDINGS. Yes; and the average American family living in such a home as the Senator describes pays its full share of the local taxes, and does not have any of its rent

contributed from the Federal Treasury at all, whereas those who live in the slum-clearance houses will have part of the contract paid for 60 years in the future, and will be exempt in whole or in part from local taxation.

Mr. LOGAN. Mr. President, will the Senator yield?

Mr. TYDINGS. I yield.

Mr. LOGAN. There is one point the Senator makes which I do not understand clearly; namely, that the houses which he is discussing are exempt from local taxation, State, county, and city taxation. Has the Senator made a study of that sufficient to enable him to advise what the power is in the city to exempt from taxation? In my State, I may say, I know there is a provision in its constitution that all property shall be subject to taxation. That cannot be waived by the United States Government, by the city, or by any other government.

Mr. TYDINGS. Let me look at the report for the Senator's State. Of course, the laws vary in different communities. There might in some be prohibitions which would not apply in the others.

Mr. LOGAN. That is true.

Mr. TYDINGS. In the Senator's State there are five projects under way, one in Covington, one in Frankfort, one in Lexington, and two in Louisville.

Mr. LOGAN. And now one in Paducah.

Mr. TYDINGS. Under the head of "Local Annual Contributions" I find the following for the State of Kentucky:

Note 10.—Local annual contributions are maximum amounts computed on the proposed development cost plus the margin of safety one-tenth for possible overruns. Local annual contributions are required by law to be at least 20 percent of Federal annual contributions. In all cases, the local annual contributions provided in contracts are much in excess of this minimum, averaging 65 percent of the above projects. Local annual contributions represent the value of exemptions from local taxes less payments in lieu of taxes, if any.

It may be that in order to get around the law of the Senator's State prohibiting any property from being exempt, the municipality of Louisville, for instance, may take from the other taxpayers a sufficient sum of money and hand it over to the Federal Government to be the equivalent of an exemption of the particular house which the Government is building.

Mr. LOGAN. That might be true, but in my State the only property exempt from taxation is written into the constitu-

tion of the State itself.

Mr. TYDINGS. Let me read again the last sentence from what I just read:

Local annual contributions represent the value of exemptions from local taxes less payments in lieu of taxes, if any.

So payments could be made by the city from the general treasury in lieu of exemption of taxes to the Housing Authority, so that they could hand the money back.

Mr. LOGAN. I think that must be what is done.

Mr. TYDINGS. That is the way it is being done, but the net result is, either by direct or indirect action, that the houses are exempt in whole or in part from local taxation.

Now let me refer to the report issued December 22, 1938, wherein the United States Housing Authority, referring to its contracts with the cities where the apartment houses are to be constructed, states it has guaranteed to pay to these cities for 60 years in the future the sum of \$13,864,364 each year.

In exchange for this money, the municipalities are to exempt in whole or in part the Government apartment houses from all or a large part of all local taxes. Further, the municipalities are to charge the occupants of the new apartment houses, not rentals on an ordinary rental basis, which would retire the cost of constructing the apartments, but rentals far below such a figure, and insufficient to pay off the cost of the building. The rent subsidy to be paid by the United States Government over the 60-year period on the 141 projects to which I have referred, will amount to \$831,-861,840, but the original cost was only \$356,000,000, and therefore the Federal Government is going to give back to the municipalities two and one-half times what the original buildings cost.

I hope I make that clear.

Mr. CLARK of Missouri. Mr. President, will the Senator yield?

Mr. TYDINGS. I yield.

Mr. CLARK of Missouri. I did not wish to interrupt earlier the Senator's very interesting argument and statement; but, as I understand, the advantages he refers to go not only to municipalities but to certain selected individuals. It is perfectly obvious that the Government of the United States will not be able to afford living quarters to everyone in the lower-income brackets, or even to everyone in the average-income brackets, without bankrupting the Government. Who makes the selection of the individuals who are to enjoy those Government subsidies?

Mr. TYDINGS. I shall answer the Senator in this way: First of all to take care of the 8,000,000 who are underhoused would cost \$45,000,000,000. That is what it would cost to carry out this program, just the net construction cost, without any rent subsidies. It would add \$45,000,000,000

more to the national debt.

Mr. CLARK of Missouri. Who makes the selections out of the many of the few families who are going to enjoy these privileges? That is what I should like to ascertain.

Mr. TYDINGS. The selections are made by the local housing authority, such as the St. Louis Housing Authority or the Baltimore Housing Authority. The houses are supposed to go to the lowest-income group in the community, but it has been proven in many cases that political influence dictates who shall be the occupants rather than their economic status.

Mr. WAGNER. Where was the political influence used to which the Senator referred?

Mr. TYDINGS. Permit me to read a chart, and then I will let the Senator draw his own conclusion. The chart I exhibit is a suppressed chart. I have one of the four copies which are outside the United States Housing Authority. I have the letter written by the Secretary asking that it be locked up, as it contained much information which they thought ought not to be circularized at this time, and the charts were all gathered up and locked up in the office safe.

This is the chart [exhibiting]. These figures cover the houses which were built by P. W. A. before the Housing Authority was created, such as Greenbelt and other places throughout the country. They, too, were built for the low-income group. The chart shows what income groups occupy

the houses.

For example, about 100 families making around \$500 a year live in these houses [indicating].

Three hundred and seventy-five families making \$650 a year live in these houses.

Seven hundred and seventy-five families making \$1,000 a year live in these houses

One thousand two hundred and sixty families making \$850 a year live in these houses.

One thousand nine hundred families making \$975 a year live in these houses.

Two thousand one hundred families making \$1,150 a year live in these houses.

Three thousand two hundred families making more than \$1,200 a year and less than \$1,300 a year live in these houses.

One thousand seven hundred families making more than \$1,320 and less than \$1,440 a year live in these houses.

One thousand four hundred families making more than \$1,440 a year and less than \$1,560 live in these houses.

Five hundred families making more than \$1,600 a year and less than \$1,800 a year live in these houses.

Five hundred families making more than \$1,800 and less than \$1,920 a year live in these houses.

Two hundred families making more than \$1,920 and less than \$2,240 live in these houses.

One hundred families making between \$2,000 and \$2,160 a year live in these houses.

Fifty families making between \$2,160 and \$2,280 a year live in these houses.

And 25 families making \$2,400 a year live in these houses. These houses were to be built for families making \$60, \$70, and \$80 per month, or \$720, \$840, and \$960 a year. It

is only fair to say that at the time these houses were constructed there was no particular designated limitation or direct authorization to that effect contained in the law. The houses in question were constructed before the United States Housing Authority was created. I mention it, however, merely to show that families making \$2,400 a year find their way into these Government houses built for the very poor, that families making \$1,800 a year found their way into these houses, and notwithstanding that many of them are built near large and congested cities, fairly well-to-do families live in them

Senators, so long as that point has been raised, let us get down to hard facts. If an apartment costs \$5,540, which is the average cost of one of these family units constructed under the United States Housing Authority programs, how much rent would have to be received a year in order that the apartment could carry itself? Remember, by their own statement it costs an average of \$5,540 per family unit. In general real-estate practice one would have to get a return of 10 percent, which would be \$554 a year. If a 10-percent return is required, how can a man making \$60 a month, or \$720 a year, afford to pay on an apartment rent which amounts to \$554 a year, and leaves him about 50 cents a day to feed and clothe his wife and children?

Mr. WALSH. Mr. President, will the Senator yield?

Mr. TYDINGS. I yield.

Mr. WALSH. The Senator made a statement to the effect that in 60 years it would cost the United States two and a half times the original cost.

Mr. TYDINGS. That is correct.

Mr. WALSH. Before proceeding to other aspects of this question, will the Senator amplify that? Will he state just what he means?

Mr. TYDINGS. I will explain that to the Senator.

Mr. WALSH. In connection with what the Senator just said, will he show for the RECORD whether all the families he referred to receiving various incomes, as set forth by the Senator, were given a subsidy?

Mr. TYDINGS. Yes; they all received it. This report will be placed in the RECORD. Since I read the report I have added the entire cost of the apartment houses which are being built. The calculation showed that about \$351,000,000 would be spent to build these 141 apartment houses. Then I added the annual Federal subsidy for each year, and the figures showed that the annual Federal subsidy was over \$13,000,000 a year. By multiplying the annual subsidy by 60 years, which is the time the subsidy contract would run, it amounts to eight-hundred-and-some-odd million dollars; and as the houses cost only three-hundred-and-some-odd million dollars to build, it is obvious that the rent subsidy over a 60year period is two and one-half times the initial cost of the buildings in the first instance.

Mr. WALSH. I thank the Senator. The Senator is very probably making the distinction which everyone must have in mind in connection with the housing problem, which is that it was first undertaken by a bureau in the Interior Department before we passed the United States Housing Authority Act.

Mr. TYDINGS. Yes.

Mr. WALSH. The housing projects under the Department of the Interior were undertaken without any congressional authority whatever.

Mr. TYDINGS. Yes.

Mr. WALSH. And there was some doubt about the constitutional authority. The President allocated a large sum of money for the building of houses on the theory that it would give employment to craftsmen in the building trades. Am I correct in that statement?

Mr. TYDINGS. Yes.

Mr. WALSH. Will the Senator agree that no one now claims that those undertakings had any definite or special relationship or association with slum clearance, as the average citizen thinks in terms of slum clearance, which means housing people who live in slums?

Mr. TYDINGS. That is correct.

Mr. WALSH. That the people who went in to occupy and who are now occupying these places, in order to become tenants, had to have an income which was sufficient to pay the rent the Government fixed; and the rent, because of the high cost of building, was such that the ordinary workingman could not pay it even after we passed legislation reducing the rents to be levied by charging off 40 percent of the capital cost. Am I correct in that statement?

Mr. TYDINGS. That statement is substantially correct. except that it was shown that the average cost of some of these houses-that is, the cost of house and grounds and everything that went into it-was around \$15,000 per family unit. But, of course, they are occupied by people with incomes of \$1,800 to \$2,000 a year, in some cases, so what the Federal Government did was simply to disregard the initial cost and get as much rent as it could, which was away below the income necessary to carry the cost any further.

Mr. WALSH and Mr. CLARK of Missouri addressed the Chair.

Mr. TYDINGS. I should like to state to both Senators that in my remarks later on many of the points which are being discussed will be taken up in detail.

Mr. WALSH. Mr. President, will the Senator yield?

Mr. TYDINGS. I yield.

Mr. WALSH. So we are in the position of already being committed to pay for 60 years a subsidy to a limited number of families.

Mr. TYDINGS. To some 64,431 families.

Mr. WALSH. I should like to have the Senator point out to us what change, if any, has taken place in the granting of the subsidy and the class of persons to whom it is being granted under the Housing Act.

Mr. TYDINGS. I think I shall answer many such ques-

tions as I go along.

Mr. WALSH. I thank the Senator.

Mr. WAGNER. Mr. President, will the Senator yield? The PRESIDING OFFICER (Mr. LEE in the chair). Does the Senator from Maryland yield to the Senator from New York?

Mr. TYDINGS. Will the Senator let me proceed for a few minutes? I feel that as I break down the figures I shall probably clarify what up to now has been a general statement.

Mr. WAGNER. If the Senator will bear with me, there is one distinction, that I am not sure was clearly made, between the method of paying subsidies under the United States Housing Authority and the subsidy which was provided for the houses to which the Senator from Massachusetts referred, which were built under the National Recovery Act. In those cases no annual subsidies are provided.

Mr. TYDINGS. That is correct.
Mr. WAGNER. The Senator understands that.

Mr. TYDINGS. I tried to make that clear.
Mr. WAGNER. They were not built under any regulations provided by Congress.

Mr. TYDINGS. No. The chart I read shows the old houses, not the new houses built under the United States Housing Authority. I cited the illustration simply to show what had taken place in the past. Many of the houses are not yet occupied. They are in course of construction. However, I am pointing out the danger of what has happened in the past. Families of relatively high income desire to get into the houses, and the whole point of the program will be missed if that is permitted in the future. I have not yet charged the United States Housing Authority with such

Mr. WAGNER. This is not the first time the Senator has opposed the program of social service under the Housing Act. The Senator recognizes a great distinction between the houses built under the jurisdiction of the Secretary of the

Mr. TYDINGS. I have so stated four or five times, Mr. President. I have just stated that there was no restriction in connection with the houses used in the illustration.

Mr. WAGNER. Exactly.

Mr. TYDINGS. And that so far the Federal Housing Authority has not completed houses in any great number as to which such a thing could be done. However, I wish to say to the Senator that I never felt more secure than I do today in my opposition to the proposal which the Senator sponsored. I have already proved that the living quarters being built under the program cost more per family unit than does the average home now occupied by the average American family. I have already proved by the figures of the Housing Authority itself that the rent subsidy of over 60 years will cost two and a half times as much as the original cost of the building. I have already proved that all the other poor people in America will have to contribute extra taxes to take the place of the taxes which are excused to the few poor people who live in these buildings, and that those in the houses will be living on a plane far beyond that of the average American family.

I shall go further into detail. If the Senator had accepted some of the protecting amendments which were offered on the floor of the Senate, we should not today be in such a sorry state, and there would not have been the extravagant waste of money which I am trying to bring out, in the hope that the present Congress will correct the legislation before it pours \$800,000,000 more, which is requested of this Congress, down the same rat hole.

Mr. WAGNER. The Senator insists that he has established certain facts. He is an advocate on his side. I find no fault with that; but I shall study the figures of the Senator. Mr. TYDINGS. I intend to put them in the Record.

Mr. WAGNER. At a later time, perhaps, I shall make some observations, after I have had an opportunity to study the figures.

Mr. TYDINGS. The rent subsidy to be paid by the United States Government over a 60-year period on these 141 projects will amount to \$831,861,840, according to figures from the United States Housing Authority report. This is approximately two and one-half times the original entire cost of erecting these apartment houses.

Here is a significant figure, and I hope I may have the attention of the Senator from New York, for the figure is absolutely startling. If we divide the total rent subsidy by the number of families occupying these apartment houses, we find that the result is \$12,910 for each family. Moreover, this is actual money paid out of the Treasury of the United States. This means, on an average, a rent subsidy of \$215 per year for 60 years for every family living in the Government apartments; \$215 in rent is to come out of the Treasury of the United States each year for 60 years to pay a part of the rent of 64,000 families who are in a preferred class and who live in better quarters than does the average American and who at the same time are exempt, in whole or in part, from other taxation.

It will be recalled that under the terms of the original act the United States Housing Authority was to lend 90 percent of the cost of the project to the municipalities. The other 10 percent was to be put up by the municipality itself, to complete the sum necessary to finance the entire construction of the new apartment houses.

However, as has been pointed out, the annual contribution made by the United States Housing Authority to each municipality is sufficient in itself to repay the entire loan to the Federal Government, as well as to pay off all the local contribution at one and the same time and still leave the municipality with a profit.

In effect, these transactions amount to the Federal Government furnishing the apartment houses to the various cities of the country free of any cost whatever, for the United States Housing Authority gives the city each year, in the form of a rent subsidy, a sum larger than the debt which the city owes the United States Housing Authority for that year.

In other words, the Government of the United States is now providing free homes for 64,431 families in the United States—homes, mark you, which are exempt in whole or in part from local taxation; homes which cost more than the average home in America; and homes for which the Federal Government agrees to pay each family residing therein \$215 a year for 60 years toward any rental which the municipalities may charge the occupants.

Let us take a concrete case. In Maryland eight of these projects are under way, five of which will replace slum dwellings, one in part slum dwellings, and two will be built on vacant land. Many of the dwellings do not replace slums at all. A large percentage of them do not take the place of slums at all. In many cases they are built on vacant land. In Maryland, out of six, two are built entirely on vacant land, and three-quarters of the land occupied by a third is vacant.

Mr. WAGNER. Mr. President, will the Senator yield?
Mr. TYDINGS. I would rather continue at this point,
and then I will yield to the Senator. I will not cut him off.
I wish to make the argument before I yield.

Mr. WAGNER. The question has to do with what the Senator has just stated.

Mr. TYDINGS. I will give the Senator an opportunity. The proposed cost of the eight houses in Maryland will be \$24,523,400. Of this amount, the United States Housing Authority has loaned \$22,069,000 to the municipalities where the houses are to be built, and \$2,701,000 is to be put up by the local municipalities, which sum includes certain preliminary administration costs not a part of the construction

cost itself.

Keep in mind that these eight houses in Maryland have an outside cost of \$24,523,400.

The \$22,069,000 put up by the Federal Government is, of course, loaned to the municipalities, and is to be repaid by them. However, the Federal Government has made a contract to give these municipalities the sum of \$944,112 a year, and in 60 years this annual contribution will amount to \$56,646,720. Thus, in 60 years the Federal Government will furnish to the cities in Maryland about two and one-half times the amount of money which the cities in Maryland have borrowed from the Federal Government to build the houses in the first instance.

That figure applies, in general, to every State in the Union. I have taken the figures for my own State from the report issued December 22 to show that the Federal Government is giving to Baltimore and to Annapolis each year more money than the city of Baltimore or the city of Annapolis owes the Federal Government. Over a period of 60 years the Federal Government will give those cities two and a half times what the buildings in the two cities cost. The same thing is true of every other State in which this policy is in effect. In other words, the Federal Government will give to the cities of Maryland not only enough to repay the loan granted them but also to pay all the local contribution toward the maintenance of these houses, and still leave in the hands of the cities a cash sum for other purposes. This is the plan followed in all the other States of the Nation.

The conclusion is inescapable. In Maryland, at public expense, eight apartment houses are to be built, which, in effect, will be paid for entirely by the Government of the United States and not at all by anybody else. When built, these houses will become the property of the cities, and each of these family units will cost more to build than does the house occupied by the average American family today. Thus, in effect, the Government is building free homes for the people of the Nation, for that is what it amounts to, when the contracts are analyzed. The city, in effect, will make no contribution worthy of the name to the cost of these houses, and the Federal Government is borrowing the money and increasing the national debt in order to accomplish the building of these homes.

These apartment houses being exempted in whole or in part from local taxation, those who build their own homes or who live in rented houses must, perforce, pay more taxes than their just share in order to make up the taxes from which the families living in these new apartment houses are excused.

Thus the Government builds a finer house than the average American family lives in, free of any cost to the cities wherein they are built, and then insists that all the other people of America be taxed more to pay the taxes which those who live in the Government apartment slum-replacing houses are excused from paying.

Of course, in these calculations I have not included the interest which all the taxpayers of America must pay on the \$500,000,000 which the United States Housing Authority lends to the municipalities, for the United States Housing Authority must borrow this money before it can lend it, and all American taxpayers must pay the interest thereon.

Let me revert again to the annual rent subsidies on the 141 projects under way which the United States Housing Authority has contracted to pay to the various municipalities for 60 years in the future, amounting to \$13,864,364 a year, or \$831,861,840 for 60 years—about two and a half times

the original cost of the projects.

Astounding as are these figures, which show the present status of the rent subsidy matter, this is only the beginning. Last June, Mr. Straus, the United States Housing Authority Administrator, appeared before the Senate Appropriations Committee in connection with appropriations for the United States Housing Authority. I wish to quote briefly from the testimony by Mr. Straus at that hearing:

Senator Typings. Have you any estimates of what will be the ultimate outlay for rent subsidies without including interest on outlay; straight outlay itself, on your 60-year subsidy contracts?

Mr. Straus. Senator, that question is one, of course, which is always asked and I do not know whether any country in the world ever has been able to answer it and certainly I cannot tell you that I have the answer. The British budget today has an amount in it for subsidy exactly parallel to ours. Their scheme is parallel to ours, and they have an item in it in the amount of \$85,000,000.

On the basis of population, their population is about a third

On the basis of population, their population is about a third of ours, it would be about \$250,000,000 for annual subsidies. We have in this bill today about \$20,000,000—

That is, when they got the first subsidy-

and we are talking about \$35,000,000, you know, and that is the best answer I can give you.

So we have entered upon a policy which, according to the Housing Administrator himself, will eventually entail the expenditure of \$250,000,000 a year for each year for 60 years in the future in order to pay a part of the rent of people who live in better homes than the average American lives in and who are exempt in whole or in part from local taxation. That is the problem; and it is all done in the interest of helping the deserving poor. I am going to show, in a few moments, how the poor have been looked after, not by the Federal Government but by private housing. The figures showing the comparison, as they do, of the waste of money as between Government building and real, substantial building costs of private planning, are startling.

Thus, we have it from Mr. Straus himself, the present U. S. H. A. Administrator, that eventually these annual rent subsidies, instead of being \$13,000,000 a year, as is now the case, will reach a quarter of a billion dollars a year and will, it is likely, run every year for 60 years in the future. So, in 60 years, approximately \$15,000,000,000 will go for rent

subsidies.

When the program of the U.S. H. A. is finally carried out, 1,150,000 families in the United States will be having a part of their rent paid each year for 60 years, at the rate of \$215 per family per year, out of the United States Treasury.

To state the same thing differently, 1 out of every 30 families in America will be living in houses built by the Government and presented to municipalities free of any cost to them, which houses will cost more per family unit than the average American dwelling house. Moreover they will not only be living in better houses than does the average American family but they will have a part of their rent paid by the Government. And, thirdly, notwithstanding these two advantages, they are to be exempt from their proportionate share of local taxation in whole or in part.

Of course, rent payers in privately owned dwellings pay their proportionate share of local taxes indirectly, as the owner includes this item in the rental charge. As the Government apartment buildings are to be exempted from taxes, those renting the apartments will not be paying their share of local taxation.

These Government apartment houses, even though municipally owned, are not like other city property, such as courthouses, city halls, fire houses, and the like. They perform no such civic functions, but are purely dwelling property, which has always constituted a principal source of tax revenues for a city. Thus the municipality will be deprived of revenues which it should justly receive from such property.

As at present only about one-fourth of our national revenue is derived from corporate and individual income taxes and the remainder of our national revenue comes from the masses of the people, it is not farfetched to say that the vast remainder of the working people of America are to be taxed to provide homes for the 1,150,000 families who will live in homes better than the average American occupies. The remaining workers will be contributing from their own earnings to the Federal Government so that the Government may have the money with which to pay a part of the rent of the 1,150,000 families living in these better-than-average homes.

In striking contrast to this venture in state socialism, which is really the plan now being followed by the United States Housing Authority under the act, is the story of housing as it is being carried on under private supervision in Fort Wayne, Ind. In that city private capital is providing new, modern houses for people of low income, without any rent subsidies, without exemption from local taxes, and without borrowed money from the Federal Treasury.

There private capital set out to meet the housing shortage and to provide better living quarters for the people of that community, attacking the problem in a practical manner.

The designers of the Fort Wayne house began with the basic fact that 4,935 families in that city had never had any bathing facilities, that 2,642 families had never had anything better than outdoor privies, and 890 families had never enjoyed running water in their homes.

Starting with these facts, they undertook to design a house which would be safe and sanitary and infinitely better than the wretched shacks in which these families lived, but which would not necessarily measure up in cost to conventional American middle-class standards. The designers proceeded on the assumption that high-priced fixtures, such as sunken bathtubs, silent flushing seats, and heliotrope paper, indirect lighting, and the like, were not necessary in providing good houses with modern conveniences, which might be rented at a low figure.

Many of the people it was proposed to rehouse had had to carry their water in buckets from a communal pump. Other of their living conditions were deplorable. The aim of the designers was to produce a house with the modern essentials of sanitation, comfort, and convenience, but, in order to hold the cost down so that the rent necessary would not be beyond the means of the new occupants to pay, all frills were omitted.

The result was a house with two bedrooms, a combined living room and kitchen, and a bathroom. The combined living room and kitchen was larger than the average middleclass living room-easier to keep clean and generally more satisfactory than two small rooms. All the houses built were immediately occupied as soon as they were constructed, and there were 600 applications on file for more houses at the time of my inquiry. The over-all cost of this house is less than \$900.

Perhaps, in their effort to meet the minimum, the designers in Fort Wayne went too far in the low-cost direction. I am not maintaining that the United States Housing Authority should build houses costing \$900 per family unit; but there is a striking dissimilarity between the \$900 outlay of private capital, and the houses so produced, and the \$5,520 which the United States Housing Authority says is the average cost of a family unit in its new Government apartment houses.

Perhaps somewhere between these two figures is the reasonable and correct mean. The United States Housing Authority apartment houses are supposed to be built for the lowest possible income earners of the country, said on the floor of the Senate by the sponsors of the bill to be families making \$60, \$70, and \$80 a month.

I venture to say that if the designers who put up the \$900 house in Fort Wayne were given \$2,500, which is nearly

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three times the cost of their house, they could produce a thoroughly presentable, durable, and comfortable house containing a living room and kitchen, two bedrooms, bath, front and back porch, to be built on a separate lot of ground, properly landscaped, which would surpass in all-around utility, space, and appearance the \$5,520 family units being built by the United States Housing Authority.

In other words, if out in Fort Wayne a result like that which I have described can be produced for \$900, I venture to say that for \$2,500 a house can be built vastly superior to the \$5,520 per family unit being built under the U.S. H. A.

Mr. WAGNER. Mr. President, will the Senator yield? The PRESIDING OFFICER (Mr. Lucas in the chair). Does the Senator from Maryland yield to the Senator from New

Mr. TYDINGS. I do. Mr. WAGNER. Were the Fort Wayne houses constructed by W. P. A. workers?

Mr. TYDINGS. No. Mr. WAGNER. The

The Senator is sure about that?

Mr. TYDINGS. Yes: at least, I inquired, and the answer was "no," unless I have been misinformed. Even so, we have relief programs all over the United States.

Mr. WAGNER. Under the act which we passed last year we provided that the workers shall receive the prevailing rate of wage, and there is a difference between the wage of W. P. A. workers in the smaller communities and the prevailing wage which Congress insists shall be paid under last year's act.

Mr. TYDINGS. That is correct.
Mr. WAGNER. Incidentally, I am in favor of that provision. I do not know whether the Senator from Maryland is or not.

Mr. TYDINGS. I have in my office a picture of the \$900 house which private capital is building in Fort Wayne on a large scale. I find that it is neat and attractive in appearance, that it stands on a separate plot of ground, that it has shrubbery around it, and that it is really more of an individual home than is likely to be provided in one of the Government apartment houses. Indeed, in comparing the floor plan with that of the Government house, there is very little difference in the arrangement.

I have not seen the Fort Wayne houses; only the pictures of them. It may be that their construction is not as substantial as it should be; but I return to the argument: There is a great difference between the \$900 cost of the Fort Wayne house and the \$5,520 per family unit of the United States Housing Authority building.

If the cost of the United States Housing Authority family units could be reduced to one-half the present figures—that is, \$2,755 per family unit—then, instead of taking care of 64,000 families, we could take care of 128,000 families for the same money; and even then we would be paying three times as much per family unit as the Fort Wayne house costs, built by private capital.

Mr. HOLMAN. Mr. President, will the Senator yield?

Mr. TYDINGS. I yield.

Mr. HOLMAN. The Senator has been talking about average costs. Is he prepared to say what the maximum costs are?

Mr. TYDINGS. I am coming to that subject in a minute. Mr. HOLMAN. There is a maximum, is there?

Mr. TYDINGS. Yes; that is on the next page of my manuscript, I believe.

Then it would not be necessary to provide rent subsidies, or to exempt such houses from local taxation, as is the case in the \$5,520 units now being constructed by the United States Housing Authority. Moreover, if the Fort Wayne plan were followed, these families would have the benefits of fresh air and open spaces and some beauty around them. But, even so, the Federal Government should not, regardless of the cost, provide that such houses be exempt from local taxation; and the Federal Government should not specify that it will pay a part of the rent of the occupants for 60 years in the future, as is now the case.

In that connection, I will remark that that has been the policy adopted by Sweden, which has quit trying to build a large number of houses in the big cities and has moved the population out to surrounding areas where each family has a home and a little bit of ground; and that is true of the general housing plans all over the world. Governments are getting away from rent subsidies. They have given them up in Sweden. They are giving them up in other countries. They are trying to build a substantial and a good house, on such a plan that the Government can then substantially withdraw from the field and let the family go alone.

The cost of building a family unit in these new Government constructed houses varies, of course, in each State. In New York State, one new apartment house is costing \$6,562 per family unit. In the city of Washington, right here in the Capital City, another of these Government-constructed apartment houses, wherein will be housed 246 families, will cost \$6,142 per family unit. These figures are far above the cost of the average house in which the average American today lives, whether he built it, or owns it himself, or rents it.

Keep in mind the fact that these apartment houses, costing \$6,100 and \$6,500 per family unit, are, under the law, to be occupied by families with \$60, \$70, and \$80 a month income, or annual incomes of \$720, \$840, and \$960.

Houses built by private capital, costing \$6,100 or \$6,500. must necessarily be rented for 10 percent of the entire construction cost—that is, for \$610 or \$650 a year, respectivelyto cover amortization of the cost, taxes, interest, repairs, insurance, upkeep, and so forth.

If a family making \$70 a month, or \$840 a year, is required to pay \$650 a year for rent, that leaves only \$190 out of the annual family income, or about 50 cents a day, to clothe and feed the family and pay the other expenses. Certainly no family making \$840 a year can afford to pay for rent and shelter more than one-third of its income, or about \$280. and have enough left over for the bare necessities of life. But how can one of these families pay the rent of an apartment which costs \$6,500 to build? It just cannot be done. Consequently, the National Government will contribute an average of \$215 a year each year for 60 years indirectly to these families to pay a part of the rent and will require the cities to exempt these families in whole or in part from local taxation.

It therefore seems apparent that the first thing Congress should do is to reenact the law governing the slum-clearance or rehousing program, so as to bottom the outlay per family on more of a self-sustaining basis. I am of the opinion that a good, adequate, and healthful house below the present average U. S. H. A. cost of \$5,520 per family unit is not difficult to obtain.

If this is done, it will not be necessary for the cities to exempt such homes in whole or in part from local taxation; it will not be necessary for the Federal Government to pay a part of the rent each year for 60 years for those who live in such homes; and for the same amount of money that Congress appropriates, twice as many homes can be built, which will lift the slum dwellers out of ramshackle and unsafe buildings and place them in sanitary and decent living

To appropriate more money on the present plan outlined by the law as now administered is to waste hundreds of millions of dollars in building costs and commit the Federal Government for 60 years to an annual bill which will eventually reach a quarter of a million dollars annually in rent subsidies and which will only take care of a small percentage of the poorly housed families, because the money is being used to build homes which cost more than those of the

average American family.

I note in the city of Baltimore, as in other cities, that the average cost per family unit of one Government apartment house under construction is \$6,354. That is away above the cost of the average home which the average citizen of Baltimore lives in today; and so it is in other cities. Yet the average family renting or owning a home built by private capital pays directly or indirectly its full share of the taxes

and receives from the Federal Government no annual sum to pay a part of its rent. Consequently, such a family must take from its earnings an additional sum, first, for Federal taxes for these rent subsidies, and, second, to make up the local taxes which occupants of the new Government houses

are excused from paying in whole or in part.

When you drive north, and enter the city of Baltimore to go out toward Philadelphia and New York, it is necessary to cross almost the entire middle of the city; and if you drive through that route of 3 or 4 miles you will pass houses not 5 percent of which cost \$6,300. In other words, in Baltimore City we are building, for people of the lowest possible income, houses which cost more per family unit than 90 percent of the houses in Baltimore City cost; and the people who live in these Government-constructed houses are to be exempt in whole or in part from local taxation, and are to have an average of \$215 per family per year paid as a part of their rent for 60 years in the future.

Mr. WALSH. Mr. President, will the Senator yield? The PRESIDING OFFICER. Does the Senator from Maryland yield to the Senator from Massachusetts? Mr. TYDINGS. I do.

Mr. WALSH. Does the figure for Baltimore, which the Senator is giving, include the land as well as the houses? Mr. TYDINGS. Yes; I am taking the outside figure; but, as a general rule, land is not a large part of these costs.

Is not that astounding? The other day I sent a telegram to the Real Estate Board of Baltimore City and asked them if they could tell me the cost of the average home in Baltimore. Why, Mr. President, not more than 10 percent of the people of Baltimore live in such a high-priced establishment as a \$6,500 home. Most of the homes cost \$1,500 or \$2,000 or \$2,500. Baltimore, you will recall, is a city of homes, not of apartment houses. There are long rows of houses. Under these plans we are building family units costing \$6,500 for the low-income groups in Baltimore City, when perhaps the cost of the average home in Baltimore today is less than \$3,000 per family unit. Can you believe it? And then, besides, we are committing the Government to paying a part of the rent of those families for 60 years in the future.

Mr. BYRD. Mr. President, will the Senator yield? The PRESIDING OFFICER. Does the Senator from Maryland yield to the Senator from Virginia?

Mr. TYDINGS. I yield.

Mr. BYRD. The Senator no doubt is familiar, too, with the construction done under the Resettlement Administra-

Mr. TYDINGS. I referred to that a moment ago.

Mr. BYRD. In Tugwelltown, as I recall, in the Senator's own State, the average unit cost is about \$16,000. In Hightstown, N. J., the average unit cost for a dwelling is \$21,000. Mr. WAGNER. Will the Senator yield at that point?

I know he does not want to make an inaccurate statement?

Mr. TYDINGS. I yield. Mr. WAGNER. In the law there is a provision that at the end of each 10 years there is to be a reexamination of the amount of the subsidy that is agreed to be paid, to determine whether the economic situation has changed, whether the dwellers can afford to pay more, and other facts, so that it is not strictly accurate to say that for a period of 60 years we are to be required to pay these subsidies to which the Senator refers. There may be a modification. I think the examination under the law is required after the first 10 years, and then every 5 years thereafter. The Senator is familiar with that provision, I think.

Mr. TYDINGS. Yes; but permit me to point out to the Senator that when the bill was pending on this floor the bill provided that the United States Housing Authority was to make contracts for a period of 20 years but not more than 60 years, and the Senator now speaking asked in the debate, I do not remember whether it was the Senator from New York or some other sponsor of the bill who was interrogated, whether the contracts were to be made on a 20-year basis or a 60-year basis. We were told, as the record of the debate will show, that they were to be made on the basis of 20 years or less. I asked Mr. Straus the direct question, "Have you made 60-year contracts for each of these houses?" And Mr. Straus answered in the affirmative in all cases.

It may be true that he will have the right of revision in 10 years; but does the Senator think that, with these houses spread in every State in the Union, as they will be, when the reports come in from the thousands of families who live in them and from the municipal authorities, the Government is going to take any step which will be tantamount to abrogation of any contract in whole or in part?

If they can be revised, who knows that they will not be revised upward instead of downward? Certainly, from the extravagance of the administration up to date, as I think I have proven by their own figures pretty conclusively, we would be very great optimists if we presumed they were going to be

revised downward.

Mr. WAGNER. The Senator has asked me a question. I have a little more confidence in public officials than the Senator has.

Mr. TYDINGS. I have not much in this particular activity.

Mr. WAGNER. The Senator is making these general state-

Mr. TYDINGS. I am not making a general statement. The Senator from New York is making a general statement. I am taking their own figures to substantiate every remark I have made.

Mr. WAGNER. The Senator says that is extravagance.

Mr. TYDINGS. Does the Senator think that \$6,300 as the cost of a slum-cleared family dwelling in Baltimore City, which is above the cost of 90 percent of the homes which the people over there occupy, which is to be exempt, in whole or in part, from local taxation, and to have a rent subsidy for 60 years in the future of \$215 a family, is economical?

Mr. WAGNER. I would say offhand it is not economical; but I want to have all the facts, and therefore, if the Senator will permit me, after he is through I should like to examine

his figures.

Mr. TYDINGS. I am going to put them in the RECORD.

Mr. WAGNER. And then perhaps at a later date, after I have had a chance to study them, I may attempt to answer them, either to show there was not the extravagance—and I am quite confident there was not any extravagance-or concede what the Senator has said to be true.

Mr. TYDINGS. I shall put the figures in the RECORD, and I think the Senator will find, when he examines them, that I have taken the very figures from Mr. Straus' own department, issued on December 22, 1938, to substantiate every remark I have made on this floor. The adding-machine figures for all the columns are here, and unless the adding machine is out of order, I would pretty near bank on its accuracy.

Mr. WAGNER. I have heard from the localities which have had to do with the United States Housing Authority that their administration has been very efficient and very economical. That is a mere general statement. If I cannot justify it after I study the Senator's speech, I will concede the Senator to be correct; but my opinion is to the contrary.

Mr. TYDINGS. The Senator would be wise to buttress his observations with facts, as I am doing, before he even attempts to debate the question.

Mr. WAGNER. I think I always try to sustain my position with facts. We may disagree as to the application of the facts.

Mr. KING. Mr. President, will the Senator from Maryland yield?

Mr. TYDINGS. I vield.

Mr. KING. I was interested in the question as to whether or not there was any chance for one of the occupants of these houses to obtain title. Suppose through some good fortune the occupants were able to purchase a home, one of these four-room homes in an apartment house. Could he do so?

Mr. TYDINGS. As I understand, he could not. They are owned by the municipality. I believe that question has been raised, but unless guarantees are given of such a nature as to be prohibitive, title cannot pass. According to my information, no title has passed up to date.

Mr. KING. Then we are not providing opportunities for families to acquire homes. They have to be renters for 60

Mr. TYDINGS. That is correct. I say without fear of successful contradiction that if houses such as I have described can be built in Fort Wayne, Ind., for \$900, and the Federal Government is spending \$5,520 per family unit to build houses for similar purposes, this glaring discrepancy in itself is enough to prove conclusively to any reasonable man that the sum spent per family unit by the Federal Government, or under its direction, is a wasteful and extravagant expenditure, depriving other families in similar circumstances from receiving equal treatment, because of these high prohibitive costs; to say nothing of excusing families from paying their proportionate share of local taxation, and giving them an annual rent subsidy from the Treasury of the United States for 60 years in the future.

Sweden long ago abandoned the rent subsidy as impractical, and it has been modified in other foreign countries, in the light of experience. We in the United States might profit by their experience.

Incidentally, as to the houses in Great Britain, the plans of which are somewhat similar to ours, though not directly parallel, as Mr. Straus testified, I find on examination I have not the exact figure, but they cost about \$2,800 per family

Mr. WAGNER. Mr. President, if the Senator is addressing himself to me, in drafting the legislation I took absolutely the same system of financing that Great Britain and the Scandinavian countries are using. I went over to those countries at my own expense and studied the situation.

Mr. TYDINGS. The Senator means that he put no limitations in his law. There are no limitations as to the amount of subsidy, there are no limitations as to the cost, there are no limitations in the Senator's measure. He practically left the top wide open. We tried to put limitations in the bill on the floor of the Senate.

Mr. WAGNER. There is a limitation as to the cost per room.

Mr. TYDINGS. What is the limitation?

Mr. WAGNER. A thousand dollars per room.

Mr. WALSH. The Senator means per unit, does he not? Mr. WAGNER. Yes; and a limitation of \$4,000 per family unit.

Mr. TYDINGS. It was the intention of Congress that none of these family units should cost more than \$5,000, and I have already shown that the average cost per family unit in all these apartment houses is \$5,520, and some of them run to nearly \$6,500.

Mr. WAGNER. If the Senator has been accurately in-

Mr. TYDINGS. There is no limitation on the rent subsidy. It is not provided whether it shall be 10 percent of the cost per year or not over 5 percent, or 1 percent.

Mr. WAGNER. But there is a very clear definition.

Mr. TYDINGS. Yes; a definition through which you could drive the whole United States Army and not even know where they had been.

Mr. WAGNER. It is much more restricted than the laws in these other countries.

Mr. TYDINGS. I should like to conclude. I have been talking a long time.

Mr. REYNOLDS. Mr. President, will the Senator yield for just one question?

Mr. TYDINGS. Yes; for just a question.

Mr. REYNOLDS. The Senator stated that the per-unit cost was \$5,520. I wonder whether the Senator knows what proportion of that was administrative cost.

Mr. TYDINGS. I shall be glad to hand the Senator the table, which shows the cost in each State and for each project. The administrative cost is not so large; it is substantial,

but not large. The Senator can find it in one of the six columns in the report.

The United States Housing Authority is asking for \$800,000,000 more to be spent along the same lines as those I have indicated. Let me say to the Senator from North Dakota and to other Senators that this money is not being used to rehabilitate the poor people who live in the country districts. I can drive through the countryside of Maryland and show the Senator houses in a much worse state than are many of the houses in the city which are being removed. This program seems to be confined almost entirely to the big cities of the country. No effort is made under this law to raise the standard of living of the agricultural worker, who makes a very small income, as a general rule, and whose house is not always sanitary, and who does not have electric lights and does not have bath tubs and does not have many of the other conveniences which are enjoyed by city people.

If Congress appropriates the \$800,000,000 sought, in the light of the facts, much of it is going to be wasted and many families which could be provided for will be denied better living conditions, which could be obtained under a more economical administration.

Before more money is appropriated, a ceiling on ultimate costs should be fixed in the present Housing Act, a ceiling which will permit the spreading of the benefits of the rehousing policy to thousands of families who otherwise will be denied better living conditions. Such a policy will be fairer to those who live in privately constructed dwellings and will save the Treasury of the United States, over a 60-year period, from ten to fifteen billions of dollars in rent subsidies, which, of course, must be provided by taxes on all the people.

When these houses are finally built and the occupants move in, there is going to be a tremendous protest against the plan now being followed, a protest that is not without justification. If we are wise, therefore, before appropriating more money for housing, we should insist that these new houses should not cost more than \$3,000 a family unit, and that the waiver of local taxation of the occupants therein be discontinued, in which case the annual rent subsidy from the Treasury of the United States will not be necessary.

The present program needs drastic and immediate revision, particularly in view of the mounting national debt, the annual recurring deficits, the millions of poorly housed families which under present circumstances are penalized to make their contribution for annual rent subsidies, on the one hand, and on the other, denied living conditions equal to those who will be fortunate enough to occupy these expensive Government houses.

When this law was before Congress some of us attempted to point out the possibilities and probabilities which are now realities. It is not yet too late to save billions of dollars to the Treasury of the United States, without denying to a single worthy family the opportunity to live in quarters better than those they are now occupying.

Considering the \$900 family unit cost in Fort Wayne and the \$5,520 family unit cost under the slum-clearance program, who is there to say that the problem of rehousing the low-income groups cannot be speeded up, widely extended, and conducted henceforth on more enduring and economical lines?

Further to postpone a full examination of the problem is in my judgment to invite the destruction of the housing program through the disgust and condemnation of the people of the country when the full meaning of what is taking place becomes known.

In substantiation of my remarks, Mr. President, I ask unanimous consent to have published in the Record, as a part of and immediately following what I have said, the table prepared by the United States Housing Authority, released on December 22, 1938, which shows the location of each project, its development number, the Presidential list number, the date approved by the President, the number of new family

dwellings, whether built on slum or vacant sites, the proposed cost per family unit of land, nondwelling facilities, net construction cost, equipment, architect's and overhead cost, and the total cost; the proposed entire cost of the project, the amount of Federal loan, the amount of local capital participation, the annual Federal contribution, the annual local contribution, and the proposed shelter rent per room per month to be charged.

From these figures it will at once be seen that the rent to be charged is far below that necessary to carry these expensive living quarters, and the reason for the annual rent subsidy and exemption from local taxes will at once appear.

From these figures also it will be apparent, in my judgment, that houses on a more economical basis can be built which will eliminate the very objections to which I have alluded.

That should be one of the immediate tasks of the present Congress before more hundreds of millions of dollars are spent in such an extravagant manner, which millions, incidentally, we do not have and which we are borrowing, while committing ourselves at the same time to an annual outlay on these houses, which will run into billions of dollars before the rent subsidy contracts expire.

In Sweden, in Holland, in Belgium, in Great Britain, and in some other countries plans something like this have been adopted. The program is an experiment in our own country. If we really want to avoid just criticism, the Housing Authority itself ought to come before Congress and suggest aments which will restore the confidence of the Congress and the country in the program as we contemplated it would work out when it was adopted.

The PRESIDING OFFICER (Mr. Lucas in the chair). Without objection, the tables referred to by the Senator from Maryland will be printed in the Record at this point.

The tables are as follows:

							Propo	sed cost pe	r family dw	relling				e seed			
Location of project		Presi-	Date ap-	Num- ber of				Dw	relling facili	ties		Proposed		Local	Federal	Local	Proposed shelter
	Development No.	dential list No.	proved of by Presi- dent	new family dwell- ings	Slum or va- cant site	Land 12	Non- dwelling facili- ties ³	Net con- struc- tion 4	Equip- ment, archi- tects, and over- head ³	Total	Total	cost, entire project	Federal loan ⁶	capital participa- tion 7	annual contribu- tion 8 9	annual contribu- tion 10	rent per room per monthu u
labama (3)				1, 258								\$6, 087, 071	\$5, 477, 000	\$671, 110	\$234, 338	\$95, 864	
Birmingham	Ala. 1-1	3	June 2, 1938	860	Vacant	1 \$454	\$742	\$3, 287	\$462	\$3,749	\$4, 945	4, 253, 071	3, 828, 000	467, 110	⁸ 163, 743	59, 869	11 \$4. 25
Mobile	Ala. 2-1 Ala. 2-2	} 5	Sept. 7, 1938	{ 100 298	Slum	1 167 1 632	862 835	3, 005 2, 705	496 462	3, 501 3, 167	4, 530 4, 634	453, 000 1, 381, 000					11 3. 75 11 3. 75
Total				398								1, 834, 000	1, 649, 000	204, 000	8 70, 595	35, 995	
alifornia (6)				1, 477								7, 675, 000	6, 905, 000	846, 000	295, 365	186, 770	
Los Angeles County	Calif. 2-1 Calif. 2-2	} 9	Dec. 7, 1938	{ 250 253	Vacantdo	1 298 1 76	1, 450 1, 678	2, 808 2, 807	592 593	3, 400 3, 400	5, 148 5, 154	1, 287, 000 1, 304, 000					12 4. 25 12 4. 25
Total				503								2, 591, 000	2, 331, 000	286, 000	\$ 99,715	56, 535	
Oakland Do	Calif. 3-1 Calif. 3-2	} 5	Sept. 7,1938	{ 400 156	Slumdo	1 1, 490 1 1, 090	599 599	2, 733 2, 733	470 469	3, 203 3, 202	5, 292 4, 891	2, 117, 000 763, 000					11 4. 25 11 4. 25
Total				556								2, 880, 000	2, 591, 000	318, 000	\$ 110, 845	80, 442	
San Francisco	Calif. 1-1 Calif. 1-2	} 10	Dec. 14, 1938	{ 118 300	Vacant 10 percent slum.	2 672 2 361	664 1, 460	2, 791 3, 020	602 585	3, 393 3, 605	4, 729 5, 426	558, 000 1, 646, 000					12 4. 00 12 4. 00
Total				418								2, 204, 000	1, 983, 000	242, 000	* 84, 805	49, 793	
istrict of Columbia (4)	11111111111			1, 257								7, 336, 000	6, 600, 000	812,000	282, 415	141, 208	
Washington Do Do	D. C. 1-1 D. C. 1-2 D. C. 1-3 D. C. 1-4	} 8	Nov. 28, 1938	282 246 428 301	Vacant Slumdo Vacant	1 171 1 1, 936 1 1, 623 1 160	1, 400 556 774 1, 249	3, 413 3, 125 3, 178 3, 451	587 525 523 602	4, 000 3, 650 3, 701 4, 053	5, 571 6, 142 6, 098 5, 462	1, 571, 000 1, 511, 000 2, 610, 000 1, 644, 000					11 3. 75 11 3. 75 11 3. 75 11 3. 75
Total				1, 257								7, 336, 000	6, 600, 000	812, 000	\$ 282, 415	141, 208	
lorida (6)				1, 212								5, 680, 858	5, 113, 000	626, 000	226, 267	185, 017	
Jacksonville Orlando	Fla. 1-1 Fla. 4-1	2 9	Apr. 19, 1938 Dec. 7, 1938	224 156	Vacant	1 266 2 147	994 712	(13) 2, 128	(13) 640	3, 833 2, 768	5, 093 3, 627	1, 140, 625 609, 000	1, 027. 000 548, 000	- 125,000 67,000	8 43, 925 8 23, 415	25, 170 12, 759	11 3. 82 12 3. 25
Pensacola	Fla. 6-1 Fla. 6-2	} 7	Nov. 3, 1938	{ 120 120	25 percent slum.	1 813 1 362	759 798	3, 112 3, 001	508 422	3, 620 3, 423	5, 192 4, 583	623, 000 550, 000					11 3. 50 11 3. 00
Total	Fla. 2-1	4	July 16, 1938	240 242	20 percent	1 321	737	2, 910	433	3, 343	4, 401	1, 173, 000 1, 065, 000	1, 055, 000 959, 000	130, 000 117, 000	8 45, 150 9 43, 931	56, 968 33, 164	11 4. 00
Tampa	Fla. 3-1	4	do	350	slum. 51 percent slum	1 758	580	3, 076	424	3, 500	4, 838	1, 693, 233	1, 524, 000	187, 000	9 69, 846	56, 956	11 3. 75
eorgia (10)				3, 888								19, 638, 200	17, 672, 000	2, 165, 000	755, 965	440, 983	
Atlanta	Ga. 6-1 Ga. 6-2 Ga. 6-3 Ga. 6-4	9	Dec. 7, 1938	602 604 634 598	Slumdododododododododo	2 552 2 438 2 530 2 601	719 743 655 632	2, 926 2, 694 2, 784 2, 729	697 585 698 643	3, 623 3, 279 3, 482 3, 372	4, 894 4, 460 4, 667 4, 605	3, 340, 000 3, 054, 000 3, 410, 000 3, 154, 000					12 3. 25 12 3. 00 12 3. 25 12 3. 00
Total		1	Mark To	2, 438								12, 958, 000	11, 661, 000	1, 429, 000	* 498, 855	265, 105	
Augusta	Ga. 1-1 Ga. 1-2	} 2	Apr. 19, 1938	{ 167 168	Vacant	1 101 1 54	803 706	(13)	(12)	3, 645 3, 773	4, 549 4, 533	759, 800 761, 400	11, 001, 000	1, 120, 000	100,000	200, 100	11 3. 62
Total	Ga. 1-2			335							4, 003	1, 521, 200	1, 369, 000	167, 000	8 58, 555	40, 900	11 3, 3;
Columbus	Ga. 4-1 Ga. 4-2	} 10	Dec. 14, 1938	{ 166 284	Slumdo	2 368 2 180	784 603	2, 646 2, 510	617 615	3, 263 3, 125	4, 415 3, 908	857, 000 1, 210, 000					12 3. 00 15 2. 50
Total				450				 -	l			2, 067, 000	1, 860, 000	228, 000	* 79, 555	43, 641	

Savannah: Contract No. 1	Ga. 2-1	6	Oct. 21, 1938	164	10 percent	1 615	837	2, 881	594	3, 475	4, 927	808, 000	727, 000	89,000	*31, 080	24, 244	11 3, 50
Contract No. 2	Ga. 2-2	10	Dec. 14, 1938	501	Slum	2 344	596	2, 401	622	3, 023	3, 963	2, 284, 000	2, 055, 000	252, 000	8 87, 920	67, 093	12 3, 00
Hawaii (1)				220								1, 125, 000	1, 012, 000	124, 000	43, 295	21, 702	
Honolulu	T. H. 1-1	6	Oct. 21, 1938	220	Vacant	1 756	794	2, 893	671	3, 564	5, 114	1, 125, 000	1, 012, 000	124,000	8 43, 295	21,702	11 3. 50
Illinois (2)				2, 248								12, 481, 100	11, 233, 000	1, 372, 000	488, 313	371, 311	
Chicago	Ill. 2-1 Ill. 3-1	6	Oct. 21, 1938 July 16, 1938	1, 708 540	Slumdo	1 602 1 910	757 580	3, 821 3, 330	463 445	4, 284 3, 775	5, 643 5, 265	9, 638, 000 2, 843, 100	8, 674, 000 2, 559, 000	1,060,000 312,000	* 371, 035 * 117, 278	339, 904 31, 407	11 4. 50 11 4. 25
Indiana (5)				846								3, 779, 000	3, 399, 000	417,000	145, 390	87, 069	
Anderson	Ind. 6-1 Ind. 4-1 Ind. 7-1 Ind. 5-1 Ind. 2-1	6 7 5 7 5	Oct. 21, 1938 Nov. 3, 1938 Sept. 7, 1938 Nov. 3, 1938 Sept. 7, 1938	203 111 175 274 83	Slum Vacant do Slum Vacant	1 651 1 231 1 175 1 664 1 136	662 805 571 751 743	3, 076 2, 828 2, 815 2, 772 3, 078	429 415 468 441 296	3, 505 3, 243 3, 283 3, 213 3, 374	4, 818 4, 279 4, 029 4, 628 4, 253	978, 000 475, 000 705, 000 1, 268, 000 353, 000	880, 000 427, 000 634, 000 1, 141, 000 317, 000	107, 000 53, 000 78, 000 139, 000 40, 000	\$ 37, 625 \$ 18, 270 \$ 27, 125 \$ 48, 790 \$ 13, 580	20, 814 5, 356 14, 967 34, 432 11, 500	11 3. 50 11 3. 25 11 3. 00 11 3. 25 11 2. 75
Kentucky (6)				2, 330								12, 926, 000	11, 632, 000	1, 423, 025	510, 388	274, 466	
Covington	Ку. 2-1 Ку. 2-2	} 5	Sept. 7, 1938	{ 263 168	Vacant	1 304 1 1, 441	899 440	3, 038 3, 194	451 467	3, 489 3, 661	4, 692 5, 542	1, 234, 000 931, 000					11 3. 75 11 3. 75
Total Frankfort Lexington	Ку. 3-1 Ку. 4-2	10 10	Dec. 14, 1938	431 91 206	Vacant 40 percent	2 163 2 169	845 811	2, 676 3, 012	569 571	3, 245 3, 583	4, 253 4, 563	2, 165, 000 387, 000 990, 000	1, 947, 000 348, 000 891, 000	240, 000 43, 000 109, 000	* 83, 335 * 14, 875 * 38, 115	40, 452 6, 269 27, 443	12 2. 75 12 3. 25
Louisville (contract	Ку. 1-1	2	Apr. 19, 1938	814	slum. Slum	11,525	637	(13)	(13)	3, 656	5, 818	4, 734, 000	4, 261, 000	520, 150	⁶ 182, 250	89,000	11 4. 00
No. 1). Louisville (contract No. 2).	Ку. 1-2	4	July 16, 1938	788	do	11,602	644	3, 272	384	3, 656	5, 902	4, 650, 000	4, 185, 000	510, 875	* 191, 813	111, 302	11 3. 75
Louisiana (6)				4, 606								28, 125, 700	25, 311, 000	3, 097, 000	1, 082, 795	835, 211	
New Orleans: Contract No. 1 Do	La. 1-1 La. 1-2			741 656	Slum	1 1, 518 1 2, 032	913 957	(18)	(13)	4, 109 3, 871	6, 540 6, 860	4, 845, 700 4, 500, 000					11 4 10 11 3, 70
Total		1	Mar. 17, 1938	1, 397								9, 345, 700	8, 411, 000	1,028,000	\$ 359, 800	218, 343	
Contract No. 2	La. 1-3 La. 1-5			916 903	Slumdo	1 1, 403 1 1, 031	696 966	3, 386 3, 357	587 584	3, 973 3, 941	6, 072 5, 938	5, 562, 000 5, 362, 000					11 4.00 11 3.50
Total		5	Sept. 7, 1938	1,819			100					10, 924, 000	9, 830, 000	1, 204, 000	8 420, 560	406, 483	
Contract No. 3	La. 1-7			644	3 percent	2 542	1, 112	3, 365	658	4, 023	5, 677	3, 686, 000					12 3. 25
Do	La. 1-8			746	slum. 65 percent slum.	1 283	1, 108	3, 337	635	3, 972	5, 363	4, 170, 000					12 3. 25
Total		10	Dec. 14, 1938	1, 390								7, 856, 000	7, 070, 000	865, 000	* 302, 435	210, 385	
Maryland (8)				4, 244								24, 523, 400	22, 069, 000	2, 701, 000	944, 112	662, 049	
Annapolis	Md. 1-1	5	Sept. 7, 1938	100	25 percent slum.	1 1, 210	590	3, 096	424	3, 520	5, 320	532, 000	478, 000	60, 000	⁸ 20, 475	10, 960	11 4. 00
Baltimore	Md. 2-3	3 } 5	June 2, 1938 Sept. 7, 1938	692 878 810 258 404 600 502	Slumdo	1 1, 150 1 1, 757 1 1, 602 1 1, 281 1 1, 243 1 110 1 333	631 617 583 623 680 804 871	3, 565 3, 565 3, 565 3, 565 3, 565 3, 313 3, 311	415 415 415 415 415 658 660	3, 980 3, 980 3, 980 3, 980 3, 980 3, 971 3, 971	5, 761 6, 354 6, 165 5, 884 5, 903 4, 885 5, 175	3, 986, 500 5, 578, 900 4, 993, 800 1, 518, 200 2, 385, 000 2, 931, 000 2, 598, 000					(13) (13) (13) (13) (13) (14, 00) 11 4, 00
Total	,			4, 144								23, 991, 400	21, 591, 000	2, 641, 000	8 923, 637	651, 089	114.00
Massachusetts (6)				3, 610								21, 745, 000	19, 567, 000	2, 397, 000	837, 095	946, 595	
Boston Do Do	Mass. 2-1 Mass. 2-2 Mass. 2-3 Mass. 2-4	} ;	Nov. 3, 1938	1,017 672 1,092 342	Slumdodododo	1 \$1, 422 1 1, 194 1 1, 161 1 1, 231	\$574 644 646 654	\$3,610 3,709 3,613 3,502	\$504 536 508 555	\$4, 114 4, 245 4, 121 4, 057	\$6, 110 6, 083 5, 928 5, 942	6, 214, 000 4, 088, 000 6, 473, 000 2, 032, 000					11 4, 25 11 4, 25 11 4, 25 11 4, 00
Total Cambridge Holyoke	Mass. 3-1 Mass. 5-1	10 10	Dec. 14, 1938	3, 123 328 159	Slumdo	2 627 2 389	641 829	3, 305 3, 344	691 637	3, 996 3, 981	5, 264 5, 199	18, 807, 000 2, 017, 000 921, 000	16, 924, 000 1, 815, 000 828, 000	2, 072, 000 222, 000 103, 000	8 724, 010 8 77, 630 8 35, 455	829, 904 87, 881 28, 810	12 4. 00 12 3. 50

Bee footnotes at end of table.

CONGRESSIONAL RECORD—SENATE

			Date approved of by President	Number of new family dwellings	Slum or va- cant site		Propo	sed cost per	r family dw	velling	- 24	119		200 V	4-116		West St
2170	Donator	Presi-				Land 12		Dw	elling facili	ties		Proposed		Local	Federal	Local	Proposed shelter rent per room per monthii is
Location of project	Develop- ment No.	dential list No.					Non-dwelling facilities 3	Net con- struc- tion 4	Equipment, archi- tects, and over- head ⁵	Total	Total	cost, entire project	Federal loan ⁶	capital participa- tion?	annual contribu- tion * *	annual contribu- tion 10	
Michigan (4)				3, 193								\$18, 404, 511	\$16, 564, 000	\$2, 025, 000	\$715, 624	\$453, 143	
Detroit: Contract No. 1 Do	Mich. 1-1 Mich. 1-2 Mich. 1-4	} 8	June 2, 1938	248 355 2,150	Slum Vacant	1 710 1 412 1 176	590 959 1, 122	4, 177 4, 081 4, 069	373 365 365	4, 550 4, 446 4, 434	5, 850 5, 817 5, 732	1, 450, 818 2, 064, 948 12, 325, 234					(13) (13) (13)
Total Contract No. 2	Mich. 1-5	4	July 16, 1938	2, 753 440	Vacant	1 310	1,070	3, 951	495	4, 446	5, 826	15, 841, 000 2, 563, 511	14, 257, 000 2, 307, 000	1, 743, 000 282, 000	609, 879 105, 745	390, 404 62, 739	11 4. 2
Nebraska (1)				522								2, 492, 000	2, 243, 000	274,000	102, 795	70, 805	
Omaha	Nebr. 1-1	4	July 16, 1938	522	75 percent slum.	1 560	714	3, 100	400	3, 500	4, 774	2, 492, 000	2, 243, 000	274, 000	102, 795	70, 805	11 4. 0
New Jersey (2)				2, 834								15, 764, 000	14, 185, 000	1, 738, 000	606, 795	660, 958	
Asbury Park Elizabeth	N. J. 7-1 N. J. 3-1	9 5	Dec. 7, 1938 Sept. 7, 1938	126 423	Slum 20 percent slum.	1 472 1 572	523 888	3, 200 2, 339	586 506	3, 786 3, 845	4, 781 5, 305	750, 000 2, 244, 000	675, 000 2, 019, 000	83, 000 248, 000	\$ 28, 875 \$ 86, 380	22, 568 38, 553	19 4. 0
Newark	N. J. 2-1 N. J. 2-2	6	Oct. 21, 1938	444	Vacant 20 percent	1 1, 289 1 1, 173	799 563	3, 261 3, 485	365 379	3, 626 3, 864	5, 664 5, 600	2, 515, 000 1, 344, 000					11 5. 0 11 5. 0
Do	N. J. 2-5 N. J. 2-6	} 5	Sept. 7, 1938	463 465	slum. Slum. Vacant	1 1, 385 1 631	757 1, 004	3, 461 8, 334	380 371	3, 841 3, 705	5, 983 5, 340	2, 770, 000 2, 483, 000					11 5. 0 11 5. 0
Total North Bergen	N. Y. 4-1	6	Oct. 21, 1938	1, 612 170	Slum	1 1, 014	902	3, 190	535	3, 725	5, 641	9, 112, 000 959, 000	8, 199, 000 863, 000	1, 005, 000 105, 000	\$ 350, 770 \$ 36, 890	451, 371 52, 799	ii 8, 0
Trenton	N. J. 5-1 N. J. 5-2	} 7	Nov. 8, 1938	{ 123 380	50 percent	1 814 1 887	703 545	3, 048 3, 280	720 680	3, 768 3, 960	5, 285 5, 392	650, 000 2, 049, 000					11 4.5
Total				503								2, 699, 000	2, 429, 000	297, 000	103, 880	95, 667	
New York (2)				9, 744								60, 691, 351	54, 620, 000	6, 678, 298	2, 336, 615	1, 681, 210	
Buffalo: Contract No. 1	N. Y. 2-1	3	June 2, 1938	696	25 percent	1 958	667	3,706	485	4, 191	5, 816	4, 047, 651	3, 643, 000	445, 298	8 155, 835	140, 619	11 3. 7
Contract No. 2 Contract No. 3	N. Y. 2-2 N. Y. 2-3	5 7	Sept. 7, 1938 Nov. 3, 1938	172 771	slum. Slumdo	1 1, 020 1 954	433 424	3, 309 3, 605	546 725	3, 855 4, 330	5, 308 5, 708	913, 000 4, 401, 000	821, 000 3, 960, 000	101, 000 485, 000	\$ 35, 140 \$ 169, 435	28, 781 140, 915	11 4.0
New York: Contract No. 1 Do	N. Y. 5-1	} 2	Apr. 19, 1938	2,643	53 percent slum. 8 percent slum.	1 795 1 1, 074	841 878	(13)	(13)	4, 642	6, 278 6, 562	16, 592, 800 16, 740, 200					n 5, 1
Contract No. 2 Syracuse Utica. Yonkers	N. Y. 5-3 N. Y. 1-1 N. Y. 6-1 N. Y. 3-1	10 1 5 5	Dec. 14, 1938 Mar. 17, 1938 Sept. 7, 1938	5, 194 1, 476 678 212 545	Slum do Vacant Slum	1 965 1 1, 938 1 150 1 1, 430	492 703 877 638	3, 396 (13) 3, 224 3, 512	623 (13) 466 488	4,019 3,800 3,690 4,000	5, 476 6, 441 4, 717 6, 068	33, 333, 000 9, 323, 000 4, 366, 700 1, 000, 000 8, 307, 000	30, 000, 000 8, 390, 000 3, 930, 000 900, 000 2, 976, 000	3, 666, 000 1, 026, 000 481, 000 110, 000 364, 000	* 1, 283, 310 * 358, 925 * 168, 175 * 38, 500 * 127, 295	810, 000 282, 418 114, 269 33, 478 130, 730	19 5. 0 11 4. 1 11 4. 2 11 4. 5
North Carolina (2)	100000000000000000000000000000000000000		34	252								1, 285, 000	1, 155, 000	143, 000	49, 455	31, 075	
Wilmington	N. C. 1-1	7	Nov. 3, 1938	116	25 percent slum. 70 percent	1 469	737 646	3, 001 2, 945	724 697	3, 725 8, 642	4, 931 5, 243	572, 000 713, 000					11 3. 5
Total		1	Des Silver	252	slum.			2, 510			0, 220	1, 285, 000	1, 155, 000	143, 000	49, 455	31, 075	

Ohio (12)					890								30, 651, 330	27, 584, 000	8, 375, 500	1, 193, 081	558, 727	
Cincinnati		5	Sept.	7, 1938	{ 750 750	Vacantdo	1 399 1 138	1, 134 1, 250	3, 407 3, 407	393 393	3, 800 3, 800	5, 333 5, 188	4, 000, 000 3, 891, 000					11 4. 50 11 4. 50
Total					1,500								7, 891, 000	7, 101, 000	869,000	⁸ 303, 800	151, 241	
Cleveland	- Ohio 3-1		200		554	75 percent slum.	1 1, 161	704	3, 655	437	4, 092	5, 957	3, 300, 000					(13)
Do	Ohio 3-2	3	June	2, 1938	627 623	Slum Vacant	1 1, 260 1 265	446 762	3, 646 3, 729	437 445	4, 083 4, 174	5, 789 5, 201	3, 630, 000 3, 240, 000					(18)
Total	Ohio 1-1	3	June	2, 1938	1,804 456	Slum	1 892	593	2, 761	353	3, 114	4, 599	10, 170, 000 2, 097, 330	9, 153, 000 1, 888, 000	1, 119, 000 230, 000	8 391, 545 8 80, 747	237, 444 30, 315	11 4. 28 11 4. 28
Dayton	Ohio 5-1}	4	July	16, 1938	{ 400 200	Vacantdo	1 272 1 248	920 1,005	3, 235 3, 216	413 431	3, 648 3, 647	4, 840 4, 900	1, 936, 000 980, 000					11 4. 2
Total	THE RESERVE OF THE PARTY OF THE	34 M		-22-2222	600								2, 916, 000	2, 624, 000	322,000	120, 285	40, 544	
Warren	Ohio 8-1	10	Dec.	16, 1938 14, 1938	380 224 600	Vacantdo	1303 1113 1617	905 999 769	3, 185 3, 060 (¹³)	415 743 (15)	3, 600 3, 803 3, 864	4, 808 4, 915 5, 250	1, 827, 000 1, 101, 000	2, 624, 000 1, 644, 000 990, 000	202, 000 122, 000	* 75, 364 * 42, 385 * 121, 275	28, 638 15, 598 89, 917	11 4. 50 12 4. 00 11 4. 20
Zanesville	The same of the same of the	9	EST OF	7, 1938	326	slum. 30 percent	:109	795	2,908	570	3, 478	4, 382	3, 150, 000 1, 499, 000	2, 835, 000 1, 849, 000	346, 500 165, 000	* 57, 680	15, 030	11 317
Pennsylvania (9)		- 5	200.	,, 2000	7, 113	slum.							41, 046, 511	36, 939, 000	4, 518, 233	1, 626, 434	619, 727	-
Allentown	The state of the s	3	Tune	2 1938	322	Vacant	1 172	1, 133	3. 258	428	3 686	4 901			177, 000		20, 110	11 3. 71
Chester	Pa. 7-1	5	Sept.	2, 1938 7, 1938	396	50 percent slum.	1 787	1, 133 955	3, 258 3, 282	428 443	3, 686 3, 725	4, 991 5, 467	1, 607, 000 2, 165, 000	1, 446, 000 1, 948, 000	239, 000	8 61, 870 8 83, 335	56, 929	11 4. 00
Philadelphia	Pa. 2-1		Turke	10 1020	620	10 percent	1 593	943	3, 465	449	3,914	5, 450	3, 378, 700					11 4. 50
Do	Pa. 2-2		July	16, 1938	1,000	Vacant	1 259	975 671	3, 591 3, 450	459 445	4,050	5, 284 5, 978	5, 283, 800 8, 136, 011					11 4. 50
Total					2, 981								16, 798, 511	15, 118, 000	1, 848, 833	9 692, 938	251, 731	
Pittsburgh: Contract No. 1	Pa. 1-1)		100	Market 1	(825	30 percent	1 541	1, 451	3, 598	402	4,000	5,992	4, 943, 000					(18)
Do	Mar Topology	3	June	2, 1938	431	slum. 40 percent slum.	1 834	1, 194	3, 491	404	3, 895	5, 923	2, 553, 000					(13)
Total Contract No. 2			196.1	III, ESE	1, 256 1, 758								7, 496, 000 10, 975, 000	6, 746, 000 9, 877, 000	824, 400	* 288, 596 * 422, 520	98, 620 130, 101	11 4. 25
Reading	Pa. 9-1	6	Oct. Dec.	21, 1938 14, 1938	400	Vacant	1 708 1 155	1,655 1,032	3, 468 3, 119	412 707	3,880 3,826	6, 243 5, 013	2,005,000	1,804,000	1, 208, 000 221, 000	8 77, 175	62, 236	11 4. 50 12 4. 00
South Carolina (6) Charleston:					906								4, 628, 900	4, 164, 000	511,000	178, 146	102, 693	
Contract No. 1 Do	S. C. 1-1	1	Mar.	. 17, 1938	{ 126 90	Slum Vacant	1 1, 375 1 261	819 909	(18) (18)	(13)	3, 366 3, 600	5, 560 4, 770	700, 400 429, 500					11 4.00
Total					216								1, 129, 900	1, 017, 000	125, 000	8 43, 501	20, 800	
Contract No. 2 Do		10	Dec.	14, 1938	{ 162 128	Slumdo	2 344 2 455	721 577	2, 595 2, 505	471 466	3, 066 2, 971	4, 131	774, 000 667, 000					13 3.00
Total			THE STATE OF		290								1, 441, 000	1, 296, 000	159,000	\$ 55, 440	29, 719	
Columbia	S. C. 2-1	6	Oct.	21, 1938	{ 200 200	Slumdo	1 604 1 678	879 857	3, 191 2, 977	556 548	3, 747 3, 525	5, 230 5, 060	1, 046, 000 1, 012, 000					11 3, 78
Total					400		- 018	801	2, 511	020	8, 020	3,000	2, 058, 000	1, 851, 000	227, 000	* 79, 205	52, 174	3. 0
rennessee (5)					2, 238	act to the	0.00						11, 453, 771	10, 307, 000	1, 262, 800	448, 578	270, 727	
Chattanooga	1 10001 1 0 0 2	6	Oct.	21, 1938	496	Slum	1 970	685	2, 907	507	3, 414	5, 069	2, 514, 000	2, 262, 000	277, 000	\$ 96, 775	44, 277	11 3. 50
Knoxville		4	July	16, 1938	{ 244 320	Vacant	1 88	1, 384 869	2, 991 2, 991	509 509	3, 500 3, 500	4, 972 4, 901	1, 213, 295 1, 568, 476					11 3.76
Total					564		- 002		2,001		0,000	4,001	2, 781, 771	2, 504, 000	306, 800	9 114, 748	106, 263	
Memphis	Tenn. 1-1	7	Nov.	8, 1938	{ 478	Slum	1 985 1 980	752 914	2,819 2,750	620	3, 439 3, 369	5, 176 5, 263	2, 474, 000					11 3. 50
Total			Section 1		1, 178	do	- 880	914	2,750	619	8,809	0, 203	6, 158, 000	\$5, 541, 000	\$679,000	* \$237, 055	\$120, 187	11 3. 25
Pexas (13)	A STATE OF THE PARTY OF THE				3, 306								13, 171, 138	11, 851, 000	1, 448, 500	524, 118	349, 811	
Austin	Tex. 1-1				86	Slum	1 672	610	(13)	(13)	2,750	4, 032 3, 762	CONTRACTOR NAMED IN					11 2, 84
Do	Tex. 1-3	1	Mar.	17, 1938	l 40	Vacantdo	1 308 1 256	1, 103 881	(13) (13) (13)	(13) (13) (13)	2,750 2,351 2,414	3, 762 3, 551	346, 719 225, 710 142, 043					11 2. 66 11 2. 70
Total					186								714, 472	643, 000	78, 500	8 27, 507	9, 984	

See footnotes at end of table.

			100		14		Propo	sed cost pe	r family dv	velling		227					
		Presi-	Date ap-	Number of new family dwell- ings	Slum or va- cant site	Land 12		Dw	relling facili	ties		Proposed		Local	Federal	Local	Proposed shelter
Location of project	Develop- ment No.	dential list No.	proved of by Presi- dent				Non-dwelling facilities 3	Net con- struc- tion 4	Equipment, architects, and overhead \$	Total	Total	cost, entire project	Federal loan 6	capital participa- tion ?	annual contribu- tion 8 9	annual contribu- tion 10	rent per room per monthii ii
Texas—Continued. Brownsville	Tex. 7-1	6	Oct. 21, 1938	148	Slum	1 \$419	\$784	\$2,437	\$374	\$2,811	\$4, 014	\$594,000	\$534,000	\$66,000	s \$22, 855	\$24,006	11 \$2.00
Corpus Christi	Tex. 8-1	-1		85	33-percent	1 370	678	2, 376	258	2, 634	3, 682	313, 000					11 3. 25
Do	Tex. 8-2 Tex. 8-3	-	Sept. 7,1938	112 45	slum. Slumdo	1 273 1 1, 075	833 856	2, 415 2, 360	265 265	2, 680 2, 625	3, 786 4, 556	424, 000 205, 000					11 3. 00 11 3. 00
Total	Tex. 3-1	5	Sept. 7,1938	242 318	Slum	1 902	457	2, 552	319	2, 871	4, 230	942, 000 1, 345, 000	846, 000 1, 210, 000	105, 000 148, 000	8 36, 225 8 51, 765	30, 222 50, 210	11 2. 75
Fort Worth		} 4	July 16, 1938	{ 252 250	do	1 665 1 439	841 729	2, 959 2, 682	341 318	3, 300 3, 000	4, 806 4, 168	1, 211, 199 1, 042, 087					11 3. 00 11 2. 75
Total				502								2, 253, 286	2, 028, 000	247, 000	9 92, 948	68, 311	
Houston Do	hazar established	1 9	Dec. 7, 1938	{ 332 328	20-percent slum. Slum.	² 280 ² 514	894 789	2, 735 2, 723	642 613	3, 377 3, 336	4, 551 4, 639	1, 558, 000 1, 778, 000					12 2.75 12 2.75
San Antonio Vermont (1)	Tex. 6-1	4	July 16, 1938	660 1, 250 101	Slum	1 509	290	2, 200	190	2, 390	3, 189	3, 336, 000 3, 986, 380 485, 000	-3, 002, 000 3, 588, 000 436, 000	366, 000 438, 000 54, 000	8 128, 380 9 164, 438 18, 655	80, 255 86, 823 12, 792	11 2.00
Burlington	Vt. 1-1	- 9	Dec. 7, 1938	101	Vacant	² 133	808	3, 198	663	3, 861	4, 802	485, 000	436, 000	54, 000	⁸ 18, 655	12, 792	12 3. 75
West Virginia (6)	18 13 7	-		1, 156								5, 499, 500	4, 948, 000	607,000	218, 330	81, 594	
Charleston	W. Va. 1-1. W. Va. 1-2.	-} 4	July 16, 1938	{ 366 138	Slum Vacant	1 754 1 480	484 597	3, 200 3, 200	400 400	3, 600 3, 600	4, 838 4, 677	1, 771, 252 645, 248					11 4.00 11 4.00
Total				504								2, 416, 500	2, 175, 000	266, 000	9 99, 680	31, 126	
Huntington Do	W Va 4-9	5	Sept. 7, 1938	80 136 284	Slumdo Vacant	1 890 1 386 1 120	677 580 860	3, 215 3, 160 3, 100	481 470 462	3, 696 3, 630 3, 562	5, 263 4, 596 4, 542	421,000 625,000 1,290,000					11 3, 50 11 3, 50 11 3, 50
Total				500	ļ							2, 336, 000	2, 101, 000	259,000	8 89, 915	38, 535	
Parkersburg	W. Va. 5-1.	- 6	Oct. 21, 1938	152	Vacant	1 436	759	3, 114	605	3, 719	4, 914	747, 000	672,000	82,000	⁸ 28, 735	11, 933	11 3. 75
Grand total		-	·	64, 451	(14)	(16)	(14)	(14)	(14)	(14)	(14)	356, 695, 341	320, 986, 000	39, 286, 466	13, 864, 364	9, 141, 507	

¹ Includes cost of land to be purchased, value of land to be donated, expenses of acquiring land, demolition and clearing, and the local authority's administrative and carrying charges applicable to these items.

² Includes cost of land to be purchased (excluding cost of existing structures), value of land to be donated, expenses of acquiring land, and the local authority's administrative and carrying charges applicable to these

† Includes construction cost of dwellings. (This is comparable to and comprises the same items as residential construction costs compiled by Bureau of Labor Statistics, and comprises the same items as building permit statistics.)

statistics.)
Includes dwelling equipment (such as ranges, refrigerators, screens, etc.), and the local authority's overhead, carrying, and architectural charges applicable to dwelling construction and equipment.

Federal loans are provided in contracts at 90 percent of proposed cost. These amounts, as shown above, may later, at the option of the U.S. Housing Authority, be increased by one-tenth in the form of supplemental loans in case of possible overruns. In no event may Federal loans exceed 90 percent of actual cost.

Local capital participation is provided in contracts to include 10 percent of both the proposed cost and the margin of safety of one-tenth for possible overruns. Because of the inclusion of local margin of safety, the total of the amounts shown as "Federal loan" and as "Local capital participation" exceeds "Proposed cost entire propert" by 1 percent project" by 1 percent.

⁴ Federal annual contributions are provided in contracts of 3½ percent of proposed cost plus margin of safety one-tenth for possible overruns. In no event may Federal Annual contributions exceed 3½ percent of actual

Federal annual contributions are provided in contracts at 3¾ percent of proposed cost plus margin of safety of one-tenth for possible overruns. In no event may Federal annual contributions exceed 3¾ percent of actual

¹⁰ Local annual contributions are maximum amounts computed on the proposed development cost plus the margin of safety of one-tenth for possible overruns. Local annual contributions are required by law to be at least 20 percent of Federal annual contributions. In all cases, the local annual contributions provided in conracts are much in excess of this minimum, averaging 65 percent in the above projects. Local annual contributions represent the value of exemptions from local taxes less payments in lieu of taxes, if any.

"Shelter rent per room per month includes water. Additional charge will be made for heat, gas, and electricity when furnished by project.

11 Shelter rent per room per month includes no utility services. Additional charge will be made for water, heat, gas, and electricity when furnished by project.

12 Amounts not yet available.
13 Amounts not yet available.
14 85 loan contracts; 140 developments; 73 cities and 2 counties in 22 States, the District of Columbia, and

Prepared in Budgets and Statistical Section, Division of Finance and Accounts:

³ Includes construction cost of site improvements and nondwelling buildings, spaces and equipment; pre-occupancy charges, and the local authority's administrative, carrying, and architectural charges applicable to these items.

Mr. CLARK of Missouri. Mr. President-

Mr. McNARY. Mr. President, a parliamentary inquiry. The PRESIDING OFFICER. The Senator will state it.

Mr. McNARY. The meeting of the Senate today followed an adjournment. Unanimous consent was given the Senator from Maryland [Mr. Typings] to discuss a matter of great importance. He has now concluded his discussion. We are in the morning hour. Routine morning business is now pending. I ask for the regular order.

Mr. WAGNER. Mr. President, will the Senator yield? Mr. McNARY. I yield.

Mr. WAGNER. I have asked the Senator to yield to permit me to make a statement. Of course, I would not want to have the Senate or the country think that the statement made by the distinguished Senator from Maryland is to go unchallenged. We heard a great deal of the argument presented by the Senator when the bill was originally under consideration. After discussion, the bill was passed by a

vote of 64 in favor, to 12, I think, against.

Mr. President, personally I do not think any program has received such widespread public approval as the Slum Clearance Act and the activities under it. Thirty-eight States are now taking advantage of the cooperative system by which the Federal Government makes loans and provides a subsidy, without which these low-income families could never be rehoused. Without the subsidy the slums would continue to exist, with all the attendant misery and the hardships, and would constitute a breeding place for disease and crime.

Mr. FRAZIER. Mr. President, will the Senator yield?

Mr. WAGNER. I yield.

Mr. FRAZIER. How many States did the Senator say took advantage of the Housing Act?

Mr. WAGNER. Thirty-eight. Mr. FRAZIER. Twenty States are shown as taking advantage of it, on the list the Senator from Maryland intro-

Mr. TYDINGS. I think 22 States. Mr. WAGNER. I am not certain about that figure. The reason I wish to defer any further statement with reference to the matter is because I desire to examine the figures which have been presented by the Senator from Maryland, and at a very early date I hope I may be able to answer the Senator, or agree with him, if I find that the information he received is accurate.

Mr. TYDINGS. Mr. President, will the Senator yield?

Mr. WAGNER. I yield. Mr. TYDINGS. If the Senator finds that the rent subsidies over 60 years are going to be more than two and a half times the original cost of the buildings, if the Senator finds that the average cost per family unit is \$5,520, which is more than the average cost of the family home in America; in other words, if the Senator finds that my statements are accurate, will he join or will he take the lead in revamping the act so that these large expenditures may be reduced?

Mr. WAGNER. As to what amendments I may suggest, I would rather leave that until I have had a chance to examine the figures. Let me say that the amount of the subsidy is not the most important thing to me. The important thing is the social benefit and the economic benefit which we are

bringing about by clearing the slums. Mr. TYDINGS. The Senator should be fair there. I

understand-

Mr. McNARY. Mr. President, I do not wish to be dis-

Mr. WAGNER. The Senator has been generous, and I do not wish to indulge upon his generosity any further at this

Mr. McNARY. The hour of 2 o'clock is approaching, and the Senate should proceed to the business of the morning

Mr. WAGNER. Mr. President, will the Senator permit one further statement?

Mr. McNARY. I yield. Mr. WAGNER. The Senator from Maryland said some of these houses were built for the low-income group without

any slum clearance. If that is so, it has been done in violation of the law, because the law specifically provides that for every unit constructed to house the slum dweller a unit of slum property must be demolished. That provision is in the law and it is absolutely mandatory. It happens some-times that the house is not built upon the site of the slum, but the slum must be cleared, and the number of units built must not exceed the units of slum dwellings which are cleared.

Mr. TYDINGS. Mr. President, will the Senator from New York yield?

Mr. McNARY. Mr. President, I have the floor.

Mr. TYDINGS. The Senator has been more than courteous. I shall not trespass further.

Mr. WAGNER. Mr. President, I thank the Senator from Oregon for yielding to me so that I could make the statement I have made.

Mr. McNARY. We are approaching the hour of 2 o'clock. I call for the regular order.

The PRESIDING OFFICER. The regular order is called

Mr. KING. I suggest the absence of a quorum.

Mr. McNARY. Mr. President, will the Senator withhold that suggestion for a moment?

Mr. KING. Yes.

Mr. REYNOLDS. Mr. President, I introduce a private bill, and wish to make a brief statement in connection therewith.

Mr. CLARK of Missouri. Mr. President, in view of the impending expiration of the morning hour, I shall object. I do not think any extended remarks ought to be made in connection with the introduction of bills. We have only 2 hours in which to transact morning business. The 2-hour period has almost expired. I do not wish to be discourteous to the Senator from North Carolina.

Mr. REYNOLDS. It will take me just a moment to make my statement. I hope the Senator from Missouri will not

object.

Mr. CLARK of Missouri. Mr. President, we ought to proceed with the regular order. There will be ample opportunity during the remainder of the session for the Senator from North Carolina to introduce the bill and make an explanation of it.

Mr. McNARY. Mr. President, let me suggest that the Senator withhold the introduction of his bill until morning business shall have been completed, at which time he will have an opportunity to introduce his bill and make an explanation thereof.

Mr. REYNOLDS. Very well.

ADDITIONAL PETITIONS AND MEMORIALS

The PRESIDING OFFICER. The presentation of petitions and memorials is in order.

Mr. CAPPER presented the memorial of Rev. Paul E. Johnson, pastor, and members of the First Baptist Church of Junction City, Kans., remonstrating against inclusion of religious bodies under the operation of the social-security system, which was referred to the Committee on Finance.

He also presented petitions, numerously signed, of sundry citizens of Topeka and vicinity, in the State of Kansas, praying that the United States adhere to a general policy of neutrality, which were referred to the Committee on Foreign Relations

He also presented a petition of sundry citizens of Ottawa. Kans., praying for the adoption of a policy of nonparticipation in aggression and discontinuance of the shipment of war supplies to Japan for use in operations in China, which was referred to the Committee on Foreign Relations.

He also presented a petition of sundry citizens of Walnut. Kans., praying that the United States adhere to the general policy of neutrality as enunciated in existing law and extend the law to include civil as well as international conflicts, which was referred to the Committee on Foreign Relations.

REPORTS OF COMMITTEES

Mr. CLARK of Missouri, from the Committee on Interoceanic Canals, to which were referred the following bill and joint resolution, reported them each without amendment and submitted reports thereon:

S. 1215. A bill to amend the Canal Zone Code (Rept. No.

S. J. Res. 70. Joint resolution providing for the participation of the United States in the celebration of the twentyfifth anniversary of the opening of the Panama Canal (Rept. No. 146).

Mr. SMITH, from the Committee on Agriculture and Forestry, to which was referred the bill (S. 1098) to amend section 12 of the Soil Conservation and Domestic Allotment Act, as amended, by authorizing advances for crop insurance, reported it without amendment and submitted a report (No. 147) thereon.

Mr. PITTMAN, from the Committee on Foreign Relations, to which was referred the bill (H. R. 950) to exempt all vessels of the United States of less than 200 tons gross registered tonnage from the provisions of the Officers' Competency Certificates Convention, 1936 (being International Labor Conference Treaty, Convention No. 53, adopted by the International Labor Conference at Geneva in 1936), reported it without amendment and submitted a report (No. 148) thereon.

BILLS AND JOINT RESOLUTION INTRODUCED

Bills and a joint resolution were introduced, read the first time, and, by unanimous consent, the second time, and referred as follows:

By Mr. BILBO:

S. 1724. A bill for the relief of J. C. Watts; to the Committee on Interstate Commerce.

S. 1725. A bill relating to the acquisition of the site for the post-office building to be constructed in Poplarville, Miss.; to the Committee on Public Buildings and Grounds. By Mr. McKELLAR:

S. 1726. A bill to provide time credits for substitutes in the pneumatic-tube service:

S. 1727. A bill limiting working hours of pneumatic-tubesystem employees to 8 in 10 hours a day;

S. 1728. A bill to provide a differential in pay for night work by pneumatic-tube-system employees in the Postal Service; and

S. 1729. A bill to extend the provisions of the 40-hour law to pneumatic-tube-system employees in the Postal Service; to the Committee on Post Offices and Post Roads.

By Mr. TOWNSEND:

S. 1730. A bill to amend the civil-service law to permit certain employees of the legislative branch of the Government to be transferred to positions under the competitive classified civil service; to the Committee on Civil Service.

By Mr. CAPPER:

S. 1731. A bill granting an increase of pension to Frances Coffman (with accompanying papers); to the Committee on Pensions.

By Mr. NEELY:

S. 1732. A bill granting a pension to Luther R. Drum:

S. 1733. A bill granting an increase of pension to Eddie L.

S. 1734. A bill granting an increase of pension to Sarah Roush; to the Committee on Pensions.

S. 1735. A bill for the relief of Auguste C. Loiseau; and S. 1736. A bill for the relief of the heirs of James H. Hardesty; to the Committee on Claims.

By Mr. TOBEY:

S. 1737. A bill granting a pension to Eliza Manzer; to the Committee on Pensions.

By Mr. HILL:

S. 1738. A bill authorizing the establishment and operation of a military aircraft engineering center to determine production costs of military aircraft, and for other purposes of national defense; to the Committee on Military Affairs.

(Mr. Wagner introduced Senate bill 1739, which was referred to the Special Committee to Investigate Unemployment and Relief and appears under a separate heading.)

By Mr. SHEPPARD:

S. 1740. A bill to promote business and economic research in the United States by establishing and maintaining, in connection with State university schools of business administration, research stations to cooperate with the Department of Commerce; to the Committee on Commerce.

S. 1741. A bill to exempt fraternal beneficiary societies from the tax on employers under the Social Security Act; to the Committee on Finance.

By Mr. LOGAN:

S. 1742. A bill for the relief of Isaac Rosenbaum & Sons, Inc., of Louisville, Ky.; to the Committee on Claims.

(Mr. Logan also introduced Senate bill 1743, which was referred to the Committee on Banking and Currency, and appears under a separate heading.)

(Mr. REYNOLDS introduced Senate bill 1744, which was referred to the Committee on Claims, and appears under a

separate heading.)

(Mr. Lewis introduced Senate bill 1745, which was referred to the Committee on Foreign Relations, and appears under a separate heading.)

By Mr. NEELY:

S. 1746. A bill granting a pension to Unoca Ferguson; to the Committee on Pensions.

(Mr. Sheppard introduced Senate Joint Resolution 88, which was referred to the Committee on the Judiciary, and appears under a separate heading.)

PLANNED PROGRAM OF PUBLIC WORKS-FEDERAL EMPLOYMENT STABILIZATION BOARD

Mr. WAGNER. Mr. President, I introduce a bill which really proposes the reenactment of a law which I sponsored in 1931, which was passed by the Congress and signed by President Hoover. It provided for the planning of public works 6 years in advance, so that the Government would have a planned program under which public construction could be accelerated when a depression was approaching and when economic conditions showed the likelihood of the coming of unemployment, and then public-works construction could be retarded as conditions improved, so that our public-works program might fit in with our general program for an economic balance.

I ask that the bill be printed in the RECORD together with a statement and referred to the Special Committee to Investigate Unemployment and Relief because that matter is now under consideration by that committee. I hope the committee will give it serious and favorable consideration.

The VICE PRESIDENT. The bill introduced by the Senator from New York will be received and referred as indicated by him, and, without objection, printed in the RECORD with the statement referred to.

The bill (S. 1739) to provide for the advance planning and regulated construction of public works, to promote the sound investment of public funds, to diminish unemployment during periods of business depression, to conserve national resources, to create a Federal Employment Stabilization Board, and for other purposes, was read twice by its title, and referred to the Special Committee to Investigate Unemployment and Relief, as follows:

Be it enacted, etc., That this act may be cited as the "Employ-ment Stabilization Act of 1939."

FEDERAL EMPLOYMENT STABILIZATION BOARD

SEC. 2. (a) There is hereby established a board to be known as the Federal Employment Stabilization Board, composed of the Secretary of the Treasury, the Secretary of Commerce, the Secretary of the Interior, the Secretary of Agriculture, the Secretary of War, the Secretary of Labor, and three other members from widely separated sections of the United States, to be appointed by the President by and with the advice and consent of the Senate. The Secretary of the Interior shall serve as chairman of the Board. The appointive members of the Board shall be compensated at the rate of \$50 per day for time spent in attending and traveling to and from

appointive members of the Board shall be compensated at the rate of \$50 per day for time spent in attending and traveling to and from Board meetings, or in otherwise exercising the functions of the Board, plus actual expenses incurred in such travel: Provided, That in no case shall such a member be entitled to receive compensation for more than 30 days' services in any 2 consecutive months.

(b) The Board is authorized to appoint, in accordance with the civil-service laws, a director and such experts and clerical and other assistants, and to make such expenditures (including expenditures for personal services and rent at the seat of government and elsewhere, for law books, books of reference, and periodicals) as may be necessary for the administration of this act, and as may be provided for by Congress from time to time. The compensation of the director and such experts and clerical and other assistants shall be fixed in accordance with the Classification Act of 1923, as

amended. The director and his staff may be domiciled in and attached to one of the executive departments. There is hereby authorized to be appropriated annually such sum as may be necessary for the expenses of the Board.

ADVANCE PLANNING

SEC. 3. (a) It shall be the duty of the Board to consult and cooperate with the construction agencies of the United States, the planning and construction agencies of the various States and municipalities thereof, and with any other public or private planning or research agencies or institutions, in the preparation of advance plans of public construction.

plans of public construction.

(b) Each head of a department or independent establishment of the United States having jurisdiction over a construction agency shall direct such agency to prepare and present to the Board a 6-year advance plan with estimates showing projects allotted to each year. Each construction agency shall keep its 6-year plan up to date by an annual revision of the plans and estimates for the unexpired years and by annually extending the plan and estimates for an additional year.

(c) The Board shall report to the President at least quarterly, and at such other times as it believes necessary, concerning the

and at such other times as it believes necessary, concerning the trend of employment and business activity and the existence or approach of periods of business depression and unemployment in the United States or in any substantial area thereof. In addition to such interim reports, the Board shall submit a progress report to the President and to Congress at least once each year.

ACCELERATION OF EMERGENCY CONSTRUCTION

SEC. 4. In order to promote the sound investment of public funds, to diminish unemployment, and stabilize productive enterprise during periods of economic depression, and to foster speedy, efficient, and economical construction during such periods, the President may direct the construction agencies of the United States to accelerate during such periods, to such extent as may be practicable, the commencement or completion of all planned construction within their control struction within their control.

NATIONAL RESOURCES

SEC. 5. (a) The Board is authorized and directed to investigate,

SEC. 5. (a) The Board is authorized and directed to investigate, examine, study, analyze, assemble, coordinate, and at suitable intervals to review and revise basic information and materials appropriate to the formulation of plans or planning policies for the conservation, development, and utilization of the natural resources of the United States and the several States.

(b) Upon the organization of the Board, the National Resources Committee, created by Executive Order No. 7065, dated June 7, 1935, shall cease to exist and stand dissolved, and all functions, records, and property thereof shall be transferred to the Board, together with the unexpended balance of all funds made available for expenditure by the National Resources Committee, such funds to be used by the Board in the administration of this act. All existing obligations of the National Resources Committee shall be assumed by the Board. The personnel of the National Resources existing obligations of the National Resources assumed by the Board. The personnel of the National Resources Committee shall be transferred to the Board without change in classification or compensation, but such transfer shall not be construed to give such personnel a permanent or civil-service status.

DEFINITIONS

SEC. 6. When used in this act—

(a) The term "Board" means the Federal Employment Stabilization Board established by section 2 of this act;
(b) The term "United States," when used in a geographical sense, includes the several States and Territories and the District of Columbia:

(c) The term "construction agencies" shall include all agencies of the United States engaged in public construction, or in making loans or grants of funds, or in furnishing materials, labor, or other leans or grants of funds, or in furnishing materials, labor, or other assistance for public or private construction, and shall include the executive departments and such temporary and permanent independent establishments as may be designated by the President from time to time, including but not limited to the following: Civil Aeronautics Authority, Civilian Conservation Corps, District of Columbia, Electric Home and Farm Authority, Farm Security Administration, Federal Emergency Administration of Public Works, Federal Housing Administration, Reconstruction Finance Corporation, Rural Electrification Administration, Tennessee Valley Authority, United States Maritime Commission, Veterans' Administration, Works Progress Administration.

(d) The term "construction" shall include repairs and alterations and the manufacture of equipment and the purchase of such

tions and the manufacture of equipment and the purchase of such materials, supplies, and equipment as may be necessary or incidental thereto.

The statement presented by Mr. WAGNER is as follows:

STATEMENT RELATIVE TO THE BILL TO REESTABLISH THE FEDERAL EMPLOYMENT STABILIZATION BOARD

The bill I have just introduced would implement the permanent policies approved by Congress in the Employment Stabilization Act of 1931, which I sponsored, for the advance planning of public works on a 6-year basis. That early legislation, though still on the statute books, became virtually a dead letter with the abolition of the Federal Employment Stabilization Board in March 1934. The 6-year program which the Board had prepared, in the words of 1936 report of the National Resources Committee, "proved enormously valuable in the quick development of Federal projects at the outset of the work of the Public Works Administration, but the organization of the board in the midst of the depression period had prevented full use and development of its possibilities."

By re-creating machinery for public-works planning, the proposed bill would promote the most economical expenditure of public funds in periods of business depression, for the purpose of diminishing unemployment and stabilizing productive enterprise.

The new Federal Employment Stabilization Board is established as a permanent Federal agency, composed of six Cabinet members and three other persons from widely separated parts of the country, appointed by the President with the advice and consent of the Senate. The Secretary of the Interior would serve as chairman of the board. Its director and staff are authorized to be domiciled in and attached to one of the executive departments; consequently the board's functions could be correlated with those of any permanent public-works department or agency which hereany permanent public-works department or agency which hereafter may be created.

The board is authorized to consult and cooperate in the prepara-tion of advance plans of construction with agencies of the Federal tion of advance plans of construction with agencies of the Federal Government, temporary and permanent, engaged in, or financing or otherwise aiding, construction activities throughout the country, as well as with the planning and construction agencies of the States and other public or private planning or research organizations. The heads of the various Federal departments or independent agencies having such construction functions are required to prepare and present to the board 6-year advance plans, and to keep the plans up to date by annual revisions. The board, in turn, is directed to keep in constant touch with the volume of private and public construction, the index of employment and other pertinent information, and to apprise the President, through frequent reports, of the trend of employment and business activity and the existence or approach of business depressions in various parts of the United States. the United States.

The board would act only in an advisory capacity; the bill does not appropriate or authorize the appropriation of any construction funds. However, upon the basis of information made available by the board, the Federal Government, with such additional and prompt congressional action as may be necessary, would be enabled to launch or accelerate an effective public-works program to take up the slack in private enterprise, with a minimum of delay and economic waste and with a maximum effectiveness in mitigating the downward sween of the hustpass crefe the downward sweep of the business cycle.

The board is also authorized to investigate and study basic information and material appropriate to the formulation of plans and planning policies for the conservation and development of the public resources of the United States and the several States. This function, together with that of advance planning of public works, would give permanence to the present operations of the National Passaures Committee Resources Committee.

In recent times there has been a growing realization that unemployment is a more or less permanent problem, requiring the formulation of long-range policies and the creation of long-range administrative programs. The round-table discussion on "the effects of Government spending upon private enterprise," just published by Fortune magazine, disclosed support by thoughtful citizens in every field of national endeavor for a planned public-works program such as that here proposed. At this time, therefore, when the conviction which led me to sponsor this legislation in 1928 is widely held throughout the country, and when a permanent public-works program is under consideration, I believe it opportune to take steps toward reestablishing a national public-works planning agency. In recent times there has been a growing realization that unem-

CREDIT FACILITIES FOR SMALL BUSINESS

Mr. LOGAN. Mr. President, I introduce a bill to provide more adequate credit facilities for independent small business, and for other purposes. I ask to have printed, together with the bill, as a part of my remarks, a statement which I have prepared, also a summary of the bill which has been prepared by the sponsors of it, and also an article by Walter Lippmann entitled "Small Enterprise and Economic Independence Are the Bulwarks of Democracy." I ask unanimous consent to have this matter printed in the RECORD.

The VICE PRESIDENT. The bill introduced by the Senator from Kentucky will be received and appropriately referred and the bill and the papers referred to by him will, without objection, be printed in the RECORD.

The bill (S. 1743) to provide more adequate credit facilities for independent small business, to encourage the return of private capital to commercial investment channels, to discourage monopoly, and restore opportunity for the individual, was read twice by its title, referred to the Committee on Banking and Currency, and ordered to be printed in the RECORD, as follows:

Be it enacted, etc., That as used in this act:
(1) The term "independent small business" means any lawful business which is independently and locally owned and controlled, or a majority of the stock of which is locally owned and controlled, and which is not engaged in production in more than one State and does not own, control, or operate distribution units in more than one State.

(2) The term "Board" means the Federal Investment Bank Board, created under authority of this act, (3) The term "bank" means a Federal investment bank estab-lished by the Board under authority of this act.

(4) The term "district" shall mean a Federal investment bank district created under authority of this act

(4) The term "district" shall mean a rederal investment bank district created under authority of this act.
(5) The term "directors" means the board of directors of a bank, appointed pursuant to the provisions of this act.
(6) The term "association" means a local investment association of independent small-business men, organized under the provisions of section 10 of this act and pursuant to rules and regulations prescribed by the Board.

(7) The term "corporation" means the Federal Investment Insurance Corporation created under authority of this act.

(8) The term "insured association" means a Federal Investment

Association whose accounts are insured under this act.

(9) The term "insured member" means an individual, partnership, association, or corporation which holds an insured account.

(10) The term "insured account" means a share, certificate, or

deposit account of a type approved by the Federal Investment Insurance Corporation which is held by an insured member in an insured association and which is insured under the provisions of

(11) the term "default" means an adjudication or other official determination of a court of competent jurisdiction or other public authority pursuant to which a conservator, receiver, or other legal custodian is appointed for an insured association for the purpose

of liquidation.

of liquidation.

Sec. 2. For the purposes of this act there shall be a Board known as the Federal Investment Bank Board, which shall consist of three citizens of the United States appointed by the President with the advice and consent of the Senate. The President shall designate one of the members to serve for a term of 1 year, one for 2 years, and one for 3 years from the date of the enactment hereof, and thereafter the term of each member shall be 3 years from the date of the expiration of the term for which his predecessor was appointed. Not more than two members of the Board shall be members of the same political party, and all of the members of the Board shall be selected with due regard for the intent of Congress to establish an agency primarily for the benefit of independent small business: Provided, That the first vacancy on the Board constituted as hereinbefore provided shall be filled by the President from a list of three men recommended by the banks and the next vacancy shall be similarly filled upon the recommendation of a majority of the associations. Thereafter the Board shall consist of one member representing the banks, one the associations, and one selected by the President without regard to the foregoing, representing the public. Appropriate rules and regulations under which the recommendations herein provided for may be made shall be prescribed by the Board. Each member shall devote his entire time to the business of the Board. Before entering upon his duties each of the members shall take an oath faithfully to discharge the duties of his office. The President shall be authorized to remove any member of the Board and, as hereinbefore provided, to appoint his successor. Whenever a vacancy shall occur among the members of the Board the person appointed to fill such members shall hold office for the unexpired portion of the term of the member whose place he is selected to fill. Each of such members shall hold office for the unexpired portion of the term of the members shall be performed by some SEC. 2. For the purposes of this act there shall be a Board known of his office shall be performed by some one of the other members, to be designated as acting chairman by the chairman in such order as he may determine. The Board shall supervise the banks and the Federal Investment Insurance Corporation created by this act; shall perform the other duties specifically prescribed by this act; and shall have power to adopt, amend, and require the observance of such rules, regulations, and orders as shall be necessary from time to time for carrying out the purposes of the provisions of this act. The Board shall have power to suspend or remove any director, officer, employee, or agent of any bank or of the Corporation, the cause of such suspension or removal to be communicated in writing forthwith to such director, officer, employee, or agent.

SEC. 3. (a) There is hereby appropriated the sum of not in excess of \$200,000 for salaries, travel and subsistence expenses, rents, printing and binding, furniture and equipment, law books, books of reference, periodicals, newspapers, maps, contract stenographic reporting service, telephone and telegraph service, and all other necessary expense of the Board, together with expenses preliminary to the organization and establishment of the banks created hereunder, until the close of the fiscal year ending June 30, 1940.

(b) The Board shall have power to levy semiannually upon the of his office shall be performed by some one of the other members,

the close of the fiscal year ending June 30, 1940.

(b) The Board shall have power to levy semiannually upon the banks, and they shall pay, on such equitable basis as the Board shall determine, an assessment sufficient in its judgment to provide for the payment of its estimated expenses for the half year succeeding the levying of each such assessment beginning with July 1, 1940: Provided, That the aggregate assessment for any one year shall not exceed \$300,000. All expenses of the Board incurred in carrying out the provisions of this act, as determined by it, beginning on the 1st of July 1940, shall be paid from the proceeds of such assessment, and if any deficiency shall occur in such fund at any time between such semiannual assessment, the Board shall have power, subject to the foregoing limitation upon the aggregate amount, to make an immediate assessment against the banks to cover such deficiency on the diate assessment against the banks to cover such deficiency on the same basis as the original assessment. If any surplus shall remain from any assessment after the expiration of the semiannual period for which it is levied, such surplus may be deducted from the next following assessment.

SEC. 4. The Board shall have power to select, employ, and fix the SEC. 4. The Board shall have power to select, employ, and fix the compensation for such officers, employees, attorneys, and agents as shall be necessary for the performance of its duties under this act without regard to the provisions of other laws applicable to the employment or compensation of officers, employees, attorneys, and agents of the United States. No such officer, employee, attorney, or agent shall be paid compensation at a rate in excess of the rate provided in the case of members of the Board. The Board shall be entitled to free use of the United States mails for its official business

entitled to free use of the United States mails for its official business in the same manner as the executive departments of the Government, and shall determine its necessary expenditures under this act and the manner in which they shall be incurred, allowed, and paid. Sec. 5. The Board shall from time to time, at least twice annually, require examinations and reports of conditions of all banks in such form as the Board shall prescribe and shall furnish periodically statements based upon the reports of the banks to the Board. The Board shall annually make a full report of its operations to the Congress. For the purposes of this act, examiners appointed by the Board shall be subject to the same requirements, responsibilities, and penalties as are applicable to examiners under the National Banking Act and the Federal Reserve Act, and shall have, in the exercise of functions under this act, the same powers and privileges

Banking Act and the Federal Reserve Act, and shall have, in the exercise of functions under this act, the same powers and privileges as are vested in such examiners by law.

SEC. 6. As soon as practicable after the enactment of this act, the Board shall divide the continental United States, Puerto Rico, the Virgin Islands, and the Territories of Alaska and Hawaii into not less than 12 districts. Such districts shall be apportioned with due regard to the convenience and due course of business to be served by the banks and may be identical with the existing districts of the Federal Reserve System. The districts thus created may be readjusted and new districts may from time to time be created by the Board, but not to exceed 20 in all. Such districts shall be known as Federal Investment Bank districts and may be designated by number. As soon as practicable after the enactment hereof, the Board shall establish, in each district, a Federal Investment Bank at such city as may be designated by the Board. The title of each bank shall include the name of the city at which it is established. established.

established.

SEC. 7. (a) As soon as practicable after the enactment of this act, the Board, with the approval of the Secretary of the Treasury, shall determine the minimum capital of each bank, which shall be not less than \$5,000,000. The Board shall, as soon as practicable thereafter, open books in each district established hereunder for subscription by financial institutions and the public to the minimum capital stock of the bank of the district.

(b) The capital stock of each bank shall be divided into shares of a par value of \$100 each. The minimum capital stock shall be sold at par. Stock issued thereafter shall be at such price not less than par as may be fixed by the Board.

than par as may be fixed by the Board.

(c) Stock subscriptions other than by the United States shall be paid for in cash and shall be paid for at the time of application

therefor

therefor.

(d) Thirty days after books have been opened for subscription by financial institutions, business associations, and the public to the minimum stock of each bank as provided in subsection (a) of this section 7, the Secretary of the Treasury shall, from time to time, when called upon by the Board, subscribe, on behalf of the United States, for all or such part of the minimum capital stock of each bank not subscribed by public subscription, as may be determined by the Board. Payments for stock subscriptions by the Secretary of the Treasury shall be subject to call in whole or in part by the Board, with the approval of the Secretary of the Treasury, at such time or times as may be deemed advisable.

(e) All capital stock of any bank shall share in dividend distributions without preference.

(f) The capital stock of any bank shall make in divident distributions without preference.

(f) The capital of each of the banks shall, upon recommendation of the Board, with the approval of the Secretary of the Treasury, be increased to an aggregate amount not in excess of \$10,000,000. Upon any such increase in the capital of a bank, the Board shocks for subscription to such increased stock by financial upon any such increase in the capital of a bank, the Board shall open books for subscription to such increased stock by financial institutions, business associations, and the public in the manner provided in subsection (a) of this section 7. The Secretary of the Treasury shall subscribe, on behalf of the United States, for such part of the increased capital stock of each bank as is not subscribed for by the public and others within 90 days after books have been opened for stock subscriptions as provided in this subsection (f) not in excess of the aggregate amount of \$10,000,000 for any one bank.

(g) The Reconstruction Finance Corporation Act, as amended, is further amended by adding at the end of section 2 thereof the

following new paragraph:

following new paragraph:

"In order to enable the Secretary of the Treasury to make payments upon the stock of Federal Investment Banks subscribed for by him in accordance with the Federal Investment Bank Act, the sum of \$120,000,000, or so much thereof as may be necessary for such purpose, is hereby allocated and made available to the Secretary of the Treasury out of the capital and/or surplus and/or the proceeds of notes, debentures, bonds, and other obligations issued by the Corporation. For the purposes of this paragraph the Corporation shall issue such notes, bonds, debentures, and other obligations as may be necessary."

SEC. 8. (a) The management of each bank shall be vested in a

SEC. 8. (a) The management of each bank shall be vested in a board of five directors all of whom shall be citizens of the United States and bona fide residents of the district in which such bank is located. The directors shall be appointed by the Board and shall be chosen with due regard to the proper representation of

independent small business: Provided, That so long as the United States is a stockholder in a bank, one director of such bank shall be named by the Board upon the recommendation and shall serve with the approval of the Secretary of the Treasury: Provided further, That after the first 3 years from the date of enactment of this act, vacancies (other than that of the Treasury representative) on the board of any bank shall be filled, under rules and regulations to be prescribed by the Board, from persons recommended by the associations until each such board of directors shall consist of a majority representing such associations. The term of office of two of such directors shall be 1 year, two 2 years, and one 3 years from the date of the enactment of this act. Each of such directors in succession to the directors first appointed shall be appointed for a succession to the directors first appointed shall be appointed for a 3-year term. Whenever a vacancy shall occur among the directors the person appointed to fill such vacancy shall hold office for the unexpired portion of the term of the director whose place he is selected to fill.

(b) The board shall designate one of the directors of each bank to be chairman, and one to be vice chairman, of the board of directors of such bank.

(c) Each bank may pay its directors reasonable compensation for the time required of them, and their necessary expenses, in the performance of their duties in accordance with the resolutions adopted by such directors, subject to the approval of the Board.

(d) Each bank shall be confined in operation, insofar as furnishing capital and credit to business is concerned, to the district in which it is located.

which it is located.

which it is located.

SEC. 9. (a) A primary function of the banks shall be to discount paper emanating from the associations. Any association shall be entitled to apply to the bank in its district for advances and each bank may make advances to member associations within its district up to 90 percent of the unpaid face value of the paper tendered by such associations for discount. Such advances shall be secured by the pledge or assignment to the bank of all of the underlying collateral or other security taken by the association as security for the loan or loans represented by such paper and in respect of which an application for an advance is made. Any association applying for an advance shall enter into a primary and unconditional obligation to pay off all advances, together with interest and any unpaid costs and expenses in connection therewith, according to the terms under which they were made. Subject to the foregoing, advances shall be made by the banks to solvent associations upon such terms, at such rate or rates of interest not to exceed — percent per annum, and under such rules and regulations as the Board may prescribe.

(b) With due regard to the sound credit standing of the bank,

(b) With due regard to the sound credit standing of the bank, and under such rules and regulations as the Board may prescribe, each of such banks may make loans direct as provided for in section 11 of this act.

(c) Upon authorization by the Board, each of such banks may rediscount the discounted paper of any other Federal investment bank at rates of interest to be fixed by the Board.

bank at rates of interest to be fixed by the Board.

SEC. 10. (a) In order to encourage the return of private capital to commercial investment channels, promote thrift, and provide additional locally administered credit facilities for independent small enterprise, the Board is authorized, under such rules and regulations as it may prescribe, to provide for the organization, incorporation, examination, operation, and regulation of local associations to be known as Federal Investment Associations, and to issue charters therefor, giving consideration to the general pattern and practices of the Federal Savings and Loan Associations organized under the Federal Home Loan Bank Act, as amended.

(b) Such associations shall raise their capital only in the form of payments on such shares as are authorized in their charter, which shares may be retired as is therein provided. No deposits shall be accepted and no certificates of indebtedness shall be issued except for such borrowed money as may be authorized by regulations of the Board.

(c) With due regard to the sound credit standing of the as ciation, and when credit of the type applied for is not otherwise available through the usual local commercial banking channels, available through the usual local commercial banking channels, each such association may make, renew, or extend amortized loans for business purposes upon such terms and conditions, and upon such security as the management of such association may determine; provided, that no such association may make loans to borrowers residing or having their place of business at a distance greater than 50 miles from the association's home office; and provided further, that the indebtedness owing by any one borrower to any one or more associations shall not exceed \$100,000. All such loans shall be made at a total cost to the borrower, including interest, service, and all other charges, of not to exceed — percent per annum upon the unpaid principal amount of such loan outstanding and in respect of which such interest and/or other charges are payable. charges are payable.

charges are payable.

(d) The Board shall have full power to provide in the rules and regulations herein authorized for the reorganization, consolidation, merger, or liquidation of such associations, including the power to appoint a conservator or a receiver to take charge of the affairs of any such association, and to require an equitable readjustment of the capital structure of the same, and to release any such association from such control and permit its further operation.

(e) No charter shall be granted except to persons of good character and responsibility, nor unless in the judgment of the Board a necessity exists for such an institution in the community to be served, nor unless there is a reasonable probability of its usefulness

(f) Each such association, upon its incorporation, shall become automatically a member of the Federal Investment Bank of the district in which it is located, or, if convenience shall require and the Board approved, shall become a member of a Federal Investment Bank of an adjoining district. Such associations shall qualify for such membership in the manner provided in the Federal Investment Bank act with respect to other members.

(g) Any portion of the assets of such associations may be invested in obligations of the United States or the stock or bonds of a Federal Investment Bank.

Investment Bank.

(g) Any portion of the assets of such associations may be invested in obligations of the United States or the stock or bonds of a Federal Investment Bank.

(h) The Secretary of the Treasury is authorized, on behalf of the United States, to subscribe for preferred shares in such associations which shall be preferred as to the assets of the association and which shall be entitled to a dividend, if earned, after payment of expenses and provision for reasonable reserves to the same extent as other shareholders. It shall be the duty of the Secretary of the Treasury to subscribe for such preferred shares upon the request of the Board; but the subscription by him to the shares of any one association shall not exceed \$100,000, and no such subscription shall be called for unless in the judgment of the Board the funds are necessary to provide adequate local credit facilities for independent small business. Payment on such shares may be called from time to time by the association, subject to the approval of the Board and the Secretary of the Treasury; but the amount paid in by the Secretary of the Treasury; but the amount paid in by the Secretary of the Treasury shall not at any time exceed four times the aggregate amount of shares held by all other shareholders, and the aggregate amount of shares held by all other shareholders. To enable the Secretary of the Treasury to make such subscriptions when called, there is hereby authorized to be appropriated, out of any money in the Treasury not otherwise appropriated, the sum of \$60,000,000, to be immediately available and to remain available until expended. Each such association shall issue receipts for such payments by the Secretary of the Treasury in such form as may be approved by the Board, and such receipts shall be evidence of the interest of the United States in such preferred shares to the extent of the amount so paid. Each such association shall make provision for the retirement of its preferred shares held by the Secretary of the Treasury shall be retired at par bef

institutions.

(j) When designated for that purpose by the Secretary of the Treasury and Federal Investment Association may be employed as fiscal agent of the Government under such regulations as may be prescribed by said Secretary and shall perform all such reasonable duties as fiscal agent of the Government as may be required of it. Any Federal Investment Association or any Federal Investment Bank may act as agent for any other instrumentality of the United States when designated for that purpose by such instrumentality of the United States. United States

United States.

SEC. 11. Notwithstanding any other provision of law, and under such rules and regulations as may be prescribed by the Board, any bank, trust company, savings bank, investment banking house, investment trust, finance company, or other financial institution organized and existing under the laws of any State or of the United States may become a nonborrowing member of a Federal Investment Bank and as such may find, investigate, and recommend loans to the bank and when such loans are approved may enter into an arrangement with the bank (1) to participate in the making of such loan; and/or (2) to service such loan and make collections thereon; and (3) charge a reasonable fee for such services rendered, but not to exceed three-fourths of 1 percent per annum when the member institution's only service has consisted of finding, investigating, and recommending the loan to the bank: Provided, That only one service charge shall become due or be payable until the amount of the loan, including principal and interest, shall have been repaid in full.

the loan, including principal and interest, shall have been repaid in full.

SEC. 12. The directors of each bank shall, in accordance with such rules and regulations as the Board may prescribe, make and file with the Board at the earliest practicable date after the establishment of such bank, an organization certificate which shall contain such information as the Board may require. Upon the making and filing of such organization certificate with the Board, and upon the approval of same by the Board, such bank shall become, as of the date of the approval by the Board of its organization certificate, a body corporate, and as such and in its name as designated by the Board it shall have power to adopt, alter, and use a corporate seal; to make contracts; to lease and hold such real estate as may be necessary or convenient for the transaction of its business, but no bank building shall be bought or erected to house any such bank nor shall any such bank make any lease for such

purpose which has a term of more than 10 years; to sue and be sued, to complain, and to defend, in any court of competent jurisdiction, State or Federal; to select, employ, and fix the compensation of such officers, employees, attorneys, and agents as shall be necessary for the transaction of its business, subject to the approval of the Board; to define their duties, require bonds of them, and fix the penalties thereof, and to dismiss at pleasure such officers, employees, attorneys, and agents; and, by its board of directors, to prescribe, amend, and repeal bylaws, rules, and regulations governing the manner in which its affairs may be administered. The president of any bank may also be a member of the board of directors thereof, but no other officer, employee, attorney, or agent of such bank, who receives compensation, may be a member of the board of directors. Each such bank shall have all such incidental powers, not inconsistent with the provisions of this act, as are customary and usual in corporations generally.

SEC. 13. The Board, with the approval of the Secretary of the Treasury, may authorize the banks to issue, subject to such rules and regulations as the Board may prescribe, notes, debentures, bonds, or other such consolidated obligations to mature not more than 10 years from their respective dates of issue, to be redeemable at the option of the issuing banks before maturity in such manner as may be stipulated in such obligations, and to bear such rate or rates of interest as may be determined by the Board. The Board may, with the approval of the Secretary of the Treasury, authorize the banks to sell on a discount basis short-term obligations, payable at maturity without interest; provided, that the aggregate of all obligations issued by the banks and outstanding

authorize the banks to sell on a discount basis short-term obligations, payable at maturity without interest; provided, that the aggregate of all obligations issued by the banks and outstanding at any time under this section shall not exceed 12 times the aggregate amount of the subscribed capital stock of the issuing banks. Such obligations may be offered for sale at such price or prices as the Board may determine with the approval of the Secretary of the Treasury. The Secretary of the Treasury, in his discretion, is authorized to purchase any obligations of any bank or banks issued or to be issued hereunder, and for such purposes there is hereby appropriated out of any money in the Treasury not otherwise appropriated the amount or amounts necessary for such purposes. wise appropriated the amount or amounts necessary for such purchases. The Secretary of the Treasury may, at any time, sell any of the obligations of the banks acquired by him under this section. of the obligations of the banks acquired by him under this section. All redemptions, purchases, and sales by the Secretary of the Treasury of obligations of the banks shall be treated as public-debt transactions of the United States. The Secretary of the Treasury, at the request of the Board, is authorized to market for the banks their notes, debentures, bonds, and other such obligations, using therefor all the facilities of the Treasury Department now authorized by law for the marketing of obligations of the United States. The proceeds of the obligations of the banks so marketed shall be deposited in the same manner as proceeds derived from the sale of obligations of the United States, and the amount thereof shall be credited to the issuing banks on the books of the Treasury. of the Treasury. SEC. 14. Any

amount thereof shall be credited to the issuing banks on the books of the Treasury.

SEC. 14. Any and all notes, debentures, bonds, or other such obligations issued by any bank shall be exempt both as to principal and interest from all taxation (except surtaxes, estate, inheritance, and gift taxes) now or hereafter imposed by the United States, by any Territory, dependency, or possession thereof, or by any State, county, municipality, or local taxing authority. Each bank, including its franchise, its capital, reserves, and surplus, its advances, and its income and dividends shall be exempt from all taxation now or hereafter imposed by the United States, by any Territory, dependency, or possession thereof, or by any State, county, municipality, or local taxing authority; except that any real property of the bank shall be subject to State, Territorial, county, municipal, or local taxation to the same extent according to its value as other real property is taxed. The notes, debentures, and bonds issued by any bank, with unearned coupons attached, shall be accepted at par by any bank in payment of or as a credit against the obligations of any debtor of any bank. The Board shall have full power to adjust equities between the banks.

SEC. 15. Obligations of the banks issued with the approval of the Board under this act shall be lawful investments, and may be accepted as security, for all fiduciary, trust, and public funds the investment or deposit of which shall be under the authority or control of the United States or any officer or officers thereof. The Federal Reserve banks are authorized to act as depositaries, custodians, and/or fiscal agents for the banks in the general performance of their powers under this act.

SEC. 16. In order that the banks may be supplied with such forms of notes, debentures, bonds, or other such obligations as they may need for issuance under this act, the Secretary of the Treasury is authorized to prepare such forms as shall be suitable and approved by the Board, to be held in the Trea

they may need for issuance under this act, the Secretary of the Treasury is authorized to prepare such forms as shall be suitable and approved by the Board, to be held in the Treasury subject to delivery, upon order of the Board. The engraved plates, dies, bed pieces, and so forth, executed in connection therewith shall remain in the custody of the Secretary of the Treasury. The respective banks shall reimburse the Secretary of the Treasury for any expenses incurred in the preparation, custody, and delivery of such notes, debentures, bonds, or other obligations.

SEC. 17. (a) In order to enable the Board to carry out the provisions of this act, the Treasury Department, the Comptroller of the Currency, the Federal Reserve Board, the Federal Reserve banks, and the Reconstruction Finance Corporation are hereby authorized, under such conditions as they may prescribe, to make available to the Board in confidence, for its use and the use of any Federal Investment Bank, such reports, records, or other information as may be available, relating to the condition of insti-

tutions with respect to which any such Federal Investment Bank has had or contemplates having transactions under this act or relating to persons whose obligations are offered to or held by any Federal Investment Bank, and to make, through their examiners or other employees, for the confidential use of the Board or any

Federal Investment Bank, examinations of such institutions.

(b) Every association which shall apply for advances under this act shall, as a condition precedent thereto, consent to such examination as the bank or the Board may require for the purposes of this act and/or that reports of examinations by constituted author-ities may be furnished by such authorities to the bank or the Board

upon request therefor.

SEC. 18. (a) There is hereby created a Federal Investment Insurance Corporation (hereinafter referred to as the "Corporation"), which shall insure the accounts of associations eligible for insurwhich shall insure the accounts of associations eligible for insurance as hereinafter provided, and shall be under the direction of a board of trustees, to be composed of three members and operated by it under such bylaws, rules, and regulations as it may prescribe for carrying out the purposes of this title. The members of the Federal Investment Bank Board shall constitute the board of trustees of the Corporation and shall serve as such without additional compensation. The principal office of the Corporation shall be in the District of Columbia compensation. The prince

(b) The Corporation shall have a capital stock of \$100,000,000, which shall be divided into shares of \$100 each. The total amount of such capital stock shall be subscribed for by the Reconstruction of such capital stock shall be subscribed for by the Reconstruction Finance Corporation, which is hereby authorized and directed to subscribe for such stock and make payment therefor in funds of the Reconstruction Finance Corporation. The Corporation shall issue to the Reconstruction Finance Corporation receipts for payment for or on account of such stock, which shall serve as evidence of the ownership thereof, and the Reconstruction Finance Corporation shall be entitled to the payment of dividends on such stock out of net earnings at a rate equal to the interest rate on such bonds, which dividends shall be cumulative.

(c) Upon the date of enactment of this act, the Corporation shall become a body corporate, and shall be an instrumentality of the United States, and as such shall have power—

(1) To adopt and use a corporate seal.

(2) To have succession until dissolved by act of Congress.

(3) To make contracts.

(4) To sue and be sued, complain and defend, in any court of

(2) To have succession until dissolved by act of Congress.
(3) To make contracts.
(4) To sue and be sued, complain and defend, in any court of law or equity, State or Federal.
(5) To appoint and to fix the compensation, by its board of trustees, of such officers, employees, attorneys, or agents, as shall be necessary for the performance of its duties under this act, without regard to the provisions of any other laws relating to the employment or compensation of officers or employees of the United States. Nothing in this act or any other provision of law shall be construed to prevent the appointment and compensation of any officer, attorney, or employee of the Corporation, of any officer, attorney, or employee of any board, corporation, commission, establishment, executive department, or instrumentality of the Government. The Corporation, with the consent of any board, corporation, commission, establishment, executive department, or instrumentality of the Government, including any field service thereof, may avail itself of the use of information, services, and facilities thereof in carrying out the provisions of this act.

(d) For the purposes of this act, the Corporation shall have power to borrow money and, with the approval of the Secretary of the Treasury, to issue notes, bonds, debentures, or other such obligations upon such terms and conditions as the board of trustees may determine. Moneys of the Corporation not required for current operations shall be deposited in the Treasury of the United States, or upon the approval of the Secretary of the Treasury, in any Federal Reserve bank, or shall be invested in obligations of, or guaranteed as to principal and interest by, the United States. When designated for that purpose by the Secretary of the Treasury.

any Federal Reserve bank, or shall be invested in obligations of, or guaranteed as to principal and interest by, the United States. When designated for that purpose by the Secretary of the Treasury, the Corporation shall be a depositary of public money under such regulations as may be prescribed by the Secretary of the Treasury, and may also be employed as fiscal agent of the United States, and it shall perform all such reasonable duties as depositary of public money and fiscal agent as may be required of it.

(e) All notes, bonds, debentures, or other such obligations issued by the Corporation shall be exempt, both as to principal and interest, from all taxation (except surfaxes, estate, inheritance, and gift

by the Corporation shall be exempt, both as to principal and interest, from all taxation (except surtaxes, estate, inheritance, and gift taxes) now or hereafter imposed by the United States, by any Territory, dependency, or possession thereof, or by any State, county, municipality, or local taxing authority. The Corporation, including its franchise, capital, reserves, surplus, and income, shall be exempt from all taxation now or hereafter imposed by the United States, by any Territory, dependency, or possession thereof, or by any State, county, municipality, or local taxing authority, except that any real property of the Corporation shall be subject to State, Territorial, county, municipal, or local taxation to the same extent according to its value as other real property is taxed.

its value as other real property is taxed.

(f) The Corporation shall make an annual report of its operations to the Congress as soon as practicable after the 1st day of January

to the Congress as soon as practicable after the 1st day of January in each year.

(g) No individual, association, partnership, or corporation shall use the words "Federal Investment Insurance Corporation," or all combination of any of these words which would have the effect of leading the public in general to believe there was any connection actually not existing between such individual, association, partnership, or corporation and the Federal Investment Insurance Corporation, as the name under which he or it shall hereafter do busi-

ness. No individual, association, partnership, or corporation shall advertise or otherwise represent falsely by any device whatsoever that his or its accounts are insured or in anywise guaranteed by the Federal Investment Insurance Corporation, or by the Government of the United States, or by any instrumentality thereof; and no insured member shall advertise or otherwise represent falsely by any device whatsoever the extent to which or the manner in which its accounts are insured by the Federal Investment Insurance Corporation.

ment of the United States, or by any instrumentality thereof; and no insured member shalls advertise or otherwise represent falsely by any device whatsoever the extent to which or the manner in which its accounts are insured by the Federal Investment Insurance Corporation. Every individual, partnership, association, or corporation violating this subsection shall be punished by a fine of not exceeding \$1,000, or by imprisonment not exceeding 1 year, or both.

SEC. 19. (a) It shall be the duty of the Corporation to insure the accounts of all Federal Investment Associations. Application for such insurance shall be made immediately by each Federal Investment Association. Such applications shall be in such form as the Corporation shall prescribe, and shall contain an agreement (1) to pay the reasonable cost of such examinations as the Corporation shall deem necessary in connection with such insurance, and (2) if the insurance is granted, to permit and pay the cost of such examinations as in the judgment of the Corporation may from time to time be necessary for its protection and the protection of other insured associations, to permit the Corporation to have access to any information or report with respect to any examination made by any public regulatory authority and to furnish any additional information with respect thereto as the Corporation may require, and to pay the premium charges for insurance hereinafter provided. Each applicant for such insurance shall also file with its application an agreement that during the period that the insurance is in force it will not make any loans beyond 50 miles from its principal office; will not, after it becomes an insured association, issue securities which guarantee a definite return or which have a definite maturity except with the specific approval of the Corporation, or issue any securities the form of which has not been approved by the Corporation; will not carry on any sales plan or practices, or any advertising, in violation of regulations to be made by the Corporatio

reserves, or the payment of any dividends if any losses are chargeable to such reserves.

(b) The Corporation shall reject the application of any applicant if it finds that the capital of the applicant is impaired or that its financial policies or management are unsafe; and the Corporation may reject the application of any applicant if it finds that the character of the management of the applicant or its lending policy is inconsistent with sound practices or with the purposes of this title. Upon the approval of any application for insurance the Corporation shall notify the applicant, and upon the payment of the initial premium charge for such insurance, as provided in section 18, the Corporation shall issue to the applicant a certificate stating that it has become an insured association. In considering applications for such insurance the Corporation shall give full consideration to all factors in connection with the financial condition of applicants and insured associations, and shall have power to make such adjustments in their financial statements as the Corporation finds to be necessary.

finds to be necessary.

(c) Any applicant which applies for insurance under this act after the first year of the operation of the corporation, shall pay an admission fee based upon the reserve fund of the applicant which, in the judgment of the Corporation, is an equitable contribution.

which, in the judgment of the Corporation, is an equitable contribution.

Sec. 20. (a) Each association whose application for insurance is approved by the Corporation shall pay to the Corporation, in such manner as it shall prescribe, a premium charge for such insurance equal to one-fourth of 1 percent of the total amount of all accounts of the insured members of such associations plus any creditor obligations of such association. Such premium shall be paid at the time the certificate is issued by the Corporation under section 17, and thereafter annually until a reserve fund has been established by the Corporation equal to 5 percent of all insured accounts and creditor obligations of all insured associations; except that under regulations prescribed by the Corporation such premium charge may be paid semiannually. If at any time such reserve fund falls below such 5 percent, the payment of such annual premium charge for insurance shall be resumed and shall be continued until the reserve is brought back to such 5 percent. For the purposes of this subsection, the amount in all accounts of insured members and the amount of creditor obligations of any association may be determined from adjusted statements made within 1 year prior to the approval of the application of such associations for insurance, or in such other manner as the Corporation may by regulations or regulations prescribe. associations for insurance, or in such other manner as the Corpora-tion may by rules and regulations prescribe.

(b) The Corporation is further authorized to assess against each insured association additional premiums for insurance until the amount of such premiums equals the amount of all losses and expenses of the Corporation; except that the total amount so assessed in any one year against any such association shall not exceed one-fourth of 1 percent of the total amount of the accounts

of its insured members and its creditor obligations.

SEC. 21. (a) Each association whose application for insurance under this act is approved by the Corporation shall be entitled to insurance up to the full withdrawal or repurchasable value of the accounts of each of its members and investors (including individuals, partnerships, associations, and corporations) holding with-

drawable or repurchasable shares, investment certificates, or deposits in such association except that no member or investor of any such association shall be insured for an aggregate amount in

excess of \$5,000.

(b) In the event of a default by any insured association the Corporation shall promptly determine the insured members thereof and the amount of their insured accounts, and shall make thereof and the amount of their insured accounts, and shall make available to each of them, after notice by mail at his last-known address as shown by the books of the insured association, and upon surrender and transfer to the Corporation of his insured account, either (1) a new insured account in an insured association not in default, in an amount equal to the insured account so transferred, or (2) at the option of the insured member, the amount of his account which is insured under this section, as follows: Not to exceed 10 percent in cash and 50 percent of the remainder within 1 year, and the balance within 3 years from the date of such default, in negotiable noninterest-bearing debentures of the Corporation. The Corporation shall furnish to all insured associations a certificate stating that the insurance of accounts in such association is to be paid in the manner described in this subsection.

SEC. 22. (a) In order to facilitate the liquidation of insured associations, the Corporation is authorized (1) to contract with any insured association with respect to the making available of insured accounts to the insured members of any insured association in default, or (2) to provide for the organization of a new Federal investment association for such purpose subject to the approval of the Federal Investment Bank Board.

(b) In the event that a Federal investment association is in

the Federal Investment Bank Board.

(b) In the event that a Federal investment association is in default, the Corporation shall be appointed as conservator or receiver and is authorized as such (1) to take over the assets of and operate such association, (2) to take such action as may be necessary to put it in a sound and solvent condition, (3) to merge it with another insured association; (4) to organize a new Federal Investment Association to take over its assets; or (5) to proceed to liquidate its assets in an orderly manner, whichever shall appear to be to the best interests of the insured members of the association in default; and in any event the Corporation shall pay the insurance as provided in section 19 and all valid credit obligations of such association. The net proceeds which may arise from the orderly liquidation of the assets of any such association, after reimbursement of the Corporation of all amounts paid by it for such insurance, shall be distributed pro rata among the shareholders of the association.

(c) In connection with the liquidation of insured associations in

(c) In connection with the liquidation of insured associations in

(c) In connection with the liquidation of insured associations in default, the Corporation shall have power to carry on the business of and to collect all obligations to the insured associations, to settle, compromise, or release claims in favor of or against the insured associations, and to do all other things that may be necessary in connection therewith, subject only to the regulation of the court or other public authority having jurisdiction over the matter.

(d) The Corporation shall make an annual report to the Congress of the operation by it of insured associations in default and shall keep a complete record of the administration by it of the assets of such insured associations which shall be subject to inspection by any officer of any such insured association is operated under the laws of any State, Territory, or possession of the United States, or of the District of Columbia, such annual report shall also be filed with the public authority which has jurisdiction over the insured association.

Sec. 23. (a) Any association which is insured under the provision of this act may, upon not less than 90 days' written notice to the Corporation, terminate its status as an insured association upon a majority vote of its shareholders entitled to vote, or upon a majority vote of its shareholders entitled to vote, or upon

to the Corporation, terminate its status as an insured association upon a majority vote of its shareholders entitled to vote, or upon a majority vote of its board of directors or other similar governing body which is authorized to act for the association. Thereupon its status as an insured association shall immediately cease and all rights of its insured members to insurance under this act shall immediately terminate; but the obligation of the association to pay the premium charges for insurance shall continue for a period of 3 years after the detect of such termination.

pay the premium charges for insurance shall continue for a period of 3 years after the date of such termination.

(b) The Corporation shall have power to terminate the insured status of any insured association at any time, after 90 days' notice in writing, for violation of any provision of this act, or of any rule or regulation made thereunder, or of any agreement made pursuant to section 18. In the event the insured status of any insured association is so terminated it shall be unlawful thereafter for it to advertise or represent itself as an insured association, but the insured accounts of its members existing on the date of such termination shall continue as such for a period of 5 years thereafter, and the association shall be required to continue the payment of the premium charge for insurance during such 5-year period.

period.

SEC. 24. (a) Whoever makes any statement knowing it to be false, or whoever willfully overvalues any security, for the purpose of obtaining for himself or for any applicant any loan, or extension thereof by renewal, deferment of action, or otherwise, or the acceptance, release, or substitution of security therefor, or for the purpose of influencing in any way the action of any association or bank, or for the purpose of obtaining money, property, or anything of value, under this act, shall be punished by a fine of not more than \$5,000 or by imprisonment for not more than 2 years or both

years, or both.

(b) Whoever (1) falsely makes, forges, or counterfeits any note, debenture, bond, or other obligation, or ccupon, in imitation of or purporting to be a note, debenture, bond, or other obligation, or

coupon, issued by any bank; or (2) passes, utters, or publishes, or attempts to pass, utter, or publish, any false, forged, or counterfeited note, debenture, bond, or other obligation, or coupon, purporting to have been issued by any bank, knowing the same to be false, forged, or counterfeited; or (3) falsely alters any note, debenture, bond, or other obligation, or coupon, issued or purporting to have been issued by any bank; or (4) passes, utters, or publishes, or attempts to pass, utter, or publish, as true any falsely altered or spurious note, debenture, bond, or other obligation, or coupon, issued or purporting to have been issued by any bank, knowing the same to be falsely altered or spurious; or any person who willfully violates any other provision of this act shall be punished by a fine of not more than \$10,000 or by imprisonment for not more than 5 years, or both.

(c) Whoever, being connected in any capacity with any association or bank, (1) embezzles, abstracts, purloins, or willfully misapplies any moneys, funds, securities, or other things of value, whether belonging to it or pledged or otherwise entrusted to it; or (2) with intent to defraud any association or bank, or to deceive any officers, auditors, or examiner of the Board or any association any officers, auditors, or examiner of the Board or any association or bank, makes any false entry in any book, report, or statement of or to the Board or any association or bank, or, without being duly authorized, draws any order or issues, puts forth, or assigns any note, debenture, bond, or other obligation, or draft, bill of exchange, mortgage, judgment, or decree thereof; or (3) with intent to defraud participates, shares, receives directly or indirectly any money, profit, property, or benefit through any transaction, loan, commission, contract, or any other act of the Board or any association or bank; or (4) gives any unauthorized information concerning any sion, contract, or any other act of the Board or any association or bank; or (4) gives any unauthorized information concerning any future action or plan of the Board or any association or bank which might affect the value of securities, or, having such knowledge, invests or speculates, directly or indirectly, in the securities or property of any individual, association, partnership, or corporation receiving loans or other assistance from any association or bank, shall be punished by a fine of not more than \$10,000 or by imprisonment for not more than 5 years, or both.

Sec. 25. The right to alter amend or repeal this act is hereby

SEC. 25. The right to alter, amend, or repeal this act is hereby expressly reserved. If any clause, sentence, paragraph, or part of this act shall for any reason be adjudged by any court of competent jurisdiction to be invalid, such judgment shall not affect, impair, or invalidate the remainder of this act, but shall be confined in its operation to the clause, sentence, paragraph, or part thereof directly involved in the controversy in which such judgment shall have

SEC. 26. This act may be cited as the "Federal Investment Bank Act of 1939."

The matter presented by Mr. Logan, in connection with the bill, is as follows:

STATEMENT OF SENATOR LOGAN

Mr. President, we are concerned for the preservation of democracy in America against the inroads of the "isms." This concern has manifested itself in unprecedented peacetime appropriations for our armed defense forces, in appropriations for the investigation and exposure of subversive elements working to overthrow our form of government, and in a state of mind on the part of the general public bordering upon alarm.

Mr. President, I approve of the President's program for strength-Mr. President, I approve of the President's program for strengthening the national armed defense. But there is another aspect of defense that is equally important. We all know that so long as America is prosperous we need not be concerned over the inroads of alien ideologies within our borders. These despotic forms of government, which give to their masses a very slight and temporary degree of economic security in exchange for the permanent appropriation of their liberties and their desire to remain at peace, obtain their footholds and thrive only in an atmosphere of chronic depression. depression.

Within the broad framework of our democratic form of government we have sought to safeguard our institutions and strengthen our internal structure through programs of assistance and adjustment which enable us to cope more effectively with present-day needs and conditions.

We have a program for agriculture.

We have a program for labor.

We have a program for labor.

We have a program for the home owner.

We have done much that has directly benefited big business.

But, Mr. President, with all that we have done, we have done little or nothing for the small-business man. This is particularly regrettable, not only because small business—which in the aggregate employs more people and pays more taxes than any other economic group—is sorely in need of assistance, but also because the small business men and women comprise the bulk of that middle class of our population, which has often and rightfully been termed "the backbone of America." There you will find the type of men and women who in years past were the pioneers of prosperity in this country, and who today stand as a bulwark against the inroads of the "isms."

Mr. President, I have just introduced a bill which would provide additional and more liberal credit facilities for little business. The measure is sponsored by the American Federation of Little Business, a national nonpartisan association of independent small-business men. It is modeled closely after the Federal Home Loan Bank, Federal savings and loan system, which has proven an outstanding success in its field.

This measure, if incorporated into law, will not be a burden upon the public purse. It does not call for establishment of a costly or competitive agency. It provides an avenue for investment of private capital as well as a source of greatly needed credit, and it should cost the taxpayers nothing. I submit that it is worthy of the attention and support of every Member of this Congress

[American Federation of Little Business, Washington, D. C.1 SUMMARY OF PROPOSED INVESTMENT BANK ACT

1. The bill is designed to provide permanent intermediate credit facilities for independent small business (\$100,000 limitation on size of loans).

size of loans).

2. The proposed structure is closely patterned after the existing home loan bank—Federal Savings and Loan Association system. At the top is a three-man board, appointed by the President and charged with general supervision over the banks, the associations, and the insurance corporation. The 12 regional investment banks provided for are intended to serve primarily as reservoirs for the discount paper emanating from the local investment associations, although they may make loans direct under certain circumstances. The local investment associations constitute the broad base of the system and are authorized to make loans generally for business purposes (including character loans) when credit of the type applied for is not otherwise available through the usual local commercial banking channels. Thus the passing upon credit risks and the extension of credit is made a function of local management, although the board and the banks keep in close touch through examinations. examinations

examinations.

3. It is proposed that the capital be provided as follows:

(a) The capital stock of the regional investment banks: To be subscribed by the Secretary of the Treasury, the money (up to a total of \$120,000,000) to be provided by R. F. C.

(b) The capital of the local investment associations: To be provided by local investors and the Secretary of the Treasury (\$60,000,000 appropriated for this purpose—par. (h) of sec. 10), the latter being authorized to subscribe for preferred shares at a 4 to 1 ratio (to common capital) up to \$100,000 for each local association. The common-stock subscriptions are protected by insurance up to \$5,000 in the case of each such investment.

(c) The capital stock of the Insurance Corporation (\$100,000,-000): to be subscribed by R. F. C.

4. The intent is to provide a decentralized intermediate credit system in which local management and responsibility and some local money will be combined with Federal regulation and Federal money. After 5 years the preferred-stock investment of the Secretary of the Treasury in the local associations is to be progressively retired.

sively retired.

5. The total lending capacity of the system depends upon many factors, such as the number and capitalization of the local associations. The banks are authorized to issue their consolidated debentures in the ratio of 12 to 1 of capital. Such debentures are generally tax-exempt, but are not guaranteed by the Government.

ernment.

6. The proposed method of insurance, mechanics thereof, etc., are practically identical with those provided in connection with the home loan bank—Federal Savings and Loan Association system

and program.
7. The bill is sponsored by the American Federation of Little Business, an independent, nonpartisan, and Nation-wide organiza-tion of independent, small-business men. The active support of all Members of Congress, without regard to party affiliation, is cordially invited.

Speaking of Liberty—Small Enterprise and Economic Independ-ence are the Bulwarks of Democracy

(By Walter Lippmann)

(By Walter Lippmann)

Paris, July 15.

We live in a time when great masses of civilized men have either voluntarily surrendered their personal liberties or at least have submitted without serious protest or resistance to the destruction of their liberties. It is important that we should understand the causes. This is not too difficult. For while a library of books might profitably be written on the subject, one fundamental aspect of the question at least is clear enough to anyone who passes back and forth between the totalitarian and the free nations of Europe.

It is that the peoples who have lost their civil rights had previously lost or had never obtained the means of economic independence for individuals, families, and local communities. It is very clear, I think, that the masses who have fallen under the spell of demagogic dictators and their terroristic bands were recruited from individuals who had no property, no savings, and either no job at all or a job which which they could not feel sure of holding. They were in the exact sense of the term proletarians, even if they happened to be earning fairly high salaries at the moment, for they had no reserves to fall back upon. They could not afford to lose their jobs. They could not afford, therefore, to speak their minds or to take any risks—to be in any real sense of the word "individual" citizens. They had to be servile or they starved. Wherever a dictatorship has been set up in Europe, the mass of individuals had already become so insecure that they no longer dared to exercise the legal liberties that the demogog was attacking.

MAN SHOULD BE ABLE TO CHANGE HIS JOB

MAN SHOULD BE ABLE TO CHANGE HIS JOB To have economic independence a man must be in a position to leave one job and go to another; he must have enough savings

of some kind to exist for a considerable time without accepting the first job offered. Thus, the peasant, for all his poverty and the exploitation which he suffers, is relatively to his own needs still the freest man in central Europe. The fact that he can exist by his own labor on his own piece of land gives him an independence which every dictatorial regime, except the Russian perhaps, has been forced they make the property of the superior of t

which every dictatorial regime, except the Russian perhaps, has been forced to respect.

But the industrial worker who has a choice between working in one factory and not working at all, the white-collar intellectuals who compete savagely for the relatively few private positions and for posts in the bureaucracy—these are the people who live too precariously to exercise their liberties or to defend them. They have no savings. They have only their labor to sell, and there are very few buyers of their labor. Therefore they have only the choice of truckling to the powerful or of perishing heroically but miserably. Men like these, having none of the substance of liberty themselves, have scant respect for any law or any form of civil right.

Men like these, having none of the substance of liberty themselves, have scant respect for any law or any form of civil right.

The reason the love of liberty, as we understand it in America, is so strong in France is undoubtedly, it seems to me, that France still is a country where the great mass of the people have their own farms, their own shops, their own little business enterprises, and some savings for a rainy day and an emergency. This is the solid foundation of French liberty. The French electorate, except perhaps in a few industrial centers, is not a frightened crowd but a collection of independent families stubbornly attracted to their farms shops, homes and bank accounts.

farms, shops, homes, and bank accounts.

THEY ARE NOT EASY TO TERRORIZE

They are not easy to terrorize, because they have reserves for their independence. They have resistance to mass propaganda because they have so much independence as individuals. And that is why they have such a dread of infiation, which would destroy their individual savings, and such a dislike of monopoly and the concentrating of big business, which would make them the hirelings of a single master.

The more I see of Europe the more deeply convinced do I become that the preservation of freedom in America, or anywhere else, depends upon maintaining and restoring for the great majority of individuals the economic means to remain independent inof individuals the economic means to remain independent in-dividuals. The greatest evil of the modern world is the reduction of the people to a proletarian level by destroying their savings, by depriving the helpless employees of a private monopoly or of Government monopoly. At that point they are no longer citizens. They are a mob. For when the people lose this sense of their separate and individual security, they cease to be in-dividuals. They are absorbed into a mass. Their liberties are already lost and they are a frightened crowd ready for a master.

THE OBJECTIVE IS CLEAR

The Objective Is Clear

Though the actual measures to be taken are debatable, the objective for a free government is, I think, clear. It should use its authority to enable the independent farmer, the small and moderate-sized enterprise, the small saver, to survive. It should use its authority to see that large enterprise is no larger than technology requires, depriving big business of corporate privileges and other forms of legal and economic advantage which make it bigger than on economic grounds it needs to be. A resolute democracy should favor the dispersion of industry rather than its concentration, and it should favor the rise in as many communities as possible of different kinds of enterprise rather than a high degree of specialization on some one product.

For unless the means of independence are widely distributed among the people themselves, no real resistance is possible to the advance of tyranny. The experience of Europe shows clearly that when a nation becomes proletarian, the result is not, as the Communists taught, a dictatorship by the proletariat but a dictatorship over the proletariat.

REPEAL OF NEUTRALITY ACTS

Mr. LEWIS. Mr. President, I introduce a bill concerning which I wish to make some allusions shortly. The measure deals with the matter of the repeal of the neutrality laws. I ask that the bill may be printed in the RECORD and appropriately referred.

The VICE PRESIDENT. The bill of the Senator from Illinois will be received and properly referred, and, without ob-

jection, printed in the RECORD.

The bill (S. 1745) to repeal the specific acts known as neutrality laws passed in the years 1935, 1936, 1937, and 1938, and to reestablish the doctrine of the United States that neutrality in all foreign conflicts is the policy of the United States and to be enforced according to such regulations as the Executive, in charge of the national defense of the country and the protection of our citizens, from time to time will be called upon to apply, was read twice by its title, referred to the Committee on Foreign Relations, and ordered to be printed in the RECORD, as follows:

Be it enacted, etc., That the acts of Congress designated as neutrality statutes of the dates of the years of 1935, 1936, 1937, and 1938, and the amendments and additions thereto be each hereby

SEC. 2. That the policy of neutrality of the United States of America as concerns conflicts in foreign lands that bear no relation to the United States, of interest to its citizens or defense to its Nation is to be executed from time to time by appropriate Executive orders by the President of the United States and enforced in such branches of the Government as shall be directed.

SEC. 3. That the regulations for the enforcement of neutrality in the different forms of political subjects are to be carried out by such provisions and orders, and substitute orders, as from time to time will be called for by the needs of the United States and the proper defense of the interests of its people.

All acts and parts of acts in conflict with this act are hereby repealed

Mr. LEWIS subsequently said: Mr. President, I should like to make a brief explanation preliminary to an address which on a later occasion I wish to make to the Senate. am informed by Senators that they are very much interested in certain bills on the calendar, and I will not at this time consume such moments as I otherwise would in carrying out my original intention.

This morning I introduced a bill looking to the repeal of the acts of Congress designated as the neutrality laws. The bill which I tendered this morning is in fulfillment of an object I have had for some time. I am told by other Senators on the floor that either they have tendered bills involving something of the nature incorporated in my measure or such is their intent.

Mr. President, it is only fair to say at the outset that when this particular bill to which we refer now as the act of 1938. preceded by the bills of 1937 and one of 1936, was before the Committee on Foreign Relations I opposed it, though unsuccessfully, before the committee. I also opposed it on the floor without success.

I now point out what I assumed to point out then, sir, that if neutrality in the affairs and conflicts of other lands in which we are not concerned is the policy of our country, then the execution of that neutrality should be left to the wisdom and patriotism of those who, under our theory of government, are in control of our foreign policy. Instead of by an act of Congress attempting to prescribe in what way neutrality should be executed and what form it should take. wherein it should be circumscribed or relaxed, it is my object, sir, to have established the enforcement of neutrality by regulation through the President, as Commander in Chief of the Army and Navy, and according to the conditions and circumstances which may surround particular events.

To have an act of Congress assume to define the observance of neutrality in a specific manner and then to make it possible for a foreign country directly to act in such manner as that it may avoid the law, or to permit events which may transpire wholly to overcome the law impresses me as lacking in wisdom and detrimental to the best interests of America. There should be such elasticity in enforcing neutrality provisions through the regulations of those in power that they could be easily and readily changed in order to meet the attitude of any other land making a change adverse to the United States. Looking to the protection of this country and the preservation of our people the authority and right to enforce neutrality along the lines of justice should be in the hands and in the power of those who execute our foreign policy.

I say, sir, that it is my purpose to press this subject further and more in detail in an address to this honorable body when I will not interfere with the passing of bills in which Senators are interested; and the notice I now give is that I shall, in coming days, if possible, address the Senate more fully in support of the measure I have introduced.

EXEMPTION FROM TAXATION OF HOMESTEADS TO THE VALUE OF \$5,000

Mr. SHEPPARD. I introduce a joint resolution and I desire to make a few comments on it. Before doing so, I will ask that it be printed entire in the RECORD, and properly referred.

The VICE PRESIDENT. The joint resolution of the Senator from Texas will be received and appropriately referred. and, without objection, it will be printed in the RECORD.

The joint resolution (S. J. Res. 88) proposing an amendment to the Constitution of the United States providing for

tax exemption of certain homesteads was read twice by its title, referred to the Committee on the Judiciary, and ordered to be printed in the RECORD, as follows:

Resolved by the Senate and House of Representatives of the United States of America in Congress assembled (two-thirds of each House concurring therein), That the following article is hereby proposed as an amendment to the Constitution of the United States, which shall be valid to all intents and purposes as part of the Constitution when ratified by the legislatures of three-fourths of the several States:

"ARTICLE

"Section 1. The homestead of any head of a family, male or female, or of any citizen having one or more persons dependent on him or her for support, shall be exempted from taxation up to \$5,000 of its value when occupied by its owner or by his or her dependents as a homestead, excepting only the tax required to pay State, county, municipal, and district bonded debt applicable to such homesteads and outstanding at the date of ratification of this article.

"Sec. 2. The Congress and the States shall have power to enforce this article by appropriate legislation."

Mr. SHEPPARD. Mr. President, the joint resolution introduced by me proposes to amend the Federal Constitution so that homesteads up to the value of \$5,000 may be exempted from taxation. I introduced this measure for the first time in the last Congress toward the end of which it was reported favorably to the Senate Judiciary Committee by a subcommittee of that committee. Sufficient time did not remain to press it further before final adjournment. It was Senate Joint Resolution 220 in the last Congress.

The exemption, bringing permanent safety to family savings invested in homesteads, would encourage individual ambition, industry, and thrift. We recognized the desirability of such encouragement by insuring \$5,000 of individual savings, deposited in banks against loss, and by exempting small individual incomes from the income tax.

The steady advancement of the homestead tax exemption movement in State after State, unsupported by organization of any kind, and opposed as a rule by large property interests which fear homestead exemption may increase their taxes, affords strong proof that the great majority of all who own homesteads, and all who would like to own them but for fear of losing them for taxes, desire the adoption of homestead tax exemption as a national policy.

All of us who believe in private property as the indispensable foundation of our free institutions-including, I take it for granted, all Members of the Congress—ought to be able to see that the bedrock of that foundation is the freehold homestead. We ought to be glad to give it the same measure of protection that has been given an equal amount of individual or family savings deposited in banks. We ought to realize that until this shall be done homestead ownership will continue to decay, as it has been doing for many years past; especially and most dangerously in the farming regions.

This homestead tax exemption amendment is the only proposal now before the Congress for an abatement of taxes. Submission of the amendment by the Seventy-sixth Congress. in my judgment, would profoundly gratify a great majority of the American people.

Against the menace of our free institutions by foreign dictatorships nothing else can so effectually defend us as the encouragement of freehold homestead ownership certain to follow submission and ratification of this amendment.

A home-owning citizenship is the best guaranty of the institutions of freedom.

This measure will aid in anchoring the citizen to the home. AMENDMENT OF AGRICULTURAL ADJUSTMENT ACT-WHEAT AND COTTON

Mr. LEE submitted an amendment intended to be proposed by him to the bill (S. 1405) to amend the Agricultural Adjustment Act of 1938, as amended, for the purpose of regulating interstate and foreign commerce in wheat and cotton, and providing for the orderly marketing of such commodities at fair prices in interstate and foreign commerce, which was referred to the Committee on Agriculture and Forestry and ordered to be printed.

ACQUISITION OF COTTON FOR NATIONAL DEFENSE-AMENDMENTS Mr. BILBO submitted amendments intended to be proposed by him to the bill (S. 572) to provide for the common defense by acquiring stocks of strategic and critical raw materials, concentrates, and alloys essential to the needs of industry for the manufacture of supplies for the armed forces and the civilian population in time of a national emergency, and for other purposes, which were ordered to lie on the table, to be printed, and to be printed in the RECORD, as

On page 5, line 6, after the word "under", insert the following: "the preceding provisions of."

At the end of the bill insert the following new section:
"Szc. 8. (a) The Commodity Credit Corporation is authorized and directed to acquire title to (1) any cotton from the 1934 crop remaining as security for loans made or arranged for by the Corporation and (2) such cotton from the 1937 to 1938 crops remaining as security for loans made or arranged for by the Corporation and (2) such cotton from the 1937 to 1938 crops remaining poration and (2) such cotton from the 1937 to 1938 crops remaining as security for loans made or arranged for by the Corporation as will, when added to the cotton of the 1934 crop held or acquired by the Corporation, make a total of 7,000,000 bales. No such cotton shall, without the consent of the owner thereof, be acquired prior to the maturity date of the loan secured by it or in a manner inconsistent with the provisions of the loan agreement executed in connection with such loan. The Commodity Credit Corporation, to the extent necessary to the provisions of

in connection with such loan. The Commodity Credit Corporation, to the extent necessary in order to carry out the provisions of this section, shall assume and discharge all or any part of the obligations, including accrued interest and carrying charges, of the borrower with respect to any cotton held as security for a loan made or arranged for by the Corporation.

"(b) The Commodity Credit Corporation shall transfer title to any cotton of the 1934 crop held by it and any cotton acquired by it under the provisions of subsection (a) of this section to the Secretary of War. The Secretary of War shall take possession of such cotton and shall store it in warehouses located on military reservations and at such other places as he may deem proper. Such cotton cotton and shall store it in warehouses located on mintary reserva-tions and at such other places as he may deem proper. Such cotton shall be retained in storage by the Secretary for the purpose of maintaining a reserve supply adequate to meet the needs of the United States in the event of war or other national emergency which might require the United States to obtain large quantities

which might require the United States to obtain large quantities of cotton.

"(c) The Secretary of War is authorized to construct such warehouses and to employ such personnel as he may find to be necessary for the purpose of providing for the storage of any cotton acquired by him under the provisions of this section.

"(d) There are hereby authorized to be appropriated such sums as may be necessary in order to enable the Secretary of War to carry out the provisions of subsections (b) and (c) of this section."

STUDY OF THE TELEGRAPH INDUSTRY

Mr. WHEELER submitted the following resolution (S. Res. 95), which was referred to the Committee on Interstate

Whereas the telegraph industry plays an important role in the economic life of the Nation and is an arm of the national defense:

Whereas the telegraph industry is in a precarious financial and

mony and to make such expenditures as it deems advisable. The expenses of the committee, which shall not exceed ——, shall be paid from the contingent fund of the Senate upon vouchers approved by the chairman.

ESTABLISHMENT OF DISTRICT-OWNED LIQUOR STORES

Mr. HERRING (by request) submitted the following resolution (S. Res. 96), which was referred to the Committee on the District of Columbia:

Resolved, That for the purpose of obtaining information necessary as a basis for legislation the Committee on the District of Columbia, as a whole or by subcommittee, is authorized and directed to conduct an investigation and study of the advisability of the elimination of the present class A liquor stores in the District of Columbia and the establishment of a sufficient number of liquor stores to be owned by the District of Columbia for the purpose of raising revenue for the support of the government of the District of Columbia. The committee shall report to the Senate as soon as practicable the results of its investigation, together with such recommendations for legislation as it deems desirable.

The committee is authorized to request and secure, for the pur-

The committee is authorized to request and secure, for the purposes of this resolution, such information and assistance from the Commissioners of the District of Columbia, or from officers or employees designated by the Commissioners, as may be deemed necessary by the committee.

For the purposes of this resolution the committee, or any subcommittee thereof, is authorized to sit and act during the present Congress at such times and places within the District of Columbia, whether or not the Senate is sitting, has recessed, or has adjourned; to hold such hearings; to require, by subpena or otherwise, the attendance of such witnesses and the production of such books, papers, and documents; and to take such testimony as it deems necessary. Subpenas may be issued under the signature of the chairman of the committee or any member designated by him and may be served by any person designated by such chairman or member. The chairman of the committee or any member thereof may administer oaths to witnesses.

ADRIEN ADELMAN

Mr. OVERTON submitted the following resolution (S. Res. 97), which was referred to the Committee to Audit and Control the Contingent Expenses of the Senate:

Resolved, That the Secretary of the Senate hereby is authorized and directed to pay from the contingent fund of the Senate to Adrien Adeiman, employed as professional consultant by the Committee on Manufactures investigating the desirability of establishing a National Economic Council under authority of Senate Resolution No. 114, Seventy-fourth Congress, the sum of \$2,000 for services during the months of September, October, November, and December 1938, and an additional sum of \$295 for per diem in lieu of subsistence, traveling expenses, and clerical assistance during the same period of time.

MESSAGE FROM THE HOUSE

A message from the House of Representatives, by Mr. Calloway, one of its reading clerks, announced that the House had disagreed to the amendments of the Senate to the bill (H. R. 3791) to provide more effectively for the national defense by carrying out the recommendations of the President in his message of January 12, 1939, to the Congress, asked a conference with the Senate on the disagreeing votes of the two Houses thereon, and that Mr. May, Mr. Thomason, Mr. HARTER of Ohio, Mr. Andrews, and Mr. Short were appointed managers on the part of the House at the conference.

THE NATIONAL DEFENSE

Mr. SHEPPARD. Mr. President, I ask that a message from the House of Representatives be laid before the Senate.

The PRESIDING OFFICER (Mr. MILLER in the chair) laid before the Senate the action of the House of Representatives disagreeing to the amendments of the Senate to the bill (H. R. 3791) to provide more effectively for the national defense by carrying out the recommendations of the President in his message of Janury 12, 1939, to the Congress, and requesting a conference with the Senate on the disagreeing votes of the two Houses thereon.

Mr. SHEPPARD. Mr. President, it will be necessary for me to leave the city for a few days, and it will not be practicable for me to serve as one of the conferees. I move that the Senate insist upon its amendments, agree to the request of the House for a conference, and I ask that the Senator from Illinois [Mr. Lewis], the Senator from Kentucky [Mr. LOGAN], the two ranking members on the majority side, and the Senator from Vermont [Mr. Austin], the ranking member on the minority side, of the Military Affairs Committee, be appointed conferees on the part of the Senate on this bill.

The PRESIDING OFFICER. The question is on the motion of the Senator from Texas that the Senate insist upon its amendments, agree to the request of the House for a conference, and that the Chair appoint the conferees on the part of the Senate.

The motion was agreed to: and the Presiding Officer appointed Mr. Lewis, Mr. Logan, and Mr. Austin conferees on the part of the Senate.

PROHIBITION OF CERTAIN POLITICAL PRACTICES-ADDRESS BY SENATOR GUFFEY

IMr. MINTON asked and obtained leave to have printed in the Record a radio address delivered by Senator Guffey on March 7, 1939, on the subject The Prohibition of Certain Political Practices, which appears in the Appendix.1

THE CALENDAR

The PRESIDING OFFICER. If there be no further routine business, the call of the calendar under rule VIII is next in order.

The clerk will state the first bill on the calendar.

RILL AND RESOLUTIONS PASSED OVER

The bill (S. 326) for the payment of awards and appraisals heretofore made in favor of citizens of the United States in claims presented under the General Claims Convention of September 8, 1923, United States and Mexico, was announced as first in order.

Mr. KING. I ask that the bill be passed over.

The PRESIDING OFFICER. The bill will be passed over. The resolution (S. Res. 58) providing that a calendar day's notice shall suffice in connection with suspension of a rule was announced as next in order.

Mr. CLARK of Missouri. I ask that the resolution be passed over.

The PRESIDING OFFICER. The resolution will be passed

The resolution (S. Res. 74) providing for a Committee on Civil Aviation was announced as next in order.

Mr. CLARK of Missouri. I ask that the resolution be passed over.

The PRESIDING OFFICER. The resolution will be passed

AUXILIARY VESSELS FOR THE NAVY

The Senate proceeded to consider the bill (S. 828) to permit the President to acquire and convert, as well as to construct, certain auxiliary vessels for the Navy, which had been reported from the Committee on Naval Affairs with an amendment to add a new section at the end of the bill, so as to make the bill read:

Be it enacted, etc., That section 1 of the act entitled "An act to authorize the construction of certain auxiliary vessels for the Navy," approved July 30, 1937 (50 Stat. 544), is hereby amended by inserting after the word "authorized," in the fifth line thereof, the words "to acquire and convert or," so that the said section

the words "to acquire and convert or," so that the said section as amended will read as follows:

"That for the purpose of furnishing or replacing auxiliary vessels urgently necessary for the proper maintenance and operation of the Navy, the President of the United States is hereby authorized to acquire and convert or to undertake the construction of about 36,050 tons (light displacement tonnage) of such auxiliary vessels as follows, at a total cost for all vessels of not more than

as 1010ws, at a total cost for all viscos \$55,000,000;

"(a) One seaplane tender of about 8,300 tons;

"(b) One destroyer tender of about 9,000 tons;

"(c) One mine sweeper of about 600 tons;

"(a) One seaplane tender of about 0,300 tons;

"(b) One destroyer tender of about 9,000 tons;

"(c) One mine sweeper of about 9,000 tons;

"(d) One submarine tender of about 9,000 tons;

"(e) One fleet tug of about 1,150 tons; and

"(f) One oil tanker of about 8,000 tons."

Sec. 2. Sums heretofore or hereafter appropriated or made available for the commencement or for the construction and machinery, and armor, armament, and ammunition of auxiliary vessels for the Navy shall be held and considered to be available either for the acquisition and conversion or for the construction of such vessels.

Sec. 3. The act entitled "An act making appropriations to supply deficiencies in certain appropriations for the fiscal year ending June 30, 1937, and for prior fiscal years, to provide supplemental appropriations for the fiscal year ending June 30, 1938, and for other purposes" (50 Stat. 755), is hereby amended by deleting therefrom, at page 769, the words "and the cost of either shall not exceed the estimated cost thereof set forth on pages 524 and 525 of the hearings of the House Committee on Appropriations on the third deficiency appropriation bill for the fiscal year 1937": Provided, That nothing herein contained shall be construed as increasing the limit of the total cost of \$50,000,000 imposed by the act of July 30, 1937, on the auxiliary vessels authorized therein.

Mr. WALSH. Mr. President, the Senator from Missouri

Mr. President, the Senator from Missouri [Mr. CLARK] and other Senators have asked that an explanation be made of this bill and the bill following it on the calendar. I think I can explain the purpose of the bill very briefly.

The purpose of Senate bill 828 is to permit the President to acquire and convert, as well as to construct, certain auxiliary vessels for the Navy. The bill was introduced at the request of the Navy Department. It does not authorize the acquisition or construction of any additional vessels for the Navy, and does not authorize any additional appropriations. Instead of constructing, the Navy in two instances, under existing law and authority, has acquired tankers known as naval auxiliaries. Two such tankers constructed and built by the Maritime Commission are now under the control of the Navy Department, and are being modernized for naval purposes by the Navy Department. It is necessary to change existing law in the case of one other tanker with respect to which the authority is limited to construction, in order to permit the Navy to do the same thing-not to do the constructing itself, but to acquire by purchase tankers built by the Maritime Commission.

The bill, therefore, is simply an amendment giving the Navy Department an opportunity to acquire as well as to construct. The money to construct is already appropriated. There will be a saving of about \$1,500,000 by acquiring rather than constructing. No additional money is required. It is simply an amendment to the law, giving the Navy Department authority to do what it has done in other cases in which it has had general authority to acquire as well as to construct.

Mr. CLARK of Missouri. Mr. President, let me say that the last time the calendar was called I asked for an explanation of the bill. I am completely satisfied with the explana-

tion, and have no objection to the bill.

The PRESIDING OFFICER. The question is on agreeing to the committee amendment.

The amendment was agreed to.

The bill was ordered to be engrossed for a third reading, read the third time, and passed.

ALTERATIONS AND REPAIRS TO CERTAIN NAVAL VESSELS

The Senate proceeded to consider the bill (S. 829) to authorize alterations and repairs to certain naval vessels, and for other purposes, which had been reported from the Committee on Naval Affairs with an amendment, on page 1, line 9, after the numerals "\$5,000,000," to strike out ": Provided further, That alterations and repairs to naval vessels authorized by this act shall be subject to the provisions of such treaty or treaties limiting naval armaments as may be in effect at the time such alterations and repairs are undertaken", so as to make the bill read:

Be it enacted, etc., That for the purpose of modernizing the U.S.S. Argonaut, Narwhal, and Nautilus, alterations and repairs to such vessels are hereby authorized and expenditures therefor shall not be limited by the provisions of the act approved July 18, 1935 (49 Stat. 482; 5 U. S. C. 468a): Provided, That the total cost of such alterations and repairs shall not exceed \$5,000,000.

Mr. WALSH. Mr. President, this bill permits the Navy to modernize three submarines which were built in 1930. The submarines have been found to be defective in their engine construction, and in order to make them of military value and use it is necessary to modernize and reconstruct them. Under general law, if the amount is not more than \$450,000, the Navy can proceed to make repairs without coming to the Congress. Because of the amount being more than \$450,000, congressional action is required to permit reconstruction of the three submarines, which are too valuable to scrap. Reconstruction will save the cost of building new ones. The cost will be about \$1,800,000 for each one, or about \$5,500,000 for the three.

The PRESIDING OFFICER. The question is on agreeing to the committee amendment.

The amendment was agreed to.

The bill was ordered to be engrossed for a third reading, read the third time, and passed.

CALL OF THE ROLL

Mr. BARKLEY. I suggest the absence of a quorum. The PRESIDING OFFICER. The clerk will call the roll. The legislative clerk called the roll, and the following Senators answered to their names:

Adams	Bulow	Ellender	Herring
Andrews	Burke	Frazier	Hill
Ashurst	Byrd	George	Holman
Austin	Byrnes	Gerry	Hughes
Bailey	Capper	Gibson	Johnson, Calif
Bankhead	Caraway	Gillette	Johnson, Colo.
Barbour	Chavez	Glass	King
Barkley	Clark, Idaho	Green	La Follette
Bilbo	Clark, Mo.	Guffey	Lee
Bone	Connally	Gurney	Lewis
Borah	Danaher	Harrison	Lodge
Bridges	Davis	Hatch	Logan
Brown	Donahey	Hayden	Lucas
THE THE DE		THE PERSON NAMED IN COLUMN TWO IS NOT THE OWNER.	

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Lundeen	Norris	Schwartz	Townsend
McCarran	Nye	Schwellenbach	Truman
McKellar	O'Mahoney	Sheppard	Tydings
McNary	Overton	Shipstead	Van Nuys
Maloney	Pepper	Smathers	Wagner
Mead	Pittman	Smith	Walsh
Miller	Radcliffe	Taft	Wheeler
Minton	Reed	Thomas, Okla.	White
Murray	Reynolds	Thomas, Utah	Wiley
Neely	Russell	Tobey	TOTAL STATE OF

The PRESIDING OFFICER. Ninety-one Senators have answered to their names. A quorum is present.

INTERNATIONAL AGREEMENT FOR REGULATION OF WHALING

The Senate proceeded to consider the bill (S. 1045) to give effect to the International Agreement for the Regulation of Whaling, signed at London, June 8, 1937, and for other purposes, which had been reported from the Committee on Foreign Relations with amendments.

The first amendment was, in section 3 (a), on page 4, line 22, after the word "right", to insert "or young dolphin", so as to make the paragraph read:

SEC. 3. (a) Except as permitted by regulations made as here-inafter provided, it shall be unlawful to attempt to take, capture, or kill, or to hunt, take, capture, kill, possess, offer for sale, sell, offer to purchase, purchase, deliver for shipment, ship, cause to be shipped, deliver for transportation, transport, cause to be transported, carry or cause to be carried by any means whatever, receive for shipment, transportation or carriage, import or export at any time or in any manner, any right or young dolphin or gray whale, or any female baleen or sperm whale accompanied by a calf, or any calf, or to sell, purchase, ship, transport by any means whatever, import or export the products of any such whale, including oil, meat, bone, meal, or fertilizer.

The amendment was agreed to.

The next amendment was, in section 6, paragraph (c), page 9, line 1, after the word "violating", to insert "the convention or", so as to make the paragraph read:

vention or", so as to make the paragraph read:

(c) Any officer of the Coast Guard or Customs Service who shall find any vessel subject to the jurisdiction of the United States violating the convention or this act or any regulation promulgated pursuant thereto shall have authority to seize such vessel, and such vessel, including its tackle, apparel, furniture, cargo, and stores, may be forteited to the United States by proceedings in the proper United States district court. Any such officer also shall have power without warrant to arrest any person committing in his presence a violation of this act or any regulation promulgated pursuant thereto and to take such person for examination or trial before an officer or court of competent jurisdiction; and any such officer shall have power to execute any warrant or other process issued by an officer or court of competent jurisdiction for the enforcement of the provisions of the convention, this act, or any regulation promulgated pursuant thereto; and shall have authority, with a search warrant, to search any place on land.

The amendment was agreed to.

The next amendment was, in section 6, paragraph (d), page 10, line 1, after the words "provisions of", to insert 'the convention or", so as to make paragraph (d) read:

(d) All whales or parts or products thereof taken, processed, shipped, transported, carried, imported, or possessed contrary to the provisions of this act, or of any regulations promulgated pursuant thereto, shall be subject to seizure by any United States marshal, deputy marshal, or officer of the Coast Guard or Customs Service, and upon conviction of the offender, or upon judgment of a court of the United States that the same were taken, processed, shipped, transported, carried, imported, or possessed contrary to the provisions of the convention or this act, or any regulation promulgated pursuant thereto, such whales or parts or products thereof, or their value, may be forfeited to the United States.

The amendment was agreed to.

The next amendment was, in section 13, page 11, line 21, to insert "Provided, That such repeal shall not operate in any way to abrogate, change, or diminish any rights now involved in pending litigation or cause of action accrued or accruing prior to the passage of this act under the provisions of existing law", so as to make the section read:

SEC. 13. The Whaling Treaty Act of May 1, 1936, 49 Stat. 1246 (U. S. C., Supp. III, title 16, secs. 901-915), is hereby repealed: Provided, That such repeal shall not operate in any way to abrogate, change, or diminish any rights now involved in pending litigation or cause of action accrued or accruing prior to the passage of this act under the provisions of existing law.

The amendment was agreed to.

The bill was ordered to be engrossed for a third reading, read the third time, and passed.

The PRESIDING OFFICER. The Chair announces that the morning hour has expired.

Mr. BARKLEY. I ask unanimous consent that the call of the calendar may be continued.

The PRESIDING OFFICER. Without objection, it is so ordered. The clerk will state the next bill on the calendar.

CONTROL OF STREAM POLLUTION

The bill (S. 685) to create a Division of Water Pollution Control in the United States Public Health Service, and for other purposes, was announced as next in order.

Mr. BARKLEY. Mr. President, I had hoped to secure action on this bill today, but I have conferred with the Senator from Missouri [Mr. CLARK], who has in the last few days introduced another bill on the same subject. He desires to have hearings before the committee on his bill. I have no desire to shut off anybody from hearings on a bill, and, without, in any way, affecting the status of the bill that is now on the calendar, I have agreed that if within the next few days hearings can be had by the Committee on Commerce on the bill of the Senator from Missouri, then, I shall not press for action on the pending bill.

Mr. CLARK of Missouri. Mr. President, let me say to the Senator from Kentucky that I have no desire whatever to delay the consideration of legislation on the very important subject of the control of stream pollution. On the contrary, my very ardent desire is to expedite it in every way possible.

The Senator from Kentucky has introduced a bill which I assume is essentially the same as the bill passed at the last session of Congress and which was considered by the Commerce Committee. It so happens that, without any notice to committee members, the subject was to be taken up on the only day during the present session when it has been necessary for me to be absent from the Commerce Committee. A few days later, after a bill which I had in preparation was perfected. I introduced it.

It seems to me that the whole subject of stream pollution is so very important that the various measures proposed should all have consideration at the same time. Therefore, I requested the Senator from Kentucky not to press for the passage of his bill at this time, which I would necessarily have to oppose with every means in my power, within parliamentary limits, until there has been reasonable opportunity afforded for the consideration of my bill by the Commerce Committee.

I have not had oportunity as yet of conferring with the chairman of the Commerce Committee, but I am certain that there will be no objection in the committee to a hearing, which I have no desire to be unduly extensive, at the earliest possible moment. I assure the Senator from Kentucky that so soon as that consideration can be had in the Commerce Committee, and action taken on my bill by that committee. I will have no disposition whatever to object to going forward with the consideration of the whole subject in the

Mr. MALONEY. Mr. President, I am very much concerned about this bill, and my plight is to some extent the same as that of the Senator from Missouri. I was denied an opportunity of attending the particular meeting of the Commerce Committee to which he has referred. I, too, am anxious to go forward with this character of legislation. I do not know that it is in order, but I have a proposed amendment to the bill which has been introduced by the Senator from Kentucky, and, if it is in order, I should like to have it printed in the usual form, printed also in the RECORD and lie on the table for consideration in the event that the stream-pollution bill shall soon be considered.

The PRESIDING OFFICER. The amendment intended to be proposed by the Senator from Connecticut will be received, printed in the usual form, printed in the RECORD, and lie on the table.

The amendment intended to be proposed by Mr. MALONEY is as follows:

Amendment intended to be proposed by Mr. Maloney to the bill (S. 685) to create a Division of Water Pollution Control in the United States Public Health Service, and for other purposes, viz: On page 3, line 18, after "Sec. 3", insert "(a)"; and on page 3, after line 25, insert the following new subsection:

"(b) The Division, upon the request of any municipality, shall make a periodic test of the water at any bathing beach within the limits of such municipality and shall make a report to such municipality as promptly as possible with respect to the existence of water pollution at such bathing beach and shall make definite recommendations for the correction and elimination of any deleterious conditions which are found to exist." terious conditions which are found to exist."

Mr. BARKLEY. Mr. President, the status of this proposed legislation, as I have said heretofore, is as follows: In the last Congress I introduced a bill in the Senate and a Member of the House from Kentucky [Mr. Vinson] introduced a similar bill in the House. The House passed the Vinson bill. In the meantime, the then Senator from Connecticut, Mr. Lonergan, introduced a bill sponsored by the Izaak Walton League, with which we are all familiar, which is a sporting organization interested in recreation, fishing, shooting, and matters of that sort. The Vinson bill came to the Senate and was referred to the Committee on Commerce. The Lonergan bill and the bill introduced by the Senator from Missouri are practically the same and are sponsored by the same organization.

Hearings were had both in the House and the Senate committees on the proposed legislation. The House having passed the Vinson bill, the Senate committee reported that bill and, after long conferences and very earnest negotiations in the effort to arrive at a common basis which would result in some legislation, between the Senator from Connecticut, Mr. Lonergan, and myself, the bill passed the Senate with certain amendments.

The bill was then sent to conference and the conferees worked on it for weeks and weeks. Finally we got a bill upon which the then Senator from Connecticut, Mr. Lonergan, and I and others in the committee and in the Senate were able to agree upon. The bill passed the Congress, went to the White House, and was vetoed by the President on the ground that the provisions for appropriation to carry out the purposes of the act did not have to go through the Budget Bureau, and the President thought they ought to go through the Budget Bureau.

I introduced the bill again at the present session practically as written by the conferees eliminating the provision to which the President objected.

In view of the fact that committees of both the House and the Senate held hearings in the last Congress, and there is nothing new involved in the proposed legislation, the Committee on Commerce did not think it was necessary to hold additional hearings at the present session, and they reported, and there is now on the calendar, the bill which I introduced.

Last Friday, some days after the committee had reported the bill, the Senator from Missouri introduced his bill. I have no desire to cut off hearings or to deny to anybody the right to present a bill or to be heard upon it. I still entertain the views that I originally entertained, and I think the two Houses will concur in that view, that for the present it is impossible on this subject to pass legislation of a compulsory character, which resorts to injunctive process and prosecution in order to obtain the purification of streams. I think we have to make a beginning before we can arrive at the point where we can compel people to do anything under

In order that the Senator may have a hearing on his bill before the committee, I have no desire today to press the consideration of this measure; but I insist that the hearings shall not be delayed, that they shall be held just as soon as the committee is willing to hold them, and that following the hearings the committee shall take prompt action.

Mr. CLARK of Missouri. Mr. President, so far as that is concerned, let me say to the Senator from Kentucky and the Senate that I am not in any position to make a commitment for the Commerce Committee. I am a member of the Commerce Committee, and I have said to the Senator from Kentucky that I have no particular desire to delay action on this matter. On the other hand, my desire is exactly the contrary; but when the Senator says he insists that the Commerce Committee do certain things and limit their hearings to a certain length, I say to the Senator from Kentucky that neither he nor I have a right to insist what the Commerce Committee shall do.

Mr. BARKLEY. I am not attempting to control the actions of the Commerce Committee. I am not even a member of it; but in view of the history of this legislation, I think it is certainly within the proprieties to insist that there shall be no undue delay. That is a matter which is wholly within the province of the Committee on Commerce. I have every reason to suppose, and I believe, that the chairman of the committee will arrange for an early hearing on the Senator's bill, in order to give the sponsor of the legislation a chance to be heard. What I had in mind was that I do not wish the subject to be indefinitely postponed or delayed or dragged out, as it was in the last Congress, so that we shall be unable to secure the passage of legislation until the last days of the session, and have the bill go to the President after the Congress has adjourned.

Mr. CLARK of Missouri. So far as I am concerned, let me say that I am in favor of expediting the consideration of the subject in every possible way. I do not believe it has been expedited by the course which has been pursued here. For instance, while it was suggested that it is improper for the Senate to conduct hearings on the matter, the House committee has been going ahead and holding hearings on an identical measure. I am informed by the proponents of a drastic stream-pollution bill that they received very scant courtesy on the first day of the hearings in the House; that it seemed that nobody could be given a hearing before the committee other than persons who were industrialists interested in stream pollution, who were anxious to have a milder bill rather than a drastic bill to prevent stream pollution.

So far as I am concerned, I am willing to proceed at the first practicable moment; but I do not believe any purpose is to be served by trying to report a bill out of the Commerce Committee without hearings, and then to pass it through the Senate without the fullest and most extended debate.

Mr. BARKLEY. Mr. President, it has frequently happened in the Senate and in the House, as we all know, that when a committee has had hearings on a subject in one session of Congress it does not regard it necessary to go over the same ground again. I did not suggest that it was improper for the Senate committee to hold hearings. I did suggest that the committee did not feel that it was necessary. Neither I nor the committee could read the Senator's mind and know that 2 weeks or 10 days after they reported the bill which I introduced he was coming here with another bill. There is nothing irregular or improper in the course which the committee took.

Mr. CLARK of Missouri. Mr. President, I am not criticizing the committee in any degree, except that I do think it is unusual for a bill of this importance to be taken up without notice to members that it is to be taken up. The Senator from Connecticut and I, both members of the committee, were necessarily absent on other business and were not present. We are both very much interested in this measure. We had no opportunity to call up the committee and ask to have the bill postponed until we could be present. I see nothing whatever unreasonable in asking that this matter be passed over in the Senate for the present until there can be an opportunity for consideration of the whole subject in the Commerce Committee.

Mr. BARKLEY. I am in sympathy with that request. What I am interested in is giving the Senator and his associates a chance to be heard at an early date. I have no doubt the committee will arrange such a hearing; but in view of what occurred in the last Congress and the difficulty of arriving at an agreement on any measure at all, I urge, and even insist, that this matter be expedited and that there be no

Mr. McNARY. Mr. President-

The PRESIDING OFFICER. Does the Senator from Kentucky yield to the Senator from Oregon?

Mr. BARKLEY. I yield to the Senator. Mr. McNARY. I have only a word of comment. The able Senator from Missouri said he had no notice of the meeting. In the absence of the eminent chairman of the committee, the Senator from North Carolina [Mr. Balley], I desire to say, in fairness to him, that notice was given to all the members of the committee. At least, I received a notice that the committee would consider the stream-pollution bill introduced by our leader, the Senator from Kentucky.

I make that statement only in view of the one which was made by the Senator from Missouri, because I am sure the Senator from North Carolina complied with the rule, and

gave notice of the hearings.

Mr. CLARK of Missouri. Mr. President, I hope no Senator or anyone else will think I was accusing the chairman of the Commerce Committee of taking snap judgment. It was necessary for me to be absent from the city for a couple of days, and possibly the notice was given on the day before the meeting was called; but certainly no general notice was given that this measure was to be called up for consideration. I would not under any consideration be understood as suggesting or intimating or believing that the chairman of the committee, the Senator from North Carolina [Mr. Balleyl, would ever, under any circustances, take advantage of any member of the committee or of anybody else.

Mr. BARKLEY. I do not know what the custom is in the Committee on Commerce, but I am sure it is the same that it is in all other committees. When notices are sent out for a meeting, the notice contains a notation as to the bill which

will be considered.

It is useless to discuss this matter further. The bill is going over for the time being. I hope the Senator from Missouri will cooperate, as he has assured me he will, and as I believe he will, to bring about at the very earliest date the hearing which he desires.

The PRESIDING OFFICER. The bill will be passed over.

COL. RICHARD C. PATTERSON

The Senate proceeded to consider the bill (S. 439) to confer the Distinguished Service Medal on Col. Richard C. Patterson, which was read, as follows:

Be it enacted, etc., That the President is hereby authorized to present a Distinguished Service Medal to Richard C. Patterson, colonel in the Military Intelligence Reserve Corps, for extraordinary achievements in connection with his services as administrative officer for the American Commission to Negotiate Peace as set out in letter addressed to The Adjutant General at Washington, D. C., on July 14, 1919, and signed by Robert Lansing, Henry White, and Tasker H. Bliss.

Mr. CLARK of Missouri. Mr. President, I shall not object to the consideration of this bill, because it happens that Colonel Patterson is a friend of mine, now rendering distinguished service as Assistant Secretary of Commerce. Before the bill passes, however, I wish to say that I hope it may never in the future be taken as a precedent for the decoration of a man in the military service for services having no connection whatever with the military service, performed entirely after the armistice, as a sort of liaison man in connection with the peace conference.

The PRESIDING OFFICER. The question is on the engrossment and third reading of the bill.

The bill was ordered to be engrossed for a third reading. read the third time, and passed.

JOINT RESOLUTION AND BILL PASSED OVER

The joint resolution (S. J. Res. 45) to amend the act of July 3, 1926, entitled "An act conferring jurisdiction upon the Court of Claims to hear, examine, adjudicate, and render judgment in claims which the Crow Tribe of Indians may have against the United States, and for other purposes, was announced as next in order.

Mr. KING. Mr. President, there are on the calendar a number of measures dealing with Indian claims. I have conferred with the chairman of the Indian Affairs Committee regarding them. I am seeking some additional information relative to a number of the claims; and I desire that they may be passed over.

The PRESIDING OFFICER. The Senator desires to have Senate Joint Resolution 45 passed over?

Mr. KING. I do.

The PRESIDING OFFICER. The joint resolution will be passed over. The next measure on the calendar, Senate bill 863, will also be passed over.

Mr. McNARY. Mr. President, I have no interest in these matters, but Senate bill 863 provides for the payment of attorneys' fees, and not for the presentation of a claim to the Court of Claims.

Mr. KING. I understand that; but I desire to make some inquiry concerning the bill.

The PRESIDING OFFICER. Senate bill 863 will be passed

HARRY F. BAKER

The bill (S. 749) for the relief of Harry F. Baker was considered, ordered to be engrossed for a third reading, read the third time, and passed, as follows:

Be it enacted, etc., That the Comptroller General of the United States is hereby authorized and directed to credit the accounts of Harry F. Baker, of Rockland, Del., in the sum of \$601.19, said amount representing payments made to Harry F. Baker for services rendered as postmaster while also holding an appointment with the Federal Housing Administration in contravention of the dual compensation statutes.

COHEN, GOLDMAN & CO., INC.

The Senate proceeded to consider the bill (S. 1374) for the relief of Cohen, Goldman & Co., Inc., which had been reported from the Committee on Claims with an amendment at the end of the bill to insert a proviso, so as to make the bill read:

Be it enacted, etc., That the Secretary of the Treasury be, and he is hereby, authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, to Cohen, Goldman & Co., Inc., the sum of \$19,030.20, in full settlement of all claims against the Government growing out of contracts Nos. 1325, 1645, 2299, 3220, and 4519N, and contracts supplementary thereto, for the manufacture during 1917 and 1918 of overcoats and uniforms for the United States Army: Provided, That no part of the amount appropriated in this act in excess of 10 percent thereof shall be paid or delivered to or received by any agent or attorney on account of services rendered in connection with this claim, and the same shall be unlawful, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding \$1,000.

The amendment was agreed to.

The bill was ordered to be engrossed for a third reading, read the third time, and passed.

BILLS PASSED OVER

The bill (S. 783) to amend the act, as amended, entitled "An act to refer the claims of the Delaware Indians to the Court of Claims, with the right of appeal to the Supreme Court of the United States," approved February 7, 1925, was announced as next in order.

Mr. KING. Mr. President, a number of measures have now been reached on the calendar which come within the classification to which I have referred.

The PRESIDING OFFICER. Senate bill 783 is one of them?

Mr. KING. Senate bill 783, Senate bill 784, Senate bill 790, Senate bill 1222, Senate bill 767, Senate bill 864, Senate bill 962, and Senate bill 498. That comprises the list for the moment.

The PRESIDING OFFICER. The bills enumerated by the Senate from Utah with be passed over.

Mr. CAPPER. Mr. President, did the Senator from Utah object to the consideration of Senate bill 790?

Mr. KING. Yes, Mr. President; I objected to that bill. WAPATO SCHOOL DISTRICT 54, YAKIMA COUNTY, WASH.

The bill (S. 645) to provide funds for cooperation with Wapato School District No. 54, Yakima County, Wash., for extension of public-school buildings to be available for Indian children of the Yakima Reservation was considered, ordered

to be engrossed for a third reading, read the third time, and passed, as follows:

Be it enacted, etc., That there is hereby authorized to be appropriated, from any moneys in the Treasury not otherwise appropriated, the sum of \$50,000 for the purpose of cooperating with Wapato School District No. 54, Yakima County, Wash., for extension and improvement of public-school buildings: Provided, That the expenditure of any moneys so appropriated shall be subject to the condition that the schools maintained by said district shall be available to all Indian children of the district on the same terms, except as to payment of tuition, as other children of said school district: Provided further, That such expenditures shall be subject to such further conditions as may be prescribed by the Secretary of the Interior.

BILLS PASSED OVER

The bill (H. R. 3790) relating to taxation of the compensation of public officers and employees was announced as next in order.

Mr. KING. Let the bill go over.

The PRESIDING OFFICER. The bill will be passed over. The bill (S. 752) to amend section 78 of chapter 231, Thirty-sixth United States Statutes at Large (36 Stat. L., sec. 1109), relating to one judicial district to be known as the district of Idaho, and dividing it into four divisions to be known as the northern, central, southern, and eastern divisions, defining the territory embraced in said divisions, fixing the terms of district court for said divisions, requiring the clerk of the court to maintain an office in charge of himself or deputy at Coeur d'Alene City, Idaho; Moscow, Idaho; Boise City, Idaho; and Pocatello, Idaho; and to authorize the United States District Court for the District of Idaho, by rule or order, to make such changes in the description or names to conform to such changes of description or names of counties in said divisions as the Legislature of Idaho may hereafter make was announced as next in order.

Mr. McNARY. Mr. President, I think some explanation should be made of this bill.

The PRESIDING OFFICER. The bill will be passed over.

GEORGE A. ROGERS

The Senate proceeded to consider the bill (S. 811) for the relief of George A. Rogers, which had been reported from the Committee on Claims with amendments, on page 1, line 6, to strike out "\$436.90" and to insert "\$278.90", and to insert a proviso at the end of the bill, so as to make the bill read:

Be it enacted, etc., That the Secretary of the Treasury be, and he is hereby, authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, to George A. Rogers, of Bellingham, Wash., the sum of \$278.90, in full satisfaction of his claim against the United States for expenses incurred as a result of an accident involving a Government truck operated in connection with the Civilian Conservation Corps, at the intersection of Maple and Jersey Streets, Bellingham, Wash., on March 27, 1938: Provided, That no part of the amount appropriated in this act in excess of 10 percent thereof shall be paid or delivered to or received by any agent or attorney on account of services rendered in connection with this claim, and the same shall be unlawful, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding \$1,000.

The amendments were agreed to.

The bill was ordered to be engrossed for a third reading, read the third time, and passed.

IDA A. DEAVER

The Senate proceeded to consider the bill (S. 661) for the relief of Ida A. Deaver, which had been reported from the Committee on Claims with amendments, on page 1, line 6, to strike out "\$109.17" and insert "\$109.37"; on line 7, after the words "United States", to strike out the words "for the amount deposited in the Treasury of the United States because of the disallowances by the General Accounting Office of certain payments made to members of the Sac and Fox Tribe in Oklahoma, while he was superintendent and special disbursing agent of the Shawnee Agency at Shawnee, Okla.: Provided, That any funds accruing in the future to Noble Brown, Mabel Couteau, Horace Lasley, Harry G. Wakole, Ambrose Harrison, Thelma McCoy, or their estates shall be used to reimburse the United States for each pro rata share

of the expenditure herein authorized" and to insert "for the amount deposited in the Treasury of the United States because of the disallowances by the General Accounting Office of certain payments made to members of the Sac and Fox Tribe in Oklahoma while he was superintendent and special disbursing agent of the Shawnee Agency at Shawnee, Okla.: Provided, That any funds accruing in the future to Noble Brown, Mabel Couteau, Horace Lasley, Harry G. Wakole, Ambrose Harrison, Thelma McCoy, or their estates shall be used to reimburse the United States for each pro rata share of the expenditure herein authorized: Provided further, That no part of the amount appropriated in this act in excess of 10 percent thereof shall be paid or delivered to or received by any agent or attorney on account of services rendered in connection with this claim, and the same shall be unlawful, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding \$1,000", so as to make the bill read:

Be it enacted, etc., That the Secretary of the Treasury be, and he is hereby, authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, to Ida A. Deaver, widow of Ira C. Deaver, the sum of \$109.37 in full payment of all claims against the United States for the amount deposited in the Treasury of the United States because of the disallowances by the General Accounting Office of certain payments made to members of the Sac and Fox Tribe in Oklahoma while he was superintendent and special disbursing agent of the Shawnee Agency at Shawnee, Okla.: Provided, That any funds accruing in the future to Noble Brown, Mabel Couteau, Horace Lasley, Harry G. Wakole, Ambrose Harrison, Thelma McCoy, or their estates shall be used to reimburse the United States for each pro rata share of the expenditure herein authorized: Provided further, That no part of the amount appropriated in this act in excess of 10 percent thereof shall be paid or delivered to or received by any agent or attorney on account of services rendered in received by any agent or attorney on account of services rendered in connection with this claim, and the same shall be unlawful, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding \$1,000.

The amendments were agreed to.

The bill was ordered to be engrossed for a third reading, read the third time, and passed.

PRISON-MADE GOODS

The joint resolution (S. J. Res. 59) authorizing the Bureau of Labor Statistics to collect information as to amount and value of all goods produced in State and Federal prisons was considered, ordered to be engrossed for a third reading, read the third time, and passed, as follows:

Resolved, etc., That for the purpose of furnishing information to the Congress regarding the amount of goods produced in State and Federal prisons the Bureau of Labor Statistics of the United States Department of Labor is authorized and directed to collect information concerning the amount and value of all goods produced in State and Federal prisons, showing separately the amount and value of goods produced under the State-use, State-account, contract, and piece-price systems.

For the purpose of making this study there is hereby authorized to be appropriated from any money in the Treasury not otherwise appropriated the sum of \$20,000. The Commissioner of Labor Statistics is directed to submit the report to the Congress on or before May 1, 1940.

FARM ACREAGE ALLOTMENTS

The Senate proceeded to consider the bill (S. 1363) to amend subsection (4) of subsection (c) of section 101 of the Agricultural Adjustment Act of 1938, which had been reported from the Committee on Agriculture and Forestry with an amendment to strike out all after the enacting clause and to insert the following:

That subsection (4) of subsection (c) of section 101 of the Agricultural Adjustment Act of 1938, which reads as follows:

"(4) Notwithstanding any other provision of this subsection, if, for any reason other than flood or drought, the acreage of wheat, cotton, corn, or rice planted on the farm is less than 80 percent of the farm acreage allotment for such commodity for the purpose of payment, such farm acreage allotment shall be 25 percent in excess of such planted acreage";

is hereby repealed.

Mr. McNARY. Mr. President, I should like to have the able Senator from Alabama [Mr. BANKHEAD] explain the bill.

Mr. BANKHEAD. If the Senator will turn to the report contained in his file, he will find the section of the present law which the bill would repeal. I read the section for the convenience of the Senate:

(4) Notwithstanding any other provision of this subsection, if, for any reason other than flood or drought, the acreage of wheat, cotton, corn, or rice planted on the farm is less than 80 percent of the farm acreage allotment for such commodity for the purpose of payment, such farm acreage allotment shall be 25 percent in ss of such planted acreage.

No one has been able to explain just how that got into the act, but it resulted in a penalty in the payments to those who did not plant at least 80 percent of their allotments.

Mr. McNARY. Is the amendment similar to one offered by the Senator from Oklahoma [Mr. LEE] last week?

Mr. BANKHEAD. No; that is a different matter. This amendment is generally agreed to. I first offered it to cover cotton only, because I did not want to bring the other commodities in. No one wants the provision in the act. It merely compels the farmers to plant whether they want to or

Mr. McNARY. I agree with the philosophy of the amendment. What I wanted to know was whether it refers only to

Mr. BANKHEAD. It did.

Mr. McNARY. But now it refers to other commodities mentioned in the Agricultural Adjustment Act.

Mr. BANKHEAD. That was at the request of the representatives of the other commodities.

Mr. McNARY. They have requested that they be included? Mr. BANKHEAD. Yes.
The PRESIDING OFFICER. The question is on agreeing

to the amendment.

The amendment was agreed to.

The bill was ordered to be engrossed for a third reading, read the third time, and passed.

The PRESIDING OFFICER. The Chair suggests that the title be amended by striking out the word "amend" and substituting the word "repeal."

Mr. BANKHEAD. I ask that that amendment be made.

The title was amended so as to read: "A bill to repeal subsection (4) of subsection (c) of section 101 of the Agricultural Adjustment Act of 1938."

NEUTRALITY

Mr. KING. Mr. President, there has been considerable discussion concerning the so-called Neutrality Act, which was passed at the last session of Congress. I note by the press that even the administration is now opposed to the law and favors its repeal or modification.

At the last session of Congress, immediately after the enactment of the law—and I voted against the law—I introduced a bill providing for repeal of the Neutrality Act, but I could not secure favorable action from the committee to which it was referred.

Mr. McNARY. To what bill is the Senator referring? Mr. KING. To a bill to repeal the Neutrality Act.

Mr. McNARY. Is it on the calendar?

Mr. KING. Oh, no. Because I could see that the measure would perhaps result in international complications—at any rate, that it was not suitable in the situation—I introduced a bill on the 4th day of January for the repeal of the act. I understand that other bills have more recently been introduced to accomplish the same result, and I sincerely hope that the Committee on Foreign Relations will take up one of the bills before it and report a measure repealing the Neutrality

CROP INSURANCE

Mr. WHEELER. Mr. President, I ask unanimous consent for the immediate consideration of Senate bill 1098, a bill which I introduced for the purpose of permitting the Department of Agriculture to make advances for crop insurance in the drought-stricken areas.

The PRESIDING OFFICER. The clerk will report the bill by title.

The CHIEF CLERK. To amend section 12 of the Soil Conservation and Domestic Allotment Act, as amended, by authorizing advances for crop insurance.

The PRESIDING OFFICER. Is there objection to the immediate consideration of the bill?

Mr. McNARY. Mr. President, it has been a policy on my part to object to the consideration of bills which have not been placed on the calendar and to ask that they go over for a day so that proper consideration and study can be given them. Of course, there are always exceptions to rules, in case of emergency, or where money is already appropriated and a policy is being carried out, and a law has been heretofore placed upon the statute books.

I should like to have an explanation of the bill and a statement of the reason why it is being called up at this time. It has not received consideration by the committee. Before I give consent I should like to know what is the gen-

eral purpose and aim of the proposal.

Mr. WHEELER. Mr. President, the bill is being called up at this particular time because if the farmers in the droughtstricken areas are to derive any benefit from the bill at all it will have to be passed at an early date. It provides that the Department of Agriculture may make advances for crop insurance. The Department says the measure will not cost the Government a 5-cent piece, and the Bureau of the Budget reports likewise. I will read the letter from the Department of Agriculture with reference to the measure.

Mr. McNARY. Mr. President, I recall that when we had before us the A. A. A. Act the then Senator from Idaho, Mr. Pope, offered this insurance plan.

Mr. WHEELER. That is correct.
Mr. McNARY. Which I supported. I have always believed in crop insurance, and had a bill before the Senate for a good many years making provision for crop insurance. Was this an inadvertent omission from the bill we had before us?

Mr. WHEELER. I understand it was an inadvertent omission from the bill. It does not change the present law at all, except in permitting the Department to make loans in the drought-stricken areas for the payment of premiums. The Department says:

The amendment proposes to give authority for the making of advances to producers to be used in payment of the premiums on insurance taken with the Federal Crop Insurance Corporation. We understand that the advances are to be paid to the Corporation. for the account of the producer, and such advances would be limited to producers who are participating, or who agree to participate, in the agricultural conservation program. We understand also that such advances could be made prior to determination of the exact amount of the conservation payment and need not be considered as an advance against any particular payment but might be a charge against payments due the producer under any program administered by the Secretary of Agriculture. The proposed amendment would make the existing appropriation available for advances.

This amendment would greatly increase the effectiveness of the crop insurance program by providing a needed source of credit for farmers who have neither wheat nor cash available for the

payment of premiums.

The Department favors enactment of the bill.

Upon reference of this matter to the Bureau of the Budget, as required by Budget Circular 344, the Acting Director thereof advised the Department of Agriculture under date of February 27, 1939, that "there would be no objection to the submission of such report to Congress, subject to the understanding that the Bureau of the Budget makes no commitment as to the relationship of this proposal to the program of the President, and, further, that the proposed amendment would not, per se, increase the total cost of the farm program beyond the \$500,000,000 present authorization."

There will be no additional cost at all to the Governmen The bill was reported from the committee earlier today.

Mr. McNARY. The application of the measure is limited to the drought-stricken areas. It would extend credit to carry out the terms of the Crop Insurance Act?

Mr. WHEELER. That is the purpose of the bill.

Mr. McNARY. With that statement, I have no objection. The PRESIDING OFFICER. Is there objection to the consideration of the bill?

There being no objection, the bill was considered, ordered to be engrossed for a third reading, read the third time, and passed, as follows:

Be it enacted, etc., That section 12 of the Soil Conservation and Domestic Allotment Act, as amended, is amended by designating the existing provisions of said section 12 as subsection (a) and by adding at the end thereof the following new subsection (b): "The Secretary is authorized to make advances to producers for the purpose of assisting them to insure their crops with the Fed-eral Crop Insurance Corporation. The Secretary shall remit the

amount of any such advances to a producer directly to such Corporation in payment of the premium on the insurance for which the producer has made application. Advances shall only be made to producers who are participating or who agree to participate in a program formulated pursuant to section 8. Except as otherwise provided in this subsection, the terms and conditions of such advances shall be fixed by the Secretary. The appropriation made in the Department of Agriculture Appropriation Act, fiscal year 1939, under the item entitled 'Conservation and Use of Agricultural Land Resources, Department of Agriculture,' shall be available during the fiscal year 1939 for advances authorized by this subsection."

JOE PIZL SR.

The bill (S. 810) for the relief of Joe Pizl, Sr., was considered, ordered to be engrossed for a third reading, read the third time, and passed, as follows:

Be it enacted, etc., That the Secretary of the Treasury be, and he is hereby, authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, to Joe Pizl, Sr., rural route, Antigo, Wis., the sum of \$161.80, in full satisfaction of a judgment for damages to his automobile, including court costs and costs of transcript, secured October 4, 1937, in the Municipal Court of Langlade County, Wis., against Robert Hess, driver of a truck belonging to the Forest Service, which was being operated in connection with the Civilian Conservation Corps, said Government truck having collided on March 16, 1936, with a car owned by said Joe Pizl, Sr.: Provided, That no part of the amount appropriated in this act in excess of 10 percent thereof shall be paid or delivered to or received by any agent or attorney on account of services to or received by any agent or attorney on account of services rendered in connection with this claim, and the same shall be unlawful, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding \$1,000.

BILL PASSED OVER

The bill (S. 572) to provide for the common defense by acquiring stocks of strategic and critical raw materials, concentrates, and alloys essential to the needs of industry for the manufacture of supplies for the armed forces and the civilian population in time of a national emergency, and for other purposes, was announced as next in order.

Mr. FRAZIER. Let the bill go over.

The PRESIDING OFFICER. The bill will be passed over.

DECORATION OF CIVIL-SERVICE EMPLOYEES

The bill (S. 1582) to authorize the President to bestow a Meritorious Service Medal upon civil-service officers and employees of the United States, and for other purposes, was announced as next in order.

Mr. KING. Let the bill go over.

The PRESIDING OFFICER. The bill will be passed over. The bill (S. 281) to amend further the Civil Service Retirement Act, approved May 29, 1930, was announced as next in order.

Mr. KING. Let the bill go over.

The PRESIDING OFFICER. The bill will be passed over. Mr. NEELY subsequently said: Mr. President, I was called from the floor for a moment, and during my absence the Senate passed over Senate bill 281, to amend further the Civil Service Retirement Act, approved May 29, 1930. May I inquire what the status of that bill now is?

The PRESIDING OFFICER. The bill was passed over on objection of the Senator from Utah [Mr. KING].

Mr. NEELY. I give notice now that on the next calendar day I propose to make a vigorous effort to have that bill passed; and, if it cannot be taken up by unanimous consent or in the absence of objection, I shall under proper parliamentary provision move that the Senate proceed to its consideration.

BILL PASSED OVER

The bill (S. 1464) to extend the facilities of the United States Public Health Service to active officers of the Foreign Service of the United States was announced as next in order.

Mr. KING. I ask that the bill go over.

The PRESIDING OFFICER. The bill will be passed over.

LOFTS & SON

The bill (S. 270) for the relief of Lofts & Son was considered, ordered to be engrossed for a third reading, read the third time, and passed, as follows:

Be it enacted, etc., That the Secretary of the Treasury be, and he is hereby, authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, to Lofts & Son, of Hood River,

Oreg., the sum of \$33,500 in full satisfaction of all its claims against the United States for damages resulting from the loss of its sand and gravel plant at the mouth of the Hood River and its inability to further carry on the operations of removing sand and gravel on land now leased from the Oregon Lumber Co. because such land will be flooded by the backwaters of the Bonneville Dam: Provided, That no part of the amount appropriated in this act in excess of 10 percent thereof shall be paid or delivered to or received by any agent or agents, attorney or attorneys, on account of services rendered in connection with such claim. It shall be unlawful for any agent or agents, attorney or attorneys, to exact, collect, withhold, or receive any sum of the amount appropriated in this act in excess of 10 percent thereof on account of services rendered in connection with such claim, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding \$1,000.

F. E. PERKINS

The bill (S. 1517) for the relief of F. E. Perkins was considered, ordered to be engrossed for a third reading, read the third time, and passed, as follows:

Be it enacted, etc., That there is hereby appropriated, out of any money in the Treasury not otherwise appropriated, the sum of \$3,418.82, which sum of \$3,418.82 shall be credited by the Secretary of the Treasury to the official trust-fund checking account of F. E. Perkins, symbol 89-463, former superintendent of the Shawnee Indian Agency, Shawnee, Okla., with the Treasurer of the United States, to cover a net shortage of trust and official funds, representing funds of individual Indians, \$3,402.32, and fees collected pursuant to the act of February 14, 1920 (41 Stat. 415), as amended by the act of March 1, 1933 (47 Stat. 1417), \$16.50, caused by the peculations of Joseph A. Pourier, former employee of that agency.

WORTH GALLAHER

The Senate proceeded to consider the bill (S. 793) for the relief of Worth Gallaher, which had been reported from the Committee on Claims with an amendment, on page 2, line 2, after the word "have", to strike out "occurred" and to insert "been incurred", so as to make the bill read:

to insert "been incurred", so as to make the bill read:

Be it enacted, etc., That notwithstanding the provisions and limitations of sections 15 to 20, both inclusive, of the act entitled "An act to provide compensation for employees of the United States suffering injuries while in the performance of their duties, and for other purposes," approved September 7, 1916, as amended, and as limited by the act of February 15, 1934 (48 Stat. 351), the United States Employees' Compensation Commission be, and the same is hereby, authorized and directed to receive and consider, when filed, the claim of Worth Gallaher, of Knox County, Tenn., for disability alleged to have been incurred by him while enrolled in the Civilian Conservation Corps, Camp 1458, Gatlinburg, Tenn.: Provided, That claim hereunder shall be filed within 6 months after the approval of this act: Provided further, That no benefits shall accrue prior to the enactment of this act.

The amendment was agreed to.

The bill was ordered to be engrossed for a third reading, read the third time, and passed.

ESTATE OF O. K. HIMLEY

The Senate proceeded to consider the bill (S. 421) for the relief of the estate of O. K. Himley, which had been reported from the Committee on Claims with an amendment to add a proviso at the end of the bill, so as to make the bill read:

Be it enacted, etc., That the Secretary of the Treasury be, and he is hereby, authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, to the estate of O. K. Himley, late of Crawford County, Wis., the sum of \$80 in full satisfaction of its claim against the United States for damages arising out of the loss of two cows belonging to such estate that were drowned on or about February 13, 1934, as a result of work done on the Himley farm, without permission of the owners, by employees of the Civil Works Administration in carrying out a Civil Works Administration in carrying out a Civil Works Administration in carrying out a Civil works Administration project: Provided, That no part of the amount appropriated in this act in excess of 10 percent thereof shall be paid or delivered to or received by any agent or attorney on account of services rendered in connection with this claim, and the same shall be unlawful, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding \$1,000.

Mr. McKELLAR. Mr. President, may we have an explanation of the bill?

The PRESIDING OFFICER. The Senator from Nebraska [Mr. Burke] reported the bill.

Mr. McKELLAR. I see that the bill involves only \$80. I shall not ask that time be taken for an explanation.

The PRESIDING OFFICER. The question is on agreeing to the amendment.

The amendment was agreed to.

The bill was ordered to be engrossed for a third reading, read the third time, and passed.

BILLS AND JOINT RESOLUTION PASSED OVER

The bill (S. 902) to amend the act entitled "An act authorizing the temporary detail of United States employees, possessing special qualifications, to governments of American republics and the Philippines, and for other purposes," approved May 25, 1938, was announced as next in order.

Mr. KING. Mr. President, I should like an explanation of the bill. As a matter of fact, we have so many employees in the State Department it seems to me there is no necessity for making further appointments. If we cannot have an explanation of the bill at the moment, I ask that the

bill be passed over.

The PRESIDING OFFICER. The bill will be passed over. The joint resolution (S. J. Res. 46) authorizing appropriation for expenses of a representative of the United States and of his assistants, and for one-half of the joint expenses of this Government and the Government of Mexico, in giving effect to the agreement of November 9-12, 1938, between the two Governments providing for the settlement of American claims for damages resulting from expropriations of agrarian properties since August 30, 1927, was announced as next in order.

Mr. KING. Mr. President, I should like an explanation of the joint resolution merely because the Mexican Government in the past, and at present, has caused a great deal of trouble in the matter of damaging property and expropriating it.

The PRESIDING OFFICER. The bill was reported by the Senator from Texas [Mr. Connally].

Mr. KING. Let the bill go over.

The PRESIDING OFFICER. The bill will be passed over. The bill (S. 95) to amend the Civil Service Retirement Act of May 22, 1920, as amended, to extend retirement to certain employees of certain Indian schools was announced as next in order.

Mr. KING. I ask that the bill be passed over.

The PRESIDING OFFICER. The bill will be passed over.

CHESTER J. BABCOCK

The bill (S. 1357) for the relief of Chester J. Babcock was considered, ordered to be engrossed for a third reading, read the third time, and passed, as follows:

Be it enacted, etc., That notwithstanding the provisions and limitations of section 6 of the Civil Service Retirement Act, approved May 29, 1930, the Civil Service Commission is authorized and directed to extend the benefits of such section to Chester J. Babcock, formerly an employee at the United States Naval Ammunition Depot, Iona Island, N. Y., in the same manner and to the same extent as if application had been made within 3 months after the effective date of such act of May 29, 1930. The application of the said Chester J. Babcock for the benefits of such act of May 29, 1930, shall be filed within 3 months from the date of the approval of this act.

PROHIBITION OF REPRODUCTION OF OFFICIAL BADGES AND OTHER INSIGNIA

The Senate proceeded to consider the bill (S. 1281) to prohibit reproduction of official badges, identification cards, and other insignia, which was read, as follows:

Be it enacted, etc., That section 1 of the act entitled "An act to prohibit the misuse of official insignia," approved on June 29, 1932 (47 Stat. 342; U. S. C., title 18, sec. 76a), be amended to read as follows:

follows:

"That hereafter the manufacture, sale, or possession of any badge, identification card, or other insignia, of the design prescribed by the head of any department or independent office of the United States for use by any officer or subordinate thereof, or of any colorable imitation thereof, or the photographing, printing, or in any other manner making or executing any engraving, photograph, print, or impression in the likeness of any such badge, identification card, or other insignia, or of any colorable imitation thereof, is prohibited, except when and as authorized under such regulations as may be prescribed by the head of the department or independent office of which such insignia indicates the wearer is an officer or subordinate."

Mr. CLARK of Missouri. Mr. President, may we have an explanation of that measure?

Mr. ASHURST. Mr. President, in reply to the inquiry of the able Senator from Missouri, I now read from a report of the Attorney General, dated February 7, 1939:

Existing law prohibits the unauthorized manufacture, sale, or possession of official badges, identification cards, or other insignia. It does not comprehend, however, the reproduction of photographs, engravings, or other likenesses of official badges in periodicals or other similar publications. Such reproductions are highly undesirable as they at times enable unauthorized persons to counterfeit such badges, etc. I have in mind more particularly the reproductions of the badges and identification cards of the Federal Bureau of Investigation, which, in the interest of the public, must be safeguarded against counterfeiting by imposters and other unauthorized individuals.

With that end in view I recommend the enactment of the

With that end in view, I recommend the enactment of the enclosed proposed bill drafted in the Department of Justice, to extend the prohibitions contained in the above-mentioned statute to photographing, printing, or otherwise reproducing the likeness of any official badge or identification card or other insignia.

Mr. CLARK of Missouri. Mr. President, let me say, if the Senator will permit, that I have no objection whatever to the bill. I am deeply in sympathy with the purposes sought to be achieved by the bill. The reason I asked for an explanation was that I was hopeful that the bill might go far enough to prevent the wearing of uniforms and the display of insignia of other nations, so as to prevent such situations as the recent disgraceful exhibition which took place in New York on the part of the German bund.

Mr. ASHURST. I thank the Senator from Missouri for

his suggestion.

The PRESIDING OFFICER. The question is on the engrossment and third reading of the bill.

The bill was ordered to be engrossed for a third reading, read the third time, and passed.

JOHN H. BARRY

The Senate proceeded to consider the bill (S. 827) for the relief of John H. Barry, which was read, as follows:

Be it enacted, etc., That notwithstanding the provisions of so much of section 6 of the Civil Service Retirement Act of May 29, 1930, as amended, as provides that no claim for a disability retirement annuity under such section shall be allowed unless the application therefor is executed prior to the applicant's separation from the service or within 6 months thereafter, the Civil Service Commission is authorized and directed to (1) consider upon its merits the application for a disability retirement annuity under such section executed on November 5, 1937, by John H. Barry, formerly employed as a mail carrier at the Worcester, Mass., post office, and (2) award such annuity, if any, to said John H. Barry as he would be entitled to if timely application therefor had been made.

Mr. McKELLAR. Mr. President, may we have an explanation of that bill?

Mr. FRAZIER. Mr. President, the bill was considered by the Committee on Civil Service, and, on behalf of the committee, I favorably reported the bill. John H. Barry was a letter carrier in the city of Worcester, Mass., and while serving in that capacity he was stricken with a mental disability and had to resign; and because of his mental condition he did not file his application for disability retirement in the required 6 months. He is in great need of assistance, and a letter from the Civil Service Commission recommends favorable action upon the bill. I think it is a most worthy measure.

The PRESIDING OFFICER. The question is on the engrossment and third reading of the bill.

The bill was ordered to be engrossed for a third reading, read the third time, and passed.

BILL PASSED OVER

The bill (S. 840) to amend and clarify the provisions of the act of June 15, 1936 (49 Stat. 1507), and for other purposes, was announced as next in order.

Mr. ADAMS. Mr. President, I wish to make an inquiry of the Senator from Texas [Mr. Sheppard]. There seems to be an unusual provision in the bill directing the Comptroller General to allow claims which he has heretofore disallowed; that is, we are now proposing to change the law so that in the future certain types of claims may be properly allowed. The provision reaches back and requires the allowance of claims which were legally and properly disallowed

heretofore, without any limit as to the time or without any limit as to amount.

Mr. SHEPPARD. Mr. President, let the bill go over until I can look into that phase of the matter.

The PRESIDING OFFICER. The bill will be passed over.

ADDITION OF LANDS TO SHENANDOAH NATIONAL PARK

The bill (S. 509) to add certain lands of the Front Royal Quartermaster Depot Military Reservation, Va., to the Shenandoah National Park, and for other purposes was considered, ordered to be engrossed for a third reading, read the third time, and passed, as follows:

Be it enacted, etc., That the following-described lands of the Front Royal Quartermaster Depot Military Reservation, Va., are hereby made a part of the Shenandoah National Park, subject to hereby made a part of the Shenandoah National Park, subject to all laws and regulations applicable thereto: Beginning at concrete monument numbered 10 in the boundary line of the Front Royal Remount Depot, and running thence along said boundary line, north 70 degrees 00 minutes west 3,465.0 feet to monument numbered 11, thence north 40 degrees 30 minutes west 1,881.0 feet to monument numbered 12, thence north 2 degrees 00 minutes west 792.0 feet to monument numbered 13, thence north 78 degrees 00 minutes west 792.0 feet to monument numbered 13, thence north 78 degrees 00 minutes west 792.0 feet to monument numbered 13, thence north 78 degrees 00 minutes west 792.0 feet to monument numbered 13, thence north 78 degrees 00 minutes west 792.0 feet to monument numbered 13, thence north 78 degrees 00 minutes west 792.0 feet to monument numbered 13, thence north 78 degrees 00 minutes west 792.0 feet to monument numbered 13, thence north 78 degrees 10 minutes west 792.0 feet to monument numbered 13, thence north 78 degrees 10 minutes west 792.0 feet 10 minutes 892.0 fee bered 11, thence north 40 degrees 30 minutes west 1,881.0 feet to monument numbered 12, thence north 2 degrees 00 minutes west 792.0 feet to monument numbered 13, thence north 78 degrees 00 minutes west 693.0 feet to monument numbered 14, thence south 1 degree 30 minutes west 379.5 feet to monument numbered 15, thence south 61 degrees 15 minutes west 2,244.0 feet to monument numbered 16, thence south 16 degrees 00 minutes east 2,640.0 feet to monument numbered 17, thence south 61 degrees 15 minutes west 3,333.0 feet to monument numbered 18, thence south 15 degrees 00 minutes east 646.8 feet to monument numbered 19, thence south 63 degrees 00 minutes west 627.0 feet to monument numbered 20, thence south 15 degrees 00 minutes west 1,254.0 feet to monument numbered 21, thence south 48 degrees 00 minutes east 3,267.0 feet to monument numbered 22, thence north 25 degrees 00 minutes west 1,551.0 feet to monument numbered 23, thence north 25 degrees 00 minutes west 1,551.0 feet to monument numbered 24, thence north 67 degrees 00 minutes east 1,716.0 feet to monument numbered 25, thence north 58 degrees 00 minutes east 2,862.75 feet to monument numbered 26, thence north 79 degrees 00 minutes east 2,377.15 feet to monument numbered 27, thence south 28 degrees 30 minutes west 338.25 feet to monument numbered 26 (offset 4 feet west), thence south 30 degrees 00 minutes west 462.0 feet to monument numbered 29 (offset 14 feet east), thence south 40 degrees 00 minutes west 396.0 feet to monument numbered 31 (offset 9.0 feet east), thence south 54 degrees 00 minutes west 132.0 feet to monument numbered 31 (offset 10.0 feet east), thence south 40 degrees 00 minutes west 429.0 feet to monument numbered 32 (offset 4 feet south), thence south 53 degrees 00 minutes west 264.0 feet to monument numbered 35 (offset 4 feet south), thence north 52 degrees 00 minutes west 165.0 feet to monument numbered 36 (offset 8.0 feet south), thence north 85 degrees 30 minutes east 1,023.0 feet to monument numbered 37 (offset 4 feet to monument numb thence north 52 degrees 00 minutes east 330.0 feet to monument numbered 41, thence along a proposed boundary line north 19 degrees 51 minutes east 1,684.5 feet to point A.1, thence north 52 degrees 20 minutes east 1,107.0 feet to point A.2, thence north 39 degrees 26 minutes east 717.5 feet to a point A.3, thence north 26 degrees 11 minutes east 1,978.0 feet to concrete monument numbered 10, the point of beginning, it being the intent of this act to add to the Shenandoah National Park all that portion of the Front Royal Quartermaster Depot Military Reservation lying west of a line between monuments numbered 41 and 10, as described by the last four courses of the above description. The tract as described contains an area 977½ acres, more or less.

DECORATION OF SGT. FRED W. STOCKHAM, DECEASED

The Senate proceeded to consider the joint resolution (S. J. Res. 2) providing for consideration of a recommendation for decoration of Sgt. Fred W. Stockham, deceased, which was read, as follows:

Whereas on the nights of June 13-14, 1918, at Belleau Woods, Fred W. Stockham, deceased, formerly a gunnery sergeant, United States Marine Corps, in action involving actual conflict with the enemy, distinguished himself conspicuously by gallantry and intreplicity at the risk of his life above and beyond the call of duty; and

Whereas a citation citing said Fred W. Stockham for the extraordinary heroism displayed by him at such time was written but, through accident, was not published and is not recorded in the War Department; and

Whereas no decoration has been awarded to said Fred W. Stockham for the extraordinary heroism displayed by him at such time: Therefore be it

Therefore be it

Resolved, etc., That any recommendation for decoration by the
United States of America of Fred W. Stockham, deceased, formerly
a gunnery sergeant, Ninety-sixth Company, Second Battalion,

Sixth Division, United States Marine Corps, shall be considered and acted upon in the same manner as such recommendation would have been considered and acted upon if it had been pending on May 26, 1928.

Mr. KING. Mr. President, I understand that there has been an adverse report by the Department on the bill.

Mr. CLARK of Missouri. Mr. President, I will say to the Senator from Utah that there was an adverse report from the War Department, based purely on technical grounds, to the effect that an act had been passed some time ago limiting the consideration of matters of decoration, and purely as a technical matter they objected. I can say to the Senator from Utah that the case is an extremely meritorious one. A veteran sergeant in the Marine Corps during the battle of Belleau Woods—I may say that he was serving in the battalion which was then commanded by General Holcomb. now Commandant of the Marine Corps-took off his gas mask and gave it to a younger soldier for the purpose of saving the younger soldier's life, but thereby losing his own.

I have a letter from the company commander saying that he had recommended the sergeant for citation, but that the company and battalion had been decimated in that engagement, and apparently the recommendation was lost.

While on technical grounds, Mr. President, there is an adverse recommendation from the War Department, I do not believe that a more meritorious case, a case justifying the suspending of the rules, and allowing the decoration in question to be issued in behalf of the deceased soldier, could possibly come before this body.

Mr. KING. I have no objection.

The PRESIDING OFFICER. The question is on the engrossment and third reading of the joint resolution,

The joint resolution was ordered to be engrossed for a third reading, read the third time, and passed.

The preamble was agreed to.

DOLORES P. DE WILLIAMSON

The bill (S. 511) for the relief of Dolores P. de Williamson was considered, ordered to be engrossed for a third reading, read the third time, and passed, as follows:

Be it enacted, etc., That the Secretary of the Treasury be, and he is hereby, authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, to Dolores P. de Williamson the sum of \$3,500, in satisfaction of all claims against the United States on account of the death of her husband, Ernesto Williamson, a citizen of Panama, as a result of a collision on April 30, 1937, between a United States Army truck and an automobile in which he was riding, near Bejuco, Republic of Panama.

BILL PASSED OVER

The bill (S. 454) for the relief of Ernest S. Frazier was announced as next in order.

Mr. McKELLAR. Mr. President, I think we should have an explanation of that bill. It is a remarkable bill which changes the record.

The PRESIDING OFFICER. The bill was reported by the Senator from Texas [Mr. SHEPPARD].

Mr. SHEPPARD. In this case, after an investigation, the War Department changed the comment it had placed on the man's discharge, reflecting upon his character and physical condition, but they did not also change the incorrect record on which that discharge was based. In that incorrect record the Department said he was illiterate and degenerate, a comment which ought not to be placed against any man unless there is ample justification for it.

Mr. McKELLAR. It is very difficult for the Congress to undertake to change the records of the War Department.

Mr. SHEPPARD. The War Department changed its own records, in part.

Mr. McKELLAR. A similar bill passed Congress once before and the President vetoed it. It seems to me we ought not to pass another such bill and send it to the President.

Mr. SHEPPARD. I respectfully submit that the President was in error in vetoing the bill. The War Department had cleared the man's discharge, but did not clear the record on which was based the language in the discharge which it removed.

Mr. McKELLAR. I call the Senator's attention to the report on the first bill from the War Department:

For the reasons set forth in the foregoing, the War Department is strongly opposed to the enactment of the proposed legislation.

Thereafter that bill was vetoed. Now, in response to a Senator's request for the opinion of the Department on this bill the Secretary says:

After reconsideration of the entire matter, the War Department adheres to the view expressed in its previous report, quoted in the foregoing, and recommends that S. 454 be not enacted into law.

Mr. SHEPPARD. Mr. President, after reconsideration of the entire matter, I ask the Senate, in its judgment and out of its own sense of justice, again to pass the bill. The record stated that the man was illiterate and degenerate. I know him personally, and I know that statement to be untrue. I know further that the War Department did make partial correction.

Let the bill go over until the Senator from Tennessee has had an opportunity to look into it further.

The PRESIDING OFFICER. The bill will be passed over.

ACCEPTANCE OF MEDALS, ORDERS, AND DECORATIONS

The Senate proceeded to consider the bill (S. 510) to authorize certain officers and enlisted men of the United States Army to accept such medals, orders, and decorations as have been tendered them by foreign governments in appreciation of services rendered, which was read, as follows:

of services rendered, which was read, as follows:

Be it enacted, etc., That the following-named officers and enlisted men of the United States Army are hereby authorized to accept such medals, orders, and decorations, as have been tendered them by foreign governments in appreciation of services rendered: Brig. Gen. Charles Burnett; Brig. Gen. Leigh C. Fairbank; Col. Lester D. Baker; Col. Albert Gilmor; Col. Martin C. Shallenberger; Col. Rodney H. Smith; Col. Edwin M. Watson; Col. F. Langley Whitley; Lt. Col. Edward M. Almond; Lt. Col. John E. Colley Lt. Col. John S. Coulter; Lt. Col. Louis A. Craig; Lt. Col. Howard C. Davidson; Lt. Col. John F. Davis; Lt. Col. Norman E. Fiske; Lt. Col. Henry B. Lewis; Lt. Col. John E. McMahon; Lt. Col. Burton Y. Read; Lt. Col. William E. Schmidt; Lt. Col. John Andrew Weeks; Lt. Col. Lawrence B. Weeks; Lt. Col. John S. Winslow; Maj. Charles Y. Banfill; Maj. Robert E. Cummings; Maj. Harold L. George; Maj. Samuel A. Greenwell; Maj. Gustav B. Guenther; Maj. Caleb V. Haynes; Maj. William D. Hohenthal; Maj. Vincent J. Meloy; Maj. Lawrence C. Mitchell; Maj. Wilton B. Persons; Maj. Lowell M. Riley; Maj. Horace B. Smith; Capt. Mark M. Boatner, Jr.; Capt. Malin Craig, Jr.; Capt. Townsend Griffiss; Capt. Alva L. Harvey; Capt. George Honnen; Capt. Ford J. Lauer; Capt. Carl B. McDaniel; Capt. Daniel J. Martin; Capt. William A. Matheny; Capt. Floyd L. Parks; Capt. George W. Read, Jr.; Capt. Harry McK. Roper; Capt. Thomas D. White; First Lt. William C. Bentley, Jr.; First Lt. John A. Cleveland, Jr.; First Lt. Richard S. Freeman; First Lt. Frederic E. Glantzberg; First Lt. Richard S. Freeman; First Lt. Edwin L. Tucker; First Lt. Torgils G. Wold; Second Lt. Edwin Nevin Howell; Second Lt. Lawrence A. Spilman; Second Lt. James H. Rothrock, Air Reserve (active); Master Sgt. Floyd B. Haney; Technical Sgt. Adolph Cattarius; Staff Sgt. Charles S. Guinn; Staff Sgt. Ralph W. Spencer; Staff Sgt. Henry L. West; Sgt. Frank B. Conner; Corp. John S. Gray; Corp. Clarence D. Lake; Corp. James E. Sands; Pvt.

Mr. McKELLAR. Mr. President, was this bill recommended by the War Department?

Mr. SHEPPARD. This is the usual bill authorizing the acceptance of medals and decorations.

Mr. McKELLAR. Was it recommended by the War Department?

Mr. SHEPPARD. It was recommended by the War Department.

The bill was ordered to be engrossed for a third reading, read the third time, and passed.

RELIEF OF CERTAIN DISBURSING OFFICERS OF THE ARMY

The bill (S. 512) for the relief of certain disbursing officers of the Army of the United States and for the settlement of individual claims approved by the War Department was considered, ordered to be engrossed for a third reading, read the third time, and passed, as follows:

Be it enacted, etc., That the Comptroller General of the United States be, and he is hereby, authorized and directed to credit in the accounts of the following disbursing officers of the Army of the United States the amounts set opposite their names: Capt. Emmett J. Bean, Finance Department, \$29.05; Lt. Col. Richard L. Cave, Finance Department, \$180; Capt. Harold F. Chrisman,

Finance Department, \$57.15; Lt. Col. Walter D. Dabney, Finance Department, \$35.72; Maj. Henry M. Denning, Finance Department, \$50.28; Lt. Col. Edwin F. Ely, Finance Department, \$11; Lt. Col. Horace G. Foster, Finance Department, \$55; First Lt. John R. Gilchrist, Finance Department, \$55; First Lt. John R. Gilchrist, Finance Department, \$610; Capt. Charles W. Hensey, Finance Department, \$19.59; Maj. George F. MacDonald, Finance Department, \$5; Maj. Arthur J. Perry, Finance Department, \$26.28; Capt. Alexander H. Perwein, Infantry, \$407.88; Capt. Leighton N. Smith, Finance Department, \$14; said amounts being public funds for which they are accountable and which comprise minor errors in computation of pay and allowances due former members of the Civilian Conservation Corps, who are no longer enrolled in that corps, and which amounts have been disallowed by the Comptroller General of the United States: Provided, That no part of the amounts so credited shall be later charged against any individual other than the various payees.

SEC. 2. That the Comptroller General of the United States be, and he is hereby, authorized and directed to credit in the accounts of Lt. Col. Richard L. Cave, Finance Department, the sum of \$100, public funds for which he is accountable and which were paid to the Cox Fence Co. for construction work and disallowed by the Comptroller General of the United States be, and he is hereby, authorized and directed to credit in the accounts of Lt. Col. Richard L. Cave, Finance Department, the sum of \$19.83, public funds for which he is accountable, and which has been disallowed by the Comptroller General of the United States be, and he is hereby, authorized and directed to credit in the accounts of Lt. Col. Edward T. Comegys, Finance Department, the sum of \$19.83, public funds for which he is accountable, and which herpersents items disallowed by the Comptroller General of the United States be, and he is hereby, authorized and directed to credit in the accounts of Lt. Col. Edward T. Comegys, Finance Dep

SEC. 6. That the Comptroller General of the United States be, and he is hereby, authorized and directed to credit in the accounts of Lt. Col. Edwin F. Ely, Finance Department, the sum of \$10.50, public funds for which he is accountable, and which has been disallowed by the Comptroller General of the United States on account

allowed by the Comptroller General of the United States on account of a payment made to a former enlisted man for flying pay.

SEC. 7. That the Secretary of the Treasury be, and he is hereby, authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, to Maj. Malcolm V. Fortier, Infantry, the sum of \$51.26 in full satisfaction of his claim against the United States for that amount which was paid by him for advertising for and in the interests of the United States, without the prior approval of the Secretary of War as required by Revised Statutes 3828 (44 U. S. C. 324).

SEC. 8. That payments heretofore made for hospital and medical expenses incident to the injury or disease of Reserve officers on

SEC. 8. That payments heretofore made for hospital and medical expenses incident to the injury or disease of Reserve officers on duty with the Civilian Conservation Corps, incurred while on leave of absence, are hereby ratified and validated, and the Comptroller General of the United States is hereby directed to allow credit in the accounts of disbursing officers of the Government for and on account of all such payments: Provided, That any amounts collected from any person on account of payments which are herein validated shall be refunded to such persons upon presentation of a claim therefor to the Comptroller General: Provided further, That the Comptroller General is authorized and directed to adjust, allow, and certify for payment all claims when approved by the Surgeon General of the Army for hospital and medical services heretofore furnished incident to the injury or disease of Reserve officers on duty with the Civilian Conservation Corps incurred while on leave of absence.

SEC. 9. That the Comptroller General of the United States be, and he is hereby, authorized and directed to credit in the accounts of First Lt. John R. Gilchrist, Finance Department, the sum of \$1.25, public funds for which he is accountable, which were paid by him to Dr. Dewey H. Walden, contract physician, for traveling expenses and disallowed by the Comptroller General of the United States.

States.

SEC. 10. That the Comptroller General of the United States be, and he is hereby, authorized and directed to credit in the accounts of Capt. Charles W. Hensey, Finance Department, the sum of \$7.63, public funds for which he is accountable, which sum has been disallowed by the Comptroller General of the United States on account of a payment made to an enlisted man: Provided, That no part of this amount shall be charged to any person other than the payee.

SEC. 11. That the Comptroller General of the United States be, and he is hereby, authorized and directed to credit in the accounts of Capt. Charles W. Hensey, Finance Department, the sum of \$7.45, public funds for which he is accountable, which sum has been disallowed by the Comptroller General of the United States on account of an overpayment made to a former member of a citizens' military training camp: Provided, That no part of this amount shall be charged to any person other than the payee.

SEC. 12. That the Comptroller General of the United States be, and he is hereby, authorized and directed to credit in the accounts of Lt. Col. Eugene O. Hopkins, Finance Department, the sum of \$28.63, public funds for which he is accountable, which were paid to a former soldier as additional pay as an expert gunner and disallowed by the Comptroller General of the United States be, and he is hereby, authorized and directed to credit in the accounts of Capt. Donald J. Leehey, Corps of Engineers, \$5,100, representing part of an amount paid by him for rental of temporary office quarters, shop storage, wharf and dock at Eastport, Maine, for the fiscal year 1936, under lease with the MacNichol Packing Co., which amount has been disallowed by the Comptroller General of the United States: Provided, That the amounts so credited shall not be charged against any moneys otherwise due the payees.

SEC. 14. That the Comptroller General of the United States be, and he is hereby, authorized and directed to credit in the accounts of Lt. Col. Montgomery T. Legg, Finance Department, the sum of \$150, public funds for which he is accountable, and which were stolen from the office safe of his agent officer at Camp S-123, Corning, N. Y., on January 16, 1938.

SEC. 15. That the Comptroller General of the United States be, and he is hereby, authorized and directed to credit in the accounts of Lt. Col. Montgomery T. Legg, Finance Department, the sum of \$126, public money for which he is accountable, paid by him on a forged voucher.

and he is hereby, authorized and directed to credit in the accounts of Lt. Col. Montgomery T. Legg, Finance Department, the sum of \$126, public money for which he is accountable, paid by him on a forged voucher.

SEC. 16. That the Comptroller General of the United States be, and he is hereby, authorized and directed to credit in the accounts of Lt. Col. Emmett C. Morton, Finance Department, the sum of \$4.009.45, public funds for which he is accountable, and which were paid by him on fraudulent vouchers prepared by a trusted employee.

SEC. 17. That the Comptroller General of the United States be, and he is hereby, authorized and directed to credit in the accounts of Maj. Arthur J. Perry, Finance Department, \$2.38, public funds for which he is accountable, which were paid to a former enlisted man of the Army as pay and disallowed by the Comptroller General of the United States.

SEC. 18. That the Comptroller General of the United States be, and he is hereby, authorized and directed to credit in the accounts of Maj. Arthur J. Perry, Finance Department, \$12.85, public funds for which he is accountable, which were paid by him to First Lt. W. W. Hudgens, Infantry Reserve, for travel expenses, and which have been disallowed by the Comptroller General of the United States: Provided, That no part of this sum shall be charged to any person other than the payee.

SEC. 19. That the Comptroller General of the United States be, and he is hereby, authorized and directed to credit in the accounts of Capt. Alexander H. Perwein, Infantry, \$32.10, public funds for which he is accountable, which were paid to a former enlisted man of the Army as pay, and disallowed by the Comptroller General of the United States.

SEC. 20. That the Comptroller General be, and he is hereby, authorized and directed to credit in the accounts of the United States.

SEC. 21. That the Comptroller General be, and he is hereby, authorized and directed to credit in the accounts of Maj. Leonard H. Sims, Finance Department, the sum of \$126.55, public funds f

unknown.

SEC. 22. That the Comptroller General of the United States be, and he is hereby, authorized and directed to credit in the accounts of Capt. Fiorre J. Stagliano, Finance Department, \$1,035.42, public funds for which he is accountable and which were paid by him for the rental of passenger-carrying vehicles used by the Puerto Rican Hurricane Commission, and which amount has been disallowed by the Comptroller General of the United States.

RENJAMIN H. SOUTHERN

The bill (S. 339) for the relief of Benjamin H. Southern was considered, ordered to be engrossed for a third reading, read the third time, and passed, as follows:

Be it enacted, etc., That in the administration of any laws conferring rights, privileges, and benefits upon persons honorably discharged from the United States Army, Benjamin H. Southern shall be held and considered to have been honorably discharged from the United States Army on the 31st day of March 1919: Provided, That no bounty, back pay, pension, or allowance shall be held to have accrued prior to the passage of this act.

Mr. McKELLAR subsequently said: Mr. President, I ask unanimous consent that the vote by which Calendar No. 146, Senate bill 339, was passed, be reconsidered, and that the bill go over. I see that it is recommended against by the War Department, and I should like to look into it.

The PRESIDING OFFICER. Without objection, the vote by which Senate bill 339 was passed is reconsidered, and the bill will be passed over.

BILL PASSED OVER

The bill (S. 1706) to provide for reorganizing agencies of the Government, and for other purposes, was announced as

Mr. BARKLEY. Let the bill go over.

The PRESIDING OFFICER. The bill will be passed over.

COOPERATIVE AGRICULTURAL EXTENSION WORK

The bill (S. 518) to provide for the further development of cooperative agricultural extension work was considered, ordered to be engrossed for a third reading, read the third time, and passed, as follows:

time, and passed, as follows:

Be it enacted, etc., That in order to further develop the cooperative extension system as inaugurated under the act entitled "An act to provide for cooperative agricultural extension work between the agricultural colleges in the several States receiving the benefits of the act of Congress approved July 2, 1862, and all acts supplementary thereto, and the United States Department of Agriculture", approved May 8, 1914 (U. S. C., title 7, secs. 341–348), there is hereby authorized to be appropriated, out of any money in the Treasury not otherwise appropriated, for the purpose of paying the expenses of cooperative extension work in agriculture and home economics and the necessary printing and distribution of information in connection with the same, the sum of \$500,000 annually. The sums appropriated pursuant to this act shall be allotted by the Secretary of Agriculture to the several States in such amounts as he may deem necessary, and shall be paid to the several States in the same manner and subject to the same conditions and limitations as the initial payments of \$10,000 to each State appropriated under the act of May 8, 1914. The sums appropriated pursuant to this act shall be in addition to and not in substitution for sums appropriated under such act of May 8, 1914, as amended and supplemented, and sums otherwise appropriated for agricultural extension work.

STAR-ROUTE CONTRACTS

The Senate proceeded to consider the joint resolution (S. J. Res. 76) to authorize the Postmaster General to withhold the awarding of star-route contracts for a period of 60 days, which had been reported from the Committee on Post Offices and Post Roads with an amendment, on page 1, line 6, after the word "of", to strike out "sixty" and insert "forty-five", so as to make the joint resolution read:

Resolved, etc., That the Postmaster General is authorized and directed to withhold the awarding of star-route contracts for which bids have been received in the third contract section for a period of 45 days after March 7, 1939.

Mr. KING. Mr. President, I should like an explanation of the joint resolution.

Mr. MURRAY. Mr. President, the only purpose of the joint resolution is to permit the Post Office Department to withhold the award of contracts to star-route carriers pending the consideration of other legislation now before the Congress. It allows the Department to withhold the award of those contracts for a period of 45 days, which will enable the Congress to act on the other legislation in the meantime.

Mr. KING. May I ask the Senator if the joint resolution is not retroactive, interfering with the obligations of the Government to contractors? I presume the Government asked for bids, and bids were submitted and contracts prepared. We now propose, after that course, to forbid the Department to enter into the contracts.

Mr. MURRAY. The joint resolution does not forbid the Department to enter into contracts. There will be merely a delay in awarding the contracts so as to give the Congress an opportunity to act on the legislation which is pending before it at this time.

Mr. KING. Why should we delay after we have asked for bids and bids have been submitted? Apparently the bids were satisfactory. Do we now propose to change the law and impose harsher terms?

Mr. HAYDEN. Now is the time, normally, for advertising

Mr. McKELLAR. For this particular area.

Mr. HAYDEN. For one-fourth of the United States, for the next fiscal year, beginning July 1. The advertisements normally would go out at this time. The effect of the joint resolution is to delay for 45 days advertising for bids. If Congress does not act on the legislation before it in the meantime, there will still remain ample time to advertise for bids and let the contracts; and the star-route business can go on just as usual.

Mr. KING. Then, the passage of the joint resolution will not mean the abrogation of any contracts?

Mr. HAYDEN. Not at all. It will merely delay advertising for bids.

The PRESIDING OFFICER. The question is on agreeing to the amendment reported by the committee.

The amendment was agreed to.

The joint resolution was ordered to be engrossed for a third reading, read the third time, and passed.

The title was amended so as to read: "Joint resolution to authorize the Postmaster General to withhold the awarding of star-route contracts for a period of 45 days."

BILL PASSED OVER

The bill (H. R. 3537) to extend the facilities of the United States Public Health Service to active officers of the Foreign Service of the United States was announced as next in order.

SEVERAL SENATORS. Let the bill go over.

The PRESIDING OFFICER. The bill will be passed over. RECOGNITION OF CIVILIAN SERVICES IN CONSTRUCTION OF PANAMA CANAL

The bill (S. 50) to provide for recognizing the services rendered by civilian officers and employees in the construction and establishment of the Panama Canal and the Canal Zone was considered, ordered to be engrossed for a third reading, read the third time, and passed, as follows:

Be it enacted, etc., That in recognition of their distinguished service in the construction, maintenance, operation, sanitation, and government of the Panama Canal and the Canal Zone, the thanks of Congress are hereby extended to the civil, electrical, designing, mechanical, and municipal engineers, administrators, medical and surgical officers, scientists, lawyers, marine, dredging, operating, fiscal, and construction experts, and other persons, who rendered such service, but were not included in the recognition and benefits extended by the act of Congress approved March 4, 1915 (38 Stat. 1190). 1190).

SEC. 2. In further recognition of the exceptional character and conditions of such service, article 2 of chapter 6 of title 2 of the Canal Zone Code, as amended, is amended by adding at the end

conditions of such service, article 2 of chapter 6 of title 2 of the Canal Zone Code, as amended, is amended by adding at the end of such article the following:

"108. Minimum annuity for employees serving in connection with the construction of the Panama Canal: Any officer or employee of the Panama Canal or the Panama Railroad Co. who served 3 or more years on the Isthmus of Panama in connection with the construction of the Panama Canal during the period from May 4, 1904, to March 31, 1914, both dates inclusive, and who has been, prior to the date of enactment of this section, or may be, on or after such date, retired from active duty under the provisions of this article, shall be paid an annuity in an amount not less than 2 percent of the average annual basic salary, pay, or compensation received by such officer or employee during any 5 consecutive years of allowable foreign tropical service rendered on the Isthmus of Panama, multiplied by the total number of years of such service, not exceeding 30. This section shall not operate to reduce the annuity allowable to any such officer or employee, or otherwise deprive him of any benefits allowable under this article or any other retirement act under which he has been or may be retired. Annuity allowable under this section to any officer or employee shall not become effective until such officer or employee reaches the compulsory retirement age prescribed in section 92 of this article, or is retired on account of disability under section 94 of this article, or is retired under section, have been retired and have attained the compulsory retirement age, or have been retired an account of disability under section 94 of this article, or is retired under section, have been retired an account of disability under section 94 of this article, or is retired under section, have been retired an account of disability under section 94 of this article, or have been retired on account of disability under section 94 of this article, or have been retired on account of disability und

The PRESIDING OFFICER. That completes the calendar. BERNARR MACFADDEN

Mr. REYNOLDS. Mr. President, I ask consent to introduce a private bill for the relief of Hon. Bernarr Macfadden, a publisher of the city of New York.

The PRESIDING OFFICER. The bill introduced by the

Senator from North Carolina will be received and appropriately referred.

The bill (S. 1744) for the relief of Bernarr Macfadden, was read twice by its title and referred to the Committee on Claims.

Mr. REYNOLDS. Mr. President, I should now like to make a brief statement relative to the bill which I have introduced. I wish to say that there is now before the Senate a bill, Senate bill 1620, introduced on February 28 by the distinguished Senator from New York [Mr. Wagner] looking toward the formulation of a definite national health

program.

At this very time, when the Congress is engaged in the authorization of appropriations mounting into hundreds of millions of dollars for national-defense purposes, it is very timely and essential, in my opinion, that the Federal Government tackle the health problems of the Nation in a systematic and practical manner. Naturally, our first line of de-defense is a healthy nation. The health of the youth must be guarded and preserved. What would it avail our country to have adequate military equipment for the Army, the Navy, and the air forces if we did not have vigorous men and women to man the implements so provided?

I desire to place particular emphasis on the vast change that has taken place since the beginning of the century in reference to certain diseases-namely, the venereal scourge. For generations the country suffered horrible results because of false modesty and the fear of openly discussing this unpleasant subject by tongue or pen. This transition did not take place without great sacrifice on the part of some of our

forward-looking citizens.

For practically a lifetime one famed American, as a formidable ally in stamping out this vice from our midst, has steadfastly devoted his time, his energy, and his financial resources to an unrelenting crusade to turn the glaring spot-

light of publicity on this hideous evil.

It is only recently that the word "syphilis" and the names of other kindred complaints have been permitted to appear in the newspapers. It is only recently that leading periodicals enlisted in campaigns of education so that youth may learn of the pitfalls and vileness of these social blights. Until very recent years the treatment for the disease was worse than the disease itself.

This remarkable reformation was finally achieved by a courageous personality, a man of vision, who boldly defied conventions and critics and actually faced a Federal penitentiary in his fearless struggle to preserve the health of young America. This martyr is the Honorable Bernarr Macfadden, an outstanding advocate of physical culture for our youth and

a prominent American publisher.

During a noble crusade about 30 years ago Mr. Macfadden engaged the services of an author to write an article for his publication with the purpose of warning youth against these degenerate social diseases, and pointing out their dangers to the general public. It is with amazement that we now note that Mr. Macfadden was then rewarded by the Government with a 2-year sentence to prison and a \$2,000 fine for his humanitarian efforts, believe it or not. President Taft canceled the sentence, but the \$2,000 fine was paid.

In view of the immeasurable good that his campaigns have spread, considering the change of our attitude in the method of combatting these insidious diseases, I think, in the name of health, the least Uncle Sam should do at this time is to erase from the Government's financial books and records this disgraceful act of injustice committed in the ignorant past and to make amends by refunding the \$2,000 fine to Mr. Macfadden, the champion of a free constructive press, with an

apology and interest.

In addition, Mr. President, I wish to state that I have brought this matter to the attention of the Senate at this time for the reason that this private bill interests itself primarily with the bill which I mentioned a moment ago as having been introduced in February by the senior Senator from New York relating to the national health, which naturally greatly concerns the youth of America. It is of particular interest, because it would be useless for us, as I have stated, to make expenditure of billions of dollars, which we are doing, for the purpose of purchasing implements of war unless we have strong, healthy youth in America to make use of such implements. I think, as a matter of fact, that the least his Government and our Government could possibly do to erase the disgrace that was imposed upon him, one might say, at that time would be to rescind the fine.

I wish to say further in conclusion that I shall hope to be provided on opportunity of having Mr. Macfadden personally appear before the Committee on Claims, which will have jurisdiction of this particular claim, and at that time present to the committee written and printed matter to which I have referred and which is not to be compared with that which we now read daily in the newspapers of the country.

EXECUTIVE SESSION

Mr. BARKLEY. I move that the Senate proceed to the consideration of executive business.

The motion was agreed to; and the Senate proceeded to the consideration of executive business.

EXECUTIVE REPORTS OF COMMITTEE ON POST OFFICES AND POST ROADS

Mr. McKELLAR, from the Committee on Post Offices and Post Roads, reported favorably the nominations of several postmasters, which were ordered to be placed on the Executive Calendar.

The PRESIDING OFFICER (Mr. LEE in the chair). If there be no further reports of committees, the clerk will proceed to call the Executive Calendar.

REGULATION OF WHALING

The Senate, as in Committee of the Whole, proceeded to consider Executive C, a protocol amending the international agreement for the regulation of whaling, signed in London on June 24, 1938, which was read the second time, as follows:

PROTOCOL

The Government of the Union of South Africa, the United States of America, the Argentine Republic, the Commonwealth of Australia, Canada, Eire, Germany, the United Kingdom of Great Britain and Northern Ireland, New Zealand and Norway, desiring to introduce certain amendments into the International Agreement for the Regulation of Whaling, signed in London on the 8th June, 1937 (hereinafter referred to as the Principal Agreement) in accordance with the provisions of Article 21 thereof, have agreed as follows:

ARTICLE 1

With reference to the provisions of Articles 5 and 7 of the Principal Agreement, it is forbidden to use a factory ship or a whale catcher attached thereto for the purpose of taking or treating humpback whales in any waters south of 40° South Latitude during the period from the 1st October, 1938, to the 30th September, 1939.

ARTICLE 2

Notwithstanding the provisions of Article 7 of the Principal Agreement, it is forbidden to use a factory ship or a whale catcher attached thereto for the purpose of taking or treating baleen whales in the waters south of 40° South Latitude from 70° West Longitude westwards as far as 160° West Longitude for a period of two years from the 8th day of December, 1938.

(1) No factory ship which has been used for the purpose of treating baleen whales south of 40° South Latitude shall be used for that purpose elsewhere within a period of twelve months from the end of the open season prescribed in Article 7 of the Principal

(2) Only such factory ships as have operated during the year 1937 within the territorial waters of any signatory Government shall, after the signature of this Protocol, so operate, and any such ships so operating shall be treated as land stations and remain moored in territorial waters in one position during the season and shall operate for not more than six months in any period of twelve months, such period of six months to be continuous.

ARTICLE 4

To Article 5 of the Principal Agreement there shall be added the

"except that blue whales of not less than 65 feet, fin whales of not less than 50 feet and sperm whales of not less than 30 feet in length may be taken for delivery to land stations provided that the meat of such whales is to be used for local consumption as a spinal food."

To Article 7 of the Principal Agreement there shall be added the

following:
"Notwithstanding the above prohibition of treatment during a close season, the treatment of whales which have been taken during the open season may be completed after the end of the open season."

ARTICLE 6

In Article 8 of the Principal Agreement the word "baleen" shall be inserted after the word "treating."

ARTICLE 7

For the areas specified in (a), (b), (c) and (d) of Article 9 of the Principal Agreement there shall be substituted the following

areas, viz.:

(a) in the waters north of 66° North Latitude; except that from 150° East Longitude eastwards as far as 140° West Longitude the taking or killing of whales by such ship or catcher shall be permitted between 66° North Latitude and 72° North Latitude;

(b) in the Atlantic Ocean and its dependent waters north of 40° South Latitude;

(c) in the Pacific Ocean and its dependent waters east of 150° West Longitude between 40° South Latitude and 35° North Lati-

(d) in the Pacific Ocean and its dependent waters west of 150° West Longitude between 40° South Latitude and 20° North Latitude;
(e) in the Indian Ocean and its dependent waters north of 40°

South Latitude.

ARTICLE 8

For Article 12 of the Principal Agreement there shall be substituted the following, viz.: The taking of whales for delivery to a factory ship shall be so regulated or restricted by the master or person in charge of the factory ship that no whale carcase shall remain in the sea for a longer period than 33 hours from the time of killing to the time when it is taken up on the deck of the factory ship for treatment.

ARTICLE 9

The present Protocol shall come into force provisionally on the first day of July, 1938, to the extent to which the signatory Governments are respectively able to enforce it.

ARTICLE 10

(i) The present Protocol shall be ratified and the instruments of ratification shall be deposited with the Government of the United Kingdom of Great Britain and Northern Ireland as soon as possible.

(ii) It shall come into force definitively upon the deposit of the instruments of ratification by the Governments of the United Kingdom, Germany and Norway.

(iii) For any other Government which is a party to the Principal Agreement, the present Protocol shall come into force on the date of the deposit of its instrument of ratification or notification of accession. accession

(iv) The Government of the United Kingdom will inform the other Governments of the date on which the Protocol comes into force and the date of any ratification or accession received subsequently.

ARTICLE 11

(i) The present Protocol shall be open to accession by any Government which has not signed it and which accedes to the Principal Agreement before the definitive entry into force of the Protocol.

(ii) Accession shall be effected by means of a notification in writing addressed to the Government of the United Kingdom and shall take effect immediately after the date of its receipt.

(iii) The Government of the United Kingdom will inform all the Governments which have signed or acceded to the present Protocol of all accessions received and the date of their receipt.

Any ratification of or accession to the Principal Agreement which may be deposited or notified after the date of definitive coming into force of the present Protocol shall be deemed to relate to the Principal Agreement as amended by the present Protocol.

In witness whereof the undersigned, duly authorised thereto, have signed the present Protocol.

Done in London the twenty fourth done of True 1000 in the twenty fourth done of True 1000 in the twenty fourth done of the 1000 in the 1000 in the twenty fourth done of the 1000 in the 100

Done in London the twenty-fourth day of June, 1938, in a single copy, which shall be deposited in the archives of the Government of the United Kingdom of Great Britain and Northern Ireland, by whom certified copies shall be communicated to all the signatory Governments:

For the Government of the Union of South Africa:

C. T. TE WATER. F. J. DU TOIT.

For the Government of the United States of America: HERSCHEL V. JOHNSON. REMINGTON KELLOGG.

WILFRID N. DERBY

For the Government of the Argentine Republic: MANUEL E. MALBRAN.

M. FINCATI. For the Government of the Commonwealth of Australia: ROBERT G. MENZIES.

For the Government of Canada: VINCENT MASSEY.

For the Government of Eire:
SEAN O'FAOLAIN O'DULCHAONTIGH.
J. D. RUSH.
For the Government of Germany:

HELMUTH WOHLTAT.
For the Government of the United Kingdom of Great Britain and Northern Ireland: HENRY G. MAURICE, GEO. HOGARTH.

For the Government of New Zealand: W. J. JORDAN. For the Government of Norway:

BIRGER BERGERSEN. Certified a true copy:

[SEAL] STEPHEN GASELEE.

Librarian and Keeper of the Papers at the Foreign Office. London, July 13, 1938.

The PRESIDING OFFICER. The protocol is before the Senate and open to amendment. If there be no amendment to be proposed, the protocol will be reported to the Senate. The protocol was reported to the Senate without amendment.

The PRESIDING OFFICER. The resolution of ratification will be read.

The legislative clerk read as follows:

Resolved (two-thirds of the Senators present concurring therein), That the Senate advise and consent to the ratification of Executive C, Seventy-sixth Congress, first session, a protocol signed in London on June 24, 1938, amending the International Agreement for the Regulation of Whaling, signed in London on June 8, 1937.

The PRESIDING OFFICER. The question is on agreeing to the resolution of ratification. [Putting the question.] Two-thirds of the Senators present concurring therein, the resolution of ratification is agreed to, and the protocol is

COLLECTOR OF INTERNAL REVENUE

The legislative clerk read the nomination of Joseph T. McDonald, of Scranton, Pa., to be collector of internal revenue for the twelfth district of Pennsylvania.

The PRESIDING OFFICER. Without objection, the nom-

ination is confirmed.

COLLECTOR OF CUSTOMS

The legislative clerk read the nomination of Austin J. Mahoney, of Rochester, N. Y., to be collector of customs of customs district No. 8, with headquarters at Rochester, N. Y.

The PRESIDING OFFICER. Without objection, the nomination is confirmed.

UNITED STATES PUBLIC HEALTH SERVICE

The legislative clerk read the nomination of William L. Smith to be senior surgeon.

The PRESIDING OFFICER. Without objection, the nomination is confirmed.

The legislative clerk read the nomination of James G. Telfer to be passed assistant surgeon.

The PRESIDING OFFICER. Without objection, the nomination is confirmed.

That concludes the calendar.

LEGISLATIVE PROGRAM FOR REMAINDER OF THE WEEK-ADJOURN-MENT

Mr. BARKLEY. Mr. President, I wish to say, in order that Senators may make their arrangements accordingly, that it is now proposed to adjourn until tomorrow. So far as I am aware, there will be no business on the calendar for the remainder of this week. The Appropriations Committee has not reported any bills; the reciprocal-tax bill will not be ready until Monday, because hearings are in progress on certain amendments to the measure that have been offered. So, it is likely that tomorrow there will be very little business, and the Senate will adjourn then until Monday. I make this statement so that Senators may know how to arrange their time between now and that date.

As in legislative session, I now move that the Senate adjourn until tomorrow.

The motion was agreed to; and (at 3 o'clock and 5 minutes p. m.) the Senate adjourned until tomorrow, Thursday, March 9, 1939, at 12 o'clock meridian.

CONFIRMATIONS

Executive nominations confirmed by the Senate March 8, 1939

COLLECTOR OF INTERNAL REVENUE

Joseph T. McDonald to be collector of internal revenue for the twelfth district of Pennsylvania.

COLLECTOR OF CUSTOMS

Austin J. Mahoney to be collector of customs for customs collection district No. 8. with headquarters at Rochester.

UNITED STATES PUBLIC HEALTH SERVICE

William L. Smith to be senior surgeon. James G. Telfer to be passed assistant surgeon.

HOUSE OF REPRESENTATIVES

WEDNESDAY, MARCH 8, 1939

The House met at 12 o'clock noon.

The Chaplain, Rev. James Shera Montgomery, D. D., offered the following prayer:

Eternal Spirit, we are grateful for a continuance of Thy mercies. Suns may forget to rise and set, tides to ebb and flow, but Thou, O Christ, art the unerring One: "The same yesterday, today, and forever." O Lord and Master of us all, whose crown of thorns mocks the diadems of mortal monarchs, whose scepter is a broken reed, sway the nations to the Christian service of man. Marshal them, we pray Thee, into forms of everlasting grace, and may they bring forth concordant raptures of fraternity and brotherhood. As the clouds that cluster about the morning star fade into a new day, so may humanity journey through the morning shades and come to the glory of a new-found vision. Heavenly Father, come and make earth's broken things whole-broken faiths, broken loves, broken hearts, and broken lives. In our dear Redeemer's name. Amen.

The Journal of the proceedings of vesterday was read and MESSAGE FROM THE SENATE

A message from the Senate by Mr. Frazier, its legislative clerk announced that the Senate had passed, with amendments, in which the concurrence of the House is requested, a bill of the House of the following title:

H. R. 3791. An act to provide more effectively for the national defense by carrying out the recommendations of the President in his message of January 12, 1939, to the Congress.

NATIONAL-DEFENSE BILL

Mr. MAY. Mr. Speaker, I ask unanimous consent to take from the Speaker's table the bill (H. R. 3791) to provide more effectively for the national defense by carrying out the recommendations of the President in his message of January 12, 1939, to the Congress, with Senate amendments, disagree to the Senate amendments, and agree to the conference asked by the Senate.

The SPEAKER. Is there objection to the request of the gentleman from Kentucky? [After a pause.] The Chair hears none, and appoints the following conferees on the part of the House: Messrs. May, Thomason, Harter of Ohio, ANDREWS, and SHORT.

REVISION OF TRADE-MARK LAWS

Mr. LANHAM. Mr. Speaker, I ask unanimous consent to address the House for 1 minute to make an announcement.

The SPEAKER. Without objection, it is so ordered.

There was no objection.

Mr. LANHAM. Mr. Speaker, a few days ago I introduced a bill (H. R. 4744) providing for a revision of the trade-mark laws based upon hearings at the last session of Congress. I desire at this time to make the announcement and give notice to all interested parties that hearings on this measure will be begun before a subcommittee of the Committee on Patents at 10 o'clock in the morning on March 28.

SEIZURE OF CERTAIN AMERICAN PROPERTY IN MEXICO

Mr. BLOOM. Mr. Speaker, I present a privileged report from the Committee on Foreign Affairs on House Resolution 107, requesting information of the President on seizure of certain American property in Mexico.

The Clerk read the resolution, as follows:

House Resolution 107

Resolved, That the President of the United States be, and he is hereby, requested, if not incompatible with the public interest, to inform the House of Representatives—

(1) What facts, if any, are in possession of the State Department as to how many farms owned by American citizens have been expropriated by the Mexican Government since March 4, 1933; the total acreage and the estimated or claimed value of

(2) What information, if any, is in possession of the State Department relative to the number of American-owned factories, mills, and mines that have been expropriated by the Mexican Government since March 4, 1933, and the estimated or claimed

Government since March 4, 1933, and the estimated or claimed value of these properties;

(3) What facts the State Department has with regard to the estimated or claimed value of American-owned oil properties expropriated by the Mexican Government;

(4) What information, if any, is in possession of the State Department regarding a report that oil selzed from American properties was bartered by the Mexican Government for German farm, road, or factory machinery hitherto purchased from the United States.

(5) What facts, if any, the State Department has that our export trade with Mexico decreased 50 percent in 1938 whereas the German trade increased 50 percent during that period; and (6) Whether the State Department has any facts concerning the alleged charge that United States Ambassador Josephus Daniels suppressed, for a considerable time, a note of protest from the United States Government to the Mexican Government regarding the seizure of American-owned oil properties in Mexico.

The SPEAKER. The Clerk will read the adverse report. The Clerk read as follows:

ADVERSE REPORT (TO ACCOMPANY H. RES. 107)

The Committee on Foreign Affairs to whom was referred the resolution (H. Res. 107) requesting the President of the United States to transmit to the House of Representatives all data in regard to the seizure of certain American property in Mexico, having considered the same, submit the following report thereon, with the recommendation that it do not pass:

Such information available to the Department of State as is consistent with the public interest has been furnished your committee and is on file.

mittee and is on file

Mr. BLOOM. Mr. Speaker, I move to lay the resolution on the table.

The motion was agreed to.

A motion to reconsider was laid on the table.

INTERIOR DEPARTMENT APPROPRIATION BILL. 1940

Mr. TAYLOR of Colorado, from the Committee on Appropriations, reported the bill (H. R. 4852) making appropriations for the Department of the Interior for the fiscal year ending June 30, 1940, and for other purposes (Rept. No. 161), which was read a first and second time, and, with the accompanying papers, referred to the Committee of the Whole House on the state of the Union and ordered to be printed.

Mr. RICH. Mr. Speaker, I reserve all points of order on the bill.

EXTENSION OF REMARKS

Mr. Merritt, Mr. Buck, Mr. Brooks, and Mr. Shafer of Michigan asked and were given permission to revise and extend their own remarks in the RECORD.

Mr. SATTERFIELD. Mr. Speaker, I ask unanimous consent to extend my own remarks in the RECORD and to include therein an address delivered by Brig. Gen. George Richards, United States Marine Corps.

The SPEAKER. Without objection, it is so ordered.

There was no objection.

Mr. JENKINS of Ohio. Mr. Speaker, I ask unanimous consent to extend my own remarks in the RECORD by printing a speech delivered by my colleague the gentleman from Ohio [Mr. MARSHALL].

The SPEAKER. Without objection, it is so ordered.

There was no objection.

Mr. HOPE. Mr. Speaker, I ask unanimous consent to extend my own remarks in the RECORD and to include therein a concurrent resolution adopted by the Legislature of the State of Kansas.

The SPEAKER. Without objection, it is so ordered.

There was no objection.

Mr. RANKIN. Mr. Speaker, I ask unanimous consent to address the House for 1 minute.

The SPEAKER. Without objection, it is so ordered. There was no objection.

FREEDOM OF RELIGIOUS WORSHIP

Mr. RANKIN. Mr. Speaker, so many assaults have been made on Christianity throughout the world that people in every section of this country have become apprehensive. Especially is this true now in the light of certain legislation that has been introduced in Congress which many people think threatens religious freedom or the right to worship God as one pleases.

I have just received a statement from Dr. John R. Sampey. president of the Southern Baptist Seminary, at Louisville, Ky., which I am inserting as a part of my remarks.

The Baptist Church has always stood for religious freedom and for the development of the highest qualities of moral and spiritual manhood and womanhood. It has always stood for complete separation of church and state and has never asked that it be given governmental preference over other denominations.

They see in this movement a danger to religious freedom, and for that reason they are appealing to Congress not to destroy that sacred heritage, which has come down to us from former generations of brave men and brave women who helped to establish religious liberty and to make it one of the cornerstones of American institutions.

I take great pleasure in inserting Dr. Sampey's statement, and I hope that every Member of the House and the Senate will read it carefully and heed its timely warning.

The matter referred to follows:

A STATEMENT BY THE FACULTY OF THE SOUTHERN BAPTIST THEOLOGICAL SEMINARY CONCERNING THE AMENDMENT TO THE SOCIAL SECURITY ACT

A new threat to religious liberty in America may develop from a bill recently introduced in Congress to amend the Social Security Act. Baptists, in particular, and Christians of all faiths who are of like mind should inform themselves of the dangerous potentialities of this bill. In 1935 Congress passed "An act to provide for the general welfare by establishing a system of old-age benefits and by enabling its several States to make more adequate provision for aged persons, blind persons, dependent and crippled children, maternal and child welfare, public health, and the administration of their unemployment compensation laws; to establish a Social Security Board; to raise revenue; and for other purposes."

This act significantly contained an exclusion clause which omitted from the application of the act and from taxation thereunder "service performed in the employ of a corporation, community chest, fund, foundation, organized and operated exclusively for religious, charitable, scientific, literary, or educational purposes, or for the prevention of cruelty to children or animals, no part of the net earnings of which inures to the benefit of any private shareholder or individual." The bill which has been introduced into the present Congress (H. R. 101, by Mrs. O'Dax') would amend the original act by striking out this exclusion clause. And it is to this amendment as it concerns the churches and other institutions of religion that we would direct the earnest attention of Baptists and of all other Christians.

What does the amendment mean? Practically it means (1) that in the future the function of providing for the economic

What does the amendment mean? Practically it means (1) that in the future the function of providing for the economic security of employees of churches, denominational organizations, and other institutions of religion would be taken away from these groups and be made the function of the State; it means (2) that the churches and their institutions would be taxed by the State for the support of its scule security program. for the support of its social-security program; (3) it opens the door for the punitive coercion of the churches by the State in the enforcement of its regulations; and (4) it involves the individual workers of the churches in a direct economic dependence upon the State that will tend to dull religious conviction and stifle inde-

State that will tend to dull religious conviction and stifle independent conscientious action.

The further meaning of the amendment for Baptists becomes clear when we recall their historic views. Early American history rings with their insistence upon full religious liberty for all men. In order to guarantee such liberty for the individual they further insisted on the state's recognition of the distinctive nature and distinctive function of the church in the world, warranting the demand for a free church in a free state. They believed, and Baptists still believe, that the church is not in the same category as the economic corporation, that it is the voice of God in the world, and that its spiritual function becomes impossible when its organization and methods are controlled by the state, or when it becomes economically dependent upon any other group whatits organization and methods are controlled by the state, or when it becomes economically dependent upon any other group whatsoever. The church must be free from entangling alliances if it is to remain the voice of God in human society. Although the different functions of the church and the state are complementary rather than antagonistic, they are so different that neither the church nor the state is fitted to govern the other, and that attempted domination of either by the other makes only for injustice, bitterness, strife, and disruption.

The proposed amendment, furthermore, reverses the historic judgment of the Nation. The above Baptist principles were recognized in the Bill of Rights and in the legislative policy of our Government, a policy based, we must be reminded, not upon the expediency of gratuitous exemption, but upon the essential right and requirement of the church in the exercise of its spiritual function. But the twentieth century pressure of economic and

political expediency begins to ignore the essential difference between churches and other associations, and to regard the freedom of religion as freedom of thought and worship only, without dom of religion as freedom of thought and worship only, without the implementation of action and method. In our sight this amendment is just another step, undiscerningly proposed perhaps, in the direction of incorporating religious organizations under the leadership and control of the state, a movement that promises as great a disaster for democratic government as for the church. We speak, therefore, not merely in defense of the freedom of the church, but as patriotic citizens we would enter our protest against a step that would further secularize the national thought, endanger the freedom and variety of democratic association, yield to

a step that would further secularize the national thought, endanger the freedom and variety of democratic association, yield to the totalitarian principle another gain in its conquest of western civilization, and become the portent of national confusion.

Because we feel so deeply that this proposal is an incipient thrust at something basic in our national life we voice this warning and protest. We appeal particularly to our southern Baptist brethren to give to our historic conscience supremacy over an easy conformity. Our fathers won recognition for the high principles of religious liberty and separation of church and state at the price of hardship and blood; we must not easily surrender them or retreat from their full meaning. We must make our protest. And we suggest that Baptists urge upon their Senators and Representatives the meaning of what is about to be done and register a strong dissent. We must. Baptists urge upon their Senators and Representatives the meaning of what is about to be done and register a strong dissent. We must, furthermore, be willing to pay the price of separate action, which in this matter means adequate provision for the workers in our churches and institutions through our own agencies. The work of our relief and annuity board for the security of our preachers, teachers, and other denominational workers is already well established and making remarkable progress toward a complete service. And now a critical challenge confronts us. Shall we go on to perfect the service of our own agencies of security? Or shall we abandon them and yield our task to the state? Our answer should not be in doubt. We shall cooperate most loyally with the state in the area of its own functioning, but within the life of our churches and our denomination we shall claim the right and accept the task of caring for our own. for our own.

JOHN R. SAMPEY, President (For the faculty).

EXTENSION OF REMARKS

Mr. BREWSTER. Mr. Speaker, I ask unanimous consent to incorporate in the RECORD a memorial of the Legislature of the State of Maine regarding the naval services of Capt. Jerome O'Brien in the Revolutionary War.

The SPEAKER. Without objection, it is so ordered.

There was no objection.

Mr. FAY. Mr. Speaker, I ask unanimous consent to revise and extend my own remarks in the RECORD on the St. Lawrence seaway and power project and to include therein an address made February 23, 1939, by Mr. Fred J. Freestone, past master of the New York State Grange.

The SPEAKER. Without objection, it is so ordered.

Mr. SNYDER. Mr. Speaker, I ask unanimous consent to address the House for 1 minute.

The SPEAKER. Is there objection to the request of the gentleman from Pennsylvania?

There was no objection.

Mr. SNYDER. Mr. Speaker, I presume that 50 years from now the House will be holding a session commemorating the two hundredth anniversary of the First Congress of the United States. They will be looking for the names of the former Members of Congress serving in 1939 and at 50-year intervals since the beginning of our Government. Thus, I ask unanimous consent to extend my own remarks at this point in the RECORD and include therein the names of the President and Vice President and Congressmen who served in the First Congress, a list of those who served in the Congress 100 years ago, a list who served in the Congress 50 years ago, as well as a list of the present Congressmen, all arranged alphabetically by States.

The SPEAKER. Is there objection to the request of the gentleman from Pennsylvania [Mr. SNYDER]?

Mr. RICH. Mr. Speaker, reserving the right to object, may I ask the gentleman from Pennsylvania [Mr. SNYDER] if he thinks under the New Deal and the way we are going we will have a Congress 50 years from now?

Mr. SNYDER. Oh, yes; and a much better country and Congress than now as a result of the New Deal and similar

The SPEAKER. Is there objection to the request of the gentleman from Pennsylvania [Mr. SNYDER]?

There was no objection.

FIRST CONGRESS-MARCH 4, 1789, TO MARCH 3, 1791

First session, March 4, 1789, to September 29, 1789; second session, January 4, 1790, to August 12, 1790; third session, December 6, 1790, to March 3, 1791

Vice President of the United States: John Adams, of Massa chusetts.

President pro tempore of the Senate: John Langdon,3 of New Hampshire.

Secretary of the Senate: Samuel A. Otis, of Massachusetts. Speaker of the House of Representatives: Frederick A. C. Muhlenberg,* of Pennsylvania. Clerk of the House: John Beckley,⁵ of Virginia.

CONNECTICUT

Senators: Oliver Ellsworth, William S. Johnson. Representatives: Benjamin Huntington, Roger Sherman, Jonathan Sturges, Jonathan Trumbull, Jeremiah Wadsworth.

DELAWARE

Senators: Richard Bassett, George Read. Representative: John Vining.

Senators: William Few, James Gunn. Representatives: Abraham Baldwin, James Jackson, George

MARYLAND

Senators; John Henry, Charles Carroll of Carrollton. Representatives: Daniel Carroll, Benjamin Contes, George Gale, Joshua Seney, William Smith, Michael Jenifer Stone.

MASSACHUSETTS

Senators: Tristram Dalton, Caleb Strong.
Representatives: Fisher Ames, Elbridge Gerry, Benjamin Goodhue, Jonathan Grout, George Leonard, George Partridge, Theodore Sedgwick, George Thacher.

NEW HAMPSHIRE

Senators: John Langdon, Paine Wingate. Representatives: Abiel Foster, Nicholas Gilman, Samuel Liver-

NEW JERSEY

Senators: Jonathan Elmer, William Paterson,7 Philemon Dickinson.8

Representatives: Elias Boudinot, Lambert Cadwalader, Thomas Sinnickson, James Schureman.

NEW YORK

Senators: Rufus King,10 Philip Schuyler.11 Representatives: Egbert Benson, William Floyd, John Hathorn, ¹² John Laurance, Peter Silvester, ¹³ Jeremiah Van Rensselaer, ¹⁴

John Laurance, Peter Silvester, Jeremiah Van Rensselaer, Jeremiah Van Rensselaer, Neither a quorum of the Senate nor of the House of Representatives appeared in their respective Chambers on Wednesday, March 4, 1789. But eight Senators appeared and the minority adjourned from day to day until Monday, April 6, when a quorum of the Senate was first present. Thirteen Members of the House of Representatives appeared on March 4, and a quorum was not present until April 6, when the body proceeded to the transaction of business. When both Houses were organized, on April 6, they met in joint convention, in the hall of the Senate, and proceeded to open and count the electoral vote for President and Vice President. John Adams, the Vice President elect, appeared in the Senate Chamber and assumed the duties of the chair on Tuesday, April 21, 1789. On May 15, 1789, the Senate determined by lot the classes into which the membership should be divided agreeably to paragraph 2, section 3, of article I of the Constitution, as follows:

Class 1, term expires March 3, 1791; Messrs. Carroll, Dalton, Ellsworth, Elmer, Macray, Read, and Grayson.

Class 2, term expires March 3, 1793: Messrs. Bassett, Butler, Few, Lee, Strong, Paterson, and Wingate.

Class 3, term expires March 3, 1795: Messrs. Gunn, Henry, Johnson, Izard, Langdon, and Morris.

Elected April 6, 1789.

Elected April 1, 1789.

Elected April 1, 1789.

Resigned March 2, 1790, having been elected Governor.

Elected to fill vacancy caused by resignation of William Paterson, and took his seat December 6, 1790.

The election of all four Representatives was contested, but owing to the burning of the papers and documents from the First to the

The election of all four Representatives was contested, but owing to the burning of the papers and documents from the First to the Sixth Congress, by the British in 1814, it is not possible to ascertain the grounds upon which the contest was based. It is known that it related to questions of regularity and procedure, and that the decision was favorable to the sitting Members.

Took his seat July 25, 1789; term to expire, as determined by lot, March 3, 1795.

10t, March 3, 1795.

11 Took his seat July 27, 1789; term to expire, as determined by lot, March 3, 1791.

12 Took his seat April 23, 1789.

13 Took his seat April 22, 1789.

14 Took his seat May 9, 1789.

NORTH CAROLINA

Senators: Benjamin Hawkins, 15 Samuel Johnston. 26 Representatives: John Baptista Ashe, 17 Timothy Bloodworth, 28 John Sevier, 19 John Steele, 20 Hugh Williamson. 21

Senators: William Maclay, Robert Morris.
Representatives: George Clymer, Thomas Fitzsimons, Thomas
Hartley, Daniel Hiester, Frederick A. C. Muhlenberg, John Peter G.
Muhlenberg, Thomas Scott, Henry Wynkoop.

RHODE ISLAND

Senators: Theodore Foster, 22 Joseph Stanton, Jr. 22 Representative: Benjamin Bourn. 24

SOUTH CAROLINA

Senators: Pierce Butler, Ralph Izard. Representatives: Ædanus Burke, Daniel Huger, William L. Smith,²⁵ Thomas Sumter, Thomas Tudor Tucker.

VIRGINIA

Senators: William Grayson,20 John Walker,27 James Monroe,29

Richard Henry Lee.

Representatives: Theodoric Bland, William B. Giles, John Brown, Isaac Coles, Richard Bland Lee, James Madison, Andrew Moore, John Page, Josiah Parker, Alexander White, Samuel Griffin.

TWENTY-SIXTH CONGRESS--MARCH 4, 1839, TO MARCH 3, 1841 First session, December 2, 1839, to July 21, 1840; second session, December 7, 1840, to March 3, 1841

Vice President of the United States: Richard M. Johnson, of Kentucky.

President pro tempore of the Senate: William R. King, a of Alabama.

Secretary of the Senate: Asbury Dickens, of North Carolina. Speaker of the House of Representatives: Robert M. T. Hunter, of Virginia.

Clerk of the House: Hugh A. Garland,34 of Virginia.

ALABAMA

Senators: William R. King, Selma; Clement C. Clay, Huntsville. Representatives: Reuben Chapman, Somerville; David Hubbard, Courtland; George W. Crabb, Tuscaloosa; Dixon H. Lewis, Lowndes-boro; James Dellet, Claiborne.

ARKANSAS

Senators: William S. Fulton, Little Rock; Ambrose H. Sevier, Lake Port

Representative: Edward Cross, Washington.

CONNECTICUT

Senators: Perry Smith, New Milford; Thaddeus Betts, 35 Norwalk; Jabez W. Huntington, 30 Norwich.

Representatives: Joseph Trumbull, Hartford; William L. Storrs, Middletown; William W. Boardman, New Haven; Thomas W.

by lot, March 3, 1795.

Took his seat January 29, 1790; term to expire, as determined by lot, March 3, 1793.

by lot, March 3, 1793.

17 Took his seat March 24, 1790.

18 Took his seat April 6, 1790.

19 Took his seat June 16, 1790.

20 Took his seat April 19, 1790.

21 Took his seat March 19, 1790.

22 Took his seat June 25, 1790; term to expire, as determined by lot, March 3, 1791.

lot, March 3, 1791.

Took his seat June 25, 1790; term to expire, as determined by lot, March 3, 1793.

Took his seat December 17, 1790.

Took his seat April 13, 1789; on April 15, 1789, David Ramsay presented a petition claiming that Smith was ineligible because at the time of his election he had not been a citizen of the United States the term of years required by the Constitution, which was referred to the Committee on Flestings the constitution, which was States the term of years required by the Constitution, which was referred to the Committee on Elections; the committee reported on April 18, 1789, and on May 22, 1789, the House adopted a resolution that Mr. Smith was eligible at the time he was elected.

**Died March 12, 1790.

**Appointed to fill vacancy caused by death of William Grayson and took his seat April 26, 1790.

**Elected to fill vacancy caused by death of William Grayson, and took his seat December 6, 1790.

Elected to fill vacancy caused by death of William Grayson, and took his seat December 6, 1790.

Died June 1, 1790.
Elected to fill vacancy caused by death of Theodoric Bland, and took his seat December 7, 1790.
Continuing from preceding session; reelected July 3, 1840; March

32 Reelected December 9, 1839. 33 Elected December 16, 1839.

** Reelected December 21, 1839.

** Died April 7, 1840.

** Elected to fill vacancy caused by death of Thaddeus Betts and took his seat June 2, 1840. 87 Resigned in June 1840 to become associate judge of the court of

[∞] Elected to fill vacancy caused by resignation of William L. Storrs and took his seat December 7, 1840.

¹⁵ Took his seat January 13, 1790; term to expire, as determined

Williams, New London; Thomas B. Osborne, Fairfield; Truman Smith, Litchfield; John H. Brockway, Ellington.

DELAWARE

Senators: Richard H. Bayard,39 Wilmington; Thomas Clayton, New Castle.

Representative: Thomas Robinson, Jr., Georgetown.

GEORGIA

Senators: Alfred Cuthbert, Monticello; Wilson Lumpkin, Athens. Representatives: Julius C. Alford, Lagrange; Edward J. Black, Jacksonboro; Walter T. Colquitt. Columbus; Hines Holt, Columbus; Mark A. Cooper, Columbus; William C. Dawson, Greensboro; Richard W. Habersham, Clarksville; Thomas Butler King, Waynesville; Eugenius A. Nisbet, Macon; Lott Warren, Palmyra.

ILLINOIS

Senators: John M. Robinson, Carmi; Richard M. Young, Quincy. Representatives: John Reynolds, Cadiz; Zadoc Casey, Mount Vernon; John T. Stuart, Springfield.

Senators: Oliver H. Smith, Indianapolis; Albert S. White, La

Representatives: George H. Proffit, Petersburg; John W. Davis, Carlisle; John Carr, Charlestown; Thomas Smith, Versailles; James Rariden, Centerville; William W. Wick, Indianapolis; Tilghman A. Howard, 2 Rockville; Henry S. Lane, 2 Crawfordsville.

KENTUCKY

Senators: Henry Clay, Lexington; John J. Crittenden, Frankfort.
Representatives: Linn Boyd, Cadiz; Philip Triplett, Owensboro;
Joseph R. Underwood, Bowling Green; Sherrod Williams, Monticello; Simeon H. Anderson, Lancaster; John B. Thompson, Harrodsburg; Willis Green, Green; John Pope, Springfield; William J. Graves, New Castle; John White, Richmond; Richard Hawes, Winchester; Landaff W. Andrews, Flemingsburg; Garrett Davis, Paris;
William O. Butler, Carrollton.

LOUISIANA

Senators: Robert C. Nicholas, Donaldsonville; Alexander Mouton, Vermilionville.

Representatives: Edward D. White, Thibodaux; Thomas W. hinn, Baton Rouge; Rice Garland, Opelousas; John Moore, The Control of Franklin.

MAINE

Senators: John Ruggles, Thomaston; Reuel Williams, Augusta.
Representatives: Hugh J. Anderson, Belfast; Nathan Clifford, Newfield; Thomas Davee, Blanchard; George Evans, Gardiner; Joshua A. Lowell, East Machias; Virgil D. Parris, Buckfield; Benjamin Randall, Bath; Albert Smith, Portland.

MARYLAND

John S. Spence, Berlin; John L. Kerr, Easton; William D. Merrick, Allens Fresh.
Representatives: John Dennis, Princess Anne; Philip F. Thomas, Easton, John T. H. Worthington, Shawan; Solomon Hillen, Jr., Baltimore; James Carroll, Baltimore; William Cost Johnson, Jefferson; Francis Thomas, Frederick; Daniel Jenifer, Milton Hill.

Senators: Daniel Webster, 51 Boston; Rufus Choate, 52 Boston; John Davis, 53 Worcester; Isaac C. Bates, 54 Northampton.
Representatives: Abbott Lawrence, 55 Boston; Robert C. Winthrop, 56 Boston; Leverett Saltonstall, Salem; Caleb Cushing, Newburyport; William Parmenter, East Cambridge; Levi Lincoln, Wordenstall, Salem; Caleb Cushing, Newburyport; William Parmenter, East Cambridge; Levi Lincoln, Wordenstall, Salem; Caleb Cushing, Newburyport; William Parmenter, East Cambridge; Levi Lincoln, Wordenstall, Salem; Caleb Cushing, Newburyport; William Parmenter, East Cambridge; Levi Lincoln, Wordenstall, Salem; Caleb Cushing, Newburyport; William Parmenter, East Cambridge; Levi Lincoln, Wordenstall, Salem; Caleb Cushing, Newburyport; William Parmenter, East Cambridge; Levi Lincoln, Wordenstall, Salem; Caleb Cushing, Newburyport; William Parmenter, East Cambridge; Levi Lincoln, Wordenstall, Salem; Caleb Cushing, Newburyport; William Parmenter, East Cambridge; Levi Lincoln, Wordenstall, Salem; Caleb Cushing, Newburyport; William Parmenter, East Cambridge; Levi Lincoln, Wordenstall, Salem; Caleb Cushing, Newburyport; William Parmenter, East Cambridge; Levi Lincoln, Wordenstall, Salem; Caleb Cushing, Newburyport; William Parmenter, East Cambridge; Levi Lincoln, Wordenstall, Salem; Caleb Cushing, Newburyport; William Parmenter, East Cambridge; Levi Lincoln, Wordenstall, Salem; Caleb Cushing, Newburyport; William Parmenter, East Cambridge; Levi Lincoln, Wordenstall, Salem; Caleb Cushing, Newburyport; William Parmenter, East Cambridge; Levi Lincoln, Wordenstall, Salem; Caleb Cushing, Newburyport; William Parmenter, East Cambridge; Levi Lincoln, Wordenstall, Salem; Caleb Cushing, Newburyport; William Parmenter, East Cambridge; Levi Lincoln, Wordenstall, Salem; Caleb Cushing, Newburyport; William Parmenter, Wordenstall, W

** Resigned September 19, 1839, to become chief justice of Delaware; reelected to fill vacancy caused by his own resignation, and took his seat January 19, 1841; vacancy in this class from September 19, 1839, to January 11, 1841.

** Resigned July 21, 1840.

** Elected to fill vacancy caused by resignation of Walter T. Colquitt, and took his seat February 1, 1841.

** Resigned August 1, 1840.

** Elected to fill vacancy caused by resignation of Tilghman A. Howard, and took his seat December 7, 1840.

** Died August 11, 1840.

** Elected to fill vacancy caused by death of Simeon H. Anderson, and took his seat December 7, 1840.

** Resigned July 21, 1840.

** Resigned July 21, 1840.

** Resigned July 21, 1840.

** Reelected to fill vacancy caused by resignation of Rice Garland, and took his seat December 17, 1840.

** Reelected to the Twenty-seventh Congress but resigned, having been elected Senator.

been elected Senator.

Died October 24, 1840.

Died October 24, 1840.

Died October 24, 1840.

Elected to fill vacancy caused by death of John S. Spence, and took his seat January 13, 1841.

Resigned, effective February 22, 1841.

Elected to fill vacancy caused by resignation of Daniel Webster, and took his seat March 1, 1841.

Resigned January 5, 1841.

Elected to fill vacancy caused by resignation of John Davis, and took his seat January 21, 1841.

Resigned September 18, 1840.

Elected to fill vacancy caused by resignation of Abbott Lawrence, and took his seat December 7, 1840.

cester; James C. Alvord, Greenfield; Osmyn Baker, Amherst; George N. Briggs, Lanesboro; William B. Calhoun, Springfield; William S. Hastings, Mendon; Henry Williams, Taunton; John Reed, Yarmouth; John Quincy Adams, Quincy.

MICHIGAN

Senators: John Norvell, Detroit; Augustus S. Porter, 9 Detroit. Representative: Isaac E. Crary, Marshall.

MISSISSIPPI

Senators: Robert J. Walker, Madisonville; John Henderson, Pass Christian.

Representatives: Albert G. Brown, Gallatin; Jacob Thompson, Pontotoc.

MISSOURI

Senators: Thomas H. Benton, St. Louis; Lewis F. Linn, Ste. Genevieve.

Representatives: Albert G. Harrison, Fulton; John Jameson, a Fulton; John Miller, Conners Mills.

NEW HAMPSHIRE

Senators: Henry Hubbard, Charleston; Franklin Pierce, Concord.
Representatives: Charles G. Atherton, Nashua; Edmund Burke,
Newport; Ira A. Eastman, Gilmanton; Tristram Shaw, Exeter;
Jared W. Williams, Lancaster.

NEW JERSEY

Senators: Samuel L. Southard, Trenton; Garret D. Wall, Burling-

Representatives: William R. Cooper, Swedesboro; Philemon Dickerson, Paterson; Joseph Kille, Salem; Joseph F. Randolph, New Brunswick; Daniel B. Ryall, Freehold; Peter D. Vroom, Somerville.

NEW YORK

Senators: Silas Wright, Jr., Canton; Nathaniel P. Tallmadge,

Poughkeepsie.

Representatives: Thomas B. Jackson, Newtown; James De la Montanya, Haverstraw; Ogden Hoffman, New York City; Edward Curtis, New York City; Moses H. Grinnell, New York City; James Monroe, New York City; Gouverneur Kemble, Cold Spring; Charles Johnston, Poughkeepsie; Nathaniel Jones, Warwick; Rufus Palen, Fallsburg; Aaron Vanderpoel, Kinderhook; John Ely, Coxsackie; Hiram P. Hunt, Troy; Daniel D. Barnard, Albany; Anson Brown, Ballston; Nicholas B. Doe, Waterford; David A. Russell, Salem; Augustus C. Hand, Elizabethtown; John Fine, Ogdensburg; Peter J. Wagner, Fort Plain; Andrew W. Doig, Lowville; John G. Floyd, Utica; David P. Brewster, Oswego; Thomas C. Chittenden, Adams; John H. Prentiss, Cooperstown; Judson Allen, Harpersville; John C. Clark, Bainbridge; Stephen B. Leonard, Owego; Amasa Dana, Clark, Bainbridge; Stephen B. Leonard, Owego; Amasa Dana, Ithaca; Edward Rogers, Madison; Nehemiah H. Earli, Syracuse; Christopher Morgan, Aurora; Theron R. Strong, Palmyra, Frances Granger, Canandaigua; Meredith Mallory, Hammondsport; Thomas Kempshall, Rochester; Seth M. Gates, Leroy; Luther C. Peck, Pike; Richard P. Marvin, Jamestown; Millard Fillmore, Buffalo; Charles F. Mitchell, Locknore. Mitchell, Lockport.

NORTH CAROLINA

Senators: Bedford Brown, Browns Store; Willie P. Mangum, Red Mountain; Robert Strange, Fayetteville; William A. Graham,

Representatives: Kenneth Rayner, Winton; Jesse A. Bynum, Halifax; Edward Stanly, Washington; Charles B. Shepard, New Bern; James I. McKay, Elizabethtown; Micajah T. Hawkins, Warrenton; Edmund Deberry, Lawrenceville; William Montgomery, Albrights; John Hill, Germantown; Charles Fisher, Salisbury; Henry W. Connor, Sherrills Ford; James Graham, Rutherfordton; Lewis Williams, Panther Creek.

Senators: William Allen, Chillicothe; Benjamin Tappan, Steubenville.

⁶⁷ Died September 27, 1839, before Congress assembled. ⁸⁸ Elected to fill vacancy caused by death of James C. Alvord, and took his seat January 14, 1840.

²⁰ Elected to fill vacancy in term commencing March 4, 1839, caused by failure of legislature to elect, and took his seat February 7, 1840; vacancy in this class from March 4, 1839, to January 19, 1840.

[∞] Died September 7, 1839.

en Elected to fill vacancy caused by death of Albert G. Harrison, and took his seat December 12, 1839.

and took his seat December 12, 1839.

**2 Messrs. Ayerigg, Maxwell, Halsted, Stratton, and Yorke contested the election of Messrs. Vroom, Dickerson, Kille, Cooper, and Ryali; the House at first declined to seat either set of candidates, but by resolution of March 10, 1840, the five last named were admitted "without prejudice to the final rights of the claimants," and on July 17, 1840, were adjudged entitled to their seats.

**Died June 14, 1840.

**Elected to fill vacancy caused by death of Anson Brown, and took his seat December 7, 1840.

**Resigned, effective November 16, 1840.

**Elected to fill vacancy caused by resignation of Bedford Brown, and took his seat December 9, 1840.

**Resigned, effective November 16, 1840.

**Resigned, effective November 16, 1840.

**Elected to fill vacancy caused by resignation of Robert Strange, and took his seat December 10, 1840.

Representatives: Alexander Duncan, Cincinnati; John B. Weller, Hamilton; Patrick G. Goode, Sidney; Thomas Corwin, Lebanon; Jeremiah Morrow, Twentymile Stand; William Doan, Withamsville; Calvary Morris, Athens; William K. Bond, Chillicothe; Joseph Ridgway, Columbus; William Medill, Lancaster; Samson Mason, Springfield; Isaac Parrish, Cambridge; Jonathan Taylor, Newark; Daniel P. Leadbetter, Millersburg; George Sweeny, Bucyrus; John W. Allen, Cleveland; Joshua R. Giddings, Jefferson; John Hastings, Salem; David A. Starkweather, Canton; Henry Swearingen, Smithfield.

PENNSYLVANIA

Senators: James Buchanan, Lancaster; Daniel Sturgeon, 11 Union-

town.

Representatives: Lemuel Paynter, Philadelphia; John Sergeant, Philadelphia; George W. Toland, Philadelphia; Charles Naylor, Philadelphia; Edward Davies, Churchtown; John Edwards, Ivy Mills; Francis James, West Chester; Joseph Fornance, Norristown; John Davis, Davisville; David D. Wagener, Easton; Peter Newhard, Allentown; George M. Keim, Reading; William Simonton, Hummelstown; James Gerry, Shrewsbury; James Cooper, Gettysburg; William S. Ramsey, Carlisle; Charles McClure, Carlisle; William W. Potter, Philadelphia; George McCulloch, Center Line; David Petrikin, Danville; Robert H. Hammond, Milton; Samuel W. Morris, Wellsboro; Charles Ogle, Somerset; Albert G. Marchand, Greensburg; Enos Hook, Waynesburg; Isaac Leet, Washington; Richard Biddle, Pittsburgh; Henry M. Brackenridge, Tarentum; William Beatty, Butler; Thomas Henry, Beaver; John Galbraith, Erie.

RHODE ISLAND

Senators: Nehemiah R. Knight, Providence; Nathan F. Dixon,

Westerly.
Representatives: Robert B. Cranston, Newport; Joseph L. Tillinghast, Providence.

Senators: John C. Calhoun, Fort Hill; William C. Preston, Columbia.

Representatives: Sampson H. Butler, Barnwell; John Campbell, Parnassas; John K. Griffin, Newberry; Isaac E. Holmes, Charleston; Francis W. Pickens, Edgefield; R. Barnwell Rhett, Blue House; James Rogers, Maybinton; Thomas D. Sumter, Slatesburg; Waddy Thompson, Jr., Greenville.

TENNESSEE

Senators: Hugh Lawson White, Knoxville; Alexander Anderson, Knoxville; Felix Grundy, 1 Nashville; Alfred O. P. Nicholson, 20 Columbia

Representatives: William B. Carter, Elizabethton; Abraham Mc-Clellan, Blountsville; Joseph L. Williams, Knoxville; Julius W. Blackwell, Athens; Hopkins T. Turney, Winchester; William B. Campbell, Carthage; John Bell, Nashville; Meredith P. Gentry, Harpeth; Harvey M. Watterson, Shelbyville; Aaron V. Brown, Pulaski; Cave Johnson, Clarksville; John W. Crockett, Trenton; Christopher H. Williams, Lexington.

VERMONT

Senators: Samuel Prentiss, Montpelier; Samuel S. Phelps, Middlebury.

Representatives: Hiland Hall, Bennington; William Slade, Middlebury; Horace Everett, Windsor; John Smith, St. Albans; Isaac Fletcher, Lyndon.

VIRGINIA

Senators: William H. Roane, Richmond; William C. Rives, 83 Lindseys Store.

Representatives: Lin Banks, Madison; Andrew Beirne, Union; John M. Botts, Richmond; Walter Coles, Robertsons Store; Robert

© Resigned, effective May 30, 1840.

© Elected to fill vacancy caused by resignation of Thomas Corwin, and took his seat December 7, 1840.

© Elected January 14, 1840, to fill vacancy in the term commencing March 4, 1839, caused by failure of the legislature to elect, and took his seat January 24, 1840.

© Election unsuccessfully contested by Charles J. Ingersoll.

© Died, October 17, 1840, before the commencement of the Twenty-seventh Congress, to which he had been reelected.

© Elected to fill vacancy caused by death of William S. Ramsey, and took his seat December 7, 1840.

© Died, October 28, 1839, before Congress assembled.

© Elected to fill vacancy caused by death of William W. Potter, and took his seat December 2, 1839.

© Resigned in 1840.

© Elected to fill vacancy caused by resignation of Richard Biddle, and took his seat December 10, 1840.

© Resigned January 13, 1840.

© Elected to fill vacancy caused by resignation of Hugh L. White, and took his seat February 26, 1840.

© Elected to fill vacancy in the term commencing March 4, 1839, caused by resignation of Ephraim H. Foster, in preceding Congress, and took his seat January 3, 1840; vacancy in this class from March 4 to December 14, 1839; died December 19, 1840.

© Appointed to fill vacancy caused by death of Felix Grundy, and took his seat January 11, 1841.

© Elected to fill vacancy in term commencing March 4, 1839, caused by failure of legislature to elect, and took his seat January 30, 1841; vacancy in this class from March 4, 1839, caused by failure of legislature to elect, and took his seat January 30, 1841; vacancy in this class from March 4, 1839, caused by failure of legislature to elect, and took his seat January 30, 1841; vacancy in this class from March 4, 1839, caused by failure of legislature to elect, and took his seat January 30, 1841; vacancy in this class from March 4, 1839, caused by failure of legislature to elect, and took his seat January 31, 1841.

Craig, Christiansburg; George C. Dromgoole, Gholsonville; James Garland, Lovingston; William L. Goggin, Liberty; John Hill, Buckingham; Joel Holleman, Burnwell Bay; Francis Mallory, Hampton; George W. Hopkins, Lebanon; Robert M. T. Hunter, Lloyds; Joseph Johnson, Bridgeport; John W. Jones, Petersburg; William Lucas, Charlestown; Charles F. Mercer, Aldie; William M. McCarty, Alexandria; Francis E. Rives, Littleton; Green B. Samuel, Woodstock; Lewis Steenrod, Wheeling; John Taliaferro, Fredericksburg: Henry A. Wise, Accomac. burg; Henry A. Wise, Accomac.

TERRITORY OF FLORIDA

Delegate: Charles Downing, St. Augustine.

TERRITORY OF IOWA

William W. Chapman,88 Burlington; Augustus C. Delegates: William Dodge, Burlington.

TERRITORY OF WISCONSIN

Delegate: James D. Doty, Ashton.

FIFTY-FIRST CONGRESS-MARCH 4, 1889, TO MARCH 3, 1891

First session December 2, 1889, to October 1, 1890; second session, December 1, 1890, to March 2, 1891; special session of the Senate, March 4, 1889, to April 2, 1889

Vice President of the United States: Levi P. Morton, of New York. Presidents pro tempore of the Senate: John J. Ingalls, of Kansas; Charles F. Manderson, of Nebraska.

Secretary of the Senate: Anson G. McCook, of New York. Speaker of the House of Representatives: Thomas B. Reed, of Maine.

Clerks of the House: John B. Clark, Jr., of Missouri; Edward McPherson, of Pennsylvania.

ALABAMA

Senators: John T. Morgan, Selma; James L. Pugh, Eufaula. Representatives: Richard H. Clarke, Mobile; Hilary A. Herbert, Montgomery; William C. Oates, Abbeville; Louis W. Turpin, New-bern; John V. McDuffie, Hayneville; James E. Cobb, Tuskegee; John H. Bankhead, Fayette; William H. Forney, Jacksonville; Joseph Wheeler, Wheeler.

ARKANSAS

Senators: James K. Jones, Washington; James H. Berry, Bentonville.

Representatives: William H. Cate, Jonesboro; Lewis P. Featherston, Forest City; Clifton R. Breckinridge, Pine Bluff; Thomas C. McRae, Prescott; John H. Rogers, Fort Smith; Samuel W. Peel, Bentonville.

CALIFORNIA

Senators: Leland Stanford, San Francisco; George Hearst,11 San

Representatives: John J. De Haven, 12 Eureka; Thomas J. Geary, 13 Santa Rosa; Marion Biggs, Gridley; Joseph McKenna, Suisun; William W. Morrow, San Francisco; Thomas J. Clunie, San Francisco; William Vandever, San Buenaventura.

COLORADO

Senators: Henry M. Teller, Central City; Edward O. Wolcott, Denver. Representative: Hosea Townsend, Silver Cliff.

Elected to fill vacancy caused by resignation of Joel Holleman, and took his seat January 7, 1841.
 Resigned December 26, 1839.

#Elected to fill vacancy caused by resignation of Charles F.
Mercer, and took his seat January 25, 1840.

**Served until October 27, 1840, when his term expired under the provisions of the act of March 3, 1839.

**Elected in compliance with the act of March 3, 1839, and took

Elected in compliance with the act of March 3, 1839, and took his seat December 8, 1840.
 Elected March 7,, 1889, and April 2, 1889 (special session of the Senate); February 28, 1890, and April 3, 1890; resigned as President pro tempore, effective March 2, 1891.
 Elected March 2, 1891.
 Elected December 2, 1889.
 Elected December 2, 1889.
 Elected December 2, 1889.
 Election unsuccessfully contested by Frank H. Threet.
 Served until June 4, 1890; succeeded by John V. McDuffle, who contested his election.

contested his election.

contested his election.

[†] Successfully contested the election of Louis W. Turpin, and took his seat June 4, 1890.

[§] Served until March 5, 1890; succeeded by Lewis P. Featherston, who contested his election.

[§] Successfully contested the election of William H. Cate, and took his seat March 5, 1890.

[§] Election contested by John M. Clayton, who died January 29, 1889 (before the beginning of the congressional term), while case was pending; served until September 5, 1890, when Clayton was declared to have been elected and the seat vacant; subsequently elected to fill vacancy caused by death of John M. Clayton, and took his seat December 1, 1890.

^{‡†} Died February 28, 1891.

11 Died February 28, 1891.

12 Resigned October 1, 1890.

13 Elected to fill vacancy caused by resignation of John J. De Haven, and took his seat December 9, 1890.

⁸⁴ Resigned in 1840.

CONNECTICUT

Senators: Orville H. Platt, Meriden; Joseph R. Hawley, Hartford. Representatives: William E. Simonds, Canton; Washington F. Willcox, Chester; Charles A. Russell, Killingly; Frederick Miles, Chapinville.

DELAWARE

Senators: George Gray, New Castle; Anthony Higgins, Wilmington.

Representative: John B. Pennington, Dover.

FLORIDA

Senators: Wilkinson Call, Jacksonville; Samuel Pasco, Monticello. Representatives: Robert H. M. Davidson, Quincy; Robert Bullock,

Senators: Joseph E. Brown, Atlanta; Alfred H. Colquitt, Atlanta. Representatives: Rufus E. Lester, Savannah; Henry G. Turner, Quitman; Charles F. Crisp, Americus; Thomas W. Grimes, Columbus; John D. Stewart, Griffin; James H. Blount, Macon; Judson C. Clements, Rome; Henry H. Carlton, Athens; Allen D. Candler, Gainesville; George T. Barnes, Augusta.

IDAHO 14

Senators: 15 George L. Shoup, 16 Salmon City; William J. McConnell, 17 Moscow.

Representative: Willis Sweet,18 Moscow.

ILLINOIS

Senators: Shelby M. Cullom, Springfield; Charles B. Farwell,

Chicago.

Representatives: Abner Taylor, Chicago; Frank Lawler, Chicago; William E. Mason, Chicago; George E. Adams, Chicago; Albert J. Hopkins, Aurora; Robert R. Hitt, Mount Morris; Thomas J. Henderson, Princeton; Charles A. Hill, Joliet; Lewis E. Payson, Pontiac; Philip S. Post, Galesburg; William H. Gest, Rock Island; Scott Wike, Pittsfield; William M. Springer, Springfield; Jonathan H. Rowell, Bloomington; Joseph G. Cannon, Danville; George W. Fithian, Newton; Edward Lane, Hillsboro; William S. Forman, Nashville; Richard W. Townshend, Shawneetown; James R. Williams, Carmi; George W. Smith, Murphysboro.

INDIANA

Senators: Daniel W. Voorhees, Terre Haute; David Turpie, Indianapolis.

dianapolis.

Representatives: William F. Parrett, Evansville; John H. O'Neall, Washington; Jason B. Brown, Seymour; William S. Holman, Aurora; George W. Cooper, Columbus; Thomas M. Browne, Winchester; William D. Bynum, Indianapolis; Elijah V. Brookshing, Crawfordsville; Joseph B. Cheadle, Frankfort; William D. Owen, Logansport; Augustus N. Martin, Bluffton; Charles A. O. McClellan, Auburn; Benjamin F. Shively, South Bend.

IOWA

Senators: William B. Allison, Dubuque; James F. Wilson, Fairfield.

Representatives: John H. Gear, Burlington; Walter I. Hayes, Clinton; David B. Henderson, Dubuque; Joseph H. Sweney, Osage; Daniel Kerr, Grundy Center; John F. Lacey, Oskaloosa; Edwin H. Conger, Des Moines; Edward R. Hays, Knoxville; James P. Flick, Bedford; Joseph R. Reed, Council Bluffs; Jonathan P. Dolliver, Fort Dodge; Isaac S. Struble, Le Mars.

KANSAS

Senators: John J. Ingalls, Atchison; Preston B. Plumb, Emporia. Representatives: Edmund N. Morrill, Hiawatha; Edward H. Funston, Iola; Bishop W. Perkins, Oswego; Thomas Ryan,²⁴ Topeka; Harrison Kelley,²⁵ Burlington; John A. Anderson, Manhattan; Erastus J. Turner, Hoxie; Samuel R. Peters, Newton.

KENTUCKY

Senators: James B. Beck, Lexington; John G. Carlisle, Covington; Joseph C. S. Blackburn, Versailles.

¹⁴ Admitted as a State into the Union July 3, 1890.
¹⁵ In addition to the Senators named the credentials of Fred T. Dubois, who had been elected "for the term of 6 years from March 4, 1891," were presented December 30, 1890, but the Senate refused to consider them prior to the beginning of the Fifty-second Congress, when they were to become effective.

¹⁶ Took his seat December 29, 1980; term to expire, as determined by lot, March 3, 1895.

¹⁷ Took his seat January 5, 1891; term to expire, as determined by lot, March 3, 1891.

¹⁸ Took his seat December 1, 1890.

¹⁹ Died March 9, 1889, before Congress assembled.

²⁰ Elected to fill vacancy caused by death of Richard W. Townshend, and took his seat December 2, 1889.

²¹ Election unsuccessfully contested by Francis B. Posey.

²² Resigned October 3, 1890.

Election unsuccessfully contested by Francis B, Posey.

Resigned October 3, 1890.

Elected to fill vacancy caused by resignation of Edwin H. Conger, and took his seat December 1, 1890.

Resigned April 4, 1889, before Congress assembled.

Elected to fill vacancy caused by resignation of Thomas Ryan, and took his seat December 2, 1889.

Died May 3, 1890.

Elected to fill vacancy caused by death of James B. Beck, and took his seat May 26, 1890.

Representatives: William J. Stone, Kuttawa; William T. Ellis, Owensboro; Isaac H. Goodnight, Franklin; Alexander B. Montgomery, Elizabethtown; Asher G. Caruth, Louisville; John G. Carlisle, Covington; William W. Dickerson, Williamstown; William C. P. Breckinridge, Lexington; James B. McCreary, Richmond; Thomas H. Paynter, Greenup; John H. Wilson, Barboursville; Hugh F. Finley, Williamsburg.

LOUISIANA

Senators: Randall L. Gibson, New Orleans; James B. Eustis, New Orleans.

Representatives: Theodore S. Wilkinson, Plaquemines Parish; Hamilton D. Coleman, New Orleans; Edward J. Gay, Daquemine; Andrew Price, Thibodaux; Newton C. Blanchard, Shreveport; Charles J. Boatner, Monroe; Samuel M. Robertson, Baton Rouge.

Senators: Eugene Hale, Ellsworth; William P. Frye, Lewiston. Representatives: Thomas B. Reed, Portland; Nelson Dingley, Jr., Lewiston; Seth L. Milliken, Belfast; Charles A. Boutelle, Bangor.

MARYLAND

Senators: Arthur Pue Gorman, Laurel; Ephraim K. Wilson, 32 Snow Hill.

Representatives: Charles H. Gibson, Easton; Herman Stump, Belair; Harry W. Rusk, Baltimore; Henry Stockbridge, Jr., Baltimore; Barnes Compton,³⁸ Laurel; Sydney E. Mudd,³⁴ Bryantown; Louis E. McComas, Hagerstown.

MASSACHUSETTS

Senators: Henry L. Dawes, Pittsfield; George F. Hoar, Worcester.
Representatives: Charles S. Randall, New Bedford; Elijah A. Morse,
Canton; John F. Andrew, Boston; Joseph H. O'Neil, Boston; Nathaniel P. Banks, Waltham; Henry Cabot Lodge, Nahant; William
Cogswell, Salem; Frederic T. Greenhalge, Lowell; John W. Candler,
Brookline; Joseph H. Walker, Worcester; Rodney Wallace, Fitchburg;
Francis W. Rockwell, Pittsfield.

MICHIGAN

Senators: Francis B. Stockbridge, Kalamazoo; James McMillan,

Representatives: J. Logan Chipman, Detroit; Edward P. Allen, Ypsilanti; James O'Donnell, Jackson; Julius C. Burrows, Kalamazoo; Charles E. Belknap, Grand Rapids; Mark S. Brewer, Pontiac; Justin R. Whitting, St. Clair; Aaron T. Bliss, Saginaw; Byron M. Cutcheon, Manistee; Frank W. Wheeler, West Bay City; Samuel M. Stephenson, Menominee.

MINNESOTA

Senators: Cushman K. Davis, St. Paul; William D. Washburn, Minneapolis.

Representatives: Mark H. Dunnell, Owatonna; John Lind, New Ulm; Darwin S. Hall, Stewart; Samuel P. Snider, Minneapolis; Solomon G. Comstock, Moorhead.

MISSISSIPPI

Senators: James Z. George, Carrollton; Edward C. Walthall, Grenada.

Representatives: John M. Allen, Tupelo; James B. Morgan,²⁸ Hernando; Thomas C. Catchings, Vicksburg; Clarke Lewis, Cliftonville; Chapman L. Anderson, Kosciusko; Thomas R. Stockdale, Summit; Charles E. Hooker, Jackson.

MISSOURI

Senators: Francis M. Cockrell, Warrensburg; George G. Vest, Kansas City.

Representatives: William H. Hatch, Hannibal; Charles H. Man-Representatives: William H. Hatch, Hannibal; Charles H. Mansur, Chillicothe; Alexander M. Dockery, Gallatin; Robert P. C. Wilson, Platte City; John C. Tarsney, Kansas City; John T. Heard, Sedalia; Richard H. Norton, Troy; Frederick G. Niedringhaus, St. Louis; Nathan Frank, St. Louis; William M. Kinsey, St. Louis; Richard P. Bland, Lebanon; William J. Stone, Nevada; William H. Wade, Springfield; James P. Walker, Dexter; Robert H. Whitelaw, Cape Girardeau.

28 Resigned May 26, 1890, having been elected Senator.

Elected to fill vacancy caused by resignation of John G. Carlisle, and took his seat June 30, 1890.
 Died May 30, 1889, before Congress assembled.

³¹ Elected to fill vacancy caused by death of Edward J. Gay, and took his seat December 2, 1889.

Died February 24, 1891; had been reelected for the term beginning March 4, 1893.
 Served until March 20, 1890; succeeded by Sydney E. Mudd, who

contested his election.

Successfully contested the election of Barnes Compton, and took his seat March 20, 1890.
 Election unsuccessfully contested by James R. Chalmers.
 Elected to fill vacancy caused by death of Representative-elect James N. Burnes, in the preceding Congress, and took his seat December 2, 1889.
 Died James N. 1909.

37 Died July 20, 1890.

28 Elected to fill vacancy caused by death of James P. Walker, and took his seat December 1, 1890.

MONTANA 39

Senators: 40 Thomas C. Power,41 Helena; Wilbur F. Sanders,42

Representative: Thomas H. Carter,43 Helena.

NEBRASKA

Senators: Charles F. Manderson, Omaha; Algernon S. Paddock,

Representatives: William J. Connell, Omaha; James Laird, 44 Hastings; Gilbert L. Laws, 45 McCook; George W. E. Dorsey, Fremont.

NEVADA

Senators: John P. Jones, Gold Hill; William M. Stewart, Carson

Representative: Horace F. Bartine, Carson City.

NEW HAMPSHIRE

Senators: Henry W. Blair, Manchester; Gilman Marston, 6 Exeter; William E. Chandler, 6 Concord.

Representatives: Alonzo Nute, Farmington; Orren C. Moore,

NEW JERSEY

Senators: John R. McPherson, Jersey City; Rufus Blodgett, Long Branch.

Representatives: Christopher A. Bergen, Camden; James Buchanan, Trenton; Jacob A. Geissenhainer, Freehold; Samuel Fowler, Newton; Charles D. Beckwith, Paterson; Herman Lehlbach, Newark; William McAdoo, Jersey City.

NEW YORK

Senators: William M. Evarts, New York City; Frank Hiscock,

Schadors: William M. Evats, New York City, Frank hiscock, Syracuse.

Representatives: James W. Covert, Long Island City; Felix Campbell, Brooklyn; William C. Wallace, Brooklyn; John M. Clancy, Brooklyn; Thomas F. Magner, Brooklyn; Frank T. Fitzgerald, W. W. York City; Charles H. Turner, New York City; Edward J. Dunphy, New York City; John H. McCarthy, New York City; Samuel S. Cox, New York City; Amos J. Cummings, New York City; Francis B. Spinola, New York City; John Quinn, New York City; Roswell P. Flower, New York City; John Quinn, New York City; William G. Stahlnecker, Yonkers; Moses D. Stivers, Middletown; John H. Ketcham, Dover Plains; Charles J. Knapp, Deposit; John A. Quackenbush, Stillwater; Charles Tracey, Albany; John Sanford, Amsterdam; John H. Moffitt, Chateaugay Lake; Frederick Lansing, Watertown; James S. Sherman, Utica; David Wilber, Oneonta; John S. Pindar, Cobleskill; James J. Belden, Syracuse; Milton De Lano, Canastota; Newton D. Nutting, Oswego; Sereno E. Payne, Auburn; Thomas S. Flood, Elmira; John Raines, Canandaigua; Charles S. Baker, Rochester; John G. Sawyer, Albion; John M. Farquhar, Buffalo; John McC. Wiley, East Aurora; William G. Laidlaw, Ellicottville.

NORTH CAROLINA

Senators: Matt W. Ransom, Weldon; Zebulon B. Vance, Charlotte. Representatives: Thomas G. Skinner, Hertford; Henry P. Cheatham, Henderson; Charles W. McClammy, Scotts Hill; Benjamin H. Bunn, Rocky Mount; John M. Brower, Mount Airy; Alfred Rowland, Lumberton; John S. Henderson, Salisbury; William H. H. Cowles, Wilkesboro; Hamilton G. Ewart, Hendersonville.

39 Admitted as a State into the Union November 8, 1889.

William A. Clark and Martin Maginnis presented papers purporting to be credentials of their election January 23, 1890; the four claimants were given privileges of the floor pending the contest; by resolutions of April 16, 1890, Clark and Maginnis were declared not entitled to seats and Power and Sanders entitled thereto.

"Took his seat April 16, 1890; term to expire, as determined by

lot, March 3, 1895.

42 Took his seat April 16, 1890; term to expire, as determined by lot, March 3, 1893.

43 Took his seat December 2, 1889.

"Died August 17, 1889, before Congress assembled.

"Died August 17, 1839, before Congress assembled.

"Elected to fill vacancy caused by death of James Laird, and took his seat December 2, 1839.

"Appointed to fill vacancy in term beginning March 4, 1889, during the recess of the legislature.
"Elected to fill vacancy in the term beginning March 4, 1889, and took his seat December 2, 1839.

"Resigned November 4, 1839, before Congress assembled.

⁴⁰ Elected to fill vacancy caused by resignation of Frank T. Fitz-gerald, and took his seat December 9, 1889.

⁵⁰ Resigned January 14, 1891.

 Died September 10, 1889, before Congress assembled.
 Elected to fill vacancy caused by death of Samuel S. Cox, and took his seat December 2, 1889.

53 Died April 1, 1890.

⁸⁴ Elected to fill vacancy caused by death of David Wilber, and took his seat December 1, 1890.

55 Died October 15, 1889, before Congress assembled.

[∞] Elected to fill vacancy caused by death of Newton W. Nutting, and took his seat December 2, 1889.

NORTH DAKOTA ST

Senators: Lyman R. Casey, 58 Jamestown; Gilbert A. Pierce, 59 Fargo. Representative at Large: Henry C. Hansbrough, 50 Devils Lake.

OHIO

Senators: John Sherman, Mansfeld; Henry B. Payne, Cleveland.
Representatives: Benjamin Butterworth, Cincinnati; John A.
Caldwell, Cincinnati; Elihu S. Williams, Troy; Samuel S. Yoder,
Lima; George E. Seney, Tiffin; Melvin M. Boothman, Bryan; Henry
L. Morey, Hamilton; Robert P. Kennedy, Bellefontaine; William
C. Cooper, Mount Vernon; William E. Haynes, Fremont; Albert
C. Thompson, Portsmouth; Jacob J. Pugsley, Hillsboro; Joseph
H. Outhwaite, Columbus; Charles P. Wickham, Norwalk; Charles
H. Grosvenor, Athens; James W. Owens, Newark; Joseph D. Taylor,
Cambridge; William McKinley, Jr., Canton; Ezra B. Taylor, Warren;
Martin L. Smyser, Wooster; Theodore E. Burton, Cleveland.

OREGON

Senators: Joseph N. Dolph, Portland; John H. Mitchell, Port-

Representative at Large: Binger Hermann, Roseburg.

PENNSYLVANIA

Senators: J. Donald Cameron, Harrisburg; Matthew S. Quay,

Beaver.

Representatives: Henry H. Bingham, Philadelphia; Charles O'Neill, Philadelphia; Samuel J. Randall, Philadelphia; Richard Vaux, Philadelphia; William D. Kelley, Philadelphia; John E. Reyburn, Philadelphia; Alfred C. Harmer, Philadelphia; Smedley Darlington, West Chester; Robert M. Yardley, Doylestown; William Mutchler, Easton; David B. Brunner, Reading; Marriott Brosius, Lancaster; Joseph A. Scranton, Scranton; Edwin S. Osborne, Wilkes-Barre; James B. Reilly; Pottsville; John W. Rife, Middletown; Myron B. Wright, Susquehanna; Henry C. McCormick, Williamsport; Charles R. Buckalew, Bloomsburg; Louis E. Atkinson, Mifflintown; Levi Maish, York; Edward Scull, Somerset; Samuel A. Craig; Brookville; John Dalzell, Pittsburgh; Thomas M. Bayne, Allegheny; Joseph W. Ray, Waynesburg; Charles C. Townsend, New Brighton; William C. Culbertson, Girard; Lewis F. Watson, Warren; Charles W. Stone, Warren; James Kerr, Clearfield.

RHODE ISLAND

Senators: Nelson W. Aldrich, Providence; Jonathan Chace, Providence; Nathan F. Dixon, Westerly.

Representatives: Henry J. Spooner, Providence; Warren O. Arnold, Gloucester.

SOUTH CAROLINA

Senators: Matthew C. Butler, Edgefield; Wade Hampton, Charles-

Representatives: Samuel Dibble, Orangeburg; George D. Tillman, Clarks Hill; James S. Cothran, Abbeville; William H. Perry, Greenville; John J. Hemphill, Chester; George W. Dargan, Darlington; William Elliott, Beaufort; Thomas E. Miller, Beaufort.

SOUTH DAKOTA 71

Senators: Richard F. Pettigrew, 72 Sioux Falls; Gideon C. Moody, 73

Representatives: Oscar S. Gifford," Canton; John A. Pickler," Faulkton.

TENNESSEE

Senators: Isham G. Harris, Memphis; William B. Bate, Nashville. Representatives: Alfred A. Taylor, Johnson City; Leonidas C. Houk, Knoxville; H. Clay Evans, Chattanooga; Benton McMillan,

⁵⁷ Formed from a portion of the Territory of Dakota, and admitted as a State into the Union November 2, 1889.
⁵⁸ Took his seat December 4, 1889; term to expire, as determined by

lot, March 3, 1893.

Dok his seat December 4, 1889; term to expire, as determined by

lot, March 3, 1893.

Took his seat December 4, 1889; term to expire, as determined by lot, March 3, 1891.

Took his seat December 2, 1889.

Died April 13, 1890.

Elected to fill vacancy caused by death of Samuel J. Randall, and took his seat February 24, 1890.

Elected to fill vacancy caused by death of William D. Kelley, and took his seat February 24, 1890.

Elected to fill vacancy caused by death of William D. Kelley, and took his seat February 24, 1890.

Elected to fill vacancy caused by death of Lewis F. Watson, and took his seat December 1, 1890.

Resigned April 9, 1889.

Elected to fill vacancy caused by resignation of Jonathan Chace, and took his seat December 2, 1889.

Served until September 23, 1890; succeeded by Thomas E. Miller, who contested his election.

Successfully contested the election of William Elliott, and took his seat September 24, 1890.

Tormed from a portion of the Territory of Dakota, and admitted as a State into the Union November 2, 1889.

Took his seat December 2, 1889; term to expire, as determined by lot, March 3, 1895.

by lot, March 3, 1895.
Took his seat December 2, 1889; term to expire, as determined

by lot, March 3, 1891.

Took his seat December 2, 1889.

Carthage; James D. Richardson, Murfreesboro; Joseph E. Washington, Cedar Hill; Washington C. Whitthorne, Columbia; Benjamin A. Enloe, Jackson; Rice A. Pierce, Union City; James Phelan, 75

Senators: Richard Coke, Waco; John H. Reagan, Palestine.
Representatives: Charles Stewart, Houston; William H. Martin,
Athens; Constantine B. Kilgore, Wills Point; David B. Culberson,
Jefferson; Silas Hare, Sherman; Jo Abbott, Hillsboro; William H.
Crain, Cuero; Littleton W. Moore, Lagrange; Roger Q. Mills, Corsicana; Joseph D. Sayers, Bastrop; Samuel W. T. Lanham, Weather-

VERMONT

Senators: George F. Edmunds, Burlington; Justin S. Morrill,

Representatives: John W. Stewart, Middlebury; William W. Grout. Barton.

VIRGINIA

Senators: John W. Daniel, Lynchburg; John S. Barbour, Alexandria. Representatives: Thomas H. B. Browne, Accomac; George E. Bowden, Norfolk; George D. Wise, Richmond; Edmund Waddill, Jr., Richmond; Edward C. Venable, Petersburg; John M. Langston, Petersburg; Posey G. Lester, Floyd; Paul C. Edmunds, Hallfax; Charles T. O'Ferrall, Harrisonburg; William H. F. Lee, Burkes Station; John A. Buchanan, Abingdon; Henry St. George Tucker,

WASHINGTON 81

Senators: John B. Allen.82 Walla Walla: Watson C. Squire.83

Representative at Large: John L. Wilson, si Spokane Falls.

WEST VIRGINIA

Senators: John E. Kenna, Charleston; Charles J. Faulkner, Martinsburg. Representatives: John O. Pendleton, Wheeling; George W. Atkinson, Wheeling; William L. Wilson, Charles Town; John D. Alderson, Nicholas; J. Monroe Jackson, Parkersburg; Charles B. Smith, Parkersburg.

WISCONSIN

Senators: Philetus Sawyer, Oshkosh; John C. Spooner, Hudson. Representatives: Lucien B. Caswell, Fort Atkinson; Charles Barwig, Mayville; Robert M. La Follette, Madison; Isaac W. Van Schalek, Millwaukee; George H. Brickner, Sheboygan Falls; Charles B. Clark, Neenah; Ormsby B. Thomas, Prairie du Chien; Nils P. Haugen, River Falls; Myron H. McCord, Merrill.

WYOMING 89

Senators: Joseph M. Carey, Cheyenne; Francis E. Warren, 12 Cheyenne.

Representative at Large: Clarence D. Clark, 92 Evanston.

TERRITORY OF ARIZONA

Delegate: Marcus A. Smith, Tombstone. TERRITORY OF DAKOTA

Delegate: George A. Mathews,83 Brookings.

*** Served until April 10, 1890; succeeded by Edmond Waddill, Jr., who contested his election.

**Served until April 10, 1890; succeeded by Edmond Waddill, Jr., who contested his election.

**T Successfully contested the election of George D. Wise, and took his seat April 12, 1890.

**Served until September 23, 1890; succeeded by John M. Langston, who contested his election.

**D Successfully contested the election of Edward C. Venable, and took his seat September 23, 1890. It was in connection with this case that the minority party adopted for the first time the plan of withdrawing in a body from the Hall of the House, to avoid being counted as part of a quorum.

**Delection unsuccessfully contested by Henry Bowen.

**Admitted as a State into the Union November 11, 1889.

**Took his seat December 2, 1889; term to expire, as determined by lot, March 3, 1893.

**Took his seat December 2, 1889; term to expire, as determined by lot, March 3, 1891.

**Took his seat December 2, 1889.

**Served until February 26, 1890; succeeded by George W. Atkinson, who contested his election.

**Successfully contested the election of John O. Pendleton, and took his seat February 3, 1890; succeeded by Charles B. Smith, who contested his election. It was in connection with the final votes in this case that Speaker Reed, for the first time, made his parliamentary ruling regarding the "counting of a quorum."

**Successfully contested the election of J. Monroe Jackson, and took his seat February 3, 1890.

**Took his seat December 1, 1890; term to expire, as determined by lot, March 3, 1895.

**Took his seat December 1, 1890; term to expire, as determined by lot, March 3, 1895.

**Took his seat December 1, 1890; term to expire, as determined by lot, March 3, 1895.

**Took his seat December 1, 1890; term to expire, as determined by lot, March 3, 1895.

by lot, March 3, 1893.

Took his seat December 1, 1890, term to expire, as determined by lot, March 3, 1893.

Took his seat December 1, 1890.

Served until November 2, 1889, when the Territory of Dakota was divided and granted statehood as the States of North and South Dakota by act of Congress approved February 22, 1889.

TERRITORY OF IDAHO

Delegate: Fred T. Dubois, 4 Blackfoot.

TERRITORY OF MONTANA

Delegate: Thomas H. Carter, 65 Helena.

TERRITORY OF NEW MEXICO

Delegate: Antonio Joseph, Ojo Caliente.

TERRITORY OF OKLAHOMA 96 Delegate: David A. Harvey, or Oklahoma City.

TERRITORY OF UTAH

Delegate: John T. Caine, Salt Lake City.

TERRITORY OF WASHINGTON

Delegate: John B. Allen,98 Seattle. TERRITORY OF WYOMING

Delegate: Joseph M. Carey, 90 Cheyenne.

SEVENTY-SIXTH CONGRESS-JANUARY 3, 1939-JANUARY 3, 1941 First session, January 3, 1939

Vice President of the United States, John N. Garner, of Texas, President pro tempore of the Senate, Key Pittman, of Nevada. Secretary of the Senate, Edwin Alexander Halsey, of Virginia. Speaker of the House of Representatives, William B. Bankhead, of

Clerk of the House, South Trimble, of Kentucky.

LIST OF SENATORS BY STATES, 1939

Clerk of the House, South Trimble, of Kentucky.

LIST OF SENATORS BY STATES, 1939

Alabama: John H. Bankhead and Lister Hill.
Arizona: Henry F. Ashurst and Carl Hayden.
Arkansas: Hattle W. Caraway and John E. Miller.
California: Hiram W. Johnson and Sheridan Downey.
Colorado: Alva B. Adams and Edwin C. Johnson.
Connecticut: Francis T. Maloney and John A. Danaher.
Delaware: John G. Townsend, Jr., and James H. Hughes.
Florida: Charles O. Andrews and Claude Pepper.
Georgia: Walter F. George and Richard B. Russell.
Idaho: William E. Borah and D. Worth Clark.
Illinois: J. Hamilton Lewis and Scott W. Lucas.
Indiana: Frederick Van Nuys and Sherman Minton.
Iowa: Guy Mark Gillette and Clyde L. Herring.
Kansas: Arthur Capper and Clyde M. Reed.
Kentucky: Alben W. Barkley and M. M. Logan.
Louisiana: John H. Overton and Allen J. Ellender.
Maine: Frederick Hale and Wallace H. White, Jr.
Maryland: Millard E. Tydings and George L. Radeliffe.
Massachusetts: David I. Walsh and Henry Cabot Lodge, Jr.
Michigan: Arthur H. Vandenberg and Prentiss M. Brown.
Minnesota: Henrik Shipstead and Ernest Lundeen.
Mississippi: Pat Harrison and Theodore G. Bilbo.
Missouri: Bennett Champ Clark and Harry S. Truman.
Montana: Burton K. Wheeler and James E. Murray.
Nebraska: George W. Norris and Edwin R. Burke.
Nevada: Key Pittman and Patrick McCarran.
New Hampshire: Styles Bridges and Charles W. Tobey.
New Jersey: William H. Smathers and W. Warren Barbour.
New Mexico: Carl A. Hatch and Dennis Chavez.
New York: Robert F. Wagner and James M. Mead.
North Carolina: Josiah W. Bailey and Robert R. Reynolds.
North Carolina: Josiah W. Bailey and Robert R. Reynolds.
North Carolina: Josiah W. Bailey and Robert F. Guffey.
Rhode Island: Peter G. Gerry and Theodore Francis Green.
South Carolina: Hilson D. Smith and James F. Byrnes.
South Dakota: W. J. Bulow and Chan Gurney.
Tennessee: Kenneth McKellar and Tom Stewart.
Texas: Morris Sheppard and Tom Connally.
Utah: William H. King and Elbert D. Thomas.
Vermont: Warren R. Austin and Ernest W. Gibson.
Virginia: Ca

24 Served until July 3, 1890, when the Territory of Idaho was granted statehood by act of Congress approved that date.

¹⁶ Served until November 8, 1889, when the Territory of Montana was granted statehood by act of Congress approved February 22, 1889; subsequently elected the first Representative from the new

State.

**S Formed from a portion of Indian Territory and from that portion of the United States known as the Public Land Strip and granted a Delegate in Congress by act of May 2, 1890.

**Took his seat December 1, 1890.

**Served until November 11, 1889, when the Territory of Washington was granted statehood by act of Congress approved February 22, 1889; subsequently elected Senator from the new State.

**Served until July 10, 1890, when the Territory of Wyoming was granted statehood by act of Congress approved July 10, 1890; subsequently elected Senator from the new State.

REPRESENTATIVES, BY STATES

Alabama: Frank W. Boykin, Mobile; George M. Grant, Troy; Henry B. Steagall, Ozark; Sam Hobbs, Selma; Joe Starnes, Guntersville; Pete Jarman, Livingston; William B. Bankhead, Jasper; John J. Sparkman, Huntsville; Luther Patrick, Birmingham.

Arizona: John R. Murdock, Tempe.

Arkansas: E. C. Gathings, West Memphis; Wilbur D. Mills, Kennset; Clyde T. Ellis, Bentonville; ———————————————; David D. Terry, Little Rock; W. F. Norrell, Monticello; Wade Hampton Kitchens, Mag-

nolia.
California: Clarence F. Lea, Santa Rosa; Harry L. Englebright, Nevada City; Frank H. Buck, Vacaville; Franck R. Havenner, San Francisco; Richard J. Welch, San Francisco; Albert E. Carter, Oakland; John H. Tolan, Oakland; John Z. Anderson, San Juan Bautista; Bertrand W. Gearhart, Fresno; A. J. Elliott, Tulare; Carl Hinshaw, Pasadena; Jerry Voorhis, San Dimas; Charles Kramer, Los Angeles; Thomas F. Ford, Los Angeles; John M. Costello, Hollywood; Leland M. Ford, Santa Monica; Lee E. Geyer, Gardena; Thomas M. Eaton, Long Beach; Harry R. Sheppard, Yucaipa; Ed. V. Izac, San Diego.
Colorado: Lawrence Lewis, Denver; Fred Cummings, Fort Collins; John A. Martin, Pueblo; Edward T. Taylor, Glenwood Springs.
Connecticut: William J. Miller, Wethersfield; Thomas R. Ball, Old Lyme; James A. Shanley, New Haven; Albert E. Austin, Old Greenwich; J. Joseph Smith, Waterbury; B. J. Monkiewicz, New Britain.

Delaware: George S. Williams, Millsboro. Florida: J. Hardin Peterson, Lakeland; Lex Green, Starke; Mil-ard F. Caldwell, Milton; Pat Cannon, Miami; Joe Hendricks,

Florida: J. Hardin Peterson, Lakeland; Lex Green, Starke; Millard F. Caldwell, Milton; Pat Cannon, Miami; Joe Hendricks, De Land.

Georgia: Hugh Peterson, Alley; E. E. Cox, Camilla; Stephen Pace, Americus; E. M. Owen, Griffin; Robert Ramspeck, Atlanta; Carl Vinson, Milledgeville; Malcolm C. Tarver, Dalton; W. Ben Gibbs, Jesup; B. Frank Whelchel, Gainesville; Paul Brown, Elberton.

Idaho: Compton I. White, Clark Fork; Henry C. Dworshak, Bur-

lew

Idaho: Compton I. White, Clark Fork; Henry C. Dworshak, Burlew.

Illinois: Arthur W. Mitchell, Chicago; Raymond S. McKeough, Chicago; Edward A. Kelly, Chicago; Harry P. Beam, Chicago; Adolph J. Sabath, Chicago; A. F. Maciejewski, Cicero; Leonard W. Schuetz, Chicago; Leo Kocialkowski, Chicago; James McAndrews, Chicago; Ralph E. Church, Evanston; Chauncey W. Reed, West Chicago; Noah M. Mason, Oglesby; Leo E. Allen, Galena; Anton J. Johnson, Macomb; Robert B. Chiperfield, Canton; Everett M. Dirksen, Pekin; Leslie C. Arends, Melvin; Jessie Sumner, Milford; William H. Wheat, Rantoul; James M. Barnes, Jacksonville; Frank W. Fries, Carlinville; Edwin M. Schaefer, Belleville; Laurence F. Arnold, Newton; Claude V. Parsons, Golconda; Kent E. Keller, Ava; John C. Martin, Salem; Thomas V. Smith, Chicago.

Indiana: William T. Schulte, Hammond; Charles A. Halleck, Rensselaer; Robert A. Grant, South Bend; George W. Gillie, Fort Wayne; Forest A. Harness, Kokomo; Noble J. Johnson, Terre Haute; Gerald W. Landis, Linton; John W. Boehne, Jr., Evansville; Eugene B. Crowe, Bedford; Raymond S. Springer, Connersville; William H. Larrabee, New Palestine; Louis Ludlow, Indianapolis, Iowa: Thomas E. Martin, Iowa City; William S. Jacobsen, Clinton; John W. Gwynne, Waterloo; Henry O. Talle, Decorah; Karl M. LeCompte, Corydon; Cassius C. Dowell, Des Moines; Ben F. Jensen, Exira; Fred C. Gilchrist, Laurens; Vincent F. Harrington, Sloux City.

Kansas: W. P. Lambertson, Fairview; U. S. Guyer, Kansas City; Thomas D. Winter, Girard; Edward H. Rees, Emporia; John M. Houston, Newton; Frank Carlson, Concordia; Clifford R. Hope, Garden City.

Garden City.

Kentucky: Noble J. Gregory, Mayfield; Beverly M. Vincent,
Brownsville; Emmet O'Neal, Louisville; Edward W. Creal, Hodgenville; Brent Spence, Fort Thomas; Virgil Chapman, Paris; Andrew
J. May, Prestonsburg; Joe B. Bates, Greenup; John M. Robsion, Barbourville.

Barbourville.

Louisiana: J. O. Fernandez, New Orleans; Paul H. Maloney, New Orleans; Robert L. Mouton, Lafayette; Overton Brooks, Shreveport; Newt V. Mills, Mer Rouge; John K. Griffith, Slidell; René L. DeRouen, Ville Platte; A. Leonard Allen, Winnfield.

Maine: James C. Oliver, South Portland; Clyde H. Smith, Skowhegan; Ralph O. Brewster, Dexter.

Maryland: T. Alan Goldsborough, Denton; William P. Cole, Jr., Towson; Thomas D'Alesandro, Jr., Baltimore; Ambrose J. Kennedy, Baltimore; Lansdale G. Sasscer, Upper Marlboro; William D. Byron, Williamsport.

Baltimore; Lansdale G. Sasscer, Upper Marlboro; William D. Byron, Williamsport.

Massachusetts: Allen T. Treadway, Stockbridge; Charles R. Clason, Springfield; Joseph E. Casey, Clinton; Pehr G. Holmes, Worcester; Edith Nourse Rogers, Lowell; George J. Bates, Salem; Lawrence J. Connery, Lynn; Arthur D. Healey, Somerville; Robert Luce, Waltham; George Holden Tinkham, Boston; Thomas A. Flaherty, Boston; John W. McCormack, Boston; Richard B. Wigglesworth, Milton; Joseph W. Martin, Jr., North Attleboro; Charles L. Gifford, Barnstable.

Michigan: Rudolph G. Tenerowicz, Hamtramck; Earl C. Michener, Adrian; Paul W. Shafer, Battle Creek; Clare E. Hoffman,

Allegan; Carl E. Mapes, Grand Rapids; William W. Blackney, Flint; Jesse P. Wolcott, Port Huron; Fred L. Crawford, Saginaw; Albert J. Engel, Lake City; Roy O. Woodruff, Bay City; Fred Bradley, Rogers City; Frank E. Hook, Ironwood; Clarence J. McLeod, Detroit; Louis C. Rabaut, Grosse Pointe Park; John D. Dingell, Detroit; John Lesinski, Dearborn; George A. Dondero, Royal Oak. Minnesota: August H. Andresen, Red Wing; Elmer J. Ryan, South St. Paul; John G. Alexander, Minneapolis; Melvin J. Maas, St. Paul; Oscar Youngdahl, Minneapolis; Harold Knutson, St. Cloud; H. Carl Andersen, Tyler; William A. Pittenger, Duluth; Richard T. Buckler, Crookston.

Mississippi: John E. Rankin, Tupelo; Wall Doxey, Holly Springs; William M. Whittington, Greenwood; A. L. Ford, Ackerman; Ross A. Collins, Meridian; William M. Colmer, Pascagoula; Dan R. McGehee, Meadville.

 A. Collins, Meridian; William M. Colmer, Pascagoula; Dan R.
 McGehee, Meadville.
 Missouri: Milton A. Romjue, Macon; William L. Nelson, Columbia; Richard M. Duncan, St. Joseph; C. Jasper Bell, Blue Springs; Joseph B. Shannon, Kansas City; Reuben T. Wood, Springfield; Dewey Short, Galena; Clyde Williams, Hillsboro; Clarence Cannon, Elsberry; Orville Zimmerman, Kennett; Thomas C. Hennings, Jr., St. Louis; C. Arthur Anderson, Lemay; John J. Cochran, St. Louis.

Montana: J. Thorkelson, Butte; James F. O'Connor, Livingston, Nebraska: George H. Heinke, Nebraska City; Charles F. Mc-Laughlin, Omaha; Karl Stefan, Norfolk; Carl T. Curtis, Minden; Harry B. Coffee, Chadron.

Nevada: James G. Scrugham, Reno. New Hampshire: Arthur B. Jenks, Manchester; Foster Stearns,

New Hampshire: Arthur B. Jenks, Manchester; Foster Stearns, Hancock.

New Jersey: Charles A. Wolverton, Merchantville; Walter S. Jeffries, Margate City; William H. Sutphin, Matawan; D. Lane Powers, Trenton; Charles A. Eaton, Watchung; Donald H. McLean, Elizabeth; J. Parnell Thomas, Allendale; George N. Seger, Passaic; Frank C. Osmers, Jr., Haworth; Fred A. Hartley, Jr., Kearny; Albert L. Vreeland, East Orange; Robert W. Kean, Livingston; Mary T. Norton, Jersey City; Edward J. Hart, Jersey City.

New Mexico: John J. Dempsey, Santa Fe.

New York: Leonard W. Hall, Oyster Bay; W. B. Barry, Hollis; Joseph L. Pfeifer, Brooklyn; Thomas H. Cullen, Brooklyn; Marcellus H. Evans, Brooklyn; Adrew L. Somers, Brooklyn; John J. Delaney, Brooklyn; Donald L. O'Toole, Brooklyn; Eugene J. Keogh, Brooklyn; Emanuel Celler, Brooklyn; James A. O'Leary, West New Brighton; Samuel Dickstein, New York City; City; City; Michael J. Kennedy, New York City; Martin J. Kennedy, New York City; Bruce Barton, New York City; Martin J. Kennedy, New York City; Bruce Barton, New York City; Vito Marcantonio, New York City; Joseph A. Gavagan, New York City; Edward W. Curley, Bronx; Charles A. Buckley, Bronx; James M. Fitzpatrick, Bronz; Ralph A. Gamble, Larchmont; Hamilton Fish, Garrison; Lewis K. Rockefeller, Chatham; William T. Byrne, Loudonville; E. Harold Cluett, Troy; Frank Crowther, Schenectady; Wallace E. Pierce, Plattsburg; Francis D. Culkin, Oswego; Fred J. Douglas, Utica; Bert Lord, Afton; Clarence E. Hancock, Syracuse; John Taber, Auburn; W. Sterling Cole, Bath; Joseph J. O'Brien, East Rochester; James W. Wadsworth, Genesco; Walter G. Andrews, Buffalo; J. Francis Harter, Eggertsville; Pius L. Schwert, Buffalo; Jonnel A. Reed, Dunkirk; Caroline O'Day, Rye; Matthew J. Merritt, Flushing.

North Carolina: Lindsay C. Warren, Washington; John H. Kerr, Warrenton; Graham A. Barden, New Bern; Harold D. Cooley, Nashville; Alonzo D. Folger, Mount Airy; Carl T. Durham, Chapel Hill; J. Bayard Clark, Fayetteville; William O. Burgin, Lexington; Robert L. D

Weaver, Asheville.

North Dakota: William Lemke, Fargo; Usher L. Burdick, Williston.

Ohio: Charles H. Elston, Newtown; William E. Hess, Cincinnati;
Harry N. Routzohn, Dayton; Robert F. Jones, Lima; Cliff Clevenger, Harry N. Routzohn, Dayton; Robert F. Jones, Lima; Cliff Clevenger, Bryan; James G. Polk, Highland; Clarence J. Brown, Blanchester; Frederick C. Smith, Marion; John F. Hunter, Toledo; Thomas A. Jenkins, Ironton; Harold K. Claypool, Chillicothe; John M. Vorys, Columbus; Dudley A. White, Norwalk; Dow W. Harter, Akron; Robert T. Secrest, Caldwell; James Seccombe, Canton; William A. Ashbrook, Johnstown; Earl R. Lewis, St. Clairsville; Michael J. Kirwan, Youngstown; Martin L. Sweeney, Cleveland; Robert Crosser, Cleveland; Chester C. Bolton, Lyndhurst; George H. Bender, Cleveland Heights; L. L. Marshall, Euclid.

Oklahoma: Wesley E. Disney, Tulsa; Jack Nichols, Eufaula; Wilburn Cartwright, McAlester; Lyle H. Boren, Seminole; Mike Monroney, Oklahoma City; Jed Johnson, Anadarko; Sam C. Massingale, Cordell; Phil Ferguson, Woodward; Will Rogers, Oklahoma City.

Oregon: James W. Mott, Salem: Walter M. Pierce, La Grander.

Oregon: James W. Mott, Salem; Walter M. Pierce, La Grande; Homer D. Angell, Portland.

Pennsylvania: Leon Sacks, Philadelphia; James P. McGranery, Philadelphia; Michael J. Bradley, Philadelphia; J. Burrwood Daly, Philadelphia; Fred C. Gartner, Philadelphia; Francis J. Myers, Phila-Philadelphia; Fred C. Gartner, Philadelphia; Francis J. Myers, Philadelphia; George P. Darrow, Philadelphia; James Wolfenden, Upper Darby; Charles L. Gerlach, Allentown; J. Roland Kinzer, Lancaster; Patrick J. Boland, Scranton; J. Harold Flannery, Pittston; Ivor D. Fenton, Mahanoy City; Guy L. Moser, Douglassville; Albert G. Rutherford, Honesdale; Robert F. Rich, Woolrich; J. William Ditter, Ambler; Richard M. Simpson, Huntingdon; John C. Kunkel, Harrisburg; Benjamin Jarrett, Farrell; Francis E. Walter, Easton; Chester H. Gross, Manchester; James E. Van Zandt, Altoona; J. Buell Snyder, Perryopolis; Charles I. Faddis, Waynesburg; Louis E. Graham,

² Member-elect of 75th Cong.; elected June 14, 1938, to fill vacancy caused by resignation of Lister Hill, January 11, 1938.

² Vacancy caused by death of Ben Cravens, January 13, 1939.

⁴ Elected February 3, 1939, to fill the vacancy caused by death of Stephen W. Gambrill, Member-elect, December 19, 1938.

Beaver; Harve Tibbott, Ebensburg; Robert G. Allen, Greensburg; Robert L. Rodgers, Erie; Robert J. Corbett, Bellevue; John McDowell, Wilkinsburg; Herman P. Eberharter, Pittsburgh; Joseph A. McArdle, Pittsburgh; Matthew A. Dunn, Mount Oliver.
Rhode Island: Charles F. Risk, Saylesville; Harry Sandager,

Cranston.

South Carolina: Thomas S. McMillan, Charleston; Hampton P. Fulmer, Orangeburg; Butler B. Hare, Saluda; Joseph R. Bryson, Greenville; James P. Richards, Lancaster; John L. McMillan,

South Dakota: Karl E. Mundt, Madison: Francis Case, Custer, Tennessee: B. Carroll Reece, Johnson City; J. Will Taylor, Knox-ville; Sam D. McReynolds, Chattanooga; Albert Gore, Carthage; Joseph W. Byrns, Jr., Nashville; Clarence W. Turner, Waverly; Her-ron Pearson, Jackson; Jere Cooper, Dyersburg; Walter Chandler, Memphis.

Memphis.

Texas: Wright Patman, Texarkana; Martin Dies, Orange; Lindley Beckwich, Gilmer; Sam Rayburn, Bonham, Hatton W. Sumners, Dallas; Luther A. Johnson, Corsicana; Nat Patton, Crockett, Albert Thomas, Houston; Joseph J. Mansfield, Columbus; Lyndon B. Johnson, Austin; William R. Peage, Waco; Fritz G. Lanham, Fort Worth; Ed Gossett, Wichita Falls; Richard M. Kleberg, Corpus Christi; Milton H. West, Brownsville; R. Ewing Thomason, El Paso; Clyde L. Garrett, Eastland; Marvin Jones, Amarillo; George H. Mahon, Colorado; Paul J. Kilday, San Antonio; Charles L. South, Coleman.

Utah: Abe Murdock, Beaver; J. W. Robinson, Provo.
Vermont: Charles A. Plumley, Northfield.

Virginia: Schuyler Otis Bland, Newport News; Colgate W. Darden, Jr., Norfolk; Dave E. Satterfield, Jr., Richmond; Patrick Henry Drewry, Petersburg; Thomas G. Burch, Martinsville; Clifton A. Woodrum, Roanoke; A. Willis Robertson, Lexington; Howard W. Smith, Alexandria; John W. Flannagan, Jr., Bristol.

Washington: Warren G. Magnuson, Seattle; Mon C. Wallgren, Everett; Martin F. Smith, Hoquiam; Knute Hill, Prosser; Charles H. Leavy, Spokane; John M. Coffee, Tacoma.

West Virginia: Andrew Edmiston, Weston; George W. Johnson, Parkersburg; John Kee, Bluefield; Joe L. Smith, Beckley.

Wisconsin: Stephen Bolles, Janesville; Charles Hawks, Jr., Horicon; Harry W. Griswold, West Salem; John C. Schafer, Milwaukee; Lewis D. Thill, Milwaukee; Frank B. Keefe, Oshkosh; Reid F. Murray, Waupaca; Joshua L. Johns, Algoma; Merlin Hull, Black River Falls; Bernard J. Gehrmann, Mellen.

Wyoming: Frank O. Horton, Saddlestring.

DELEGATES Texas: Wright Patman, Texarkana; Martin Dies, Orange; Lindley

DELEGATES

Alaska: Anthony J. Dimond, Valdez. Hawaii: Samuel W. King, Honolulu.

RESIDENT COMMISSIONERS

Commonwealth of the Philippines: Joaquin M. Elizalde, Manila. Puerto Rico: Santiago Iglesias, San Juan.

PERMISSION TO ADDRESS THE HOUSE

Mrs. ROGERS of Massachusetts. Mr. Speaker, I ask unanimous consent to address the House for 1 minute.

The SPEAKER. Is there objection to the request of the gentlewoman from Massachusetts [Mrs. Rogers]?

There was no objection.

Mrs. ROGERS of Massachusetts. Mr. Speaker, I think the gentleman from Pennsylvania [Mr. SNYDER] has made a very valuable contribution, and the country should be very grateful to him. The eyes of the people of the United States are focused on the Congress today as never before in our history. There was a tremendous interest in the anniversary of the birth of Congress, and the splendid speeches made the people realize the importance and value of our Supreme Court and our Congress.

LOANS TO LITTLE BUSINESS

Mr. PATMAN. Mr. Speaker, I ask unanimous consent to proceed for one-half minute.

The SPEAKER. Is there objection to the request of the gentleman from Texas [Mr. PATMAN]?

There was no objection.

Mr. PATMAN. Mr. Speaker, the bill H. R. 4851 which I have just introduced is sponsored by the American Federation of Little Business, a nonprofit, nonpartisan, and Nation-wide organization of independent small-business men. The bill provides for a permanent, decentralized credit system for small business and is patterned closely after the Federal home-loan bank-Federal saving and loan system heretofore provided for home owners. The intent is to set up a decentralized credit facility in which local management and responsibility and some local money will be combined with Federal regulation and some Federal money, with the requirement that after 5 years the preferred stock investment of the Secretary of the Treasury shall be progressively retired.

TO BRING ABOUT RUSINESS RECOVERY

Mr. Speaker, a supreme problem confronting this Congress is to bring about a business recovery. This is not a partisan problem. It is a national necessity. We cannot indefinitely preserve democratic institutions in an atmosphere of chronic economic crisis. We cannot continue forever to support twelve to fourteen million unemployed workers and their families. We cannot continue forever to spend more than we get. Somehow, someway, the health and resiliency of our economic system must be restored.

The group which this legislation is designed to benefit are our largest employers of labor. In the aggregate they pay most of the taxes for the support of local, State, and Federal Governments. Eliminate them from our economic structure-and their numbers are steadily being reduced-and the foundation of our American system will crumble.

HAND-OUT NOT ASKED FOR

I wish to make it perfectly clear that independent small business is not asking for a Government hand-out. It is not asking for the creation of another governmental agency in competition with private banks or other legitimate lending institutions. It is not proposing a plan which will be a burden upon the taxpayers. It is merely asking the temporary assistance of Government to enable it to establish an instrumentality of self-help. And it is not wedded to any particular ideas as to the form that such an instrumentality should take. The proposed system is modeled after one that has worked well in its field and has cost the taxpayers nothing. Perhaps a pooling of our ideas and thinking may result in an even better plan. Little business is interested in resultsnot in the advancement of any particular formula for obtaining them.

PROTECTION AGAINST INROADS OF MONOPOLY

The only change I have made in the bill as drafted by the federation is the addition of a provision for loans to cooperative purchasing associations of small independents to enable them to increase the aggregate of their buying power. This does not eliminate the disparity of position existing between the independent and the chain, but it may be helpful in some instances. Little business needs more than just another credit facility to enable it to survive against the inroads of monopoly.

LITTLE BUSINESS OUR PROBLEM

Most of us here represent communities in which a majority of the business is little business. Its problems are therefore our problems. For this reason I earnestly urge the Members of this House-without regard to party-to consider this problem of credit for the small independent. Perhaps, as I have said, we can improve upon the plan embodied in the bill which I have just introduced. But the important thing is that something sound and constructive be done, and that it be done now.

SUMMARY OF PROPOSED INVESTMENT BANK ACT (H. R. 4851)

First. The bill (H. R. 4851) is designed to provide permanent intermediate credit facilities for independent small business (\$100,000 limitation on size of loans).

Second. The proposed structure is closely patterned after the existing Home Loan Bank-Federal Savings and Loan Association system. At the top is a three-man board, appointed by the President and charged with general supervision over the banks, the associations, and the insurance corporation. The 12 regional investment banks provided for are intended to serve primarily as reservoirs for the discount paper emanating from the local investment associations, although they may make loans direct under certain The local investment associations consticircumstances. tute the broad base of the system and are authorized to make loans generally for business purposes (including character loans) when credit of the type applied for is not otherwise available through the usual local commercial banking channels. Thus, the passing upon credit risks and the extension of credit is made a function of local management, although the Board and the banks keep in close touch through examinations.

Third. It is proposed that the capital be provided as follows

(a) The capital stock of the regional investment banks: To be subscribed by the Secretary of the Treasury, the money (up to a total of \$120,000,000) to be provided by

(b) The capital of the local investment associations: To be provided by local investors and the Secretary of the Treasury (\$60,000,000 appropriated for this purpose-paragraph (h) of section 10), the latter being authorized to subscribe for preferred shares at a 4-to-1 ratio (to common capital) up to \$100,000 for each local association. The common stock subscriptions are protected by insurance up to \$5.000 in the case of each such investment.

(c) The capital stock of the Insurance Corporation (\$100,000,000): To be subscribed by R. F. C.

Fourth. The intent is to provide a decentralized intermediate credit system in which local management and responsibility and some local money will be combined with Federal regulation and Federal money. After 5 years, the preferred stock investment of the Secretary of the Treasury in the local associations is to be progressively retired.

Fifth. The total lending capacity of the system depends upon many factors, such as the number and capitalization of the local associations. The banks are authorized to issue their consolidated debentures in the ratio of 12 to 1 of capital. Such debentures are generally tax-exempt, but are not guaranteed by the Government.

Sixth. The proposed method of insurance, mechanics thereof, and so forth, are practically identical with those provided in connection with the Home Loan Bank-Federal Savings and Loan Association system and program.

Seventh. The bill is sponsored by the American Federation of Little Business, an independent, nonpartisan, and Nationwide organization of independent, small-business men. The active support of all Members of Congress, without regard to party affiliation, is cordially invited.

MEMBERS OF THE BOARD OF VISITORS TO THE UNITED STATES COAST GUARD ACADEMY

The SPEAKER laid before the House the following communication from the Committee on Merchant Marine and Fisheries, which was read:

WASHINGTON, D. C., January 23, 1939.

Washington, D. C., January 23, 1939.

Hon. William B. Bankhead,
Speaker of the House of Representatives, Washington, D. C.
My Dear Mr. Speaker: Pursuant to the act of April 16, 1937
(Public, No. 38, 75th Cong., 1st sess.), I have appointed for the remainder of the first session of the Seventy-sixth Congress the following members of the Committee on Merchant Marine and Fisheries to serve as members of the Board of Visitors to the United States Coast Guard Academy: Hon. Lindsay C. Warren, Hon. Edward J. Hart, and Hon. Richard J. Welch.

As chairman of the Committee on Merchant Marine and Fisheries I am authorized to serve as an ex officio member of the Board. Yours very sincerely,

S. O. Bland.

Mr. COCHRAN. Mr. Speaker, I make the point of order that there is not a quorum present.

The SPEAKER. The Chair will count. [After counting.] One hundred and eighty-five Members are present, not a quorum.

Mr. COCHRAN. Mr. Speaker, I move a call of the House. A call of the House was ordered.

The Clerk called the roll, and the following Members failed to answer to their names:

[Roll No. 25]

Anderson, Calif. Duncan Johnson, Lyndon Patton Eaton, N. J. Keefe Kerr Reece, Tenn. Seger Ball Casey, Mass. Evans McGehee Ferguson Flaherty Stearns, N. H. Creal Sweeney Vorys, Ohio Wood McReynolds Curley Daly Fulmer Maas Martin, Colo. Mitchell Gearhart Dingell Hunter Youngdahl Osmers O'Toole Disney Doughton Jenks, N. H.

The SPEAKER. Three hundred and ninety-five Members have answered to their names, a quorum.

On motion of Mr. Cochran, further proceedings under the call were dispensed with.

EXTENSION OF REMARKS

Mr. Keogh asked and was given permission to revise and extend his own remarks in the RECORD.

PERMISSION TO ADDRESS THE HOUSE

Mr. HARRINGTON. Mr. Speaker, I ask unanimous consent to address the House for 1 minute.

The SPEAKER. Is there objection to the request of the gentleman from Iowa?

There was no objection.

Mr. HARRINGTON. Mr. Speaker, I rise in support of the resolution of the gentleman from Missouri [Mr. Anderson] for an investigation of the National Labor Relations Board. which is now before the Rules Committee.

For the past 2 years I have heard discussed on the floor of this House the conduct of the Labor Board, and I have read something of it in the newspapers.

Due to the many duties of my office and the needs of my district last year, I did not give the matter the study it should have had.

However, in my home town during the past year we have had an opportunity of learning at first hand how the Board operates and its manner and methods. I have compared what we learned of its procedure in Sioux City. Iowa, my home, with what has taken place in other sections of the country, and find to my surprise a situation far worse than anything described or even intimated on this floor.

I represent a fine agricultural district. Our main products are grain and livestock. At my home in Sioux City we have a plant of Swift & Co. It serves, along with other packers, the needs of the farmers of my district.

Swift & Co. has had no trouble with its employees. Their employee plan has been satisfactory, and they have had a local employee association for many years. It was a mutual

When the National Labor Relations Act was upheld the employees were told by Swift & Co. it would have to withdraw from any activity for fear of being held in violation of the act. Consequently the employees formed an independent union with a majority membership in the plant for the purpose of collective bargaining with the company.

After proving it had a majority of the membership of the company, it was given an agreement of collective bargaining with Swift & Co.

Some time later a group of C. I. O. organizers began to operate in Sioux City and formed an organization committee in the plant. At no time, however-and I quote authoritatively, because I have just completed reading the full transcript of the National Labor Relations Board case, known as case Nos. XVLII-C-188 and XVIII-R-142-did the C. I. O. union have a majority membership in the plant.

On September 27, 1938, the C. I. O. committee, in my opinion, made a deliberate attempt to coerce the management into agreeing to all their demands by calling an illegal sitdown strike in the plant. The sit-down strike was called in the departments known as the "kill" departments, where livestock is killed and moved on to the coolers to prevent

The charge of the C. I. O. was that the management would not bargain collectively with their committee of nine members over so-called grievances. Facts are that the management had always had a policy of meeting with the aggrieved employee and a member or members of the union.

At any rate, a sit-down strike-now mark you this was late last September—was called because the employees would not permit supervisors and nonstriking employees to remove the freshly killed meat. The company suffered a loss of better than \$6,000 because this meat was condemned by Government inspectors as spoiled.

The company, after giving notice, discharged those who refused to leave the plant and many were indicted for unlawful seizure of property. The activity of outside organizers

and some of the C. I. O. group was so offensive to the public peace of the city that an injunction was granted against certain of their activities.

Now, let me paint this picture for you again. At no time did the C. I. O. have a majority at Swift & Co. for members. At no time had the company refused to discuss with the C. I. O. the demands of the organization, despite the fact that they had an agreement for collective bargaining with an independent union.

The company had been most cautious and impartial in its activities toward all organizations.

The C. I. O. started an unlawful sit-down strike in the plant and were discharged but refused to leave the plant until arrests of the ringleaders were made and others told that they must leave the property or also be arrested.

Despite that picture, on which I shall comment at length at a later date, the trial examiner ordered the company to recognize the C. I. O. as the sole bargaining agent, reinstate those whom it had discharged for illegal seizure of their property, and pay them back wages from the time of discharge until rehired.

Mr. Speaker, to say that there was no basis for these findings is putting it mildly. It appears to me that the decision in these cases is reached before the hearings are held and the hearings are merely set up for the purpose of attempting to justify to the American people, the acts of the Labor Board.

I am no lawyer, Mr. Speaker, but I have sufficient education and intelligence to know that no decision can be reached by taking the word of one union organizer and placing the wreath of sanctity on it while ignoring the directly opposite testimony of other substantial citizens.

I make the charge here now, Mr. Speaker, that, in my opinion, we are wasting the taxpayers' money in holding these hearings. The statements of fact contained in the examiner's reports are so prejudiced, unwarranted, and unfair that they prove to me that the holding of a hearing was for the sole purpose of obtaining testimony favorable to the C. I. O.

And, Mr. Speaker, here is the serious part of these "Findings of fact." If the Labor Board approves them, they cannot be reviewed by the courts of the land, since the law restricts them to a review of matters of law. In other words, this Board is holding a lot of kangaroo hearings, issuing orders for the benefit of one group, and there is nothing left for the accused to do but hope there has been a mistake in legal procedure or legal application made by the Board so that justice can be obtained in the impartial courts of the land.

I for one, Mr. Speaker, believe the Members of Congress want a full and open investigation of the Labor Relations Act and the Labor Board. I will not participate in any activity which has for its purpose the hindering of the rights of labor to organize, but I fear if this situation is not investigated it will result, as the distinguished Member from Missouri has pointed out, in a complete crushing of organized labor by an aroused and resentful public opinion against these abuses.

The American people will support any effort which is fair, but they will make their force heard and felt if the privileges of fair play are abused. [Applause.]

FURTHER MESSAGE FROM THE SENATE

A further message from the Senate, by Mr. Crockett, its Chief Clerk, announced that the Senate insists upon its amendments to the bill (H. R. 3791) entitled "An act to provide more effectively for the national defense by carrying out the recommendations of the President in his message of January 12, 1939, to the Congress," disagreed to by the House; agrees to the conference asked by the House on the disagreeing votes of the two Houses thereon, and appoints Mr. Lewis, Mr. Logan, and Mr. Austin to be the conferees on the part of the Senate.

REORGANIZATION BILL OF 1939

Mr. COCHRAN. Mr. Speaker, I move that the House resolve itself into the Committee of the Whole House on the state of the Union for the further consideration of the bill

(H. R. 4425) to provide for reorganizing agencies of the Government, and for other purposes.

The motion was agreed to.

Accordingly the House resolved itself into the Committee of the Whole House on the state of the Union for the further consideration of the bill H. R. 4425, with Mr. McCormack in the chair.

The Clerk read the title of the bill.

Mr. WARREN. Mr. Chairman, I move to strike out the last word.

Mr. Chairman, I rise merely for the purpose of getting some information from the minority Members, if they can inform us at this time. It was stated yesterday by the gentleman from Illinois [Mr. Dirksen] that he proposed to offer what is known as the Byrd bill as an amendment to this bill. Under the procedure under which we are operating, that amendment can be offered only at the very beginning; that is, now, or at the very end of the consideration of the bill. I am wondering if the gentleman would indicate whether they intend to offer the amendment now or wait until the completion of the consideration of the bill.

Mr. TABER. I may say the amendment will not be offered to this section. The condition of the bill at the end of the day's session might make a difference as to what attitude we might take.

Mr. HOFFMAN. Mr. Chairman, will the gentleman yield?

Mr. WARREN. Yes. Mr. HOFFMAN. Was the gentleman from North Carolina asking the gentleman from New York for a constructive suggestion this morning?

Mr. COCHRAN. Mr. Chairman, I offer a committee amendment.

The Clerk read as follows:

Committee amendment offered by Mr. Cochran: Page 2, strike out lines 15 and 16 and insert "(b) The Congress declares that the public interest demands the carrying out of the purposes specified in subsection (a) and that such purposes may be accomplished in great measure by."

Mr. ROBERTSON. Mr. Chairman, a parliamentary inquiry.

The CHAIRMAN. The gentleman will state it.

Mr. ROBERTSON. Before the Committee rose on yesterday the Clerk had read all of section 1. Is this an amendment to section 1?

The CHAIRMAN. The Chair understand the amendment offered by the gentleman from Missouri relates to lines 15 and 16 on page 2, which are a part of section 1.

Mr. ROBERTSON. Mr. Chairman, I offer a substitute amendment.

The CHAIRMAN. The Chair asks the gentleman from Virginia if his amendment is a substitute for the pending amendment?

Mr. ROBERTSON. It is a substitute for the pending amendment. It amends the first part of section 1 instead of lines 16 and 17, but it covers the same subject matter.

The CHAIRMAN. The Chair may state that in the opinion of the Chair the amendment of the gentleman from Virginia does not constitute a substitute amendment. The Chair will recognize the gentleman as soon as possible.

Mr. DIRKSEN. Mr. Chairman, I ask unanimous consent that the Clerk again report the amendment.

The CHAIRMAN. Without objection, the Clerk will again report the amendment offered by the gentleman from Mis-

There was no objection.

The Clerk again reported the committee amendment.

Mr. TABER. Mr. Chairman, a parliamentary inquiry.

The CHAIRMAN. The gentleman will state it.

Mr. TABER. When this amendment is disposed of, would a motion to strike out lines 15 to 19 still be in order?

The CHAIRMAN. It would.

Mr. COX. Mr. Chairman, I move to strike out the last word.

Mr. Chairman, I am acquainted with the amendment the gentleman from Virginia proposes to offer and I think it fair to him to state that it is more in the nature of an amendment to the pending amendment than a substitute amendment; as a matter of fact, I believe, if the gentleman will carefully read the amendment now proposed, he will abandon the idea of offering his amendment, because the amendments are substantially the same.

The CHAIRMAN. The question is on agreeing to the committee amendment.

The committee amendment was agreed to.

Mr. ROBERTSON. Mr. Chairman, I offer an amendment. The Clerk read as follows:

Amendment offered by Mr. ROBERTSON: On page 1, beginning in line 7, strike out all of lines 7, 8, 9, and 10, and insert in lieu thereof the following:

"Section 1. (a) The Congress hereby declares that by reason of continued national deficits, it is imperative to materially reduce Government expenditures; and that such reduction may be accomplished in a measure by proceeding immediately under the provisions of this act.

"Accordingly the President shall investigate the organization of all executive agencies of the Government and shall determine what changes therein are necessary to accomplish the following purposes."

Mr. ROBERTSON. Mr. Chairman, I was unable to follow adequately the committee amendment that has just been offered and adopted, but regardless of whether my distinguished friend from Georgia [Mr. Cox] is correct or not in stating that that amendment carries the essence of the amendment which has just been read, a copy of which I presented to the chairman of the committee before we met, I want to take this opportunity to express here and now my belief that in a bill designed to give us better government for less money, I am vitally interested in economy as well as efficiency.

This is no new stand for me. I was elected in 1932 on an economy platform, but that was no new stand for me. Ah, for 6 years as a legal adviser to the board of supervisors in my home county, I was on an economy platform, and for 6 years as a member of the Virginia State Senate. I entered this distinguished body in 1932 on an economy platform, and I have never departed from it. [Applause.]

Mr. COX. Mr. Chairman, will the gentleman yield to me? Mr. ROBERTSON. I yield to my friend from Georgia.

Mr. COX. Since the gentleman has had an opportunity to examine the committee amendment, it is not his opinion that it substantially embodies what is contained in the amendment the gentleman has just proposed?

Mr. ROBERTSON. I have not had time to examine it, but I showed the gentleman my amendment, and he is familiar with the other amendment. If the gentleman says they are substantially the same, then I will withdraw my amendment.

Mr. COX. I may say frankly to the gentleman, and I am not combating the argument he makes that economy is desirable and is one of the major purposes of the bill, the committee amendment that has just been adopted, in effect, states that the public interest demands economy and that it can be effectuated by carrying out the purposes of the bill. The gentleman's amendment may have suggested the amendment offered by the committee.

Mr. ROBERTSON. That was all I wanted—to send a message to the people of this Nation that this Congress, although we know we cannot immediately balance the Budget, recognizes the danger of continued deficit financing [applause], and that in our hearts we seek to correct and change that trend, recognizing what Robert Browning said that "man's reach should exceed his grasp or what's a heaven for." We reach out for a balanced Budget, we cannot get it now, but we want the business leaders of this Nation to know that and to know that we will not sit here and continue to appropriate any unnecessary money leading, eventually, to inflation or possible repudiation of debts.

I ask unanimous consent, Mr. Chairman, to withdraw my amendment, believing its purposes have been accomplished.

The CHAIRMAN. Is there objection to the request of the gentleman from Virginia?

There was no objection.

Mr. CROSSER. Mr. Chairman, I offer an amendment. The Clerk read as follows:

Page 2, line 11, strike out "or such functions thereof."

Mr. CROSSER. Mr. Chairman, if this amendment should be adopted, I hand to the Clerk a paper containing two other amendments for the purpose of making the bill consistent. These amendments have been prepared by the legislative drafting service. They raise the same question that I brought to the attention of the Committee a year ago when the so-called reorganization bill was before the House.

I think every one will agree that almost universally the people are under the impression, when they talk about reorganization, that what is proposed is to merge one board or commission with another or, perhaps, do away with a board altogether in order to save the expense involved in the payment of these boards. When, however, the bill proposes to authorize the abolition of functions, that is an entirely different thing. The functions are the provisions of law stating what is to be done by the agency. For instance, take the irrigation system. The agency discharges the functions, but the functions are the statutory requirements for the irrigating of the land.

This bill proposes to authorize one person to abolish any of these functions.

This is not a question of personalities. I think everyone here knows that I never resort to that sort of thing. We should dispose of this matter on the basis of principle.

The Congress of the United States by the Constitution was made the legislative authority. All legislative powers, says the Constitution, are vested in the Congress of the United States, the exact language being, "All legislative powers herein granted shall be vested in a Congress of the United States."

This was done deliberately, and for a very definite reason. Lawmaking is policy declaration, and the followers of Jefferson who were very influential in that Convention, believing thoroughly in democracy, felt that the only safe way to have policy declared is by Representatives, that is, Members of Congress, elected by the people from their own neighborhoods.

So, the legislative power, the policy-declaring power, was placed in Congress, as I think it should have been placed. When we propose by this blanket authority to make possible the abolition of the functions of more than 130 executive agencies, we are, in my opinion, if we make the proposal law, violating the spirit of our institutions. Under the language of the bill, as it is now framed, an order proposing the abolition of the law providing for irrigation of arid lands, for the abolition of the Reclamation Service, for the abolition of railroad retirement system, which was shorn since, or for the abolition of the Railroad Mediation Board, provided for several years ago could be issued.

All these institutions might not only have their boards abolished but the provisions of law in regard to reclamation projects, the provisions of law for the payment of pensions, and the provisions of law for the settlement of railroad labor disputes could be all abolished by orders issued under the terms of this bill. I think that is not what was intended by the term "reorganization." What was in the mind of almost everybody and what I am sure is in the minds of the people today is that if here and there a board is not necessary, a board whose functions could be performed by some other board, then do away with the unnecessary board and to let the functions be performed by the other board which may be qualified for the work. It was not expected by the people of the country that we authorize someone to abolish the substantive law, the provisions of law for carrying out reclamation projects, for the payment of railroad workers' pensions, or for the settlement of labor disputes.

Mr. LEA. Mr. Chairman, will the gentleman yield?

Mr. CROSSER. Yes.

Mr. LEA. Does the gentleman understand that the enactment of this measure would authorize the abolition of the Mediation Board?

Mr. CROSSER. Yes.

The CHAIRMAN. The time of the gentleman from Ohio has expired.

Mr. COX. Mr. Chairman, I rise in opposition to the amendment. I dislike to find myself in disagreement with my long-time and devoted friend, the gentleman from Ohio [Mr. Crosser]. He is not only one of the most splendid gentlemen I have ever known but one of the best balanced legislators with whom I have served. I do not know even now that the gentleman and I are very far apart. I think his fears as to what might result under the language of the bill, in the event of its adoption, are not well founded. If this language were stricken out, we could have no coordination of the different departments, which is most necessary; we could have no elimination of duplications, which we know to be most necessary; and, therefore, there could be brought about no economy, which I am sure the membership of this House puts first in the purposes of the act.

Mr. CROSSER. Mr. Chairman, will the gentleman yield? Mr. COX. Yes.

Mr. CROSSER. I do not think my good friend disputes for a single minute that definite provisions of law for the doing of certain things could be provisionally abolished by the bill as it stands.

Mr. COX. Mr. Chairman, our dispute probably grows out of a difference of understanding as to the meaning of the word "function." "Function," Mr. Chairman, has been defined as a special activity, a duty, a course of action, which pertains to office. It is said to be a power, an activity, doing a performance of work, and so forth. In Bouvier's Law Dictionary "function" is defined in the language of the court in the case of State against Hyde, an Indiana case, as being office, duty, fulfillment of a definite end, or set of ends, by the correct adjustment of means, the occupation of an office by the performance of its duty-the officer is said to be fulfilling his function.

On Monday last the gentleman from North Carolina [Mr. WARREN], in the very extraordinary statement he made to the House, cataloged a great many duplications in the work being done by a multiplicity of agencies of the Government. For instance, he developed the fact that there are at least at this time 29 agencies concerned with the lending activities of the Government, that there are 34 agencies concerned with the acquisition of land for public purposes, that there are 16 agencies engaged in wildlife preservation, and so forth, 10 agencies concerned with Government construction, 9 agencies with credit and finance, 10 agencies with materials of construction; that there are more than 100 information and publication offices in Washington, besides the Library of Congress; and he further developed the fact that there are 28 agencies in this Government handling welfare matters, 14 agencies handling forestry matters, and 65 agencies gathering statistics.

I am sure, Mr. Chairman, that we are all prepared to admit that there are too many of these agencies doing work of a similar character and that there is far too much duplication. Certainly any reorganization of the executive departments must take into consideration this condition, and by observing the instructions that are set out in this bill will be compelled to abolish certain work of certain agencies in order that the purposes of the bill may be brought about.

The CHAIRMAN. The time of the gentleman from Georgia has expired.

Mr. SCHAFER of Wisconsin. Mr. Chairman, I rise in support of the amendment. I concur in everything that the proponent of this amendment, the gentleman from Ohio [Mr. CROSSER] has said. I call to the attention of my colleagues on the Democratic side as well as on the Republican side the fact that we are not going to restore business confidence by merely passing resolutions or amendments such as we passed a few moments ago, declaring that we are in favor of economy and that we must reduce the expenditures of government.

Our New Deal friends passed resolutions favoring and promising a 25-percent reduction in the cost of government in 1932 and rode into office on those promises. That was prior to the date of the 1932 election. After that election the record shows that our New Deal friends were long on promises and short on performance. They increased the cost of government more than 100 percent instead of reducing it 25 percent, as promised when fishing for votes. I call upon my Republican colleagues who during the last campaign have denounced and condemned the drunken New Deal spending spree to also act as well as talk, and stop trying to outdo our New Deal brethren in raiding the taxpayers' Treasury. We must restore business confidence. Actions and not demagogic talk will restore such confidence. I suggest that all crackpot, half-baked, Socialist-minded New Deal self-righteous Scribes and Pharisees who have been unfairly denouncing and attacking private business and hitting it below the belt be removed from public service and muzzled. Get government out of subsidized competition in private fields of business endeavor and encourage private business to expand.

Encourage expansion and increase of private business activities by removing the shackles and straitjackets of the Socialist conceptions of government imported direct from Moscow by our New Deal "brain trusters." Reduce the cost of Government and stop talking about the necessity of such reductions while trying to spend our way into prosperity.

We will then be able to furnish jobs to more than 12,-000,000 of our people who today cannot find a job after more than 6 years of our New Deal administration.

If we continue to follow the road and the pace we have been traveling for the past 6 years Uncle Sam will soon be bankrupt. We will have inflation with resulting chaos, misery, suffering, and distress such as this generation has never experienced. We cannot prevent America from going into bankruptcy with resulting inflation and perhaps civil war by passing resolutions pledging economy, or amendments to legislation stating that economy is necessary. We must act as well as talk, my friends. I ask that the New Deal get down to business. You have control of the appropriating branch of the Government as well as the administrative branch. Practice what you preach and you will help restore business confidence. If you continue your unbridled expenditures and half-baked Moscow Socialist imported theories of government and attacks on legitimate private business much longer, the time will soon be here when we will not have private business to furnish jobs for our people and private business will be unable to produce the tax dollars so that our New Deal spendthrifts can furnish jobs on public pay rolls. [Applause.]

The pro forma amendment was withdrawn.

Mr. CROSSER. Mr. Chairman, I move to strike out the last two words. I simply want to say that what the gentleman from Georgia [Mr. Cox] has said is practically what I claim-namely, that what he calls "duties" are "functions."

I want to call attention to the meaning of the word "abolish," according to Webster's Dictionary. It is: "To do away with wholly; to annul; to make void; said of laws governments, etc."

If you do away with the function of providing for the irrigation of arid lands, for instance, you are doing away with the provision of law put on the statute books to help agriculture. Lengthy committee work, long debate in the House, all requiring much effort and time, all would go for naught.

If two boards are doing the same thing in the same way, one of those boards could be abolished. But when you abolish a function, do not fool yourselves for a single minute that you are merely tinkering with boards. You are repealing laws.

Mr. COCHRAN. Mr. Chairman, will the gentleman yield?

Mr. CROSSER. I yield.
Mr. COCHRAN. Let us assume that the President transfers five agencies to one agency. Every one of the agencies he transferred, we will say, had a statistical division. If the President is deprived of abolishing the functions, he cannot abolish the functions performed in each of those divisions with reference to gathering statistics and put them into one statistical division.

Mr. CROSSER. If all five are gathering the same statistics, four boards could be abolished, leaving one to do the work. That, however, would not mean that you were repealing the law providing for the collection of statistics. If you were to abolish the functions of collecting statistics, no statistics could then be gathered. Under the terms of this bill you could repeal half the statutes of the United States. Do not be deceived for a minute in regard to the proposition.

[Here the gavel fell.]

The pro forma amendment was withdrawn.

The CHAIRMAN. The question is on agreeing to the amendment offered by the gentleman from Ohio [Mr.

The question was taken; and on a division (demanded by Mr. CROSSER) there were—ayes 109 and noes 116.

Mr. CROSSER. Mr. Chairman, I demand tellers.

Tellers were ordered, and the Chair appointed Mr. Crosser and Mr. Cochran to act as tellers.

The Committee again divided; and the tellers reported there were ayes 136 and noes 162.

So the amendment was rejected.

Mr. TABER. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. Taber: On page 2, lines 17 to 19, inclusive, strike out all after the comma in line 17 and to the end of the section in line 19.

Mr. TABER. Mr. Chairman, I have offered this amendment particularly to take away from the bill the declaration of incompetency on the part of the legislature. For my own part, I believe that our House of Representatives and our Senate are competent to prepare and pass any positive legislation, any direct legislation necessary to curtail unnecessary activities of the Government.

It has been said by the President several times that no economy can be accomplished by a reorganization bill. There is not any question that this bill, as it stands, without further amendment to section 4 and section 5 is not a bill to promote economy. I want to see it made a bill to promote economy and efficiency in government. One of the worst things in the bill is section 5. I want to call to your attention at this time a provision in the Constitution. It is part of section 7 of article I, appearing on page 36 of the Manual:

Every order, resolution, or vote to which the concurrence of the Senate and House of Representatives may be necessary (except on a question of adjournment) shall be presented to the Presi-dent of the United States; and before the same shall take effect, shall be approved by him.

Under that provision, in my opinion, a resolution disproving any act of the President under section 4 of this bill would have to go over a veto in order to become effective and require a two-thirds vote to prevent it.

Mr. COX. Mr. Chairman, will the gentleman yield at that point?

Mr. TABER. I yield.

Mr. COX. I wonder if the gentleman would mind disclosing the basis for that opinion.

Mr. TABER. The language of the Constitution itself which appears in section 7, at page 36, of the Manual.

Mr. COX. Do I understand the gentleman to say that the Congress cannot constitutionally attach a condition to the grant of vacating whatever might be done by concurrent resolution of the two Houses?

Mr. TABER. I would not say that. I would say that it is not done in the language that has been provided here in this bill.

Mr. COX. What is there in the language of the bill that disturbs the gentleman on that particular point?

Mr. TABER. Whether or not a resolution of both Houses, regardless of the approval of the President of the resolution. could result in the defeat of a reorganization proposal is disputable; but whether it can be done in the particular language of this bill is not disputable, in my opinion.

Mr. COX. The gentleman means in the particular case? Mr. TABER. Where we have attempted to do it, because we have not set forth in this bill any provision that the concurrent resolution shall operate as a veto regardless of the approval of the President.

Mr. COX. Is not the gentleman mistaken about that? Does not the bill very clearly state that in the event of dissatisfaction on the part of the two Houses that they may vacate the finding of the President by concurrent resolution?

Mr. TABER. It says that specifically. This provision of the Constitution, as I read it, would require the submission of such a resolution to the President for his approval.

Mr. COX. Not at all, not at all. In other words, Congress has the constitutional power to attach a condition very much more limited and restricted than the condition which is here provided.

[Here the gavel fell.]

Mr. TABER. Mr. Chairman, I ask unanimous consent to proceed for 5 additional minutes.

The CHAIRMAN. Without objection, it is so ordered.

Mr. COX. May I proceed?

Mr. TABER. Yes.

Mr. COX. The gentleman is evidently disturbed because of an opinion rendered by Attorney General Mitchell in 1932 when Congress was considering a reorganization bill which delegated power to the then President to do the things provided in the bill and in addition thereto to make an Executive order. The Attorney General in that case said in effect that it was not within the power of the Congress either by simple or concurrent resolution to repeal a statute; which, of course, was sound to the extent that he went in that particular statement of the case. But to say that the Congress cannot attach the condition that it is within the power of either House to vacate whatever is done under the grant is clearly unsound. The condition is a part of the legislation.

Mr. TABER. There is absolutely nothing in this bill that says that such a proposed reorganization would be vetoed by a resolution passed by both Houses of Congress without the President's approval. Perhaps we might be allowed to attach that kind of condition to the bill if it can be done in that particular way. I can find nothing in the bill that says that. I may be mistaken.

Mr. COX. If the gentleman will yield right there, I would be glad to hear what the gentleman has to say as to this provision of the bill:

SEC. 5. The reorganizations specified in the plan shall take effect

(a) Upon the expiration of 60 calendar days after the date on which the plan is transmitted to the Congress, but only if during such 60-day period there has not been passed by the two Houses a concurrent resolution stating in substance that the Congress does not favor the reorganization plan.

In the opinion of the gentleman does this not mean that Congress may, by concurrent resolution, vacate what is done?

Mr. TABER. It does not meet my objection. It does not mean that to me. The resolution, under the Constitution, would have to be submitted to the President for his approval.

Mr. COX. Not at all, sir.

Mr. TABER. If the provision stated that passage of the resolution without the approval of the President—
Mr. COX. That is certainly the intention of the com-

mittee reporting and sponsoring the bill.

Mr. TABER. But it does not say that.

Mr. COX. And I think it is the intention of the House. There is no objection to a commitment being made on that proposition, none whatever. That is exactly what the language says.

Mr. TABER. Frankly, I do not believe it says so in such a way as to be effective. I would not want to pass on the question of whether it could be effective otherwise; but I am satisfied that the present language does not make the reservation effective.

Mr. COX. A concurrent resolution is simply the joint action of the two Houses; and the bill states that the plan may be upset through the joint action of the two Houses expressed through a concurrent resolution. That is all it states.

Mr. TABER. A concurrent resolution to be effective except with reference to the question of adjournment has to be submitted to the President for his approval, under this section of the Constitution, and if he shall veto the resolution to stop a proposed reorganization, a two-thirds vote of both the House and Senate would be required.

Mr. COX. The language of the bill simply states that the plan may be upset by action that falls short of legislation. That is what the language states.

Mr. TABER. Frankly, I do not think the language in the bill is broad enough to support that proposition.

Mr. COX. The gentleman has never heard of a concurrent resolution having been submitted to the President, has he?

Mr. TABER. If it relates to legislation, and all of these things very evidently relate to legislation, the note here states:

Although the requirement of the Constitution seems specific, the practice of the Congress has been to present to the President for approval only such concurrent resolutions as are legislative in effect.

This resolution, disapproving of the reorganization plan, would be legislative in effect.

Mr. COX. The Congress provides in the instant case what it may do by way of upsetting the plan, as in the Tobacco Inspection case. In that case the Court held that the condition attached to the grant was valid, so in the instant case it must hold that the condition here attached is valid.

[Here the gavel fell.]

Mr. TABER. Mr. Chairman, I ask unanimous consent to proceed for 1 additional minute.

The CHAIRMAN. Is there objection to the request of the gentleman from New York [Mr. TABER]?

There was no objection.

Mr. TABER. Mr. Chairman, in that case there was a specific reservation, while here there is a specific reservation that must be construed under the terms of the Constitution and the practice in favor of the submission of a concurrent resolution to the President and the requirement that it be passed by a two-thirds vote over his veto.

[Here the gavel fell.]

Mr. WOLCOTT. Mr. Chairman, I move to strike out the last word.

Mr. Chairman, the question which the gentleman from New York [Mr. Taber] and the gentleman from Georgia [Mr. Cox] have just been debating presents a very interesting question to the House for consideration.

This bill provides (sec. 5 (a)) that any plan of reorganization submitted by the President shall take effect upon the expiration of 60 calendar days after the date on which the plan is transmitted to the Congress, unless during such 60-day period both Houses of Congress pass a concurrent resolution stating in substance that Congress does not favor the reorganization plan. Under this provision the enactment of a concurrent resolution gives negative effect to the plan of the President; the failure to pass a concurrent resolution presumes to give positive effect to such plan.

The gentleman from New York [Mr. TABER] has reviewed the constitutional provisions with respect to the submission of all bills, resolutions, orders, or votes to the President for signature which have legislative effect, so I will not repeat them.

This bill, suffice it to say, reverses the process by which legislation must be passed under the Constitution.

Under the practice of Congress concurrent resolutions concern only intracongressional functions and do not have the effect of law. For this reason it has not been the universal practice to submit them to the President for signature; but whether a document considered by the Congress is a concurrent resolution, a joint resolution, an order, or a bill, does not depend upon the designation of such a document but rather upon whether it contains matter which is properly to be regarded as legislative in its character and effect.

In this connection the precedents and practices are embodied in a report from the Senate Committee on the Judiciary, dated January 27, 1897, which that committee had been directed to make on the subject of joint and concurrent resolutions and their approval by the President. The report declared that concurrent resolutions have uniformly been regarded by all the departments of the Government as matters peculiarly within the province of the Congress alone. They have never embraced legislative provisions proper and, hence, have never been deemed to re-

quire executive approval. In the instant case, however, we have an entirely different situation. It is sought to give negative legislative effect to a supposedly otherwise valid program by the enactment of a concurrent resolution.

Mr. Chairman, I want to read for the benefit of the House the finding of the Judiciary Committee made back in 1897, which clearly states this principle. It was stated at that time:

We conclude this branch of the subject by deciding the general question submitted to us, to wit, "whether concurrent resolutions are required to be submitted to the President of the United States," must depend not upon their mere form but upon the fact whether they contain matter which is properly to be regarded as legislative in its character and effect. If they do, they must be presented for his approval; otherwise they need not be. In other words, we hold that the clause in the Constitution which declares that every order, resolution, or vote must be presented to the President, to "which the concurrence of the Senate and House of Representatives may be necessary," refers to the necessity occasioned by the requirement of the other provisions of the Constitution, whereby every exercise of "legislative powers" involves the concurrence of the two Houses; and every resolution not so requiring such concurrent action, to wit, not involving the exercise of legislative powers, need not be presented to the President. In brief, the nature or substance of the resolution, and not its form, controls the question of its disposition.

In keeping with the Constitution, this report embodies the interpretations which have been put upon the specific provisions of the Constitution in no uncertain language. A concurrent resolution, therefore, which gives either positive or negative legislative effect to any action, comes within the category of those orders, resolutions, or bills mentioned in the Constitution, and must be presented to the President for approval. Any other procedure would not be in conformity with the Constitution. To negative the action of the President in case of a veto of the concurrent resolution provided in the bill, which, of course, would follow as a natural consequence, a mere 33 Members of the Senate might nullify the expressed will of the unanimous action of the House.

[Here the gavel fell.]

Mr. COX. Mr. Chairman, I rise in opposition to the amendment.

Mr. Chairman, if I understand the statement just made, it is that the gentleman entertains the opinion that under the language of the pending bill nothing short of legislation could vacate the action of the President in submitting a plan. I would like to have the gentleman indicate if that is the meaning of what he has said? In other words, is it the opinion of the gentleman that under the language of the bill we have before us, nothing less than legislation would suffice in setting aside, or an attempt to set aside, any plan of reorganization that might be submitted by the President?

Mr. WOLCOTT. Section 5 of the bill provides in substance that this plan of the President shall become the law of the land unless we take negative action.

Mr. COX. Very true.

Mr. WOLCOTT. That is positive action.

Mr. COX. That is correct.

Mr. WOLCOTT. If it does not become the law of the land, it necessitates negative action on the part of the Congress and the negative action on the part of the Congress is the concurrent resolution.

Mr. COX. That is true.

Mr. WOLCOTT. Whether the concurrent resolution has a positive or negative effect does not detract from its legislative effect. We virtually—I should not use the term "repeal" in this instance because the law has not taken effect, but it nullifies the otherwise valid acts of the President, which we have delegated to him.

Two questions are involved here. One is whether we have the authority to reverse the process under the Constitution by which legislation is enacted. If we hold that this resolution is not negative in its legislative effect, then we must have to admit that we have delegated to the President the lawmaking power, which is equally unconstitutional.

Mr. COX. Is the gentleman taking the position that the condition which is here attached to the grant is ineffectual insofar as the power being employed by the Congress through concurrent resolution to vacate what might be done by the

President is concerned? Is the gentleman taking that

Mr. WOLCOTT. I do take the position that if this concurrent resolution is not, as provided by the bill, presented to the President for his signature it has no force and effect whatever to negative the program of the President.

Mr. COX. A concurrent resolution is not law, and law cannot be repealed by such a resolution; but in this case the

concurrent resolution is a part of the law.

Mr. WOLCOTT. It is the exercise of no power so far as its legislative effect is concerned. It merely establishes what we want done but it has no legislative effect.

Mr. COX. Let us see about that by consulting what has happened heretofore and what the Supreme Court has said in interpreting a measure very similar to the bill now before us.

Mr. WOLCOTT. May I anticipate that the gentleman is going to quote again the tobacco case?

Mr. COX. Yes, of course. Mr. WOLCOTT. May I in reply say to the gentleman we had set up machinery whereby individuals-not the people of the Government at large, for that measure had no control over the people at large-if they saw fit could cooperatively place certain restrictions upon themselves, but that was absolutely different from this matter.

Mr. COX. In other words, the exercise of a power, created under the act of either setting aside or nullifying in effect the application of a law which was conditioned upon

referendum vote.

Mr. WOLCOTT. Not any more than a statement in the law that a man might come into court and waive his constitutional right to trial by jury. The same question is

Mr. COX. If I understand the gentleman, he takes the position that in an instance such as the case we have before us, presented by the pending bill, the Congress has the right to attach any condition it may see fit, which in this case is a condition subsequent, and that there must be some compliance with that condition, or substantial compliance with that condition, before the law becomes effective. Is that the position of the gentleman?

Mr. WOLCOTT. I understand the gentleman's point in

that connection.

[Here the gavel fell.]

Mr. COX. Mr. Chairman, I ask unanimous consent to proceed for 5 additional minutes.

The CHAIRMAN. Is there objection to the request of the gentleman from Georgia?

There was no objection.

Mr. COX. Now, let us see. The Court, in interpreting the Tobacco Inspection Act of 1935, said with respect to the provision that the Secretary might provide for the setting up of regulations of a certain character which could only become effective upon a vote taken of the growers directly affected under the law.

The Court said:

So far as growers of tobacco are concerned, the required referendum does not involve any delegation of legislative authority. Congress has merely placed a restriction upon its own regulation by withholding its operation as to a given market—

Quoting from the statute-

"unless two-thirds of the growers voting favor it." Similar conditions are frequently found in police regulations.

So in the case before us we provide a condition which empowers the Congress through joint action to do with respect to the pending bill what was provided might be done by the growers of tobacco under the inspection act of 1935.

Mr. DITTER. Mr. Chairman, will the gentleman yield?

Mr. COX. I yield to the gentleman from Pennsylvania. Mr. DITTER. May I direct the attention of the gentle-

man from Georgia to the letter from the President last year which was labeled the letter of denial of dictatorship, and may I quote from that letter this opinion of the President:

But there are two cogent reasons why the bill should go through as it is now drawn. The first is the constitutional ques-tion involved in the passage of a concurrent resolution, which is

only an expression of congressional sentiment. Such a resolution cannot repeal executive action taken in pursuance of a law.

Mr. COX. Very true. In the bill before us there is no provision for executive action. The action of the President under the bill is not executive and it is not legislative. He is the delegate of this Congress appointed to do the will of the Congress as expressed in the law.

Let me make this observation, and I certainly have no purpose to conceal from anyone any opinion I may have as to the power of Congress to attach conditions. In the instant case the Congress in the bill before us proposes to set up a condition whereby the two Houses through joint action can negative not an Executive order but a report made by the delegate of the Congress itself, acting as a ministerial agent.

Mr. DITTER. Mr. Chairman, will the gentleman yield at that point?

Mr. COX. Now let me say this, just one more observation: It is clearly within the constitutional power of the Congress to attach even a more limited condition than is provided in the instant case, where provision is made for the two Houses acting through concurrent resolution to vacate a reorganization plan. Congress might constitutionally attach the condition that any plan submitted by the President, the agent of the Congress, as he is made in the bill before us, might be vacated, might be set aside, might be nullified, or might be entirely extinguished by a simple resolution of a single House of the Congress.

Mr. DITTER. Now will the gentleman yield?

Mr. COX. Yes; I yield to the gentleman.

Mr. DITTER. Does the gentleman admit that we constitute the President the agent of the Congress?

Mr. COX. I certainly do.

Mr. DITTER. For legislative purposes?

Mr. COX. I do not, and there is consistency in all the holdings of the courts on the question, from the time of Chief Justice Marshall.

[Here the gavel fell.]

The CHAIRMAN (Mr. WOODRUM of Virginia). The question is on the amendment offered by the gentleman from New York [Mr. TABER].

The amendment was rejected.

Mr. GIFFORD. Mr. Chairman, I move to strike out the

Mr. Chairman, there is an old adage which says, "You may not believe all that you hear, but you can repeat it."

I wished to take the floor rather early and before the details of the bill were reached. It is not a question of privilege, because I am not greatly disturbed, but my constituents have been fed up in the last 24 hours with the statement that I would not vote for any bill, or even for the Ten Commandments, if proposed by a Democrat. I am glad to say that I rose yesterday and indicated that I would vote for the Byrd bill if it were offered as a substitute.

The assurance was given to the gentleman from Virginia [Mr. Robertson] that the committee amendment just adopted would be just as effective as the language contained in the Byrd bill. I trust we may rely on this assurance of the gentleman from Georgia [Mr. Cox]. For the benefit of the newer Members of this House I may say that for 10 years I was on the majority side. I voted often with the minority and was not loaded down with honors from the Republicans, because I could not be a rubber stamp. I voted with the minority too often, probably. I even voted for the famous Goldsborough bill, which caused much annoyance among my friends, I can assure you. I voted for your wage and hour bill. Perhaps some of you do not think that was a real Democratic measure. When your President came into power in 1933 I voted for about everything he proposed during those first 6 months. Large numbers of Democrats ducked and would not support him when he attempted cuts on benefits to veterans. I supported him on the bonus veto and most of you Democrats ran out on him. Far more than you, during that period, did I support him. It was only when he began the spendthrift era that I withheld my approval.

I asked you to be generous with my statement when I declared that I did not trust the President to bring about any economy under this bill; but rather would he attempt to freeze all emergency measures into permanent agencies. Some gentlemen were so unfair as to simply repeat a portion of my remark "I did not trust the President." Just what meaning did they wish to convey? That I would not trust him with a \$10 bill or a similar trust? What were you attempting to accomplish by such tactics?

Attacks of this kind, as far as I am concerned, do not do me any particular harm I think, but I want the newer Members of the House to understand that no matter what party may be in power, I am not to be a rubber stamp. Neither did I say that I would not support or vote for any reorganization bill. Those words were spoken by others without any authority whatever. If the limitations and the instructions with respect to economy, which the gentleman from Georgia now says are equal to the language of the Byrd bill, and with proper procedure with respect to affirmative action, are put into this bill, most of us will be glad to support the measure. Why the declaration that the Republicans would not support any reorganization bill?

Let me call your attention to the bill now under discussion. When this proposition for reorganization is finally presented by the President to the Congress for either affirmative or negative action, you will be forced to vote to accept or reject it without amendment of any sort. This bill as now presented is legislation by negative action. To illustrate: you might approve of a hanging but if you had to vote affirmatively you would hesitate. If you could simply avoid any action you might accomplish your desire without expression of approval or disapproval.

We want affirmative action by the Congress and we should preserve the integrity of the legislative branch of government. That is what the people desire.

I am sorry, indeed, that the attitude of the President last year so inflamed the public mind against any proposition he may advance in the matter of reorganization. Many have been led to believe that they were elected or defeated on that particular issue.

Do I need to enlarge on this further? I close as I began, "You need not believe all you hear, but you can repeat it." In that manner much harm can be done. No rejoinder to any attack here is interesting to the newspapers and it is useless to make one. An attack is always interesting. [Applause.]

[Here the gavel fell.]

Mr. MILLER. Mr. Chairman, it seems to me that we have had a perfect example in the last 30 minutes to bear out the contention that hearings should have been held on this bill, and that further study should have been given to it before it was brought to the House. We saw two able gentlemen, one on either side of the aisle, both anxious to bring about reorganization, both anxious to have economy in Government, and they could not agree in 15 minutes' discussion as to what one section of the bill means. It bears out the contention that this bill should be sent back to the committee for further study.

I came on the floor of the House Monday morning with an absolutely open mind. I had just two thoughts in my mind in connection with this bill: First, that there are numerous boards and commissions that should be abolished or consolidated; and second, that the citizens of my district did not want the reorganization bill proposed in the last session of Congress. They do not at this time know the contents of this bill, and in that same connection reference has been made on the floor to editorial comment throughout the country. I went to the Library of Congress and looked up several of these editorials. Certainly these editorial writers are in favor of reorganization, but they did not discuss this bill, because at the time the editorials were written they had not seen the bill, and neither had we.

I listened attentively during the last 2 days and I listened for an hour to the chairman of this special committee as he reported his bill and explained its contents, and I regret,

as one seeking information, that so much of that hour was devoted to an attack on the minority members of this special committee. In the 2 days that I have sat here I have not heard one good reason advanced by the proponents of this bill why we should not so write the bill that Congress can take positive rather than negative action on the recommendation of the proposals of the President. This Congress wants reorganization, the people of the United States want reorganization, and if the reorganization committee had been given time enough it could have ironed out the differences of opinion and brought a bill to this House that Congress could have united on and that the people would have approved. I cannot help asking the question, Why the rush? Why were no hearings held on this bill, and why was not a real effort made to write a bill that we could all approve? If I understand the debate I have heard on this floor it means just one thing. Let us assume that the President, after studying the departments of the Government decides on a program and recommends that program to the Congress, and let us assume that the program contains 10 proposals, 9 of them most desirable, something we all want, and 1 that we could not in all conscience approve. In that circumstance we would have to turn down nine good proposals simply to eliminate one that might be dangerous.

Very little has been said in the last 2 days about section 301 of the bill. Perhaps it is not important but it involves quite a sum of money. It provides for six assistants for the President at a salary of \$10,000 a year each.

No Member of the Congress opposes giving the President all the help he needs, but we must bear in mind that a lot of these duties, responsibilities, and tasks that the President is now performing were taken from this Congress and from other agencies of the Government, and I predict that after 1940, no matter what party elects the President, a lot of those duties the President is now performing will be returned to the Congress. [Applause.]

In closing, just one thought. I listened attentatively, as I always do, to my good friend from Massachusetts [Mr. Mc-Cormack] in his reference to those who had said they had lost confidence in the President. I cannot feel that there is anything disgraceful about that. There is nothing personal in it, certainly, and I say, with all sincerity, that many people of my district have lost confidence in the President, and have lost confidence in the New Deal, and they are looking to this Congress to take back the prerogatives we have turned over to the Chief Executive. Without indulging in personalities, and with the highest respect, personally, for the man who is President of the United States, I say the American people have lost confidence in this administration. [Applause.]

Mr. JENKINS of Ohio. Mr. Chairman, I offer the following amendment, which I send to the desk.

The Clerk read as follows:

Amendment offered by Mr. Jenkins of Ohio: Page 2, beginning in line 15, strike out down through line 19.

Mr. JENKINS of Ohio. Mr. Chairman, I have offered this amendment because I am very much interested in this matter that I wish to have stricken out. We have had some very learned discussion with reference to this subsection (b), and it leaves me, as it were, out on a limb because this discussion has not been clarifying. All this discussion has indicated what this subsection does not do. I should like to find out what it does do. I maintain from my reading of it that it does not do anything that is absolutely necessary to make the bill efficient, if it is ever going to be efficient. I ask the gentleman from Georgia [Mr. Cox], in the first place, what subsection (a) does the language refer to in this language that I move to strike out.

Mr. COX. It refers to (a) in section 1.

Mr. JENKINS of Ohio. If it refers to subsection (a) in section 1, then there is little wonder that all of this learned discussion has not been especially enlightening for it referred to subsection (a) over in section 5.

Mr. COX. Subsection (a) contains everything down through line 14 on page 2, does it not?

Mr. JENKINS of Ohio. That is what I maintain, too. Now, what does the gentleman think about this? Why cannot that whole section be stricken out? What does it do?

Mr. COX. That section is retained there for the purpose of supporting the constitutionality of the act. The Congress is here setting up its reason why an agent is being appointed to do the work which the Congress has not the facilities to do. In other words, all of the detail work, all of the investigating, all of the fact-finding and filling in all the details which the Congress is clearly not in a position to do.

Mr. JENKINS of Ohio. It strikes me yet, and I think I am absolutely right in my position, that this section does not do anything in the world toward making this law a constitutional act. I took that position yesterday and I take

it now.

Mr. COX. The bill sets up justification for the law.

Mr. JENKINS of Ohio. Yes; but that is not necessary.

Mr. COX. And is most essential to its validity.

Mr. JENKINS of Ohio. It is not necessary to set up explanatory language to make an act constitutional. If it has any constitutionality it gets it on its own wording.

Mr. COX. The gentleman is in error about that. You will find a statement of policy set out in the majority of the major proposals that come to this House, and they are put in for the express purpose of supporting the legality of the action taken by the Congress on the subject matter.

Mr. JENKINS of Ohio. I maintain that this subsection (b) is not necessary to do but one thing. It is employed to set out in clear language that the Congress has surrendered. It sets it out so that the Supreme Court, should it be called upon to pass upon it, would have a more direct invitation to say that the Congress has abdicated its legislative right and power.

Mr. COX. Let me ask the gentleman this question.

Mr. JENKINS of Ohio. Just wait until I make my statement.

I repeat, at the expense of being tedious, that this section is not necessary. If there is any merit to this bill the language of the bill should be sufficient without this explanatory language. If the constitutionality of subsection (a) in section 5 is safe and it will stand up, this language that I am asking to strike does not in any way strengthen it. It does no more than say that we are surrendering. We are giving up our authority to the President to do something. It is for no other purpose than that the Supreme Court may say, when it comes to construe this act, "Well, here is where the Congress itself said that it surrendered. The Congress knew what it was doing. It said that the President can do this work more efficiently than they can do it. Consequently, they are surrendering to him."

Of course, we know that without putting it into this statute. Everybody knows that we are surrendering. That is the reason I am opposed to the bill, because we are surrendering our legislative authority. All this is merely a recitation of our abject surrender. I am ashamed of this admission, and although I am going to vote against this bill, I want this language to be stricken so that there will be no open admission of our impotency.

Mr. COX. Mr. Chairman, will the gentleman yield fur-

[Here the gavel fell.]

Mr. COX. Mr. Chairman, I rise in opposition to the amendment.

Of course, the membership of this House, if interested in the setting up of a law that will stand the test in the courts, will not support the amendment to strike this provision of the act. The language of the section does no more than state a fact. That is, that the purposes specified may be accomplished in great measure by proceeding immediately, under the provisions of the title, and can be accomplished more speedily thereby than by the enactment of specific legislation.

There are literally hundreds of these agencies that are sought to be dealt with under the law. Is it seriously contended that the House, dealing with each one specifically,

by specific acts, can proceed more rapidly and more effectively than would be possible under this bill, with the President acting as the ministerial agent of the Congress?

I submit, Mr. Chairman, that the section simply sets up the reason for the law and that if stricken it is doubtful if the act could withstand a test in the courts on the ground of its constitutionality.

Mr. JENKINS of Ohio. Mr. Chairman, will the gentleman yield?

Mr. COX. Yes; I yield to my friend.

Mr. JENKINS of Ohio. Is not the real purpose of this subsection to take the place of those long oratorical preambles that marked the introduction of prior legislation brought up from the White House? Does it not have the same purpose, exactly, as a preamble and has it not been held repeatedly that a recitation in a preamble has no legalistic effect? It is not a part of the law?

Mr. COX. This sets up the reason why the Congress is delegating the power to do work which the agent is best able to do. A tremendous amount of detail is required in reorganization, and this detail Congress cannot well supply, and therefore has seen fit to delegate to the President.

Mr. WHITTINGTON. Mr. Chairman, will the gentleman yield?

Mr. COX. I yield.

Mr. WHITTINGTON. Does not a similar provision obtain in the Securities and Exchange Act, the Utilities Act, and all legislation where similar authority has been conferred?

Mr. COX. Oh, and a great many others.

So, Mr. Chairman, summarizing, I say that the language is most essential to the validity of the measure, and I trust that the House will reject the amendment.

The CHAIRMAN. The time of the gentleman from

Georgia has expired.

Mr. SCHAFER of Wisconsin. Mr. Chairman, after the confession of the gentleman from Georgia, I know now I shall have to oppose and vote against this bill unless it is drastically amended. The gentleman from Georgia admits that the language in question is a confession that the preponderant New Deal majorities in the Senate and the House are unable to perform their duties under the American Constitution. [Laughter.] You talk about delegating powers and duties to the President because they are too involved for Congress to perform. It appears from the provisions of this bill that you are delegating your duties and powers to six petty officials whose appointments at \$10,000 a year are provided for in this bill. During the last 6 years your Democratic New Deal administration has been creating so many new Government bureaus and agencies that it takes a Philadelphia lawyer to find out how many we now have. I know that very few New Dealers, if any, could tell us the names and number of all of these New Deal Government creations.

If our New Deal President can effect savings by reorganizing and merging Government activities, why has he not made specific recommendations to Congress under the authority which he now has? Why has the New Deal controlled Congress failed to enact legislation or even consider legislation to effect such savings? The record indicates that our New Deal brethren, from the President down, do not practice economy; they only talk about the necessity of and promise economy. You talk about and promise savings by eliminating and merging Government bureaus and agencies, while the record indicates you expend and multiply said bureaus and agencies. The American people want and are entitled to something more than talk and promises. They expect Congress to practice as well as preach. We should end the drunken orgy of spending by the New Deal crackpots, brain trusters, and nitwits who are on the Federal administrative pay roll. We should stop using the taxpayers' pocketbooks as guinea pigs in the laboratory of New Deal state socialism imported direct from Moscow. [Applause.]

The CHAIRMAN. Without objection the pro forma amendment will be withdrawn.

There was no objection.

The CHAIRMAN. The question is on the amendment. The amendment was rejected.

The Clerk read as follows:

Sec. 2. When used in this title, the term "executive agency" means any executive department, commission, independent establishment, corporation owned or controlled by the United States, board, bureau, division, service, office, authority, or administration, in the executive branch of the Government.

Mr. WADSWORTH. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. Wadsworth: Page 2, line 25, insert "For the purposes of this title the Botanic Garden shall be deemed an executive agency."

Mr. WARREN. Mr. Chairman, I make a point of order against the amendment, but I reserve the point of order. The CHAIRMAN. The gentleman from North Carolina

reserves a point of order against the amendment.

Mr. WADSWORTH. Mr. Chairman, I recognize the courtesy extended to me by the gentleman from North Carolina. He extended it to me, of course, in order that I may make my seventeenth desperate attempt, directly or indirectly, to divorce the Botanic Garden from the Congress of the United States.

Ever since 1915 I have asked upon what I supposed were appropriate occasions why it is the Congress of the United States is running a greenhouse. I have never received a satisfactory answer. This amendment, if drawn properly and if admitted to be in order, would authorize the President to regard the Botanic Garden as a football which could be kicked into the executive department, where it belongs. I believe that the Congress, Mr. Chairman, should perform legislative functions, not horticultural. [Applause.]

The CHAIRMAN. Does the gentleman from New York

withdraw the amendment?

Mr. WADSWORTH. No; this is a desperate matter.

The CHAIRMAN. Does the gentleman from North Carolina insist upon his point of order?

Mr. WARREN. I do.

The CHAIRMAN. The gentleman will state his point of order.

Mr. WARREN. Mr. Chairman, I am really in sympathy with the object of the gentleman from New York; but this bill, of course, is a bill to reorganize the executive agencies of the Government. The Botanic Garden is a part of the legislative establishment. I make the point of order that the amendment is not germane to the bill.

The CHAIRMAN. The Chair feels that it is a very close and delicate question. [Laughter.] The Chair feels constrained to take the position stated by the gentleman from North Carolina, that the amendment offered by the gentleman from New York does not come within the purview of the section or the bill.

The point of order, therefore, is sustained.

The Clerk read as follows:

SEC. 3. No reorganization plan under section 4 shall provide—
(a) For the abolition or transfer of an executive department or

all the functions thereof:

all the functions thereof;

(b) In the case of the following executive agencies, for the transfer, consolidation, or abolition of the whole or any part of such agency or of its head, or of all or any of the functions of such agency or of its head, except the function of preparing estimates of appropriations: Civil Service Commission, Coast Guard, Engineer Corps of the United States Army, Federal Communications Commission, Federal Power Commission, Federal Trade Commission, General Accounting Office, Interstate Commerce Commission, National Bituminous Coal Commission, National Labor Relations Board, Securities and Exchange Commission, United States Board of Tax Appeals, United States Employees' Compensation Commission, United States Maritime Commission, United States Tariff Commission, or Veterans' Administration; or sion, or Veterans' Administration; or

(c) For changing the name of any executive department or the title of its head, or for designating any executive agency as "De-partment" or its head as "Secretary."

Mr. WARREN. Mr. Chairman, I offer a committee amend-

The Clerk read as follows:

Committee amendment offered by Mr. Warren: At page 3, lines 8 and 9, strike out the comma and the words "except the function of preparing estimates of appropriations."

Mr. WARREN. Mr. Chairman, this is the amendment I stated on Monday that I would offer, and this is the lan-guage that we stated we would be glad to strike from the bill.

The CHAIRMAN. The question is on the amendment offered by the gentleman from North Carolina.

The amendment was agreed to.

Mr. LUDLOW. Mr. Chairman, I offer an amendment. The Clerk read as follows:

Amendment offered by Mr. Luplow: On page 3, line 4, after the word "thereof" and before the semicolon, insert the following: "or for the establishment of any new executive department."

Mr. COCHRAN. Mr. Chairman, this is acceptable to the committee

Mr. LUDLOW. Mr. Chairman, I do not think this amendment requires any discussion. It is a clarifying amendment and was explained in general debate. I believe the amendment is acceptable to the committee.

Mr. COCHRAN. There is no objection from the committee.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Indiana.

The amendment was agreed to.

Mr. RANKIN. Mr. Chairman, I offer an amendment. The Clerk read as follows:

Amendment offered by Mr. RANKIN: On page 3, line 18, after the word "Commission", insert the words "the Rural Electrifica-tion Administration."

Mr. RANKIN. Mr. Chairman, I have offered this amendment to exempt from the provisions of this bill the Rural Electrification Administration. As I explained yesterday, there is absolutely no reason for not doing so.

The Rural Electrification Administration is setting an example for economy in overhead expenditures that the other governmental agencies might well follow. In addition to that. it is doing its job well. You are not going to increase efficiency and you are not going to promote economy by disturbing the R. E. A. at this time. Unless exempted, this agency will be left in a disturbed condition and in a state of uncertainty for the next few months, which will have an effect from one end of the country to the other.

I pointed out yesterday that it has already been instrumental in the building of approximately 200,000 miles of rural power lines to serve approximately two and a half million people in the rural sections who never would have received electricity otherwise. Someone will say, "Oh, this is left up to the President." My understanding is that the President never asked that the Rural Electrification Administration be included; besides, we know that a board will do this reorganizing; and for this reason, and for the further reason the Rural Electrification Administration is functioning properly now, I ask that my amendment be adopted.

Mr. JOHNSON of Indiana. Will the gentleman yield? Mr. RANKIN. I yield to the gentleman from Indiana.

Mr. JOHNSON of Indiana. Does the gentleman fear that the President would under the plan proposed here do away with the T. V. A. under this bill?

Mr. RANKIN. No; I am not as afraid of the President as far as the T. V. A. is concerned as I am of the gentleman from Indiana. The T. V. A. has proved its worth to the American people.

Mr. RICH. Will the gentleman yield?

Mr. RANKIN. I yield to the gentleman from Pennsylvania. Mr. RICH. Is it not possible that the President might consolidate this bureau with some of the other bureaus?

Mr. RANKIN. I am not afraid of the President of the United States. I am not offering the amendment to embarrass the President in any way, and it will not embarrass him. I think if I had taken the time and had gone to him I could have got him to recommend that the amendment be agreed to or that the R. E. A. be exempted.

I am appealing to the membership of the House to exempt this agency, as the Labor Relations Board, the Coal Commission, and many other organizations have been exempted. some of which never have done and never will do as much good for the American farmers as has the Rural Electrification Administration. I was in hope the gentleman from North Carolina would accept my amendment and not take up the time of the House.

Mr. MOTT. Will the gentleman yield?

Mr. RANKIN. I yield to the gentleman from Oregon.

Mr. MOTT. If the gentleman is not worried or afraid that the President may do something in regard to rural electrification, then why does he want it exempted?

Mr. RANKIN. I thought I explained that to the gentleman a moment ago.

Mr. MOTT. I listened, but I have not heard anything

Mr. RANKIN. I will tell the gentleman. I do not say it will convince the gentleman, because that is an awfully hard thing for a Democrat to do sometimes.

Mr. MOTT. The gentleman from Mississippi is very con-

vincing at times.

Mr. RANKIN. Here are my reasons: In the first place, this reorganization will go on from month to month. The Rural Electrification Administration is functioning as well as it possibly can. The uncertainty will leave them in a disturbed state, which will have an effect on the efficiency of the organization and the promotion of rural electrification in the meantime. There is no reason, in my opinion, for it being in the bill, and for this reason I ask that it be exempted.

Mr. RICH. Will the gentleman yield?

Mr. RANKIN. I yield to the gentleman from Pennsylvania. Mr. RICH. The gentleman said that the T. V. A. was taking care of itself. What he meant to say was that the taxpayers of the various districts of this country were taking care of the T. V. A., which is losing other people's money.

Mr. RANKIN. What I am trying to tell the gentleman from Pennsylvania [Mr. Rich] is that the T.V. A. is taking care of his constituents by forcing down their electric light

and power rates.

Mr. RICH. How is it forcing the rates down in Pennsylvania? They have low rates in Mississippi where the gentleman lives, but our fellows back in Pennsylvania have to pay the bills.

Mr. RANKIN. Oh, no; we have reduced rates to the people of Pennsylvania by more than \$40,000,000 a year.

Mr. RICH. The gentleman is not doing anything for our people, and with all this hub-bub it is wrong.

[Here the gavel fell.]

Mr. WARREN. Mr. Chairman, I rise in opposition to the amendment offered by the gentleman from Mississippi [Mr. Rankin].

Mr. Chairman, the gentleman from Mississippi is so appealing and ingratiating that I hate very much to oppose his amendment. He says he cannot see a single reason why his amendment should not be adopted. There are exactly 270 reasons why it should not be adopted. Once you let down the floodgates and let every bureau, board, and administration come under the exemptions provided in this bill, then you have nothing whatever left and nothing to be performed by the President.

Mr. RANKIN. Will the gentleman yield?

Mr. WARREN. I am getting ready to compliment the gentleman now.

Mr. Chairman, the gentleman from Mississippi [Mr. RANKIN] has made a Nation-wide reputation on his study of the power question and related problems. This particular board or administration is very dear to his heart. I may also say, as he has well expressed it, this matter is also very dear and near to the heart of the President of the United States who formerly recommended legislation on this subject. It is inconceivable to me that the President with the authority granted only to him will set out to destroy or impair the efficiency of an agency that is so near to him. Once we adopt this amendment, or other similar amendments which will follow, then we simply open up the whole proposition, and I therefore ask that the amendment be defeated.

Mr. RANKIN. Will the gentleman yield?

Mr. WARREN. I yield to the gentleman from Mississippi.

Mr. RANKIN. That logic carried to its ultimate conclusion would mean that you have opened the floodgates already when these other agencies were exempted.

Mr. WARREN. No; that does not hold true. I stated on Monday that personally I think we have too many exemptions in this bill; but most of these exemptions, in fact two-thirds of them, are the so-called quasi-legislative agencies of the Government. Certainly the Rural Electrification Administration could in nowise be termed a quasi-legislative agency.

Mr. RANKIN. These are not all quasi-legislative agencies.
Mr. WARREN. I did not say all; I said about two-thirds,
but we have reasons for the others which I will be glad to

give.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Mississippi.

The question was taken; and on a division (demanded by Mr. Rankin) there were—ayes 54, noes 89.

Mr. RANKIN. Mr. Chairman, I demand tellers.

Tellers were refused.

So the amendment was rejected.

Mr. RANDOLPH. Mr. Chairman, I offer an amendment. The Clerk read, as follows:

Amendment offered by Mr. RANDOLPH: On page 3, line 7, after the word "appropriations", insert "Civil Aeronautics Authority."

Mr. RANDOLPH. Mr. Chairman, I rise with some trepidation due to the fact that the amendment offered by my beloved friend, the gentleman from Mississippi, an amendment to add an exemption, has been defeated in this Committee. I have the desire very honestly to present to this Committee in the time allotted to me the reasons why I believe the Civil Aeronautics Authority should be exempted from the provisions of the bill.

We have on this floor today the very able chairman of the Committee on Interstate and Foreign Commerce, the gentleman from California [Mr. Leal. He remembers very well that the creation of the Civil Aeronautics Authority took place in the closing days of the last session of the Seventy-fifth Congress, early in the summer of last year. It was not until the last of October 1938, or a little more than 4 months ago, that the Civil Aeronautics Authoriy began to function. I believe it is absolutely wrong after such a short period of time for this Congress to in fact nullify that which we did in the last days of the Seventy-fifth Congress.

I call attention to the message which was sent by the President of the United States to the National Aviation Forum, which met in Washington, D. C., on February 20 and 21, and I ask you to listen carefully to these words. The President said:

Civil aviation is clearly recognized as the backlog of national defense in the Civil Aeronautics Act which set up the effective machinery for a comprehensive national policy with respect to the air.

These are the words sent 2 weeks ago by the President of the United States to the National Aviation Forum, and in them he reaffirms his belief in the provisions and purposes of the Civil Aeronautics Act. The President stated that "underlying the statute is the principle that the country's welfare in time of peace and its safety in time of war rests" on the stabilization of this new and great industry.

Mr. COX. Mr. Chairman, will the gentleman yield?

Mr. RANDOLPH. I yield to the gentleman from Georgia. Mr. COX. Does the gentleman entertain any fears whatever about the President doing anything in carrying out the will of the Congress that would in any wise embarrass the authority to which the gentleman refers? There has not been any indication on the part of anyone connected with the Civil Aeronautics Authority indicating a desire to be exempted from the provisions of the law, has there?

Mr. RANDOLPH. I am pleased to answer the two questions of the gentleman. No official of the Civil Aeronautics Authority has approached me with reference to the amendment which I have introduced, and certainly I have no fear the President of the United States would take the action the

gentleman suggests. However, I believe it is absolutely wrong for the Congress of the United States to march up the hill and then seem to turn about and march down the hill in just the short period of a few months' time, when the provisions and reasons for the new act were given the most careful consideration by the committee and then later by the House. Let us remember that we deal not only with civil aviation but with such aviation as it affects the national defense of this country. Civil aeronautics certainly is the backlog of any true national-defense program in the days that are to come. We must, during peacetime, promote and maintain civil aviation in all its important phases. Wartime supremacy in the air is certainly based on peacetime superiority in the air.

Mr. MAY. Mr. Chairman, will the gentleman yield?

Mr. RANDOLPH. I yield to the gentleman from Kentucky.

Mr. MAY. The gentleman has referred to the fact that we are preparing to nullify what we did 4 months ago in setting up this authority. This proceeding does not nullify it or authorize anything to be done with it particularly. Further, the President recommended to the Congress only a few months ago that the Civil Aeronautics Authority be set up, and surely he has not changed his mind about it this soon.

Mr. RANDOLPH. That contention is no doubt true, but we do not know that and the gentleman, of course, does not know it.

Mr. COX. Mr. Chairman, will the gentleman yield?

Mr. RANDOLPH. I yield.

Mr. COX. Of course the gentleman understands that under the bill the President is not authorized to abolish any activity or any agency except that which is made useless, and that would be in the form of a duplication as a result of coordination or consolidation.

[Here the gavel fell.]

Mr. RANDOLPH. Mr. Chairman, I ask unanimous consent to proceed for 2 additional minutes.

The CHAIRMAN. Is there objection to the request of the gentleman from West Virginia?

There was no objection.

Mr. RANDOLPH. I want also to call your attention to this communication of the President within the last 2 weeks, in which he states:

This new policy set up by the Congress views American aviation as a special problem requiring special treatment.

This Congress today should reaffirm by the adoption of my amendment what it did just a few months ago when it gave special treatment to civil aeronautics.

Mr. DONDERO. Mr. Chairman, will the gentleman yield?
Mr. RANDOLPH. I yield to the gentleman from Michigan.

Mr. DONDERO. Does not the gentleman believe the fear he expresses might best be avoided by changing section 5 of this bill so that it will require affirmative action by both branches of the Congress before a plan is adopted that might disturb the Civil Aeronautics Authority? What is the gentleman's answer to that question?

Mr. CASE of South Dakota. Mr. Chairman, will the gentleman yield?

Mr. RANDOLPH. I yield to the gentleman from South Dakota.

Mr. CASE of South Dakota. Has not the gentleman considered the possibility that without the protection of this amendment a consolidation might abolish Langley Field as a National Advisory Committee for Aeronautics?

Mr. RANDOLPH. That could be taken into consideration.

Mr. NICHOLS. Mr. Chairman, will the gentleman yield? Mr. RANDOLPH. I yield to the gentleman from

Mr. NICHOLS. The gentleman has pointed out the national-defense angle of civil aviation. With reference to the question of the gentleman from Georgia as to whether or not the gentleman has any fear of the President tampering with the Civil Aeronautics Authority, is it not a fact that

what the gentleman is most interested in is not the personnel of the Board or the peace of mind of the Board itself but rather the peace of mind of the aviation industry in the United States? The Board was set up because of the very unhealthy condition of the aviation industry, and if the industry has another case of hysteria about what might happen to it, then the industry itself is the one that would suffer if the gentleman's amendment is defeated, and not the Board.

Mr. RANDOLPH. The gentleman from Oklahoma makes a splendid contribution to the argument I trust I have brought to this committee. I say to you here today that I feel it is absolutely necessary that we put this amendment in the bill. President Roosevelt said further in the letter I have quoted—

That hardly another civil activity of our people bears such a direct and intimate relation to the national security as does civil aviation.

Let us, then, allow the Civil Aeronautics Authority to function with no doubt in any citizen's mind that a change

might be made. [Applause.]

Mr. COCHRAN. Mr. Chairman, I think the gentleman from West Virginia [Mr. Randolph] has made the best argument that could possibly be made as to why his amendment should not be adopted. The gentleman knows, as I know, we would not have the Civil Aeronautics Authority, and the Congress of the United States would not have created it in its last session, if it had not been for the President of the United States. The gentleman has read to you the message of the President to the National Aviation Forum. Now, can anyone imagine that the President is going to abolish or cripple an agency of this character in which he himself is so greatly interested?

We all know the progress aviation is making. We all know the necessity for Government assistance. We all know the value that is going to come as a result of the Safety Board and

the leadership of the Authority.

I say to the membership of this House that we do not want to fill up this bill with exemptions. The Civil Aeronautics Authority itself has never made a request upon the committee to be exempted, and I hope we can have confidence in the President, who is delegated to do the job, and that he can be trusted not to destroy that which he himself is more responsible for creating than any individual or any official of the Government. If the President can find a way to improve the administration of the act, I am sure he will do it. He is interested in aviation. Remember, he can, if he desires, add to the duties of the Authority, and I predict he will do it rather than in any way impede the progress that is being made.

Mr. LAMBERTSON. Mr. Chairman, I rise in favor of the amendment.

Mr. Chairman, the gentleman from Missouri has just stated a thing which I emphasized day before yesterday. He guarantees to the gentleman from West Virginia that Civil Aeronautics will not be disturbed. The President, of course, will not abolish his pets and he will, of course, try to destroy the old set-ups which do not respond so freely to him. This is just one of the things I pointed out to you as one of the reasons he should not have this power.

The gentleman from West Virginia is disturbed about what might happen to C. A. in which he is interested. The gentleman from Mississippi is disturbed about the R. E. A. We can all be disturbed about anything we have any particular interest in because the first effect of giving the President the power over all boards and commissions to consolidate or eliminate or do whatever he wants to do with them, is going to put them all at his feet. They will all bow down to him for 2 years. They will all eat out of his hand.

The gentleman from Missouri, the great chairman of this committee, has indicated the weakest thing about the whole proposition. Of course, the President would not hurt any of his own babies. I think everybody ought to be exempted in this bill except the different alphabetical set-ups and then we should let the President work on them all he wants to, after exempting everything else.

Mr. MAY. Mr. Chairman, will the gentleman yield?

Mr. LAMBERTSON. Yes, briefly.

Mr. MAY. The gentleman referred to the fact that these agencies might be at the President's feet eating out of his hand.

Mr. LAMBERTSON. Yes: I think so.

Mr. MAY. What does the gentleman think he is going to have in his hand under the present set-up?

Mr. LAMBERTSON. Power and intimidation.

Mr. HOFFMAN. Mr. Chairman, will the gentleman yield?

Mr. LAMBERTSON. In a moment I will yield.

The distinguished Chairman of the Committee of the Whole twice yesterday referred to my statement that I had lost faith in the President. I did not say that I have lost faith in the President, but I do not have faith in his inclination to save money. A man who has added one-third to our bureaucracy is naturally not qualified to reorganize it.

I do not know any better way to express it than to draw a parallel with the parable of the prodigal son. The prodigal son took his portion of the estate and wasted his substance. He came back and lived off the old folks, but the parable does not indicate anywhere that the prodigal son ever was successful afterward or that he ever did anything worth while. A leopard does not change his spots-a spender is a spender. He learned to spend with the money his parents gave him. and that is all he ever had to live on, and he spent that money riotously; the burden of the taxpayers and the sacrifice of his family never haunted him. His father did not ask him to reorganize his business. So how can a man who has done

more to spend money than all the Republican Presidents since the Civil War be qualified to reorganize the Government in the interest of economy when, as the Chairman has just said, he will not hurt his babies-and his are one-third of them all? [Laughter and applause.]

Mr. HOFFMAN. Mr. Chairman, will the gentleman yield?

Mr. LAMBERTSON. I yield.

Mr. HOFFMAN. Does not the gentleman recall that the President is the one who had something to do with aviation in connection with the mail contracts, and that he canceled them, and 12 Army boys went to their death?

Mr. LAMBERTSON. I know that he canceled the con-

tracts and used Army planes.

Mr. HOFFMAN. And 12 of them died.

Mr. GIFFORD. Mr. Chairman, will the gentleman yield?

Mr. LAMBERTSON. I yield.

Mr. GIFFORD. The gentleman will have to take a little comfort, as I have done, in being joined with him in an expression of lack of faith. And it is a further comfort to know that we have as much faith as one-half of you, if we are well informed about the whisperings that are going on.

Mr. HOUSTON. Mr. Chairman, will the gentleman yield?

Mr. LAMBERTSON. I yield.

Mr. HOUSTON. The gentleman from Kansas would be for this bill if we had a Republican President?

Mr. LAMBERTSON. I would be for it with any other President. Democrat or Republican. [Laughter and applause.1

I think the amendment of the gentleman from West Virginia [Mr. RANDOLPH] should be supported and everything else exempted from this bill. [Laughter and applause.]

Mr. NICHOLS. Mr. Chairman, I am going to support this amendment, and at the outset I say that I am sure that none of my friends who have worked so hard on this committee to bring out this bill will even think that I want to do anything to hurt the bill, because I do not. I appreciate the feeling of the gentleman that it might be dangerous to let the floodgates down by adopting an amendment which would exempt an additional department, but even in view of all that I say this. I have no interest in the Civil Aviation Authority as a board. I know no member of the Authority except one, and he was for a long time in the Post Office Department, and I knew him in that capacity and not in his capacity on the Board. I am not interested in the personnel of the Board. I am not interested in the longevity of the life of the Board, but I am interested, as I think every other citizen of the United States is interested, in the protection of an infant industry in this country which is rapidly growing to be a major industry, and which industry forms a strong right arm for the national defense of the country, and I am talking about aviation. Today civil aviation in the United States leads civil aviation of the entire world. We are behind Germany, we are behind many other of the great nations of the world in military and naval aviation, but we lead them all in civil aviation. If my friends of the committee are right. and I think they are, that the President has no intention of bothering this Board, then let us do the thing this year that we did last year when, upon the President's suggestion, we set up a board here for the purpose of making healthy an unhealthy industry.

The aviation industry in this country, up until the creation of the Civil Aviation Authority, was an industry that was losing money every year. It was losing money largely because those interested in it could not get the proper regulations and the proper rules which would allow them to get enough for the transportation of the United States mail and for the carrying of express and passengers to permit them to earn a profit on their investment. We have now got them in a healthy state. Millions and millions and millions of dollars have been invested in this industry, just as it was in the railroads years ago, from which there has not yet been taken a profit. Let us not hold over their heads a threat that perhaps the President of the United States might, if he wants to-though he does not want to, as we all agree-do something to give this industry a serious set-back. Let us take this threat away from them and let us allow this aviation industry, which today is in its swaddling clothes, to grow to a strong, healthy industry in the United States, with no threat of interference.

Mr. RANDOLPH. Mr. Chairman, will the gentleman yield?

Mr. NICHOLS. Yes.

Mr. RANDOLPH. Is it not true that this is a semilegislative authority which we have created? More than a century ago American genius produced the sailing clipper and the flag of our land was borne proudly over the seven seas. Then came a decline. Is it not a fact that because of the obscurant national policy in respect to our place on the sea, our people watched American ships leave the oceans, and we were faced with humiliation, so that in 1914-18 we found we were deficient in shipping; and if we pursue a similar course in respect to aviation we may find ourselves deficient in the air. We stand in the air now where a hundred years ago we stood on the sea. But we must not remain idle. We are not unchallenged. Our clippers of the sky must not go down as did our earlier clippers of the sea.

Mr. NICHOLS. I am not sure that I can answer the gentleman in respect to this being a semilegislative authority; but I do point out, in answer to the last part of the distinguished gentleman's question, that if today we were forced into war our defenses in the air would probably have to depend upon the equipment in operation by private companies within the United States, who make up the civil

aviation industry of the country today.

The CHAIRMAN. The time of the gentleman from Oklahoma has expired. The question is on the amendment offered by the gentleman from West Virginia.

The question was taken; and on a division (demanded by Mr. RANDOLPH) there were-ayes 47, noes 123.

So the amendment was rejected.

Mrs. ROGERS of Massachusetts. Mr. Chairman, I offer the following amendment, which I send to the desk.

The Clerk read as follows:

Amendment offered by Mrs. Rogers of Massachusetts: Page 3, line 17, after the word "Commission", insert "United States Employment Service."

Mrs. ROGERS of Massachusetts. Mr. Chairman, this is a very simple amendment. It would merely insure that the United States Employment Service be kept in the Department of Labor. This amendment has the endorsement of labor, and it has the endorsement of the veterans' organizations, because labor and the veterans realize that if this service is

taken from the Department of Labor, labor and the veterans who want work will not fare so well. It is the only placement bureau that the veterans have at the present time, the only department where the veteran can go and be sure of receiving assistance in getting a job. Twenty-five thousand placements have been made during the past year.

The United States Employment Service was created under a Republican administration that has been carried on as one of the best New Deal departments since the New Deal had its existence. There are 1,600 employment offices all over the United States, and the logical place for this service is

under the Department of Labor. [Applause.]

The Department knows all the regulations regarding labor, the wage and hour law, the pay, and the hours of work. It also has very complete records about children, and if children are likely to be employed and should not be, and thereby interfere with the jobs of the older men and women, those children can be prevented from working, as a humane measure. It will also give employment to the older men and women. If it should be put under the Social Security, the benefit department of the Government, it would be an insurance matter and it would be easier to pay them unemployment wages than to pay them real wages. Everybody wants real wages for the people of the country.

The Department of Labor, with its statistical department, knows where all the industries and types of industries are

located where employment can be obtained.

I sincerely hope the amendment will be adopted. Mrs. NORTON. Will the gentlewoman yield?

Mrs. ROGERS of Massachusetts. I yield.

Mrs. NORTON. I would suggest that the amendment is unnecessary because the unemployment service is now in the Department of Labor.

Mrs. ROGERS of Massachusetts. This is not unemployment. This is known as the United States Employment Service. Unemployment compensation is a different thing.

Mrs. NORTON. Of course. It has to do with unemployment, however. The Employment Service is now in the De-

partment of Labor and we intend to keep it there.

Mrs. ROGERS of Massachusetts. Yes, I know that; but this bill does not specify the Employment Service be kept in the Department of Labor. I feel those words should be in the bill in order to clarify it. There has been a great deal of agitation about this. There have been many rumors that it would be placed under Social Security. I have a great many letters concerning it. It does belong there.

Mrs. NORTON. May I say that there is now a bill before the House Labor Committee to retain the United States Employment Service in the Department of Labor? I hope action will soon be taken on this bill, and I am sure the lady

from Massachusetts will support this legislation.

Mrs. ROGERS of Massachusetts. Yes, I shall be glad to; but my amendment would keep it in the Labor Department; also it would prevent its transfer to another department, and labor as well as the veterans want it kept where it is.

Mrs. NORTON. It is now in the Labor Department. The amendment is not necessary. I believe that this matter should be dealt with by separate legislation, because it is of very great importance. The Labor Committee recognizes its importance.

[Here the gavel fell.]

The CHAIRMAN. The question is on the amendment offered by the gentlewoman from Massachusetts [Mrs. Rogers].

The amendment was rejected.

Mr. WHITTINGTON. Mr. Chairman, I move to strike out the last word.

I do this for the purpose of propounding a question to the committee, particularly to the gentleman from North Caroline [Mr. Warren]. My question is this: Does the phrase-ology respecting the Engineer Corps of the United States Army in section 3 under consideration, in the opinion of the gentleman, preclude, without question, the transfer of flood control and river and harbor works from the War Department and from the supervision of the Chief of Engineers?

Mr. WARREN. Mr. Chairman, I will say that it most emphatically does. I do not believe there could be a Member of the House who is more interested in or who has greater respect and appreciation for the Corps of Engineers than I. I am the one who suggested, in the very first reorganization bill we ever had, that they should be completely exempted in every way, shape, and form. I believe that is in accord with the overwhelming wishes of the Congress.

Mr. WHITTINGTON. One other question: Does the term "functions" in this section, with respect to the Corps of Engineers of the United States Army, embrace or mean works and allied activities in rivers and harbors and flood-control improvements now being done by the Corps of Engineers and the Chief of Engineers in and under the supervision of

the Department of War?

Mr. WARREN. It certainly does. I would also like to call to the attention of the gentleman from Texas [Mr. Mansfield] my answer to the gentleman. I think I can answer it in just one sentence. If it is not a function, then they are not affected by this bill. If it is not a function, then it cannot possibly be affected by this bill, for this bill provides only for the transfer or abolition of functions. If it is a function, then it is specifically exempted under section 3.

Mr. WHITTINGTON. Legislation for river and harbor and flood-control works provides for the construction of those works by the Chief of Engineers, under the supervision of the Department of War. Is the term "Chief of Engineers" synonymous with the word "head" in the section under consideration, so that the work would be done by the Corps of Engineers, under his supervision, in the Department of War, and could not be transferred, and would be exempt from the provisions of this act?

Mr. WARREN. Absolutely. I call the gentleman's attention to the fact that we cite that as a case in our report on this bill, which you will find on pages 5 and 6. We call specific attention to the very thing the gentleman is mentioning now.

Mr. WHITTINGTON. So that not only the intent but the phraseology used does exempt the flood-control, river and harbor works, and allied activities now done by the Corps of Engineers, under the Chief of Engineers, from the provisions of this bill?

Mr. WARREN. There is no question about it. [Here the gavel fell.]

The pro forma amendment was withdrawn.

Mr. VAN ZANDT. Mr. Chairman, I offer an amendment. The Clerk read as follows:

Amendment offered by Mr. Van Zandt: On page 3, line 14, after the comma, insert "Railroad Retirement Board."

Mr. VAN ZANDT. Mr. Chairman, the fact that the Railroad Retirement Board is not included in the list of agencies to be exempt from transfer, consolidation, or abolition convinces me that some plan is afoot to make some change in this set-up which affects the welfare of the railroad men of this country.

As many of you know, in June 1937 Congress approved a bill which empowered the President to set up the present Railroad Retirement Board. Up until the present time 2,300,000 individuals employed by the railroads in the United States have paid into the retirement fund of the Board \$102,000,000 as their share. Railroad management has matched this amount with \$102,000,000 as its share. This makes a grand total of \$204,000,000 that has been paid into the Government for the purpose of taking care of pensions or annuities to the railroad employees and to the survivors of deceased railroad workers.

The benefits of this agency of our Government have not cost the taxpayers of the United States one penny beyond a small administrative cost. We therefore consider the Rallroad Retirement Board as the baby of the railroaders themselves. We certainly would resent the President's shifting this Board in any way which would affect the operation of the requirements of the Railroad Retirement Act. For this reason I appeal to the membership of this committee to add to those agencies to be exempted from the provisions of this bill the

Railroad Retirement Board so that it may continue to function for the benefit of the railroad employees.

Mr. PATRICK. Mr. Chairman, will the gentleman yield?

Mr. VAN ZANDT. I yield.

Mr. PATRICK. Has the gentleman as a Member of Congress had an appeal from the Railroad Retirement Board? Has a member of that Board communicated with the gentleman asking that they be excepted?

Mr. VAN ZANDT. They have not.

Mr. PATRICK. Are they apprehensive of this in any wav?

Mr. VAN ZANDT. I did not ask them. I speak for the railroad employees of this country and not for the Railroad Retirement Board.

Mr. PATRICK. Have the railroad men been appealing to the gentleman as a Congressman to intercede for them?

Mr. VAN ZANDT. They have contacted me. I have discussed this matter with a large number of railroad men in my home city of Altoona, Pa., one of the Nation's great railroad centers.

Mr. DONDERO. They have such confidence in the gentleman that they know he would intercede for them on the floor of the House without their communicating with him.

Mr. VAN ZANDT. Exactly.

Mr. PATRICK. Have they been writing to the gentleman? Mr. VAN ZANDT. I did not write to them. I said they had contacted me in person.

[Here the gavel fell.]

Mr. COCHRAN. Mr. Chairman, I rise in opposition to the amendment.

Mr. Chairman, we all recall when the gentleman from Ohio [Mr. Crosser] late one evening presented his bill creating the Railroad Retirement Board, and how the House passed it unanimously. I recall very well after that bill was passed the reception that was given to the gentleman from Ohiothe many nice speeches which referred to his long and honor-

With the passage of that bill, the Congress of the United States made an agreement with the railroad men of this country, and there is not a Member of Congress here who will ever live to see the day that this agreement will not be carried out. I say there is absolutely no danger of seeing that act repealed. It will be improved, not repealed. Under the circumstances there is no reason why we should exempt the Railroad Retirement Board in this bill.

I hope the amendment will be voted down.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Pennsylvania.

The question was taken; and on a division (demanded by Mr. Schafer of Wisconsin) there were—ayes 76, noes 93.

So the amendment was rejected.

Mr. CROSSER. Mr. Chairman, I offer an amendment. The Clerk read as follows:

Amendment offered by Mr. Crosser: On page 3, line 18, after the word "Commission", strike out the word "or", and after the word "Administration" strike out the semicolon and insert the following: "National Mediation Board, National Railroad Adjustment Board, or Railroad Retirement Board."

Mr. CROSSER. Mr. Chairman, the amendment which I have just offered provides for the exemption of three agencies with the creation of which I had a great deal to do. The older Members will recall how at midnight in the closing hours of the session in 1934 I stood there where the gentleman from Utah [Mr. Robinson] now sits and pleaded for concurrence in the Senate amendment to the railway labor bill creating the present Mediation Board. This law has been heralded from one end of the country to the other as a means of settling disputes between employers and railroad employees. It probably suggested the establishment of the N. L. R. B. We find the N. L. R. B. exempted, but the Mediation Board is not exempted, nor is the Railroad Retirement Board. Three times we passed a Railroad Retirement Act before a retirement system actually operated in the full sense of the word.

Let me call your attention to the fact that no other agency of the Government functions exactly as do these three

agencies. They are peculiarly adapted to the needs of the railroads and the railroad workers' problems. The railroad pension bill is entirely different from anything else that the Government has established, and even to make it possible to consolidate it with something else would be a grave mistake. The same is true of the Adjustment Board. The Adjustment Board would not operate or work in the adjustment of any other labor dispute. Those who think so just do not understand the situation.

Now, Mr. Chairman, this is not only my request, but the spokesmen of all the railroad men throughout the country ask for this exemption. These men know how hard it was to have this legislation passed; and I submit to the Members here who have had to do with railway labor legislation that railroad labor never comes here with an unreasonable or foolish demand. When they do come, it is for something that is well considered and supported by sound reason.

Let me read a telegram I received the other day:

WASHINGTON, D. C., March 6, 1939.

Washington, D. C., March 6, 1939.

Hon. Robert Crosser,

Member of Congress, House Office Building:

H. R. 4425 reported favorably to House, March 3, which I understand will likely come up for consideration early this week would, if enacted, seriously jeopardize if not destroy rights and interests which have been secured by railway labor only after 50 years of struggle. The National Mediation Board, National Railroad Adjustment Board, and the Railroad Retirement Board, agencies in which railroad labor has a vital interest, are not excluded from the bill. I am reliably informed of a well-directed effort to bring about the abolition of these boards which would unquestionably result in incalculable harm to railroad workers throughout the country. On behalf of the 20 standard railway labor organizations I urge upon you most strongly that when this measure comes up in the House if adequate provision has not been made by the committee to insure exclusion of these agencies you call upon the friends of railway labor who have so generously made possible the rights and protection now enjoyed by railroad workers under the laws creating these agencies, to amend the bill by adding to section 2, page 3, line 18, after words "Veterans' Administration," the following: "National Mediation Board, National Railroad Adjustment Board, and the Railroad Retirement Board."

George M. Harrison,

Chairman, Railway Labor Executives Association

GEORGE M. HARRISON, Chairman, Railway Labor Executives Association.

[Here the gavel fell.]

Mr. COX. Mr. Chairman, I ask unanimous consent that the gentleman may proceed for 3 additional minutes.

The CHAIRMAN. Is there objection to the request of the gentleman from Georgia [Mr. Cox]?

There was no objection.

Mr. CROSSER. Mr. Chairman, there is the statement of the man who represents the great army of railroad workers throughout the United States. As I said before, these are highly honorable men, men who are intelligent, men who give sound reasons for what they ask. These men, through their official spokesman, have sent me the telegram which I have just read to you. Are we-after the many months of labor which the committees and the House and Senate have devoted to these measures—are we to make it possible to do what this telegram says may happen?

Mr. MAY. Will the gentleman yield?

Mr. CROSSER. I yield to the gentleman from Kentucky. Mr. MAY. I am sure I would be entirely incapable of paying a just tribute to the gentleman from Ohio in his lovalty to the railroad men of this country; but is it not possible that your informant is laboring under a misapprehension due to the fact that certain other agencies have been exempted in the bill and he, Mr. Harrison, is under a misapprehension that those agencies not specifically exempted are being abolished, when, as a matter of fact, the President, labor's greatest and best friend, can be trusted to deal fairly with them and will undoubtedly do justice to all labor?

Mr. CROSSER. I did not yield for a speech.

Mr. MURDOCK of Arizona. Will the gentleman yield? Mr. CROSSER. I yield to the gentleman from Arizona.

Mr. MURDOCK of Arizona. I not only wish to pay the gentleman a tribute for what he has done already, but I think he is right in regard to the pending amendment. Did the gentleman not make the statement that these agencies are different from all others because they deal distinctly with the problems and also with the money of these railroad men?

Mr. CROSSER. The gentleman is correct. This railroad retirement law does not involve a single penny of Government money. Do not forget that. There are just two groups involved. The railroad men pay half the money to the Railroad Retirement Board and the railroads pay the other half. Not a single penny of Government money is expended for the system.

Mr. RISK. Will the gentleman yield?

Mr. CROSSER. I yield to the gentleman from Rhode

Mr. RISK. Does the gentleman think this measure constitutes a threat to the well-being of the railroad laboring men of this country?

Mr. CROSSER. I have read what the president of the Labor Executives Association has had to say in reference to the matter. I add to that what the gentleman from Arizona mentioned a moment ago, namely, that the money which goes into this fund, the money to be used for pensions, is paid in one-half by the railroads and one-half by the railroad men themselves. Not one penny is paid by the Government of the United States.

Mr. COOLEY. Will the gentleman yield? Mr. CROSSER. I yield to the gentleman from North Carolina.

Mr. COOLEY. Who is it that is threatening to abolish these boards?

Mr. CROSSER. I refer the gentleman to the telegram which I have read.

[Here the gavel fell.]

Mr. COX. Mr. Chairman, I rise in opposition to the amendment offered by the gentleman from Ohio [Mr.

Mr. Chairman, during my 14 years' service in this House I have looked upon and regarded the gentleman from Ohio [Mr. Crosser] as the authorized and responsible spokesman for the railway laboring people of this country. He has never failed to champion their cause, and, in my opinion, had contributed more to the advancement of their welfare than any other single individual or group of individuals in the Nation. [Applause.]

I expect him to take advantage of every opportunity to testify to the fine patriotism of the people in the railway service of this country. However, Mr. Chairman, I think if he has any apprehensions with respect to what may happen of an unfavorable character to these agencies, in behalf of which he now speaks, that those apprehensions are not well founded.

I am sure that the railway workers of the country look upon the President of the United States as their best friend and gladly give him credit for having done more for the workers than any other single individual who has ever occupied that high official station in the Nation. There is no one here who would participate in the setting up of any sort of situation which would admit of injury to these agencies of the Government which serve the special need of the railway workers.

The difficulty, Mr. Chairman, is that no stronger reasons can possibly be offered for exempting the agencies named in the pending amendment than may be offered by those who hold themselves out as special pleaders for many of the other agencies which could be affected as a result of performance under the law. If we open the door for the exit of the agency or agencies in behalf of which the gentleman just spoke, there will be no possibility of closing it against others who for reasons satisfactory to themselves wish to

Mr. Chairman, I submit that in the interest of the bill pending before us today the amendment should be rejected. I am confident that those of us voting against the amendment will do so with complete confidence that the President in the exercise of the powers that are delegated to him will do nothing that will in any wise impede or affect the agencies in their operations.

Mr. Chairman, I ask that the amendment be rejected. Mr. MOSER. Mr. Chairman, I move to strike out the last

Mr. Chairman, I would be untrue to nearly a quarter of a century's association with labor among railroad employees if I did not rise on this occasion to support the amendment offered by the gentleman from Ohio [Mr. CROSSER].

All that he has said with respect to railroad employees I wholeheartedly endorse. But leaving it rest just at that point, I should like to leave with the Committee this thought, that were We to visualize the possibility that the Railroad Retirement Board, for example, were to be merged or placed under the control of another agency of government, it would seem to me the Social Security Board would be the logical hand of government that would reach out to grasp control of this splendid organization. To those of you who have shared with me experience in dealing with these agencies of the Government, may I say I should like to ask you to contrast your experience in dealing with Mr. Latimer and Mr. Lynch, of the Railroad Retirement Board, and the efficient railroad employees they have brought together there from the different sections of the country to deal with the Members of Congress who must contact them, and your experience in dealing with Mr. Altmeyer, of the Social Security Board, or with Mr. Bane, who is no longer with the Board, and the Council of State Governments will doubtless learn to know him as we did. You all know the distinction and the difference. I sincerely trust my friends and colleagues of this Committee will vote to endorse the amendment offered by the gentleman from Ohio [Mr. CROSSER].

Mr. COX. Mr. Chairman, will the gentleman yield? Mr. MOSER. I yield to the gentleman from Georgia.

Mr. COX. Does the gentleman recall that when the reorganization bill was before the House in August 1937, it did not exempt from its provisions the agencies in behalf of which the gentleman now speaks, that they did not ask to be exempted, and that the gentleman from North Carolina [Mr. Warren], who was handling the bill, stated on the floor that the railway workers of the country supported the bill he was then offering?

Mr. MOSER. Some of these agencies were not in existence at that time. Moreover, I will say this regarding our vote in 1937 on the reorganization bill that passed this House at that time, if I could recall that vote, having experienced much to change my mind, I would recall it today.

Mr. Chairman, I yield back the remainder of my time. [Here the gavel fell.]

Mr. SCHAFER of Wisconsin. Mr. Chairman. I rise in support of the pending amendment submitted by the distinguished friend of labor from Ohio [Mr. CROSSER]. I do not desire to trespass on your time and cover the ground which he has covered. I heartily endorse everything he has said. I am somewhat surprised to find members of the committee in charge of this bill opposing his very meritorious amendment. The argument made by the gentleman from Ohio [Mr. Crosser] is unanswerable.

The daddy of the bill, my good friend the gentleman from Missouri [Mr. Cochran], with whom I served for many years on the Committee on Expenditures in the Executive Departments, should be the first man to rise in his place and accept the pending amendment, in view of his splendid labor record since he has been a Member of the Congress.

As the gentleman from Ohio indicated a reorganization or consolidation of these agencies would break faith with those whose affairs they handle and would not result in economy or greater efficiency, but would only create chaos, extravagance, and inefficiency. The great recognized rail-road labor organizations are in favor of this amendment. They have never been unreasonable and this House should overwhelmingly support their position.

I sincerely hope that all of my Republican colleagues will vote for the fair and just amendment offered by our distinguished Democratic colleague, the great friend of labor and able legislator, the gentleman from Ohio [Mr. CROSSER]. If the amendment is defeated, let it not be said that Republican votes were responsible. I call upon the leadership of my party to place this amendment in our motion to recommit if it is defeated now, so that the railroad employees of the country

can see who their friends are and who their enemies are. [Applause.]

[Here the gavel fell.]

Mr. LORD. Mr. Chairman, I move to strike out the last two words.

Mr. COCHRAN. Mr. Chairman, will the gentleman yield for a unanimous-consent request?

Mr. LORD. I yield.

Mr. COCHRAN. Mr. Chairman, I ask unanimous consent that all debate on this amendment close in 7 minutes.

The CHAIRMAN. The gentleman from Missouri asks unanimous consent that all debate on the pending amendment close in 7 minutes. Is there objection?

There was no objection.

Mr. LORD. Mr. Chairman, I rise in support of the amendment of the gentleman from Ohio [Mr. CROSSER] exempting the Railroad Retirement Board from this bill. It has taken many years for the railroad men of this country to get legislation they wanted that would help to care for them in the days when they could no longer work on the railroad. To bring them under the provisions of this reorganization bill will create distrust in their minds and they will all be on edge and wonder what is going to happen. We have exempted many different departments in this bill. If there is reason for exempting any department, there certainly is very good reason for exempting the Railroad Retirement Board. This Board has only just got started, it has just got so it can function, and to give them cause for distrust, to make them wonder what is going to happen, including possibly combining them with some other department, is only going to create confusion, and it will take much longer for men who have retired to get their retirement pay than it will if the Board is permitted to continue the way it is now and knowing it will not be disturbed.

Mr. ROBSION of Kentucky. Mr. Chairman, will the gentleman yield?

Mr. LORD. I yield to the gentleman from Kentucky.

Mr. ROBSION of Kentucky. The Bituminous Coal Commission has been in operation now for nearly 2 years. It has cost the coal people, it is charged, \$50,000,000 and the taxpayers \$20,000,000 more, but has done nothing to help the industry. Why is it exempted from this reorganization bill? Does not it need reorganizing?

Mr. LORD. That is something I cannot understand.

Mr. ROBSION of Kentucky. Then an effort is here made to subject to reorganization the Railroad Retirement Board and other boards for railroad workers which have functioned efficiently and well. I favor exemption of all these rail workers' boards.

Mr. LORD. If the Bituminous Coal Commission or the Civil Service Commission or any other of the some 16 or 18 other activities are going to be exempted, certainly the Railroad Retirement Board should be exempted from overhauling or combining with some other department.

Someone has said there has been no protest from the railroad men. This is a bill that was slipped out of committee before it was even printed and available. I tried to get a copy of this bill on Saturday and one was not available, yet they came before this House with the bill on Monday. What opportunity did the railroad men have to protest?

Mr. COX. Mr. Chairman, will the gentleman yield? Mr. LORD. Not just now.

What opportunity have they had to present any objection to legislation they did not even know was being considered?

I think we will hear from the railroad men if we do not exempt them from this bill, and I hope all the friends of the railroad men will rise up at this time and support the amendment of the gentleman from Ohio [Mr. Crosser].

[Applause.]

[Here the gavel fell.]

Mr. CROSSER. Mr. Chairman, since a number of Members seem to be somewhat in doubt about what was stated in the telegram which I read a few minutes ago, I shall read from the telegram, as follows:

I am reliably informed of a well-directed effort to bring about the abolition of these boards, which would unquestionably result in incalculable harm to railroad workers throughout the country. On behalf of the 20 standard railway labor organizations, I urge upon you most strongly that when this measure comes up in the House, if adequate provision has not been made by the committee to insure exclusion of these agencies, you call upon the friends of railway labor who have so generously made possible the rights and protection now enjoyed by railroad workers under the laws creating these agencies, to amend the bill.

This is signed, "George M. Harrison, chairman, Railway Labor Executives Association."

This association includes the heads of all railway labor organizations in the United States. [Applause.]

[Here the gavel fell.]

Mr. COCHRAN. Mr. Chairman, I come from a city that is entered by 32 trunk lines and no train ever goes through the city. Trains either make up or end their run in St. Louis.

I have been a friend of the railroad men all my life. They know it. I talked with the officials of the railroad organizations last Saturday and again Monday, and they promised to let me know, after the conversations I had with them, if they were not satisfied. I have not heard from them. As a friend of the railroad men, if I thought there was anything in this bill that would hurt them in the future, I would not support it. I am supporting the bill as it is, and I have just as many railroad employees in my district as practically any man in this House, and I cherish their friendship. I am satisfied they will not be harmed by this bill as it is.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Ohio [Mr. Crosser].

The question was taken; and on a division (demanded by Mr. Crosser) there were—ayes 126, noes 100.

So the amendment was agreed to.

Mr. ALLEN of Pennsylvania. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. ALLEN of Pennsylvania: On page 3, lines 13 and 14, after the comma in line 13, strike out the words "National Bituminous Coal Commission."

Mr. ALLEN of Pennsylvania. Mr. Chairman, so that there will be no misunderstanding regarding this amendment, let me explain that it provides for the elimination from the list of exemptions of the National Bituminous Coal Commission.

As I understand it, the prime purpose of this bill is to reduce Government expenditures and to abolish such Federal agencies and functions as may not be necessary for the efficient conduct of government. With this purpose firmly in mind it is difficult for me to understand why the National Bituminous Coal Commission, one of the most expensive and profligate and worthless agencies of government, should be placed in the list of exemptions. [Laughter and applause.]

About 2 years ago we created the Bituminous Coal Commission and since then it has spent some six or seven million dollars. I would like to ask anyone on this floor who can name one single benefit emanating from that Commission to stand on his feet and name it. It has helped neither the operators nor the miners. The operators in my district, which is one of the largest soft-coal producing districts in the United States, are worse off than they were before the passage of that bill. There is more unemployment among the miners today than there was before we created the Bituminous Coal Commission.

I have many letters in my files, and I hope to bring them to the attention of the House tomorrow when we are considering the appropriations for the continuation of the Bituminous Coal Commission, and these letters, without exception, ask that the Commission be abolished or reorganized fully. I do not want to see the Bituminous Coal Commission excluded from the possibility of abolishment in the first place, and drastic reorganization in the second. Instead of eliminating or exempting the Commission from the provisions of this bill, I believe it should be held close to the eyes of the Chief Executive for the closest possible scrutiny, and I hope the Members of the House will support this amendment and

eliminate from the list of exemptions a Commission which has been absolutely ineffective and which has failed to justify its existence in every respect. [Applause.]

[Here the gavel fell.]

Mr. WARREN. Mr. Chairman, I realize the force of the argument just made by the gentleman from Pennsylvania [Mr. Allen]. I would not be frank with the Committee if I did not say that the sole and only purpose of retaining this Commission in the list of exemptions is because it has been in prior bills. I do not think I have anything further to say about it. So far as we are concerned as a committee, it does not make any difference to us. It is carried simply because it was in the other bills.

Mr. ANDREWS. Mr. Chairman, will the gentleman yield? Mr. WARREN. Yes.

Mr. ANDREWS. I am wondering how long the gentleman considered this bill, if the only reason that this appears is because it was in other bills.

Mr. WARREN. Oh, the bill has had plenty of consideration and plenty of debate on the floor. I am frankly stating to the House why it is included, and if the House wants to take it out it is a matter for the Committee to decide.

Mr. MAY. Mr. Chairman, I move to strike out the last word. I was engaged in telephone conversation with the chairman of the Senate Committee on Military Affairs and just walked into the Chamber. I understand the proposal here is to strike the Bituminous Coal Commission out of the list of exempted agencies in section 3, whereby it is exempted from reorganization and made subject to it. Mr. Chairman, the Bituminous Coal Commission is an organization having an existence of a little over a year. It is one of those agencies of the Government that pays its own way by a tax levied against the industry itself.

Mr. ALLEN of Pennsylvania. Mr. Chairman, will the gentleman yield?

Mr. MAY. Not now. There is a tax levied against its own operators and producers, and it has not asked the Government to pay any part of its expenses. The institution is just now to a point where it is able to begin to function. It has been trying to organize, to be effective as an agency, to control and regulate the sick, the desperately sick coal industry. To disturb it now and put it in a state of uncertainty would make it impossible for it to do what it was organized to do. I do not know why the amendment is offered to take it from these exceptions, because I did not hear the remarks of the gentleman from Pennsylvania.

Mr. ALLEN of Pennsylvania. Mr. Chairman, will the gentleman yield there?

Mr. MAY. But I do say it is suffering from one of the worst kind of politics emanating from the State of Pennsylvania. That has been one of the obstructions to its progress so far. Perhaps the gentleman can explain that, and for that purpose I yield to him.

Mr. ALLEN of Pennsylvania. If the gentleman had remained on the floor, he would have heard why I think this should be exempted from the list which appears in the bill. It is for the simple reason that after 2 years and the expenditure of millions of dollars it has failed to accomplish one single constructive act.

Mr. MAY. Is the gentleman asking me a question?

Mr. ALLEN of Pennsylvania. I am just explaining. The gentleman asked me a question and I am trying to answer him.

Mr. MAY. I think the gentleman has stated his position very well. I come from a district that produces 20,000,000 tons of coal each year. I know that the operators in my district throughout the Appalachian coal area all over the United States, with the exception of two of the larger ones that are always kicking about something, are eminently satisfied with the operation of the National Bituminous Coal Commission, and I know that the Commission is just now to a point where it is able to do that which it has been working 4 months to do, and while I do not think it would be particularly disturbed by the President in any reorganization, yet I say that it would continue this feeling of disturbance and uncertainty

which would make it impossible for it to function as the Congress intended it to.

The CHAIRMAN. The time of the gentleman from Kentucky has expired. The question is on the amendment offered by the gentleman from Pennsylvania.

The question was taken; and on a division (demanded by Mr. May) there were—ayes 164, noes 53.

Mr. DOWELL. Mr. Chairman, I demand tellers.

The CHAIRMAN. Tellers are demanded. As many as are in favor of taking the vote by tellers will rise and remain standing until counted. [After counting.] Three Members standing, not a sufficient number, and tellers are refused.

So the amendment was agreed to.

Mr. MOTT. Mr. Chairman, I offer the following amendment, which I send to the desk.

The Clerk read as follows:

Amendment offered by Mr. Morr: Page 3, line 10, after the words "Coast Guard", insert "United States Forest Service."

Mr. MOTT. Mr. Chairman, this amendment adds the United States Forest Service to the list of exempted agencies under section 3 of the bill. I think every Member of the House is familiar with the argument in support of this amendment. It was made when the last reorganization bill, in 1938, was in the House; and although that bill did not pass, it is my recollection that an amendment similar to this one was adopted.

There is every reason, it seems to me, why the United States Forest Service should be included in the list of exempted agencies. There is no real reason that I know of why it should not be so included. The Forest Service of the United States, with the possible exception of the Corps of Army Engineers, is the most competent, the most experienced, and the most expert organization of any agency in the executive branch of the Government.

Mr. COCHRAN. Mr. Chairman, will the gentleman yield? Mr. MOTT. I yield to the gentleman from Missouri.

Mr. COCHRAN. The gentleman stated that the amendment was adopted. The amendments that were offered to the bill in 1937 and in 1938 were defeated. They were not adopted.

Mr. MOTT. It is my recollection that the amendment offered to the 1938 bill was adopted.

Mr. COCHRAN. Oh, the gentleman was in favor of it, but the amendment was defeated both in 1937 and 1938.

Mr. MOTT. I may be mistaken, of course, but my recollection is that it was adopted. It makes no very great difference inasmuch as the bill did not pass. If the amendment was not adopted it was at least a very close vote.

Mr. COCHRAN. Well, the RECORD will show.

Mr. MOTT. Naturally, the Record will show, and, of course, I stand corrected if I am in error. However, whether an amendment of this kind was adopted or not last year in the bill which did not pass, it should by all means be adopted this year in the pending bill, which most Members here believe is going to pass today.

Mr. WALTER. Mr. Chairman, will the gentleman yield? Mr. MOTT. I yield to the gentleman for a question.

Mr. WALTER. Does the gentleman propose this amendment because he is apprehensive that the Forest Service will be placed back in the Interior Department, where it was up to the time it was moved in order to give a job to Gifford Pinchot?

Mr. MOTT. Frankly, it is my opinion that if the Forestry Service is not exempted it will be transferred to the Interior Department. I did not want to go into that, but since the question has been asked directly, I will simply state what I think nearly everyone already knows. For years and years there has been agitation on the part of the Department of the Interior to take over the Forest Service. This effort has been bitterly fought by the Department of Agriculture. Most people who have had very much to do with forestry matters are of the opinion that if the Forest Service is not exempted the transfer will be made.

In every State in the Union where there are national forests private lumber concerns operate at least to some extent in those forests. The Forest Service has the best logging system that has been devised, the best conservation methods, and the best plan of disposing of the merchantable timber which should be cut. It has been cooperating with the timber operators and sawmill operators in nearly every State in the Union, and this cooperation has been of the greatest advantage both to the Government and to the lumber industry, upon which many States depend for their major pay rolls. All timber-producing States are familiar with the policy and the methods of the Forest Service which now exist, and they are unanimously in favor of the retention of that Service in the Agricultural Department.

It would be a blow to every timber-producing State in the Union if the United States Forest Service were transferred to some other department which has had little or no experience in the administration of national forests. This certainly is not a partisan matter. I think it should have just as much support upon the Democratic side as upon the Republican side. It is a meritorious amendment, and I trust it may receive the approval of a majority of the Members on both sides of the aisle. [Applause.]

[Here the gavel fell.]

Mr. ROBINSON of Utah. Mr. Chairman, I rise in opposition to the amendment.

Mr. Chairman, there are just as many reasons for defeating this amendment as any of the others that have been defeated; in fact, possibly more.

If we permit this agency to be exempted, then, as a matter of logic and justice, there are at least 56 other agencies that should receive the same treatment, because they are in the same condition as this particular agency.

As far as I am concerned, in my State the Forest Service is a very popular agency. We think a great deal of this agency. It is doing a fine work. We have no objection to the Forest Service being operated as it is now, but there are 14 different agencies that deal with forestry in the United States. Now, get that into your minds. Fourteen different agencies. For instance, the United States Forest Service itself only operates 174,198,902 acres of forest lands. Grazing Division operates 110,000,000 acres of land. The Biological Survey operates 11,492,165 acres, and the National Parks Service operates 15,491,165 acres. In other words, there are 14 different agencies under the Government handling our forest.

Mr. MOTT. Will the gentleman yield for a question?

Mr. ROBINSON of Utah. Now, if there is any one agency in the Government where the President should have the right to consolidate any overlappings or any other work at all in connection with the operation of those agencies, this is the agency that should receive that consideration.

Mr. SIROVICH. Mr. Chairman, will the gentleman yield?

Mr. ROBINSON of Utah. In just a moment.

I want to say further that there is no reason why the Democratic Members, or, for that matter, the Republican Members should feel at all alarmed about giving this authority to the President of the United States. There is no assurance that this will be turned over to the Interior Department.

Mr. MOTT. Will the gentleman yield there?

Mr. ROBINSON of Utah. In just a moment. If I have time, I will. The President has made no pronouncement to the effect that this will be turned over. There will be an investigation made. Facts will be found, and if the facts warrant turning over this agency to one department, then the President will come back to Congress and recommend to this Congress that that be done, and the Congress will have a chance to vote on it.

Mr. SIROVICH. Mr. Chairman, will the gentleman yield?

Mr. ROBINSON of Utah. I yield.

Mr. SIROVICH. Is it not a fact that the greatest economy could be effected by uniting 14 different organizations, with their personnel, into one department so that the Republicans can help us bring about economy, in which they are interested?

Mr. ROBINSON of Utah. I am not saying that they could or could not, but I am saying that the President of the United States should have the right to make an investigation of this department, and if, after that investigation is made, it is determined that certain things should be done with reference to those agencies, he should have the right to do it. I am saying that in face of the fact that the Forest Service is doing a fine work, and the men from the West are in sympathy with the Forest Service. We do not want anything to happen that will interfere in any way with the effective operation of the Forest Service, but we do think there can be economies made and changes effected that will help this agency.

Another thing we must bear in mind is that different agencies will operate side by side. An operator on one side of the line will be working under the Forest Service and an operator on the other side will be operating under the Biological Survey or the Department of the Interior. Is it anything more than fair that we should investigate these conditions and find out which of these agencies can best handle the operation and then when it comes back to the Congress under the recommendation of the President have the right to vote our convic-

Mr. MOTT. Mr. Chairman, will the gentleman yield?

Mr. ROBINSON of Utah. I yield.

Mr. MOTT. Outside of possibly the O. and C. grant lands, does the gentleman know of any forestry work of the Department of the Interior that is similar in character to the forestry work of the United States Forest Service?

Mr. ROBINSON of Utah. I will grant that there is considerable difference in the forestry of Oregon as compared with some of the other States. It stands on its own footing to a very large extent.

[Here the gavel fell.]

Mr. ELLIOTT. Mr. Chairman, I rise in support of the

Mr. Chairman, there is not a Government agency or a department, a bureau, that has discharged its functions and duties with a higher type of efficiency and integrity than the Forest Service. It is one of the most important Government agencies we have. In the control of our watersheds, in restoration of our watersheds, and in control of floods, and our very existence is absolutely dependent on the function of the Forest Service of this Government. The Department of Agriculture wants to retain it, while another department wants to take it over and absorb it. I would like to comment on the personnel. It is the highest type to be found in any Government agency. The Forest Service should not be transferred for the best interests of agriculture as is, agriculture being the backbone of our Nation.

Let me say further that we must not forget the real extent to which we depend upon this able division of the Department of Agriculture. I do not believe the House will make any mistake in leaving it where it is. Very few times in my short career here have you heard me say a word, but I am asking the Democrats to support the amendment offered by the gentleman from Oregon. I think it is in the interest of good government to assure the perpetuation of a service that has meant so much to our Nation. I hope the amendment is adopted. [Applause.]

Mr. MURDOCK of Utah. Mr. Chairman, I offer an amendment to the amendment.

The Clerk read as follows:

Amendment offered by Mr. MURDOCK of Utah to the amendment offered by Mr. Morr: At the end of the amendment offered by the gentleman from Oregon insert the following: "of the Department of Agriculture."

Mr. MOTT. Mr. Chairman, so far as I am concerned I accept the amendment.

The CHAIRMAN. The gentleman from Utah is recognized for 5 minutes.

Mr. MURDOCK of Utah. Mr. Chairman-

Mr. COCHRAN. Mr. Chairman, will the gentleman yield to permit me to submit a unanimous-consent request?

Mr. MURDOCK of Utah. I yield.

Mr. COCHRAN. Mr. Chairman, I ask unanimous consent that all debate on this amendment close in 15 minutes.

The CHAIRMAN. Is there objection to the request of the gentleman from Missouri?

There was no objection.

Mr. MURDOCK of Utah. Mr. Chairman, the only purpose of my offering this amendment at this time is that we have been advised that there are 14 different agencies of the Government now administering forest lands. I believe the gentleman from Oregon intends to exempt only the Forest Service of the Department of Agriculture. My amendment limits the exemption to the Forest Service of the Department of Agriculture and is offered only for the purpose of clarifying the amendment offered by the gentleman from Oregon.

Mr. Chairman, I yield back the balance of my time. The CHAIRMAN. The gentleman from Idaho [Mr.

WHITE], is recognized for 5 minutes.

Mr. WHITE of Idaho. Mr. Chairman, I represent a district that contains the greatest concentration of national forests in the United States, the First Congressional District of Idaho. The land embraced in this national-forest area is not all forest land and the resources located in this mountainous section are not all timber. We have a number of Government agencies dealing with the undeveloped resources of the United States located within this section, within the boundaries of the national forests. We have within the boundaries of the district I represent what has been said by the Bureau of Mines to be one of the greatest undeveloped gold fields in the United States. Much of this country is isolated and inaccessable. Operating within this district also we have the Geological Survey, the Division of Public Grazing, the National Park Service, and a great many agencies all with divided authority and divided attention.

It is my idea that these lands should be committed to one management. Let me point out to the gentleman from Oregon that he was interested in a bill to create an entire new service, a new Forest Service, if you please, to administer the 2,500,000 acres of the Oregon-California land-grant forests which is under the jurisdiction of the Department of the Interior. We have today in the executive branch of the Government two Forest Services, one under the Department of Agriculture administering the national forests, and the other under the Department of the Interior administering the Oregon-California land grants, a duplication of

service.

Let us pass this amendment, let us give somebody in the United States, to the President if you please, the man who is Commander in Chief of our Army and of our Navy, authority to put the forests under a unified control, under the same management. Let us pass this bill without this amendment.

Mr. MOTT. Mr. Chairman, let me ask the gentleman from Idaho the same question I asked the gentleman from Utah.

There are the O. and C. lands, and I know the gentleman is aware of the fact why they are in the Interior Department, because they have been there since they were revested 16 years ago. You could not put them any place else. Outside of that, does the gentleman know of any forest administered by the Interior Department that is similar in any way to a forest administered by the Department of Agriculture? In other words, are there not two distinct and separate jurisdictions and functions? The function of the Interior Department, insofar as forests are concerned, is to create national parks and conserve trees in them.

Mr. WHITE of Idaho. I did not yield for a speech. I

want to use my own time.

Mr. Chairman, the gentleman has cited a divided authority. There are grazing districts within these lands that are interlaced with the national-forest lands under the jurisdiction of the Department of the Interior; and there are also some grazing lands under the jurisdiction of the Department of Agriculture. This involves some difficulty when it comes to cattle grazing on this land.

I have tried to have passed a bill to place all of this land in the national forests, so that there would be one authority, so that there might be order in handling the grazing of the cattle on public land, but I have been unsuccessful, due to the controversy between the two Departments and the divided authority. These Departments are always at war and they are always in trouble with one another.

Let us carry out the provisions and intent of this bill and vote down the amendment. [Applause.]

[Here the gavel fell.]

NATIONAL FORESTS AND NATIONAL PARKS

Mr. CASE of South Dakota. Mr. Chairman, the gentleman from Utah IMr. Robinson said that there were several agencies operating these timberlands and implied that they should be under the same administration regardless of the purposes for which the timberland is operated. It does not seem to me that should be any more true than if we should say that regardless of the different purposes for birds in the country they should always be managed by a single agency. You can have birds for a circus, you can have birds for a zoo, or you can have birds for a poultry farm.

We have the National Park Service operating some timberlands for park purposes. We have the National Forest Service operating some timberland for a variety of uses. Each of those Departments in its particular field is doing a fine service. However, we have two entirely different aims,

two purposes to be served.

I have seen both of these services operating in my district and I admire them both. It happens that my home town is the headquarters for the Harney National Forest, which I believe was the first forest in the country to be placed under the control and operation of the National Forest Service, in which they put into effect the principle of cropping the forest, supervising the cutting. Today the Harney National Forest stands first in the entire Denver region in the production of timber revenue to the National Government.

Mr. WHITE of Idaho. Will the gentleman yield? I think he has made a mistake.

Mr. CASE of South Dakota. The gentleman is probably proud of his forests, too. The fact is that the National Forest Service operates the forest from the standpoint of a multiple-use program. It recognizes that timberlands can be operated for grazing without interfering with the management of the timber for cropping purposes. It recognizes that mineral land within a national forest can be operated for mining without injuring timber as a crop. It recognizes, also, that you can use the national forests for certain recreational purposes without interfering with mining or timber cropping. All of these several purposes are carried out, one without interfering with the other.

When you come to the National Park Service you have a different proposition. Here the purpose is to maintain the forest in its primeval state. The National Park Service seeks to preserve the natural features of the timberland. You have an entirely different and proper park purpose to be served. The National Park Service does not want its timber cut. It does not want any mining carried on. It does not want any public recreation of the kind that would interfere with the preservation of the natural character of the timberlands. So you have two entirely different propositions,

Those of us who see them operate side by side are not aware of any conflict. In many cases timberlands of the National Forest Service are located alongside of forests of the National Park Service. I have seen the two operate in very close cooperation for fire prevention but each has a different primary purpose. The personnel of the Park Service is trained primarily to serve the traveling public; the personnel of the Forest Service is trained primarily to administer the forest for a multiple-use program of a timber crop, a grass crop, mining, and such additional public uses as can be carried on. I feel that the operation of the two should be kept separate and distinct, and I make this statement based upon personal observation.

Mr. SIROVICH. Will the gentleman yield?

Mr. CASE of South Dakota. I yield to the gentleman from New York.

Mr. SIROVICH. If we are to have economy why should not these 14 agencies be united into 1 group and each one subdivided to do the work the gentleman is talking about? You people on this side stated when the bill came up this afternoon that you wanted economy, but when it hits home in your own State you are selfish enough to see

that they act independently.

Mr. CASE of South Dakota. Ah, but the gentleman would not get economy; he would get waste and confusion. We are not objecting to the consolidation of timberland operations where there is the same purpose; the pending proposal only exempts the Forest Service of the Department of Agriculture. If the gentleman followed closely what I said, he would know that I was pointing out the fact you are leaving the way open for an unwise consolidation of two purposes that are entirely separate and distinct, and will mean waste instead of economy or efficiency.

Mr. WHITE of Idaho. Will the gentleman yield?

Mr. CASE of South Dakota. I yield to the gentleman from Idaho.

Mr. WHITE of Idaho. The gentleman admits there are two forest services in operation, one operating under the Department of the Interior, administering the California-Oregon land grants, and another one administering the national forests. We have at the present time two forest services in operation. Does not the gentleman think they ought to be united?

Mr. CASE of South Dakota. The National Forest Service operates forests from the viewpoint of a multiple-use program, and that is entirely different from the park purposes

of the National Park Service.

Mr. SCRUGHAM. Mr. Chairman, I rise in opposition to the amendment. One of the greatest problems in the West is the control of grazing. A portion of the grazing area is under the supervision of the Forest Service, for whose fine work I have the highest regard. The grazing lands affected are not usually within the actual forests. The grazing lands are largely sagebrush and grass areas. Immediately adjoining them may be other areas of sagebrush and grass under the jurisdiction of the Interior Department. Sheep, cattle, and horses are grazed on this public domain under permits from the Government agency having jurisdiction. There should be only one agency. In eating its daily food the grazing animal does not know whether it is under the jurisdiction of the Department of the Interior or the Department of Agriculture. It may be violating the law, as a separate permit is required for grazing under each Division. There should be some consolidation of grazing activities. That will necessitate a change in the Forest Service organization, which the President will be empowered to make under the terms of this proposed act. The consolidation will be hampered by

Mr. Chairman, I trust the amendment will be defeated.

Mr. MARTIN of Colorado. Mr. Chairman, I have three fine forest reserves in my district, and I am for the Forest Service just as strongly as any man in this House, but this is the practical situation I am up against. At the request of counties, towns, and civic groups who want these lands protected and reforested I introduce bills here to create small additions to national-forest reserves, and the Department of Agriculture approves the bills, and the Department of the Interior disapproves them, so they are hung across the fence, and we never get any action on them. I have had this situation existing for 4 or 5 years. These Departments hang onto these lands just as if they owned them. You never will correct this condition unless you put all the public domain under one jurisdiction. For that reason I am against the amendment. [Applause.]

Mr. COCHRAN. Mr. Chairman, if there are any agencies in the Government service that needs to be revamped it is the 14 or 15 agencies that are handling Government land. Here the gentleman from Oregon [Mr. Morr] is attempting to take a very small unit in the Department of Agriculture and exempt it. How about all the other units in all the

other departments?

You are now considering a unit of the Department of Agriculture for exemption which is the most outstanding propaganda outfit in the entire Government, the Forest Service. I had photostatic copies of the letters of the forestry organizations and they are proof of the statement I just

Let me say further that I do not know why they are interested, although maybe some of the gentlemen who favor this amendment might know; but I want to tell you the big lumber interests of the western part of the country want this amendment adopted. Why? I do not know. I do not live in that part of the country where the great forests are, but when men who do live there tell you this amendment should be defeated, I know it should be defeated. I do not care where you put these units handling Government land, but they should all be under one head. When you talk about saving money, certainly you must admit that is the way to save it. You have heard how different agencies have their organizations alongside one another both doing the same kind of work, using the same kind of machinery. Picture, if you will, two adjoining farms and you have an idea of what this means. In this instance, however, the Government owns both pieces of property but two agencies. one controlling one part of the property and another controlling the adjoining one.

Mr. Chairman, Congress has placed on the statute books the laws that govern in administering these laws, and I say to you no matter what individual is in charge they are going to be administered as Congress intended they should be.

There might be some excuse for a Member offering an amendment to exempt some independent agency, but an attempt to exempt a small unit of an executive department is certainly out of reason. The amendment should be voted down. [Applause.]

[Here the gavel fell.]

The CHAIRMAN. The question is on the amendment to the amendment.

The amendment to the amendment was rejected.

The CHAIRMAN. The question recurs on the amendment offered by the gentleman from Oregon [Mr. Mott].

The question was taken; and on a division (demanded by Mr. Morr) there were— ayes 101, noes 148.

So the amendment was rejected.

Mr. DIRKSEN. Mr. Chairman, I offer an amendment. The Clerk read as follows:

Amendment offered by Mr. DIRKSEN: Page 3, line 21, insert the

following:

"(d) For the continuation of any temporary or emergency executive agency or function beyond the period authorized by law; or

"(e) For the creation or establishment of any new executive agency to exercise any functions which are not expressly authorized by law in force on the date of enactment of this act; or

"(f) For an increase in the number of executive agencies above the number in existence on the date of enactment of this act; or

"(g) For the increase or extension of the legislative authority of any executive agency or part thereof transferred."

Mr. DIRKSEN. Mr. Chairman, the one happy circumstance about the deliberations of this Committee is that the members are acting in their free and independent right. You will recall the chairman of the committee handling this bill stated that it has never been sullied by contact with an executive department; it has never been profaned by coming before the eyes of Mr. Corcoran or Mr. Cohen. So far as anyone in this House knows, including the members of the committee, this bill may or may not be acceptable to the President of the United States. So we can operate intelligently, free of all influence and prejudice, as we consider the amendments.

It is difficult to interpret the action of the House this afternoon. If Dorothy Thompson or Walter Lippmann or General Johnson seek in their respective columns to evaluate the actions of this day, they are going to have some difficulty. Apparently we want economy in the Civil Aeronautics Authority because it has been rejected as an exempted agency, but probably not so much economy in the Retirement Board because it was included in the exceptions. We seem so anxious for economy in the Rural Electrification Administration, but we do want it in the Mediation Board. When you try to put it all together you are going to have a difficult time rationalizing this experience this afternoon, except to

say that we are voting some of our pet peeves and our pet prejudices.

However, one thing has happened. The Committee itself accepted an amendment offered by the gentleman from Indiana [Mr. Ludlow]. It is written into section 3, on line 4, and provides that no reorganization plan under section 4 shall provide for the establishment of any new executive department. This means that the House is stating that no new Cabinet department shall be created under a reorganization plan. The Committee, under the leadership of Mr. COCHRAN and Mr. WARREN, has accepted that amendment.

Now, why do we not go a little bit further? Why do we not add to that other new executive agencies, which includes bureaus and commissions? The phrase "executive department" does not embrace a commission; it does not embrace a bureau. Why not write it in? That is what this amendment provides for. If you are going to be consistent in the interest of efficiency and economy, why not add the rest of the language so far as emergency agencies are concerned?

Under this bill you can consolidate an emergency agency with a permanent agency and very possibly translate and continue functions that you otherwise might oppose. Now, if you are interested in efficiency and economy, then support this amendment because it is in line with that purpose. It is what you have been asking for and it is what you have been protesting, and there should not be a vote on this side of the aisle against the pending amendment.

The amendment provides also that the number of agencies under any reorganization plan shall not be increased above the number that exists on the date this act goes into effect. The President could very well, conceivably, make two out of one-I do not say he will do it or that he will not do it, but I do say if you do not want the number increased, then let us state in the bill that the number shall not be increased above the number that exists at the present time.

Finally, if you want to be preciously careful that temporary and emergency functions are not extended by consolidation with some permanent bureau, commission, or agency, then you ought to vote for this amendment because it contains a provision against that possibility.

Now, Mr. Chairman, let us be fair about it. The President does not know what is in this bill. He has had no contact with it. It has not been referred to any executive agency. We are operating as independent legislators this afternoon. If you want efficiency, if you want economy, if you do not want new agencies created, then vote for this amendment. You have already stated and the committee has stated that no reorganization plan shall provide for the creation of a new executive department. This is the language of the Ludlow amendment that was adopted this afternoon. In all harmony and consistency let us go a little bit further and adopt this amendment, because it is language that was taken from the proposal made by the Senator from Virginia. [Applause.]

[Here the gavel fell.]

Mr. WARREN. Mr. Chairman, I rise in opposition to the

In the first place, the amendment has no place at the point in the bill where it was offered by the gentleman from Illinois [Mr. Dirksen]. The gentleman has picked this up from a colloquy between the gentleman from Virginia [Mr. Robertson] and myself yesterday afternoon. Early this morning, several hours before the House was in session, an amendment to clarify what I stated to the gentleman from Virginia [Mr. Robertson] was very carefully prepared. I hold it in my hand and it is to be offered by the gentleman from Virginia [Mr. Smith] as a new section. The gentleman from Illinois has gone much further than we have gone here. He provides, if I catch it right, that the President cannot even set up a new bureau or a new board. Such a restriction would absolutely defeat any form of reorganization.

We provided originally, and clarified the provision today, by the amendment of the gentleman from Indiana [Mr. LUDLOW] that he cannot create a new department of the Government. No such power or authority as that has ever been even contemplated.

Mr. DIRKSEN. Mr. Chairman, will the gentleman yield?

Mr. WARREN. I yield. Mr. DIRKSEN. I am fearful the gentleman has not carefully read the language so far as the creation of a new agency is concerned. The language is "for the creation or establishment of any new executive agency to exercise any functions which are not expressly authorized by law in force on the date of the enactment of this act." It does not stop the President from creating any new agencies.

Mr. WARREN. I assure the gentleman that the amendment which I now hold in my hand, which will be offered by the gentleman from Virginia [Mr. SMITH] provides for that; but, as I understood from the gentleman's speech, he goes much further than that, and I would suggest to the gentleman, if he is interested, he should withdraw his amendment now and incorporate it as a new section in the bill, although I will not support the amendment offered by the gentleman because it goes too far. However, the amendment I have referred to has been very carefully worked out and is in line with what was stated to the House and upon which we gave assurances yesterday.

Mr. DIRKSEN. Mr. Chairman, I do not feel impelled to withdraw the amendment because the provision that is to be offered later contains only one provision of the amendment that is now pending at the desk.

Mr. WARREN. I ask that the amendment be rejected on the grounds it would defeat the purposes of reorganization. [Here the gavel fell.]

The CHAIRMAN. The question is on the amendment offered by the gentleman from Illinois [Mr. DIRKSEN].

The question was taken; and on a division, (demanded by Mr. Dirksen) there were—ayes 101, noes 157.

So the amendment was rejected.

Mr. NICHOLS. Mr. Chairman, I offer the following amendment which I send to the desk.

The Clerk read as follows:

Amendment offered by Mr. Nichols: Page 3, line 9, as amended, strike out "Civil Service Commission."

Mr. NICHOLS. Mr. Chairman, I am deeply interested in the reorganization of the governmental departments and agencies. I hope that that reorganization will be carried on by the Chief Executive for the purpose of promoting efficiency in government and economy in government. I think that most of the Members of this House will agree with me that probably the biggest octopus on government today is the so-called merit system designated as civil service. I want to see in the Government of the United States a merit system and I would like to see a system inaugurated which would permit Government employees to hold their jobs only so long as they hew to a constant line of efficiency.

I would like to see a law on the books which would compel the discharge of Government employees when they go a certain distance below a constant line of efficiency, but I would like to see that law provide that promotion and advancement in salary could only be given when they have gone a certain distance above a constant line of efficiency; and to my amazement I find exempted under this bill the Civil Service Commission. I am not interested in the Commission nor any of the members of the Commission. I know none of them and have no brief for or against them, but I am interested in the system; and gentlemen know, if they have made any study of the proposition, that a cloak of protection called civil service is covering more inefficiency in this Government than anything in existence in Government today; and if we are going into reorganization—and I am for it—then let us not hide and cover up and protect from reorganization the one department of Government that needs reorganization worse than any other department in the Government. I would like to see the Chief Executive send to this Congress recommendations that would put into force and effect a real merit sys-I would like to see it fixed so that you could not have blanketed into the civil service the cousin of a friend of the administrator of some department. [Applause.] I would like to see a law written that would be so just in its operation that a recommendation from a Congressman would not guarantee an applicant for civil service that he could get a job under civil service. I would like to see an honest merit system put into operation, and the only chance to do that is to adopt this amendment, which will take the Civil Service Commission from among the exemptions in this bill—and I do not have much fear but that this amendment will be adopted by this House.

Mr. WARREN. Mr. Chairman, I rise in opposition to the amendment. I think I know the feeling on this side of the House in reference to this amendment, but I am particularly interested in knowing how our friends on the minority side will vote on this particular amendment. It will be interesting to observe it. As we know, in the omnibus bill that was defeated last year, one of the titles contained provisions for reorganization of the Civil Service Commission. Many able Members of this House, and especially on the Democratic side, as well as the entire Republican minority, stated that they were bitterly opposed to that title of the bill. This is one of the things where we have to try to meet on a common ground, as I said before, to evaluate, if you please, just what were some of the objections dealing with this entire problem of reorganization. Therefore, we have decided, so far as the Committee on Government Reorganization is concerned, to abandon that phase of the problem. We have a standing committee here in the House, headed by the able gentleman from Georgia [Mr. RAMSPECK], and if there is any reorganization or legislation along civil-service lines, we feel that it should not come from the Reorganization Committee, but from our own efficient House committee, and I therefore ask that the amendment be rejected.

Mr. RAMSPECK. Mr. Chairman, I move to strike out the last word. The speech of my friend from Oklahoma [Mr. Nichols] comes as somewhat of a surprise to me. The gentleman from Oklahoma [Mr. Nichols] stood on this floor during the last session of Congress and proclaimed to the world that he was in favor of the spoils system and opposed to the merit system, and that occurred when we had under consideration the bill placing postmasters under civil service. Therefore, it is hard for me to understand his conversion here this afternoon as expressed on the floor. However, I am happy to welcome my distinguished and able friend from Oklahoma into the ranks of those who profess to believe in a real merit system, and I hope that he will join me later in this session when I bring in legislation to provide a real merit system for the entire Government service.

So I welcome the gentleman into the ranks of those who believe in the merit system.

May I say frankly that I am not satisfied with the present civil-service system. There are many improvements I would like to see made in it, but when you have had your back to the wall, fighting for existence, it is hard to make improvements. The President of the United States last June issued an Executive order to improve the merit system. It went into effect on the 1st day of February 1939, and if this Congress gives the Commission the funds to carry it out we will have a real personnel system, a real personnel officer in every department of this Government, and I think you will see many improvements in the operation of the merit system.

Mr. NICHOLS. Will the gentleman yield?

Mr. RAMSPECK. I yield.

Mr. NICHOLS. Does my memory serve me correctly that my distinguished friend from Georgia was on the floor last year when the reorganization bill was being considered, making an able argument in support of keeping in the bill the provision which would give the Chief Executive the right to reorganize the Civil Service?

Mr. RAMSPECK. Oh, the gentleman well knows I voted against the reorganization bill last year because it contained a provision permitting the abolishment of the bipartisan Civil Service Commission and the substitution of a single

administrator, who it was admitted, could be discharged by any President at any time. [Applause.]

I never expect to support any such legislation. That is why I am opposed to the gentleman's amendment, because I want to retain the bipartisan characteristics of the Civil Service Commission. I hope the Members of this House will not vote for the gentleman's amendment. I say to you on absolute authority that the American Federation of Labor asked its friends in this House last year to oppose the reorganization bill because of that very fact, that they wanted to retain the bipartisan Civil Service Commission. I do not believe you can have nonpartisan administration of any agency of this Government. I think the nearest we can get to it is bipartisan. I think the minority must have representation in the operation of any merit system if we are to keep public faith in that system. For that reason I hope the amendment offered by the gentleman will be defeated, so that we can go along in an orderly way, through the regular legislative committee, in our efforts to improve the merit system. [Applause.]

[Here the gavel fell.]

The CHAIRMAN. The question is on the amendment offered by the gentleman from Oklahoma [Mr. Nichols].

The amendment was rejected.

Mr. SCHAFER of Wisconsin. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. Schaffer of Wisconsin: On page 3, line 10, strike out the words "Coast Guard."

Mr. SCHAFER of Wisconsin. Mr. Chairman, I call upon the "daddy" of this bill, the distinguished new dealer from Missouri [Mr. Cochran] to support this amendment and practice what he has preached on the floor of the House while opposing and supporting other amendments considered this afternoon.

Is there any valid reason why the Coast Guard, which is not a quasi-judicial branch of the Government, should be exempted? I served with the gentleman from Missouri [Mr. Cochran] on the Committee on Expenditures in the Executive Departments prior to 1932, when I was swept out of Congress by the New Deal tidal wave.

He knows that at that time there were presented to the Committee on Expenditures positive facts indicating that great savings could be made by consolidating certain activities of the Coast Guard with certain activities of the Immigration Bureau, certain activities of the Customs Bureau, and certain activities with reference to the enforcement of prohibition. Why does not the gentleman from Missouri support this amendment and allow the President to consider savings which might be made if Coast Guard activities are consolidated with other activities of government? If the President can effect some savings for the taxpayers' Treasury by consolidating the Customs Service with other Government activities, he should not be prevented from doing so. Why is the Coast Guard, a non-quasi-judicial body, exempted under the present bill? Is it exempted so you can hold a number of votes in line for this bill, or is it because you do not trust your own New Deal President?

If those in charge of this bill mean what they have said that they are in favor of having their President effect savings, I ask you to show that you meant what you said. If you are not going to accept this amendment I ask you gentlemen in charge of this bill to present some valid facts or reasons why you cannot trust your President to do the right thing for the Coast Guard. I know you do not like to hear the facts. You are going to hear a great many facts from now on that you do not like to hear. I intend to stand in the well of the House, under my oath of office and under my constitutional right and the rules of the House, and tell you the facts as I see them. [Applause.]

[Here the gavel fell.]

Mr. WARREN. Mr. Chairman, I think I can answer the gentleman in just two sentences. In the first place, the Coast Guard has already been reorganized, and under the

statute law immediately upon a declaration of war, without any action on the part of the Congress, the President, or anyone else, it automatically goes under the Navy. In times of peace it is under the Treasury Department, enforcing customs regulations and acting as messengers of mercy throughout this land.

I therefore ask that the amendment be rejected.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Wisconsin.

The amendment was rejected.

Mr. HOFFMAN. Mr. Chairman, I offer an amendment. The Clerk read as follows:

Amendment offered by Mr. Hoffman: Page 3, line 14, strike out "National Labor Relations Board."

Mr. HOFFMAN. Mr. Chairman, all that the gentleman from Pennsylvania [Mr. Allen] said about the Coal Commission can be said with equal truth about the N. L. R. B. The American Federation of Labor undoubtedly had much to do with the writing of the N. L. R. A. It had apparently nothing, or little, to do with the selection of the Board members. Since those members have been acting and the Board has been handing down decisions, the A. F. of L. has charged, and has supported its charges by evidence that cannot be disputed, that the Board in many cases has been biased and unfair in its decisions. The A. F. of L. in effect has charged, not once but many times, that the Board has acted as the organizing agent of a rival union.

There can be little question in the mind of anyone present but that the N. L. R. A. will sooner or later be amended. The whole difficulty cannot be charged to the terms of that law. Part of the trouble, much of the trouble, comes from the interpretation and the administration of the law. We know now that the President has asked the representatives of the two great rival labor unions to meet down here, and they did meet yesterday at the White House in order to adjust their differences if possible. We have had industrial strife between employer and the employee for the past 2 years that has caused the major portion of our unemployment and of our national loss. We are now having strife between the two great rival labor organizations. The parties to the battle, to a large extent, have shifted, and the trouble now is mainly between the rival labor organizations, not between employer and employee. So long as the President has asked the representatives of these two unions to meet together and to adjust their differences, why should we not place in his hands now the opportunity and the responsibility of calling in at the same time the members of the Board, the gentlemen who were appointed by him, for whose actions he is responsible, who have been interpreting, who have been enforcing this act, and let him have before him or before the Secretary of Labor all three of the parties who through consultation and a presentation of their ideas do much to arrive at a common ground of understanding, and bring nearer the end of this controversy and see if we cannot arrive at some peaceful solution of the present trouble, which must end soon if we are to have renewed business activity.

Some may say over there on the Democratic side that I do not like to place in the hands of the President the necessary authority, and that is the great argument that we have made against many of the provisions of this bill. My reason for giving to him the authority to act in this particular case is because he has the representatives of these two great organizations before him. He appointed and is responsible for these three men who are administering this law; and the Board's activities have in the judgment not only of the employers but of many employees and of the American Federation of Labor been so biased, so unfair, so un-American that it cannot be any worse; and this action may do some good. It will give the President the opportunity to exercise his great power to bring about peace here at home, where the two warring factions have made a battleground on industry's field. [Applause.]

[Here the gavel fell.]

Mr. ANDERSON of Missouri. Mr. Chairman, I move to strike out the last word.

Mr. Chairman, very few times have I ever come into the Well of the House and asked the support of any Member of this House for any bill or any amendment. Time after time I have supported amendments; and I defy any Member of this House to show where at any time I have ever voted against a legitimate labor bill of any kind in this House. My father was a laboring man. For years he held a card in a legitimate labor union. After graduation from law school in 1924 I represented a majority of the labor unions in the city of St. Louis. When I was elected prosecuting attorney in 1932 I had the whole-hearted support of union labor. In 1934 I again had the whole-hearted support of union labor for reelection. When I came to Congress in 1936 I had their support again; and last year I had the support of the American Federation of Labor.

I know anything I may say will not get one vote on the Republican side of the House. What few votes we get on this side will be gotten because the Members on the Democratic side know I am right in this contention. Gentlemen, if there is one branch of the service that should be reorganized, it is the National Labor Relations Board. It has done more to cause labor unrest than anything else in this country. [Applause.]

Mr. COX. Mr. Chairman, will the gentleman yield? Mr. ANDERSON of Missouri. For one question; yes.

Mr. COX. Does the gentleman not think it would be well to leave this agency in the position where the bill places it and let Congress later, by direct treatment of the problem, deal with this outfit as its scandalous performances demand? Let me say to the gentleman that I am in complete sympathy with him in his effort to straighten up or else to wipe out this agency which has so disgraced the Government in bringing it into existence because of its manner of performing under the law. [Applause.]

Mr. ANDERSON of Missouri. I thank the gentleman for the suggestion, but I think this matter should be corrected now by reorganization; if there is one branch that should be reorganized it is the National Labor Relations Board. I do not care about big business. The little-business man in my district, who has 10 or 15 employees, are the ones that have suffered from the misconduct of this agency. It is up to us to give him a helping hand in his struggle. But, if the Civil Aeronautics Authority is not exempted under this bill, and if the T. V. A. is not exempted under this bill, then the National Labor Relations Board should not be exempted; it is the same sort of an agency.

Mr. Chairman, we should support this amendment and let the little-business man back home know that we are with him, and that this body intends to straighten out the labor trouble in this country, and start us out again on the road to prosperity. Thank you. [Applause.]

Mr. WARREN. Mr. Chairman, I rise in opposition to the

Mr. Chairman, the question whether we approve the actions of the National Labor Relations Board or the statute that set up this Board certainly is not involved in the pending question in any way.

Mr. ANDERSON of Missouri. Will the gentleman yield? Mr. WARREN. I yield to the gentleman from Missouri.

Mr. ANDERSON of Missouri. If the Civil Aeronautics Authority should be reorganized and if the T. V. A. should be reorganized, does not the gentleman believe the Labor Relations Board ought to be reorganized also? What is the difference?

Mr. WARREN. There is a very decided difference. The National Labor Relations Board is a quasi-legislative agency set up by an act of Congress, and for this reason it was placed in the list of exemptions. As I have just stated, we should not be governed by our prejudices or by our likes or dislikes in reference to this Board, because that is entirely beside the question and has nothing to do with it. This particular agency was placed in here because it is a quasi-legislative agency.

Mr. Chairman, I ask that the amendment be rejected.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Michigan [Mr. Hoffman].

The question was taken; and on a division (demanded by | Mr. Hoffman) there were—yeas 114, noes 140.

So the amendment was rejected.

Mr. HAWKS. Mr. Chairman, I offer an amendment, which I send to the Clerk's desk.

The Clerk read as follows:

Amendment offered by Mr. HAWKS: Page 3, lines 17 and 18, strike out "the United States Tariff Commission."

Mr. HAWKS. Mr. Chairman, a great many amendments have been offered to this bill. We have just heard an argument for the reorganization of a certain department of our Government. I am offering my amendment not that we may reorganize one of the bureaus but rather that we might liquidate it.

The United States Tariff Commission is not functioning, has not been functioning, will not function, and cannot function so long as we have favored nations and just so long as we have reciprocal-trade agreements. The statement was made on the floor of the House the other day that in a great many States in 1938 the elections were won by Republicans because of local issues. I would like to call the attention of the House to the fact that in a great many States, including some of those mentioned by the gentleman the other day, reciprocal-trade agreements did more to elevate Republicans to public office than any other factor in the election.

Why am I up here advocating the elimination of the United States Tariff Commission? I am here advocating its elimination to save money. I am perfectly willing to turn this matter over to the President of the United States and let him effect a saving to the American taxpayers of approximately \$1,000,000, if he so desires. In fact, the correct figure is \$907.798.

There are six Commissioners, each of whom receives a salary of \$11,000 a year. The employees of that Commission receive in salaries \$762.371.

The claim is made that this bill is offered to save some money. You maintain it is an economy bill, still the United States Tariff Commission is put under the exempted provisions of the bill.

Mr. Chairman, this Commission is not functioning. It has done more to injure labor, the farmer, and industry of this country by its refusal to act, its refusal to defend labor, agriculture, and industry, than any other one branch of our Government. Every single function of this Commission is in the hands of the State Department today, and the State Department through reciprocal-trade agreements is pushing labor, farming, and industry deeper into despair.

Here is an opportunity to save the taxpayers a million dollars. Why not kick that agency out of this bill and put it in the hands of the President of the United States, and let him say, "Here, you are not functioning; you are not earning your salt; you are not doing the people of this country any good. I am going to get rid of you."

Because this Commission is not functioning, 11,000,000 or more men are today unemployed. Think of that. Our farmers are in worse circumstances today than they have ever been, and this dates back to 1920 when the agricultural depression began.

Talk about favored nations. What has happened to the favored people of the United States? Do we always have to think of other nations? Are the people of those nations more favored than our own kin and our own kind? Are not the twelve, thirteen, or fourteen million unemployed people of this country more a problem of ours than the problems of Canada, Great Britain, and France and should we not consider our own unemployed ahead of the people of foreign nations?

[Here the gavel fell.]

Mr. COCHRAN. Mr. Chairman, I rise in opposition to the amendment offered by the gentleman from Wisconsin IMr.

Mr. Chairman, the question of reciprocal tariffs does not enter into this matter at all. The United States Tariff Commission is a quasi-legislative body just the same as the Interstate Commerce Commission. That is the reason it was placed in here.

Mr. Chairman, I hope the amendment will be voted down. The CHAIRMAN. The question is on the amendment offered by the gentleman from Wisconsin [Mr. Hawks].

The amendment was rejected.

The Clerk read as follows:

SEC. 4. Whenever the President, after investigation, finds that (a) the transfer of the whole or any part of any executive agency the functions thereof to the jurisdiction and control of any other executive agency; or
(b) the consolidation of the functions vested in any executive

(c) the abolition of the whole or any part of any executive gency or the functions thereof,

agency or the functions thereof, is necessary to accomplish one or more of the purposes of section 1 (a), he shall—

(d) prepare a reorganization plan for the making of the transfers, consolidations, and abolitions, as to which he has made findings and which he includes in the plan. Such plan shall also—

(1) designate, in such cases as he deems necessary the name of any executive agency affected by a reorganization and the title of its head;

its head;

(2) make provision for the transfer or other disposition of the

(2) make provision for the transfer or other disposition of the records, property (including office equipment), and personnel affected by such transfer, consolidation, or abolition;
(3) make provision for the transfer of such unexpended balances of appropriations available for use in connection with the function or agency transferred or consolidated, as he deems necessary by reason of the transfer or consolidation for use in connection with the transferred or consolidated functions, or for the use of the steppey to which the transfer is made but such uses the state.

sary by reason of the transfer of consolidated functions, or for the use of the agency to which the transfer is made, but such unexpended balances so transferred shall be used only for the purposes for which such appropriation is originally made;

(4) make provision for winding up the affairs of the executive agency abolished or the affairs of the executive agency with respect to the functions abolished, as the case may be; and

(e) transmit such plan (bearing an identifying number) to the Congress, together with a declaration that, with respect to each transfer, consolidation, or abolition referred to in paragraph (a), (b), or (c) of this section and specified in the plan, he has found that such transfer, consolidation, or abolition is necessary to accomplish one or more of the purposes of section 1 (a). The delivery to both Houses shall be on the same day and shall be made to each House while it is in session.

The President, in his message transmitting a reorganization plan, is requested to state (in such cases and to such extent as he deems advisable) the reduction of expenditures which it is probable will be brought about by the taking effect of the reorganizations specified in the plan.

tions specified in the plan.

Mr. TABER. Mr. Chairman, I offer an amendment. The Clerk read as follows:

Amendment offered by Mr. TABER: On page 5, line 20, strike out the period and insert a comma and the following: "and shall submit a detailed report showing the increase or decrease of expenditures that will result from such plan."

Mr. TABER. Mr. Chairman, this amendment is offered so that when the President submits a reorganization plan he shall tell the Congress what saving he figures will be made as the result of the proposed reorganization. There is nothing in the bill as it is submitted by the committee that requires such a report. This is the only way the Congress has of finding out the facts and having anything to go by when it considers the reorganization. I hope the majority members of the Committee will see fit to cast aside partisanship for once in the consideration of this bill, and consider this amendment on its merits. It is to my mind very important that this information be given to the Congress when a plan is submitted.

Mr. CRAWFORD. Mr. Chairman, will the gentleman vield?

Mr. TABER. I yield to the gentleman from Michigan. Mr. CRAWFORD. The proposal which the gentleman submits is entirely in keeping with the practice followed by large corporations when a production manager or any other department head recommends to the policy-forming board or committee that changes be made in the general set-up of machinery or otherwise.

Mr. TABER. It is exactly the same.

Mr. CRAWFORD. As I understand the gentleman's proposal, the Congress has nothing to act upon insofar as economy is concerned unless this information is submitted with the plan.

Mr. TABER. The gentleman is correct.

Mr. Chairman, I hope the amendment will be accepted. Mr. WARREN. Mr. Chairman, I rise in opposition to the amendment.

Mr. Chairman, this certainly is a late hour for the gentleman from New York or anyone else on the other side of the aisle to raise the question of partisanship, when we have seen that side of the House voting practically as a body over the whole afternoon.

We are opposed to the amendment offered by the gentleman from New York because he seeks to require the President to submit a detailed report showing the increase or decrease in expenditures that will result from the plan. If we want to be reasonable about it, we know that such a detailed report as the amendment calls for is almost impossible to procure. It is my purpose as soon as this amendment is disposed of to offer a committee amendment to that same section striking out the lines in the brackets in lines 17 and 18 on page 5 and making it mandatory upon the President to state the reduction of expenditures which it is probable to make. For that reason I ask that the amendment be rejected.

The CHAIRMAN. The question is on the amendment offered by the gentleman from New York.

The amendment was rejected.

Mr. WARREN. Mr. Chairman, I offer a committee amendment.

The Clerk read as follows:

Committee amendment offered by Mr. Warren: On page 5, lines 17 and 18, strike out "is requested to state (in such cases and to such extent as he deems advisable)" and insert in lieu thereof the words "shall state."

The amendment was agreed to.

The Clerk read as follows:

SEC. 5. The reorganizations specified in the plan shall take effect in accordance with the plan:

(a) Upon the expiration of 60 calendar days after the date on which the plan is transmitted to the Congress, but only if during such 60-day period there has not been passed by the two Houses a concurrent resolution stating in substance that the Congress does not favor the reorganization plan.

(b) If the Congress adjourns sine die before the expiration of the 60-day period, a new 60-day period shall begin on the opening day of the next succeeding regular or special session. A similar rule shall be applicable in the case of subsequent adjournments sine die before the expiration of 60 days.

Mr. WARREN. Mr. Chairman, I offer a committee amendamendment.

The Clerk read as follows:

Amendment offered by Mr. Sumners of Texas: On page 6, line 1, after the word "the", strike out the words "two Houses a concurrent" and insert in lieu thereof the words "Senate or the House of Representatives a", and in line 2 of said page, after the word "that", strike out the words "the Congress" and insert in lieu thereof the word "it," so that subsection (a) of section 5 which it is proposed hereby to amend will read as follows:

"Upon the expiration of 60 calendar days after the date on which

the plan is transmitted to the Congress, but only if during such 60-day period there has not been passed by the Senate or the House of Representatives a resolution stating in substance that it does not favor the reorganization plan."

Mr. SUMNERS of Texas. Mr. Chairman, in view of the fact that some constitutional question is involved, I ask unanimous consent to proceed for 5 additional minutes.

The CHAIRMAN. Is there objection to the request of the gentleman from Texas?

There was no objection.

Mr. SUMNERS of Texas. Mr. Chairman, I very much hesitate to interpose a proposed amendment to a carefully considered bill that comes from another committee, but I believe this amendment ought to be incorporated in this bill.

Let us consider our ordinary method of procedure in determining policy. The President, for instance, if he is disposed to, sends down a message suggesting legislation. This reorganization would be akin to that. It requires the two Houses to express the will and judgment of the Congress. If either House fails to agree it is not an expression of the will or judgment of Congress. This proposed amendment holds the procedure with regard to these suggested reorganizations by the President in harmony with the general plan of procedure as between the President and the two Houses of Congress.

There is another angle I should like to submit to the consideration of the Committee, for whom I have the highest respect. It is my judgment, and I submit it to your consideration, that when we have a situation where there is sufficient opposition in one of the two Houses of Congress to a proposed reorganization to cause that House to initiate a resolution and support that resolution by an affirmative declaration of opposition, it is not wise in that situation to force that sort of a reorganization.

Let me state it another way: For a reorganization to be forced through which is against the judgment of one of the two Houses gives rise to an element of friction and discord between the Executive and that House that it is not worth

the price paid for it.

In view of the fact I understand there is some notion of constitutional difficulties about having one House opposed to a proposed plan of reorganization to prevent its consolidation, I venture the opinion, and I have no uncertainty about it, that we may provide just as well for a resolution by one House to prevent a reorganization, from a constitutional standpoint, as we can by a resolution by both Houses. The two Houses do not constitute the Congress insofar as their power to legislate is concerned.

I am grateful to the Committee for giving me more time upon the amendments. I believe I have stated the main things that may not have occurred to those of you who have considered the matter, and I should like to yield to interrogation from Members of the Committee. I know you will credit me at least with the purpose of trying to be helpful.

Mr. WARREN. Mr. Chairman, will the gentleman from

Texas vield?

Mr. SUMNERS of Texas. I yield to the gentleman.

Mr. WARREN. I understood the gentleman to say that the two Houses do not constitute the legislative power. I wish the gentleman would elaborate on that.

Mr. SUMNERS of Texas. All right; it requires explana-

A concurrent resolution by the two Houses of Congress which proceeds no further than that does not make a law. We know that. The two Houses of Congress are required under the Constitution to submit that thing which they agree to to the President to take the judgment of the President with reference to it. Now, you do not contemplate with regard to this particular resolution that it shall go further than the resolution agreed to by the two Houses of Congress, which my colleagues will agree does not constitute a law.

That is what I am trying to say. It is not a law, it is simply an expression of the attitude of the two Houses of Congress, and if it is effective at all it is effective because you so provide in this bill and not because of any constitutional grounds.

May I now make this observation? I am not certain, because I have not examined it, but if I may assume that you gentlemen who have drawn this bill are certain that a concurrent resolution, as you have provided, may be incorporated in the bill and that the concurrent resolution will prevent the going into effect of a reorganization, I have no hesitancy in giving assurance—and it is without proper considerationbut I have no hesitancy in giving assurance you may do the same thing with a resolution of opposition by a single House.

Mr. GAVAGAN. Mr. Chairman, will the gentleman yield? Mr. SUMNERS of Texas. Yes.

Mr. GAVAGAN. Do I understand the gentleman correctly to say that in his opinion the exercise of the power of a President to ratify or to veto the act of Congress is the performance of a legislative function by the President?

Mr. SUMNERS of Texas. I would like not to go into the question of the power of the veto. It is a part of the arrangement provided for in our Constitution for the enactment of legislation, and will the gentleman please excuse me and not draw me into a detailed discussion of that matter.

Mr. GAVAGAN. I will excuse the gentleman, but I understood the gentleman's main argument to be that the President was exercising a legislative function.

Mr. SUMNERS of Texas. No.

Mr. BANKHEAD. Mr. Chairman, will the gentleman yield to me for a question?

Mr. SUMNERS of Texas. I yield to my distinguished friend, the Speaker.

Mr. BANKHEAD. Do I understand that the gentleman's amendment is based upon his conception that it is not a wise thing, from a standpoint of policy, that this bill be passed as it is or is it based upon constitutional objections?

Mr. SUMNERS of Texas. It is not based upon constitutional objections. I may say very candidly to my friend that you can just as well provide, insofar as the Constitution is concerned, for the holding up of a reorganization by concurrent resolution as you can by opposition of a single House, and, vice versa, you can provide just as well by opposition of a single House as by concurrent resolution.

Mr. BANKHEAD. So the gentleman's conclusion is based upon one of policy rather than law?

Mr. SUMNERS of Texas. That is true, but I would like to qualify that a little. Our plan of legislation is to take the agreed judgment of the two Houses, plus the agreement of the President, speaking generally, before a thing becomes operative as a law. That is our policy of legislation, and the language I suggest is in harmony with that policy.

Mr. MURDOCK of Arizona. Since the gentleman proposes this amendment as a matter of policy, the gentleman wishes to get away from the provision in the present bill which might permit one House by refusing to take action to thus permit the President's proposal to become a law.

Mr. SUMNERS of Texas. In a way I think that is true. Under our plan of operating our Government, it takes the agreement of the two Houses of Congress to express the judgment of the policy-fixing agency of the Government, which is the Houses of Congress. Now, the thing I suggest merely carries that general policy of government, which we recognize everywhere, into this arrangement.

Mr. MAY. Mr. Chairman, will the gentleman yield?

Mr. SUMNERS of Texas. I yield.

Mr. MAY. Does the gentleman think there is any constitutional question involved in the course pursued here by reason of the fact that we pass a resolution or a bill, if you wish to call it that, which makes it possible for one branch of the Congress by failure to act, to prevent the other branch from having a say in a matter that becomes effective affecting what would otherwise be legislation?

Mr. SUMNERS of Texas. I wonder if my friend will permit me to answer his question in this way? The amendment which I propose raises no new constitutional question.

[Here the gavel fell.]

Mr. WARREN. Mr. Chairman, if a question of law or of constitutionality were involved, I would rise with great temerity to debate with the distinguished gentleman from Texas [Mr. Sumners], chairman of the Committee on the Judiciary, but under the questioning of the Speaker of the House, who has just participated in this debate, he admits that there is no question of constitutionality, but that it is one solely of policy. The reason why a simple resolution is much weaker constitutionally is that if the two parts of the legislative branch of the Government are in agreement, then there is no violation of the doctrine of separation of power. A simple resolution represents the judgment of only one House, and not the two Houses of Congress. The legislative power of Congress is not exercisable by a simple resolution. It is exercisable only by a resolution to which both Houses agree. To the extent that there is any question about the validity of such a provision, it is in the opinion of the Attorney General Mitchell under Mr. Hoover's administration.

Now, as to policy. This provision such as now proposed by the gentleman from Texas [Mr. Sumners] was incorporated in the almost unlimited grant of power that we gave former President Hoover. As has been previously stated, Mr. Hoover's own Attorney General, Mr. Mitchell, in an exhaustive opinion, said that a resolution of either house which would tend to stop an Executive order by the President—and while that was called an order, we call this a plan—was clearly invalid on its face.

Mr. SUMNERS of Texas. Mr. Chairman, will the gentleman yield?

Mr. WARREN. Yes.

Mr. SUMNERS of Texas. Did Attorney General Mitchell indicate that if that had been a concurrent resolution the question would have been at all different from the one presented?

Mr. WARREN. It is not my recollection that he did.

Mr. COX. Mr. Chairman, will the gentleman yield?

Mr. WARREN. Yes.

Mr. COX. Yes; the Attorney General in that opinion held that nothing short of legislation would suffice to set aside an Executive order.

Mr. SUMNERS of Texas. A concurrent resolution is not legislation.

Mr. COX. That is very true, and the Attorney General held in that opinion that a concurrent resolution would not be sufficient to vitiate an Executive order.

Mr. SUMNERS of Texas. That is all right.

Mr. WARREN. Mr. Chairman, confronted with the opinion of the Attorney General while President Hoover was still in office, because this opinion was rendered January 24, 1933, I think the Congress, both Houses, if you please-and I am coming now to the question of policy that the gentleman has brought up-unanimously amended the act in two important respects. We struck out of it the objections raised by the Attorney General, to wit, a resolution by either House, and then we struck out the unlimited time feature, and limited it to a 2-year period. All of us at that time recognizedand it is the first time I have heard it said since that it was not-that the opinion of the Attorney General was sound, and we therefore made the change in the Hoover act. There is a rule in part 2 of the bill which provides for the consideration of the plan submitted by the President. The distinguished gentleman from Texas asks if it would not be a good thing if the country were aroused over some particular plan that might be sent down here and if one House was overwhelmingly opposed to it, to stop it there. Why, if that should happen in the House, if such an order should be disapproved according to the rules that we have laid down in part 2, that resolution would immediately go to the other body, and there any one Member of the Senate, any one of the entire 96, who might be opposed to that plan or anything in that plan, could simply rise and offer the resolution coming from the House or one of his own as a privileged matter, and there get a vote on it after 10 hours of debate.

The CHAIRMAN. The time of the gentleman from North Carolina has expired.

Mr. COX. Mr. Chairman, I move to strike out the last word. I must defend the concurrent resolution provision of the bill. That provision, in my opinion, is unquestionably valid. Some misunderstanding as to the application of the Mitchell opinion to the question before us grows out of the fact that there is a difference between the bill before the Congress in 1932 and the bill that is now before us. In the legislation of 1932 legislative power was being delegated to the President to provide for reorganization by Executive order. Attorney General Mitchell rendered an opinion that an Executive order made under the grant of legislative power could not be vacated or set aside by any congressional action short of legislation. It is perfectly apparent to the membership of the House that this bill was drawn with the view of naming the President as the ministerial agent of the House rather than vesting in him legislative power, and therefore the provision contained in this bill whereby Congress may vacate any action taken by the President by concurrent resolution is perfectly valid, because it is a condition subsequent and is a part of the law itself.

Mr. SUMNERS of Texas. Mr. Chairman, will the gentleman yield?

Mr. WARREN. Yes.

Mr. SUMNERS of Texas. I ask my distinguished colleague if there is any difference between the constitutional status of a concurrent resolution and a resolution by one House.

Mr. COX. Let me say to my friend that because of the great concern of my colleagues on the Reorganization Committee, the gentleman from Missouri [Mr. Cochran] and the gentleman from North Carolina [Mr. Warren], I experience great embarrassment in answering the gentleman's question, and yet I must not take the attitude of trying to conceal any honest opinion that I may entertain with respect to the proposition. I say to the gentleman, in answer to his question, that there is no difference whatsoever; that if it is within the competency of Congress to provide for vacating a plan that might be submitted under the bill by the President, by a concurrent resolution, it is of course equally within the right of Congress to provide that the order might be vacated by a simple resolution of either body.

[Here the gavel fell.]

Mr. RAYBURN. Mr. Chairman, I rise in opposition to the pro forma amendment.

Mr. Chairman, I am opposed to the amendment offered by my distinguished colleague from Texas [Mr. Sumners] because I am sincerely in favor of reorganizing the departments of the Government. In making that statement I do not intend to imply that my colleague is not also in favor of reorganization. I simply think that if this amendment is adopted there is strong probability that in the future no reorganization may come about. We have heard expressions in this House in the last 2 days that would indicate a probability that if in the future either House of the Congress was not in accord with the political views of the occupant of the White House, who had brought forward a plan of consolidation, that that House, be it this one or the Senate, would in all probability veto any reorganization bill presented by a President that they did not like politically or that they did not like personally.

I think it would be very safe for the membership of this House to follow the considered judgment of this committee, which has labored so long. [Laughter.] Well, the committee has been organized for more than 2 years and has given great consideration to this matter. I do not mind that sort of disorder, Mr. Chairman. I sometimes expect it. But I think it would be wise for us who really want reorganization—and I think the vast majority of the Members of this House do feel the necessity of some kind of reorganization—if we followed the considered judgment of this committee and made it so that before a plan of reorganization could be vetoed that it require the action of both bodies constituting the Congress

of the United States. [Applause.]

[Here the gavel fell.]

The CHAIRMAN. The question is on the amendment offered by the gentleman from Texas [Mr. Sumners].

Mr. RANKIN. Mr. Chairman, may we have the amendment again reported?

The CHAIRMAN. Without objection, the Clerk will again report the amendment offered by the gentleman from Texas [Mr. Sumners].

There was no objection.

The Clerk again reported the amendment offered by Mr. Sumners of Texas.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Texas.

The question was taken; and on a division (demanded by Mr. Sumners of Texas) there were ayes 153 and noes 133.

Mr. WARREN. Mr. Chairman, I ask for tellers.

Tellers were ordered, and the Chair appointed Mr. Sumners of Texas and Mr. Warren to act as tellers.

The Committee again divided; and the tellers reported that there were—ayes 176, noes 155.

So the amendment was agreed to.

Mr. KLEBERG. Mr. Chairman, I offer an amendment. The Clerk read as follows:

Amendment offered by Mr. KLEBERG: Page 5, line 21, to page 6, line 9, strike out all of section 5 and insert in lieu thereof:

"Sec. 5. The reorganization specified in the plan shall not be-

"SEC. 5. The reorganization specified in the plan shall not become effective until after the enactment of a joint resolution specifically approving such plan. Any such joint resolution shall provide for the approval of such plan as a whole, without modifications, and shall contain no other provisions. If any such joint resolution providing for the approval of any such plan is

introduced in either House, it shall at once become the special order therein and that House shall proceed to its consideration, without reference to a committee; and, not later than 1 hour after that House meets on the twentieth calendar day (Sundays excepted) after the day on which such joint resolution was introduced, a vote shall be taken in that House on the question of the passage of a joint resolution approving such plan. If any such joint resolution is passed by one House, it shall be sent to the other House, and that House shall immediately proceed to its consideration, without reference to a committee. Not later than 1 hour after that House meets on the twentieth calendar day (Sundays excepted) after it has received such joint resolution, a final vote shall be taken in that House on the question of the passage of such joint resolution. No notice or motion to reconsider the vote shall be in order."

Mr. KLEBERG. Mr. Chairman, the hour is late and I know the patience of the membership of this Committee is at a low ebb. It will not be necessary for me to make any lengthy statement in explanation of the simple amendment which has just been read by the Clerk. It is the Wheeler amendment, an amendment offered in another body during the consideration of the reorganization bill offered in the last session of Congress.

I am deeply sorry that it is necessary for me to take the time of the House on this occasion to belabor you with still further consideration of matters in the bill under consideration which many of you know should be changed, but I must offer this amendment in order to keep a promise repeatedly made in public utterances in my district. That promise was that not by my voice or my vote would a single proposition be advanced to curtail the voice of those whom I represent, or of the people of the United States in the halls of state. [Applause.]

I feel a deep and abiding friendship for every member of the hard-worked Special Committee on Reorganization of the Executive Branch of the Government, because it is well known to every member that this committee has worked hard to satisfy the membership of this House by presenting a bill on which the Members could agree and reach an accord for the reorganization of the executive branch of the Government; and it is with that exact purpose in mind that I take the floor here this evening and urge you to go back to the simple, well-known, time-honored form of the functioning of representative democracy in order to accomplish that end.

Mr. Chairman, I can see no earthly reason for all of the devious methods of approach to the question of asking the President to reorganize the executive branch of the Government that have been discussed in connection with this bill and which have been presented to us, asking the Congress of the United States to accept a position where by negative action only can they express the wish of the people or the voice of those whom they represent. There has never been in my meager observation and knowledge any like proposition.

Mr. Chairman, it will be said when my 5 minutes are over, that the proposition I have to make will destroy this bill and we had just as well not attempt to reorganize the executive branch of the Government. I am not willing, Mr. Chairman, on this or any other occasion, to stand before the country and acknowledge the incompetence of the legislative branch of this Government to perform its constitutional functions. [Applause.]

Mr. Chairman, it is patent to even a high-school student that under this bill, under the amendment as offered by myself, when a proposal comes from the Chief Executive acting as the agent, if you please, of the Congress being requested to reorganize the executive branch of the Government, that proposal can just as well be acted upon by vote of the House in an affirmative fashion as it can by a vote in a negative manner as suggested in this bill. [Applause.] I cannot therefore accede to an argument that would claim that it is not possible to reorganize the Government by the method I propose, or that this amendment would destroy any effective effort to that end. I hope the membership of this House will adopt this amendment.

[Here the gavel fell.]

Mr. HOOK. Mr. Chairman, a parliamentary inquiry. The CHAIRMAN. The gentleman will state it.

Mr. HOOK. If this amendment be adopted would it supersede the amendment offered by the gentleman from Texas [Mr. Sumners] that the House just adopted?

The CHAIRMAN (Mr. McCormack). In reply to the parliamentary inquiry, it is the opinion of the Chair if the pending amendment is agreed to it will supersede the amendment recently adopted by the Committee of the Whole.

Mr. WARREN. Mr. Chairman, I rise in opposition to the amendment offered by the gentleman from Texas [Mr. KLEBERG1.

Mr. Chairman, we have now approached the very heart and essence of the entire bill. The gentleman from Texas proposes to do nothing whatsoever than stand up here and reiterate the present law of the land. He does not propose to write into this legislation one single, solitary thing that is not already guaranteed to the President of the United States under the Constitution. He comes up with a dagger and tries to strike this whole proposition down. I would not be fair with the House, I would not be fair to myself and to the committee if I did not tell you that if the amendment is agreed to then we shall move to table the bill, and let it be said that the death blow came from the majority side of the House. [Applause.]

Anyone who wants to see reorganization in the Government cannot support this amendment. Anyone who wants to see reorganization, and who has seen the many futile and fruitless attempts at reorganization over a period of years, knows if such a proposition as this is adopted, then we would go right back to 2 years ago, when we first started. All day long, since the opening of this debate, we have seen a partisan question raised here. All through today, on all of these amendments, with just one or two exceptions, we have seen the mass voting on this side of the House that the gentleman from Pennsylvania [Mr. DITTER] likes so much to boast about.

I want to talk to my fellow Democrats. I want to recall to you a story.

Have you forgotten the story of Lorna Doone-how the Doones, men of high family, who had fallen under the displeasure of the government, had betaken themselves to the Doone Valley, surrounded on all sides by precipitous mountains, and from this strongly fortified position levied their blackmail upon the surrounding country, killing and robbing and outraging the people of the land until the citizens were aroused and determined to extirpate them? Do you recall how the men of the eastern county gathered together on the eastern mountain, and the men from the western county on the western mountain, with their arms and cannon ready to fall upon the Doones and destroy them, when by some untoward accident a cannon from the western ranks was trained across the valley into the ranks of the men of the east, and while these foolish people were slaughtering one another, the Doones sallied forth and put both counties to flight and continued to rob and kill and outrage for years to come.

Let us heed the lesson, my fellow Democrats. Let me say to the gentleman from Texas and those on this side who might follow him: The Doones are in the valley. I pray you gentlemen, train your guns a little lower. [Applause.]

[Here the gavel fell.]

The CHAIRMAN. The question is on the amendment offered by the gentleman from Texas [Mr. Kleberg].

The question was taken; and on a division (demanded by Mr. Kleberg) there were—yeas 139, noes 176. So the amendment was rejected.

Mr. SMITH of Virginia. Mr. Chairman, I offer an amendment, which I send to the Clerk's desk.

The Clerk read as follows:

Amendment offered by Mr. SMITH of Virginia: Page 6, after

line 9, insert a new section to read as follows:
"Sec. 6. No reorganization under this title shall have the effect "(a) of continuing any executive agency or function beyond the time when it would have terminated if the reorganization had not been made; or

"(b) of continuing any function beyond the time when the executive agency in which vested before the reorganization would have terminated if the reorganization had not been made."

Mr. COCHRAN. Mr. Chairman, will the gentleman yield? Mr. SMITH of Virginia. I yield to the gentleman from

Mr. COCHRAN. Mr. Chairman, the committee accepts the amendment just offered by the gentleman from Virginia [Mr. SMITH].

The amendment was agreed to.

The Clerk read as follows:

The Clerk read as follows:

SEC. 6. For the purposes of this title any transfer, consolidation, abolition, designation, disposition, or winding up of affairs, referred to in section 4 (d), shall be deemed a "reorganization."

SEC. 7. (a) All orders, rules, regulations, permits, or other privileges made, issued, or granted by or in respect of any executive agency or function transferred to, or consolidated with, any other executive agency or function under the provisions of this title, and in effect at the time of the transfer or consolidation, shall continue in effect to the same extent as if such transfer or consolidation had not occurred, until modified, superseded, or repealed.

(b) No suit, action, or other proceeding lawfully commenced by or against the head of any executive agency or other officer of the United States, in his official capacity or in relation to the discharge of his official duties, shall abate by reason of any transfer of authority, power, and duties from one officer or executive agency of the Government to another under the provisions of this title, but

thority, power, and duties from one officer or executive agency of the Government to another under the provisions of this title, but the court, on motion or supplemental petition filed at any time within 12 months after such transfer takes effect, showing a neces-sity for a survival of such suit, action, or other proceeding to obtain a settlement of the questions involved, may allow the same to be maintained by or against the head of the executive agency or other officer of the United States to whom the authority, powers, and duties are transferred. duties are transferred.

(c) All laws relating to any executive agency or function transferred to, or consolidated with, any other executive agency or function under the provisions of this title, shall, insofar as such laws are not inapplicable, remain in full force and effect.

SEC. 8. The appropriations or portions of appropriations unexpended by reason of the operation of this title shall not be used for any purpose, but shall be impounded and returned to the Treasury.

any purpose, but shall be impounded and returned to the Treasury.
SEC. 9. Whenever the employment of any person is terminated by a reduction of personnel as a result of a reorganization effected under this title, such person shall thereafter be given preference, when qualified, whenever an appointment is made in the executive branch of the Government, but such preference shall not be effective for a period longer than 12 months from the date the employment of such person is so terminated.

SEC. 10. If the reorganizations specified in a reorganization plan take effect, the reorganization plan shall be printed in the Statutes at Large in the same volume as the public laws, and shall be printed in the Federal Register.

SEC. 11. No reorganization specified in a reorganization plan shall

SEC. 11. No reorganization specified in a reorganization plan shall take effect unless the plan is transmitted to the Congress before January 21, 1941.

Mr. COCHRAN. Mr. Chairman, I ask unanimous consent that the section numbers in title I be changed where necessary so they may be arranged properly.

The CHAIRMAN. Is there objection to the request of the gentleman from Missouri?

There was no objection.

Mr. TABER. Mr. Chairman, I move to strike out the last word for the purpose of asking a question of the chairman of the committee.

Is it purposed by the chairman to offer motions that will bring part 2 of the bill into line with the amendment that was adopted by the Committee?

Mr. WARREN. I do not think so.

The Clerk read as follows:

PART 2

SEC. 21. The following sections of this part are enacted by the Congress:

(a) As an exercise of the rule-making power of the Senate and House of Representatives, respectively, and as such they shall be considered as part of the rules of each House, respectively, but applicable only with respect to the procedure to be followed in such House in the case of resolutions (as defined in sec. 22); and such rules shall supersede other rules only to the extent that they are inconsistent therewith; and

are inconsistent therewith; and

(b) With full recognition of the constitutional right of either House to change such rules (so far as relating to the procedure in such House) at any time, in the same manner, and to the same extent as in the case of any other rule of such House.

SEC. 22. As used in this part, the term "resolution" means only a concurrent resolution of the two Houses of Congress, the matter after the resolving clause of which is as follows: "That the Congress does not favor the reorganization plan No. — transmitted to Congress by the President on — , 19—", the blank spaces therein being appropriately filled; and does not include a concurrent resolution which specifies more than one reorganization plan.

SEC. 23. A resolution with respect to a reorganization plan shall be referred to a committee (and all resolutions with respect to the same plan shall be referred to the same committee) by the President of the Senate or the Speaker of the House of Representatives,

as the case may be.

as the case may be.

SEC. 24. (a) If the committee to which has been referred a resolution with respect to a reorganization plan has not reported it before the expiration of 10 calendar days after its introduction (or, in the case of a resolution received from the other House, 10 calendar days after its receipt), it shall then (but not before) be in order to move either to discharge the committee from further consideration of such resolution, or to discharge the committee from further consideration of any other resolution with respect to such reorganization plan which has been referred to the committee.

(b) Such motion may be made only by a person favoring the resolution, shall be highly privileged (except that it may not be made after the committee has reported a resolution with respect to the same reorganization plan), and debate thereon shall be limited to 20 minutes, to be equally divided between those favoring and those opposing the resolution. No amendment to such motion shall be in order, and it shall not be in order to move to reconsider the vote by which such motion is agreed to or disagreed to.

disagreed to.

(c) If the motion to discharge is agreed to or disagreed to, such motion may not be renewed, nor may another motion to discharge the committee be made with respect to any other resolution with

motion may not be renewed, nor may another motion to discharge the committee be made with respect to any other resolution with respect to the same reorganization plan.

Sec. 25. (a) When the committee has reported, or has been discharged from further consideration of, a resolution with respect to a reorganization plan, it shall at any time thereafter be in order (even though a previous motion to the same effect has been disagreed to) to move to proceed to the consideration of such resolution. Such motion shall be highly privileged and shall not be debatable. No amendment to such motion shall be in order and it shall not be in order to move to reconsider the vote by which such motion is agreed to or disagreed to.

(b) Debate on the resolution shall be limited to not to exceed 10 hours, which shall be equally divided between those favoring and those opposing the resolution. A motion further to limit debate shall not be debatable. No amendment to, or motion to, recommit the resolution shall be in order, and it shall not be in order to move to reconsider the vote by which the resolution is agreed to or disagreed to.

Sec. 26. (a) All motions to postpone, made with respect to the discharge from committee, or the consideration of, a resolution with respect to a reorganization plan, and all motions to proceed to the consideration of other business, shall be decided without debate.

debate.

(b) All appeals from the decisions of the Chair relating to the application of the rules of the Senate or the House of Representatives, as the case may be, to the procedure relating to a resolution with respect to a reorganization plan shall be decided without

SEC. 27. If, prior to the passage by one House of a resolution of that House with respect to a reorganization plan, such House receives from the other House a resolution with respect to the same

plan, then—

(a) If no resolution of the first House with respect to such plan has been referred to committee, no other resolution with respect to the same plan may be reported or (despite the provisions of section 24 (a)) be made the subject of a motion to discharge.

(b) If a resolution of the first House with respect to such plan

(b) If a resolution of the first House with respect to such plan has been referred to committee—

(1) the procedure with respect to that or other resolutions of such House with respect to such plan which have been referred to committee shall be the same as if no resolution from the other House with respect to such plan had been received; but

(2) on any vote on final passage of a resolution of the first House with respect to such plan the resolution from the other House with respect to such plan shall be automatically substituted for the resolution of the first House.

TITLE II-BUDGETARY CONTROL

SEC. 201. Section 2 of the Budget and Accounting Act, 1921 (U. S. C., 1934 edition, title 31, sec. 2), is amended by inserting after the word "including" the words "any independent regulatory commission or board and."

TITLE III-ADMINISTRATIVE ASSISTANTS

SEC. 301. The President is authorized to appoint not to exceed six administrative assistants and to fix the compensation of each at the rate of not more than \$10,000 per annum. Each such administrative assistant shall perform such duties as the President

Mr. COCHRAN. Mr. Chairman, I move that the Committee do now rise and report the bill back to the House with sundry amendments, with the recommendation that the amendments be agreed to and that the bill as amended do pass.

The motion was agreed to.

Accordingly the Committee rose; and the Speaker having resumed the chair, Mr. McCormack, Chairman of the Committee of the Whole House on the state of the Union, reported that that Committee, having had under consideration the bill (H. R. 4425) to provide for reorganizing agencies of the Government, and for other purposes, had directed him to report the same back to the House with sundry amendments, with the recommendation that the amendments be agreed to and that the bill as amended do pass.

Mr. COCHRAN. Mr. Speaker, I move the previous question on the bill and all amendments to final passage.

The previous question was ordered.

The SPEAKER. Is a separate vote demanded on any amendment?

Mr. COCHRAN. Mr. Speaker, I demand a separate vote on the Sumners amendment.

The SPEAKER. Is a separate vote demanded on any other amendment? If not, the Chair will put them in gross.

The amendments were agreed to.

The SPEAKER. The Clerk will report the Sumners amendment.

The Clerk read as follows:

On page 6, line 1, after the word "the", strike out the words "two Houses a concurrent" and insert in lieu thereof the words "Senate or the House of Representatives a"; and in line 2 of said page, after the word "that", strike out the words "the Congress" and insert in lieu thereof the word "it", so that subsection (a) of section 5, which it is proposed hereby to amend, will read as follows: "Upon the expiration of 60 calendar days after the date on which the plan is transmitted to the Congress, but only if during such 60-day period there has not been passed by the Senate or the House of Representatives a resolution stating in substance that it does not favor the reorganization plan."

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The SPEAKER. The question is on the amendment. Mr. COCHRAN. Mr. Speaker, on this vote I demand the yeas and nays.

The yeas and nays were ordered.

The question was taken; and there were-yeas 193, nays 209, not voting 32, as follows:

[Roll No. 26]

	YEA	AS—193	
exander len, Ill.	Dowell Drewry	Kean Kennedy, Martin	Rockefeller Rodgers, Pa.
len. Pa.	Dworshak	Kinzer Kinzer	Rogers, Mass.
dersen, H. Carl		Kleberg	Routzohn
derson, Mo.	Edmiston	Knutson	Rutherford
dresen, A. H.	Elliott	Kunkel	
drews	Elston	Lambertson	Sandager
ngell	Engel	Landis	Satterfield
ends	Englebright	Lanham	Schafer, Wis.
hbrook	Faddis	LeCompte	Schiffler
istin	Fenton	Lemke	Seccombe
rton	Fish		Secrest
tes. Mass.	Ford, Leland M.	Lewis, Ohio	Shafer, Mich.
ckworth	Gamble	Lord Luce	Short
nder	Gartner	McDowell	Simpson
ackney	Gehrmann		Smith, Maine
		McLaughlin	Smith, Ohio
olles	Gerlach	McLean	South
lton	Gibbs	McLeod	Spence
ren	Gifford	Maas	Springer
adley, Mich.	Gilchrist	Mapes	Stefan
ewster	Gillie	Marshall	Sumner, Ill.
own, Ohio	Graham	Martin, Iowa	Sumners, Tex.
rdick	Grant, Ind.	Martin, Mass.	Taber
ldwell	Griswold	Mason	Talle
nnon, Fla.	Gross	May	Taylor, Tenn.
rlson	Guyer, Kans.	Michener	Thill
rter	Gwynne	Miller	Thomas, N. J.
se, S. Dak.	Hall	Monkiewicz	Thorkelson
apman	Halleck	Moser	Tibbott
iperfield	Hancock	Mott	Tinkham
urch	Harness	Mundt	Treadway
ason	Harter, N. Y.	Murray	Van Zandt
evenger	Hawks	O'Brien	Vorys, Ohio
uett	Heinke	Oliver	Vreeland
ffee, Nebr.	Hess	Patton	Wadsworth
le, Md.	Hinshaw	Pierce, N. Y.	Welch
le, N. Y.	Hobbs	Pittenger	West
llins	Hoffman	Plumley	Wheat
rbett	Holmes	Poage	White, Ohio
awford	Hope	Powers	Wigglesworth
osser	Horton	Rankin	Williams, Del.
owther	Hull	Reece, Tenn.	Winter
lkin	Jarrett	Reed, Ill.	Wolcott
rtis	Jenkins, Ohio	Reed, N. Y.	Wolfenden, Pa.
rrow	Jensen	Rees, Kans.	Wolverton, N. J.
rksen	Johns	Rich	Woodruff, Mich.
tter	Johnson, Ill.	Risk	
ndero	Johnson, Ind.	Robertson	
uglas	Jones, Ohio	Robsion, Ky.	

NAYS-209

llen, La.	Beam	Bradley, Pa.	Buckley, N. Y.
rnold	Bland	Brooks	Bulwinkle
arden	Bloom	Brown, Ga.	Burch
arnes	Boehne	Bryson	Burgin
arry	Boland	Buck	Byrne, N. Y.
ates, Ky.	Boykin	Buckler, Minn.	Byrns, Tenn.

Byron	Gore	McMillan, John L	
Cannon, Mo.	Gossett	McMillan, Thos. 8	3.Sacks
Cartwright	Grant, Ala.	Maciejewski	Sasscer
Casey, Mass.	Green	Magnuson	Schaefer, Ill.
Celler	Gregory	Mahon	Schuetz
Chandler	Griffith	Maloney	Schulte
Clark	Hare	Marcantonio	Schwert
Claypool	Harrington	Martin, Colo.	Scrugham
Cochran	Hart	Martin, Ill.	Shanley
Coffee, Wash.	Harter, Ohio	Massingale	Shannon
Colmer	Havenner	Merritt	Sheppard
Connery	Healey	Mills, Ark.	Sirovich
Cooley	Hendricks	Mills, La.	Smith, Conn.
Cooper	Hennings	Monroney	Smith, Ill.
Costello	Hill	Mouton	Smith, Va.
Cox	Hook	Murdock, Ariz.	Smith, Wash.
Crowe	Houston	Murdock, Utah	Smith, W. Va.
Cullen	Hunter	Myers	Snyder
Cummings	Izac	Nelson	Somers, N. Y.
D'Alesandro	Jacobsen	Nichols	Sparkman
Darden	Jarman	Norrell	Steagall
Delaney	Johnson, Luther A		Sullivan
Dempsey	Johnson, Okla.	O'Connor	Sutphin
DeRouen	Johnson, W. Va.	O'Day	Sweeney
		O'Leary	Tarver
Dickstein	Jones, Tex.	O'Neal	Tenerowicz
Dingell	Kee	O'Toole	
Doxey	Keller		Terry
Duncan	Kelly	Owen	Thomas, Tex.
Dunn	Kennedy, Michael		Thomason
Durham	Kennedy, Md.	Parsons	Tolan
Eberharter	Keogh	Patman	Turner
Ellis	Kilday	Patrick	Vincent, Ky.
Fay	Kirwan	Pearson	Vinson, Ga.
Fernandez	Kitchens	Peterson, Fla.	Voorhis, Calif.
Fitzpatrick	Kocialkowski	Peterson, Ga.	Wallgren
Flaherty	Kramer	Pfeifer	Walter
Flannagan	Larrabee	Pierce, Oreg.	Warren
Flannery	Lea	Polk	Weaver
Folger	Leavy	Rabaut	White, Idaho
Ford, Miss.	Lesinski	Ramspeck	Whittington
Ford, Thomas F.	Lewis, Colo.	Randolph	Williams, Mo.
Fries	Ludlow	Rayburn	Woodrum, Va.
Fulmer	McAndrews	Richards	Zimmerman
Garrett	McArdle	Robinson, Utah	The Speaker
Gathings	McCormack	Rogers, Okla.	
Gavagan	McGranery	Romjue	
Geyer, Calif.	McKeough	Ryan	
	Action to the second se		

Jenks, N. H. Osmers Anderson, Calif. Doughton Jenks, N. H.
Johnson, Lyndon Seger
Starnes, Ala. Ball Bell Eaton, N. J. Keefe Kerr McGehee Evans Ferguson Gearhart Stearns, N. H. Taylor, Colo. Creal Curley McReynolds Mansfield Daly Goldsborough Whelchel eld Mitchell Youngdahl Disney Jeffries

NOT VOTING-32

The SPEAKER. The Clerk will call my name.

The Clerk called the name of Mr. BANKHEAD, and he answered "nay."

So the amendment was rejected.

The Clerk announced the following pairs:

On the vote:

Mr. Eaton of New Jersey (for) with Mr. Doughton (against).
Mr. Jeffries (for) with Mr. Mansfield (against).
Mr. Keefe (for) with Mr. Curley (against).
Mr. Stearns of New Hampshire (for) with Mr. Bell (against).
Mr. Hartley (for) with Mr. Kerr (against).
Mr. Ball (for) with Mr. Starnes of Alabama (against).
Mr. Jenks of New Hampshire (for) with Mr. McReynolds (against).
Mr. Osmers (for) with Mr. Evans (against).
Mr. Seger (for) with Mr. Daly (against).
Mr. Youngdahl (for) with Mr. McGeehee (against).
Mr. Anderson of California (for) with Mr. Disney (against).

General pairs:

Mr. Dies with Mr. Gearhart. Mr. Taylor of Colorado with Mr. Creal. Mr. Wood with Mr. Mitchell. Mr. Ferguson with Mr. Whelchel.

The result of the vote was announced as above recorded. The SPEAKER. The question is on the engrossment and third reading of the bill.

The bill was ordered to be engrossed and read a third time, and was read the third time.

Mr. TABER. Mr. Speaker, I offer a motion to recommit. The SPEAKER. Is the gentleman opposed to the bill? Mr. TABER. I am.

The SPEAKER. The Clerk will report the motion to recommit.

The Clerk read as follows:

Mr. TABER moves to recommit the bill to the Select Committee on Government Organization with instructions to report the same back forthwith with the following amendment: Page 5, line 21, to page 6, line 9, strike out all of section 5 and insert in lieu thereof:

"SEC. 5. The reorganization specified in the plan shall not become effective until after the enactment of a joint resolution specifically approving such plan. Any such joint resolution shall provide for the approval of such plan as a whole, without modifications, and shall contain no other provisions. If any such joint resolution providing for the approval of any such plan is introduced in either House, it shall at once become the special order therein and that House shall proceed to its consideration, without reference to a committee; and, not later than 1 hour after the House meets on the twentieth calendar day (Sundays excepted) after the day on which such joint resolution was introduced, a vote shall be taken in that House on the question of the passage of a joint resolution approving such plan. If any such joint resolution is passed by one House, it shall be sent to the other House, and that House shall immmediately proceed to its consideration, without reference to a committee. Not later than 1 hour after that House meets on the twentieth calendar day (Sundays excepted) after it has received such joint resolution, a final vote shall be taken in that House on the question of the passage of such joint resolution. No notice or motion to reconsider the vote shall be in order." "SEC. 5. The reorganization specified in the plan shall not become

Mr. COCHRAN. Mr. Speaker, I move the previous question on the motion to recommit

The previous question was ordered.

The SPEAKER. The question is on the motion of the gentleman from New York to recommit the bill.

Mr. TABER. Mr. Speaker, I demand the yeas and nays. The yeas and nays were ordered.

Mr. DINGELL. Mr. Speaker, a parliamentary inquiry.

The SPEAKER. The gentleman will state it.

Mr. DINGELL. Does this motion to recommit contain the so-called Kleberg amendment in disguise?

The SPEAKER. The Chair is not prepared to answer that parliamentary inquiry.

The question was taken; and there were-yeas 163, nays 236, not voting 34, as follows:

[Roll No. 271 YEAS-163

Alexander	Eaton, Calif.	Kinzer	Rodgers, Pa.
Allen, Ill.	Elston	Kleberg	Rogers, Mass.
Allen, Pa.	Engel	Knutson	Routzohn
Andersen, H. Carl	Englebright	Kunkel	Rutherford
Andresen, A. H.	Fenton	Lambertson	Sandager
Andrews	Fish	Landis	Schafer, Wis.
Angell	Ford, Leland M.	Lanham	Schiffler
Arends	Gamble	LeCompte	Seccombe
Austin	Gartner	Lemke	Secrest
Barton	Gerlach	Lewis, Ohio	Shafer, Mich.
Bates, Mass.	Gifford	Lord	Short
Bender	Gilchrist	Luce	Simpson
Blackney	Gillie	McDowell	Smith, Maine
Bolles	Graham	McLean	Smith, Ohio
Bolton	Grant, Ind.	McLeod	Springer
Bradley, Mich.	Griswold	Maas	Stefan
Brewster	Gross	Mapes	Sumner, Ill.
Brown, Ohio	Guyer, Kans.	Marshall	Taber
Burdick	Gwynne	Martin, Iowa	Talle
Carlson	Hall	Martin, Mass.	Taylor, Tenn.
Carter	Halleck	Mason	Thill
Case, S. Dak.	Hancock	Michener	Thomas, N. J.
Chapman	Harness	Miller	Thorkelson
Chiperfield	Harter, N. Y.	Monkiewicz	Tibbott
Church	Hawks	Mott	Tinkham
Clason	Heinka	Mundt	Treadway
Clevenger	Hess	Murray	Van Zandt
Cluett	Hinshaw	O'Brien	Vorys, Ohio
Cole, N. Y.	Hoffman	Oliver	Vreeland
Corbett	Holmes	Pierce, N. Y.	Wadsworth
Crawford	Hope	Pittenger	West
Crowther	Horton	Plumley	Wheat
Culkin	Hull	Powers	White, Ohio
Curtis	Jarrett	Reece, Tenn.	Wigglesworth
Darrow	Jenkins, Ohio	Reed, Ill.	Williams, Del.
Dirksen	Jensen	Reed, N. Y.	Winter
Ditter	Johns	Rees, Kans.	Wolcott
Dondero	Johnson, Ill.	Rich	Wolfenden, Pa.
Douglas	Johnson, Ind.	Risk	Wolverton, N. J.
Dowell	Jones, Ohio	Robsion, Ky.	Woodruff, Mich.
Dworshak	Kean	Rockefeller	STORY THE STORY

NAYS-236

len. La.	Boykin	Cannon, Fla.	Cooper	
derson, Mo.	Bradley, Pa.	Cannon, Mo.	Costello	
nold	Brooks	Cartwright	Cox	
hbrook	Brown, Ga.	Casey, Mass.	Crosser	
rden	Bryson	Celler	Crowe	
rnes	Buck	Chandler	Cullen	
rry	Buckler, Minn.	Clark	Cummings	
tes. Ky.	Buckley N. Y.	Claypool	D'Alesandro	
am	Bulwinkle	Cochran	Darden	
ckworth	Burch	Coffee, Nebr.	Delaney	
and	Burgin	Coffee, Wash.	Dempsey	
oom	Byrne, N. Y.	Cole, Md.	DeRouen	
ehne	Byrns, Tenn.	Colmer	Dickstein	
land	Byron	Connery	Dingell	
ren	Caldwell	Cooley	Doxey	

An Ari Asi Ba Ba Ba Ba Be Be

Bla Bla Bo

Satterfield Schaefer, Ill.

Schuetz Schulte

Schwert

Scrugham Shanley

Sheppard Sirovich Smith, Conn. Smith, Ill.

Smith, Va. Smith, Wash. Smith, W. Va.

Snyder Somers, N. Y.

Sumners, Tex.

South Sparkman Spence

Steagall Sullivan

Sutphin

Sweeney

Tolan Turner

Walter

Warren

Weaver

Welch

Tarver Tenerowicz

Terry Thomason

Vincent, Ky.

Vinson, Ga. Voorhis, Calif. Wallgren

White, Idaho Whittington Williams, Mo. Woodrum, Va.

Zimmerman

Starnes, Ala. Stearns, N. H. Taylor, Colo.

Thomas, Tex. Whelchel

Youngdahl

Wood

Shannon

Drewry	Hunter	Mills, Ark.
Duncan	Izac	Mills, La.
Dunn	Jacobsen	Monroney
Durham	Jarman	Moser
Eberharter	Johnson, Luther A	
Edmiston	Johnson, Okla.	Murdock, Ariz.
Elliott	Johnson, W. Va.	Murdock, Utah
Ellis	Jones, Tex.	Myers
Faddis	Kee	Nelson
Fay	Keller	Nichols
Fernandez	Kelly	Norrell
Fitzpatrick	Kennedy, Martin	Norton
Flaherty	Kennedy, Michael	O'Connor
Flannagan	Kennedy, Md.	O'Day
Flannery	Keogh	O'Leary
Folger	Kilday	O'Neal
Ford, Miss.	Kirwan	O'Toole
Ford, Thomas F.	Kitchens	Owen
Fries	Kocialkowski	Pace
Fulmer	Kramer	Parsons
Garrett	Larrabee	Patman
Gathings	Lea	Patrick
Gavagan	Leavy	Patton
Gehrmann	Lesinski	Pearson
Geyer, Calif.	Lewis, Colo.	Peterson, Fla.
Gibbs	Ludlow	Peterson, Ga.
Gore	McAndrews	Pfeifer
Gossett	McArdle	Pierce, Oreg.
Grant. Ala.	McCormack	Poage
Green	McGranery	Polk
	McKeough	Rabaut
Gregory		
Griffith	McLaughlin	Ramspeck
Hare	McMillan, John L.	Randolph
Harrington	McMillan, Thos. S	
Hart	Maciejewski	Rayburn
Harter, Ohio	Magnuson	Richards
Havenner	Mahon	Robertson
Healey	Maloney	Robinson, Utah
Hendricks	Marcantonio	Rogers, Okla.
Hennings	Martin, Colo.	Romjue
HIII	Martin, Ill.	Ryan
Hobbs	Massingale	Sabath
Hook	May	Sacks
Houston	Merritt	Sasscer

Anderson, Calif.	Doughton	Johnson, Lyndon
Ball	Eaton, N. J.	Keefe
Bell	Evans	Kerr
Collins	Ferguson	McGehee
Creal	Gearhart	McReynolds
Curley	Goldsborough	Mansfield
Daly	Hartley	Mitchell
Dies	Jeffries	Osmers
Disney	Jenks, N. H.	Seger

So the motion to recommit was rejected. The Clerk announced the following pairs: On this vote:

Mr. Eaton of New Jersey (for) with Mr. Doughton (against).
Mr. Jeffries (for) with Mr. Mansfield (against).
Mr. Keefe (for) with Mr. Curley (against).
Mr. Stearns of New Hampshire (for) with Mr. Bell (against).
Mr. Hartley (for) with Mr. Kerr (against).
Mr. Ball (for) with Mr. Starnes of Alabama (against).
Mr. Jenks of New Hampshire (for) with Mr. McReynolds (against).
Mr. Osmers (for) with Mr. Evans (against).
Mr. Seger (for) with Mr. Daly (against).
Mr. Youngdahl (for) with Mr. McGehee (against).
Mr. Gearhart (for) with Mr. Thomas of Texas (against).

Until further notice:

Mr. Taylor of Colorado with Mr. Creal. Mr. Wood with Mr. Mitchell. Mr. Ferguson with Mr. Whelchel. Mr. Dles with Mr. Goldsborough.

The result of the vote was announced as above recorded. The SPEAKER. The question is on the passage of the hill

Mr. COCHRAN. Mr. Speaker, on the final passage I ask for the yeas and nays.

Mr. TABER. Mr. Speaker, I also ask for the yeas and navs.

The yeas and nays were ordered.

Bryson

The question was taken; and there were-yeas 246, nays 153, not voting 34, as follows:

[Roll No. 28]

Allen, La. Bland Anderson, Mo. Arnold Bloom Boehne Ashbrook Boland Boren Boykin Bradley, Pa. Barden Barnes Barry Bates, Ky. Brooks Brown, Ga. Beckworth

YEAS-246 Buckler, Minn. Buckley, N. Y. Bulwinkle Burch Burgin Byrne, N. Y. Byrns, Tenn. Byron Caldwell

Cannon, Fla. Cannon, Mo. Cartwright
Casey, Mass.
Celler
Chandler Chapman Clark Claypool Cochran

Coffee, Nebr. Coffee, Wash. Cole, Md. Collins Colmer Connery Cooley Cooper Costello Cox Crosser Crowe Cullen Cummings D'Alesandro Darden Dempsey DeRouen Dickstein Dingell Doxey Drewry Duncan Dunn Durham Eaton, Calif. Eberharter Edmiston Elliott Ellis Faddis Fay Fernandez Fitzpatrick Flaherty Flannagan Flannery Folger Ford, Miss. Ford, Thomas F. Fries Fulmer Garrett Gathings Gavagan Gehrmann Geyer, Calif. Gibbs Gore Gossett Grant, Ala.

Alexander

Allen, Ill. Allen, Pa.

Andrews Angell

Bates, Mass. Bender

Blackney

Bolton Bradley, Mich.

Brewster Brown, Ohio Burdick

Carlson

Clason

Carter Case, S. Dak.

Chiperfield Church

Clevenger Cole, N. Y. Corbett

Crawford Crowther

Culkin

Curtis

Darrow

Ditter

Dirksen

Dondero Douglas

Dworshak

Dowell

Arends Austin Barton

Andersen, H. Carl Andresen, A. H.

Maciejewski Magnuson Mahon Green Gregory Griffith Hare Harrington Maloney Mapes Marcantonio Hart Harter, Ohio Martin, Colo. Martin, Ill. Havenner Healey Hendricks Massingale May Merritt Hennings Mills, Ark. Mills, La. Hobbs Hook Hope Houston Monroney Moser Mouton Hull Murdock, Ariz. Murdock, Utah Hunter Izac Jacobsen Myers Nelson Jarman Nichols Johnson, Luther A Johnson, Okla. Johnson, W. Va. Jones, Tex. Kee Keller Kelly Kennedy, Martin Kennedy, Michael Kennedy, Md. Keogh Kilday Kirwan Kitchens Knutson Kocialkowski Kramer Larrabee Lea Leavy Lewis, Colo. Ludlow McAndrews McArdle McCormack McGranery McKeough Robertson
McLaughlin Robinson, Utah
McMillan, John L. Rogers, Okia.
McMillan, Thos. S.Romjue

Norton O'Connor O'Day O'Leary O'Neal O'Toole Parsons Patrick Patton Pearson Peterson, Fla. Peterson, Ga. Pfeifer Pierce, Oreg. Poage Polk Rabaut Ramspeck Randolph Rankin Rayburn Reece, Tenn. Richards

Rvan Sabath Sacks Satterfield Schaefer, Ill. Schuetz Schulte Schwert Scrugham Shanley Shannon Sheppard Sirovich Smith, Conn. Smith, Ill. Smith, Va. Smith, Wash. Smith, W. Va. Snyder Somers, N. Y. South Sparkman Spence Steagall Sullivan Sumners, Tex. Sutphin Sweeney Tenerowicz Terry Thomason Tolan
Turner
Vincent, Ky.
Vinson, Ga.
Voorhis, Calif. Wadsworth Wallgren Walter Warren Weaver Welch White, Idaho Whittington Williams, Mo. Wolverton, N. J. Woodrum, Va. Zimmerman

NAYS-153

Kleberg Kunkel Elston Engel Englebright Fenton Landis Lanham Fish Ford, Leland M. Gamble Gartner Gerlach Gifford Luce Gilchrist McLean Grahan. McLeod Grant, Ind. Griswold Maas Marshall Gross Guyer, Kans. Gwynne Hall Mason Michener Halleck Miller Hancock Mott Mundt Harness Harter, N. Y. Hawks Heinke Murray O'Brien Hess Hinshaw Oliver Hoffman Holmes Plumley Powers Reed, Ill. Jarrett Jenkins, Ohio Jensen Johns Johnson, Ill Johnson, Ind. Jones, Ohio Robsion, Ky. Rockefeller Rodgers, Pa Kean Kinzer Rogers, Mass

Routzohn Rutherford Lambertson Sandager Schafer, Wis. Schiffler Seccombe Secrest Shafer, Mich. LeCompte Lemke Lewis, Ohio Short Simpson Smith, Maine Smith, Ohio McDowell Springer Stefan Sumner, Ill. Martin, Iowa Martin, Mass Taber Talle Taylor, Tenn. Thill Thomas, N. J. Thorkelson Tibbott Tinkham Monkiewicz Treadway Van Zandt Van Zandt Vorys, Ohio Vreeland West Wheat White, Ohio Wigglesworth Williams, Del. Pierce, N. Y. Pittenger Reed, N. Y. Rees, Kans. Rich Risk Winter Wolfenden, Pa. Woodruff, Mich.

NOT VOTING-34 Johnson, Lyndon

Keefe Kerr

McGehee McReynolds Mansfield

Mitchell

Osmers

Seger

Anderson, Calif. Ball Bell Doughton Eaton, N. J. Evans Ferguson Cluett Creal Curley Daly Dies Disney Gearhart Goldsborough Hartley Jenks, N. H.

So the bill was passed.

Starnes, Ala. Stearns, N. H. Taylor, Colo. Thomas, Tex. Whelchel Wood Youngdahl

The Clerk announced the following additional pairs: On this vote:

Mr. Doughton (for) with Mr. Eaton of New Jersey (against).
Mr. Mansfield (for) with Mr. Jeffries (against).
Mr. Curley (for) with Mr. Keefe (against).
Mr. Bell (for) with Mr. Stearns of New Hampshire (against).
Mr. Kerr (for) with Mr. Hartley (against).
Mr. Starnes of Alabama (for) with Mr. Ball (against).
Mr. Starnes of Alabama (for) with Mr. Ball (against).
Mr. Evans (for) with Mr. Jenks of New Hampshire (against).
Mr. Evans (for) with Mr. Osmers (against).
Mr. Daly (for) with Mr. Seger (against).
Mr. McGehee (for) with Mr. Youngdahl (against).
Mr. Disney (for) with Mr. Anderson of California (against).
Mr. Thomas of Texas (for) with Mr. Gearhart (against).
My Lyndon B. Johnson (for) with Mr. Cluett (against).

Until further notice:

Mr. Taylor of Colorado with Mr. Creal, Mr. Wood with Mr. Mitchell. Mr. Ferguson with Mr. Whelchel. Mr. Dies with Mr. Goldsborough.

The result of the vote was announced as above recorded. A motion to reconsider the vote whereby the bill was passed was laid on the table.

INDEPENDENT OFFICES APPROPRIATION BILL, 1940-CONFERENCE REPORT

Mr. WOODRUM of Virginia. Mr. Speaker, I submit a conference report on the bill (H. R. 3743) making appropriations for the Executive Office and sundry independent executive bureaus, boards, commissions, and offices, for the fiscal year ending June 30, 1940, and for other purposes, for printing under the rule.

DEFICIENCY APPROPRIATION BILL—CONFERENCE REPORT

Mr. WOODRUM of Virginia. Mr. Speaker, I submit a conference report and statement on the bill (H. R. 2868) making appropriations to supply deficiencies in certain appropriations for the fiscal year ending June 30, 1939, to provide supplemental appropriations for the fiscal year ending June 30, 1939, and for other purposes, for printing under the rule.

LEAVE OF ABSENCE

By unanimous consent, leave of absence was granted as follows:

To Mr. Whelchel, indefinitely, on account of illness.

To Mr. JEFFRIES (at the request of Mr. Wolverton), indefinitely, on account of illness.

To Mr. Kramer, for 7 days, on account of official business. To Mr. STARNES of Alabama (at the request of Mr. SPARKMAN), for the remainder of the week, on account of important business in his district.

To Mr. Faddis, for 2 days, on account of important business.

MILK INVESTIGATION-DISTRICT OF COLUMBIA

Mr. SMITH of Virginia, from the Committee on Rules, submitted the following resolution (Rept. No. 180) for printing under the rule.

House Resolution 113

House Resolution 113

Resolved, That the House Committee on the District of Columbia, or a duly authorized subcommittee thereof, be, and is hereby, authorized and directed to make a full and complete investigation of (1) the sources and purity of the milk and cream supply of the District of Columbia; (2) of any violation of the law of the District of Columbia or regulations of the District Commissioners made pursuant thereto with respect to the importation of milk or cream into the District of Columbia or importation of unlicensed milk or cream into the District of Columbia and the method by which such violations are perpetrated; (3) the possible effect upon the health of the community by reason of the unlawful importation of unlicensed milk or cream into the District of Columbia; (4) whether and to what extent cream for ice cream purposes, under section 4 of the 1925 Milk Act of the District of Columbia; is being diverted unlawfully to milk or cream for fluid consumption; (5) whether any conspiracy exists on the part of any distributor of any dairy products to violate the provisions of the 1925 District Milk Act or the regulations made pursuant thereto.

The said committee or any subcommittee thereof is hereby authorized for the purpose of this resolution to subpena and require the production of the books and records of any person, firm, or corporation licensed to import milk or cream into the District of Columbia or unlawfully importing milk or cream into the District of Columbia or unlawfully importing milk or cream into the District of Columbia or unlawfully importing milk or cream into the District of Summittee or any subcommittee thereof is hereby authorized to sit and act at such times and places within the United States, whether the House is sitting or has recessed or has adjourned, to hold such hearings,

to require the attendance of such witnesses, and the production of such books or papers or documents or vouchers by subpena or otherwise, to take such testimony and records, and to employ such clerical and other assistants as it deems necessary. Subpenas shall be issued under the signature of the Speaker of the House at the request of the chairman of the committee and shall be served by the Sergeant at Arms of the House or by such person or persons as may be designated by him. The chairman of the committee or any member of the committee may administer oaths to witnesses. Every person who, having been summoned as a witness by authority of said special committee or any subcommittee thereof, or having been required to produce necessary books or papers or documents or vouchers by authority of said special committee or any subcommittee thereof, willfully makes default, or who, having appeared, refuses to answer any question pertinent to the study and investigation heretofore authorized, or who fails to produce such books or papers or documents or vouchers as required by subpenas, shall be held to the penalties provided in section 102 of the Revised Statutes of the United States (U. S. C., title 2, sec. 192), as amended.

That the committee or duly authorized subcommittee is authorized to call upon any agency of the District or Federal Government for the purpose of rendering assistance in carrying out the terms of this resolution.

That the said committee shall report to the House of Representatives at the earliest practicable date the result of its investigation at the said committee shall report to the House of Representatives at the earliest practicable date the result of its investigation.

That the said committee shall report to the House of Representatives at the earliest practicable date the result of its investigation, together with its recommendations for the enactment of desirable or necessary legislation or regulations.

EXTENSION OF REMARKS

Mr. Sabath asked and was given permission to revise and extend his own remarks.

LEAVE OF ABSENCE

Mr. SABATH. Mr. Speaker, I ask unanimous consent for leave of absence for 5 days on account of a death in my family, of which I have just received notice.

The SPEAKER. Without objection, it is so ordered.

There was no objection.

EXTENSION OF REMARKS

Mr. SIROVICH. Mr. Speaker, I ask unanimous consent to extend my own remarks in the RECORD by including a speech delivered on the floor of the House.

The SPEAKER. Without objection, it is so ordered.

There was no objection.

Mr. GEYER of California. Mr. Speaker, I ask unanimous consent to revise and extend my own remarks and to include therein a speech made by the gentleman from Illinois [Mr. SMITH 1.

The SPEAKER. Without objection, it is so ordered.

There was no objection.

PERMISSION TO ADDRESS THE HOUSE

Mr. MARTIN of Massachusetts. Mr. Speaker, I ask unanimous consent that the gentleman from Pennsylvania [Mr. GERLACH] may be allowed to address the House for 20 minutes on Monday next after the completion of the legislative program for the day and such other special orders as may have been entered.

The SPEAKER. Is there objection to the request of the gentleman from Massachusetts?

There was no objection.

REORGANIZATION BILL

Mr. CHURCH. Mr. Speaker, I ask unanimous consent to address the House for 1 minute.

The SPEAKER. Without objection, it is so ordered.

There was no objection.

Mr. CHURCH. Mr. Speaker, whatever defects the pending bill for the reorganization of the Government may have, it must be said it is far superior to the measure which the administration unsuccessfully endeavored to have enacted by the last Congress. This pending proposal at least makes some attempt to place some limitations on the power to be delegated to the President, whereas the defeated proposal of the Seventy-fifth Congress would have vested in the President practically unlimited powers.

Those who are familiar with the original reorganization bill, so called, which the President suggested, will well remember that it was so designed as to enable the President to abolish the entire executive branch of the Government if he so desired, with absolutely no check on the exercise of that sweeping power. He could have abolished all the independent agencies and commissions, quasi judicial and quasi

legislative in character. The power to be delegated under the original proposal was so broad that, as one commentary put it, the President could abolish his own office.

It will always be difficult for the American people to understand why a measure of that kind and character should even so much as enter the minds of men living in a free country, much less be recommended for enactment to the free representatives of a free people charged with the responsibility of preserving our constitutional form of government. And it will always be difficult for the American people to understand why the President stubbornly resisted the attempts then made in Congress so to amend the proposed bill that the Congress might retain some check on the exercise of the great power it was asked to delegate. It has caused thoughtful men and women to wonder as to the true motives of those who sought such power and who insisted that no limitations be placed on it.

That is now history. Posterity will better understand and appreciate that crucial period for American democracy than those of us who lived through it and met the test.

The significance of the victory for our system of government that was won in the defeat of the New Deal reorganization bill by the Seventy-fifth Congress is, to some extent, reflected in the character of the reorganization bill now being considered by the Seventy-sixth Congress. Rather than again recommending a broad delegation of power without any limitation whatsoever, the pending bill at least attempts to place some limitations on it and at least makes semblance of leaving a check in Congress.

But the question is, How real are the limitations and how effective is the check Congress is to have under the terms of this bill on the possible arbitrary exercise of delegated

Before turning to the provisions of this specific measure, I should like to make a few observations on the subject of Government reorganization generally. I should like to comment briefly on the different kinds of reorganization plans and on the different legislative methods of putting those plans into effect. By such an examination of the subject we will bring ourselves to a better understanding of the approach this particular bill before us makes to the problem and what other methods are open to us to employ for reorganization.

From such study as I have been able to make of the problem of government reorganization, State and Federal, there seem to be three general concepts. In other words, practically all the government reorganization proposals I have had occasion to examine may be classified in one of three general concepts, dependent upon the approach each makes to the problem.

First. There is the reorganization proposal that emphasizes as its objective a transfer and regrouping of executive agencies so as to provide for a greater coordination of activities and a larger degree of supervision and control by the Chief Executive. A proposal of this character has coordination and control as its primary objective rather than economy.

Second. There is the reorganization proposal that emphasizes as its objective the actual reduction in the cost of government. It seeks a simplification of the processes of government and the elimination of all unnecessary activities with a view to obtaining actual savings for the people who bear the ever-increasing cost.

No hard and fast line can be drawn between these two classes or concepts of reorganization. The distinction lies in where the emphasis is placed and what constitutes the immediate objective, whether simply in a reshuffling of bureaus and agencies or in reducing the expense of government. Both look to a surgical operation on the executive body on which all manner of bureaus and agencies' have affixed themselves.

And there is a third type of reorganization proposal which especially commends itself to me as representing the really practical approach. It is the plan which not only looks to immediate reorganization of the Government in the interest of economy and efficiency but also definitely establishes a legislative mechanism for the orderly consideration of or-

ganization problems as they arise in the future. It must not be forgotten that even though we should today so arrange the bureaus and agencies as to place the Government on an economical basis, even though we might by some magic be able to make the entire machinery perfect, next year and the years to come will present changed conditions and new problems.

It is a serious mistake to think of Government reorganization as just something to be done today. Rather, it should be thought of as a continuous process, to be undertaken every year Congress meets. No Government reorganization can, in my judgment, be said to be complete unless at the same time we take pains to devise a practical method whereby it may be kept reorganized, so to speak, and at the same time meet new conditions and situations. An agency which may be extremely important today may readily become unnecessary tomorrow. What is economical today may be expensive tomorrow; what is efficient today may be inefficient tomorrow. A well considered reorganization plan would make provision for such future contingencies.

Let us now ask ourselves: In which of these three general classes of Government reorganization proposals should this particular bill we are considering be placed?

I regret to have to say that of the three possibilities this bill falls within the group having the least merit. In the first place, the measure does not look upon reorganization as a continuous need and responsibility in the interest of future economy and efficiency. There is not a single provision in the bill to enable the Congress to keep the Government on an economical and efficient basis. No attempt is made in any part of the bill to set up a definite procedure or mechanism whereby the Congress may effectively keep itself in touch with new conditions and activities. Such machinery could readily be established through the General Accounting Office and our standing Committee on Appropriations.

In the second place, the measure before us does not have economy as an immediate objective. It would be more accurate to say that the entire emphasis is on giving the President power to rearrange and consolidate the 132 existing agencies and bureaus so that he may exercise greater control over them. The general tone of the bill, as well as its specific provisions, make it clear that the primary purpose of the proposal is not to realize actual savings for the taxpayers but simply to change the executive structure.

This represents one of the distinguishing features between this bill, H. R. 4425, and that sponsored by the Senate Special Committee to Investigate Executive Agencies under the chairmanship of Senator Harry Byrd, of Virginia. And it is this distinguishing feature, among others, which commends the so-called Byrd bill, S. 1706, to me in preference to that before us in the House.

It is true that it is set forth in the measure before us that one of the purposes of the bill is to "reduce expenditures to the fullest extent consistent with the efficient operation of the Government." Other than those few words, practically no attention is given to economy.

In comparison I would like to call your special attention to the opening section of the Byrd bill. It not only contains the words just quoted from the bill we are considering, but the Byrd bill by declaration emphasizes economy as an objection. Let me read the language to be found in section 1 (a) not to be found anywhere in the administration's bill:

The Congress hereby declares that a serious emergency exists by reason of continued national deficits; that it is imperative to reduce drastically Government expenditures; and that such reduction may be accomplished in great measure by proceedings immediately under the provisions of this act.

That language solemnly declares to the President that the power to be exercised under the terms of the bill in the reorganization of the Government is not simply to reshuffle bureaus and agencies but definitely to realize economy. It solemnly declares to the President that economy is to be immediate objective in any plan he may submit. But no such declaration is contained in the administration's bill we are debating, notwithstanding the fact that our national debt is rapidly approaching \$50,000,000,000, and the

Secretary of the Treasury has recently recommended that the existing statutory limitation of \$45,000,000,000 be raised.

And, Mr. Speaker, there are certain other distinguishing features between this New Deal bill and the Byrd bill along this same line that should be noted in passing as indicating difference between the two as relating to needed economy. In section 3 (c), (d), and (e) of the Byrd bill are to be found carefully worded provisions to prevent the continuance of temporary or emergency agencies beyond the period authorized by law and to prevent there being any increase in the agencies.

The importance of those restrictive provisions in the Byrd bill cannot be overemphasized. Of the list of 132 existing agencies as of January 1, 1937, compiled by the Brookings Institution, 35 of them were created by the President himself or by other executive agencies. They were not created by law or specifically authorized by law. They were simply created out of the innumerable delegations of power made to the President during the last 6 years and funds were allotted to them by the President out of the blank-check appropriations New Deal Congresses have been making for the President's disposition. And, it is of interest to note that 8 of these agencies were established without even a formal Executive order, but rather simply by a letter or informal memorandum out of the White House.

For obvious reasons, if we are ever to realize economy in government, if we are ever to accomplish a reorganization to simplify the processes of government, such practices on the part of this President or any other President must stop. To make certain that it will be stopped the Byrd bill makes specific provision to preclude it.

And there is still another distinguishing feature of the Byrd bill which indicates it has economy as an immediate objective as compared to the administration's bill we have under consideration. In section 4 of the Byrd bill, page 6. will be found a provision requiring a far more rigid report from the President showing the increase or decrease in expenditures which will result from any reorganization plan he may submit under the power delegated, than is required by this House bill.

I am convinced, Mr. Speaker, that a careful study of the measure before us today on the administration's recommendation employs the least effective of three possible reorganization concepts. It makes no provision for reorganization as a continuing process, and it makes no definite avowal or even pretense of accomplishing an actual reduction in the cost of government. While the Byrd bill falls short of what might be done for a really practical and effective reorganization plan, nonetheless it is a far superior measure to H. R. 4425, the administration sponsors.

Now, Mr. Speaker, I would like to turn from the question of plans of reorganization and their objectives to legislative methods of putting the plans into effect. In many respects this may be said to be the most important part of the entire subject, inasmuch as it seriously involves our system of government. It is on this phase of the subject of reorganization that most of the controversy in Congress

As I view the question of methods that might be employed for accomplishing a reorganization, there are five possibilities, bearing in mind that our system of government is one of "checks and balances" we are under oath to preserve.

First. There is the orthodox method, strictly in keeping with the principles of this democracy. Instead of making any delegation of power to the President, simply leave it to him to recommend any changes in existing laws affecting organization and Government activities and leave it to Congress to enact the recommendations into law. Or, even without any Presidential suggestion or recommendation, Congress could proceed to pass various bills for reorganizations.

This is the customary legislative procedure. It is the procedure the founders of our Government would insist upon. It is the procedure in keeping with the established principles of our democracy, whereby the Executive and the Congress cooperate but one operates as a definite check on the other.

Being the orthodox procedure in our democracy, I suppose we should naturally expect the new dealers to reject it. Judging from the nature of a great many bills the New Deal has enacted in the last 6 years, delegations of power and blank-check appropriations, as well as the defeated Supreme Court plan, anything that is orthodox and in keeping with the Constitution is just naturally taboo to the New Deal. For some reason the new dealers seem to be endowed with an innate dislike for anything that is orthodox. And so, as to be expected, this method of proceeding toward a reorganization is not employed by the administration in this bill.

Second. There is the method whereby Congress delegates certain powers to the President to issue reorganization orders or plans, but they are not to become effective until approved by the House and Senate by joint resolution. Under this procedure Congress must act on the question of approval or disapproval within a certain specified number of days after the joint resolution for approval is introduced. which is made a special order of business. The obvious advantage to be gained by the administration by this method is that no amendment can be made to the plan submitted and all possible committee difficulties are eliminated. It brings the question of approval promptly to a vote.

This is the method embodied in the Byrd bill, allowing 20 days within which each body of Congress must act after the resolution is introduced. While there is a delegation of power to the President, he can exercise that power only with the positive approval by Congress. His plan for reorganization cannot be emasculated by House and Senate amendments, but the plan does not become effective without an expression of approval by the House and Senate.

This method of procedure clearly leaves a check on the Executive by the people's representatives in Congress. It constitutes a protection against the possible arbitrary exercise of power by the Executive. It gives the President freedom to act but at the same time preserves the principle of checks and balances. And we cannot to greatly stress how important it is that Congress have a check on the delegate power, even though it may never have occasion to use it in refusing approval of any plan the Executive may propose.

But apparently this method of procedure is also much too orthodox for the new dealers, who have demonstrated their impatience with the democracy. For some reason they have a natural dislike for any effective check in Congress on the exercise of any delegated power to the Executive.

And so we will have to turn to the third possible method of procedure which is not quite so orthodox and which would leave less control in the hands of Congress. Power can be delegated to the President to issue Executive orders for reorganization and provide that those orders become effective unless either the House or Senate pass a resolution within a certain specified number of days to negative it or set it aside. This method gives the Executive order full force and effect of law unless one or the other House of Congress acts within 20 days, let us say, to set it aside.

But this method also leaves too much of a check on the President and his advisers to satisfy the new dealers. While the action to be taken by Congress is purely of a negative nature and there is a time limitation within which the action must be taken, only one House need to act within that time to prevent the Executive order from being law. And that method was rejected by the new dealers.

We must then turn to the fourth possible method of procedure in putting a reorganization of the Government into effect. We must depart still further from the orthodox method of legislative procedure if we are to find the scheme suggested by the New Deal. And we thus come to the device

set out in this particular bill.

In section 5 it provides that the Executive order or orders of the President will become effective unless within 60 days both the House and Senate pass a concurrent resolution to set it aside. Obviously, this method makes the check of Congress even less effective, because both Houses of Congress must act. So long as the President and his advisers can block action in one of the Houses of Congress the Executive order will go entirely unchecked, regardless of what the other House may desire. And you and I know that pap, patronage, pressure, and projects have shown themselves to be rather effective means employed by the new dealers in influencing the House or Senate.

Drastic limitations are placed on the debate under the terms of this provision, even in face of the stipulation in the Constitution to the effect that each House of Congress will have control over its own rules of procedure and debate. Assume that the President should issue an Executive order embodying a plan for the complete revision of the Government, abolishing functions of departments and agencies, and nullifying laws now on the statute books; and assume that the complicated plan covers several hundred, perhaps thousands of pages; under the terms of this bill, limiting the time within which Congress can consider the proposal, it would not be possible to consider the plan and all its implications.

One can best obtain a picture of the breadth of the power delegated to the President by this particular bill by turning to the language employed in section 4 (c) on page 4. It speaks of what the President's reorganization plans may embody in the following language:

the abolition of the whole or any part of any executive agency or the functions thereof.

There are thus two questions to be answered in an interpretation of the power that vests under that language in the President: What is an executive agency? And, secondly, what is a function? It is important that we understand the meaning of those terms in understanding what the President may abolish and actually do.

The definition of the term "executive agency" is to be found on page 2, section 2. It reads:

When used in this title, the term "executive agency" means any executive department, commission, independent establishment, corporation owned or controlled by the United States, board, bureau, division, service, office, authority, or administration in the executive branch of the Government.

In short, the term "executive agency" was defined broad enough to include every single part of the executive branch of the Government. The term is defined as the whole administrative machinery that exists, from a Cabinet officer to some minor office. Subject to the few limitations to be found in section 3, page 3, the President is thus to be delegated power to abolish practically the whole of our administrative machinery.

Now, what does the word "functions" mean, which the President may abolish? It can be given only one construction. That word "functions" means policies of government. In other words, by the language of section 4 (c) the President is delegated the power to abolish existing policies and thus to declare null and void practically every law on the statute books, of which it is a function of the respective executive agencies to administer.

Is not the power to abolish functions, change policies, and to declare our laws null and void a power that is sweeping in nature? Yet that is the very power we are asked here to delegate.

It is alleged that the limitation in section 3, on page 3, does not permit the President to abolish or transfer an established executive department under the respective Cabinet officers. I ask that you note carefully the language of section 3 and (a):

SEC. 3. No reorganization plan under section 4 shall provide—
(a) For the abolition or transfer of an executive department or all the functions thereof.

Note carefully it says no plan can abolish "all the functions" of an executive department. But the President can abolish some of the functions of an executive department. He can abolish 1 percent of them or 99 percent. As a practical matter, while he cannot completely wipe out an executive department, he can wipe out 99 percent of its functions and thus reduce it to something of no importance or consequence. And so that limitation is not as real as it would at first blush appear.

Yet such far-reaching action would go into effect regardless, under an Executive order unless both the Senate and House set it aside within 60 days. And do not forget that a calendar day of 60 days may amount to only 30 legislative days, or less, insofar as the actual consideration of the President's plan may be given by Congress. And do not overlook the fact that the Senate has unlimited debate, and it is perfectly possible for a filibuster to take place so as to preclude any action by the Senate within the time limitation placed on Congress to set aside a drastic reorganization plan. Unless the Senate, as well as the House, unless both bodies adopt a resolution within 60 days, the President's plan would go into effect.

Mr. Speaker, this method is unorthodox and unprecedented. It delegates broad power to the President, enabling him to abolish functions of Government and thereby change the policies of our laws and Government. But it leaves Congress without any effective check on the exercise of that power. It sets up a negative procedure instead of providing that Congress should act affirmatively and directly. And this was, accordingly, the method selected by the New Deal in preference to all the other possible methods I have just explained.

There is, to be sure, a fifth possible method of procedure still less orthodox. That is by simply delegating the power to the President without any check at all, not even a negative one, in the hands of Congress. That was the method the New Deal embodied in the reorganization bill we defeated last Congress. It being apparent that our people will not stand for such procedure, the administration selected the method that would be the nearest thing to the delegation of power without a check by Congress. They have suggested a negative check, to be sure, but have taken pains that it is not particularly effective.

The issue here is not whether we should reorganize the Government. We are face to face with a deadly bureaucracy. Not a single Member on this floor questions the need for elimination and consolidation of useless bureaus and agencies. We desire economy in Government, for we are rapidly approaching national bankruptcy.

But, Mr. Speaker, in setting ourselves to that task it is not necessary that we depart from the established principles of our form of government. The strength of our democracy has always been the system of checks and balances, and it is our responsibility to preserve that system. Any delegation of legislative power must be carefully curbed. It is a precaution that should be one of our first considerations, particularly in this day when democracy is made the subject of internal and external attacks. We must recognize potential dangers to the rights and liberties of our people. No one of us can look into the future to determine what tomorrow may produce, what precedent we may establish today will constitute the very instrument employed in a future day to destroy the very foundations of this democracy.

I do not know why the administration continues to insist upon our adopting the most unorthodox method it can find to accomplish a very desirable purpose. I just cannot understand why it should object to the method embodied in the Byrd bill for realizing Government reorganization in the interest of economy by a method that recognizes the system of checks and balances of our form of government. Why is affirmative approval by Congress of an Executive order too much to require before it goes into effect? Why is it necessary to provide that the order, regardless of how far-reaching it may be, will go into effect unless both the House and Senate set it aside?

Mr. Speaker, there is one thing I insist upon and that is that we do not undermine our democracy. And this bill is another step in that direction against which I feel compelled to raise my voice in behalf of the people I represent. I can approve the Byrd bill, but I cannot approve the Warren-Cochran bill, which follows the New Deal philosophy of delegating unlimited powers to the Executive with no effective check remaining in Congress. [Applause.]

The SPEAKER. Under the special order of the House heretofore entered, the gentleman from Wyoming [Mr. Horton] is entitled to be recognized for 5 minutes.

Mr. HORTON. Mr. Speaker, I ask unanimous consent to extend my remarks and to include therein a resolution passed by the Legislature of the State of Wyoming.

The SPEAKER. Without objection, it is so ordered. There was no objection.

REPEAL OF SIXTEENTH AMENDMENT

Mr. HORTON. Mr. Speaker, I hold in my hand a house joint memorial which was passed, almost unanimously, a few days ago, by the legislature of my home State, Wyoming, in which they go on record as favoring the repeal of the sixteenth amendment, and of placing a constitutional limitation of 25 percent on income and death taxes, which can be levied and collected by the Federal Government. I believe, Mr. Speaker, that Wyoming is the first State to take this significant step, and is therefore worthy of comment.

Since Wyoming has no State income tax, and no large income that could, by the wildest stretch of the imagination, come within a mile of the higher brackets, certainly no selfish reasons can explain why this action was taken. will have to look for other reasons.

Wyoming, until a few years ago at least, believed that the world owed no man a living, but rather an opportunity to work and earn a living, and the great majority of our citizenry, including hundreds on relief, still believe this. Certainly we always have and do believe that a man has the right to keep as his own a fair and equitable part of his earnings to take care of his family, to educate his children, and to provide for their welfare after he has gone. We so truthfully believe these things that we want them safeguarded again under our Constitution, hence this memorial.

If, as individuals, we claim these privileges, then in all fairness we cannot withhold them from legitimate enterprise. Especially since to do otherwise is pennywise and pound foolish for the very good reason that our own economic history proves that taxes above 25 percent not only slow up industry, but slow up the flow of tax moneys into the Treasury as well.

The unlimited power to tax is the power to destroy. I know, and so do you, of more than one instance when the unexpected and sudden death of a man, who had built up his own great legitimate business, accompanied by the imposition of an unfair and unjust death tax, made necessary the sacrifice of his entire life's work and left his family almost destitute. That, in itself, is bad enough, but even worse is the fact that in practically every instance of this kind the property went for a song into the hands of those who are ever looking for something for nothing. It does not take a drastic death tax to bring about such a situation, like instances occur daily because excessive taxes weaken industrial structures, making them easy prey for the same

There is one other thing that I want to speak of in connection with taxes and that is the expense and grief that individuals and industries are put to in filling out information blanks demanded by Government departments.

If the Government must have all of this information, why should not the Government pay the cost? If the Government had to pay the bill, then perhaps it would discover that many reports could be dispensed with. The Government will soon get its share of grief, however, if it insists on imposing an income tax on farm labor under guise of social security and tries to compel farmers to fill out Social Security forms.

While we are talking about blanks and forms I want to call your attention to F. C. C. Forms 705 and 706, and in doing so I am not digressing too far from the question of taxes because this sort of thing piles up tax costs. This form was sent to me by one of the small broadcasting companies in my State, and despite the fact that they were told by the F. C. C. that "it wouldn't take more than an hour's work to fill out this financial report," two men were kept busy 2 days in order to get the necessary information. Not only that, but this report followed closely on the heels of their "twice-yearly" license application for renewal. This is

a serious matter and is deserving of early attention by Congress. There is one broadcasting company that I do not believe has filled out this report, and that is the Federal Government. I think that it should, and I am interested in a report showing its activities. As a matter of fact this Congress should provide for an exhaustive investigation into the activities of the F. C. C. in its relation to radio.

We thoroughly believe that taxes should be levied according to ability to pay. At the same time, we know that excessive surtaxes, such as are in effect today, not only deprive the Government of maximum tax receipts but close factories and cause unemployment. In doing this it deprives the Nation of creative and wealth-producing brains. Even a Fascist state makes use of executive and creative ability by putting it to work, while under our present system they are subject to enforced idleness.

Wild Federal spending will continue and real prosperity be delayed until such time as the people in this country fully realize just whose dollar it is that is being spent. When we come to realize that they are our dollars-not your dollarsthen we will stop wild spending, and not before.

I think that my people must have come to the realization of whose dollar it is, and if they have they realize that perhaps they have gone too far in matching, on a 50-50 basis, Federal dollars for a great number of things. If our dollar is our dollar and your dollar is your dollar, then we are going to do without a lot of things that have been heretofore deemed necessary. Since I have been in this Congress more than once a fellow Member has said, "Wyoming is not entitled to any of this Federal money because Wyoming has not contributed any." While this is not true, still it is certain that we have not contributed anywhere near as much as many States.

Why? One reason might be because all of your eastern States own and control and have developed not only your surface rights but your mineral rights as well, while many of the western States own and control less than one-half of the surface of the lands within their border, while the minerals under most lands, they own not at all.

If we are to repeal the sixteenth amendment and largely go on our own as States, we must all start on an even basis in order to make it work out, not only all lands and remaining minerals must belong to the States but the millions of dollars taken from the deposits in these States, which are our birthright, must be returned to the State. Only by such an action can the so-called public-land States ever be as self-sufficient as other States and take their rightful place in the sisterhood of States.

Before condemning such a stand please recall the President's recent message in which he pointed out that more than 20 percent of the total acreage of the United States belonged to the Federal Government. Take a look at the report of the President's real estate board where perhaps you will learn for the first time that your State is listed as a public-land State and that therefore your State is as virtually interested as is mine.

House Joint Memorial 4

Joint memorial memorializing the Congress of the United States of America to amend the Constitution of the United States, relative to taxes on incomes, gifts, and inheritances; and providing limitations on taxes so levied; and repealing the sixteenth amendment to the Constitution of the United States

Whereas there is now pending or will be pending in the current session of the Congress of the United States of America, proposed legislation to repeal the sixteenth amendment to the Constitution of the United States, and to amend the Constitution of the

tion of the United States, and to amend the Constitution of the United States relative to taxes on incomes, gifts, and inheritances; providing for a limitation of taxes thereon; that the people of the State of Wyoming are greatly interested in the passage of this said amendment: Now, therefore, be it Resolved by the House of Representatives of the State of Wyoming (the senate concurring), That the Congress of the United States be memorialized as follows: That application be, and it hereby is, made to the Congress of the United States of America to call a convention for the purpose of proposing the following article as an amendment to the Constitution of the United States:

"ARTICLE

"Section 1. The sixteenth amendment to the Constitution of the United States is hereby repealed.

"Sec. 2. The Congress shall have power to lay and collect taxes on incomes, from whatever source derived, without apportionment among the several States, and without regard to any census or enumeration; provided that in no case shall the maximum rate of tax exceed 25 percent.

"SEC. 3. The maximum rate of any tax, duty, or excise which Congress may lay and collect with respect to the devolution or transfer of property, or any interest therein, upon or in contemplation of death, or by way of gift, shall in no case exceed 25

"SEC. 4. Sections 1 and 2 shall take effect at midnight on the 31st day of December, following the ratification of this article."

Be it further Resolved, That the Congress of the United States be, and it Resolved, That the Congress of the United States be, and it hereby is, requested to provide as the mode of ratification that said amendment shall be valid to all intents and purposes, as part of the Constitution of the United States, when ratified by the legislatures of three-fourths of the several States; and be it finally Resolved, That the secretary of state be, and he hereby is, directed to send a duly certified copy of this resolution to the Senate of the United States and one to the House of Representatives in the Congress of the United States.

SENATE ENROLLED BILL SIGNED

The SPEAKER announced his signature to an enrolled bill of the Senate of the following title:

S. 660. An act to amend the Agricultural Adjustment Act of 1938, as amended, to provide for the reapportionment of cotton acreage allotments not planted by farmers entitled

ADJOURNMENT

Mr. COCHRAN. Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to; accordingly (at 7 o'clock and 46 minutes p. m.) the House adjourned until tomorrow, Thursday, March 9, 1939, at 12 o'clock noon.

COMMITTEE HEARINGS

COMMITTEE ON WAYS AND MEANS

Public hearings will continue Thursday morning, March 9, 1939, at 10 a. m., on social-security legislation in the Ways and Means Committee room in the New House Office Building.

COMMITTEE ON INTERSTATE AND FOREIGN COMMERCE

There will be a meeting of the Committee on Interstate and Foreign Commerce at 10 a.m., Thursday, March 9, 1939. Business to be considered: Railroad legislation-H. R. 2531.

There will be a meeting of the wool subcommittee of the Committee on Interstate and Foreign Commerce at 2 p. m., Thursday, March 9, 1939. Business to be considered: Opposition to wool labeling bill, H. R. 944.

COMMITTEE ON NAVAL AFFAIRS

There will be a meeting of the Committee on Naval Affairs Thursday morning, March 9, 1939, at 10:30 a. m., for the consideration of H. R. 2878, to authorize the Secretary of the Navy to proceed with the construction of certain public works.

COMMITTEE ON RIVERS AND HARBORS

The Committee on Rivers and Harbors will meet Friday, March 10, 1939, at 10:30 a.m., to continue hearings on H. R. 3222 and H. R. 3223, bills for the completion of the construction of the Atlantic-Gulf Ship Canal across Florida.

COMMITTEE ON MERCHANT MARINE AND FISHERIES

The Committee on Merchant Marine and Fisheries will hold public hearings in room 219, House Office Building, Washington, D. C., at 10 a. m. Thursday, March 9, 1939, on the bill (H. R. 4307) to extend the provisions of the Shipping Act, 1916, and the Intercoastal Shipping Act, 1933, to all common carriers by water in interstate commerce, and for other purposes.

The Committee on Merchant Marine and Fisheries will hold public hearings in room 219, House Office Building, Washington, D. C., at 10 a. m., on the bills and dates listed below:

Tuesday, March 14, 1939:

H. R. 180, H. R. 202, construction of a Nicaraguan Canal; H. R. 201, additional facilities for Panama Canal; H. R. 2667, construction of a Mexican Canal.

In listing the bills to be heard on March 14, 1939, House Joint Resolution 112 (TINKHAM), to create a commission to study and report on the feasibility of constructing the Mexican Canal, was inadvertently omitted from the notice.

This is to advise all interested parties that House Joint Resolution 112 will be considered at that time with the following bills: H. R. 180 (Izac), relative to the construction of a Nicaraguan Canal; H. R. 202 (BLAND), relative to the construction of a Nicaraguan Canal; H. R. 201 (BLAND), need for additional lock facilities at Panama; H. R. 2667 (TINK-HAM), relative to the construction of a Mexican Canal.

Tuesday, March 21, 1939:

H. R. 137, H. R. 980, H. R. 1674, relating to annuities for Panama Canal construction force.

Thursday, March 23, 1939:

H. R. 141, H. R. 142, H. R. 1819, miscellaneous Panama Canal bills.

Tuesday, March 28, 1939:

H. R. 197, relating to the clearance of vessels; H. R. 199, relating to the allotment of wages by seamen; H. R. 200, relating to foreign towboats towing between American ports; H. R. 1780, relating to penalties on certain undocumented vessels and cargoes engaging in the coastwise trade or the fisheries; H. R. 1782, relating to change of masters of vessels.

Wednesday, March 29, 1939:

H. R. 198, relating to the measurement of vessels; and H. R. 132, authorizing the use of condemned Government vessels for breakwater purposes.

Tuesday, April 4, 1939:

H. R. 3209, making it a misdemeanor to stow away on vessels; H. R. 3398, regarding the down payment of construction of new vessels; H. R. 3935, relating to the discharge of seamen.

Wednesday, April 5, 1939:

H. R. 3052, uniform insignia for Naval Reserve radio operators.

COMMITTEE ON THE PUBLIC LANDS

There will be a meeting of the Committee on the Public Lands on Wednesday, March 15, 1939, at 10 a. m., in room 328, House Office Building, to consider H. R. 3794, to establish John Muir-Kings Canyon National Park, Calif., to transfer thereto the lands now included in the General Grant National Park, and for other purposes.

There will be a meeting of the Committee on the Public Lands on Thursday, March 23, 1939, at 10 a.m., in room 328, House Office Building, to consider H. R. 3759, to authorize a National Mississippi River Parkway and matters relating thereto.

COMMITTEE ON THE JUDICIARY

Beginning at 10 a. m. on Wednesday, March 22, 1939, there will be a hearing held before the subcommittee No. 4 of the Committee on the Judiciary on House Joint Resolution 176. declaring the conservation of petroleum deposits underlying submerged lands adjacent to and along the coast of California, below low-water mark and under the territorial waters of the United States of America, essential for national defense, maintenance of the Navy, and regulation and protection of interstate and foreign commerce; reserving the same as a naval petroleum reserve, subject to any superior vested right, title, or interest; and authorizing appropriate judicial proceedings to assert, ascertain, establish, and maintain the right and interest of the United States of America in such reserve and to eject trespassers.

EXECUTIVE COMMUNICATIONS, ETC.

Under clause 2 of rule XXIV, executive communications were taken from the Speaker's table and referred as follows: 497. A communication from the President of the United States, transmitting a supplemental estimate of appropriations for the Department of Agriculture in the sum of \$460,000, for the fiscal year 1940 (H. Doc. No. 201); to the Committee on Appropriations and ordered to be printed.

498. A communication from the President of the United States, transmitting a supplemental estimate of appropriation for the War Department, in the amount of \$25,000, for the fiscal year ending June 30, 1939, to remain available until expended, to aid in providing a permanent mooring for the battleship *Oregon* (H. Doc. No. 202); to the Committee on Appropriations and ordered to be printed.

499. A communication from the President of the United States, transmitting a supplemental estimate of appropriations for the fiscal year 1939, to remain available until June 30, 1940, amounting to \$100,000 for the Department of Justice (H. Doc. No. 200); to the Committee on Appropriations and ordered to be printed.

REPORTS OF COMMITTEES ON PUBLIC BILLS AND RESOLUTIONS

Under clause 2 of rule XIII,

Mr. TAYLOR of Colorado: Committee on Appropriations. H. R. 4852. A bill making appropriations for the Department of the Interior for the fiscal year ending June 30, 1940, and for other purposes; without amendment (Rept. No. 161). Referred to the Committee of the Whole House on the state of the Union.

Mr. BROWN of Ohio: Committee on Interstate and Foreign Commerce. H. R. 3225. A bill authorizing the Department of Highways of the State of Ohio to construct, maintain, and operate a free highway bridge across the Ottawa River at or near the city of Toledo, State of Ohio; without amendment (Rept. No. 163). Referred to the House Calendar.

Mr. CROSSER: Committee on Interstate and Foreign Commerce. H. R. 3375. A bill to authorize M. H. Gildow to construct a free, movable, pontoon footbridge across Muskingum River Canal, at or near Beverly, Ohio; without amendment (Rept. 164). Referred to the House Calendar.

Mr. PEARSON: Committee on Interstate and Foreign Commerce. H. R. 3418. A bill granting the consent of Congress to the Highway Department of Davidson County, of the State of Tennessee, to construct a bridge across Cumberland River at a point approximately 1¾ miles below Clees Ferry, connecting a belt-line highway in Davidson County, State of Tennessee, known as the Old Hickory Boulevard; without amendment (Rept. No. 165). Referred to the House Calendar.

Mr. BULWINKLE: Committee on Interstate and Foreign Commerce. H. R. 3589. A bill granting the consent of Congress to the State Highway Commission of North Carolina to construct, maintain, and operate a free highway bridge across Waccamaw River between Old Dock and Ash, N. C.; without amendment (Rept. No. 166). Referred to the House Calendar.

Mr. KING: Committee on Immigration and Naturalization. H. R. 4167. A bill to extend further time for naturalization of alien veterans of ineligible race who served in the armed forces of the United States during the World War; without amendment (Rept. No. 177). Referred to the Committee of the Whole House on the state of the Union.

Mr. SMITH of Virginia: Committee on Rules. House Resolution 113. Resolution authorizing an investigation of the milk industry in the District of Columbia; without amendment (Rept. No. 180). Referred to the House Calendar.

REPORTS OF COMMITTEES ON PRIVATE BILLS AND RESOLUTIONS

Under clause 2 of rule XIII,

Mr. THOMAS of New Jersey: Committee on Claims. H. R. 875. A bill for the relief of Okie May Fegley; with amendment (Rept. No. 167). Referred to the Committee of the Whole House.

Mr. POAGE: Committee on Claims. H. R. 2072. A bill for the relief of certain disbursing officers of the Army of the United States and for the settlement of individual claims approved by the War Department; without amendment (Rept. No. 168). Referred to the Committee of the Whole House.

Mr. THOMAS of New Jersey: Committee on Claims. H. R. 2104. A bill for the relief of James A. Mills; with amendment (Rept. No. 169). Referred to the Committee of the Whole House.

Mr. McGEHEE: Committee on Claims. H. R. 3077. A bill for the relief of Adam Casper; with amendment (Rept. No. 170). Referred to the Committee of the Whole House.

Mr. McGEHEE: Committee on Claims. S. 13. An act for the relief of John Mulhern; without amendment (Rept. No. 171). Referred to the Committee of the Whole House.

Mr. RAMSPECK: Committee on Claims. S. 60. An act for the relief of Dierks Lumber & Coal Co.; without amendment (Rept. No. 172). Referred to the Committee of the Whole House.

Mr. FENTON: Committee on Claims. S. 545. An act for the relief of George H. Pierce and Evelyn Pierce; with amendment (Rept. No. 173). Referred to the Committee of the Whole House.

Mr. McGEHEE: Committee on Claims. S. 584. An act for the relief of John R. Holt; without amendment (Rept. No. 174). Referred to the Committee of the Whole House.

Mr. RAMSPECK: Committee on Claims. S. 885. An act to authorize and direct the Comptroller General of the United States to allow credit for all outstanding disallowances and suspensions in the accounts of the disbursing officers or agents of the Government for payments made to certain employees appointed by the United States Employees' Compensation Commission; without amendment (Rept. No. 175). Referred to the Committee of the Whole House.

Mr. McGEHEE: Committee on Claims. S. 1115. An act for the relief of Lt. Malcolm A. Hufty, United States Navy; without amendment (Rept. No. 176). Referred to the Committee of the Whole House.

ADVERSE REPORTS

Under clause 2 of rule XIII,

Mr. BLOOM: Committee on Foreign Affairs. House Resolution 107. Resolution requesting the President of the United States to transmit to the House of Representatives all data in regard to the seizure of certain American property in Mexico (Rept. No. 162). Laid on the table.

CHANGE OF REFERENCE

Under clause 2 of rule XXII, the Committee on Pensions was discharged from the consideration of the bill (H. R. 1514) granting an increase of pension to Thomas G. Pardue, and the same was referred to the Committee on Invalid Pensions.

PUBLIC BILLS AND RESOLUTIONS

Under clause 3 of rule XXII, public bills and resolutions were introduced and severally referred as follows:

By Mr. PATMAN:

H.R. 4851 (by request). A bill to provide more adequate credit facilities for independent small business, to encourage the return of private capital to commercial investment channels, to discourage monopoly, and restore opportunity for the individual; to the Committee on Banking and Currency.

By Mr. TAYLOR of Colorado:

H. R. 4852. A bill making appropriations for the Department of the Interior for the fiscal year ending June 30, 1940, and for other purposes; to the Committee on Appropriations.

By Mr. BRADLEY of Michigan:

H. R. 4853. A bill providing for an examination and survey of Au Train River Harbor, Mich.; to the Committee on Rivers and Harbors.

By Mr. LELAND M. FORD:

H. R. 4854. A bill to amend the act entitled "An act to amend the act entitled 'An act for the retirement of employees of the classified civil service, and for other purposes,' approved May 22, 1920, and acts in amendment thereof," approved July 3, 1926, and May 29, 1930; to the Committee on the Civil Service.

By Mr. PLUMLEY:

H. R. 4855. A bill to authorize the acquisition of land for military purposes at Fort Ethan Allen, Vt.; to the Committee on Military Affairs.

By Mr. TENEROWICZ:

H. R. 4856. A bill to provide additional home-mortgage relief by providing for reducing the rate of interest and extending payment and amortization of mortgages; to the Committee on Banking and Currency.

By Mr. VOORHIS of California:

H. R. 4857. A bill to provide more adequate credit facilities for independent small business, to encourage the return of private capital to commercial investment channels, to discourage monopoly, and restore opportunity for the individual; to the Committee on Banking and Currency.

By Mr. ALLEN of Pennsylvania:

H.R. 4858. A bill for the establishment of a system of regional industrial banks, so as to furnish additional credit and capital facilities for business purposes; to the Committee on Banking and Currency.

By Mr. DEMPSEY:

H. R. 4859. A bill to prohibit military drilling by individuals wearing uniforms or insignia of, or similar to those of, foreign countries; to the Committee on Military Affairs.

H.R. 4860. A bill to amend existing law so as to provide for the exclusion and deportation of aliens who advocate the making of fundamental changes in the American form of government; to the Committee on Immigration and Naturalization.

By Mr. GARRETT:

H.R. 4861. A bill for the relief of officers who failed to file application for benefits within the time limit fixed by the act of May 24, 1928; to the Committee on World War Veterans' Legislation.

By Mr. LEA:

H. R. 4862. A bill to amend the Interstate Commerce Act, as amended, by extending its application to additional types of carriers and transportation, modifying certain provisions thereof, and creating and establishing a Transportation Board to administer certain provisions thereof, to create a Reorganization Court, and for other purposes; to the Committee on Interstate and Foreign Commerce.

By Mr. MOTT:

H. R. 4863. A bill to exempt from the tax on admissions certain fees collected in the national parks and monuments; to the Committee on Ways and Means.

By Mr. SMITH of Washington:

H. R. 4864. A bill prohibiting the use of funds, granted or lent by the United States, for the purchase of materials which are not of domestic origin, and for other purposes; to the Committee on Ways and Means.

By Mr. STEAGALL:

H.R. 4865. A bill amending section 12B of the Federal Reserve Act to increase insurance protection to each depositor in an insured bank; to the Committee on Banking and Currency.

By Mr. VOORHIS of California:

H. R. 4866. A bill to provide for a statutory award of \$10 per month to any war veteran who was wounded, gassed, injured, or disabled by an instrumentality of war in a zone of hostilities, and for other purposes; to the Committee on World War Veterans' Legislation.

By Mr. BLAND:

H. R. 4867. A bill for preliminary examination and survey of Browns Bay, Va.; to the Committee on Rivers and Harbors.

By Mr. MAGNUSON:

H. R. 4868. A bill to amend the act authorizing the President of the United States to locate, construct, and operate railroads in the Territory of Alaska, and for other purposes; to the Committee on the Territories.

By Mr. FLANNAGAN:

H. R. 4869. A bill to authorize a preliminary examination and survey of the North Fork of the Clinch River and its tributaries in the States of Virginia and Tennessee for flood

control, for run-off and water-flow retardation, and for soil-erosion prevention; to the Committee on Flood Control.

By Mr. COCHRAN:

H. R. 4870. A bill to authorize the Secretary of the Treasury to make and carry out agreements of indemnity to banks paying him moneys to cover checks or drafts issued by such banks payable to the United States or an agency or officer thereof which have been or may be lost or destroyed; to the Committee on Expenditures in the Executive Departments.

By Mr. DALY:

H. R. 4871. A bill to amend an act entitled "An act to amend and consolidate the acts respecting copyright," approved March 4, 1909, as amended, and for other purposes; to the Committee on Patents.

By Mr. LUDLOW:

H. R. 4872. A bill to establish the Benjamin Harrison Commission to formulate plans for the construction of a permanent memorial to the memory of Benjamin Harrison, twenty-third President of the United States; to the Committee on the Library.

By Mr. REES of Kansas:

H. R. 4873. A bill relating to the payment of principal and interest on certain loans made by the Federal land banks and the land bank commissioner; to the Committee on Agriculture.

By Mr. THILL:

H. J. Res. 197. Joint resolution authorizing the President of the United States to proclaim September 17 of each year Baron Frederick William von Steuben's Memorial Day for the observance and commemoration of the birth of Baron Frederick William von Steuben; to the Committee on the Judiciary.

By Mr. KRAMER:

H. J. Res. 198. Joint resolution to provide for the preparation, printing, and distribution of pamphlets containing the proceedings in the House of Representatives on March 4, 1939, in commemoration of the one hundred and fiftieth anniversary of the commencement of the First Congress of the United States; to the Committee on Printing.

By Mr. SABATH:

H. J. Res. 199. Joint resolution making the 13th day of April in each year a legal holiday; to the Committee on the Judiciary.

By Mr. SCHULTE:

H. Res. 116. Resolution to authorize the payment of expenses of investigation and study authorized by House Resolution 115; to the Committee on Accounts.

PRIVATE BILLS AND RESOLUTIONS

Under clause 1 of rule XXII, private bills and resolutions were introduced and severally referred as follows:

By Mr. ALLEN of Pennsylvania:

H.R. 4874. A bill for the relief of the partnership firm of Albright & Beadling; to the Committee on Claims.

By Mr. BLAND:

H.R. 4875. A bill for the relief of Mamie Hoffman; to the Committee on Claims.

By Mr. BREWSTER:

H.R. 4876. A bill granting an increase of pension to Dora Elizabeth Perry; to the Committee on Invalid Pensions.

By Mr. COLLINS:

H.R. 4877. A bill for the relief of the estate of Vira Stokes Flowers; to the Committee on Claims.

By Mr. DOUGLAS:

H. R. 4878. A bill for the relief of Annie Reiley; to the Committee on Immigration and Naturalization.

By Mr. DOWELL:

H. R. 4879. A bill granting an increase of pension to Josephine Anderson; to the Committee on Invalid Pensions.

By Mr. FLANNAGAN:

H. R. 4880. A bill for the relief of Claude F. Beverly; to the Committee on Claims.

By Mr. GILLIE:

H. R. 4881. A bill for the relief of George G. Waldrop; to the Committee on Military Affairs.

By Mr. LELAND M. FORD:

H. R. 4882. A bill for the relief of Patrick J. Curley; to the Committee on Military Affairs.

H. R. 4883. A bill for the relief of J. H. Bowling; to the Committee on Claims.

By Mr. IZAC:

H. R. 4884. A bill for the relief of Burns T. Nelson; to the Committee on Claims.

By Mr. REECE of Tennessee:

H. R. 4885. A bill to extend the benefits of the Employees' Compensation Act of September 7, 1916, to James N. Harwood; to the Committee on Claims.

By Mr. REES of Kansas:

H. R. 4886. A bill granting a pension to Faye E. Gully; to the Committee on World War Veterans' Legislation.

By Mr. SABATH:

H. R. 4887. A bill for the relief of John Boska; to the Com-Committee on Military Affairs.

By Mr. SCHAFER of Wisconsin:

H. R. 4888. A bill for the relief of Frank Czermak; to the Committee on Military Affairs.

By Mr. THILL:

H. R. 4889. A bill for the relief of Dr. M. Kellogg Mookerjee; to the Committee on Immigration and Naturalization.

By Mr. TAYLOR of Tennessee:

H.R. 4890. A bill granting an increase of pension to Charles E. Wilson; to the Committee on Invalid Pensions. By Mr. VAN ZANDT;

H.R. 4891. A bill granting an increase of pension to Anna Hamilton; to the Committee on Invalid Pensions.

By Mr. WALLGREN:

H.R. 4892. A bill for the relief of Evelyn Mary Locke; to the Committee on Immigration and Naturalization.

PETITIONS, ETC.

Under clause 1 of rule XXII, petitions and papers were laid on the Clerk's desk and referred as follows:

1622. By Mr. ALLEN of Louisiana: Petition of numerous citizens of Winn Parish, La., urging the passage of House bill 1816, providing a direct Federal old-age pension of \$30 per month, beginning at the age of 60; to the Committee on Ways and Means.

1623. By Mr. ANDREWS: Resolution adopted by the Women's International League of Peace and Freedom, of Buffalo, N. Y., urging strengthening of the Neutrality Act; to the Committee on Foreign Affairs.

1624. Also, resolution adopted by the members of the Townsend Club, of Kenmore, N. Y., favoring enactment of House bill 2; to the Committee on Ways and Means.

1625. By Mr. ASHBROOK: Resolution of Newark Chamber of Commerce, Newark, Ohio, concerning House bill 188, and Senate bills 126, 138, and 158, and any other bills which, if passed, would be harmful to labor, agriculture, and industry in Ohio; to the Committee on Labor.

1626. By Mr. ELSTON: Petition of Rev. H. J. Francis, pastor of Mount Carmel Baptist Church, Cincinnati, Ohio, and 36 parishioners, petitioning consideration of their resolution with reference to churches of America under the Social Security Act; to the Committee on Ways and Means.

1627. By Mr. HALLECK: Petition of members of Townsend Club No. 1, Rochester, Ind., favoring House bill 2; to the Committee on Ways and Means.

1628. By Mr. JOHNSON of Illinois: Petition of 124 endorsers of House bill 3842 and Senate bill 1234, from the Fourteenth Illinois District, urging enactment of this measure; to the Committee on Labor.

1629. By Mr. MARTIN J. KENNEDY: Letter from the president of the Southern Baptist Theological Seminary, Louisville, Ky., expressing the opposition of the southern Baptists to the proposal to include churches and ministers under the extended provisions of the Social Security Act; to the Committee on Ways and Means.

1630. By Mr. KEOGH: Petition of the American Speech Correction Association, Boston, Mass., concerning the Pepper-Boland bill (H. R. 1813); to the Committee on Education.

1631. Also, petition of Belle Glade Chamber of Commerce, Belle Glade, Fla., concerning the sugar situation in the Everglades; to the Committee on Ways and Means.

1632. Also, petition of the Southern Baptist Theological Seminary, Louisville, Ky., regarding the Social Security Act;

to the Committee on Ways and Means.

1633. Also, petition of the Teachers Union of the City of New York, New York City, concerning the Federal Aid to Education Act of 1939, House bill 3517 and Senate bill 1305; to the Committee on Education.

1634. By Mr. KRAMER: Resolution of the Huntington Park Lodge, No. 1415, Benevolent and Protective Order of Elks, relative to the adoption of a uniform vehicle code, etc.; to the Committee on Interstate and Foreign Commerce.

1635. Also, resolution of the Board of Supervisors of the County of Los Angeles, State of California, relating to flood-control and water-conservation appropriation, etc.; to the Committee on Flood Control.

1636. By Mr. LANDIS: Petition of the House of Representatives of the General Assembly of Indiana, favoring October 11 of each year as General Pulaski's Memorial Day; to

the Committee on the Judiciary.

1637. Also, resolution of the House of Representatives of the General Assembly, State of Indiana, memorializing the Congress of the United States to enact suitable legislation providing for the general welfare of the Nation as set out in House bill 2, now pending before the Congress of these United States; to the Committee on Ways and Means.

1638. By Mr. MOTT: Senate Joint Memorial No. 1, of the Fortieth Legislative Assembly of the State of Oregon, petitioning the Congress of the United States to eliminate certain concessions made to foreign countries on agricultural products and to require, in the event of further trade agreements, that all entries coming into the United States shall be marked as to country of origin and that no exceptions shall be made to this rule; and that in the event of fluctuation of currency values the American producer shall promptly be protected by adjustment of the rates of duty on all commodities affected; and that legislation be passed requiring the ratification of all trade agreements by the Congress of the United States before such trade agreements may go into effect; to the Committee on Foreign Affairs.

1639. By Mr. MURDOCK of Utah: Concurrent resolution of the Legislature of the State of Utah, favoring stabilization of the price of silver and the employment of silver purchases to increase exports of United States products; to the Committee on Coinage, Weights, and Measures.

1640. Also, memorial of the Legislature of the State of Utah, memorializing the Congress of the United States to approve the Harrison-Thomas-Larrabee bill; to the Commit-

tee on Education.

1641. By Mr. POLK: Petition of the First Baptist Church of Hillsboro, Ohio, signed by C. B. Gross and 33 other members, opposing the recommendation of the Social Security Advisory Council that all religious bodies be taxed and their employees receive benefits under the Social Security Act, believing that if this change becomes a law it will violate a long-cherished and vital principle, separation of church and state, will endanger religious liberty, involve the church in disputes with the state, and lead to endless trouble and confusion; to the Committee on Ways and Means.

1642. By Mr. REES of Kansas: Petition of Rev. Paul E. Johnson, of Junction City; Rev. John V. Wright, of Idana; Rev. F. R. Parker, of Hope; Rev. E. M. Scott, of Carlton; Ralph A. Craig, of Alta Vista; and other citizens of the State of Kansas; to the Committee on Ways and Means.

1643. By Mr. SCHIFFLER: Petition of Rev. Frederick W. Cropp, Jr., the First Presbyterian Church of Wheeling, W. Va., urging that ministers be excluded from the provisions of the Social Security Act; to the Committee on Ways and Means.

1644. By Mr. SMITH of West Virginia: Resolution of Local Union No. 6107, United Mine Workers of America, of Killarney, W. Va., protesting against the proposed amendments to the Wagner Labor Relations Act; to the Committee on Labor.

1645. Also, resolution adopted by the board of elders of the Montcoal Presbyterian Church of Montcoal, W. Va., protesting against the favoring of exemption of ministers of the gospel from coming under control of the Social Security Act; to the Committee on Ways and Means.

1646. Also, resolution by the Logan County Industrial Union Council of Logan, W. Va., protesting against any amendments to the Wagner Labor Relations Act; to the

Committee on Labor.

SENATE

THURSDAY, MARCH 9, 1939

The Chaplain, Rev. ZeBarney T. Phillips, D. D., offered the following prayer:

Almighty and everlasting God, who hatest nothing that Thou hast made and dost forgive the sins of all those who are penitent: Create and make in us new and contrite hearts, that we, worthily lamenting our sins and acknowledging our wretchedness, may obtain of Thee, the God of all mercy, perfect remission and forgiveness. And, O God, who seest that we have no power of ourselves to help ourselves, keep us both outwardly in our bodies and inwardly in our souls, that we may be defended from all adversities which may happen to the body and from all evil thoughts which may assault and hurt the soul. Through Jesus Christ our Lord. Amen.

THE JOURNAL

On request of Mr. BARKLEY, and by unanimous consent, the reading of the Journal of the proceedings of Wednesday, March 8, 1939, was dispensed with, and the Journal was approved.

MESSAGES FROM THE PRESIDENT

Messages in writing from the President of the United States submitting nominations were communicated to the Senate by Mr. Hess, one of his secretaries.

MESSAGE FROM THE HOUSE

A message from the House of Representatives, by Mr. Chaffee, one of its reading clerks, announced that the House had passed a bill (H. R. 4425) to provide for reorganizing agencies of the Government, and for other purposes, in which it requested the concurrence of the Senate.

ENROLLED BILL SIGNED

The message also announced that the Speaker had affixed his signature to the enrolled bill (S. 660) to amend the Agricultural Adjustment Act of 1938, as amended, to provide for the reapportionment of cotton acreage allotments not planted by farmers entitled thereto, and it was signed by the Vice President.

NEUTRALITY-NOTICE OF ADDRESS BY SENATOR LEWIS

Mr. LEWIS. Mr. President, I beg at this moment to give notice that on Monday next, immediately following the morning hour, at such time as may not unduly inconvenience the Senate, I shall address the Senate in support of the bill which I tendered yesterday repealing the neutrality law, which bill was referred to the Committee on Foreign Relations.

ASSISTANT TO THE SURGEON GENERAL

The VICE PRESIDENT laid before the Senate a letter from the Secretary of the Treasury, transmitting a draft of proposed legislation to provide for the detail of a commissioned medical officer of the Public Health Service to serve as assistant to the Surgeon General, which, with the accompanying paper, was referred to the Committee on Finance.

ARMY AIRWAYS RADIO TRANSMITTER STATION

The VICE PRESIDENT laid before the Senate a letter from the Acting Secretary of the Interior, stating that, pursuant to law, the Department of the Interior had transferred to the War Department 1.03 acres of the lands belonging to St. Elizabeths Hospital in the District of Columbia for the site of an Army airways radio transmitter station, which was referred to the Committee on the District of Columbia.

YELLOWSTONE BASIN COMPACT

The VICE PRESIDENT laid before the Senate a letter from Clyde L. Seavey, representative of the United States in connection with the Yellowstone Basin compact, reporting relative to the progress made pursuant to an act of Congress approved August 2, 1937 (50 Stat. 551), granting consent of the Congress to the States of Montana and Wyoming to negotiate and enter into a compact or agreement for an equitable division and apportionment of the waters of the Yellowstone River, and making recommendation in the premises, which, with the accompanying report, was referred to the Committee on Indian Affairs.

DISPOSITION OF EXECUTIVE PAPERS

The VICE PRESIDENT laid before the Senate letters from the Archivist of the United States, transmitting, pursuant to law, lists of papers and documents on the files of the Departments of the Treasury, the Navy, the Interior, and Agriculture, United States Civil Service Commission, Veterans' Administration, and the former United States Coal Commission, which are not needed in the conduct of business and have no permanent value or historical interest, and requesting action looking to their disposition, which, with the accompanying papers, were referred to a Joint Select Committee on the Disposition of Papers in the Executive Departments

The VICE PRESIDENT appointed Mr. BARKLEY and Mr. GIBSON members of the committee on the part of the Senate.

PETITIONS AND MEMORIALS

The VICE PRESIDENT laid before the Senate the following concurrent resolution of the Legislature of New Jersey, which was referred to the Committee on Commerce:

Concurrent resolution favoring the construction of a canal across the State of New Jersey

Whereas there exists a modern system of inside waterways along the Atlantic coast from Florida to New England and thence to the Great Lakes, with the exception of through the State of New Jersey; and

Whereas in order to complete such system it is necessary that a canal be constructed across this State, which canal would provide, at the same time, adequate communication by water between the ports and navy yards at New York and Philadelphia and would be of inestimable value in our scheme of national defense: Therefore be it

Resolved by the Senate of the State of New Jersey (the house of assembly concurring). That the State of New Jersey hereby reaffirms its long-continued endorsement of an adequate ship canal across this State, memorializing his Excellency, the President of the United States and Commander in Chief of the Army and Navy, and the United States Senators and Congressmen from this State, to cooperate in the acceleration of the construction of such canal; and he if further and be it further

Resolved, That the secretary of the senate forward certified copies of this resolution to His Excellency the President of the United States and to the United States Senators and Congressmen from New Jersey.

The VICE PRESIDENT also laid before the Senate the following resolution of the House of Assembly of New Jersey. which was referred to the Committee on Finance:

Resolution memorializing the Congress of the United States to adjust and regulate the collection of income taxes

Whereas the sixteenth amendment to the Federal Constitution gives to the Congress the power to lay and collect taxes on incomes, from whatever source derived, without apportionment among the States, and without regard to any census or enumera-

Whereas the Congress has enacted appropriate legislation to enforce the amendment and has enacted an income-tax statute which in many instances works inequitably, resulting in hardships to citizens and corporations; and Whereas in order that business may be encouraged and promoted: Therefore be it

moted: Therefore be it

Resolved by the house of assembly, That the Congress of the
United States is hereby memorialized and requested to provide by
proper amendment that in no case shall income taxes levied exceed 25 percent of the total of such income; and be it further
Resolved, That copies of this resolution, signed by the speaker
and attested to by the clerk, be transmitted to the Senate and
House of Representatives of the United States and to the Senators
and Members of Congress from New Jersey in the Senate and House
of Representatives.

This resolution shall take effect immediately.

The VICE PRESIDENT also laid before the Senate the following concurrent resolution of the Legislature of New

Jersey, which was referred to the Committee on Interstate Commerce:

Concurrent resolution memorializing the Congress of the United States against the enactment of Senate bill 126 and House Reso-lution 188, designed to modify and interfere with existing interterritorial freight rates

Be it resolved by the Senate of the State of New Jersey (the house of assembly concurring), That the Congress of the United States be memorialized against the enactment of Senate bill 126 and House Resolution 188, which measures are designed to interfere with, modify, and disturb existing interterritorial freight rates; and

be it further

Resolved, That copies of this concurrent resolution, signed by
the president of the senate and the speaker of the house of assembly, be transmitted to the Vice President of the United States
and the Speaker of the House of Representatives and to the Senators and Representatives from this State in the Congress of the United States.

The VICE PRESIDENT also laid before the Senate the following concurrent resolution of the Legislature of New Jersey, which was ordered to lie on the table:

Concurrent resolution memorializing the Congress to enact Senate bill 223, providing for the exemption of certain vessels of the United States from the requirements of the Officers' Competency Certificates Convention

Be it resolved by the Senate of the State of New Jersey (the house of assembly concurring), The Congress of the United States is hereby memorialized to enact Senate bill 223 introduced by the senior Senator from New Jersey, providing for the exemption of certain vessels of the United States from the requirements of the Officers' Competency Certificates Convention of 1936; be it further Resolved, That copies of this resolution signed by the president of the senate and the speaker of the house of assembly be forwarded to the presiding officers of the Senate and House of Representatives of the United States and to the Senators and Representatives from this State in the Congress of the United States.

sentatives from this State in the Congress of the United State

The VICE PRESIDENT also laid before the Senate the following joint memorial of the Legislature of Oregon, which was referred to the Committee on Finance:

Senate Joint Memorial 2

To the Honorable Franklin Delano Roosevelt, President of the United States of America, and to the honorable Senate and House of Representatives of the United States of America in Congress assembled:

We, your memorialists, the Fortieth Legislative Assembly of the State of Oregon, convened in regular assembly, respectfully repre-

Whereas the empire trade agreement between Great Britain and whereas the empire trace agreement between Great Britain and her commonwealths, the war in the Orient, the unsettled state of affairs in continental Europe, the general depression of the domestic market, and protracted jurisdictional labor disputes have seriously crippled the forest-products industries of the States of Oregon and Weekington; and Washington; and

Washington; and
Whereas, under the Merchant Marine Act of 1920, cargoes from
port to port within the United States must be carried in ships of
United States registry at rates fixed by the Maritime Commission,
which is \$14 per 1,000 feet on lumber, while imports of lumber into
the United States from British Columbia may be carried in ships
of foreign registry at \$11.30 per 1,000 feet; and
Whereas the Revenue Act of 1932 placed an excise tax of \$3

Whereas the Revenue Act of 1932 placed an excise tax of \$3
per 1,000 feet on imported lumber for protection of a harassed
industry, with the proviso that said tax expire automatically July
1, 1939, which tax, together with a \$1 per 1,000 feet tariff impost,
made the total import duty \$4 per 1,000 feet; and
Whereas the Congress passed the Domestic Origins Act in 1933,
requiring that materials extracted and produced within the United
States should have preference on public works and such other projects which receive financial aid from the United States over materials extracted and produced in foreign countries; and
Whereas the Domestic Origins Act cannot be enforced unless
materials extracted and manufactured in foreign countries are
marked with the name of the country of their origin; and
Whereas an act of Congress passed in 1938 required said marking,
but the act contained a proviso which authorized the President of
the United States to waive the requirement under the terms of
trade agreements with foreign countries; and the President
through the Department of State, waived the necessity of marking
lumber and other forest products under provisions of a trade agreement entered into between the Dominion of Canada and the United
States in November 1938; and
Whereas your Congress passed the Trade Agreement Act in 1934,

States in November 1938; and
Whereas your Congress passed the Trade Agreement Act in 1934,
which authorized the President, through the Department of State,
to lower the total of any import taxes by as much as 50 percent
under the terms of trade agreements entered into between the
United States and any foreign country, and under the provisions
of said act a trade agreement was entered into with the Dominion of
Canada in 1935 which provided for a 50-percent reduction in the
\$4 import duty on lumber exported into the United States by the
Dominion of Canada, not exceeding 250,000,000 feet per annum,
and as a result of said agreement the lumber industry of Oregon
and Washington suffered a loss of markets and \$2 per 1,000 feet
tariff protection against Canadian lumber sold in the United States,

the records showing that the Dominion of Canada exported 155,-000,000 feet of lumber into the United States during the first 11 months of 1938, while during the same period of time the United States exported to the entire British Empire only 59,000,000 feet; and

whereas the aforesaid trade agreement recently entered into practically sounds the death knell of the manufacture of shingles within the United States; and Whereas the aforesaid trade agreement removes the restriction of the amount of Canadian timber which may be shipped into the

of the amount of Canadian timber which may be shipped into the United States at reduced tariff rates; and Whereas the average wage rate in the west coast logging camps and sawmills of Oregon and Washington is 76.7 cents per hour, while the average wage paid for like work in British Columbia does not exceed 57 cents per hour, with many mills employing Hindu and Chinese labor at wage rates far below this rate; and Washington operate on a maximum 40-hour workweek as compared with a 48-hour workweek in British Columbia Canada which is

Washington operate on a maximum 40-hour workweek as compared with a 48-hour workweek in British Columbia, Canada, which is 4 hours more than is permitted American industry under the Fair Labor Standards Act of 1938; and

Whereas the employers of the United States pay large sums of money under the various titles of the Social Security Act for the benefit of workmen and their families, while like sums are not paid in the Dominion of Canada; and

Whereas this harassed forest-products industry which is the basis for more than 60 percent of the industrial pay roll of two States containing almost 3,000,000 people, believes it has a just grievance to place before the President and the Congress of these United States: Now, therefore, be it

Resolved by the Senate of the State of Oregon (the house of representatives jointly concurring therein), That the Legislative Assembly of the State of Oregon does hereby petition the President of the United States, the Members of Congress from the State of Oregon, and the whole Congress of the United States to consider conservation of our basic natural resources, together with the plight of the forest-products industries in the States of Oregon and Washington; and be it further

plight of the forest-products industries in the States of Oregon and Washington; and be it further

Resolved, That the Congress of these United States extend the provisions of the Revenue Act of 1932, which placed an excise tax on lumber until July 1, 1939, to a future date; and be it further Resolved, That for the benefit of employer and employee allke, products extracted or produced in foreign countries shall be marked with the country of their origin; and be it further Resolved, That the secretary of state of the State of Oregon be authorized and he hereby is directed to forward immediately certified copies of this joint memorial to the President of the United States, President of the United States, Secretary of the Interior, and the members of the congressional delegation from the State of Oregon. State of Oregon.

The VICE PRESIDENT also laid before the Senate a resolution of the Board of Commissioners of the City of Newark, N. J., protesting against the enactment of legislation to tax municipal bonds, which was referred to the Special Committee on Taxation of Governmental Securities and Salaries.

He also laid before the Senate a letter from William Green. president of the American Federation of Labor, Washington, D. C., transmitting a copy of the report of the housing committee of the American Federation of Labor on the so-called Fort Wayne plan, sponsored and developed by the Federal Housing Administration, which, with the accompanying report, was referred to the Committee on Education and Labor.

Mr. TYDINGS presented a resolution of the mayor and council of Hagerstown, Md., protesting against the enactment of legislation to change the present freight-rate structure. which was referred to the Committee on Interstate Commerce.

Mr. CAPPER presented a memorial of members of the First Presbyterian Church, of Axtell, Kans., remonstrating against the enactment of legislation to include religious bodies under the operation of the social-security system, which was referred to the Committee on Finance.

He also presented a petition of sundry citizens of Tipton, Kans., praying that the United States adhere to a general policy of neutrality, which was referred to the Committee on Foreign Relations.

He also presented a petition of sundry citizens of Atchison, Kans., praying that the United States adopt a policy of nonparticipation in aggression and also take measures to discontinue the shipment of war supplies to Japan for use in operations in China, which was referred to the Committee on Foreign Relations.

He also presented a petition of sundry citizens of Claffin and Redwing, Kans., praying that the United States adhere to the general policy of neutrality as enunciated in the act of August 31, 1935, to retain on the statute books the further and corollary principle enunciated in the act of May 1, 1937, extending the original act to include civil as well as international conflicts, which was referred to the Committee on Foreign Relations.

Mr. MURRAY presented the following joint memorial of the Legislative Assembly of Montana, which was referred to the Committee on Appropriations:

Senate Joint Memorial 16

Memorial to Hon. Franklin D. Roosevelt, President of the United States, and to the honorable Senate and House of Representatives of the United States in Congress assembled, expressing appreciation of the work of the Civilian Conservation Corps in the State of Montana and requesting continuance thereof

of Montana and requesting continuance thereof
We, your memorialists, the Senate and House of Representatives
of the State of Montana, convened in the legislative assembly, most
respectfully represent and petition as follows:
Whereas heretofore there has been established under your authority and with your approval the following Civilian Conservation
Corps camps in the State of Montana under various departments
and bureaus of the United States at Medicine Lake, Ekalaka, Sidney,
Augusta, Ballantine, Winifred, Bridger, Dillon, Darby, Thompson
Falls, Philipsburg, Columbia Falls, Bozeman, Libby, Neihart, Superior, Lolo, Haugan, Huson; with two camps at Malta, Yellowstone,
and Whitehall, and three camps at Belton; and
Whereas the Civilian Conservation Corps has contributed greatly
to the improvement of roads, parks, and forests; has aided in controlling soil erosion, prevented fires, eliminated swamps, and have
performed many other useful functions enhancing the natural
scenery and beauties of Montana of which this State is justly proud;
and

whereas the work of the Civilian Conservation Corps has aided and has resulted in rehabilitation of the men sent to work in our State; has provided such men with a new outlook on life and in general such enrollees have bettered themselves mentally, morally, and physically by service in this organization; and whereas the members of the Civilian Conservation Corps have served in Montana with honor and fidelity and a continuance of such service is desirable from a humanitarian and economical and

social viewpoint:

social viewpoint:
Now, therefore, the Legislative Assembly of the Twenty-sixth Session of the State of Montana respectfully petitions the Congress of the United States to appropriate a sufficient sum of money to continue the Civilian Conservation Corps; and the President of the United States is hereby petitioned to use his influence in that respect and to that end; be it further

Resolved, That copies of this memorial be forwarded to the President of the United States, one each be forwarded to the President of the Senate and the Speaker of the House of Representatives of the United States, and likewise that a copy hereof be forwarded to each of the Senators and Representatives from the State of Montana.

State of Montana.

Mr. MURRAY also presented the following resolution of the Senate of the State of Montana, which was referred to the Committee on Banking and Currency:

Senate Memorial 11

Resolution memorializing the Congress of the United States and the Reconstruction Finance Corporation for urgent remedial action and modification of rules in the matter of granting quartz mining loans

To the honorable Senate and House of Representatives in Congress assembled, and to the Reconstruction Finance Corporation of the United States:

Your memorialists, the members of the Senate of the Twenty-sixth Legislative Assembly of the State of Montana, respectfully represent as follows:

as follows:

Whereas the President and Congress appreciate that the mining of precious metals is one of the basic industries of the Nation and one of the main sources of employment throughout the western part of the United States, and have set up an agency for the loaning of funds through the Reconstruction Finance Corporation to legitimate mining enterprises in order that production may be stimulated and labor unemployment decreased; and

Whereas that a mining division of the Reconstruction Finance Corporation has been created for the purpose of making loans to legitimate enterprises where there is ample security for the same and has represented to the public that said loans are avaitable and Whereas the State of Montana, one of the leading quartz-mining States of the Nation, was granted loans of only \$43,000 for quartz mining for approximately the first 3 years of operation of said mining division; and

division; and

Whereas the State of Idaho, also richly endowed with mineral resources, was not granted a single loan for quartz mining during a like period; and

Whereas the supervisor in charge of the mining division has taken an antagonistic and unreasonable attitude in the matter of granting loans, as evidenced by the statements heretofore made, and that certain of the examiners assume a most unfriendly attitude toward

Whereas we believe it was the intention of the Honorable Franklin D. Roosevelt and the Congress of the United States to assist worthy quartz-mining enterprises: Now, therefore, be it

Resolved, That the Congress of the United States and the Members of Congress from Montana, and the Honorable Jesse Jones, Chairman of the Reconstruction Finance Corporation, are petitioned to investigate the affairs of the Mining Division as related to quartz loans, particularly as to changing the personnel of the department heads and removing unfair examiners and liberalizing the regulations of the division; and that it be further

Resolved, That a copy of this memorial be forwarded to the President of the United States, to each House of Congress, the congressional delegation from Montana, and to the Honorable Jesse Jones, Chairman of the Reconstruction Finance Corporation.

Mr. MURRAY also presented the following joint memorial of the Legislature of Montana, which was referred to the Committee on Irrigation and Reclamation:

Senate Joint Memorial 18

Resolution memorializing the Congress of the United States for the passage of the legislation for the development of the Pig-Eye Basin storage project in Judith Basin County, Mont., as a flood-control and water-conservation measure

To the honorable Senate and the House of Representatives of the United States in Congress assembled:

Whereas the Judith River in Judith Basin County, Mont., is in the watershed of, and the waters thereof flow into the Missouri River, and in times of unusual precipitation contribute to the flood

River, and in times of unusual precipitation contribute to the flood waters of such principal stream and contribute to flood damages caused by unusually high water at seasonal times; and Whereas heretofore in 1919 the United States Geological Survey has surveyed such Judith River and it has been found possible and feasible to impound approximately 11,000 acre-feet of water thereof, the official storage project being known as the Pig-Eye Basin storage project, and that such waters can be used for the irrigation of arid and semiarid lands in such project; and Whereas the Water Conservation Beard of the State of Montanas approved such project as a flood-control and water-conservation.

has approved such project as a flood-control and water-conservation

Whereas the development of such project would be of inestimable value to the farming and stock-growing industry in that portion of Montana: Therefore be it

Resolved by the Senate of the State of Montana (the house of representatives concurring), That we do hereby petition the Congress of the United States of America for the passage of an enabling act with sufficient appropriation of funds for the construction of the proposed Pig-Eye Basin storage project at the earliest possible time; and be it further

Resolved, That copies of this resolution be sent to the Honorable Franklin D. Roosevelt, President of the United States, to the President of the Senate, and the Speaker of the House of Representatives of the United States and to each of the Members of the Senate and House of Representatives from Montana.

FELICITATIONS TO SENATOR REYNOLDS BY THE SENATE OF MARYLAND

Mr. TYDINGS and Mr. RADCLIFFE, jointly, presented the following resolution of the Senate of the State of Maryland, which was referred to the Committee on Immigration:

Whereas the constant and ever-increasing manifestations of peoples, groups, and organization expounding the philosophies and theories of communism, nazi-ism, and fascism; and Whereas these manifestations are in practically every instance

inspired by aliens, or alien-minded people; and

Whereas the philosophy or theory as expounded by representa-tives of the individual organizations are for the promotion, foster-ing, and strengthening the doctrines of communism, nazi-ism, and

ing, and strengthening the doctrines of communism, nazi-ism, and fascism in America; and
Whereas the Honorable Robert R. Reynolds, United States Senator from North Carolina, has caused to be introduced in the United States Senate, legislation in the interest of national defense and for the protection of America in time of war, providing for the registration and fingerprinting of each and every alien now in the United States, or who may hereafter apply for permission to enter the United States, and which is known as S. 408, and legislation providing that any alien or group of aliens whose presence in the United States is inimical to the public interest shall upon warrant of the Secretary of Labor be taken into custody and deported forthwith, which is known as S. 411; and
Whereas the members of the Senate of Maryland, reaffirming

deported forthwith, which is known as S. 411; and
Whereas the members of the Senate of Maryland, reaffirming
their steadfast belief in the principles of true democracy, and abhorring the alien-directed activities, for the purpose of pregnating
and demoralizing minds of young and impressionable Americans,
with obnoxious and unwarranted "isms"; Therefore be it

Resolved, That the Senate of Maryland does hereby extend its
appreciation and express its admiration to the Honorable Robert
E. Reynolds, United States Senator from North Carolina, for his
patriotic and inspiring legislation to the end that the philosophy
of Washington, Jefferson, and Lincoln shall never be replaced with
un-American principles as expressed by communism, nazi-ism, and
fascism; and be it further

Resolved, That upon the adoption of this resolution the secretary of the senate is hereby instructed to forward copies thereof to the Honorable ROBERT R. REYNOLDS, United States Senator from North Carolina, the Honorable Millard E. Tydings, and the Honorable George L. Radcliffe, United States Senators from the State of Maryland.

REPORTS OF COMMITTEES

Mr. PEPPER, from the Committee on Interoceanic Canals, to which was referred the bill (S. 1162) to provide for the recognition of the services of the civilian officials and employees, citizens of the United States, engaged in and about the construction of the Panama Canal, reported it without amendment and submitted a report (No. 149) thereon.

Mr. HUGHES, from the Committee on Claims, to which was referred the bill (S. 1429) for the relief of Earl J. Reed and Giles J. Gentry, reported it with an amendment and submitted a report (No. 150) thereon.

He also, from the same committee, to which was referred the bill (S. 221) for the relief of Anthony Coniglio, reported it without amendment and submitted a report (No. 151)

Mr. LOGAN, from the Committee on Claims, to which was referred the joint resolution (S. J. Res. 86) for the relief of International Manufacturers' Sales Co. of America, Inc., A. S. Postnikoff, trustee, reported it with amendments and submitted a report (No. 152) thereon.

Mr. TOWNSEND, from the Committee on Claims, to which was referred the bill (S. 1415) for the relief of certain disbursing agents and employees of the Indian Service, reported it without amendment and submitted a report (No. 153)

Mr. SCHWARTZ, from the Committee on Claims, to which was referred the bill (S. 1038) for the relief of L. M. Bell and M. M. Bell, reported it with an amendment and submitted a report (No. 154) thereon.

BILLS INTRODUCED

Bills were introduced, read the first time, and, by unanimous consent, the second time, and referred as follows:

By Mr. ASHURST: S. 1747. A bill for the relief of Adelaide S. Fish; to the Committee on Claims.

By Mr. TYDINGS:

S. 1748. A bill for the relief of John Ricker; to the Committee on Claims.

By Mr. NEELY:

S. 1749. A bill for the relief of George Waldo; to the Committee on Claims.

S. 1750. A bill authorizing the Secretary of War to convey to the town of Marmet, W. Va., two tracts of land to be used for municipal purposes; to the Committee on Military Affairs.

By Mr. GILLETTE: S. 1751. A bill for the relief of Robert Goodwin Poole; to the Committee on Military Affairs.

S. 1752. A bill to amend the Agricultural Adjustment Act of 1938 changing the definition of "market" as it pertains to the disposing of wheat; to the Committee on Agriculture and Forestry.

By Mr. McNARY:

S. 1753. A bill to correct the service record of John Francis Applegate; to the Committee on Naval Affairs.

By Mr. BYRNES:

S. 1754. A bill to amend subsection (10) of section (13) (a) of the act approved June 25, 1938 (52 Stat. 1069), entitled "Fair Labor Standards Act of 1938"; to the Committee on Education and Labor.

By Mr. BILBO:

S. 1755. A bill to provide aid to States and political subdivisions thereof in the acquisition of a privately owned interstate toll bridge; to the Committee on Commerce.

S. 1756. A bill to provide for the establishment of the Samuel Dale National Park in Lauderdale County, Miss.; to the Committee on Public Lands and Surveys.

By Mr. MURRAY:

S. 1757. A bill for the relief of Hazel Redlack, Dr. Louis Allred, the Columbus Hospital, Dora McDonald, Patricia Harris, and Dorothy Hart; to the Committee on Military Affairs.

By Mr. PEPPER:

S. 1758. A bill to amend the Interstate Commerce Act so as to rectify interterritorial freight-rate disadvantages; to the Committee on Interstate Commerce.

By Mr. WHEELER:

S. 1759. A bill granting the consent of Congress to the States of Montana, North Dakota, and Wyoming to negotiate and enter into a compact or agreement for division of the waters of the Yellowstone River; to the Committee on Indian

HOUSE BILL REFERRED

The bill (H. R. 4425) to provide for reorganizing agencies of the Government, and for other purposes, was read twice by its title and referred to the Select Committee on Government Organization.

CHANGE OF REFERENCE

On motion by Mr. Logan, the Committee on Claims was discharged from the further consideration of the bill (S. 601) to amend an act approved December 17, 1928, entitled "An act conferring jurisdiction upon the Court of Claims to hear, examine, adjudicate, and enter judgment thereon in claims which the Winnebago Tribe of Indians may have against the United States, and for other purposes," and it was referred to the Committee on Indian Affairs.

ERADICATION OF DUTCH ELM DISEASE-AMENDMENTS

Mr. TAFT submitted amendments intended to be proposed by him to the bill (S. 1718) for the eradication of the Dutch elm disease in America, and for other purposes, which were referred to the Committee on Agriculture and Forestry and ordered to be printed.

AMENDMENT TO INTERIOR DEPARTMENT APPROPRIATION BILL

Mr. WHEELER submitted an amendment intended to be proposed by him to House bill 4852, making appropriations for the Department of the Interior for the fiscal year ending June 30, 1940, and for other purposes, which was referred to the Committee on Appropriations and ordered to be printed,

On page 70, line 3, under the heading "Bureau of Indian Affairs", in the item for Fort Peck, Mont., after the semicolon, to insert the following: "Hospital and quarters, \$185,000."

PURCHASE OF SETS OF THE FEDERAL CODE ANNOTATED

Mr. VAN NUYS submitted the following resolution (S. Res. 98), which was referred to the Committee to Audit and Control the Contingent Expenses of the Senate:

Resolved, That the Secretary of the Senate is hereby authorized and directed to purchase and distribute to each Senator a complete set of the Federal Code Annotated, consisting of 16 volumes, together with the pocket supplements to January 1, 1940. The cost of such purchases shall be paid out of the contingent fund of the Senate, and such codes shall remain the property of the

STUDY OF FREIGHT-RATE STRUCTURE

Mr. PEPPER submitted the following resolution (S. Res. 99), which was referred to the Committee on Interstate

Whereas it is the objective of the Fair Labor Standards Act of Whereas it is the objective of the Fair Labor Standards Act of 1938 to reach the goal of a universal minimum wage of 40 cents an hour in each industry engaged in commerce, or in the production of goods for commerce, as rapidly as is economically feasible without substantially curtailing employment and without giving a competitive advantage to any group within the industry or to any region where such industry is carried on; and

Whereas there are conspicuous discrepancies in the freight rates prevailing in different parts of the United States by reason of the present interterritorial freight-rate structures, which are the outgrowth of tradition and constitute harriers against the free flow of

growth of tradition and constitute barriers against the free flow of commece and are hampering and restricting the normal develop-ment of the Nation as a whole; and

Whereas the aforesaid objectives of the Fair Labor Standards Act of 1938 and a full utilization of the economic resources that exist in the different regions of the United States can be attained only by a correction of the inequities and discrepancies in the existing freight-rate structures: Therefore be it

Resolved, That the Interstate Commerce Commission is requested to make a study of and give consideration to a plan to provide that the freight rate per mile for the shipment of goods to a point in any freight-rate territory shall be the same, irrespective of whether the shipment originated in that territory or some other territory, and such other plans as may seem to the Commission to be reasonably resulted. ably calculated to correct the discrepancies and inequities above referred to, and to report to the Senate at the earliest practicable time the results of its study, together with its recommendations.

EXECUTIVE MESSAGES REFERRED

The VICE PRESIDENT, as in executive session, laid before the Senate messages from the President of the United States submitting sundry nominations, which were referred to the appropriate committees.

(For nominations this day received, see the end of Senate proceedings.)

TRIBUTE TO THE LATE GEORGE R. HOLMES

[Mr. CLARK of Missouri asked and obtained leave to have printed in the Record a tribute to the late George R. Holmes delivered at Fort Myer chapel on the 14th ultimo by Rt. Rev. Msgr. David T. O'Dwyer, director of the National Shrine of the Immaculate Conception, Catholic University, which appears in the Appendix.1

GUAM HARBOR IMPROVEMENT

[Mr. Gibson asked and obtained leave to have printed in the Record an editorial from the Washington Star of March 6, 1939, regarding the improvement of Guam Harbor, which appears in the Appendix.]

FORTIFICATION OF GUAM

[Mr. Gibson asked and obtained leave to have printed in the Record an article from the Washington Evening Star of February 12, 1939, on the subject of the proposed fortification of the island of Guam, which appears in the Appendix.]

ORDER OF BUSINESS

The VICE PRESIDENT. If there be no further morning business, the calendar, under rule VIII, is in order.

Mr. BARKLEY. I ask unanimous consent that the calling of the calendar be dispensed with.

The VICE PRESIDENT. Is there objection? The Chair hears none, and it is so ordered.

AUTHORIZATION FOR REPORTING AND SIGNING OF BILLS, ETC., DURING ADJOURNMENT

Mr. BARKLEY. Mr. President, there is no business the Senate needs to transact today, and nothing that is in prospect for the remainder of the week. I therefore ask unanimous consent that during the adjournment of the Senate all committees may be authorized to report bills, resolutions, and nominations, that the Vice President be authorized to sign any bills or resolutions ready for his signature, and that the Secretary of the Senate may receive messages from the House of Representatives.

The VICE PRESIDENT. Is there objection? The Chair hears none, and it is so ordered.

Mr. BARKLEY. Mr. President, there is no need to have an executive session today; so I move that the Senate stand in adjournment until 12 o'clock noon on Monday next.

LIMITATION OF PROFITS ON AIRPLANE CONTRACTS

Mr. TOBEY. Mr. President, will the Senator withhold that motion, as I should like to speak for about 5 minutes?

Mr. BARKLEY. I was not aware the Senator from New Hampshire desired to speak, and, of course, I withhold the motion.

Mr. TOBEY. Mr. President, on Tuesday, the 7th of March, in this body, when the national-defense bill, providing for additional aircraft, was being discussed and debated, and, particularly, consideration was being given to the amendment which I offered limiting profits to 10 percent, the Senator from Georgia [Mr. George] addressed the Senate and called attention to House bill 7777, with the accompanying report, which sought to amend the Vinson-Trammell Act so as to exempt the aircraft industry from the operation of the act to limit profits on Navy contracts. I told the Senator from Georgia yesterday in person, and I now address myself to the Senate, and for the sake of the RECORD desire to point out that House bill 7777, to which the Senator from Georgia alluded, was not a product of the present session of the Congress, but was favorably reported in the last Congress, the Seventy-fifth Congress, and, of course, the report accompanied the measure; but, though the bill was on the House Calendar from April 18, 1938, until adjournment of the Seventy-fifth Congress, the House never acted on it.

Mr. President, I have adopted the suggestion made by the Senator from Georgia to the Senate the other day about studying that report and have studied it. I find in it three or four inconsistencies which I wish to call to the attention of the Senate, and especially of those members of the conference committee who may be present.

I hold in my hand Report No. 2149, accompanying House bill 7777, which was referred to by the distinguished Senator from Georgia in the debate on March 7, and on page 1 of the report appears the frank statement:

The purpose of this proposed legislation is to exempt the aircraft industry from the operation of the act to limit profits on Navy contracts.

In other words, it frankly says that the sole purpose is to exempt the aircraft industry from the operation of the act so as to have the profit limitation apply only to contracts for naval vessels; but on page 2 of the report we find the following recommendation, which contradicts the statement on page 1, just referred to:

For this reason the committee considers it equitable, both to the Government and to industry, to exempt, in determining excess profits, contractors for aircraft equipment which requires extensive research and development for perfection, such exemption to be determined by the Secretary of the Navy, with the proviso that Congress shall be informed annually of all cases so exempted.

So here I point out to the distinguished Senator from Georgia and to the Senate, is an inconsistency. On page 1 they recommend exemption of all aircraft. On page 2 they recommend exemption of only a certain part of the aircraft business.

On page 3 of the report the statement is made, and it is in accordance with the impression of the Senator from Georgia, that the present law does not permit the manufacturer to offset profits in excess of 10 percent in any one year against losses incurred in a previous year. This statement of the report reads as follows:

Present law does not permit the manufacturer to offset profits in excess of 10 percent in one year against deficiency in profits in a previous year.

That is emphatically an erroneous and misleading statement, because the statute specifically provides as follows:

Provided that, if there is a net loss on all such contracts or subcontracts completed by the particular contractor or subcontractor within any income taxable year, such net loss shall be allowed as a credit in determining the excess profit, if any, for the next succeeding income taxable year.

So there are two definite inconsistencies and misstatements in the committee's report, which would, unless corrected, give of the act a false picture which should not be used as a basis for intelligent legislation.

Again, on page 3 of the report, we find the following statement:

Another effect of this limitation of profit is that the manufacturer will make every legal effort to show increases in cost of Navy contracts, if by so doing he can reduce the charges to be made on other contracts.

The report further says:

If certain spaces in the shop are not as well lighted or otherwise may be less desirable from the point of view of doing efficient work, it is certain that contracts on which the profits are not limited will not be prosecuted in these spaces while Navy material is occupying more valuable space. Likewise, machine tools and equipment that make for economy of manufacture will not be so readily made available for Navy work as for work on which there is no profit limitation. The same will apply to the use of more skilled labor.

I say, if that is true, it is a manifest and intentional dishonesty on the part of such manufacturers, and if we should yield to that persuasion we would become particeps criminis by our failure to prevent such dishonesty. The purpose of the existing statute is to prevent such unworthy practices on the part of these aircraft concerns.

Further, on page 4, the report reads:

Under the act of March 27, 1934, as amended, the contractor is offered some relief in the authority to offset a loss in 1 year against profits in excess of 10 percent in a succeeding year. But he cannot offset any loss sustained in other than Navy business.

I particularly call your attention to this last sentence complaining that the manufacturer "cannot offset any loss sustained in other than Navy business." Why should he? Why should the United States Government pay a concern for loss sustained in business contracts with foreign countries, or with private customers in this country or any other country?

We of the legislative branch of the Government are dealing the Army and Navy contracts pro bono publico for whom we are trustees. We are not the guardians of private aircraft concerns in their financial dealings with foreign or

private domestic customers.

Much has been made of the point regarding exemption for experimental work. I have never been opposed to that. In the Congressional Record of March 7 one of the Members asked the following question:

Let us suppose that in a contract for \$50,000,000 worth of airplanes the company is required to make research of all sorts for the construction of the airplanes, which research would cost, let us say, \$5,000,000. In the ultimate cost of the plane to the Government, will the \$5,000,000 be taken into consideration in determining the basis on which a 10-percent profit should be allowed under the amendment?

Another Member of this body answered:

I do not so understand. However, I obtained from the House committee my understanding of the amendment which is now offered to the bill. I am not prepared to speak beyond that understanding.

Later a Member of this body said:

I think the amount of money expended in preliminary research ought, in fairness, to be included in the amount upon which the 10 percent may be allowed.

Mr. President, I am of the same mind and am glad at this time to assure the Members of this body that such provision is made by the Bureau of Internal Revenue, acting under the existing law. I hold in my hand a Treasury ruling which specifically provides for experimental contracts. This Treasury ruling reads as follows:

[From Internal Revenue Bulletin for September 27, 1937, p. 25]

MISCELLANEOUS

Section 3 of the Vinson Act (48 Stat. 503), as amended by act of June 25, 1936 (49 Stat. 1926). • • • (P. 26.)

(P. 26.) Where a special experimental project is carried on in connection with a Navy contract or in anticipation of a Navy contract, and the expense is not prorated with other general experimental expense but is reserved for charge to the particular Navy contract concerned, there clearly appearing no reasonable prospect of additional contracts for this type of equipment, the entire cost of this experimental work will be allowed.

ADJOURNMENT TO MONDAY

Mr. BARKLEY. I move that the Senate adjourn until 12 o'clock noon on Monday next.

The motion was agreed to; and (at 12 o'clock and 12 minutes p. m.) the Senate adjourned until Monday, March 13, 1939, at 12 o'clock meridian.

NOMINATIONS

Executive nominations received by the Senate March 9, 1939
COAST AND GEODETIC SURVEY

William Rude Jackson, of Maryland, to be aide (with relative rank of ensign in the Navy), by promotion from deck officer, vice C. R. Reed, promoted.

PROMOTIONS IN THE NAVY

The following-named lieutenant commanders to be commanders in the Navy, to rank from the 1st day of July 1938:

Robert B. Dashiell John N. Walton
Hugh St. Clare Sease John H. Jenkins
Stanwix G. Mayfield, Jr.
Ralph U. Hyde William McK. Reifel
William J. Morcott Rollin Van Alstine Failing

The following-named lieutenant commanders to be commanders in the Navy, to rank from the 1st day of August 1938:

Lloyd E. Clifford Clyde Lovelace
Paul E. Kuter Mallery K. Aiken

The following-named lieutenant commanders to be commanders in the Navy, to rank from the 1st day of September 1938:

Charles A. Nicholson, 2d
Harry R. Hayes
Cyril T. Simard

Byron J. Connell (an additional number in grade)
Edward H. Smith

The following-named lieutenants to be lieutenant commanders in the Navy, to rank from the date stated opposite their names:

John B. Moss, October 1, 1938. William A. Bowers, January 1, 1939.

Lt. (Jr. Gr.) Edward M. Blessman to be a lieutenant in the Navy, to rank from the 12th day of January 1939.

Passed Asst. Paymaster Aubrey J. Bourgeois to be a passed assistant paymaster in the Navy with the rank of lieutenant from the 3d day of February 1938 to correct the date of rank as previously nominated and confirmed.

Gunner Gleason Sherman to be a chief gunner in the Navy, to rank with but after ensign, from the 22d day of October

1938

The following-named carpenters to be chief carpenters in the Navy, to rank with but after ensign, from the dates stated opposite their names:

Herbert L. Chapman, January 13, 1939. Harold C. Thomas, February 2, 1939.

Pay Clerk Charles F. Ueltzen to be a chief pay clerk in the Navy, to rank with but after ensign, from the 2d day of January 1939.

The following-named lieutenant commanders to be lieutenant commanders in the Navy, to rank from the 1st day of July 1938, to correct the date of rank as previously nominated and confirmed:

Frederick J. Nelson
Joyce A. Ralph
James C. Guillot
William P. Burford
William D. Anderson
Wurr E. Arnold
William M. Hobby, Jr.
William P. Burford
Philip R. Coffin
Wells L. Field

The following-named lieutenants to be lieutenant commanders in the Navy, to rank from the 1st day of February 1939:

Marshall M. Dana Kenneth D. Ringle Stanley Leith William D. Wright, Jr. Homer Ambrose Ralph W. D. Woods

William A. Graham

Robert S. Hatcher (an additional number in grade)
Edward W. Clexton (an additional number in grade)
Chester C. Wood
Clarence E, Ekstrom

POSTMASTERS

Enid Trowbridge to be postmaster at Kenney, Ill. Office became Presidential July 1, 1938.

Millie E. Moore to be postmaster at Westover, Pa. Office became Presidential July 1, 1938.

Susie A. Warburton to be postmaster at Dumbarton, Va. Office became Presidential July 1, 1938.

HOUSE OF REPRESENTATIVES

THURSDAY, MARCH 9, 1939

THURSDAT, MARCH 9, 1

The House met at 12 o'clock noon.

The Chaplain, Rev. James Shera Montgomery, D. D., offered the following prayer:

We praise Thee, our Heavenly Father, that Thou hast again bestowed upon us rich and abundant blessings. May we express our gratitude by serving the humblest need. To Thee we lift our drooping hands in unspoken prayer; so many voices of the human breast are too sacred for speech. Forgive our quivering faith and pity us in our limitations, in our tendencies, and in our sins. Bless and strengthen us with that peace which Thou hast promised to the untroubled heart. Even the darkness hidest not from Thee, but the night shineth as the day. We bless Thee that Thou art in the shadows keeping watch above Thine own. Heavenly

Father, redden our horizon with a glowing hope, and may we rejoice in health, happiness, and in the pride of life. We pray that the right may be defended and the wrong defied that the vices of today may become the virtues of tomorrow. In the name of our Saviour. Amen.

The Journal of the proceedings of yesterday was read and

MESSAGE FROM THE SENATE

A message from the Senate, by Mr. Frazier, its legislative clerk, announced that the Senate had passed bills and joint resolutions of the following titles, in which the concurrence of the House is requested:

S. 50. An act to provide for recognizing the services rendered by civilian officers and employees in the construction and establishment of the Panama Canal and the Canal Zone:

S. 270. An act for the relief of Lofts & Son;

S. 421. An act for the relief of the estate of O. K. Himley; S. 439. An act to confer the Distinguished Service Medal on Col. Richard C. Patterson:

S. 509. An act to add certain lands of the Front Royal Quartermaster Depot Military Reservation, Va., to the Shenandoah National Park, and for other purposes;

S. 510. An act to authorize certain officers and enlisted men of the United States Army to accept such medals, orders, and decorations as have been tendered them by foreign governments in appreciation of services rendered;

S. 511. An act for the relief of Dolores P. de Williamson; S. 512. An act for the relief of certain disbursing officers of the Army of the United States and for the settlement of individual claims approved by the War Department;

S. 518. An act to provide for the further development of

cooperative agricultural extension work:

S. 645. An act to provide funds for cooperation with Wapato School District No. 54, Yakima County, Wash., for extension of public-school buildings to be available for Indian children of the Yakima Reservation;

S. 661. An act for the relief of Ida A. Deaver;

S. 749. An act for the relief of Harry F. Baker;

S. 793. An act for the relief of Worth Gallaher;

S. 810. An act for the relief of Joe Pizl, Sr.;

S. 811. An act for the relief of George A. Rogers;

S. 827. An act for the relief of John H. Barry;

S. 828. An act to permit the President to acquire and convert, as well as to construct, certain auxiliary vessels for the

S. 829. An act to authorize alterations and repairs to certain naval vessels, and for other purposes;

S. 1045. An act to give effect to the International Agreement for the Regulation of Whaling, signed at London, June 8, 1937, and for other purposes;

S. 1098. An act to amend section 12 of the Soil Conservation and Domestic Allotment Act, as amended, by authorizing advances for crop insurance;

S. 1281. An act to prohibit reproductions of official badges, identification cards, and other insignia;

S. 1357. An act for the relief of Chester J. Babcock;

S. 1363. An act to repeal subsection (4) of subsection (c) of section 101 of the Agricultural Adjustment Act of 1938;

S. 1374. An act for the relief of Cohen, Goldman & Co.,

S. 1517. An act for the relief of F. E. Perkins;

S. J. Res. 2. Joint resolution providing for consideration of a recommendation for decoration of Sgt. Fred W. Stockham,

S. J. Res. 59. Joint resolution authorizing the Bureau of Labor Statistics to collect information as to amount and value of all goods produced in State and Federal prisons; and

S. J. Res. 76. Joint resolution to authorize the Postmaster General to withhold the awarding of star-route contracts for a period of 45 days.

CHARLES GOODWIN

Mr. WARREN. Mr. Speaker, I offer a privileged resolution from the Committee on Accounts and ask for its immediate consideration.

The Clerk read the resolution, as follows:

House Resolution 112

Resolved, That there shall be paid out of the contingent fund of the House, to Charles Goodwin, husband of Catherine Goodwin, late an employee of the House, a sum equal to 6 months' compensation, and an additional sum, not to exceed \$250, to defray funeral expenses of the said Catherine Goodwin.

The resolution was agreed to, and a motion to reconsider was laid on the table.

EXTENSION OF REMARKS

Mr. ANDERSON of Missouri. Mr. Speaker, I ask unanimous consent to extend my own remarks in the RECORD and to include therein a statement made before the Committee on Ways and Means by E. M. Warren, vice president of the American Laundry Institute.

The SPEAKER. Is there objection to the request of the gentleman from Missouri [Mr. Anderson]?

There was no objection.

Mr. CARTWRIGHT. Mr. Speaker, I ask unanimous consent to extend my own remarks in the RECORD and to include therein some quotations relative to the damming of the Red

The SPEAKER. Is there objection to the request of the gentleman from Oklahoma [Mr. CARTWRIGHT]?

There was no objection.

Mr. MASON. Mr. Speaker, I ask unanimous consent to extend my own remarks in the RECORD on the subject Republican Prospects in 1940, and I invite the statesmen on both sides of the aisle to look it over.

The SPEAKER. Is there objection to the request of the

gentleman from Illinois [Mr. Mason]?

Mr. BULWINKLE. Mr. Speaker, reserving the right to object, is the gentleman a prophet?

Mr. MASON. The gentleman's name is Noah and Noah was the prophet of old that prophesied the flood and pre-

The SPEAKER. Is there objection to the request of the gentleman from Illinois [Mr. Mason]?

There was no objection.

Mr. KILDAY. Mr. Speaker, I ask unanimous consent to extend my own remarks in the RECORD, and to include therein an address by the Honorable Coke R. Stevenson, Lieutenant Governor of the State of Texas.

The SPEAKER. Is there objection to the request of the gentleman from Texas [Mr. KILDAY]?

There was no objection.

Mr. IGLESIAS. Mr. Speaker, I ask unanimous consent to extend my own remarks in the RECORD and to include therein parts of the annual report of the Governor and also some short information of other citizens regarding their views on conditions prevailing in Puerto Rico.

The SPEAKER. Is there objection to the request of the Commissioner from Puerto Rico?

There was no objection.

ST. LAWRENCE WATERWAY AND NEW YORK POWER RATES

Mr. RANKIN. Mr. Speaker, I ask unanimous consent to extend my remarks at this point in the RECORD to call the attention of the House to a most illuminating statement placed in the Record on yesterday by the gentleman from New York [Mr. Fay] in reference to the development of the St. Lawrence inland waterways and its effects on the power rates in the State of New York.

The SPEAKER. Is there objection to the request of the gentleman from Mississippi [Mr. RANKIN].

Mr. RICH. Mr. Speaker, reserving the right to object, did the gentleman say this was in the Record yesterday?

Mr. RANKIN. This morning's RECORD. Has not the gentleman read it? Does the gentleman from Pennsylvania [Mr. Rich] mean to tell me he has not read the Congression. SIONAL RECORD of yesterday?

Mr. RICH. Anyone who would take time enough to read all of the things in the Congressional Record would not have time to do anything else. If it is in the RECORD yesterday, then I ask that the gentleman refer to it and that he

not have permission to put it in the RECORD at this point, and I object.

Mr. RANKIN. Mr. Speaker, I am merely asking to extend my own remarks in the RECORD and call attention to it. It is a most splendid statement and one that every Member of the House should read.

Mr. RICH. Go ahead then,

Mr. RANKIN. The gentleman from Pennsylvania has already helped to call attention to it. I hope he will now take the time to read it.

The SPEAKER. Is there objection to the request of the gentleman from Mississippi [Mr. RANKIN].

There was no objection.

EXTENSION OF REMARKS

Mr. Gross asked and was given permission to revise and extend his own remarks in the RECORD.

INDEPENDENT OFFICES APPROPRIATION BILL, 1940

Mr. WOODRUM of Virginia. Mr. Speaker, I call up the conference report on the bill (H. R. 3743) making appropriations for the Executive Office and sundry independent executive bureaus, boards, commissions, and offices, for the fiscal year ending June 30, 1940, and for other purposes.

The Clerk read the title of the bill. The Clerk read the conference report. The conference report is as follows:

CONFERENCE REPORT

The committee of conference on the disagreeing votes of the two Houses on the amendments of the Senate numbered 17 and 18 to the bill (H. R. 3743) making appropriations for the Executive Office and sundry independent executive bureaus, boards, commissions, and offices, for the fiscal year ending June 30, 1940, and for other purposes, having met, after full and free conference, have agreed to recommend and do recommend to their respective Houses

as follows:

The committee of conference report in disagreement amendments numbered 17 and 18.

C. A. WOODRUM, JED JOHNSON, JAMES M. FITZPATRICK, JOHN M. HOUSTON, R. B. WIGGLESWORTH, EVERETT M. DIRKSEN, FRANCIS CASE,

Managers on the part of the House.

CARTER GLASS, CARTER GLASS,
JAMES F. BYRNES,
RICHARD B. RUSSELL,
ALVA B. ADAMS,
PAT MCCARRAN,
JOHN G. TOWNSEND, JI.,
Managers on the part of the Senate.

The SPEAKER. The Clerk will report the first amendment in disagreement.

The Clerk read as follows:

Amendment No. 17. On page 68, after section 5 insert the

following:

"Sec. 6. No part of any appropriation contained in this or any other act for the fiscal year ending June 30, 1940, shall be available for the payment of enlistment allowance to enlisted men for reenlistment within a period of 3 months from date of discharge as to reenlistments made during the fiscal year ending June 30, 1940, notwithstanding the applicable provisions of sections 9 and 10 of the act entitled 'An act to readjust the pay and allowances of the commissioned and enlisted personnel of the Army, Navy, Marine Corps, Coast Guard, Coast and Geodetic Survey, and Public Health Service', approved June 10, 1922 (37 U. S. C. 13, 16)."

Mr. HINSHAW. Mr. Speaker, I make the point of order there is not a quorum present.

The SPEAKER. Evidently a quorum is not present.

CALL OF THE HOUSE

Mr. WOODRUM of Virginia. Mr. Speaker, I move a call of the House.

A call of the House was ordered.

The Clerk called the roll, and the following Members failed to answer to their names:

[Roll No. 29]

Allen, Ill. Allen, La. Anderson, Calif. Bender Bolton

Bradley, Mich. Bradley, Pa. Buckley, N. Y. Byrne, N. Y.

Cannon, Fla. Cole, N. Y. Creal Curley Daly

Dies Disney Ditter Doughton

Johnson, Lyndon O'Connor Kee Osmers Keefe O'Toole Kerr Sabath Elliott Evans Ferguson Gearhart Gerlach Kramer Lesinski McGehee Gillie Goldsborough McReynolds Miller Hancock Hartley Mitchell Hunter Jeffries. Mundt Murdock, Ariz. Jenks, N. H. Johns O'Brien

Sacks Sandager Schulte Seccombe Seger Sheppard Smith, Ill. Somers, N. Y. Starnes, Ala.

Stearns, N. H. Sweeney Tenerowicz Whelchel White, Idaho Wigglesworth Wolfenden, Pa. Wolverton, N. J. Wood Youngdahl

The SPEAKER. Three hundred and sixty-five Members have answered to their names, a quorum.

On motion of Mr. Woodrum, further proceedings under the call were dispensed with.

COMMITTEE ON AGRICULTURE

Mr. JONES of Texas. Mr. Speaker, I ask unanimous consent that on tomorrow the Committee on Agriculture may be permitted to sit during the session of the House.

The SPEAKER. Is there objection to the request of the gentleman from Texas?

There was no objection.

EXTENSION OF REMARKS

Mr. REECE of Tennessee. Mr. Speaker, I ask unanimous consent to extend my own remarks in the RECORD by including a brief statement made by Mr. Willis J. Ballinger before the Temporary National Economic Committee.

The SPEAKER. Is there objection to the request of the gentleman from Tennessee?

There was no objection.

INDEPENDENT OFFICES APPROPRIATION BILL, 1940

Mr. WOODRUM of Virginia. Mr. Speaker, on amendment No. 17, which has been reported, I move that the House recede and concur in the Senate amendment.

The SPEAKER. The gentleman from Virginia moves, on the first amendment in disagreement, which has been read by the Clerk, that the House recede and concur in the Senate amendment.

Mr. WOODRUM of Virginia. Mr. Speaker, I yield 5 minutes to the gentleman from California [Mr. Izac].

Mr. IZAC. Mr. Speaker, I come before the House today to make another appeal for proper treatment of the enlisted men of the armed services of this country.

A question was raised the last time we discussed this amendment as to whether this was not an economy measure, and the suggestion was made that we could actually save money for the Government by ceasing to pay the reenlistment allowance, which has been on the statute books as part of the pay, at least of the Navy, for 83 years. I went into the figures, and I find that during the past year we have had to train 16,681 raw recruits to replace the trained and skilled technicians we have let go out into civil life from the Navy. We paid \$4,270,000 for 3 months' training of those enlisted men. By the payment every year of approximately \$2,000,000 we can keep in the service these skilled men whom the Navy really needs. By a total expenditure of a little over \$5,000,000 we can keep all the trained men of the Army, Navy, Marine Corps, Coast Guard, Coast and Geodetic Survey in the service of their country, where we will benefit by their experience and skill.

This \$5,000,000 may seem like a lot of money, but I contend that in a period of 4 years, covering the 4-year enlistment of a Navy man, it would cost between \$10,000,000 and \$15,000,000 to replace the skilled technicians we are letting go. Let me give you a brief history of this amendment.

Mr. WHITE of Ohio. Mr. Speaker, will the gentleman

Mr. IZAC. In just a moment.

The House of Representatives a year ago voted to pay this reenlistment gratuity, as it is called. This year, about a week ago, when the amendment was before us, we voted by a vote of 156 to 21 not to recede and concur in the Senate amendment. Still, with the Senate standing fast, they come back to us and ask us to recede. After a vote of that kind it seems to me it should be evident that it is the will of the House of

Representatives that we will not recede; and I ask my colleagues to stand fast with us today and do justice to the enlisted men, giving them that part of their pay which has been denied them only since the adoption of the Economy Act of 1933. [Applause.]

I now yield to the gentleman from Ohio.

Mr. WHITE of Ohio. Can the gentleman tell us what effect the discontinuance of the reenlistment allowance has had on reenlistment?

Mr. IZAC. I would say it has a terrible moral effect on the men who have to live on the paltry sums we give the lower brackets of the Army, Navy, and Marine Corps.

Mr. WHITE of Ohio. Does the gentleman know whether or not the denial of the allowance has reduced the number of reenlistments, in terms of percentage?

Mr. IZAC. I should say the number of reenlistments has been greater during the period of depression than at any other time.

Mr. WHITE of Ohio. That is due to economic conditions?
Mr. IZAC. That is due to the economic condition of the country.

Now, when we are talking and speaking in terms of war—and war is prevalent everywhere, but thank God not in this country—I should like to see us do something to stiffen the morale of the Army, the Navy, and the Marine Corps. Let those men know that we are not only willing to pay billions of dollars for guns and planes and munitions but are also willing to pay a few million dollars to them that they may live in a proper American way of living.

Mr. SIROVICH. Mr. Speaker, will the gentleman yield? Mr. IZAC. I yield to the gentleman from New York.

Mr. SIROVICH. Is it not true that when men enlist in the Army and in the Navy today they find on the application they fill out a statement that they will receive when they reenlist the sum of \$200 or \$300?

Mr. IZAC. I may say to the gentleman that statement used to be on the forms and I presume it still is there because it is the basic law of this country and has never been taken from the statute books. [Applause.]

[Here the gavel fell.]

Mr. WOODRUM of Virginia. Mr. Speaker, I yield 5 minutes to the gentleman from Pennsylvania [Mr. Van Zandt].

Mr. VAN ZANDT. Mr. Speaker, in opposing the conference report I want to quote my colleague the gentleman from Virginia [Mr. Woodrum]. The other day, when I asked him if he considered an enlistment in the Navy as a contract with the Government, the gentleman from Virginia replied, "Yes."

When a man enlists in the Army, the Navy, or the Marine Corps it is true that he enters into a contract existing between himself and his Government. Many men in the Army, Navy, and Marine Corps today hold contracts with the Government and when they reenlist they are denied the reenlistment allowance, and therefore the Government is not upholding its end of the contract if the conference report is accepted. The provisions that apply to the reenlistment allowance will be stricken from the law. So not only do I oppose the report of the conferees as far as it applies to the contract that now exists between the enlisted man and the Government but I certainly oppose the idea of striking the provision out of the present law.

Eighty-three percent of the present enlisted personnel of the United States Navy are reenlistments, and they expect at the conclusion of their 4-year enlistment period, not a gratuity, but they expect this reenlistment allowance so that they can make a visit to their homes and to their parents, and so they can provide the necessities of life for their families. Many of them are married men. The lowest pay in the Navy, I find, is \$21 per month, in the marines it is \$20.80 a month, and in the Army it is \$21 a month. The pay of a C. C. C. boy today is \$30 a month. Now, here is a man who is a member of the Army, Navy, or Marine Corps—our national defense—and he is paid less than the man who is in the C. C. C. today. Mind you, if a man in the C. C. is in need of hospitalization, he is hospitalized not at his expense but at the expense of the Government; but a man in the Army, Navy, or Marine Corps is hospitalized at his own

expense because there is deducted from his pay every month a small sum to cover the cost of hospitalization in the Army, Navy, or Marine Corps.

Mr. FITZPATRICK. Mr. Speaker, will the gentleman yield?

Mr. VAN ZANDT. Yes.

Mr. FITZPATRICK. I infer that the gentleman is opposed to the report of the conferees. I was one of the conferees and I am also opposed to the motion just offered.

Mr. VAN ZANDT. I thank the gentleman very much. Mr. PATRICK. Mr. Speaker, will the gentleman yield?

Mr. VAN ZANDT. I yield.

Mr. PATRICK. Is there any way in the world that this position can help in any measure in saving any money or promoting efficiencies? Can this motion possibly accomplish either purpose? Will the position taken in conference help either in economy or efficiency?

Mr. VAN ZANDT. If we retain in the present law the provision for reenlistment allowances to the men, and if we appropriate the money to take care of the allowances, that will actually save the Government money and promote efficiency in the Military Establishment.

Mr. PATRICK. That will promote economy and also provide more efficient service than we are getting now?

Mr. VAN ZANDT. Yes.

Mrs. ROGERS of Massachusetts. It is expensive to train these men.

Mr. VAN ZANDT. It is. As my colleague the gentleman from California mentioned a few moments ago, it costs \$256 to train a man for the Navy; on the other hand, when a man reenlists his allowance cannot exceed \$200. Most of the reenlistments, however, are by men in the lower pay grades and the allowance cannot exceed \$100. Thus the economy of this allowance is evident. As to efficiency, it is only necessary to point out that it takes time and money to train experts on torpedoes, fire control, signals, or any of the specialties the Navy has, is left to your own good judgment. A competent man in any rating can only be developed by continuance in service, and the Congress should encourage men to make the service a vocation and should restore to them that which is being denied them without justification. I appeal to you to vote for the rank and file of the Army, Navy, and Marine Corps.

Mr. WOODRUM of Virginia. Mr. Speaker, I yield 5 minutes to the gentleman from South Dakota [Mr. Case].

Mr. CASE of South Dakota. Mr. Speaker, I desire to call the attention of the Members of the House to another principle involved in the situation in which we now find ourselves.

The attitude of the House on this amendment has been definitely expressed. The proposal that is now in the bill before us comes from the Senate. It was taken out in the House on a point of order. It now comes to us as a proposal by the Senate. We have acted upon this matter once. The House voted its disapproval of a proposal to concur with an amendment, and then, subsequently, on a motion to insist upon our disagreement, the House again expressed itself as opposed to this item.

The Manual of the House indicates that a principle in such situations is recognized and well established, and is stated in Hinds' Precedents, volume 4, paragraph 3906, from which I read:

The principle seems to be generally accepted that the House proposing legislation on a general appropriation bill should recede if the other House persist in its objection.

Therefore, if we are going to follow the well-established principle in conferences between the two Houses, the House should again insist upon its disagreement and the Senate should recede.

This question has been a matter of settled precedents of the Congress over a long period of time. In paragraphs 3904, 3905, 3906, and 3908 similar instances are cited to which I want to invite the attention of the House at this time.

In 1898, in the Senate, Mr. John T. Morgan, of Alabama, submitted a similar proposition in which he recognized that the Senate should recede from its position because it was proposing an amendment in the nature of legislation on an

appropriation bill—an amendment on which the House had already expressed itself in disagreement.

On June 10, 1896, a condition of prolonged disagreement came about in the House, and when this disagreement was under discussion, Mr. Joseph G. Cannon, of Illinois, chairman of the Committee on Appropriations and the Member in charge of the bill, said:

Under our parliamentary precedents the body proposing legislation, when the other body will not assent, recedes; and if the Senate, proposing legislation in this case, lets this bill fail because the House will not assent to the legislation, then let the responsibility be upon the Senate. * * * The man who has read the history of his country understandingly in the parliamentary contests in 1878, 1879, and 1880 understands—and this contest began before the breaking out of the late war—that the rule is unvarying that the body proposing legislation as a rider upon a money bill must recede if the other body will not assent.

In the Senate, in the discussion of the same disagreement, Mr. John Sherman, of Ohio, said:

It has always been, so far as I know, the custom of the Senate, and also in the House of Representatives as well, where there is a disagreement between the two Houses threatening to defeat the passage of an important appropriation bill—and it is the only true rule that can be applied to such a case—that the House proposing the amendment which is firmly resisted by the other House ought to recede from the amendment.

That is an identical situation with what we have here. Weighave the Senate proposing a legislative amendment to an appropriation bill, where the House has already taken a position.

Again, in 1906 in the Senate a discussion arose as to the respective duties of the House and Senate, as to receding from legislative amendments to appropriation bills. Mr. James Hemmenway, of Indiana—and this was in the Senate—put the question to Mr. Hale as to what was the practice of the two bodies, and Mr. Hale, of Maine, said:

Mr. President, as I have been appealed to by the Senator from Indiana [Mr. Hemmenway] to state what is my experience, I will state that when either House puts in an appropriation bill legislation it cannot force the other House to agree, but it must in the end recede if the proposition is one that the other House will not at all agree to.

That practice is well established and recognized in the several paragraphs that I have cited and, in the instant case, entirely apart from the question involved, if we are to follow the precedents between the two Houses we should insist on our disagreement to the Senate and the Senate should recede. [Applause.]

Mr. WOODRUM of Virginia. Mr. Speaker, I yield 5 minutes to the gentleman from California [Mr. Hinshaw].

Mr. HINSHAW. Mr. Speaker, I stand before you as a veteran of both the Regular Army and the voluntary forces of the United States, and I ask you to vote against the motion of the gentleman from Virginia [Mr. Woodrum] for the reasons already stated by my colleague from California [Mr. Izac], by the gentleman from Pennsylvania [Mr. Van Zandt], and by the gentleman from South Dakota [Mr. Case]. I call attention to a few more facts that have not been given by the gentlemen who have already spoken.

The gentleman from Pennsylvania [Mr. Van Zandt] has just told you about the low pay and the hours. Yet we expect this soldier and sailor to care for equipment that is worth millions. We work him 24 hours a day if the need exists. We put him out on damnably realistic war and naval games to prove the equipment and provide the most practical methods of tactics and technique.

It is vitally important that the morale of our Regular Military Establishment be maintained. It is this force that must stand both ready and able to defend our shores in the event of attack. It is this force that is called upon to maintain our valuable and highly technical and intricate machinery of war—antiaircraft guns, range finders, signal equipment, both radio and telephone, ordnance and engineer equipment in a high state of efficient preparedness,

The enlisted men of our Regular Establishment receive miserably low pay for the work they are called upon to perform, and the hours of duty are frequently long. These men are subjected in many instances to great hazards in peacetime. They must handle and fire high explosives in practice; they must cover difficult terrain in maneuvers, and all this on a base pay of about 65 cents a day and found.

The gentleman from Virginia has stated before that reenlistments are at a high rate, and that is true. These years have been conducive to hanging on to one's job, if any. But it is important to us that this small, highly trained military force be maintained and that the men reenlist and reenlist, in order that the nucleous of our national defense shall at all times be both ready and able to stand to arms. It is poor economy to take it out on our small defense force because they cannot get jobs if they do not reenlist.

Do you realize that the Army private receives less pay and less benefits than the enrollees of our C. C. C. camps—and he is in for 4 years, not a few months?

Over 5,000 names of disabled Regulars and over 1,000 dependents of line-of-duty deceased Regulars were placed on the pension rolls last year, at pensions that are a national disgrace, being as low as 30 percent of that we pay war veterans and dependents of war veterans for like disabilities.

The disabled Regular is not entitled to one thin dime for his funeral expenses unless he has war service. We even deny that disabled Regular an American flag for his casket that would then go to his nearest of kin. He is not recognized in the Department of Labor employment offices as a veteran. His pitiful little pension precludes his receiving any relief assistance in the great majority of cases, and relief would frequently pay him two or three times as much. He cannot secure W. P. A. preference. He cannot enlist in the C. C. C. unless he passes a physical examination, yet we have 30,000 war veterans in C. C. C. enrollment. The Regular in service killed in line of duty is entitled to \$100 maximum funeral expenses. The C. C. c. enrollee who dies while in camp is entitled to a maximum of \$145 funeral expenses.

The man behind the gun receiving fair and equitable treatment is just as important a phase of national defense as providing modern equipment. Let us consider all angles of national defense, not just one.

Mr. WOODRUM of Virginia. Mr. Speaker, I yield myself 5 minutes. The parliamentary situation is very simple and quite regular. This amendment was put in by the House committee and went out on a point of order. It was reinserted by the Senate committee; and when it came to the House a few days ago, a motion was made to recede and concur with an amendment making it permanent law. That amendment was voted down substantially. It comes back now with a motion to recede and concur in the Senate amendment, which merely carries the inhibition against this gratuity for one additional fiscal year. So during this session of Congress the House has not voted on this motion. There is nothing irregular about the parliamentary procedure. The House has, however, for 6 consecutive years refused to allow this reenlistment gratuity. Let us get this straight. To concur in this Senate amendment does not take away from the present enlisted men in the Army or the Navy one red cent of compensation. It merely continues in force the inhibition against paying the reenlistment gratuity. What is the history of that? The history of the reenlistment gratuity is that in those days when it was very hard to get men to enlist in the Army and the Navy, and harder still to get them to reenlist, that inducement had to be offered, over and above their pay, to secure them to reenlist, and to thereby maintain the armed forces of the country. What is the situation today? The situation today is that reenlistments without the gratuity are at a much higher percentage than they were in those days when we paid the gratuity. Attribute some of that, if you care to, to the condition of the times, but it is a fact, nevertheless, that they are much greater.

What is the additional fact now? Let us see in what an inconsistent position our friends find themselves when they argue that we must freeze the present personnel of the United States Army and of the United States Navy. In the last Congress we set up machinery to create an Army reserve of 75,000 trained soldiers, to be in the Reserve forces of the country. Now, if we wish to be emotional and if we wish to look through war-colored glasses at everything we do, which

I think is unfortunate. let us consider that feature for a moment. Where do we stand? Every time a man in the trained forces today leaves the Army and goes into private life you have a recruit for your trained Army Reserve of this country, and in his place there comes into the ranks of the United States Army a young vigorous man, full of vitality, quite willing and quite anxious to take up the cause of his country in the armed forces. So there is no argument whatever in the fact that it is in the interest of defense or in the interest of maintaining the Army that these men who have had one or two or three or four terms in the Army should be paid to stay in the Army. There is no logic in the position that we should take our enlisted personnel in the Army and freeze it, and say we do not want the fine splendid young men who are now standing in line wishing to enlist.

Now let us pass on. If you will bring legislation to this House to increase the meager, inadequate compensation of the private of the Army, I will vote with you to put it on

The SPEAKER pro tempore (Mr. WARREN). The time of the gentleman from Virginia has expired.

Mr. WOODRUM of Virginia. Mr. Speaker, I yield myself 5 additional minutes.

They are poorly paid. This does not remedy that. This takes a man when he comes out of the service and hands him a gratuity. This does not remove the inequity and injustices of the low paid enlisted personnel of the Army. But what happens when a man finishes his enlistment? Mark you, there is not a man in the Army or Navy today who, when he enlisted, had the right to expect he would get this reenlistment pay, because it was not being paid and has not been paid and Congress has repeatedly indicated that they do not intend to resume paying it unless conditions change; and they have not changed. What do we do? One of my friends says he ought to get this reenlistment pay so he can go home to see his mother. When he finishes his enlistment today he is given 5 cents a mile transportation, whether he travels or not. If he finishes his service here today he is given 5 cents a mile, and he can walk around the corner to the next window and reenlist. In addition to that, he is given on an average \$45 for clothing, which he did not draw during his term of enlistment. Now, to continue to resume paying this reenlistment allowance after these years would simply mean the payment of an additional gratuity gift to the enlisted men of the United States Army, which is not justified at the present time.

Now, what about the cost of it? On yesterday this House insisted on writing into the reorganization bill language that there was an emergency; that the economic situation of the country created an emergency, and that was proper language, my colleagues, because there is an emergency. There is \$6,000,000 involved in this, over and above the Budget estimates. That much more is added to our deficit-\$6,000,000. Well, my friend says, "It is not right not to put this back, because it is in the basic law." Now, let us follow that for a moment. How many times has the Congress authorized appropriations when they have never been made? Every appropriation bill this House has passed this Congress contains items in which the Appropriations Committee and the Congress ultimately has not appropriated the amount which is authorized to be appropriated for the subject, but the gentleman from New York [Mr. Wads-WORTH] is about to tell me that this is base pay and therefore that is different. Now, let us pursue that for a moment.

Mr. WADSWORTH. The gentleman guessed right. I wanted to ask him if he regarded this merely as an authorization?

Mr. WOODRUM of Virginia. No; certainly not; this is base pay. Where do we stand on that? A few days ago I brought to this House a bill which cut \$2,000 a year off of the base pay of members of the Interstate Commerce Commission, the United States Tariff Commission, the Maritime Commission, and the Civil Aeronautics Authority, and you gentlemen here very splendidly and very patriotically exercised your good sound judgment, when you were in an economy mood and supported me in that. That action applies to basic pay. The basic pay of a member of the Interstate Commerce Commission and all of these other organizations that carry out splendid, important, quasi-judicial functions of the Government is \$12,000 a year, and yet this Congress in this very session has withheld a portion of that. Why? Because it felt that under the circumstances it was justified in so doing.

Mr. WADSWORTH. Mr. Speaker, will the gentleman vield?

Mr. WOODRUM of Virginia. I yield. Mr. WADSWORTH. Surely the gentleman would not contend that a member of the Interstate Commerce Commission is bound by an enlistment contract?

Mr. WOODRUM of Virginia. No; but it is his pay.

Mr. WADSWORTH. The soldier cannot get out. He has got to stay. He is signed.

Mr. WOODRUM of Virginia. It is in the basic law, just the same as this reenlistment pay is there.

Mr. O'NEAL. Mr. Speaker, will the gentleman yield?

Mr. WOODRUM of Virginia. I yield.

Mr. O'NEAL. There is one point that has not been brought out which to me seems to be very important. When the first draft came on in 1917 the limit of age was 30 or 31. A man to be called in the first draft had to be under that age. I am told that the average age of the Regular Army today is 31 or over. It seems to me very clear that we should have a policy encouraging the younger man to come in and take the Regular Army training, that we should not retain men or encourage men to remain when they reach such an age that they cannot stand the physical rigors of warfare.

[Here the gavel fell.]

Mr. WOODRUM of Virginia. Mr. Speaker, I move the previous question on the motion.

The previous question was ordered.

The SPEAKER pro tempore. The question is on the motion to recede and concur.

The question was taken; and on a division (demanded by Mr. Woodrum of Virginia) there were-ayes 55, noes 78.

Mr. WOODRUM of Virginia. Mr. Speaker, I object to the vote on the ground that a quorum is not present.

The SPEAKER pro tempore. The Chair will [After counting.] One hundred and eighty-two Members are present, not a quorum. The Doorkeeper will close the doors, the Sergeant at Arms will notify absent Members, and the Clerk will call the roll.

The question was taken; and there were-yeas 89, nays 260, not voting 84, as follows:

[Roll No. 30] YEAS-89

Johnson, Okla. Johnson, W. Va. Jones, Tex. Bates, Ky. Bates, Mass. Crawford Rees, Kans. Rich Cummings Robertson Romjue Bland Curtis Boehne Boland Dirksen Dondero Kitchens Ryan Scrugham Smith, Va. Lambertson Leavy Ludlow Doxey Brooks Drewry South Taber Burch Durham Mahon Maloney Mansfield Martin, Colo. Ellis Engel Burgin Caldwell Tarver Taylor, Colo. Cannon, Mo. Flannagan Folger Ford, Miss. Fulmer Carlson Terry Thomas, Tex. Cartwright Massingale Michener Tinkham Vincent, Ky. Michener Mills, Ark. Chapman Garrett Warren Whittington Clark Gore Gregory Murdock, Ariz. Cochran Hare Heinke Coffee, Nebr. Murdock, Utah Williams, Mo. Nelson Norrell O'Neal Woodrum, Va. Collins Hobbs Hope Houston Colmer Zimmerman Cooley Cooper Jarrett Poage NAYS-260 Brown, Ga. Brown, Ohio Alexander Allen, Pa. Andersen, H. Carl Anderson, Mo. Church Clason Claypool Barnes Bryson Buckler, Minn. Barry

Burdick

Byrns, Tenn.

Byron Carter Case, S. Dak. Casey, Mass. Chiperfield

Clevenger

Confee, Wash.
Cole, Md.
Connery
Corbett
Costello

Cluett

Barton

Bolles

Andresen, A. H.

Andrews

Angell Arends Arnold

Austin

Ball

Beam Beckworth Blackney

Cuikin	Hess	Marcantonio	Backs
Cullen	Hill	Marshall	Sasscer
D'Alesandro	Hinshaw	Martin, Ill.	Satterfield
Darden	Hoffman	Martin, Iowa	Schaefer, Ill.
Darrow	Holmes	Martin, Mass.	Schafer, Wis.
Dempsey	Hook	Mason	Schiffler
Dickstein	Horton	May	Schuetz
Dingell	Hull	Merritt	Schwert
	Izac	Miller	Secrest
Dowell			Shafer, Mich.
Duncan	Jacobsen	Mills, La.	Sharer, Mich.
Dunn	Jarman	Monkiewicz	Shanley
Dworshak	Jenkins, Ohio	Monroney	Shannon
Eaton, Calif.	Jensen	Mott	Short
Eberharter	Johnson, Ill.	Mouton	Simpson
Edmiston	Johnson, Ind.	Murray	Sirovich
Elliott	Johnson, Luther A	Mvers	Smith, Conn.
Elston	Jones, Ohio	Nichols	Smith, Maine
Englebright	Kee	Norton	Smith, Ohio
Fenton	Keiler	O'Brien	Smith, Wash.
Fernandez		O'Connor	Smith, W. Va.
	Kelly		
Fish	Kennedy, Michael	O'Day	Snyder
Fitzpatrick	Keogh	O'Leary	Sparkman
Flaherty	Kilday	Oliver	Spence
Flannery	Kinzer	Owen	Springer
Ford, Leland M.	Kirwan	Pace	Steagall
Fries	Kleberg	Parsons	Stefan
Gamble	Knutson	Patman	Sumner, Ill.
Gathings	Kocialkowski	Patrick	Sutphin
Gavagan	Kunkel	Patton	Talle
Gehrmann	Landis	Peterson, Fla.	Taylor, Tenn.
Gerlach	Lanham	Peterson, Ga.	Thill
Geyer, Calif.	Larrabee	Pfeifer	Thomas, N. J.
Gibbs	Lea		Thomason
		Pierce, N. Y.	Thorkelson
Gifford	LeCompte	Pierce, Oreg.	
Gilchrist	Lemke	Pittenger	Tibbott
Goldsborough	Lesinski	Plumley	Tolan
Gossett	Lewis, Colo.	Polk	Treadway
Graham	Lewis, Ohio	Powers	Turner
Grant, Ala.	Lord	Rabaut	Van Zandt
Grant, Ind.	Luce	Ramspeck	Vinson. Ga.
Green	McAndrews	Randolph	Voorhis, Calif.
Griffith	McArdle	Rankin	Vorys, Ohio
Griswold	McCormack	Reece, Tenn.	Wadsworth
Gross	McDowell	Reed, Ill.	Wallgren
Guyer, Kans.	McKeough	Reed, N. Y.	Walter
		Risk	Weaver
Gwynne	McLaughlin		
Hall	McLean	Robinson, Utah	West
Harness	McLeod	Robsion, Ky.	Wheat
Harrington	McMillan, John L		White, Idaho
Harter, N. Y.	McMillan, Thos. S		White, Ohio
Havenner	Maas	Rogers, Mass.	Williams, Del.
Hawks	Maciejewski	Rogers, Okla.	Winter
Healey	Magnuson	Routzohn	Wolcott
Hendricks	Mapes	Rutherford	Woodruff, Mich

NOT VOTING-84

Allen, Ill.	Delaney	Hennings	Sandager
Allen, La.	DeRouen	Hunter	Schulte
Anderson, Calif.	Dies	Jeffries	Seccombe
Ashbrook	Disney	Jenks, N. H.	Seger
Bell	Ditter	Johns	Sheppard
Bender	Doughton	Johnson, Lyndon	Smith, Ill.
Bloom	Douglas	Keefe	Somers, N. Y.
Bolton	Eaton, N. J.	Kennedy, Martin	Starnes, Ala.
Bradley, Mich.	Evans	Kennedy, Md.	Stearns, N. H.
Buck	Faddis	Kerr	Sullivan
Buckley, N. Y.	Fav	Kramer	Sumners, Tex.
Bulwinkle	Ferguson	McGehee	Sweeney
Byrne, N. Y.	Ford. Thomas F.	McGranery	Tenerowicz
Cannon, Fla.	Gartner	McReynolds	Vreeland
Celler	Gearhart	Mitchell	Welch
Cole, N. Y.	Gillie	Mundt	Whelchel
Creal	Halleck	Osmers	Wigglesworth
Crowe	Hancock	O'Toole	Wolfenden, Pa.
Crowther	Hart	Rayburn	Wolverton, N. J.
Curley	Harter, Ohio	Richards	Wood
Daly	Hartley	Sabath	Youngdahl

So the motion to recede and concur was rejected. The Clerk announced the following additional pairs: Until further notice:

Until further notice:

Mr. Rayburn with Mr. Wolfenden.
Mr. Doughton with Mr. Eaton of New Jersey.
Mr. McReynolds with Mr. Gearhart.
Mr. Disney with Mr. Anderson of California.
Mr. Disney with Mr. Jefferies.
Mr. Kramer with Mr. Jenks of New Hampshire.
Mr. Schulte with Mr. Mundt.
Mr. Schulte with Mr. Mundt.
Mr. Starnes of Alabama with Mr. Seccombe.
Mr. Curley with Mr. Keefe.
Mr. Sullivan with Mr. Hartley.
Mr. Whelchel with Mr. Seger.
Mr. Ferguson with Mr. Seger.
Mr. Ferguson with Mr. Stearns of New Hampshire.
Mr. Creal with Mr. Youngdahl.
Mr. Bell with Mr. Johns.
Mr. Ashbrook with Mr. Sandager
Mr. McGehee with Mr. Hancock.
Mr. Wood with Mr. Bolton.
Mr. Evans with Mr. Wolverton of New Jersey.
Mr. Daly with Mr. Cole of New York.
Mr. Linden B. Johnson with Mr. Gartner.
Mr. Allen of Louisiana with Mr. Orowther.
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LXXXIV--160

Mr. Bloom with Mr. Halleck.
Mr. Martin J. Kennedy with Mr. Allen of Illinois.
Mr. Kerr with Mr. Gillie.
Mr. DeRouen with Mr. Ditter.
Mr. Bulwinkle with Mr. Welch.
Mr. Delaney with Mr. Bender.
Mr. Sweeney with Mr. Wigglesworth.
Mr. Richards with Mr. Bradley of Michigan.
Mr. Faddis with Mr. Buck.
Mr. Buckley of New York with Mr. Harter of Ohio.
Mr. Kennedy of Maryland with Mr. Byrne of New York.
Mr. McGranery with Mr. Crowe.
Mr. O'Toole with Mr. Hart.
Mr. Sheppard with Mr. Fay.
Mr. Celler with Mr. Hennings.

Mr. GROSS and Mr. MOUTON changed their votes from "yea" to "nay."

Mr. Poage changed his vote from "nay" to "yea."

The result of the vote was announced as above recorded.

Mr. WOODRUM of Virginia. Mr. Speaker, I move that the House further insist upon its disagreement to the amendment of the Senate.

The motion was agreed to.

The SPEAKER pro tempore. The Clerk will report the next amendment in disagreement.

The Clerk read as follows:

Senate amendment No. 18. Page 68, line 13, strike out "Sec. 6" and insert in lieu thereof "Sec. 7."

Mr. WOODRUM of Virginia. Mr. Speaker, I move that the House further insist on its disagreement to the amendment of the Senate. This involves just a section number.

The motion was agreed to.

DEFICIENCY BILL—CONFERENCE REPORT

Mr. WOODRUM of Virginia. Mr. Speaker, I call up the conference report on the bill (H. R. 2868) making appropriations to supply deficiencies in certain appropriations for the fiscal year ending June 30, 1939, to provide supplemental appropriations for the fiscal year ending June 30, 1939, and for other purposes.

The Clerk read the conference report.

The conference report and statement are as follows:

CONFERENCE REPORT

The committee of conference on the disagreeing votes of the two Houses on the amendment of the Senate numbered 23 and the amendment of the House to the amendment of the Senate numbered 13 to the bill (H. R. 2868) making appropriations to supply deficiencies in certain appropriations for the fiscal year ending June 30, 1939, to provide supplemental appropriations for the fiscal year ending June 30, 1939, and for other purposes, having met, after full and free conference, have agreed to recommend and do recommend to their respective Houses as follows:

Amendment numbered 13: That the Senate recede from its dis-

Amendment numbered 13: That the Senate recede from its disagreement to the amendment of the House to the amendment of the Senate numbered 13, and agree to the same with an amendment, as follows: In lieu of the sum proposed by such amendment of the House insert the sum "\$3,000,000"; and the House agree to the same.

The committee of conference report in disagreement amendment

numbered 23.

C. A. WOODRUM, CLARENCE CANNON, LOUIS LUDLOW, THOS. S. McMILLAN, J. BUELL SNYDER, EMMET O'NEAL. GEO. W. JOHNSON,
W. P. LAMBERTSON,
Managers on the part of the House.

EDWARD T. TAYLOR,

ALVA B. ADAMS, CARTER GLASS, KENNETH MCKELLAR, CARL HAYDEN, JAMES F. BYRNES, JOHN G. TOWNSEND, Jr.,

Managers on the part of the Senate.

STATEMENT

The managers on the part of the House at the conference on the disagreeing votes of the two Houses on an amendment of the Senate and a House amendment to a Senate amendment to the bill (H. R. 2868) making appropriations to supply deficiencies in certain appropriations for the fiscal year ending June 30, 1939, to provide supplemental appropriations for the fiscal year ending June 30, 1939, and for other purposes, submit the following statement

in explanation of the effect of the action agreed upon and recom-mended in the accompanying conference report as to each of such

amendments, namely:
On amendment No. 13: Appropriates \$3,000,000 for the control of insect pests and plant diseases, instead of \$2,000,000 originally and \$2,250,000 subsequently proposed by the House, and \$5,417,000 proposed by the Senate.

Amendment in disagreement

The committee of conference report in disagreement the following amendment:

On amendment No. 23: Appropriating for a building temporarily to accommodate the Bureau of the Census.

EDWARD T. TAYLOR, C. A. WOODRUM, CLARENCE CANNON, Louis Ludlow, Thos. S. McMillan, J. BUELL SNYDER, EMMET O'NEAL.

GEO. W. JOHNSON,
W. P. LAMBERTSON,
Managers on the part of the House.

Mr. WOODRUM of Virginia. Mr. Speaker, a brief explanation. The only item now is amendment No. 13, which was agreed to in conference, and we gave an additional sum of \$750,000 for feeding the grasshoppers.

Mr. TABER. Mr. Speaker, will the gentleman yield?

Mr. WOODRUM of Virginia. I yield.

Mr. TABER. There is nothing involved in this but \$3,000,-000 for the grasshopper program, and the figure is still \$200,000 below the Budget estimate.

Mr. WOODRUM of Virginia. Yes.

Mr. Speaker, I move the previous question on the conference report.

The conference report was agreed to.

The SPEAKER pro tempore. The Clerk will report the first amendment in disagreement.

The Clerk read as follows:

Senate amendment 23: Page 9, line 8, strike out all of line 8 down to and including all of line 17.

Mr. WOODRUM of Virginia. Mr. Speaker, I move that the House recede from its disagreement to the amendment of the Senate No. 23 and concur in the same with an amendment.

The Clerk read as follows:

Mr. Woodrum of Virginia moves that the House recede from its disagreement to the amendment of the Senate numbered 23, and agree to the same with an amendment, as follows: Restore the matter stricken out by said amendment amended to read as follows:

"PROCUREMENT DIVISION, PUBLIC BUILDINGS BRANCH

"General Federal Office Building, Washington, D. C.: For the acquisition of the necessary land and the construction of a building for additional office space in the District of Columbia under the provisions of the Public Buildings Act approved May 25, 1926 (44 Stat. 630), as amended, including the extension of steam and water mains, removal or diversion of such sewers and utilities as may be necessary, and for administrative expenses in connection therewith, \$3,500,000."

And on page 5 of the bill, in line 2, after the figure "\$850,000", insert the following: ": Provided, That such additional sum shall be available for administrative expenses of the Wage and Hour Division for the fiscal year 1939 heretofore or hereafter incurred and otherwise properly chargeable thereto."

Mr. TABER. Mr. Speaker, I make a point of order against the amendment on the ground that it attempts to amend an item that has not been in disagreement.

Mr. WOODRUM of Virginia. Will the gentleman reserve his point of order to permit me to make a brief explanation?

Mr. TABER. Yes; I will reserve it.

The SPEAKER pro tempore. The gentleman from New York reserves a point of order against the amendment.

Mr. WOODRUM of Virginia. Mr. Speaker, undoubtedly the portion of the amendment to which the gentleman objects is subject to a point of order; but the situation that confronts the House and the Wage and Hour Division of the Department of Labor is that we carry in this deficiency bill a deficiency appropriation for the Wage and Hour Division, but they are actually out of money now and have been for several days. Under the law the deficiency appropriation, when finally signed by the President, will be available only from the time of its becoming law; so there is a period of some 8, 10,

or 12 days during which the obligations and expenses of this Bureau have been running which are not provided for unless language is put in here or a joint resolution is passed. The language, of course, is subject to a point of order if the gentleman desires to press it, but if he does that we shall have to go through the formality of passing a joint resolution.

I hope with this explanation the gentleman will be willing to withdraw his point of order. The amendment does not increase the appropriation or do anything except to make the money available to pay the expenses which have been

incurred during this interim I mentioned.

Mr. TABER. Mr. Speaker, I do not feel I can accept the gentleman's proposition. I feel that I should insist on my point of order. I do not know whether I would insist on it if unanimous consent were asked to amend page 5 by itself as the gentleman has suggested, but I shall have to insist on the point of order if it is coupled with the census bill.

Mr. WOODRUM of Virginia. Mr. Speaker, I acknowledge the point of order and will reoffer the amendment with the

latter part of it stricken.

The SPEAKER pro tempore (Mr. WARREN). The point of order made by the gentleman from New York [Mr. TABER]

Mr. WOODRUM of Virginia. Mr. Speaker, I move that the House recede from its disagreement to the amendment of the Senate No. 23, and agree to the same with an amendment, which I send to the Clerk's desk.

The Clerk read as follows:

Mr. Woodrum of Virginia moves that the House recede from its disagreement to the amendment of the Senate numbered 23, and agree to the same with an amendment as follows:

"Restore the matter stricken out by said amendment amended

to read as follows:

"PROCUREMENT DIVISION, PUBLIC BUILDINGS BRANCH
"General Federal Office Building, Washington, D. C.: For the acquisition of the necessary land and the construction of a building for additional office space in the District of Columbia under the provisions of the Public Buildings Act approved May 25, 1926 (44 Stat. 630), as amended, including the extension of steam and water mains, removal or diversion of such sewers and utilities as may be necessary, and for administrative expenses in connection therewith, \$3,500,000."

Mr. WOODRUM of Virginia. Does the gentleman from New York desire any time?

Mr. TABER. Yes.

Mr. WOODRUM of Virginia. Mr. Speaker, I yield the gentleman from New York [Mr. TABER] 2 minutes.

Mr. TABER. Mr. Speaker, this is the same old Census Building proposition under a new name. As evidenced by the debate that occurred before, it is not necessary, because the Public Health Service buildings are going to be evacuated very quickly on account of the fact the Public Health Service will move to Bethesda and continue the activities of that branch in a new building out there, which will be available in sufficient time so that the census set-up may be taken care of. This taken with what may be secured in the regular Commerce Building will amply take care of the regular census activities and give them as much space as the 1930 census activity required. We can therefore get along without a permanent building which would require a build-up of activities later on if we provide this. I hope we can save a little money by refusing to agree to this amendment.

Mr. WOODRUM of Virginia. Mr. Speaker, I yield 2 minutes to the gentleman from Illinois [Mr. DIRKSEN].

Mr. DIRKSEN. Mr. Speaker, may I remind the gentlemen of the House that yesterday we wrote into the reorganization bill some rather emphatic language to the effect that an emergency exists and that the time had come for drastic economy. We emphasized the fact that economy is imperative right now. In line with that thought I went along a little while ago with my friend and colleague, the gentleman from Virginia, in denying to the enlisted men of the country an enlistment bounty. I felt it was in the interest of economy, even though the motion finally lost. I felt that since it involved a burden of \$6,000,000 annually on the Federal Treasury and since this legislation has been in effect for the last 6 years, that such a vote was fully justified.

Mr. Speaker, here is a request for a new building, which was first named the Census Building, and which was stricken by the Senate. Now it is the same package under a new label because it is called a general Federal building, but the item of \$3,500,000 still remains.

May I admonish you gentlemen if you want to practice a little economy today, in line with the language used in the reorganization bill by the members of the majority themselves on their own motion, this is a splendid time for the minority and the majority to join in the great economy crusade. Let us kill this unnecessary building right now. [Applause.]

Mr. WOODRUM of Virginia. Mr. Speaker, I yield myself 5 minutes.

Mr. Speaker, this bill is an economy bill, in line with the cute little placards that I understand are being hung around the Treasury Department, and it does promote recovery. This will promote recovery.

Mr. TABER. Will the gentleman yield for a question?

Mr. WOODRUM of Virginia. Certainly.

Mr. TABER. Is this not economy along the line of the statement made by a great humorist, Artemus Ward, quoted during the last session, "Let us all be happy and live within our means, even if we have to borrow the money to do it with"?

Mr. WOODRUM of Virginia. It is about as humorous as the position of my Republican friends over here who preach economy, who profess to be interested in national defense, yet reach down into a depleted Treasury and knock a hole in the bottom of it by handing out to the enlisted men of the armed services a Christmas present of \$5,000,000 or \$6,000,000, with the idea of inducing men who have served three, four, five, or six enlistments to reenlist and not let younger men get into the service.

Mr. COLLINS. Will the gentleman yield?

Mr. WOODRUM of Virginia. I yield to the gentleman from Mississippi.

Mr. COLLINS. The gentleman is exactly right. Those favoring that proposition hurt rather than help national defense. We should not keep the ranks filled up with old men and we should discourage rather than encourage so many reenlistments if we ever expect to have worth-while Reserve forces

Mr. WOODRUM of Virginia. The gentleman has made a contribution to the discussion.

Mr. BOLLES. Will the gentleman yield?

Mr. WOODRUM of Virginia. I yield to the gentleman from Wisconsin.

Mr. BOLLES. I should like to remind the gentleman we did not vote for the Gilbertsville Dam over here-

Mr. WOODRUM of Virginia. We all have sins to answer for, and I am talking now about the sins of you gentlemen.

Speaking particularly with reference to this bill, I may say there is not a businessman on your side of the aisle who would not put up this building if he had a similar proposition presented to him. We are renting in the District of Columbia 120 different buildings for governmental activities. If the reorganization bill accomplishes something, which we all hope it will, and we can get rid of half of these buildings, we still would have to rent 60 buildings. If we have any business ability about us at all we must concede it to be good business practice to put up a utilitarian type of building costing three and a half million dollars, which, if we do not erect and put up, we shall have to get someone else to build for us, and the cheapest bid the Department can get for the occupancy of such a building is \$400,000 a year.

Mr. KNUTSON. Will the gentleman yield?

Mr. WOODRUM of Virginia. I yield to the gentleman from Minnesota.

Mr. KNUTSON. What assurances have we that will be so if half of these buildings are vacated? We have not exhausted the alphabet yet.

Mr. WOODRUM of Virginia. We have no assurance about anything, but we can always hope, and I hope along with the rest. However, as far as this particular building is con-cerned, it would be the part of good business on the part of this Government, and on the part of economical administration of public affairs, to put up not only this building but one or two other buildings of a similar type of cheap, economical construction, into which you could move some of the departments and stop paying the landlords of Washington a dollar or a dollar and a half per square foot for high-priced office space where we are storing files.

Mr. TAYLOR of Tennessee. Mr. Speaker, will the gentle-

man vield?

Mr. WOODRUM of Virginia. I yield to the gentleman from Tennessee.

Mr. TAYLOR of Tennessee. I noticed in the Merry-Go-Round column a day or two ago that Mr. Jesse Jones had committed himself to a loan of \$5,600,000 to a couple of gentlemen from Chicago to build a 12- or 15-story office building on the McLean property, and in the same transaction agreed to rent the property for the use of the Reconstruction Finance Corporation. The building at present oc-cupied by the R. F. C. will be vacated shortly and we will have another building vacant which could be used for this or some similar purpose.

Mr. WOODRUM of Virginia. The gentleman does not seriously suggest the building of the R. F. C. would be ready for the Census Bureau to occupy in less than 12 months from

now?

Mr. TAYLOR of Tennessee. I do not know whether it would be ready by that time or not.

Mr. WOODRUM of Virginia. I imagine the gentleman would have some uncertainty about it.

Mr. TAYLOR of Tennessee. But it could be used for some

other activity later.

Mr. WOODRUM of Virginia. We need a few utilitariantype buildings. The House passed on this matter the other day. I hope, Mr. Speaker, the motion I have made will be agreed to.

Mr. Speaker, I move the previous question on the motion.

The previous question was ordered.

The SPEAKER pro tempore. The question is on the motion of the gentleman from Virginia to recede and concur in the Senate amendment with an amendment.

Mr. TABER. Mr. Speaker, I demand a division.

The House divided, and there were-ayes 74, noes 79.

Mr. WOODRUM of Virginia. Mr. Speaker, I demand the yeas and nays.

The yeas and nays were ordered.

The question was taken; and there were—yeas 181, nays 158, not voting 94, as follows:

[Roll No. 31] YEAS-181

Allen, Pa. Cullen Hendricks Monroney Moser Murdock, Ariz. Murdock, Utah Barnes Cummings Hill Barry Bates, Ky. Hobbs Darden Dempsey Dickstein Hook Beam Bland Houston Jarman Johnson, Luther A. Norrell Johnson, W. Va. Norton Jones, Tex. O'Connor Bloom Dingell Doxey Boland Boren Drewry Boykin Bradley, Pa. Kee Kelly Durham Eberharter Elliott Kennedy, Michael O'Neal Brooks Brown, Ga. Keogh Kilday Parsons Patman Patrick Buck Ellis Buckler, Minn. Buckley, N. Y. Bulwinkle Kirwan Kitchens Fernandez Fitzpatrick Flaherty Flannagan Kleberg Kocialkowski Lanham Patton Pearson Peterson, Fla. Burgin Flannery Folger Ford, Miss. Ford, Thomas F. Leavy Lesinski Pierce, Oreg. Rabaut Byron Cannon, Mo. Cartwright Chandler Ramspeck Randolph Rankin Lewis, Colo. McAndrews McArdle Chapman McCormack Robertson McKeough Robinson, Uti McMillan, John L. Rogers, Okla. McMillan, Thos. S.Romjue Garrett Clark Robertson Robinson, Utah Gathings Claypool Gavagan Geyer, Calif. Gibbs Goldsborough Gossett Cochran Coffee, Nebr. Coffee, Wash. Cole, Md. Collins Ryan Sacks Sasscer Satterfield Schaefer, III. Maciejewski Magnuson Mahon Connery Cooley Corbett Costello Cox Grant, Ala. Maloney Mansfield Green Marcantonio Martin, Colo. Martin, Ill. Mills, Ark. Mills, La. Gregory Griffith Hare Schuetz Schwert Scrugham Havenner Healey Shanley

Shannon
Sheppard
Sirovich
Smith, Conn.
Smith, Va.
Smith, Wash.
Smith, W. Va.
Snyder

	South
1	Sparkman
	Spence
	Steagall
	Sutphin
	Farver
	Taylor, Colo.
3	Terry

Thomas, Tex. Tolan Vincent, Ky. Vinson, Ga. Wallgren Walter Warren Weaver

Rees, Kans. Rich Risk Robsion, Ky.

Rockefeller Rodgers, Pa. Rogers, Mass. Routzohn

Rutherford Schafer, Wis.

Schiffler Shafer, Mich.

Simpson Smith, Maine Smith, Ohio

Sumner, Ill.

Springer Stefan

Tibbott Tinkham

Treadway Van Zandt Vorys, Ohio Wadsworth Welch

Wheat White, Ohio

Wigglesworth Williams, Del.

Winter Wolcott Woodruff, Mich.

Taber Talle Taylor, Tenn. Thill Thomas, N. J. Thorkelson

NAYS-158

	7417	10-100
Alexander	Engel	Kinzer
Andersen, H. Carl	Englebright	Knutson
Anderson, Mo.	Fenton	Kunkel
Andresen, A. H.	Fulmer	Lambertson
Angell	Gamble	Landis
Arends	Gartner	Larrabee
Arnold	Gehrmann	Lemke
Austin	Gerlach	Lewis, Ohio
Ball	Gifford	Lord
Barton	Gilchrist	Luce
Bates, Mass.	Gillie	Ludlow
Beckworth	Gore	McDowell
Blackney	Graham	McLaughlin
Boehne	Grant, Ind.	McLean
Bolles	Griswold	McLeod
Bradley, Mich.	Gross	Mapes
Brewster	Guyer, Kans.	Marshall
Brown, Ohio	Gwynne	Martin, Iowa
Bryson	Hall	Martin, Mass
Burdick	Halleck	Mason
Byrns, Tenn.	Harness	Massingale
Carlson	Harter, N. Y.	Michener
Carter	Hawks	Miller
Case, S. Dak.	Heinke	Monkiewicz
Chiperfield	Hess	Mott
Church	Hinshaw	Murray
Clason	Hoffman	Nichols
Clevenger	Holmes	O'Brien
Colmer	Hope	Oliver
Crawford	Horton	Owen
Culkin	Hull	Peterson, Ga.
Curtis	Jacobsen	Pierce, N. Y.
Darrow	Jarrett	Pittenger
Dirksen	Jenkins, Ohio	Plumley
Dondero	Jensen	Poage
Dowell	Johns	Polk
Dworshak	Johnson, Ill.	Powers
Eaton, Calif.	Johnson, Ind.	Reece, Tenn.
Edmiston	Jones, Ohio	Reed, Ill.
Elston	Kean	Reed, N. Y.
CONTRACTOR OF THE PARTY OF THE	THE STATE OF THE S	
	NOT V	OTING—94

Allen, Ill.	Disney	Keefe	Schulte
Allen, La.	Ditter	Keller	Seccombe
Anderson, Calif.	Doughton	Kennedy, Martin	Seger
Andrews	Douglas	Kennedy, Md.	Short
Ashbrook	Duncan	Kerr	Smith, Ill.
Barden	Eaton, N. J.	Kramer	Somers, N. Y.
Bell	Evans	Lea	Starnes, Ala.
Bender	Faddis	LeCompte	Stearns, N. H.
Bolton	Ferguson	McGehee	Sullivan
Byrne, N. Y.	Fish	McGranery	Sumners, Tex.
Caldwell	Ford, Leland M.	McReynolds	Sweeney
Cannon, Fla.	Gearhart	Maas	Tenerowicz
Casey, Mass.	Hancock	May	Thomason
Celler	Harrington	Merritt	Turner
Cluett	Hart	Mitchell	Voorhis, Calif.
Cole, N. Y.	Harter, Ohio	Mouton	Vreeland
Cooper	Hartley	Mundt	West
Creal	Hennings	Osmers	Whelchel
Crowther	Hunter	O'Toole	Wolfenden, Pa.
Curley	Izac	Pfeifer	Wolverton, N. J
Daly	Jeffries	Rayburn	Wood
Delaney	Jenks, N. H.	Richards	Youngdahl
DeRouen	Johnson, Lyndon	Sabath	
Dies	Johnson, Okla.	Sandager	

So the motion was agreed to. The Clerk announced the following pairs:

On the vote:

Mr. Harter of Ohio (for) with Mr. Short (against).

Mr. Thomason (for) with Mr. Andrews (against).

Mr. Allen of Louisiana (for) with Mr. Allen of Illinois (against).

Mr. Schulte (for) with Mr. Mundt (against).

Mr. Schulte (for) with Mr. Ditter (against).

Mr. Stullivan (for) with Mr. Ditter (against).

Mr. Stullivan (for) with Mr. Wolfenden of Pennsylvania (against).

Mr. Harrington (for) with Mr. Douglas (against).

Mr. Delaney (for) with Mr. Hartley (against).

Mr. Starnes of Alabama (for) with Mr. Keefe (against).

Mr. Rayburn (for) with Mr. Seccombe (against).

Mr. McReynolds (for) with Mr. Bolton (against).

Mr. Doughton (for) with Mr. Bolton (against).

Mr. Ashbrook (for) with Mr. Stearns of New Jersey (against).

Mr. Celler (for) with Mr. Stearns of New Hampshire (against).

Mr. DeRouen (for) with Mr. Molverton of New Jersey (against).

Mr. Evans (for) with Mr. Anderson of California (against).

Mr. Hart (for) with Mr. Cole of New York (against).

Mr. McGranery (for) with Mr. Gearhart (against).

Mr. McGranery (for) with Mr. Jenks of New Hampshire (against).

Mr. Merritt (for) with Mr. Jenks of New Hampshire (against).

Mr. Merritt (for) with Mr. Jenks of New Hampshire (against).

Mr. Merritt (for) with Mr. Jenks of New Hampshire (against).

Mr. Mouton (for) with Mr. Crowther (against).

Mr. O'Toole (for) with Mr. Bender (against).
Mr. Hennings (for) with Mr. Cluett (against).
Mr. Bell (for) with Mr. Maas (against).
Mr. Kennedy of Maryland (for) with Mr. LeCompte (against).
Mr. Curley (for) with Mr. Sandager (against).
Mr. Casey of Massachusetts (for) with Mr. Fish (against).
Mr. Daly (for) with Mr. Vreeland (against).

General pairs:

Mr. May with Mr. Duncan.
Mr. Creal with Mr. West.
Mr. Kerr with Mr. Hunter.
Mr. Dies with Mr. Barden.
Mr. Caldwell with Mr. Faddis.
Mr. Sweeney with Mr. Whelchel.
Mr. Ferguson with Mr. Wood.

Mr. Disney with Mr. Richards. Mr. McGehee with Mr. Lyndon B. Johnson.

Mr. Robertson changed his vote from "nay" to "yea." The result of the vote was announced as above recorded. A motion to reconsider was laid on the table.

Mr. WOODRUM of Virginia. Mr. Speaker, I propound a unanimous-consent request, which I send to the Clerk's desk.

The Clerk read as follows:

Unanimous-consent request propounded by Mr. Woodrum of Virginia: On page 5 of the engrossed bill H. R. 2868, in line 2, after the figure "\$850,000", insert the following: "Provided, That such additional sum shall also be available for administrative expenses of the Wage and Hour Division for the fiscal year 1939 heretofore incurred, otherwise properly chargeable thereto."

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Virginia?

There was no objection.

The amendment was agreed to.

A motion to reconsider was laid on the table.

EXTENSION OF REMARKS

Mr. DICKSTEIN. Mr. Speaker, I ask unanimous consent to revise and extend in the RECORD the remarks I intend to make later in Committee of the Whole and include therein excerpts from the RECORD of March 2.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from New York?

There was no objection.

INTERIOR DEPARTMENT APPROPRIATION BILL, 1940

Mr. TAYLOR of Colorado. Mr. Speaker, I move that the House resolve itself into the Committee of the Whole House on the state of the Union for the consideration of the bill (H. R. 4852) making appropriations for the Department of the Interior for the fiscal year ending June 30, 1940, and for other purposes; and pending that, I ask the gentleman from Pennsylvania if we can agree upon the time to be allowed for general debate?

Mr. RICH. Mr. Speaker, I would suggest that we permit the general debate to run on through the day and reach its conclusion tonight or tomorrow, because I have a number of requests for time.

Mr. TAYLOR of Colorado. That will be agreeable to me. I will express the hope, however, that we may possibly get through tomorrow.

Mr. RICH. We have used two hours and a half on other matters already today. We will see about that tomorrow.

The SPEAKER pro tempore. The gentleman from Colorado moves that the House resolve itself into the Committee of the Whole House on the state of the Union for the consideration of the bill H. R. 4852; and, pending that motion, asks unanimous consent that general debate on the bill be continued through the remainder of the legislative day, the time to be equally divided between himself and the gentleman from Pennsylvania.

Is there objection to the request?

There was no objection.

The motion was agreed to.

Accordingly the House resolved itself into the Committee of the Whole House on the state of the Union for the consideration of the bill H. R. 4852, with Mr. Buck in the chair.

The Clerk read the title of the bill.

The first reading of the bill was dispensed with.

Mr. TAYLOR of Colorado. Mr. Chairman, I yield 10 minutes to the gentleman from Missouri [Mr. Cochran].

Mr. COCHRAN. Mr. Chairman, I ask unanimous consent to revise and extend my own remarks in the RECORD and include therein a letter I have received from the Attorney General.

The CHAIRMAN. The gentleman from Missouri must get consent to include extraneous material from the House it-

Mr. COCHRAN. Mr. Chairman, when it can be shown by official records that \$2,384,744,675.52 is involved in claims against the Government I am sure it is the duty of every Member of Congress to take notice of such a situation.

For a number of years I have taken an interest in legislation that has been advanced where attorneys for Indians and Indian tribes have attempted to secure the passage of legislation that would amend an original jurisdictional act wherein the Congress enabled them to file suit against the United States in the Court of Claims.

The older Members will recall that the deficiency bill approved August 12, 1935, section 2 of title I, extended to the Government the right to offset the claims filed by the Indians by showing advances, gratuities, and so forth made to the various Indian tribes.

This section in the deficiency act was added after the Committee on Expenditures in the Executive Departments, of which I am chairman, had thoroughly investigated the cases then pending.

In order that information might be available showing the present status of the claims, I have secured a complete list of Indian cases pending at the present time in the Court of Claims. This list shows the number of Indian claims as of January 31, 1939. The list gives the court docket number, the name of each plaintiff tribe, the principal amount claimed, and interest, where claimed, computed to July 1, 1938. In those cases where no amount is claimed an estimated aggregate principal amount and the estimated aggregate interest to July 1, 1938, is supplied.

This statement also makes known the fact that the total amount set forth does not include interest in many cases where interest was not claimed originally, but in which interest would be allowed under the theory of the Shoshone Tribe v. United States (299 U. S. 476), decided April 25, 1938. This list was furnished to me by the Attorney General, and, of course, is authentic. It follows:

TABLE I.—Showing the cases wherein the amount claimed is specified able 1.—Showing the cuses wherein the amount cutmed is specified in the petitions and showing the amount of interest involved (where interest is claimed), calculated to July 1, 1938

Number of case			Interest to July 1, 1938	
K-103		\$35, 151, 911. 50	\$71, 208, 478. 74	
J-8	Cherokee	8, 916, 170. 20	14, 414, 475. 16	
L-46		699, 793. 05	103, 613. 44	
L-257	do	10, 454, 994. 94	22, 478, 239. 20	
L-266	do	3, 750, 000, 00	10, 593, 750.00	
L-267		319, 584, 89	667, 564. 58	
L-268		407, 655. 06		
42080	do	4, 581, 600.00	10, 575, 860, 00	
K-334	Chickasaw	43, 563, 75	137, 951, 38	
K-544		1, 697, 653, 57	3, 267, 536. 85	
K-187		1,000,000.00	9, 201, 000. 00	
K-260	dodo	6, 391, 603. 09		
K-281	do	1, 162, 500, 00		
H-37b		2, 883, 620.00	3, 770, 796. 50	
	ed Il-Reducks - Adopted Bruton had Subpart to provide the bulgetest should be	12, 511, 039. 00	20, 386, 697, 03	
J-620 H-163		19, 076, 000. 00	35, 250, 666, 66	
M-135		511, 290, 00	978, 871, 88	
		270, 283, 71	793, 282, 58	
L-206		150, 000, 000, 00	336, 000, 000, 00	
L-234			330, 000, 000. 00	
B-415		475, 596. 00		
E-350	Klamath	995, 000. 00		
44294		1,020,000.00	84, 109. 56	
44295		40, 447. 65	130, 106. 06	
	do			
44303	do	300, 000. 00	372, 000. 00	
	do	2, 500, 000. 00		
44305		6, 000, 000. 00		
K-107	Nez Perce	3, 266, 826, 22	145, 648. 81	
L-194.	Nez Perce (Joseph's Band)	500, 000. 00		
M-387	Pillager Chippewa	864, 000, 00	3, 931, 200. 00	
L-23	Quinaielt	8, 500, 000. 00		
L-51		1, 153, 022, 72		
L-208	do	250, 000, 00	675, 000, 00	
L-209	do	226, 294, 20	701, 539. 41	
H-211	Saginaw et al., Chippewa	3, 101, 325, 60		
M-107		15, 070, 000, 00		
C-531	Sioux	16, 830, 802, 51	12, 151, 171, 25	
C-531-2		8, 000, 000, 00		

Table I.—Showing the cases wherein the amount claimed is specified in the petitions and showing the amount of interest involved (where interest is claimed), calculated to July 1, 1938—Continued

Number of case	Plaintiff tribe	Amount claimed	Interest to July 1, 1938	
C-531-4	Sioux	\$8,000,000.00	1010.109	
C-531-6	do	140, 000, 00		
C-531-7		189, 368, 531, 05	\$715, 813, 047, 18	
C-531-8		7, 083, 770. 93	23, 801, 470, 00	
	do	100, 000, 00	354, 000, 00	
C-531-10		15, 000, 000. 00	58, 500, 000. 00	
C-531-11	do	40, 000, 000. 00	98, 000, 000. 00	
C-531-12		1, 903, 023. 22	1, 826, 902. 28	
C-531-13.	do	62, 648, 89	259, 366, 17	
C-531-14		105, 024, 14	333, 976, 85	
C-531-15	do	96, 000. 00	432, 000. 00	
C-531-16		475, 953. 71	1, 628, 311, 54	
C-531-17		200, 000, 00	408, 000, 00	
C-531-18		1, 650, 000, 00	3, 089, 000, 00	
C-531-19		525, 000. 00	882, 000. 00	
C-531-20		25, 000, 00	42, 000, 00	
C-531-21		100, 000, 00	172, 000. 00	
C-531-22		685, 254, 75	1, 315, 688, 96	
C-531-23		1, 525, 000, 00	2, 745, 000, 00	
C-531-24		1, 750, 000, 00	3, 150, 000, 00	
M-112		5, 100, 000. 00	0, 100, 000, 00	
E-542	Wichita et al	11, 387, 039, 00	29, 629, 106, 38	
M-421	Winnebago	1, 719, 106. 28	7, 722, 164. 96	
Total in 61 cases.		615, 953, 506, 40	1, 498, 922, 593. 41	

In the following cases the petitions do not specify the amounts claimed, but for statistical purposes the aggregate principal amount has been estimated as being \$117,197,023.25,¹ and the aggregate interest (calculated to July 1, 1938) has been estimated as being \$152,671,552,462

Number of case:	Plaintiff tribe
K-336	
L-253	Choctaw and Chickasaw.
F-369	
F-373	
L-78	
L-133	
L-136	
L-137	
L-205	
=	
* on	
* 00	
L-89	
L-123	
L-132	THE PARTY OF THE P
L-207	Do.
L-233	Do.
D-776	Yankton Sioux.
44297	Menominee.
44298	
44299	
44300	Do.
44301	Do.
44302	
44306	

¹ The estimate of the principal amounts in the cases where no amount is specified is arrived at by taking the average of the amounts claimed in those suits (table I) in which the amounts are specified. In ascertaining this average, however, the Sioux case, C-531-7, and the Creek case, L-234, have been eliminated from the calculations, because it is felt that the extremely high demands in these cases would reflect a higher average for normal cases than would be justified.

² In 14 of the 25 cases listed above interest has been claimed. The interest has been estimated in the same manner as was the principal.

principal.

TABLE III

The following is a list of Indian tribes which have been granted termission to sue the United States but which have not yet filed their actions:

Wisconsin Chippewas, act of August 30, 1935 (49 Stat. 1049). Tlingit and Huida Indians of Alaska, act of June 19, 1935 (49

Stat. 388) Red Lake Band of Chippewas, act of June 28, 1938 (Public, No.

Utes, act of June 28, 1938 (Public, No. 754)

Oregon Indians, act of August 26, 1935 (49 Stat. 801).

Amount claimed in 61 cases where the amount claimed is stated (table I) __________ \$615, \$615, 953, 506, 40 Amount of interest claimed in 44 of these cases

1, 498, 922, 593, 41 (table I) __ Total of table I___ 2, 114, 876, 099. 81

Estimated principal amount in 25 cases (table II) _ \$117, 197, 023. 25 Estimated amount of interest in 14 of these cases 152, 671, 552.46 Total of table II__ 269, 868, 575, 71

Amount of principal, actual (table I) ______ Amount of principal, estimated (table II) _____ Amount of interest, actual (table I) _____ Amount of interest, estimated (table II) _____ 615, 953, 506. 40 117, 197, 023. 25 _____ 1, 498, 922, 593. 41 152, 671, 552. 46

Total amount involved in 86 cases 1_____ 2, 384, 744, 675. 52

¹This total does not include interest in many cases where interest was not claimed originally, but in which interest now would be allowed under the theory of Shoshone Tribe v. United States (299 U. S. 476), decided Apr. 25, 1938. In most of these cases, because of the long lapse of time since the acts complained of, the amount of interest would be three or four times the amount of the principal.

I have repeatedly stated on the floor of the House that billions of dollars are involved in these claims, and I cannot see how anyone, in view of the above list, can now challenge my statement.

Contained in the annual report of the Comptroller General is a statement in reference to Indian tribal claims, and I include that statement as a part of my remarks. It follows:

INDIAN TRIBAL CLAIMS

This is an activity of this office which has been revived during

This is an activity of this office which has been revived during the past year, after a brief lapse, by the enactment of new jurisdictional legislation. The work consists of compiling reports and statistics for use in suits brought in the Court of Claims by certain Indian tribes under jurisdictional acts passed by Congress, for the recovery of amounts alleged to be due on treaty obligations or to more adequately compensate the tribes for land taken. The jurisdictional acts also authorized the Government to offset any gratuities theretofore paid on behalf of the Indians.

During the period 1925 to 1936 there was a large volume of this work, but gradually thereafter the reports were compiled and completed, and the personnel absorbed elsewhere. The final report was completed and filed in the Department of Justice on October 12, 1936, at which time the force was entirely disbanded. However, other jurisdictional acts have been passed at recent sessions of Congress and during the past year one petition, that of the Menominee Tribe of Indians, was filed in the Court of Claims. Accordingly, this activity has been resumed and its functions will undoubtedly continue and increase during the coming year as petitions of other tribes are filed for suit. petitions of other tribes are filed for suit.

undoubtedly continue and increase during the coming year as petitions of other tribes are filed for suit.

The work in connection with these Indian claims requires utmost care and painstaking effort, together with a clear understanding of the accounts, claims, treaties, statutes, Indian Office reports, records, etc., and other records and data having any bearing on the Indians and their transactions with the Government. These latter include early War Department reports, and those of the Bureau of Ethnology, as well as reports and records of the Treasury Department. Above all, the men assigned to this work, and more particularly those in charge of given phases thereof, must be fully capable of analyzing and properly evaluating the varying situations and circumstances and to follow these through to reasonable and logical conclusions. These cases, of course, must be properly and adequately defended by the Department of Justice, but, in a large measure, at least, its defense can only be as good as our reports. Incidentally, the cooperation between this office and the Department of Justice on this work, since its very beginning, has been excellent, as has that between this office and the Indian attorneys, notwithstanding the seeming clash of interests. This friendly feeling undoubtedly is due to the understanding by these attorneys that the policy of this office has been, and is, to report the facts as the records present them whether favorable or unfavorable to the Indians. or unfavorable to the Indians.

There is no satisfactory manner of estimating the additional amount of gratuities which may be allowed as offsets in the cases waiting disposition.

Notwithstanding that it is impossible to accurately estimate what the gratuities offset will ultimately total when all pending cases are adjudicated it is believed they will probably approximate somewhere between thirty and fifty millions of dollars.

Furthermore and regardless of the failure of the Indians to establish

lish their claims in a particular suit, and the consequent inability to offset gratuities, there is always the possibility of further jurisdictional acts and further court considerations, in which event the reports containing the gratuity expenditures are readily available for consideration. It will only be necessary to bring such reports to a current date.

a current date.

The total cost to the General Accounting Office of performing all of its examining, reporting, and incidental work during the years from 1925 to 1936 was approximately \$1,100,201.97. Much of this work comprised the preparation of full accountings, as authorized and required by the several jurisdictional acts; and in many instances these accountings must definitely have established to the satisfaction of those representing the Indians that the long-cherished thoughts relative to the Government's failure to fulfill certain of its treaty obligations were purely myths. In other cases disclosures in the reports of this office have resulted in voluntary abandonment or dismissal of claims.

As illustrative of the extreme care necessary in work of this nature, and what might be included or omitted, reference is made to the report on the petition of the Delaware Tribe of Indians, Court of Claims No. H-221. Petition in this suit was filed May 31, 1937, and was based on certain transactions pursuant to an agreement dated December 14, 1843, between the Delaware and Wyandotte Tribes of Indians. Under this agreement the Delawares ceded to the Wyandottes 39 sections of land in the State of Kansas, and as consideration therefor the Wyandottes agreed to pay the Delawares \$6,080 in the year 1844, and \$4,000 annually for 10 years thereafter, or a total of \$46,080, payable by January 1, 1855. It was alleged by the Delaware Tribe that the sum of \$6,080 only had been paid by the Wyandotte Tribe, and that the balance of \$40,000, with interest at 5 percent per annum from January 1, 1855, to date of judgment, was still due them. While this was a transaction between two tribes of Indians, the United States was made party to the suit as trustee of their funds.

A careful search of the records of this office failed to disclose any

of their funds.

A careful search of the records of this office failed to disclose any information relative to the allegations of the Delaware Tribe, inasmuch as the records of this office pertain only to disbursements in fiscal officers' accounts and claims settlements, while the transaction concerned involved payment by the Wyandottes to the Delawares. Such being the case, it appeared that our report, if based solely on the records of this office, would be of no material value to a proper disposition of the issue. Accordingly, it was thought that since the transaction involved only the Indians themselves, some record might have been made of the payment by the Indian agent in charge of these Indians and forwarded to the Indian Office. Pursuant thereto, a careful and thorough search was made of the Indian Office files, which resulted in finding a receipt dated August 1, 1851, showing payment in full by the Wyandottes to the Delawares in accordance with the aforementioned agreement.

The petition was dismissed on plaintiffs' motion by the Court of Claims on May 5, 1930, based on the record of the receipt as set out in our report. By reason of this dismissal the United States avoided a possible liability in the amount of approximately \$190,-684.88, representing the principal sum of \$40,000, plus interest thereon at 5 percent per annum from January 1, 1855, to May 5, 1930, totaling \$150,684.88.

The cost of compiling the report in this case was approximately \$510.40. From the foregoing it can readily be seen that a saving accrued to the United States of approximately \$190,174.48, which figure represents about one-sixth of the total cost incurred in compiling reports on all Indian cases during the period 1925-36.

An idea of the magnitude of the work performed from 1925 to 1936 may be had from the following. The records of this office indicate the receipt of more or less definite claims totaling \$878,189,891.39. Original and supplemental reports were prepared and filed in connection with 103 cases or petitions; sai A careful search of the records of this office failed to disclose any

tions, and statements, and 60 letter reports of varying numbers of pages. The Sioux petition, which incidentally has been split up into 24 separate causes of action, was reported in eight volumes comprising 4,385 pages of text, tabulations, and statements. This consumed approximately 7½ years and cost approximately \$177,344.89 in examination and preparation. Work on other sizable reports consumed from 6 months to 3 years.

It is roughly estimated that the Menominee report now being prepared purpose of the prepared purpose of the

It is roughly estimated that the Menominee report now being prepared pursuant to petition filed in the Court of Claims on September 2, 1937, under the act of September 3, 1935 (49 Stat. 1085), will require 18 months for its completion. This claim is for \$9,860,447.69, and represents a full accounting for all transactions beginning with the treaty of 1854 to date. Of course, gratuity expenditures will have to be compiled and reported as in other Indian cases. Furthermore, reports on five or more other petitions for which jurisdictional acts have been passed, but petitions not yet filed, roughly estimated, will consume the following time for their preparation: 12 months for the Tlingit and Haida Indians of Alaska, 24 months for the Indians of Oregon, 18 months for the Chippewas of Wisconsin, 24 months for the Utes, and 8 months for the Chippewas, Red Lake Band.

Mr. Chairman, as a result of the experience as outlined by the Comptroller General in the Delaware case, I recall several years ago a resolution was introduced not to send a case to the Court of Claims, but directing the Secretary of the Treasury to pay to a certain tribe of Indians an amount the Court of Claims held was due.

In that case the Department of the Interior filed a favorable recommendation. I called for a report from the Comptroller General and it was found Congress appropriated and the amount of the claim was paid to the tribe in 1876. Here you have examples which prove my statement, often made on the floor, that the Commissioner of the Indian Bureau does not have the records, and therefore the committees of the House and Senate should submit all bills affecting Indian claims to the Comptroller General and Attorney General for a report. Further, the replies of the Comptroller General and the Attorney General should be made part of the report if the committee reports the bill or resolution to the House. In the past I have secured the reports from the Comptroller General and the Attorney General and will continue to do so if the committees do not.

Every parliamentary means at my command will be used to defeat bills and resolutions where changes in the jurisdictional acts are recommended if the Government would be placed at a disadvantage by their passage.

I am likewise opposed to the efforts that have been made to provide for a direct appeal to the Supreme Court from a decision of the Court of Claims. There is no reason why special privileges should be granted in cases of this character when all other citizens of the country are required to apply

to the Supreme Court for a writ of certiorari.

It is not generally known, but as all of the records relating to Indian tribes are in the possession of the General Accounting Office, and the attorneys for the Indians are entitled to the information that the General Accounting Office assembles without any cost to them, despite the cost to the Government; and further, it is not generally known that the suits filed in the Court of Claims cost the Indians nothing in the way of court costs. The Government foots the bill even when successful in defending the suit.

Mr. Chairman, in closing I want to cite a recent example of what these claims mean to the taxpayer. While I was ill several years ago and unable to attend the sessions of the House, two resolutions, to which I had previously objected and kept from passing, were acted on favorably. They both amended the original jurisdictional acts placing the Government at a great disadvantage. What was the result? Final judgments in favor of the Klamath Tribe of Oregon and the Shoshone Tribe of the Wind River Reservation of Wyoming were rendered in the Court of Claims. The Klamaths received \$5,313,347.32 and the Shoshones \$4,408,444.23.

In the last session of Congress, contained in the second deficiency bill, will be found an appropriation to pay the judg-

ments, \$9,721,791.65 in all.

In commenting on these cases the annual report of the Commissioner of Indian Affairs said in part:

These two cases settled the question as to the scope of the title of an Indian tribe to the reservation set apart for it by treaty. In the Shoshone case the Supreme Court held that the tribe's right of occupancy was as sacred and as securely safeguarded as in fee-simple absolute title, notwithstanding the fact that the United States retained the fee. Following this theory, it was held that the tribe's right of occupancy in perpetuity included ownership of the land, mineral deposits, and standing timber on the reservation, and an award was made accordingly. Interest on the sums found to be due at the time the reservation lands were taken was awarded both tribes as a part of just compensation for a taking of property by the United States in the exercise of its power of eminent domain.

Notice the reference to mineral deposits and timber. Some of the suits now pending include claims for the timber that was taken from the land, as well as for mineral, and so forth, taken from the ground, one desiring to be reimbursed for gold taken from the Black Hills of South Dakota.

Following the passage by Congress of the appropriation to pay the claims, lawyers immediately appealed for their fees. The records of the General Accounting Office show that already one lawyer residing in the District of Columbia received \$325,000 and another lawyer in the District of Columbia received \$25,000, or a total of \$350,000, in the Klamath case.

In the Shoshone case, three Omaha lawyers and one lawyer from the District of Columbia jointly received \$424,190. One lawyer in Laramie, Wyo., received \$15,000. A lawyer in Denver, Colo., received \$7,500. Another lawyer in Laramie, Wyo., received \$2,000, and a lawyer in Lincoln, Nebr., received \$800, which was a total of \$449,490 that has already been paid to the attorneys in this case.

When attorneys can receive fees amounting to \$784,490 in two cases, is it any wonder why they are so insistent in their demands that Congress change jurisdictional acts that will place the Government at a disadvantage and enable them to secure judgments as a result?

Some of the claims date back over a hundred years. There are none growing out of alleged treaty violations that are not over 50 years old.

For many years the Court of Claims had jurisdiction and considered thousands growing out of the Civil War.

Back in 1915 the late Hon. Oscar Underwood, the then majority leader of the House, placed an amendment on an omnibus claims bill that provided, after the passage of the act, the Court of Claims should have no further jurisdiction over claims growing out of the War of the Rebellion. That ended such litigation. Does it not appear that it would be well for the Congress to take similar action now and end this racket in Indian claims?

Mr. BURDICK. Mr. Chairman, will the gentleman yield? Mr. COCHRAN. I yield to the gentleman.

Mr. BURDICK. Has the gentleman any figures now showing the amount of recovery that has been had on Indian claims in the Court of Claims since it started and what percentage of the claims has been paid in money?

Mr. COCHRAN. I cannot answer the gentleman's question as to the amount of recovery, because they have been recovering for a long time; but I do know they recovered within the last year nine million and some odd thousand dollars, close to \$10,000,000, and the attorneys in the case have already received nearly \$800,000. Let me also say to the gentleman that the General Accounting Office has the record, and not the Indian Bureau. The General Accounting Office is required when we pass a resolution to gather the facts for the Department of Justice, to base their defense, and, as I have shown, it has cost a very large amount for the General Accounting Office to gather these facts.

Mr. BURDICK. Mr. Chairman, will the gentleman yield

Mr. COCHRAN. I yield. Mr. BURDICK. Is it not a fact that slightly over 2 percent is all the recovery that has ever been had on Indian claims before the Court of Claims since the beginning of that court?

Mr. COCHRAN. I say to the gentleman I do not know what the amount is, but we have paid a large amount of money to the Indians year after year-money that did not come through the Court of Claims.

Mr. RICH. Mr. Chairman, will the gentleman yield?

Mr. COCHRAN. Yes.

Mr. RICH. Is it not a fact that the presentation of many of these claims is a great racket for the attorneys in an endeavor to get big fees in collecting this money, with the idea they are getting it for the Indians, but it is more for the attorneys than it is for the Indians?

Mr. COCHRAN. I know that the attorneys, if they fare as well as the attorneys did in the cases that we settled last year, are paid very liberal fees; \$800,000 certainly is very

Mr. BOREN. Mr. Chairman, will the gentleman from Missouri yield?

Mr. COCHRAN. I yield to the gentleman from Oklahoma. Mr. BOREN. Is it not a fact that all of these bills contain a proviso limiting attorneys' fees?

Mr. COCHRAN. The bills do not, but there is a general law to that effect; but the court, I will say to the gentleman,

is the one that awards the fees.

Mr. BOREN. Would it not solve the gentleman's purpose in this attack to restrict further the size of the fees that could go to the attorneys?

Mr. COCHRAN. As far as the attorneys are concerned. yes; but it would not solve the question so far as I am concerned as to legislation granting the right to tribes to sue in the Court of Claims and at the same time take away from the Government its defense.

Mr. BOREN. Would the gentleman indicate that he would be opposed to permitting the Court of Claims to act on its findings with respect to these matters?

Mr. COCHRAN. I am not opposed to permitting the Court of Claims to act, but I do say that we should provide, as the amendment to the deficiency act provides and which was placed on the statute books, I think in 1935, that the Government has the right to charge off gratuities and advances. This is what the new jurisdictional bill wants to set aside, taking away from the Government the right to charge off gratuities and advances and also for direct appeals to the Supreme Court, a right no other citizen has.

This is what I oppose. I feel that if we have made advances and granted gratuities to the Indians, if the Indians have a claim against us we should have a right to charge

off that which we have already advanced.

Mr. BURDICK. Mr. Chairman, will the gentleman yield

Mr. COCHRAN. I yield further; yes.

Mr. BURDICK. What does the gentleman understand by a "gratuity"?

Mr. COCHRAN. I understand by a "gratuity" that it is money we have given to the Indians for various purposes.

Mr. BURDICK. The gentleman will recall that moneys charged up per capita for the operation of the Indian Bureau in the United States every year equal about \$36 per capita. Is not that true?

Mr. COCHRAN. I do not know what it is, I will say to the gentleman.

Mr. BURDICK. If the Indian claims were settled, would the gentleman want to charge that cost against that tribe?

Mr. COCHRAN. Let the court pass on that. I will say to the gentleman that a tribe in his own district has about seven or eight suits pending and they amount to about \$250,-000.000—that is what is involved in those suits. They want money not only for the land but for the timber that was taken off of the land and for the minerals, including the gold that was taken out of the land.

[Here the gavel fell.]

Mr. JOHNSON of Oklahoma. Mr. Chairman, I yield now to the gentleman from Oklahoma [Mr. Boren].

Mr. BOREN. Mr. Chairman, adequate hospitalization for tubercular Indians necessitates an increase in the present facilities.

The people of Oklahoma, including Indians and all other races, are faced with a steadily increasing threat of tuberculosis. It is a known fact that Indians are more susceptible to this white plague than any other race of people. The Office of Indian Affairs reports that more than 560 Indians died of tuberculosis in Oklahoma last year. Their surveys also show there is an average of 9 active cases of tuberculosis among Indians for every death recorded, which indicates that we have more than 5,000 active cases of tuberculosis among Oklahoma's 90,000 agency Indian population at the present time.

Medical authorities also have agreed that at least two beds for every death should be available in hospitals to treat tuberculosis victims. With an average annual death rate of more than 560 Indians in Oklahoma, this State should have available at least 1,100 hospital beds to treat victims of the disease.

As a matter of fact, the Indian Service now has available in the State only 343 hospital beds, as follows: Shawnee, 150; Kiowa, 27; Talihina, 150; and Pawnee, 16.

The Shawnee sanatorium is in urgent need of an additional appropriation of \$275,000 to complete its building program. This will increase to at least 250 beds the present facilities. Infirmary, laboratory, and other facilities already installed cannot be used to the full extent of their capacity until this additional building program is completed.

There is no hospital facilities in the Indian Service where so small a sum can be spent for so large an increase in facilities. There is no other hospital in the Indian Service which operates at as low a per diem cost as the Shawnee Hospital. No other Indian hospital can boast of the fact that nine high-class surgeons in private life donate their services at \$1 a year, as in the case at Shawnee.

The Shawnee Hospital has a waiting list of from 40 to 80 emergency cases on file all the time and is forced to deny hospitalization to many Indians who must have medical help or face immediate death.

The official Service surveys show that in spite of the slow increase in tuberculosis hospital facilities made available in Oklahoma, the steady increase in infection among the Indian citizens has not been checked. The birth rate among Oklahoma Indians is almost twice as high as that among other races, indicating a steady increase in Indian population, contrary to the common belief that the Indian races are vanishing.

Congress has assumed guardianship of more than 90,000 Indians in Oklahoma. It not only owes a solemn and sacred duty to these wards in the protection of their health and other welfare, but it owes a great obligation to the remainder of the people of Oklahoma. With the spread of tuberculosis so marked in the ranks of Oklahoma Indians, it follows that the danger of this disease spreading among the white population is growing constantly higher.

Shawnee's sanatorium is centrally located and offers excellent transportation facilities. At the same time, it is far enough removed from the heavily populated Indian areas to give ideal conditions for the treatment of Indian cases. Medical science has proved that any hospitalization of Indians presents many entirely different problems than is encountered with other races. With rest and diet so important in the treatment of tuberculosis, the fact that the Shawnee Hospital offers some isolation from friends and relatives of Indian victims is all the more reason why the Shawnee Hospital should be enlarged.

Conditions at the Shawnee Hospital cannot be made satisfactory until better housing facilities are provided. Most of the buildings have been in service for so long they are on the verge of tumbling down. Most of them are firetraps. A small amount of money can be spent to improve these facilities, smaller than is possible in almost any other hospital in the Indian Service.

It should be borne in mind that recent hospital developments in Oklahoma and elsewhere in the Indian Service have been almost entirely devoted to general hospital needs, and that only a small part of this money has been used to provide facilities for treating tuberculosis.

On the basis of actual statistics, hundreds of Indians of all ages will die in the next few years who otherwise could be cured, unless Congress provides sufficient appropriations im-

The administrative staff at the Shawnee Hospital has done a marvelous job in spite of its poor equipment. The hospital has brought credit from every medical source to the Indian Service and to the Government.

Congress should reward this fine Service by providing a little little extra help for the worthy program it offers. It should be remembered that after these additional buildings are provided, and the increase is made in the number of cases that can be handled, the cost of administration will be very small-much smaller than will be possible in any other Indian hospital in Oklahoma. Thus, this appropriation will actually be an economical step.

Indians from more than half the States in the Union have been sent to the Shawnee Hospital for treatment, particularly in cases where the most expert care is required to stave off death. The hospital enjoys the best reputation of any institution among the Indians themselves, which makes it much easier for the Indian Service to encourage Indians to submit to treatment there. This problem of convincing Indians they should enter hospitals is a difficult one because of the peculiar nature of the tribesmen and the confidence these Indians have in the Shawnee institution is no mere accident.

Congress already has appropriated and spent the money required for the most expensive improvements at the hospital. Unless additional funds are made available to complete the job, there is a waste of work already done which threatens.

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Project No. 1. Men's semiambulant building	\$80,000
Project No. 2. Remodeling women's semiambulant building_	
Project No. 3. Combination attendants' quarters and mess	
building	35,000
Project No. 4. Fireproof auditorium and occupational ther-	
apy building	35,000
Project No. 5. Central heating plant	100,000

Project No. 1, men's semiambulant building, \$80,000: For purposes of treatment, patients with tuberculosis fall into three general classes, each requiring a different course of treatment, namely: (1) bed cases; (2) ambulant or walking cases; and (3) a transitional group known as semiambulant, or dressing-gown cases, who are not physically able to follow the regimen of the ambulant case, yet do not require continuous confinement in bed.

Good medical and administrative practice does not permit the treatment of the semiambulant case along with either the bed or the ambulant case because of the difficulties imposed by different

hours of rest, differences in diet, and the different character of |

nursing service required.

At this time there is absolutely no provision for proper treatment of semiambulant males and the need should be corrected by the construction of a fireproof building of proper arrangement with a bed capacity of about 30.

or semiambulant males and the need should be corrected by the construction of a fireproof building of proper arrangement with a bed capacity of about 30.

This would provide proper facilities for the treatment of a number of male patients now being treated either as bed or ambulant cases, but who, properly, should be treated as semiambulants, and would release beds to some of the many now on our waiting list whose condition requires complete bed rest, but who cannot now be accepted for treatment because no beds are available.

Project No. 2, remodeling women's semiambulant building, \$25,000: The building now housing 18 female ambulant patients is a frame structure, built in 1905, with inadequate internal arrangements, and, as with a frame building a fire hazard. As an example of the danger from fire inherent in this type of structure, this one was struck by lightning at night several months ago, and upon examination the next morning it was found that holes were burned in the shingle roof at several spots, and probably the fact that a heavy rain was falling at the time was all that prevented a disastrous fire that could easily have resulted in loss of life, and at the best would have unduly exposed sick patients.

It should be remodeled so as to afford the maximum bed space for the cubic contents, and should be fireproofed and insulated against the weather, as in its present condition it can be kept warm only by heavy expenditure for fuel.

Project No. 3, combination attendants' quarters and mess building, \$35,000: The attendant personnel and the employees' mess dining hall are now quartered in two old frame buildings, one two-storied and one one-storied, constructed about 1900. Both buildings are in a condition of decay; the foundations have settled until floors are out of plumb by as much as a foot in a room; they are major firetraps; they are totally inadequate as to toilet conveniences and as to floor space. Their condition is such that it is impossible to make more than temporary repairs to prevent them fro

dining hall

fireproof auditorium and occupational therapy Project No. 4, fireproof auditorium and occupational therapy building, \$35,000: This is a two-story frame structure originally con-structed in 1916 for use as a schoolhouse. It is now used down-Project No.

structed in 1916 for use as a schoolhouse. It is now used down-stairs for the occupational therapy department, and upstairs as a nauditorium for the showing of motion pictures and patients' parties. Up until this year there was only one means of egress from the second floor, by way of a narrow, crooked stairway. We were able to obtain a used tubular fire escape, which has been installed, thus somewhat lessening the possibility of a major disaster. However, the fact remains that in this type of structure a fire can spread very rapidly, and there is always the danger of panic, and in the cause of safety the building should be replaced with a one-story fireproof structure. structure.

Project No. 5, central heating plant, \$100,000: At this time each building has its individual heating plant, burning natural gas. The economic waste in fuel and repairs, and general upkeep under such a system is quite obvious. It is believed that the institution would greatly benefit from a central heating plant.

Request for additional building funds for the Shawnee Indian sanatorium is not a mere matter of community pride in trying to get bigger and better Federal projects. The Shawnee Hospital is the only 100-percent tuberculosis sanatorium in the entire Indian Service in Oklahoma, and it holds the finest record of any institution of its kind in the United States

Mr. RICH. Mr. Chairman, I yield 20 minutes to the gentleman from Michigan [Mr. HOFFMAN].

Mr. HOFFMAN. Mr. Chairman, for weeks the President has been chiding and reproving Old World dictators. He has been very critical of the acts of Hitler, which, it is said, have deprived people in that country of their freedom of action-of their civil and religious liberty. He has expressed bitter condemnation of the acts of foreign dictators which he intimates have deprived the people of those countries of their opportunities to engage in business, to conduct their own private affairs, in their own way.

Whatever may be said of the wisdom of his policy of criticizing foreign rulers and their political policies, practically all of our people will agree with the broad principles which

he advocates.

It is easy to see the mote in the foreign eye; the beam in the domestic organ escapes our attention, even though it be next door to the Nation's Capital.

Here in America on Saturday last, in this Hall and city, we celebrated the one hundred and fiftieth anniversary of the meeting of the First Congress. We boasted of, and we thanked God for, that surpassing degree of security of property, freedom of action, and possession of liberty which we as Americans enjoy. We pledged ourselves anew to forever in this land preserve those priceless heritages.

It is then, in view of the great value which we by our words put upon the liberties which we possess, strange, indeed, how easily we ourselves submit to the deprivation of some of those liberties and dodge the issue when someone here deprives us of our rights as free men.

It must be amazing to foreign dictators to note how the President himself and Members of the House obey the will of those who possess political power, who control votes.

It took us more than 2 years to get a formal, authoritative declaration that the right of a man to possession of his own property, the right of a man to work, was sacred, and that the deprivation of that right was a violation of the law of the land.

At the beginning, common sense, straight thinking, told us that the sit-down strikes were unlawful, but high Government officials condoned them, countenanced civil strife while they were carried on, and refused to set in motion the orderly processes of government to end them.

Now here in the National Capital today the same question which arose in the sit-down strikes is before the people. That question is this: Must a man, in order to hold a job in a Washington hotel, sign on the dotted line? Must be join a particular organization or quit his job? The statement of the question should bring its own obvious answer, if we are to live under a government where the individual is free.

In the General Motors sit-down strikes those who wanted to work were told that they must sign on the dotted line of a certain labor organization. Today those who would work in Washington hotels are told that they must join a rival labor organization. Some 13 hotels here in Washington are picketed because the owners or the management of those hotels refused to require free, law-abiding American citizens to quit their jobs or join a certain organization.

Since when has the right to earn a livelihood been dependent upon the joining or the not joining of some particular group or organization?

The degree of liberty which we surrender is not the important question. The all-important question is whether we retain our liberty; whether we as Americans will permit any organization to say that any man shall not work here or there, in this place or that, because he is not a member of that organization. If once we surrender to such a demand, there is no reason why it cannot and will not be extended to cover other activities.

If an organization can make good its demand that I shall not work, for example, in the Willard Hotel until I have joined its ranks, is there, then, any reason why some other organization shall not say that I shall not live in the Methodist Building, where I now reside, until all those who are employed in or about that building become members of that organization and contribute toward its support?

Within the week a Congressman from Michigan was called on the phone and requested in a polite but in a very firm manner that he should move out of the hotel where he has resided for several years and not return until the demands of those who were on strike at that hotel were granted.

Last year the same Member was told that, if he did not give up his residence in that particular hotel he would be reported back to his district as opposed to union labor. I happen to know that that particular Member is a strong and a stanch friend of labor and has consistently voted for labor legislation. Yet those whom he has aided, through their representatives, now presume to tell him where he shall make

Some persist in the statement that I am unfriendly to labor. Nothing could be further from the truth. Labor for many months has been the victim of some who would exploit it. The true friends of labor are those who favor legislation which will protect the man who works, not only against his employer, but against the profiteering organizer or the vociferous gentlemen who would use the labor vote for political purposes.

No one disputes the right of an employee to picket; no one would deny him the right to bargain collectively; but when any man or group of men takes the position that all those who would earn a livelihood by their daily toll must join their organization, set apart a portion of their wages as dues or special assessments for a particular union, regardless of the ability of the worker to pay, then that organization is striking at the very foundation of our Government and it and those who belong to it should remember that some day another group, a rival organization, may have a greater number of members and it then can insist that those who now make these demands submit to it, desert their present organization, and join the new union.

The principle that no man in America can work unless he belongs to a given organization is unsound, and an insistence upon its adoption will probably result in the creation of public sentiment and the enactment of legislation which will take from organized labor some of the advantages which it now enjoys. This has been the result in my own State. To a more marked degree it has been the result in the State of Oregon.

Within the last few days the President asked the head of the A. F. of L., or representatives from the A. F. of L., and the head of the C. I. O. to come down to the White House and meet with him and talk over their troubles. From the newspapers we learn that Madam Perkins, or some one in the Department of Labor, is now going to take over the burden of hearing those men discuss their troubles. It is to be hoped that these conferences will aid in composing the differences now existing between these rival organizations, for, in view of the local situation as it has existed during the past few days. the thought that comes to some of us is whether or not, after all, we really enjoy in this country the liberties that we were told last Saturday in this Chamber that we do enjoy.

I have been wondering since reading the papers this morning, knowing that so many of the Members of this House live at some of these hotels, how many of them, in the exercise of that great privilege given to every American, the privilege of walking the streets freely and not being hampered by anyone—how many Members of the House have been going in and out of the front doors of the hotels that are being picketed. I have been wondering how many of those who live at the Mayflower go out of the front door of that hotel. I am sorry that the chairman of the Rules Committee, the distinguished gentleman from Illinois [Mr. Sabath], is not here, for perhaps he could give us the answer to that question. He lives at the Mayflower. Perhaps he could tell us how many of the Members who live at that hotel exercise this great right of going out of the front door of a public building. going out of the front door of the place that is their home, walk out boldly in the light of day, and how many of them go into the drug store adjoining and slip out the door of the drug store to avoid passing a picket line.

I am wondering if there is any truth in the report that the great Senator from New York, the author of the Wagner Act, instead of going out of the front door of the hotel where he lives, out of the front door of his own home, did, as has been rumored, not sneak out but walk boldly out of the side door or the back door of that hotel, so that the boys who control the votes, who were in the picket line, who may have something to say in the elections of 1940, would not see him.

Surely a great Senator would not feel that he was offending his friends or the pickets if, in going to and from his usual place of residence, he walked through or around the picket line. I have been wondering whether the President, when the press called off this dinner that was to be held Saturday night at the Willard, was thinking that if he went down there he would have to go through a picket line. I am wondering whether the dinner was called off because he did not want to offend the head of one of these two great labor unions.

Across the front page of the Washington News of today runs this headline in large type: "F. D. hosts cancel fete because of hotel strike." Following that headline we find this:

Washington's hotel strike today brought all the elements of major industrial warfare to the Capital.

Striking Hotel and Restaurant Employees Alliance members were to meet with Attorney General Murphy this afternoon to allege

violation of the Byrnes Act forbidding transportation of persons

to interfere with peaceful picketing.

This morning the strikers were cheered by the cancelation of the White House Correspondents Association banquet, at which President Roosevelt was to have been honor guest. The dinner was scheduled for Saturday at the strike-bound Mayflower.

Is this an intimation that Attorney General Murphy, who so well served the cause of the Communists in Michigan in the sit-down strikes, who permitted in that State while he was Governor the destruction of private property, who by his acts aided Communist-led strikers in driving men and women from their jobs, is to apply the third degree to the Washington hotel owners?

Do the people in Washington wonder now why Michigan defeated Murphy? Why our people say "Thank God, he has left us"?

Let me read you this editorial from the same paper:

MAYBE THIS WILL TEACH 'EM

While a labor peace meeting is on in Washington the biggest strike in the history of the Nation's Capital breaks out. That's irony. But not the kind to raise a laugh. It is too serious and costly a commentary on what is wrong with industrial relationships

costly a commentary on what is wrong with industrial relationships in this country.

The lack of a mediation system once more is highlighted by the hotel strike, which, by the way, posed to the author of the Wagner Labor Act the question of "going through the picket line."

Had the issue arisen in the railroads or the airlines, where mediation machinery exists, the strike wouldn't have happened. Experience in those industries shows that settlement is arrived at before, not after, the fight starts. And, bear in mind, there must be a settlement some time, unless the industry involved is to go out of business, and labor along with it.

Wherever mediation has been established it has worked, here and abroad. Maybe this Washington strike will prove a blessing in disguise. Since a whole flock of Congressmen and Senators, Cabinet members, and other high officials who live in hotels are being inconvenienced, it may make them rub their eyes and wake up to the fact that there is a way by which peace can be maintained with fairness to employee and employer alike.

All they have to do is to use their great influence toward the adoption of the principle of the Railway Mediation Act for the rest of the Nation's industry.

of the Nation's industry.

I am wondering what Adolf Hitler will think of the President of the United States and of the liberty enjoyed by our President when he learns that the President cannot go, or does not choose to go, in and out of a hotel in the Nation's Capital because some particular organization wants to picket that building at that time. Freedom or liberty herewhen the head of the Nation, when the Chief Executive, the Commander in Chief of the Army and the Navy cannot go in and out, or at least does not choose to go in and out, of a hotel in the city of Washington because a picket line is marching back and forth in front of the door.

Mr. SACKS. Mr. Chairman, will the gentleman yield? Mr. HOFFMAN. Yes; if the gentleman will tell me at which hotel he lives.

Mr. SACKS. Yes; I live at the Fairfax Hotel. Mr. HOFFMAN. Are they picketing that?

Mr. SACKS. No; that is a union hotel.

Mr. HOFFMAN. Oh, that is a hotel where no one can work unless he signs on the dotted line?

Mr. SACKS. I do not know.

Mr. HOFFMAN. How about the fellows who live there? Mr. SACKS. What proof has the gentleman that the

President cannot go in and out of the Willard Hotel?

Mr. HOFFMAN. The President can, if he chooses, for he is the Commander of the Army and the Navy; but because of the power of the unions or because the President does not desire to offend some organization—or it may be because he wishes to throw his moral support to the side of some organization—it is apparent from the newspaper article that he will not pass the picket line.

What a fine gesture of courtesy it would be if the press held its dinner and the pickets for the time being saw fit to courteously step aside and permit the President of these United States to enter without incurring their displeasure.

Mr. SACKS. How does the gentleman know the President does not choose to go in or out of the Willard Hotel?

Mr. HOFFMAN. You just watch Saturday night, if there are pickets there, and see if he goes through. "The proof of the pudding is in the chewing of the string." Ask your associate, the chairman of the Rules Committee, how many of

those living at the Mayflower pass the picket line. Go down to the Mayflower and note whether or not Members of this House and high Government officials are willing to exercise the right to pass the picket line, walk in and out of the hotel where they reside, the hotel which is for the time being their home.

Mr. SACKS. In what hotel does the gentleman live?

Mr. HOFFMAN. I live at the Methodist Building.

Mr. RICH. Mr. Chairman, will the gentleman yield?

Mr. HOFFMAN. I yield.

Mr. RICH. The gentleman spoke about John L. Lewis being on a committee to adjust differences. Does the gentleman know that Mr. Lewis, instead of being in committee, is over here trying to talk to the Senators, spending his time over there today?

Mr. HOFFMAN. No. I do not know about that. I do not know whether Lewis goes through the picket line or not. Mr. KNUTSON. Mr. Chairman, will the gentleman yield?

Mr. HOFFMAN. I yield. Mr. KNUTSON. The gentleman has informed the House that the dinner which the press boys were going to give the President on Saturday evening has been called off.

Mr. HOFFMAN. Oh, I do not say that. I only know what the newspapers of the city carry as a news item today, and as members of the press were giving the dinner, presumably their report is accurate. I say watch the paper and see if the picket lines are continued and if the President passes

Mr. KNUTSON. Of course, we, except possibly one or two ultra-new dealers, all know why it was called off. I understand that dinner was to have been given at the Willard. Of course, there are only two entrances to the Willard. Why should not the boys give the President his dinner up at the Mayflower, where they could use the drug store as a means of coming in? They could stop at the soda counter. I do not know whether they have an "on sale" permit there or not, but they could go into the drug store and spend a few pleasant moments, and then, when the pickets were not looking, go on into the lobby. I offer that to the newsboys for what it is worth.

Mr. HOFFMAN. But I understand that the side door is so constantly in use now that it would be rather crowded down there. Thus we may learn whether, in this country, we enjoy liberty of action, whether we are free, whether the President is free to pursue happiness by attending this dinner, or whether someone else exercises a power so great that even the press and the President of the United States must yield because some poor forgotten man or woman who has not joined a particular organization is trying to earn a livelihood in that hotel.

Mr. KNUTSON. Oh, I understand they have a traffic cop there protecting the traffic.

Mr. SCHAFER of Wisconsin. Mr. Chairman, will the gentleman yield?

Mr. HOFFMAN. I yield.

Mr. SCHAFER of Wisconsin. In view of the fact that John L. Lewis bought a mortgage on the New Deal administration for \$500,000, can the gentleman not see the reason why the New Deal permitted him to try to buy and sell every working man and woman in America into human slavery?

Mr. DINGELL. Mr. Chairman, will the gentleman yield for a question?

Mr. HOFFMAN. Yes; I yield.

Mr. DINGELL. I would like to ask the gentleman what would be his solution and whether he would recommend that President Roosevelt handle this situation like President Hoover, who issued orders which resulted in their being shot down?

Mr. HOFFMAN. Let me see if I recall. How many men does the gentleman claim were shot down?

Mr. DINGELL. At least two were shot down at Anacostia flats.

Mr. HOFFMAN. That leaves a balance of 10 in his favor when you consider the number of air pilots who were killed when President Roosevelt canceled the air-mail contracts and 12 Army boys went to their deaths when they tried to fly the mail under unfavorable conditions and improperly equipped.

Hoover never intended harm to any veteran nor did President Roosevelt have the slightest idea that pilots would be injured, much less killed, as the result of the cancelation of those contracts. Let us not forget that the young men who died on both occasions were someone's boys.

Mr. SCHAFER of Wisconsin. General MacArthur led the eviction of the bonus marchers, and he rode the white horse leading the inaugural parade of President Roosevelt. Those are the facts

Mr. HOFFMAN. The only purpose in speaking today is to call attention to the very serious results which may grow out of the present situation. How easy it may be for us to lose our liberty if we once permit the establishment of the principle that any men or group of men can deprive a citizen of his right to life, liberty, or the pursuit of happiness without due process of law.

It is the driving in of the opening wedge that should be prevented. The President took most admirable action the other day when he called upon the two great labor organizations to settle their differences.

He later destroyed much of the force of what he had done by saying, in a characteristic Rooseveltian fashion, that, unless the two organizations quit fighting and got together, he would withdraw all administration support from any labor legislation proposed in this Congress. That is a childish attitude to take. There are others than the officials of the A. F. of L. and the C. I. O. who are interested in labor legis-

Let me here read an editorial from the Detroit Free Press of March 8, 1939:

MR. ROOSEVELT'S ULTIMATUM

President Roosevelt perpetrates a characteristic New Dealism when he says he will withdraw administration support for any labor legislation proposed in this Congress unless the A. F. of L.

and the C. I. O. quit fighting and get together.

An end to the war between these two big divisions of organized labor is highly desirable. It should be promoted in every legitimate way. For the present angry schism does nobody any good and is widely harmful.

and is widely harmful.

But any labor legislation worthy of the name is legislation enacted for the benefit and protection of all labor, organized and unorganized; and it should be formulated with the welfare of the individual worker in mind, rather than for the purpose of furthering the interests or meeting the demands of particular organizations or groups of leaders.

The idea that millions of wage earners who need relief from the evils of the Wagner Act should be left to suffer, because Mr. Green and Mr. Lewis cannot compose their differences is monstrous. It doesn't make sense.

Still less should the entire Nation be condemned to suffer from

Still less should the entire Nation be condemned to suffer from the iniquitous measure on that account.

If any labor legislation introduced in Congress this session has intrinsic merit, it ought to get recognition and be promoted accordingly.

If any such legislation is bad, it should be discarded and thrown into the wastebasket regardless of who sponsors it or doesn't sponsor it.

At present the prevailing opinion in Washington seems to be that neither Mr. Green nor Mr. Lewis is likely to be influenced much by President Roosevelt's threats or by Miss Perkins' efforts to act as an intermediary; and that a peace pact, if any, will have to be the product of other influences and considerations.

In short, the President is finding it harder to heal a schism in organized labor than it was to do things provocative of such

One thing more: This Congress will neglect its duty; it will ignore the demands of the American people, if it fails at this session to amend the Wagner law.

The point is: Do we intend to let the days go by as they did at the last session and make no effort to remedy the very grave defects in this act? Being a Member of the minority, I have waited patiently and hopefully for some move from the majority side which would indicate that this question of amending the Wagner Act is being given consideration. Having failed to observe any activity on the part of the Committee on Labor, I shall within the next few days drop into the hopper a bill changing that law so that employees can bargain collectively through representatives of their own choosing, free from intimidation, coercion, and interference, not only from the employer but from every source.

When that bill is offered, I hope the Members will take the trouble to look it over, for, sooner or later, the defects in this act must be cured if we are to make any move toward industrial peace, and the quicker we set about our very difficult task, the sooner will we be on the road toward its solution, toward industrial peace in this Nation. [Applause.]

Mr. MARCANTONIO. Mr. Chairman, will the gentleman

yield?

Mr. HOFFMAN. I decline to yield, Mr. Chairman. I yield back the balance of my time.

Mr. RICH. Mr. Chairman, I yield 15 minutes to the gentleman from New York [Mr. Fish].

Mr. FISH. Mr. Chairman, I thought this might be a proper time to discuss briefly the proposed revision of the Neutrality Act. According to this morning's papers Senator Lewis has introduced a resolution to repeal all the neutrality laws and give full power and control by Executive orders to the President of the United States in the handling of our foreign policies.

I would point out at the outset of my remarks that the House of Representatives has equal power with the Senate in considering and framing neutrality legislation. We have as much right to initiate any change in the neutrality laws as has the Senate, and whatever happens in the Senate must come over here for our final decision. I would also point out that the Democratic Congress by an overwhelming vote-I think there were only 12 votes against it—just a year or so ago adopted the neutrality law practically as a Democratic measure introduced in the House of Representatives by the chairman of the Foreign Affairs Committee, the gentleman from Tennessee [Mr. McReynolds], and in the Senate by the chairman of the Foreign Relations Committee, Senator PITTMAN. They were the sponsors and the authors of the bill. The principal purpose of the bill was to keep the United States out of war and to be neutral as against all belligerent nations. That is the law today, whether it is good, bad, or indifferent. Many of us on this side supported the bill reluctantly and opposed certain features of the bill, but we voted for it generally because we were in favor of keeping out of all foreign wars.

I repeat that is the law today, but the law has not been enforced by the President of the United States. The law reads that it shall go into effect whenever a state of war exists. There is not a thinking man or woman in the Congress of the United States, no matter what his partisanship may be, that does not know that a state of war exists in China. The neutrality laws did not say that a declaration of war must be made; it did not say that an old-fashioned war must exist; it merely stated that a state of war must exist before it is put into effect by the President. No one can deny these facts, and the President has deliberately refused to enforce an act passed almost unanimously by the Congress.

I am not here to defend the law, I merely rise to state the facts: That the law has not been tried out and that the President's duty under the Constitution is to enforce the law as it stands. He has a perfect right to recommend its repeal if he wants to, to recommend that it be changed or amended; but, in accordance with his oath of office, he must enforce the law. He has deliberately refused to enforce the law. How do we know, therefore, whether it is a good or a bad law when he has ignored the will of the Congress, deliberately repudiated an act of the Congress, and refused to comply with the mandate of the Constitution to enforce the acts of the Congress and the law of the land?

So now we find that we are called upon to repeal a law that has never been carried out. If Japan has gotten any war material, any airplanes, arms, ammunition, or implements of war, it is not due to the Congress of the United States, not due to the Democrats who voted for this bill and initiated it, not due to the Republicans who supported it practically as a body; it is due to one man, it is due to the President of the United States, who refused to comply with the law. No one else is to blame in the Congress or outside of

the Congress, either here in this House or the Senate, or among the American people. These are facts and therefore undeniable. You can, if you want, give reasons and try to defend the President for not enforcing the law; you can say that enforcement of the law might favor Japan as against China. As a matter of fact it would have favored China to enforce the law, it would have been against the interests of Japan to put the law into effect, because Japan can buy everything she wants, and China has no harbors, has little wealth, has no ships, and can buy nothing. I submit, therefore, that it would have been against the interests of Japan if the law had been put into effect.

Mr. COFFEE of Washington. Mr. Chairman, will the gentleman yield?

Mr. FISH. I do not want to go into this issue in detail. I have asked for a limited time to speak this afternoon. I propose to discuss it in detail probably next week, when I shall ask for extended time. The only reason I am bringing it up now is because it has been thrust upon us overnight by the action of certain Senators. I yield to the gentleman from Washington.

Mr. COFFEE of Washington. Had the President invoked the neutrality law in the Sino-Japanese situation, would not Japan have been favored? She has the ships, she has the money, she could buy and transport the war materials, whereas China has no ships, no cash, and could not come under the cash-and-carry provisions of the Neutrality Act. It would not have favored China, would it?

Mr. FISH. When the law is not applied, Japan can come over here and buy anything. If the law were applied, it would apply equally against both belligerents and Japan could not at any time have come over and bought any arms, ammunition, or implements of war.

Mr. COFFEE of Washington. She could have bought raw materials.

Mr. FISH. She could have bought raw materials, and she is buying raw materials now. I am speaking about arms, ammunition, and implements of war. The law has not been invoked. Japan has come over and bought not only raw materials but has sent her own ships over to buy and carry away arms and implements of warfare. Congress has been criticized all over this land for permitting these arms, ammunition, and implements of war to be shipped to Japan.

Mr. CULKIN. Mr. Chairman, will the gentleman yield? Mr. FISH. I yield.

Mr. CULKIN. Does the gentleman believe if the present neutrality law is repealed and the President is given complete discretion as it is reported he would be given under the legislation proposed by Senator Lewis, that we would be able to keep out of war for more than 6 months?

Mr. FISH. If the gentleman asks me my opinion; and, of course, I cannot speak for anyone else, but in my opinion, if Congress gave any such power to the President, we would be in war within 6 months' time.

Mr. CULKIN. And the gentleman bases that statement on the inflammatory statements of the President and various members of his Cabinet.

Mr. FISH. On his own repeated statements and on speeches of his Cabinet officers which have been highly provocative for the last year or more.

Mr. WHITE of Idaho. Mr. Chairman, will the gentleman yield for a question?

Mr. FISH. Certainly; for a short question.

Mr. WHITE of Idaho. Does the gentleman think any nation is going to be rash enough to attack the United States after the experiences of the last World War?

Mr. FISH. I agree with the gentleman 100 percent; no nation in the world has the faintest conception of attacking the United States. What I am fearful of is that we will attack some other nation.

Mr. WHITE of Idaho. It takes two nations to make a

Mr. FISH. Not if we give this power to the President. He can make war and we will have little or nothing to say about it in the Congress of the United States. I propose to talk next week about the danger of giving these powers to the President.

Mr. RICH. Will the gentleman yield?

Mr. FISH. I yield to the gentleman from Pennsylvania. Mr. RICH. Does the gentleman believe the reason Japan never declared war on China was because of the fact they were afraid we might stop the shipment of arms, ammunition, and the commodities necessary for the purpose of waging war to them?

Mr. FISH. That is not only true so far as the United States is concerned, but the other nations would be involved also. She does not buy from us only. She has very definite reasons for not declaring war. She is also a signatory to the Kellogg Pact and pretends this is not a war when every thinking man knows a state of war exists over there without a declaration of war. That is why we put those words in the neutrality bill.

Mr. WHITE of Idaho. Will the gentleman yield? Mr. FISH. I yield to the gentleman from Idaho.

Mr. WHITE of Idaho. Under a formal declaration of war by Japan on China it would automatically bring into operation our neutrality laws and shut off the shipment of sup-

plies from this country?

Mr. FISH. We did not mention a declaration of war in the neutrality bill. We used the words "a state of war." A declaration of war is not necessary for the President to enforce the law. I am talking about the law as it exists and which he does not enforce. There is no reason why he should not enforce the law, and even if it is made stronger by an actual declaration of war, there is no assurance that he would enforce it.

Mr. WHITE of Idaho. If they declared war it would

automatically bring into evidence a state of war.

Mr. FISH. It would be further proof, but you do not need that proof. There is not a single person in the world who does not acknowledge that a state of war exists over there in China today.

Mr. WHITE of Idaho. I am in agreement with the gen-

Mr. FISH. Regardless of our sympathies for China or anyone else. I am saying that the President has deliberately refused to enforce the law and I will go further and say that if President Hoover had ignored the will of Congress in a like manner he would have been impeached immediately.

Mr. Chairman, I want to read into the RECORD a statement I gave to the press a few days ago, so that it will be in the Congressional Record. It is very brief and gives my views and I think the views of the Republican Party on foreign policies. It is in answer to a letter by former Secretary of State Henry L. Stimson, who has been repeatedly bombarding the press with lengthy letters upholding the foreign policies of the Roosevelt administration. Everyone of these policies enunciated by Mr. Stimson have been repudiated by Herbert Hoover. I do not believe there is a single Republican in either the House of Representatives or the Senate who favors the views expressed by the former Secretary of State, Mr. Henry L. Stimson. I have never heard of any Republican in Congress expressing approval of such policies.

Mr. CULKIN. Will the gentleman yield?

Mr. FISH. I yield to the gentleman from New York.

Mr. CULKIN. Is that the same Stimson who nearly got us into war in 1932? The only reason he did not get us into war at that time was because England refused to participate.

Mr. FISH. It is precisely the same individual. Mr. CULKIN. He is still up to his old tricks?

Mr. FISH. He has not changed one iota. He is the same person who, as Secretary of State under a Republican administration, came before the Committee on Foreign Affairs of the House of Representatives and asked for identically the same powers that the President is now asking for-the right to determine the aggressor nation, an unneutral act, a cause for war, which would lead us into war under international law if used against any first-class power. The Republican Members voted unanimously not to give this power to Secretary of State Stimson or to the President, whether he be a Republican or a Democrat. My opposition is the same today as it was then.

Mr. Stimson is in accord with the present administration on its collective security and interventionist policies. He was likewise for the League of Nations. He is for determining the aggressor nations. He is for economic sanctions, and he is for policing and quarantining the world with American blood and treasure, and openly advocates that we enter into a naval alliance with France and Great Britain. I am delighted he has spoken, because he has exposed the Roosevelt foreign policies so that the American people will know exactly what they are. The Roosevelt administration has not had the nerve to tell the people what its foreign policies were up to now. Let us strip the veil off all the mystery and secret diplomacy.

[Here the gavel fell.]

Mr. RICH. Mr. Chairman, I yield the gentleman 5 additional minutes.

Mr. FISH. Mr. Chairman, this is the statement I want to put in the RECORD so that "he who runs may read." It is not an attack on Mr. Stimson, but merely on his views on foreign policies, which are opposed in practically every respect to the Republican national platform of 1936 and the attitude of the Republican Members of Congress. I do not in any way question his right as an individual to make known his views.

Henry L. Stimson, former Secretary of State in the Hoover administration, has again been bombarding the press with letters in support of internationalism, aggressor-nation powers, and economic sanctions, and in favor of joint naval measures with France and Great Britain.

Mr. Stimson has a perfect right as an American citizen to express his views and to support President Roosevelt in affirmative action against the totalitarian nations. I am glad Mr. Stimson has stripped the Roosevelt policies of their secrecy and mystery and stated exactly what they mean: Collective security, military alliances, secret diplomacy, and war commitments without the consent of the Congress or the American people.

Mr. Stimson does not represent the Republican Party. which is definitely opposed to all entangling alliances, intervention, and interference in European feuds and conflicts. Every suggestion made by Mr. Stimson has been repudiated by former President Hoover in his recent speeches on the administration's foreign policies, and I doubt if there is a single Republican in either the House of Representatives or the Senate who favors the Stimson doctrine of having our armed forces police the world and again fight to make the world safe for democracy.

If the United States puts a chip on its shoulder and goes looking for war, we are sure to be accommodated by one or more of the totalitarian states. [Applause.]

Mr. Chairman, I have just received a most important telegram which is of vital interest to Members on both sides of the aisle before making a determination whether we should scrap our traditional foreign policy as laid down by Washington, of neutrality, nonintervention, peace, and no entangling alliances, or, on the other had, follow the New Deal into collective security, aggressor nation powers, economic sanctions, and policing and quarantining the world. In the last analysis the people of America must determine this issue. This important and interesting telegram I submit to you for your edification, and it reads as follows:

HARTFORD, CONN., March 8, 1939. Hon. HAMILTON FISH,

House of Representatives, Washington, D. C.:
Just learned that imaginary torpedo from "enemy" submarine
recently sank cruiser Houston with President Roosevelt aboard. recently sank cruiser Houston with President Roosevelt aboard. Suspect the yellow peril, Orson Welles, Kaiser Wilhelm, Walter Millis, Count Ciano, Senator Nye, Hermann Goering, or the anonymous author of Great Britain's Europe in December Fortune. You may be able to suppress this as you have the facts about the martian attack in New Jersey, but these perils to democracy will out and crush your opposition to the administration's foreign policy. Am suggesting to White House a secret conclave, including Dorothy Thompson, Ambassador Bullitt, and the ghost of Colonel House, together with adequate British representation.

FREDERICK R. BRIGGS.

Mr. Chairman, may I say I have no objection to a reconsideration of the neutrality bill? It is far from perfect. There is no reason in the world why the Foreign Affairs Committee of the House and the Foreign Relations Committee of the Senate should not write an effective, comprehensive, and workable neutrality bill. I certainly will not put anything in the way of this as a member of the Foreign Affairs Committee of the House; but when it comes to giving the President of the United States the power to involve us in a war without the consent of the Congress of the United States and the American people, that is an entirely different proposition.

I imagine it will be again proposed that the Congress surrender its power to declare war and turn over to the President the power to lay economic sanctions and to determine the aggressor nation. If we do that, the reorganization bill we were considering yesterday will be as nothing and utterly harmless compared to the surrender and abdication of the powers of the Congress and its constitutional power to declare war, if we follow the advice of the internationalists and interventionists in Congress. That is all it amounts to; nothing more nor nothing less. If we give up any more of these warmaking powers to the President to involve us in foreign wars, to enter into collective security agreements or commitments for concerted action or military or naval alliances, the Congress will be surrendering our right to declare war. We will then be aiding and abetting the President of the United States by making it possible for him to take this country into war in the next 6 months, which would be the logical result of his vitriolic attacks on other nations and their forms of government. [Applause.]

[Here the gavel fell.]

Mr. JOHNSON of Oklahoma. Mr. Chairman, I yield 5 minutes to the gentleman from Massachusetts [Mr. McCor-Mack].

Mr. McCORMACK. Mr. Chairman, it is rather an unusual situation when a Democrat in this House feels constrained to rise and, with reference to a former Secretary of State under former President Hoover, to defend him as a great American citizen. I do not always agree with him, but I respect him. I can disagree with a person and still respect him. In my capacity, not as a Democratic Member of this House but as a Member of the House and as an American citizen, I rise to express my feelings—and I feel that my views will be the views of the great majority of the American people—at the attempt to indirectly read out of his own party the former Secretary of State, the Honorable Henry L. Stimson. If ever I heard a man's views misinterpreted, it has been those expressed by former Secretary Stimson in the statements he made recently, and to which the gentleman from New York referred.

I read the letter of former Secretary Stimson. I did not see one word in it that showed an indication of a departure on his part from the traditional American policy of no entangling alliances. The mere fact that the former Secretary of State supports President Roosevelt is no justification for undertaking to interpret his position and his letter in support thereof in an erroneous manner. Secretary Stimson came out in support of the present foreign policy of President Roosevelt. In that same letter he disagreed with the domestic policies of President Roosevelt, and a fair comment on his letter would have incorporated that fact. Is it a crime for a former Secretary of State, although he is a Republican, and, above all, an American, to agree with the President of the United States on his foreign policy simply because the President's party affiliation is that of a Democrat? Is the gentleman from New York disturbed because the former Secretary of State, who occupied that position under a Republican administration, supports the present President of the United States in his foreign policy? That is the only justification, because a casual, but surely a careful, reading of the letter of former Secretary Stimson would show that he never took the position stated by the gentleman from New York on the floor only a few moments ago on the question of entangling alliances.

Mr. FISH. What position is that?

Mr. McCORMACK. That he is in favor of entangling alliances—that he is in favor of such concerted action as would bring about entangling alliances. That was in substance the statement the gentleman from New York made only a few moments ago.

Mr. FISH. Has the gentleman read his letter?

Mr. McCORMACK. Read it? Of course I read his letter. Mr. FISH. He said he favored having our Navy join with the Navies of France and Great Britain to protect the democracies. What does the gentleman call that?

Mr. McCORMACK. That is not the interpretation.

Mr. FISH. Those are the words he used, and the gentleman can interpret them in any way he pleases.

Mr. McCORMACK. I interpret what he said in the light of the man's service as Secretary of State—a man who while in office always followed the traditional policy of our country of no entangling alliances.

The purpose of the gentleman from New York is very apparent. It is political. An attempt is now being made to try to place the President of the United States in a false light and in a false position in the minds of the American people. An attempt was made to try to create the impression subtly, but erroneously, that the President of the United States is undertaking to enter the United States into entangling alliances.

Mr. CULKIN. Mr. Chairman, will the gentleman yield? Mr. McCORMACK. When I have completed my statement I will yield.

That rumor went around the country, the newspapers picked it up in good faith, and the President of the United States had to term the rumor "a deliberate lie." Later, not content with that, the propagandists, those who go to any extreme to destroy the President, circulated a rumor that some instrument of national defense had been sold to the French Government, and the President had to term that as a "fake" rumor.

[Here the gavel fell.]

Mr. JOHNSON of Oklahoma. Mr. Chairman, I yield 2 additional minutes to the gentleman from Massachusetts.

Mr. CULKIN. Mr. Chairman, will the gentleman yield?

Mr. McCORMACK. For a brief question.

Mr. CULKIN. The gentleman endorses Secretary Stimson heartily and completely?

Mr. McCORMACK. I defend Secretary Stimson against such an attack that his letter favored entangling alliances, since he is unable to defend himself on the floor of the House. I endorse no person's views, completely. I do not agree with him on all matters.

Mr. CULKIN. Will the gentleman permit a question?

Mr. McCORMACK. Does the gentleman object to my undertaking? Does the gentleman resent my defending a great Republican?

Mr. CULKIN. I do not regard him as a great Republican. Mr. McCORMACK. Ah! Well, I am glad to hear it. I wonder how the Republicans of the country are going to feel when they hear and read that on the floor of Congress Republican Members of Congress have made the statement they do not regard former Secretary of State Henry L. Stimson as a great Republican. The gentleman is getting himself in deeper and deeper.

Mr. CULKIN. Oh, no. That was my statement, and I do not qualify it.

Does the gentleman follow Stimson into the lifting of the Spanish embargo? He advocated that.

Mr. McCORMACK. The gentleman knows my position.

Mr. CULKIN. Answer my question.

Mr. McCORMACK. Wait a while, and I will answer it in my own way.

Mr. CULKIN. Oh, do not evade.

Mr. McCORMACK. I am not an evader. I do not want to accuse the gentleman from New York of being an evader.

Mr. CULKIN. I am watching the gentleman closely.

Mr. CULKIN. I am watching the gentleman closely.
Mr. McCORMACK. The gentleman can watch as closely as he wants to.

Mr. SCHAFER of Wisconsin and Mr. FISH rose.

Mr. McCORMACK. Wait a while.

I can disagree with a man and at the same time entertain the strongest feeling of respect for him. I disagree with former Secretary of State in that respect. I have opposed the lifting of the embargo on that question. My position is well known. The gentleman from New York [Mr. Culkin], as I remember, and I agree on this question.

Mr. FISH. Mr. Chairman, will the gentleman yield? Mr. McCORMACK. I only have 30 seconds more. Certainly the position of President Roosevelt is well known on this great question. He, like myself and the gentlemen from New York [Mr. Culkin and Mr. Fish], stands for adequate national defense, for a militant preservation of our rights, but under no conditions for entangling alliances with any other nations. [Applause.]

[Here the gavel fell.]

Mr. RICH. Mr. Chairman, I yield 5 minutes to the gentleman from New York [Mr. CULKIN].

Mr. CULKIN. Mr. Chairman, this heated, perfervid, and rather rigorous discussion of the gentleman from Massachu-

setts requires some reply from me.

A distinguished former Secretary of State, if I may characterize him as that, although I disagree fundamentally and completely with all of his foreign policies, in 1932 led this country to the verge of war. Mr. Stimson got out on the end of a limb. He officially declared war against Japan, and got out on the end of a limb thinking that England would follow him. England very deftly sawed off the limb and the distinguished former Secretary of State fell awkwardly to the ground. Now he is playing the identical role and giving the same performance that he did in those days. The former Secretary of State believes that we have the duty of carrying out England's policies in China. I insist that is not the function of America any more than it was the function of America to lift the embargo in Spain. I did not clearly understand the answer to the question I asked the distinguished gentleman from Massachusetts.

Mr. SCHAFER of Wisconsin. Mr. Chairman, will the gen-

tleman yield?

Mr. CULKIN. I yield.

Mr. SCHAFER of Wisconsin. President Roosevelt is now enunciating the same foreign policy which he enunciated in 1920, when he ran for Vice President on the Democratic ticket and got a terrific beating.

Mr. CULKIN. Yes. That is history.

Mr. SCHAFER of Wisconsin. Do you not believe that almost all of the Republicans are happy that Mr. Stimson, a League of Nations advocate who is now a rubber-stamp follower of the Roosevelt international policies, has left our party and affiliated himself with the New Deal, as has Mr.

Mr. CULKIN. I agree with the gentleman. The fact is the American people have three times repudiated this program. They repudiated it in 1916 in the second election of Wilson, when he was elected on the platform "He kept us out of war." They repudiated it in the next election in 1920 and in the Presidential election of 1924. I will say to the gentleman from Massachusetts that if he leads his party or permits Stimson to lead his party into this international debacle, the Democratic Party will not carry a single State in the Union in 1940. [Applause.] This for the reason that the people of the United States-not Stimson; perhaps not the distinguished gentleman in the White House; but the people of the United States-are universally opposed to shedding any American blood in a foreign war either in the Pacific or in Europe. [Applause.]

Mr. GEYER of California. Mr. Chairman, will the gen-

tleman yield?

Mr. CULKIN. I yield.

Mr. GEYER of California. Is it not true that the would-be President Landon made the statement that Secretary Stimson was only following the dictates of Mr. Hoover when he got out on a limb and fell into the Japanese Sea?

Mr. CULKIN. I do not believe that statement is historically correct, and I mean to be polite about it, too. [Laughter.] The fact is there is a small school of American statesmanship that believes America should get into the war in the Far East and pull Great Britain's chestnuts out of the fire. Mr. Stimson is an ardent Anglophile and belongs to that school.

Mr. GEYER of California. Is that the answer to my ques-

Mr. CULKIN. The answer to the question is that that was the procedure then, and that is the procedure now which the gentleman from Massachusetts now endorses, and which the gentleman from California seems to endorse.

Mr. COFFEE of Washington. Mr. Chairman, will the gen-

tleman yield?

Mr. CULKIN. I yield to the gentleman from Washington. Mr. COFFEE of Washington. The statement was made in reply to the gentleman from Massachusetts that if the United States were inclined to follow the foreign policy advocated by former Secretary Stimson, the Democratic Party would not carry a single State of the Union. Is that correct?

Mr. CULKIN. Of course I said that; and if the gentleman vere here he must have heard me. Of course, I stand by

that statement.

Mr. COFFEE of Washington. I just want to say that the Gallup poll disagrees with the gentleman, because it found that 69 percent of the American people agree with the view of former Secretary of State Stimson.

[Here the gavel fell.]

Mr. RICH. Mr. Chairman, I yield the gentleman 2 additional minutes.

Mr. FISH. Mr. Chairman, will the gentleman yield?

Mr. CULKIN. I yield.

Mr. FISH. Does the gentleman know whether the gentleman from Massachusetts [Mr. McCormack], who has recently spoken, also agrees with former Secretary Stimson in advocating a League of Nations?

Mr. CULKIN. I assume he goes that far, although, of course, I have no right to commit the distinguished gentleman. The League of Nations has been deader than a doornail for 10 years. Mr. Stimson thinks he can bring it back

May I say to the gentleman from Washington [Mr. Coffee] that I hope the Democratic Party, fond as I am of all its membership-I hope they will not rely too greatly on some phases of the synthetic Gallup poll. [Laughter.] I think they had better be bolstered by some other measure of public opinion and, incidentally-

Mr. POAGE. The Literary Digest?

Mr. CULKIN. No; I will waive the Literary Digest, but I will put the Gallup poll in the same category as the Literary Digest in some phases of its determinations. I do not question the good faith and ability of the gentleman who conducts this poll, but I think he is covering too wide a range of public opinion to be at the same time exact in all his conclusions.

I hope the gentleman from Massachusetts [Mr. McCon-MACK] will not follow the former distinguished Secretary of State, that ardent Anglophile, who apparently desires to involve us in war not only in the Far East but in Europe.

The House knows that the very able gentleman from Massachusetts is too resolute an American to stray so far afield from the true destiny of America.

Mr. McCORMACK. Mr. Chairman will the gentleman yield?

Mr. CULKIN. Yes.

Mr. McCORMACK. Do I understand the gentleman to say that former Secretary Stimson stands for entangling alliances with other nations? Is that the gentleman's viewpoint on that particular question?

Mr. CULKIN. The gentleman reads the newspapers, and he knows that. Go back and read what occurred in 1932.

Mr. McCORMACK. Does the gentleman say that former Secretary Stimson is in favor of entangling alliances with other nations? Is that the gentleman's interpretation of his

Mr. CULKIN. If the gentleman knows-

Mr. McCORMACK. Oh, that is an easy question-yes

Mr. CULKIN. Oh, the gentleman has not got me in police court under cross-examination. I am trying to be courteous to the gentleman.

Mr. McCORMACK. Oh, the gentleman always tries to be

Mr. CULKIN. It is painful, but I am doing the best I can. Mr. McCORMACK. Is the gentleman in his own way reading former Secretary Stimson out of the Republican Party?

Mr. CULKIN. I am in some of his absurd and non-Republican views.

Mr. McCORMACK. And retaining him in others?

Mr. CULKIN. Possibly.

The CHAIRMAN. The time of the gentleman from New York has expired.

Mr. JOHNSON of Oklahoma. Mr. Chairman, I yield 10 minutes to the gentleman from New York [Mr. DICKSTEIN]. Mr. DICKSTEIN. Mr. Chairman, I ask unanimous consent to extend my remarks in the RECORD.

The CHAIRMAN. Is there objection?

There was no objection.

Mr. DICKSTEIN. Mr. Chairman, on March 2 the gentleman from Wisconsin [Mr. Keefe] saw fit to launch an attack against my distinguished colleague from Colorado [Mr. MARTIN], who, in my opinion, is one of the finest Members of the House, an able gentleman whom we all respect. In that attack he also included me, accusing both of us as being flag wavers and being insincere in our denunciation of un-Americanism, because, as he claimed, we attacked the Nazis but did not see fit to attack the Communists. Unfortunately I was not on the floor at that time. He spoke, perhaps, in the late hours of the afternoon, with about 20 Members on the floor, and the RECORD states there was a lot of applause. was hoping to get the original script, but I did not have the Whether there was applause or not does not concern me, but it seems to me in all fairness to a Member of Congress, particularly to a person who has served in this House for 16 or 18 years, that he would have told me beforehand, "We are going to say something about you." At least I tried to get my colleague, Mr. KEEFE, here this afternoon. I do not know where he is, but I notified his office.

Mr. SCHAFER of Wisconsin. The gentleman from Wisconsin [Mr. Keefe] is unavoidably absent. He had to return

home on account of a serious illness in his family.

Mr. DICKSTEIN. I am sorry. Mr. Chairman, the portion of the speech of the gentleman from Wisconsin [Mr. KEEFE] which I wish to call to the attention of the House will be found in my remarks, because I do not want to take the time now to read it to you.

[Excerpt of Mr. Keefe's speech from Congressional Record of March 2, p. 2186]

Mr. Chairman, there stood upon the floor of this House last Mr. Chairman, there stood upon the noor of this House last week two gentlemen, the distinguished gentleman from Colorado and the distinguished gentleman from New York [Mr. Dickstein]. Both of these gentlemen worked themselves up into a frenzy, waved the flag, and proclaimed their patriotism in denouncing a meeting held at Madison Square Garden attended by some 20,000 citizens of America under the designation of the bund. These gentlemen denounced in no uncertain terms the activities of that organization of the themselves made at the meeting. tion and the speeches made at that meeting.

I hold in my hand one of numerous newspaper clippings reporting a meeting held in that same auditorium, Madison Square Garden, last Monday night, which was attended by 20,000 Communists, called for the purpose of celebrating the twentieth anniversary of the Communist Party in America.

Despite the fact that this meeting was given the same publicity

by the newspapers of this country as the bund meeting held a couple of weeks ago, I heard nothing but silence from these liberal leftists over on the Democratic side, who take the opportunity whenever it is presented to take a crack at every other organization except the Communist Party.

Mr. Chairman, I am wondering, and I have wondered since last Monday, what has become of the gentleman from New York [Mr. Dickstein], who stated that he stood on the outside of the bund meeting, among his comrades, and saw this terrible disgrace to America taking place?

He has not been here denouncing this Communist meeting held in New York, neither has there been a word from any other liberal, so-called, denouncing this meeting of Communists in New York. I wish to say to you I think it is high time that these gentlemen not only denounce the meeting of the bund but, if they are sincere in their protestations of patriotic impulses, they ought to stand here on the floor and in the same language denounce the activities

of the Communist Party, which is the major party of destruction in America. [Applause.]

I never heard of the German bund in America until the Communist Party of America began to destroy the institutions we love. It seems to be a matter of recorded history, as stated by responsible people in this country of ours, that the Nazi Party in Germany was a natural protest against the constant invasion of communistic Russia and its doctrine into the rest of the world. Let me say to you it is my humble opinion that once we are able to stamp out and stem this growing tide of communistic propaganda that is evidenced on all sides there will be a continuous growth of resistance to that form of propaganda and we will be having transferred to the internal affairs of this Government of ours the very battles that are being fought over there in Europe. that are being fought over there in Europe.

He also referred in his speech to "these liberal leftists on the Democratic side," and that no one on this side of the aisle has attacked communism. He particularly points me out and says that while I always knock nazi-ism and fascism, I do not attack communism. Mr. Chairman, I might say for the benefit of the gentleman from Wisconsin that I have attacked communism when he was still a young man at school, and I believe him to be a man about 40 years or over. I attacked communism when I was a boy in my own community because I did not like communism. I have attacked communism when my colleague [Mr. KEEFE] never dreamed that he would be a Member of this distinguished body. If the gentleman, in all fairness and decency, had examined the Congressional Record in the last 5 years, I am sure that he would have found in every speech I made that I attacked "isms" in all forms as a menace to the American form of government. I can only refer the gentleman to some of my speeches appearing in the Congressional Records of July 27, 1937, August 3, 1937, November 23, 1937, December 21, 1937, February 18, 1938, March 19, 1938, April 21, 1938, April 27, 1938, May 17, 1938, May 28, 1938, June 2, 1938, January 25, 1939, February 24, 1939.

If the gentleman would have taken the trouble, he would have found that I was responsible for creating the Committee on Un-American Activities, of which that great American, Hon. John McCormack, was chairman. I had the honor to be vice chairman. He would also have found that Mr. Mc-CORMACK, I, and the other five members of the committee signed a report condemning communism, fascism, and all other "isms" in this country. I do not think that such a biased attack upon me and other Members of this House should go unanswered. He seems to imply that I am in comradeship with Communists. If the gentleman had taken the trouble to check up, he would know that a few years ago the very Communists who, he says, are my comrades were boycotting my home because I was anticommunistic.

For months they boycotted my home. If the gentleman from Wisconsin had taken the trouble, he would have also found out that in all of my talks on this floor I asked you gentlemen to create a committee on un-American activities, the last one, which is the Dies committee, he would know that I was the sole person on the floor who pleaded with this Congress and the American people to make that thorough study and investigation of all "isms." The gentleman from Wisconsin spoke, as I quote him directly from his speech, that he never heard of the Nazi bund in the United States, and that he only heard of the Nazi bund a short while ago when the Communists attacked the Nazis.

Now, if the gentleman from Wisconsin is very much interested in the Nazi bund, I will tell him where he can find at least three or four Nazi bunds within the reach of his own district. I can tell him also of a Nazi camp in his city. I can also tell him of the activities, of which he should know, coming from Wisconsin. When he makes the statement that he did not know about the Nazi bund, I do not think the gentleman has given very careful study to the question.

Mr. SCHAFER of Wisconsin. Will the gentleman yield? Mr. DICKSTEIN. I yield.

Mr. SCHAFER of Wisconsin. When you tell him of the Nazi camp in his district I hope the gentleman will be more accurate than the misrepresentation he made with reference to Nazi camps in Milwaukee. To read the gentleman's speeches in the RECORD, one would think that Hitler had about seven divisions there in a Boy Scout camp.

Mr. DICKSTEIN. Now, without going into any vindictiveness or sad and sour remarks, and with all due respects to my colleague from your State, I still say that what I have said in the RECORD is true. If the gentleman wants to take the trouble, we will establish a blue print for him so that he may go there and march with the soldiers in goose-step in that camp.

Mr. SCHAFER of Wisconsin. I know where that camp is. It is in my city. It is a small camp which is equivalent to a Y. M. C. A. camp, where a few children spend their vacations, the gentleman's allegations to the contrary notwithstanding. The gentleman had better go to Milwaukee and get his facts.

Mr. DICKSTEIN. Then the gentleman admits there is a camp in his district?

Mr. SCHAFER of Wisconsin. It is a bund, not a Nazi camp.

Mr. DICKSTEIN. It is a small, little Nazi camp.

Mr. SCHAFER of Wisconsin. No; it is not any kind of a Nazi camp.

Mr. DICKSTEIN. It is a small, little Nazi camp. Mr. SCHAFER of Wisconsin. No; it is not.

Mr. DICKSTEIN. What would the gentleman call that camp?

Mr. SCHAFER of Wisconsin. The members of the bund in Milwaukee are American citizens. They are not Nazis.

Mr. DICKSTEIN. No American citizen can claim to be a true American citizen if he wears a foreign uniform [applause] and carries a foreign flag. [Applause.]

Mr. SCHAFER of Wisconsin. They do not wear a Nazi

uniform and do not carry a Nazi flag.

Mr. DICKSTEIN. I tell you, ladies and gentlemen of this House, as I have told you a few years ago, there are over 100 of the so-called Nazi bunds, with a membership running into the thousands, the members of which under the guise of being Americans, are holding dual nationality. They are just holding their certificates of citizenship to either keep their jobs or for fear of being deported. I say, every one of them ought to be disposed of in some form or another, because this country has no room for any other uniforms than the American uniform of the American Army. [Ap-

It does not make any difference whether it is a small camp or a big camp, the menace is right there. If you want to go down to Camp Gregerstown, N. J., and other bund camps you will find they are taking American Yankee children between 4 and 12 years of age and teaching them the philosophy of hate and intolerance, teaching them everything against democracy and the United States, and for the benefit of the Hitler Government.

But I took the floor today to call your attention to another point.

The CHAIRMAN. The time of the gentleman from New York has expired.

Mr. JOHNSON of Oklahoma. Mr. Chairman, I yield the

gentleman from New York 2 additional minutes.

Mr. DICKSTEIN. If I am wrong I want to be corrected and I will apologize, but I do not think it is fair for any Member of this House to hit any other Member below the belt. It is unfair to stand on this floor and tell the American people that I am in sympathy with communism. I will show you definitely and positively that I have fought the Communists on the same ground as I have fought the bund, and hope to continue, while I am a Member of this House,

to do so. [Applause.]

I love my country and I want to keep it as our forefathers gave it to us. I say to all of you that all "isms" are a menace and that we ought to get rid of them. I hope the Dies committee will do a good job. I hope and trust that when I have the power in my committee to go into other alien details that I will do a good job, too. I assure you, ladies and gentlemen of this House, that I have never been in sympathy with communism or any other "isms," and that I have been responsible for the deportation of many of those un-Americans in this country who believe in "isms" subversive to our form of government.

Mr. RICH. Mr. Chairman, will the gentleman yield? Mr. DICKSTEIN. I vield.

Mr. RICH. In the work which the Dies committee is doing, trying to make these investigations, the gentleman and his committee have a great deal of information that would be very valuable, no doubt, in stamping out these "isms." Would it not be wise for you to present that to the Dies committee?

Mr. DICKSTEIN. If the gentleman has read my speech which I think I made on the 24th of last month, in a discussion between myself and my colleague [Mr. DEMPSEY], a member of the Dies committee, I have given Mr. DEMPSEY the assurance of cooperation if I can get some definite program and understanding. There is no question that I could give them some very valuable information. In addition thereto, I hope that this Congress will adopt the rule which was reported out a few days ago to give the Committee on Immigration and Naturalization an opportunity to go into the question of alien smuggling, dual nationality, and other things, to clean house in this country.

[Here the gavel fell.]

Mr. JOHNSON of Oklahoma. Mr. Chairman, I yield 1 additional minute to the gentleman from New York [Mr. Dick-STEIN].

Mr. McCORMACK. Mr. Chairman, will the gentleman vield?

Mr. DICKSTEIN. I yield.

Mr. McCORMACK. I think the inquiry of the gentleman from Pennsylvania is a very pertinent one. I want to assure the gentleman that, having been chairman of a similar committee 4 years ago, I shall be glad to cooperate. I have already offered my services.

I also want to call attention to the fact that the committee of which I was chairman and the gentleman from New York vice chairman—and I want to say that no finer American lives today than the gentleman from New York [Mr. Dick-STEIN] [applause]; he is pro-American; he is opposed to all "isms"—that committee recommended a bill which passed last year, the Registration Act, a very effective piece of legislation. We also recommended another bill that I am going to introduce in a few days, making it a crime for any person knowingly and willfully to advocate the overthrow of government by force and violence. I have introduced this bill in previous sessions, but we have never been able to get the bill up. It is a bill that should pass. No American should be opposed to a bill of that kind, and I hope this Congress will pass it. [Applause.]

[Here the gavel fell.]

Mr. JOHNSON of Oklahoma. Mr. Chairman, I yield 10 minutes to the gentleman from Texas [Mr. Kleberg].

Mr. KLEBERG. Mr. Chairman, on March 4 this Chamber rang with the celebration of the one hundred and fiftieth anniversary of this Congress under our present Constitution. I confess that on yesterday during the debate on the reorganization bill, in which I participated, and in line with the celebration on March 4 presented an amendment with all the devotion an American citizen anywhere could put behind an effort toward maintaining and keeping representative democracy safe, that I find myself today still confused and hurt and smarting for having had the attention of the Committee called to the fact that I used a truly American amendment as a dagger; and I ask the indulgence of the House on this occasion to hear a few words from one of the Doones-as I believe I was so referred to on yesterday.

Mr. WARREN. Mr. Chairman, will the gentleman yield? Mr. KLEBERG. I yield.

Mr. WARREN. I distinctly disavow that I placed the gentleman from Texas in with the Doones. I wish he would read that part again. But seriously, Mr. Chairman, if I in any way gave personal offense to the gentleman from Texas in my remarks yesterday, I wish to assure him that that was as far from my thought as it could possibly be. The gentleman from Texas is a man of great character, of high mind, and splendid ability. Since he first came here he has been one of my close personal friends, and he holds the respect and esteem of the entire House.

If he will further indulge me for a second, I do not propose to let the gentleman from Michigan [Mr. Hoffman] try to torture the words in the Record that I used in reference to the gentleman from New York [Mr. Taber]. Mr. Taber and I have likewise been good friends since I have been in the House and I have frequently paid tribute to his ability. The same applies to the gentleman from Massachusetts [Mr. Gifford]. The Associated Press referred to it as "goodnatured criticism." [Applause.]

Mr. KLEBERG. Mr. Chairman, I would be less than

Mr. KLEBERG. Mr. Chairman, I would be less than honest if I did not say that the statement by the gentleman from North Carolina comes to me as a real solace. I yield to no man in the affectionate regard which I hold for my friends, and I confess that my statement of hurt was a real and a true one, and I want to express my appreciation to my friend. [Applause.]

Mr. HAWKS. Mr. Chairman, will the gentleman yield?

Mr. KLEBERG. Briefly.

Mr. HAWKS. I just want to put in the RECORD here that perhaps the story of the Doones and the valley of the Doones used by the gentleman from North Carolina yesterday was probably a part of the dramatics employed to defeat the gentleman's amendment.

Mr. KLEBERG. I do not know about that. In any event,

I appreciate the gentleman's interest.

Mr. Chairman, my purpose in asking for this time this afternoon, which is short, is to lay before this Committee and to put in the Record for the attention of the Members of the House the importance of knowing something about the most serious pest which affects the cotton industry and cotton producers in North America.

In discussing the menace of the pink bollworm it will be impossible in the short time allotted to me to make an orderly statement leading to the absolutely essential conclusion to which rational minds must come. I think it proper to call attention to something of this peculiar pest's history. As a matter of fact it first was called to the attention of the Bureau of Entomology in the Department of Agriculture when its existence was discovered in North America in 1911 following an infestation which came into the Laguna area of Mexico in seeds brought from Egypt. At the same time the pink bollworm was introduced into Brazil.

At this very time of year, the spring, in the Cotton Belt the pink bollworm, in its adult form as a moth, is beginning to move around from the Laguna area in Mexico which produces the principal cotton supply of Mexico and where this moth is found. They are very weak little bugs and cannot propel themselves for any great distance laterally. Their migration is aided by the wind currents. They can, however, rise to unbelievable heights. The Bureau of Entomology through its investigations with nets hung between captive balloons have found these moths being carried by air currents 2,000 feet above the ground. The bollworm moth carried by air currents is drifted across into my State, into New Mexico, and Arizona.

The first attention to this character of infestation occurred in what is known as the Presidio area of Texas, up in Mr. Thomason's district. There for a 2-year period cotton production was stopped and the area that had been infested was cleaned thoroughly by the disposal of rubbish and the plowing under of the stacks. The feasibility and efficacy of this method was checked and found to result in complete eradication in an infested area in Georgia, but in the next crop planted in the Presidio area a small infestation was found.

Thereupon investigations were made, because the seeds which had come into the Presidio area had been carefully checked, and it was found that the way the moth came in was by these wind currents, showing that he may have traveled a distance of 600 miles.

Mr. Chairman, in North America the only places the pink bollworm is found today is in the State of Texas, in 36 counties, and in a small part of Arizona, New Mexico, and Florida, as well as in Mexico. In Texas, in the small area which you will note colored here, by reference to this map, including some 36 counties. The pink bollworm, however, is found in

a list of countries which produce cotton, and I cannot at this juncture read this list because it would take too long. If unanimous consent is obtained by the chairman of the subcommittee, I will include a list of the countries in which the pink bollworm is found, and which now grow cotton. This is an interesting list.

[Here the gavel fell.]

Mr. JOHNSON of Oklahoma. Mr. Chairman, I yield the gentleman 5 additional minutes.

The CHAIRMAN (Mr. Buck). The Chair may say that the gentleman will have to secure permission to include extraneous matter in the House.

Mr. KLEBERG. Mr. Chairman, I understand that. I make the statement that if the chairman of the Subcommittee on Appropriations gets unanimous consent that Members who speak in this debate may extend their remarks, the tables and material I shall refer to in the remaining few minutes will be inserted in the RECORD.

Mr. JOHNSON of Oklahoma. I may say to the gentleman that request will be made.

Mr. KLEBERG. Mr. Chairman, the pink bollworm is interesting to the people of the United States because he attacks the greatest single agent for the giving of employment in this country. You gentlemen will be interested in making an investigation into the part cotton plays in giving employment to people. Out of every 100 men gainfully employed by industry in the United States of America you will find that 40 out of each 100 are employed by industries which use cotton as an essential part of their manufactured product. This has no reference whatsoever to the enormous manpower employed in producing cotton, in harvesting cotton, or in ginning cotton before it goes into industry; so the production of North American cotton, Mr. Chairman, if you are interested in the unemployment situation, must certainly be a matter of primary interest to every thinking man within the sound of my voice.

One of the other interesting things is that the pink boll-worm may perchance prove, if we eradicate him here, to be the best friend not only to the cotton men in America but possibly to our country because of the fact that nowhere else where he is found—and he is found in every land which produces cotton—can he be as successfully coped with as he can be in this country and in Mexico, and here only with our assistance. The pink bollworm is responsible in the principal cotton areas that are competitors for the world market, such as Brazil, Egypt, and India, for a reduction in their cotton production of from 38 percent to 60 percent. In Brazil and in some other areas the reduction is from 30 to 66 percent.

Last fall, in an investigation of the fields in south Texas and Mexico, I personally investigated fields which would have produced, had the pink bollworm not touched them, in excess of one bale of cotton per acre. Those fields did not produce one single bale of cotton as a result of this infestation.

I have asked the Subcommittee on Agricultural Appropriations to look with favor on a requested increase in the appropriation for the eradication or the maintenance of sufficient control in the United States to prevent the spread of this bollworm to the main cotton areas of the United States, where he inevitably will go unless the steps that have been advocated are followed through.

In 1937 we noticed, following the first knowledge of an infestation in south Texas, a great spread of this bug, and despite the best efforts we could make in south Texas we found him still getting away. Time will not afford me the opportunity to go into detail as to just exactly the manner in which this money will be expended, but if the gentleman receives unanimous consent you will find in the extension of my remarks a discussion by the best qualified men in the Bureau of Entomology and statistical data showing the importance of this work to an extent I do not believe can be controverted by any person.

Mr. MURDOCK of Arizona. Will the gentleman yield?

Mr. KLEBERG. I yield to the gentleman from Arizona. Mr. MURDOCK of Arizona. Is there a budget in this bill

for the eradication of this pink bollworm?

Mr. KLEBERG. The Budget has agreed to an increased estimate, but this to be in the supply bill for agriculture. Mr. MURDOCK of Arizona. And the gentleman proposes

to ask for an increase over that?

Mr. KLEBERG. Yes. [Here the gavel fell.]

Mr. JOHNSON of Oklahoma. Mr. Chairman, I yield the gentleman 1 additional minute.

Mr. THOMASON. Mr. Chairman, will the gentleman

Mr. KLEBERG. I yield to the gentleman from Texas.

Mr. THOMASON. In view of the very forceful and unanswerable argument the gentleman is making, does he not believe the only way this menace can be met, inasmuch as it is almost a national problem, is by substantial Federal aid?

Mr. KLEBERG. Absolutely.

Mr. THOMASON. That is the only way we can ever hope to solve the problem?

Mr. KLEBERG. Yes.

Mr. Chairman, in conclusion I want to call attention to the fact that with the enormous cotton surplus we have in the United States there is a definite possibility of our being able to utilize this surplus to save the cotton industry of the United States by working out an agreement with Mexico along certain lines that will be apparent to any thinking person in order to eradicate that pest in Mexico, from where we must continue to become infested if this pest is left in that small area in Mexico.

[Here the gavel fell.]

Mr. RICH. Mr. Chairman, I yield the gentleman 1 additional minute.

Mr. KLEBERG. Mr. Chairman, that small area in Mexico infested by the pink boll worm produces on an average from 250,000 to 300,000 bales per annum.

Mr. RICH. Will the gentleman yield?

Mr. KLEBERG. I yield to the gentleman from Pennsyl-

Mr. RICH. Does the gentleman have any idea what it is going to cost to eradicate this evil?

Mr. KLEBERG. Yes; I think I can tell very accurately.

Mr. RICH. How much will it cost?

Mr. KLEBERG. If the work is carefully gone into in this country, and if we can succeed in our plans with Mexico, an appropriation of \$920,000, in excess of what is already authorized in the bill, will do the job.

Mr. RICH. The gentleman is a good financier and a very important Member of this House, and I should like to ask him, because I have asked everyone else, where are you going to get the money?

Mr. KLEBERG. I will answer that question for my good friend for all time. The minute you agree to permit the cotton farmer to make some money above costs you will find it a pretty easy job to get the money.

Mr. Chairman, in order to expedite this discussion it is necessary to call the attention of the membership to the fact that the pink bollworm (Pectinophora gossypiella Saunders) occurs, according to the Department of Agriculture, in countries listed under the following distribution:

North America: United States—Texas, New Mexico, Arizona, Florida (wild cotton); Mexico—Coahulia, Chihuahua, Durango, Tamaulipas; West Indies—Cuba (report of interception only), Haiti, Puerto Rico, Jamaica, Santo Domingo, Bahamas; Lesser Antilles—Virgin Islands, Antigua, Barbados, Nevis, Grenada, St. Lucia, St. Vincent, St. Kitts, Montserrat, Anguilla, Virgin Gorda; Trinidad Trinidad.

South America: Brazil—Pernambuco, Parahiba, Sao Paulo, Ceara;

Argentina; Paraguay; Venezuela; Colombia.

Europe: Greece; Italy (Sicily).

Australia: Queensland (Holdaway: Related species only), North-

Astaria: Queensiand (Hotdaway: Related species omy), Northern Territory, western Australia.

Asia: India—Punjab, Ceylon, Straits Settlements; Burma; Siam; French Indochina—Cambodia; China; Japan—Taiwan (Formosa), Chosen (Korea); Turkey (Mesopotamia)—Aden, Smyrna, Cilicia; Syria; Palestine; Island of Cyprus.

Oceanica: Dutch East Indies—Java; Philippine Islands; Hawaiian Islands; Fiji Islands; Samoa; New Calidonia; New Guinea; New Hebrides.

Africa: Egypt; Sudan; Algeria; Tripoli—Cyrenaica; Tunisia; Italian Somaliland; German East Africa—Tanganyika Territory,

Zanzibar; Portuguese East Africa—Mozambique; British East Africa; Kenya; Nyassaland; Nigeria—Lagos; Sierra Leone; Angola; Belgian Congo; Uganda.

It is important to note that no country outside of the United States, not even excepting Mexico, occupies a position, based on transportation facilities and literacy, comparable to the United States. This statement is made to illustrate the insurmountable difficulties confronting every cotton-producing country in this list with reference to compliance with an effective program for the eradication of the pink bollworm.

This program calls for, first, the plowing under of all stalks standing in fields and the elimination of all rubbish prior to approximately September 1 of each year, as well as the sterilization by heat treatment of all seeds in gins during the cotton season. You can readily understand, gentlemen, how difficult the consummation and effectuation of this program would be in countries such as China, India, Egypt, Brazil, and other Latin-American countries, including Mexico, in view of their lack of highways, together with educational attainments to be found among the farmers producing cotton.

For your information, the Texas delegation in the Congress appointed my good friends the Honorable Milton West and the Honorable George Mahon and myself as a committee to which was assigned the task of presenting the pink bollworm problem to the Subcommittee on Appropriations and to the Director of the Budget. These gentlemen, including myself, have undertaken to present this matter, after a detailed and exhaustive study, to the mentioned committee and to the Director of the Budget, and as chairman of this committee I am undertaking here and now to present the importance of this problem to the House of Representatives of the Congress of the United States.

With particular reference to the situation in Mexico, from which country we may properly expect continued reinfestation of this insect pest, this committee has already presented to the Secretary of Agriculture and the Secretary of State the importance of evolving a treaty between the United States and Mexico whereby the eradication of this pest may be consummated with the least possible delay. It is my opinion, as chairman of this committee, that worth-while consideration should be given to the idea of taking from our surplus cotton on hand a sufficient baleage each year by proper terms for the purpose of furnishing Mexico with a like amount of cotton to that produced in Mexico's infested areas in an effort to set up in our neighbor country, Mexico, a non-cotton-producing program in the area infested by the pink bollworm.

It is to the mutual interest of Mexico and the United States to give serious consideration to this proposal. The United States has every incentive to reduce our cotton surplus on hand. Mexico, like the United States, has every incentive to eradicate this destructive pest which bids fair to destroy the earning power of industry and agriculture if not intelligently and effectively curbed. The process of eradication is simple, and, in my candid and earnest opinion, requires the most serious attention, and should be undertaken with the least possible delay.

I refer you at this point to a memorandum prepared by Mr. Lee A. Strong at my request on the distribution of the pink bollworm, and the damage by this insect pest to the cotton industry:

PINK BOLLWORM DISTRIBUTION AND DAMAGE

The pink bollworm is generally accepted as the most injurious insect pest of cotton in most of the cotton-growing regions of the world. It first attracted attention as a serious cotton pest in 1904, when it was reported as causing great injury in German East Africa. The pink bollworm was apparently introduced into Egypt about 1906-7, and the first severely infested Egyptian field was found near Cairo in 1912. Since that time it has spread to practically every cotton-producing country of the world. Its habit of forming longcotton-producing country of the world. Its habit of forming long-cycle or hibernating larvae, which may live for more than 2 years within cottonseed, makes it particularly adaptable to spread, and accounts for its widespread distribution within such a short time. The known distribution includes Egypt and other countries in Africa; India, Ceylon, Burma, Siam, China, Japan, and other countries in Asia; the Philippine Islands; Australia; Hawaii; Brazil, Argentina, and other South American countries; the West Indies; Mexico and the Big Bend area of Texas. Its introduction into the Western Hemisphere is fairly definitely established with the introduction of Egyptian cottonseed into Brazil and Mexico in 1911.

In all of these regions it is the most serious cotton pest. Several of the larger cotton-growing countries, including China, India, Egypt, Russia, Argentine Republic, and Australia, have sent entomologists and others engaged in cotton investigations to this country to study our methods of pink bollworm research and control.

The pink bollworm feeds in the squares and bolls of cotton and reduces the quantity and quality of both lint and seed. Bolls are its preferred food, and the principal damage is caused by the worms feeding on the undeveloped fibers and seed. When small bolls are attacked they are completely destroyed, while the amount of damage to older bolls depends on the age of the bolls and the number of worms per boll. The lint in these bolls is cut and discolored, the interior of the seeds is eaten out, and in badly infested bolls the lint is short and kinky, the seed light, and with little oil. The pink bollworm affects not only the farmers but also the cotton spinners, oil crushers, and others by reduction in the quality of lint and seed.

lint is short and kinky, the seed light, and with little oil. The pink bollworm affects not only the farmers but also the cotton spinners, oil crushers, and others by reduction in the quality of lint and seed. Information on the losses caused by the pink bollworm in various countries leaves no doubt as to its seriousness as a cotton pest. King (Wellcome Tropical Research Laboratories Bull. 21, 1924) states that "of all the insect pests of cotton, that known as the pink bollworm is probably the most important." Bishara (Min. of Agric. Egypt, Tech. and Sci. Service Bull. 163, 1936) says: "It is now 20 years since the pink bollworm became the most serious pest of cotton in Egypt. The average losses are well over a million kantars of cotton in yield." (Equals 315,000.000 pounds seed cotton, or 210,000 bales.) Gough (Min. of Agric. Egypt, Tech. and Sci. Bull. 182, 1917) states that "it now occurs everywhere cotton is grown in Egypt; in the last week of October, 87 percent of the green bolls in lower Egypt, 78 percent in middle, and 60 percent in upper Egypt were attacked by it."

He estimated the loss in Egypt at 17 percent of the crop. Johnston (Well. Trop. Res. Lab. Bull. 26) estimated the infestation in the Sudan at 3.8 percent in 1927 and 24 percent in 1928. In the Laguna district of Mexico, Loftin (U. S. D. A. Bull. 918) estimated the loss in 1918–19 at 20 percent of the crop, and in 1920 at 38 or 39 percent. This was the worst pink bollworm year in Mexico to date. Ohlendorf (U. S. D. A. Bull. 1374) places the loss from 1921 to 1926 at 20 to 25 percent of the crop, and reports from Rude indicate that the average loss has been about 20 percent of the crop through 1936. Estimates by others than entomologists have usually placed the loss in Mexico at a higher figure. A commission, representing farm organizations, cotton associations, chambers of commerce, etc., of Texas, visited the Laguna in 1920 and estimated the crop loss for that year at 50 percent. Schutz and Haskell, of the Bureau of farm organizations, cotton associations, chambers of commerce, etc., of Texas, visited the Laguna in 1920 and estimated the crop loss for that year at 50 percent. Schutz and Haskell, of the Bureau of Agricultural Economics, estimated the losses for 1915–21 at 23.49 percent. In Brazil the Minister of Agriculture placed the loss in 1917 at from 30 to 66 percent of the crop in different States. We were informed by the Governor of the State of Chaco that the pink bollworm now occurs in all the cotton areas of Argentina and

bollworm now occurs in all the cotton areas of Argentina and causes serious loss.

Puerto Rico was formerly the largest producer of Sea Island cotton in the world with 20,000 acres planted in 1931. Leonard (Jour. P. R. Dept. Agric., vol. 16, No. 1) estimated the loss in yield to be at least 15 to 20 percent and probably more in 1931. Largely because of this damage no cotton was planted for several years; and. when resumed, Fife (Agric. Notes, P. R. Exp. Sta., No. 81) estimated 30 percent of the crop destroyed in 1936. The cotton industry in Hawaii and the Virgin Islands has been discontinued largely because of the pink bollworm damage, and has been greatly curtailed in all of the West Indies. Of the 161 insect pests of cotton in China, Li (Ent. and Phytopath, vol. 5, No. 1, 1937) estimates that the pink bollworm causes 50 percent of all insect losses, or \$30,000,000 a year.

000 a year.

the pink bollworm causes 50 percent of all insect losses, or \$30,000,000 a year.

Cotton is a hot-weather crop and requires a frost-free period of 200 days and average summer temperatures of about 74° F. for successful commercial production. Apparently the pink bollworm can survive in practically any climate where cotton can be grown. The only area in the United States where the pink bollworm has become sufficiently abundant to cause commercial damage is the Big Bend region of Texas, where the losses have been 15 to 20 percent of the crop in recent years. Low temperatures and heavy rainfall during the winter increase pink bollworm mortality. Very high summer temperatures also seem to reduce the pink bollworm population. Nevertheless, serious losses are caused in regions with extreme climatic conditions. At Tiahualilo Dgo., Mexico, where the pink bollworm has been established longer and causes more damage than anywhere else in North America, the minimum temperatures from 1918 to 1933 ranged between 16° and 26° F., and the maximum from 100° to 114° F., but during 10 of these 16 years did not exceed 102° F. In the Big Bend of Texas the extremes are somewhat greater than in the Laguna district of Mexico, ranging during recent years from 8° to 116° F. At Cairo, Egypt, the minimum temperature is about 25° F., but the maximum reaches 120° F., with several months averaging above 100° F. The pink bollworm causes serious damage in northern China in one of the most northerly cotton-growing regions of the world, where temperatures are low, although the rainfall is light. The rainfall in unirrigated regions, where the pink bollworm occurs, varies from the minimum requirements for cotton production from 80 to 100 inches per year in the Tropics. These extremes of climatic conditions in the regions where the pink bollworm occurs are greater than in any of the cotton-producing areas of the United States.

As to what damage the pink bollworm would cause if introduced ing areas of the United States

As to what damage the pink bollworm would cause if introduced into different cotton sections of the United States it is impossible to say. The United States is in a unique position among the cotton-growing countries in its relation to the pink bollworm. Ever since the first discovery of this insect in continental United

States each new infestation discovered has received prompt and vigorous attention, and a continuous fight has been waged to hold it in check and prevent its spread. In other countries the pest was generally distributed before its presence was known by the authorities, or before research or control was started. It is known to be a serious pest in areas that have lower and higher temperatures and that are as humid or as arid as most of our Cotton Belt. In the colder areas, with heavy winter rainfall conditions would be unfavorable for the pink bollworm but in many sections conditions would seem to be more favorable for the worms than

in the Big Bend.

The relation of the pink bollworm and boll weevil to the American cotton crop is very important. The United States is the only important cotton-producing country where the boll weevil is a serious pest. The Bureau of Agricultural Economics estimates an serious pest. The Bureau of Agricultural Economics estimates an average annual reduction from full yield caused by the boll weevil at 10.87 percent of the crop, or \$200,000,000 annually. The losses caused by the boll weevil in the United States more or less correspond to the losses in other countries from the pink bollworm and we are on a somewhat comparable basis in regard to insect losses. The greatest damage by the boll weevil is to the squares (before bolls are formed) and by the pink bollworm to the bolls themselves. Studies by Rude in Mexico have shown that these two insects will work together in the same field and not compete to any extent against each other. In other words, the establishment of the pink bollworm would not reduce the weevil damage but would simply add to it. In addition the cotton produced would be lowered in grade and quality. American cotton is already receiving keen competition from foreign growths in cost of production and in quality. An additional increase in the cost of production from losses caused by the pink bollworm would still further jeopardize the position of American cotton in the world markets.

markets.

The fact that the Department of Agriculture has been able to cradicate the pink bollworm in Georgia, Florida, Louisiana, eastern Texas, and in the Salt River Valley of Arizona, and the further fact that it has not become a serious pest in New Mexico and Arizona and certain sections of western Texas has had a tendency to cause people interested in the cotton industry to have a feeling of security that may not be justified. There is probably no way that we can be certain just how serious the pink bollworm might become in other parts of the Cotton Belt until it has become established. As a matter of insurance we cannot afford to take the chance of allowing this insect to become established in other regions if this can be prevented.

Following this I hereby offer a boiled-down summation of conclusions reached by Mr. R. E. McDonald, of the Bureau of Entomology and Plant Quarantine, submitted for the study of the State Wide Cotton Committee of Texas. Mr. McDonald is one of the best qualified and most indefatigable employees and entomologists of the United States Department of Agriculture.

INFORMATION FROM A STATEMENT REGARDING PINK BOLLWORM PREPARED BY MR. R. E. M'DONALD, OF THE BUREAU OF ENTOMOLOGY AND PLANT QUARANTINE, FOR THE STATE-WIDE COTTON COMMITTEE OF TEXAS

QUARANTINE, FOR THE STATE-WIDE COTTON COMMITTEE OF TEXAS

The pink bollworm is the worst pest of cotton in the world and the one most difficult to combat. During the last 20 years the United States Department of Agriculture and cooperating States have been fighting to prevent the establishment of this pest in cotton cultures of the United States. During this period it has gained limited establishment in sections within the main Cotton Belt. As the result of active and intensive work these infestations in the main Cotton Belt have been eliminated. It also gained establishment in cotton cultures along the southern boundary of the United States, contiguous to cotton cultures in Mexico, and quarantine and control operations have been responsible for preventing its spread into new areas from this section.

In the fall of 1936 an infestation was for the first time discovered in the Matamoros-Brownsville section. The source of this infestation is not known. No measures to control this pest were undertaken during the remainder of the crop year except to prevent spread by carriage of material. The 1937 crop carried a slight increase, and in that year an effort was made to have all farmers on both sides of the river clean their fields with indifferent success. There was a tremendous increase in the infestation in the fall of 1938. The effort has been continued to get all farmers on both sides of the river to clean their own fields with some better success than in 1937.

With the infestation in the Matamoros-Brownwille section the

than in 1937.

with the infestation in the Matamoros-Brownsville section the pink bollworm is now in a strategic position where it can enter the Cotton Belt over a wide area. Considering the possibility that the moths will be spread by wind drift to other locations unless the infestation is controlled, spread to the main Cotton Belt may occur regardless of any quarantine measures that may be enforced. It would seem that there is only one way to solve the problem and that is to eradicate the pest at its source.

Before going into any suggestions as to methods that may be employed to control or eradicate this pest, it is well enough to review very briefly its life history. The pink bollworm is a moth. Its primary host is cotton, and this is the only plant that needs to be taken into consideration in eradication efforts in this country. The moths emerge in the spring from overwintering larvae. The moths live only a few days after emerging, and if there is not cotton in fruit when the moth emerges it dies without propagating itself.

If there is cotton in fruit, eggs are placed thereon, which develop into full-grown larvae and emerge into moths in 20 to 30 days. This life cycle is repeated over and over during the season. Toward fall, as the nights begin to cool, the worms cease to change into moths and go into hibernation, spinning for themselves cocoons, and perhaps going into the ground. If the winters are extremely cold—that is to say, about zero at intervals—most of these unprotected overwintering larvae will die. In such climates those hibernating in seed can be destroyed by sterilization, and those in other protected situations can be killed by cleaning up waste.

During the growing season when the cotton is fruiting and worms are in the bolls, squares or blooms, there is absolutely nothing that can be done that will have any effect upon the infestation. The two weak spots in the insect's life history are in the fall before the cool nights set in or in the spring before cotton begins to fruit. If the food supply—that is, green cotton—can be cut off before the time of the year for the worms to go into hibernation, they will emerge as moths and die. If cotton planting in the spring is delayed until most of the moths have emerged and died, the pests can thus be reduced year by year until final eradication results. Of course, in milder climates a great many pink bollworms can be killed by destroying crop residues even in the winter when the larvae are in hibernation therein, and in the case of light infestations this may result in eradication; but in such a favorable situation as exists in the lower valley area, or in the heavily infested spots in the Big Bend of Texas and adjacent northern Mexico, such mild measures cannot be depended upon. They would be helpful in connection with other more drastic means. Of course, if an area is free of cotton for a period of a year, good results can be expected, and in most cases there would be complete eradication. However, is free of cotton for a period of a year, good results can be expected, and in most cases there would be complete eradication. However, some larvae live over a longer period than that, and we could never be certain in an area heavily infested that a 1-year non-

some larvae live over a longer period than that, and we could never be certain in an area heavily infested that a 1-year non-cotton zone would be completely successful.

In the lower Rio Grande Valley, as stated in the beginning, the problem is much more acute and serious. There are on both sides of the Rio Grande some 400,000 acres of cotton in this valley—250,000 in Texas and 150,000 in Mexico. A noncotton zone on both sides of the river taking in the whole area would undoubtedly effect eradication, especially if continued 2 years. Since this problem is international, it must of necessity be so considered. Mexico is willing to cooperate with us fully in any measures looking to the interests of both countries, and is most heartily cooperating. A noncotton zone of necessity immediately brings heavy losses on the community over which it is placed. There are many intangible losses to the community besides the actual losses to farmers for nonproduction. Among these might be mentioned the losses of processors, handlers, and workers, and the moving away of families indirectly affected by the nonproduction of cotton. However, in the past only losses of farmers have been recognized and paid.

Another plan of trying to handle this situation is to continue what we are now doing, improved in all respects possible. At the present time the Texas law and corresponding laws of Mexico, as interpreted in regulations, require the farmers to clean the fields—that is, kill all the growing cotton—prior to October 1. That is not working out entirely satisfactorily. However, by strengthening the

laws and regulations perhaps in time it can be done more satisfactorily than in the past. If, however, in the meantime the pink bollworm spreads over the country, any control may come too late. There is no lack of cooperation. All interests are united in trying every way possible to get the job done, but the unwholesome fact remains that it has not been done as it should have been done. In August the ground is usually dry and hard, and difficult in the extreme to plow. Many cut the stalks in August, expecting to plow when it rains. Then, when it rains it gets too wet, resulting in the stalks sprouting again. Also, when the land is plowed many stalks have roots still hanging and continue to grow. The main trouble can be summed up in a few words. The cost of getting out these stalks quickly and effectively is about \$2.65 per acre. Few farmers have that money to spend on the land. If they do have it, they probably do not want to spend it. Hence they try to save, and the result is an indifferent job. Except for those who plant winter crops, the regular farm practices do not call for any work or expense in field cleaning in the fall. In fact, many prefer to have the fields for winter grazing. We have tried to persuade, entice, or compel all the farmers on these 400,000 acres of land to destroy the crop residue in such an excellent manner and early enough to eradicate the worst cotton plague of the world, and the one most tenacious of life. After this effort in the fall of 1937 we had an increase in the pest a hundredfold in 1938. We tried again in 1938, and we tried to improve. The results will be known in 1939. Methods of controlling the pink bollworm must be exact. We are dealing with a terrible plague—one that can outwit the best minds of the world. Therefore, if we place our dependence on slipshod methods, it is altogether probable that we are going to be disappointed.

It has been suggested that funds in sufficient amount be raised to

disappointed.

It has been suggested that funds in sufficient amount be raised to step in immediately after picking the cotton with adequate equipment and uproot all cotton on both sides of the river. It would have to be done by two methods: One, by using heavy tractors with heavy middlebusters, taking two rows at a time, and plowing the ground deep enough to uproot the cotton and bury it, regardless of how dry the ground might be. On the lands where tractors would not be practical, grubbing hoes would have to be used to cut the stalks off well below the surface. It is my opinion that if sufficient time should be given for the perfecting of a careful organization to handle such a job it can be largely completed in 2 weeks. In a normal year this would mean the cotton should be destroyed by September 1 or 15.

For the further information of the House, I include herein a statistical table showing the final estimates of production in Mexico, by States, from the years 1925-26 down to and including 1935-36, as well as a table showing the estimates of the acreage and production in the principal cotton-producing area of Mexico (the Laguna district), from which the States of New Mexico, Arizona, and Texas receive their principal infestation of pink bollworm by the high air-lane travel of the pink bollworm moth.

Cotton: Final estimates of production in Mexico, by States, 1925-26 to 1935-36

	N CONTRACTOR	IXMOUN	to III Dates,	478 pound	s neel	NOOT TO		1:10.03	SCULL.		
	1925-26	1926-27	1927-28	1928-29	1929-30	1930-31	1931-32	1932-33	1933-34	1934-35	1935-36
North	114, 019	274, 073	128, 446	183, 630	142, 040	98, 099	175, 421	81, 971	235, 604	197, 909	191, 416
Coahuila Chihuahua Durango Nuevo Leon San Luis Potosi	68, 702 12, 755 16, 026 289 160	173, 908 17, 324 56, 023 1, 307	66, 922 8, 317 29, 945 503	115, 396 14, 656 36, 074 253	85, 841 11, 430 28, 122 394	47, 810 12, 605 19, 036 584 76	105, 770 11, 016 42, 797 313	45, 145 7, 946 15, 286 2, 453	99, 435 15, 246 77, 433 8, 807	82, 608 22, 685 30, 798 19, 485	98, 384 21, 216 27, 396 26, 875 277
Tamaulipas	16, 087	25, 511	22, 759	17, 251	16, 253	17, 988	15, 525	11, 141	34, 683	42, 333	17, 268
Gulf	308	288	-278	795	1,411	1, 214	765	424	414	912	1,074
Tabasco Veracruz	9 299	288	278	795	1,411	1, 214	765	424	414	912	1, 074
North Pacific	82, 797	83, 471	48, 640	92, 220	99, 280	73, 483	31, 627	18, 079	22, 918	23, 080	56, 254
Baja California Nayarit Sinaloa Sonora	78, 261 2, 433 404 1, 699	80, 215 359 69 2, 828	46, 214 501 69 1, 856	81, 220 1, 101 120 9, 779	81, 447 862 2, 085 14, 886	60, 880 1, 499 2, 029 9, 075	27, 484 1, 747 613 1, 783	14, 667 851 1, 072 1, 489	18, 363 1, 547 2, 583 425	- 18, 811 1, 725 1, 822 722	44, 276 1, 365 8, 419 2, 193
South Pacific	2, 455	1, 181	1, 105	1, 114	2, 715	4, 183	2, 374	1,010	1, 444	1,024	1, 275
Colima Chiapas. Guerrero Oaxaca	15 63 1, 424 953	1 625 555	10 36 394 665	10 27 436 641	54 9 1,041 1,611	35 6 1, 999 2, 143	9 1, 327 1, 038	2 356 652	41 482 921	331 691	7 7 305 956
Central	897	809	769	701	583	527	39	53	46	48	507
HidalgoJaliscoMichoacaan	28 823 46	123 686	83 686	55 646	98 485	89 438	39	53	46	48	415 92
Grand total	200, 476	359, 822	179, 238	278, 460	246, 029	177, 506	210, 226	101, 537	260, 426	222, 973	250, 526

Source: Boletin Mensual del Departmento de Economica y Estadística; 1925-26 issue of August 1928; 1926-27, November 1927; 1927-28, August 1928; 1928-29, April 1929; 1929-30, May 1930; 1930-31, September 1931; 1931-32, October 1932; 1932-33, November 1933; 1933-34, September 1934; 1934-35, June 1935; 1935-36, March 1938

Cotton: Estimates of acreage and production in Laguna district of Mexico

Area	Production	Source
Acres 169, 937 106, 824 194, 732 150, 302 164, 176 345, 628	Bales (478 pounds) 141, 446 59, 340 175, 853 132, 747 146, 412 176, 594 75, 000	Consular Report, June 10, 1937, No. 123547. Do. Do. Do. Do. Do. Consular Report, Apr. 13, 1938, No. 128641. Consular Report, June
	Acres 169, 937 106, 824 194, 732 150, 302 164, 176	### Bales (478 pounds) 169, 937 141, 446 194, 732 175, 853 150, 302 132, 747 164, 176 146, 417 345, 628 176, 594

Following this I include a restricted estimate of the cotton area in Mexico, including the Laguna district, which is infested by the pink bollworm.

Cotton: Mexico-estimate of 1938-39 crop. by districts

strict: Torreon (Laguna)	95, 00
Matamoros	52,00
Don Martin	3,00
Ciudad de Delicias (Chihuahua)	24,00
Ciudad Juarez	16, 00
Mexicali	40,00
Coastal (Guerrero and Veracruz), including States of Sonora and Sinaloa	13,00
Miscellaneous	7,00

Total_______250,000
Report of Consul Stewart, Mexico, June 10, 1938, No. 129817.

In conclusion, Mr. Chairman, permit me to express my appreciation for the assistance of my colleagues in the Texas delegation, together with my colleague the distinguished gentleman from Arizona, Mr. Murdock, as well as the distinguished gentleman from New Mexico, Mr. Dempsey, in connection with this matter. I desire here and now to make particular mention of the invaluable assistance and advice of my long-time friend, the distinguished, able, and impartial Speaker of the House of Representatives, the Honorable William B. Bankhead, of Alabama, who, together with many other colleagues in the cotton-producing area of the United States, have offered and rendered notable aid in my humble presentation of this all-important problem.

It is my sincere hope that the Members of the House of Representatives will appreciate the inestimable importance of rendering timely and vital assistance looking toward the curb of this scourge of the cottonfields and agent of unemployment in our country when the appropriation bill for the Department of Agriculture comes before this body.

Mr. RICH. Mr. Chairman, I yield 15 minutes to the gentleman from Michigan [Mr. Crawford].

Mr. CRAWFORD. Mr. Chairman, I desire first to confirm as best I can in this manner the remarks just made by the gentleman from Texas [Mr. Kleberg]. I have watched the development of the trouble with the pink bollworm with a great deal of interest. During the last cotton-growing season I also inspected fields in south Texas and found conditions identical with those which the gentleman has just described.

While I do not have time to go into the phase of the cotton subject which I desired to discuss some time this week, I wish to speak about another type of attack which is being made on the cotton growers of this country and which I believe is much more serious, certainly on the basis of the \$920,000 required, than the pink bollworm.

Mr. KLEBERG. Mr. Chairman, will the gentleman yield?

Mr. CRAWFORD. I yield to the gentleman from Texas.

Mr. KLEBERG. I desire to thank the gentleman for his contribution. I also desire to say to the committee it has been my observation that the gentleman from Michigan is both observing and constructive in his thoughts with reference to the basic and fundamental questions which are of such vital importance to this country.

Mr. CRAWFORD. I thank the gentleman.

In 1932 the exports of cotton from Brazil amounted to 2,387 bales each of 478 pounds net. In 1936 the exports of cotton from Brazil amounted to 921,943 bales. Based upon reports I have received from the Brazilian cotton fields in the last 2 weeks, it appears Brazil alone will have for export from the crop that is now being harvested in excess of 1,500,000 bales of cotton this year; and within the next 3 to 5 years Brazil will have for export a minimum of 5,000,000 bales of cotton.

So when you tie that story in all of its ramifications up with the destructive effect of the pink bollworm and with the fact there are 13,000,000 bales of cotton now on hand, with only 2,000,000 bales of cotton available in the free channels of trade during the next few months, it is indeed apparent the cotton South is now on its knees. This serves notice to the rest of this country, particularly the automobile industry, that purchasing power in the southern area of the United States must necessarily decline. Unless we break the band that now surrounds 13,000,000 bales of cotton in this country so some of this cotton can move into the channels of trade, we will have a disaster of far-reaching consequences in this country within the next 12 or 15 months.

VIRGIN ISLANDS

Mr. Chairman, I desire to address my remarks now to a portion of this bill. I call the attention of the committee to that part of the hearings, beginning on page 952 of the bill, which pertains to the Virgin Islands. As you travel from Key West, Fla., to Cuba, to Santo Domingo, and to Puerto Rico, you come upon the Virgin Islands of St. Thomas, St. John, and St. Croix. There we have an American colony which we acquired from the Danish Government in 1916 because we feared it might go into the hands of Germany and become a military or naval base. The conclusion of our Government was that we should own and control that little empire, consisting of three islands. We have in these three islands approximately 25,000 American citizens, and sometimes we are inclined to forget they are under our Government.

In recent years we have been carrying on a great experiment there in the form of a "planned economy," which is not working out satisfactorily to our people in this country who are watching the situation, or to the people of the Virgin Islands. In reading these hearings you should go behind the scenes and get the story behind the story, because there is one to be had.

The Government went down there a few years ago and started the conversion of the islands back into a sugar plantation. The islands are subjected to extended droughts, which very often occur and run from 12 to 18 months. A drought has been in effect the last several months and has cut down the production of sugar and sugarcane. In addition, there is another drought which has been working against the operations in the islands in the form of a cut in the price of sugar, and this is described by the president of the Virgin Islands Co., which is the planned economy corporation operating in the islands as a Government undertaking. This is the testimony of Mr. Brown, of the Virgin Islands Co.:

The severe drought of 1938 caused a heavy reduction in the amount of sugar obtained from the St. Croix acreage planted in sugarcane. The economic condition in St. Croix is a difficult one, with the sugar industry confronted with very low sugar prices, very high freight rates to New York, very low sugar yields per acre—about 1 ton of sugar per acre for St. Croix, which has no irrigation, versus from 4 to about 7 tons of sugar per acre for Puerto Rico—very high export duty on raw sugar shipped from St. Croix (Congress reduced export duty from \$8 per ton to \$6 per ton, versus no export duty at all for Puerto Rico)—

Or Hawaii, and no export taxes of any kind on sugar in the United States, which competes with the Virgin Islands sugar.

When we enacted the National Labor Relations Act we extended its provisions to the Virgin Islands, and this immediately followed the application of two wage increases, which had previously been put into operation by the Government following its initiation of the "planned economy" program.

So as you read the testimony you find that exceedingly heavy increases in wages have applied. Then we have our theoretical set-up of planned economy in the islands wherein we went in and recovered land and started homesteading financed with Government funds. We established an ideal planned economy on sugar. We established an ideal planned economy on the fixation of wages at a minimum. We established an ideal planned economy with reference to the setting of prices through quota allotments on sugar, and all of this is destroying the economic life of the Virgin islanders, and the man who runs may read.

There is another story in the Virgin Islands. Apparently, they have become the dumping ground for political patron-You will find that the judiciary of the Virgin Islands has been taken over by the Department of the Interior and you will find that the Virgin islanders are now pleading with the Attorney General in the hope that he will take back under his wing the judiciary of the Virgin Islands to the end that they will not have to suffer as a result of this change, you might say, in the form of government.

Mr. CULKIN. Mr. Chairman, will the gentleman yield?

Mr. CRAWFORD. I yield.

Mr. CULKIN. Does this crop of judiciary supplement the "Honest Harold" crop of rum there?

Mr. CRAWFORD. Not only does it supplement it, it is a part of it. There is no question about it.

Mr. CULKIN. It stimulates the flow of decisions, I presume?

Mr. CRAWFORD. Listen to this, if I may read editorials from their newspapers. That is a simple country down there, but the people are intelligent, white and black. I know them personally. Their intelligence—the leadersranks with the intelligence of this House. That was a Danish empire, you might say, and they are educated and they are trained. They are shrewd traders, they are students of government, and they know what is right and what is wrong. Just listen to this editorial in their leading news-

We find that our readers deeply resent the remarks made Governor Cramer before the Appropriations Subcommittee in Washington relative to the tax situation in the islands. Also in matters of sanitation, health, and what not. As a matter of fact, there is little he has said that has met their approval.

We are not surprised at the Governor. We know what he's capable of saying and doing even before he became the chief executive of the islands. Those who tried to punish us for expressing our frank opinion about him through our columns and otherwise have found that the chickens have come home to roost practically in

What is intolerable is his awful gall. When he's in a hole he turns for help to the men whom he has just kicked. Better representation by any impostor who will treat you as a human being, instead of by a man who thinks he can use you today and kick

you tomorrow

That is just what Governor Cramer has been doing to the people of these islands, more especially to the members of the municipal councils.

Then the editorial goes on and calls the attention of the public to other matters.

Here is a second editorial which says:

During the past week the public was given a good helping of the "nice" things Governor Cramer said about the people of these islands before the House Appropriations Subcommittee in Wash-

ington.

It is to be hoped the public has been following up the installments of his remarks as carried in our columns. There can be no excuse for passing them up unless one has already read them directly from a copy of the hearings.

The more we think of the Governor's remarks, the more we are

convinced that he did not expect these remarks to be spread before the eyes of the people of the Virgin Islands. It cannot be con-ceived he meant to insult them, flaunt their conscientious reac-tions to his half-baked theories, and otherwise shock their sensi-bilities in such a libelous and scandalous manner.

bilities in such a libelous and scandalous manner.

Such tactics are unbecoming of the high office of a Governor. He has reduced the status of the people under his charge to that of vassals who, ground down under the heels of their oppressor, have no legitimate means of obtaining redress for their grievances, or righting the wrongs perpetrated upon them.

Governor Cramer has given us to understand that we can talk and scream as much as we like, call him all sorts of names, but we cannot force him to respect us, or desist from any course of action, however wrong, for we don't pay his salary and can't fire him.

One might as well despair the possibility of obtaining justice and fair dealing under the present system. What we have is an oligarchy, willful, wasteful, obdurate, and malicious, which we are expected to love and revere as long as we are obligated to it for money and privileges to eke out an existence.

Another editorial states:

The Governor should be told that turn-about is fair play; that he cannot fool all the people all the time; that if he had had any practical business experience he would talk and act differently.

I ask the committee to study the many pages of testimony in the hearings and get the story back of these economic developments. It ties into a further situation which we have in this country and which, as you analyze it, becomes amazing, and it is about to be put into operation.

YELLOW AND BLUE MONEY

I say it becomes amazing because of its ramifications, and this goes back to cotton, it goes back to sugar, it goes back to all of these commodities which are construed as "surplus commodities."

We have a Commodity Credit Corporation; we have a Federal Surplus Commodities Corporation, and we have a Dairy Products Marketing Association which has been set up for taking surplus butter out of the market. Did you folks know that we are about to put into circulation in this country two new types of money, yellow money, blue money-yellow chips, blue chips? Go to your Federal Surplus Commodities Corporation, go to your Department of Agriculture, and get the story back of this.

[Here the gavel fell.]

Mr. RICH. Mr. Chairman, I yield the gentleman 5 additional minutes.

Mr. CRAWFORD. You will find that through our planned economy, whether it goes to the Virgin Islands or to continental United States, we have brought into operation what is known as surplus commodities, what is known as the W.P.A., what is known as the relief program. We now propose to issue to relief workers a check which can be converted, for instance, into \$30 of currency and then give him \$20 in yellow money, which makes a total of \$50 for his pay period, and then issue him a bonus of \$10 in blue money. The plan, which has been tentatively announced, and subject to change, permits the relief recipient to collect out of a \$50 pay check \$30 in currency, \$20 in yellow money, and \$10 in blue money.

That is a 20-percent increase in wages, subsidized by a blue check or a blue certificate or a blue stamp. These checks I have made up and hold in my hand here are symbolic, they are not replicas. We have to illustrate this to comprehend it. The farmers of this country sell to the Federal Surplus Commodities Corporation primary produced goods on a depressed market. This blue money purchases goods designated "surpluses," through the retail distributing units and the subsidy does not go to the farmer, it does not give him the direct benefit of the new blue-chip money which is to be issued.

Mr. GORE. Mr. Chairman, will the gentleman yield?

Mr. CRAWFORD. I yield.

Mr. GORE. I take it that the gentleman is not speaking without having verified the facts, because I have a very high opinion of him as he well knows.

Mr. CRAWFORD. I have been verifying the facts for 3 days

Mr. GORE. The gentleman says that this plan has been tentatively set down. By whom?

Mr. CRAWFORD. The gentleman will find it in yesterday morning's front page of the New York Journal of Commerce. If the gentleman would call up the Department of Agriculture and the Federal Reserve Board and the Federal Surplus Commodities Corporation, he will be able to verify what I am saying. I wish to make it clear that I am here analyzing the uncompleted plan. I am not attacking it. We have 13,-000,000 bales of surplus cotton, we have millions of bushels of wheat and corn and tons of raisins and prunes and other commodities; a vast quantity of turpentine.

God only knows what we will designate as "surpluses" tomorrow when these chips go into operation. The Government, through its agencies, is to designate from time to time what commodities shall be construed as surplus, and what the blue chip shall be traded for by the recipient.

Mr. GORE. Mr. Chairman, will the gentleman yield fur-

Mr. CRAWFORD. In a moment. Suppose we hold the 13,000,000 bales of surplus commodities, and under section 32 of the Agricultural Adjustment Act suppose we hold that the Surplus Commodities Corporation shall proceed to process cotton, wool, mohair. The retailer who accepts this money in payment of goods that he releases to the relief recipient, takes these chips or the certificates and deposits them in the bank. They then become demand deposits and they enter into the Fractional Reserve System of our monetary scheme of things. They must be taken up in one way or another, redeemed by some Government agency. That particular plan has not yet been worked out. They propose to initiate this first in say six cities. They have an idea they may introduce this new money into a city with a population not to exceed 250,000 to 300,000, and its population must be not less than say twenty-five to fifty thousand, to see what happens. I do not know where this will lead to. I am calling it to your attention.

Mr. GORE. Mr. Chairman, will the gentleman yield?

Mr. CRAWFORD. I yield to the gentleman.

Mr. GORE. The gentleman's argument is rather interesting, and, may I say, intriguing, but I am wondering if he would name me the gentleman who made this announcement.

Mr. CRAWFORD. It is announced through the public press.

Mr. GORE. Does the gentleman recall what official made the announcement?

Mr. CRAWFORD. If the gentleman will go to Mr. Perkins, of the Federal Surplus Commodities Corporation, I believe it is, and to Mr. Hasselman, they can give him the facts.

Mr. RICH. Mr. Chairman, will the gentleman yield?

Mr. CRAWFORD. Yes.

Mr. RICH. The gentleman is speaking of new yellow and blue chips. If we continue to issue new kinds of currency in blue chips and yellow chips, what relation eventually will that bear in our monetary system to the old form of German marks which I hold in my hand, as to their value, and also to the \$20-every-Thursday note that I hold that is going to be paid to the people in California if we continue to issue money in the respect the gentleman is talking about in the form of these blue and yellow chips?

Mr. CRAWFORD. There are no limitations to a program of this kind, as I see it, based on a study of history, when it once starts. What will keep this body from declaring that cotton is a surplus commodity subject to redemption through blue chips? What will keep any legislative body from doing it? Who will defend us from the pressure? Under what circumstances and upon what basis will the departments of government announce each Monday morning the types of commodities which will constitute surplus commodities for that week redeemable in blue chips, which are a premium—keep this in mind—through the retail establishments? That does not give the cotton grower the buying power necessarily.

Does it put it in at the bottom? Not at all. It puts it in at the top. Who benefits? Of course the food-distributing industry wants the surplus commodities distributed through food channels, and I do not condemn them for that. Will the W. P. A. worker object to having his wages increased 20 percent, a \$50 pay check being \$60, by receiving a premium in benefits in blue chips? I do not think he will object to that. But this is to be money; and when you put the stamp of approval on something that is called money and send it out through the channels of commerce, you have indeed done something. Would you call this a commodity dollar? Would you call it monetization of surplus commodities?

Mr. HAWKS. Mr. Chairman, will the gentleman yield? Mr. CRAWFORD. I yield.

Mr. HAWKS. That could not be an admission on the part of governmental officials that the A. A. A. program is a complete failure, could it?

Mr. CRAWFORD. As I say, this has so many ramifications that there is no end as to what you can apply this to if you will move it in different directions. [Applause.]

The CHAIRMAN. The time of the gentleman from Michigan has again expired.

Mr. JOHNSON of Oklahoma. Mr. Chairman, I yield to the gentleman from Michigan [Mr. Hook] such time as he may desire.

Mr. HOOK. Mr. Chairman, the Democratic administration has been most considerate of the needs of our educational and research institutions and especially with regard to the land-grant colleges. The Federal Government has been very generous in its attempt to assist those great institutions to function properly in the interest of all of the people.

During the coming 2 years a federally supported building and improvement program of over \$6,000,000 will be in operation at the Michigan State College. This is the largest federally supported building program in the history of that great institution. It is for this reason that I rise on the floor of this House this afternoon to discuss some of the things that have been happening with regard to the expenditure of money in that institution. I think we, as Members of Congress, should be interested in any program that is assisted by Federal finance. We should know that the money that we appropriate for that purpose is placed in the proper hands and administered by individuals in the interest of the institutions that we hope to assist. It is of greatest importance that the vast expenditure authorized shall be made under the direction of men who will protect these funds from graft and racketeering.

The administration of the Michigan State College, our second largest educational institution, is of particular concern to the people of Michigan and I believe we, as Members of Congress, should be interested because of the Federal aid extended. Research and educational work in agriculture and home economics and applied science and the State-wide agricultural extension service are under the direction of the State board of agriculture that governs the Michigan State College. It is a primary objective of the Democratic Party to provide ample means for the work of this great institution. It is also our objective to free the Michigan State College from the political exploitation and financial racketeering that became firmly rooted during the administration of former Governor Brucker under the McPherson-Brcdy leadership of a hand-picked board of agriculture. The strangle hold of this political combination has not yet been

In 1934, before the Congress of the United States, I called attention to the grievous state of affairs existing at the Michigan State College, due to the protected manipulations of those responsible for the illegal expenditure, misuse, and in some instances theft of over \$250,000, according to the report of the Michigan State Senate investigating committee. I attributed the prostitution of our courts and of the then State attorney general's office resulting in the protection of perjury and theft at Michigan State College to the intriguing influence of the men then controlling our State, particularly the Brucker-McPherson-Brody combination. The facts brought out by the Michigan State Senate investigating committee and by myself on the floor of Congress, the most public rostrum in the United States, have never been challenged in the slightest degree by these political exploiters or involved officials at the Michigan State College.

Since the recent outbreak of undulant fever, causing 45 students to contract this dangerous disease and the death of 1 student, I have made further investigations of the methods employed by the profiteers and faculty of Michigan State College in the corrupt under-cover use of funds of that institution. Eight months ago I wrote a letter to President R. S. Shaw asking him whether or not members of the faculty-Dean of Veterinary Ward Giltner, Dean Emmons, Treasurer Schepers, and others-continued to rent farms that they owned to the college for the purpose of pasturing cattle affected with undulant fever in animal disease research projects. Driving these cattle from college paddocks across the farm lane to these faculty-owned farms, I claimed. caused the herds and flocks of the college to be infected. During the past 6 years over 40 cases of undulant fever among faculty, townspeople, and students have occurred previous to the recent outbreak. The illegal rental of faculty-owned land for undulant fever investigations was one of the things that was investigated by "Stalwart Republican Judge" Leland W. Carr, through a one-man grand jury, and Republican State Senator Joseph Baldwin, appointed by former Governor Brucker to serve as a special assistant attorney general. These things were whitewashed and misrepresented to the public in the college case.

President R. S. Shaw did not answer my recent official inquiry in regard to the isolation of this dread disease, undulant fever, as attempted by the dean of agriculture in 1932, nor did he answer my inquiry at the same time in regard to the results of the experiments of the Michigan State College with a proprietary kelp feed of which Clark L. Brody, member of the board of agriculture, has sold thousands of tons to Michigan farmers at three times its feed value as sole agent

for this feed in Michigan.

Secretary Hannah informed me that the Michigan State College had conducted no experiments with this feed, yet I am authoritatively informed that the Michigan State College, for the past 7 years, has conducted experiments with this feed with cattle, hogs, and poultry and has proved it to be grossly misrepresented to Michigan farmers. The McPherson-Brody influence in 1932 prevented these facts from being given to the public, and since then, with Clark L. Brody, the State salesman of this feed, continuing on the board of agriculture, no publication has gone forth from the Michigan experiment station, or through the Extension Service, warning farmers against the use of this spuriously misrepresented feed known as Manamar. The Ohio Experiment Station, Cornell University, and seven other experiment stations, not dominated by such political influences as the McPherson-Brody gang, have exposed this feed racket to the farmers of their State and the Nation.

During my investigation into this state of affairs that I consider of interest to the Federal Government and the people of the United States I was unable to get much of a check on the misuse of the funds although at one time the officials of the Michigan State College, after inquiry by me, stated that the questions were so controversial that they would rather not put them in writing. After further correspondence they finally admitted the truth of a great many of these statements. Having further checked into this matter I have secured information from the Office of the Experiment Stations of the United States Department of Agriculture that questionable deals in land or with the feeds handled by Clark L. Brody were removed from the Federal-State joint account and charged to State accounts or to a special fund administered directly by President R. S. Shaw in the sum, I am informed, of about \$125,000. This enormous fund was built up. I am informed, by withholding raises to deserving faculty members. I presume this is the reason why the faculty at the Michigan State College receives less than is paid for staff members of corresponding grades at neighboring institutions of like status. No wonder discontent and dry rot has set in at our great pioneer land-grant college, the Michigan State College, at Lansing, Mich. This money is not directly appropriated by specific action of the Michigan Legislature or by Therefore, President Shaw does not have to account for the details of its expenditure to Federal or State agencies. In this way the purposes for which the Federal and State money is appropriated are defeated.

I claim that this is a hush fund. This hush fund was set up beginning in 1930 when the McPherson-Brody combination dominated the State board of agriculture and was all powerful in Michigan politics. I found during my research work personally that a military theft of approximately \$8,600 was denied by the board of agriculture and officials of the college before Judge Leland Carr's one-man grand jury. It was misrepresented by Joseph Baldwin in his whitewash investigation. The equivalent of this theft, however, was paid by the college to the United States military authorities although the theft was denied by the college officials, as were the land deals and faculty-controlled bank deals and the music racket that was subsequently disclosed.

Another instance of the use of this so-called hush fund according to the official investigator of the United States Department of Agriculture was when President R. S. Shaw

drew a check of \$3,200 on this secret fund to the credit of the United States Department of Agriculture after the investigator objected to the fact that a son of Dr. Robert Snyder, a former illustrious president of the Michigan State College, who was working under the orders of Dean Ward Giltner, dean of veterinary of the Michigan State College, truthfully answered the investigator's inquiry and informed him that he, the son of Dr. Robert Snyder, had been doing service work, this work being of a private nature on private projects and on private herds under the direction and by the orders of his superior, Dean Ward Giltner. This work was not authorized in connection with the Federal grant.

In order to straighten out the Federal Government after they had been caught in their neat little trick, President R. S. Shaw, as before mentioned, drew a check payable to the United States Government which immediately took it out of the hands of the Federal investigator. This employee told the truth about his work and admitted that as a Federal public servant he was being used to further private interests and working on private interests while on the Government pay roll. However, it was he who was discharged and not his grafting superior. This young man was discharged by the president of the State College. At that time this research worker was suffering from undulant fever contracted on the Michigan State College campus.

From this so-called hush fund disguised payments of taxpayers' money were made to well-known politicians such as Fred Woodworth, Republican politician, and to Gifford Patch, who was one of the tools of the McPherson-Brody combination. It is my understanding that Gifford Patch was on the

public pay roll as an extension specialist. This money was used to line up farmers and to lobby in the Michigan Legislature against a fair investigation of the state of affairs at the

Michigan State College.

In the interest of the Michigan State College, its service to the student body and to the public, and especially to the farm population of the State of Michigan, and on behalf of the honest majority of the faculty of the Michigan State College, I intend to go to the bottom of this graft and protection of graft at this institution and call upon the citizens of Michigan to aid by electing the Democratic candidates, Mr. Halsted and Mr. Lockwood, as members of the State board of agriculture.

Mr. Downing, former member of the State board of agriculture, has lent a great deal toward helping to clean up this sore state of affairs. He assisted me in my investigation and insisted on honesty and integrity on the State board.

The Republican convention affronted the intelligence and decency of the citizens of Michigan by again nominating Melville B. McPherson as a candidate for the State board of agriculture, in spite of his proven record in political connivance and in aiding and protecting educational racketeers and academic swindlers during his service as a member of that board. Apparently the Fitzgerald-McKay-McPherson political machine is little changed from the old Brucker-McKay-McPherson machine that was turned out of office.

I have faith that the people of Michigan have sufficient interest in good government and in eradicating such methods and connivance from the Michigan State College not to return to office Melville B. McPherson or any other member of the board with known records as political exploiters.

I beseech the people of the State of Michigan to elect to the State board of agriculture candidates whose hands are unstained and whose abilities are unquestioned.

We who are interested in the proper expenditure of Federal funds and interested in building up the great land-grant colleges should be in a position to know that when we appropriate money for such purposes that it will be properly spent by honest people.

It may be of interest to a number of the Members of this House to know that in certain other States of the United States practically the same conniving is carried on. If they will take the time to check with the Office of the Experiment Stations of the United States Department of Agriculture they will find similar conditions existing with regard to these secret hush funds.

It is of great importance that the vast expenditures of money by the Federal Government sent to these land-grant colleges shall be under the direction of men of integrity, men who will protect these funds from connivance and trickery, men who will keep these land-grant colleges on a high place and plane in this Nation in the interest of the student body and in the interest of education. If this is done in the State of Michigan, and the proper men are elected to the State board of agriculture, the Michigan State College will be returned to its high place among the land-grant colleges of this Nation.

It may be of further interest to note that in 1934 I made public a full investigation of the fact that the dean of veterinary of the Michigan State College and certain other faculty members were renting farms that they owned to the college and moving diseased cattle back and forth to their farms. This is an example of criminal negligence and gross avarice. I found that in 1932 the dean of agriculture at that time, Mr. Joseph F. Cox, had secured the authority from the Department of Agriculture to spend \$25,000 with which to buy a farm and properly isolate research work with cattle and other animals directed toward the control of undulant fever. I found that the dean of veterinary, Dean Ward Giltner, Jacob Schepers, along with Dean L. C. Emmons, as trustee, had taken a piece of land for a farm from the college-controlled bank of East Lansing and frustrated Dean Cox's efforts to protect the Michigan State College and the State by illegally trying to sell to the Michigan State College this unsuited piece of property. They were not able to sell the property, but they later rented it to the college. The McPherson-Brody-Burkey combination knew all about this transaction and protected these exploiters.

To my knowledge, the dangerous research work with contagious abortion with cattle resulting in undulant fever in human beings has never been properly isolated at the Michigan State College and the blood of those who died from this dread malady is on the hands of those responsible, the college officials and politicians whose avarice and political machination has resulted in this exemple of flagrant failure in their duty as public servants.

As a Michigan citizen, proud of our State college, I was shocked to read, on February 5, 1939, in the New York Times and in the Washington Star the account of an outbreak of the dread disease of undulant fever at the Michigan State College that caused the death early in February of one student and jeopardizing the lives of many more. It is my understanding that the officials of the college are attempting to place the blame in the laboratory. I feel certain and charge the fact to be that it is the result of political exploitation and the renting of this unsuited farm to the college by college officials and those responsible for the administration of college business.

The farmers of Michigan, those interested in the great field of agriculture and home economics, should rise up and demand a thorough accounting of this institution. I believe that if political exploitation is divorced from this institution it would again be placed among the great educational institutions of the United States.

There are many, many other things that I intend to cover a little later that will show to the farmers of Michigan that it is their duty to become acquainted with the facts as they exist. I feel certain that this is of such vital interest to the great field of agriculture that the farm population will interest itself to such an extent that men of integrity, honesty, and ability will be placed in that institution in the interest of good government. Farmers and citizens of Michigan should break this political combination. This can only be done by united effort. It may take an amendment to the present law to put a stop to this thing, and if so, I intend to present such an amendment. At this time, however, it is a political question. My advice is to cast your lot with the party that is making an honest effort to remove those responsible for this sad state of affairs. The Democratic Party is your only hope at the present time. The farmers should know their enemies and act accordingly. [Applause.]

Mr. RICH. Mr. Chairman, I yield to the gentleman from California [Mr. Carter] such time as he desires.

RECLAMATION'S BIPARTISAN ORIGIN

Mr. CARTER. Mr. Chairman, today presents an excellent opportunity to recall how the Federal Government came to embark on a national policy of reclamation.

While reclamation in its physical aspects affects only the area in the western third of the country, its operations carry benefits to every State of the Midwest, the East, and the South; and all of the 130,000,000 people in this Nation have a vital interest in the development and stabilization of the area west of the one hundredth meridian.

Reclamation has never been a partisan or a sectional issue. Theodore Roosevelt, the first President to advocate the policy, was an easterner, who had lived in the West and had first-hand knowledge of its needs and opportunities. With the support of Democrats as well as Republicans, he led the Congress of the United States in 1902 into enactment of the reclamation law that laid the foundation for perhaps the most constructive undertaking since Thomas Jefferson originated the idea of internal improvements in the early part of the nineteenth century.

Previous to Theodore Roosevelt's accession to the Presidency on the death of the lamented McKinley, the three leading political parties of the day endorsed reclamation as a national policy. In the national conventions of 1900, the Democratic, the Republican, and the Silver Republican Parties pledged their support to the undertaking.

While conservation and utilization of the natural resources of the West were a major objective, business and industrial interests of the country saw opportunities in the development of the region. They realized that broader home markets for the products of the factories of the Fast would follow and that increased consumption of foodstuffs would effectually prevent competition with agriculture of older sections of the country.

That was the view of Theodore Roosevelt expressed in his first message to the Congress in December 1901, who saw in the policy not merely the irrigation of agricultural lands but the creation of homes as a contribution to the upbuilding of the Nation.

NATIONAL ADMINISTRATIONS SUPPORT RECLAMATION

Every national administration, beginning with that of Theodore Roosevelt, and regardless of its political complexion, has thrown its support to reclamation.

In Senate Document No. 36, on National Irrigation Policy, Its Development and Significance, you will find reference to expressions by six Presidents of the United States, all endorsing the undertaking.

In 1910, 4 years after the first project had made water available, President William Howard Taft gave his commendation

In 1921 President Warren G. Harding not only urged expansion of reclamation but emphasized the importance of using the limited water resources of the West for both irrigation and the development of electric power.

President Calvin Coolidge, in 1924, declared:

It is my purpose to unremittingly stimulate and encourage the development of these projects by every authority of the Federal Government.

In 1930 President Herbert Hoover wrote western Governors in conference at Salt Lake City that reclamation "had been the cause of adding much wealth to the Nation."

The present occupant of the White House has lost no opportunity to show his recognition of the importance of reclamation and of the need for its continuance.

Present-day conditions, President Franklin D. Roosevelt has emphasized, makes reclamation even more vital to the West and the Nation than it was when President Theodore Roosevelt threw his energies and leadership into the establishment of the policy.

WHAT IS THE INTEREST OF THE FEDERAL GOVERNMENT?

The question is frequently asked why the Federal Government should be concerned with the development of the West. One major reason is that in the 11 States of the Mountain and Pacific group, the United States owns more than 50 percent of the land area and controls vast water supplies, as well as other natural resources.

As far back as the administration of Thomas Jefferson a policy of internal improvements in the interest of conservation was inaugurated, and in the administration of Andrew Jackson funds from the Federal Treasury were appropriated to the States for public improvements.

WHY IRRIGATION IS NECESSARY IN THE WEST

The Department of Agriculture reports that between 15 and 20 inches of rain, depending on summer temperature, are necessary during the growing season for farming without irrigation. In the arid and semiarid regions west of the one hundredth meridian, less than 20 inches can be expected during the whole of a normal year.

By contrast to the eastward, the rainfall is generally adequate for crop production and averages around 40 inches

annually in most areas.

Federal reclamation projects are located in the areas receiving less than 20 inches annually, and virtually all irrigation in the United States is confined to this section of the

If 20 inches of rainfall, or even 15 inches, could be counted on during the growing season for crops, irrigation might not be necessary, but in some sections the precipitation is as low as 3 inches during an entire year. During the growing season, in most sections, no more than 8 to 10 inches can be expected; in others the precipitation is much less. In only a few tillable areas, outside of the high mountains and in a limited area on the northern Pacific coast, can as much as 15 inches be anticipated.

The records of the Weather Bureau of the Department of Agriculture, as revealed by two illustrations in Senate Document No. 36, show that the moisture that does fall in the arid and semiarid regions is unfavorably distributed so far

as agriculture is concerned.

Consequently, conservation of the scant water supplies through storage and their distribution during the growing season is essential to stabilized farming in the area west of the one hundredth meridian. Irrigation is the only means of providing for the close settlement of the rural areas of more than one-third of the land area of continental United States.

MULTIPLE PURPOSES OF RECLAMATION

Much emphasis has been laid by critics of the Federal policy on that phase of reclamations which had to do with bringing new agricultural lands into production with the assertions that the policy contributes to the distress of farmers in other sections of the country.

When that charge is made the full facts are not revealed. In 1937 the acreage actually brought into cultivation by Federal reclamation projects was only one-half of 1 percent of the entire cultivated area in the United States.

As a matter of fact, bringing new land into cultivation is but one objective. In my own State of California 90 percent of reclamation is directed toward providing supplemental water for areas in established agricultural sections which are threatened with disaster by a shortage of supplies from systems created by private capital.

In 1937 reclamation projects provided a full supply of water for 1,725,000 acres and supplemental supplies for 1,389,000

acres.

A glance at the program of the Bureau of Reclamation, embracing projects that are now under way, reveals that the ultimate acreage to be benefited by supplemental water supplies will be larger than the area that will have been brought into cultivation more than 20 years hence.

The facts are the maximum area within projects constructed from 1903 and included with completion of the present program, probably in 1962, will be 4,666,819 acres. Compare this with 5,256,443 acres that will have been provided with supplemental water.

Reclamation has spread the benefits of Federal activities by the development of hydroelectric power as incidental to irrigation works but without supplanting coal as a fuel. In the 11 Mountain and Pacific States in 1937 electric public utilities consumed only 2 percent of the coal used in the production of electric energy for public use in the United States.

RECLAMATION CROPS AND COMPETITION

The Agricultural Adjustment Administration of the Department of Agriculture points out "how insignificant from a competitive standpoint is the wheat, cotton, and corn production" on reclamation projects by comparing the yields on this limited acreage with those of the Nation at large. It cited that in 1936 the wheat crop on reclamation land was only seven-tenths of 1 percent of the Nation's production, cotton was 1½ percent, and corn less than one-tenth of 1 percent.

As a matter of fact, the trend has been toward decreased production of these three crops on reclamation projects, compared with areas planted in the latter twenties. No tobacco is grown on irrigated land and relatively few hogs are pro-

duced in the West.

Less than one-fourth of 1 percent of the country's total acreage in corn, wheat, and cotton was represented by land brought into cultivation by reclamation operations in 1937.

Products of approximately 50 percent of the acreage of reclamation project land are fed to livestock in the immediate areas. The remainder, principally specialty varieties, are consumed largely in the West and can be marketed eastward only when the produce of farms near the great consuming centers is not in season.

The distance of 1,000 to 3,000 miles from reclamation projects to the big cities of the Midwest, South, and East serves as a virtual tariff barrier that precludes competition when the truck farmer nearby can fill the demand.

In discussing reclamation crop production and surpluses it is informative to note the imports of agricultural products and their effect on American agriculture.

During 1935, 1936, and 1937 imports of wheat, corn, and cotton and their byproducts displaced annually 27 times the American acreage that reclamation projects have brought into cultivation.

NATIONAL BENEFITS FROM RECLAMATION

When you bear in mind that reclamation projects do not add to the distress of the farmers of other sections of the country but provide a market for agricultural as well as manufactured products of the East, Midwest, and South some idea of the national benefits arising from reclamation may be secured.

Take the record of a typical project, west of the Rocky Mountains, as an example. In 1937 the Boise project in Idaho alone received by railroad 300 carloads of foodstuffs from nearly a score of States outside of the reclamation area.

As the West grows no tobacco and does not produce sufficient cotton for its regional needs, the planters of the South find their surpluses in these commodities reduced by the market for the reclamation States.

The factories of 30 States of the Midwest, of the East, and the South shipped nearly 2,000 carloads of manufactured products to the Boise project in that one year. Automobiles from Michigan and other States, farm machinery, building material, furniture, electrical supplies, household equipment, wearing apparel, and general merchandise were included among the commodities.

Conservative estimates have it that the reclamation project areas alone provide a wholesale market worth on the average of \$200,000,000 a year for the farms and factories of the Midwest, the East, and the South.

Typical project reports show that 75 percent of the income of the farmers is expended for the agricultural and manufactured products of the areas outside of the reclamation States.

Theodore Roosevelt predicted the reclamation and settlement of the arid lands of the West would "enrich every section of our country just as the settlement of the Ohio and Mississippi Valleys brought prosperity to the Atlantic States." Results confirm his prediction.

CONTRIBUTION TO WEST AS A MARKET

While the reclamation projects represent only a relatively small area in the West, their contribution to its development has been far-reaching. From the time of the passage of the reclamation law in 1902, the population of the 11 States of the Mountain and Pacific groups has increased 300 per-

cent, outstripping the agricultural production.

Some idea of the market which the West as a whole provides for industrial and agricultural products may be gleaned from the requirements for hogs and pork products produced in the Midwest. Based on official figures, estimates are that the average annual purchases of live hogs, processed pork, and corn products approaches \$210,000,000, which goes to the farmers and meat packers of the Central States.

Cotton requirements of the West, after deducting the relatively small volume produced in the area, average more

than \$97,000,000 annually.

Automobile shipments exceed \$200,000,000 annually, and other industrial products represent relatively large amounts.

The purchasing power represented by crop values of reclamation land has been more stable than the American export trade with most foreign nations.

The average annual crop values from 1934 to 1937 were exceeded by the export trade of the United States with only four countries: United Kingdom, Canada, France, and Japan.

Crop values on Federal projects from 1934 to 1937 averaged \$110,145,198, an amount exceeding the value of exports to the Philippines, to Argentina, to Brazil, to China, and to all the Central American republics combined. From 1928 to 1937 the value of American exports to Brazil decreased nearly 50 percent, while the value of project crops decreased less than 20 percent.

These crop values do not include the income of settlers from livestock, poultry, and dairy products.

DISTRIBUTION OF CONSTRUCTION EXPENDITURES

The charge has frequently been made that indicates a belief in some quarters that appropriations for the construction of reclamation projects are expended in the immediate area or the States in which the projects are located. Nothing could be much further from the fact.

Facing page 24 of Senate Document No. 36 is a map illustrating the distribution of expenditures for the construction of Grand Coulee and Boulder Dams. Purchases of material were made in 46 States and the District of Columbia.

Based on analyses of reports of the National Industrial Conference Board, the Department of Labor, and other official agencies, 45.6 percent of the costs of the Central Valley project in my State of California will be expended in other States.

In building the All-American Canal in southern California 3,368 carloads of material and equipment were provided by industrial States of the Midwest, South, and East.

The benefits from construction expenditures are not confined to any one State or even to the immediate regions in which projects are located. The entire Nation benefits.

NO CONFLICT WITH LAND RETIREMENT, CROP CONTROL, OR SOIL CONSERVATION

Reclamation does not conflict with programs involving land retirement, crop control, or soil conservation.

In fact, a major objective of reclamation is conservation of productive soils through providing moisture by irrigation.

The inconsequential areas brought into cultivation that are planted to wheat, corn, and cotton—less than one-fourth of 1 percent of the national total in these crops—demonstrates how little reclamation contributes to the production of staple crops of which the United States has exportable surpluses.

Land retirement provides for the abandonment of land uneconomically farmed. All reports agree there are many millions of acres of submarginal lands incapable of producing crops that will provide support for families.

Reclamation, on the other hand, seeks to provide a few farmers with the best quality and type of land available, with security in water supply. Newly irrigated land brought into cultivation is more than offset by retirements of poor land.

In the 17 Western States of the arid and semiarid regions the land planning committee of the National Resources Board has estimated there are more than 40,000,000 acres that should be retired from farms, of which 10,607,000 acres are in crops. Up to March 1938 there has been retired in the Great Plains States alone more than 5.400,000 acres of farm lands—an area greater than will have been brought into cultivation when the reclamation program is completed 20 years hence.

WHY IS THERE A DEMAND FOR RECLAMATION?

In addition to the need for supplemental water for established areas already irrigated, every State in the West is faced with a demand for newly irrigated land by families that have migrated from the drought areas of the Great Plains States or from other sections of the country, where readjustments of agricultural life have forced thousands of families to move.

In the seven far Western States alone, from 1934 to 1937, there were 58,400 families from the drought areas, of whom it had been possible to settle less than 3,000 on land where they would have reasonable opportunity to become self-sustaining. The remaining 55,000, now doubtless increased, are seeking a precarious existence through seasonal agricultural employment or are wholly on relief.

The Department of Agriculture, through Under Secretary M. L. Wilson, has estimated that 20,000 additional families from the Great Plains States will be forced to move under a land-readjustment program, and most of these will doubtless

migrate westward.

While California and the other Pacific Coast States have been compelled to handle the bulk of these migrating families because they can get no farther west, every State west of the Great Plains has been confronted by its share of the problem. Including the families from other sections of the country who have moved westward, it is probable that half a million people have moved into the Western States since 1930.

Walter S. Duffy, northwest regional director of the Farm Security Administration, declares the solution of the problem arising from the migration of these families to the West lies in their reestablishment on the land—"planned settlement on new reclamation and irrigation projects."

If all the newly irrigated land planned in the present reclamation program were available for settlement, it would be insufficient to meet the demand.

FINANCIAL ASPECTS OF RECLAMATION

Reclamation financial operations will compare favorably with those affecting any similar Federal undertaking.

Of the construction costs of projects in operation and subject to repayment, more than 30 percent have been repaid.

Delinquencies in the repayment of construction costs at the close of the fiscal year were only 2.2 percent of the total amount due and payable at that time.

Under the present wise policy of the Bureau of Reclamation, projects are recommended for construction only after the most thorough and detailed investigation shows that under normal conditions construction costs will be repaid in 40 years.

Revenues from electric power produced incidental to irrigation operations will materially assist in repaying the construction costs of a score of projects in operation under construction.

Of the estimated completed cost of the reclamation program as now planned of \$1,169,000,000, including Boulder Dam and other projects completed or under construction, more than half a billion dollars will be paid by power revenues.

ACHIEVEMENTS OF FEDERAL RECLAMATION

A summary of major achievements of Federal reclamation in the 15 Western States should include:

Creation of more than 50,000 farm homes.

Establishment of or support for 254 cities and towns.

Population of more than 900,000 persons on farms and in urban communities dependent on them.

Protection for 30,000 farms provided with supplemental water supplies.

Support for 863 public schools and 1,076 churches; construction of hundreds of miles of highways and many other improvements.

Farm values in land and improvements of more than \$400,000,000, with values in city, town, and utility property of half a billion dollars.

A \$200,000,000 annual market for the products of the factories and farms of the Midwest, East, and South.

This work, which has contributed so much to the welfare of our country, must be carried forward. [Applause.]

Mr. JOHNSON of Oklahoma. Mr. Chairman, I yield to the Delegate from Alaska [Mr. Dimond] 10 minutes.

Mr. DIMOND. Mr. Chairman, it is only fitting that I should first express my appreciation to the members of the subcommittee of the Appropriations Committee which has jurisdiction of the bill now before us, the Department of the Interior appropriation bill, for the careful consideration which they gave to all matters coming before them affecting the Territory which I have the honor to represent here.

Sometimes I fear that the Members of Congress as well as the people of the United States do not realize that Alaska belongs to them just as much as it does to the 70,000 people who reside in the Territory. Alaska is part and parcel of the United States, and the Supreme Court of the United States has decided in a case in which the question was involved, that the Constitution of the United States extends with full force and vigor to Alaska, and for the protection of the citizens of Alaska. So Alaska is not a colony; it is not a dependency; it is a Territory. It is a State in embryo, and it is just as much a part of the United States as is one of the 48 States.

Alaska belongs to the people of the United States in a peculiar manner, because more than 99 percent of the total area of Alaska, a region twice as large as the State of Texas, still belongs to the United States. It is still in the public domain or in one of the several types of reservations that may be created by the Federal Government, either by Executive order or by act of Congress. So Alaska is not only a part of the United States and belongs to the people of the United States, but the Congress, I think, viewing Alaska as a part of the territory of the National Government, justly gives to all matters concerning the Territory, very careful and studious thought, as was given by the subcommittee in considering this bill.

Alaska resembles some of the States in that it has a very considerable Indian population. I know there are more Indians residing in Oklahoma than reside in Alaska, yet the Indian population of Alaska is substantial, about 30,000, according to the census of 1930. The Federal Government has the same responsibility with respect to the Indians of Alaska that it has with respect to the Indians of the United States, and that relationship has sometimes been called by the courts and by others as the relationship of guardian and ward. I do not know the exact definition, or whether there is any legal relation that exactly fits the relation between the Indians and the Federal Government. I have often thought, Mr. Chairman, that perhaps the relation of a trustee and the beneficiary of the trust might more exactly define the status of the Indians as regards the Federal Government-trustee and cestui que trust-as the term is used in law. The committee, in considering this bill, and the Congress generally in considering other things with relation to Alaska, have recognized the definite responsibility of a trustee to look after the welfare of the beneficiaries of the trust, namely, the Indians and Eskimos of Alaska, just the same as the Indians of the United States.

Yet the Congress was late in coming to even think of the natives of Alaska. Alaska was acquired from Russia in 1867, so while legislation had been enacted by the Congress for years and years, even almost back to the time of the meeting of the First Congress, the one hundred and fiftieth anniversary of which we celebrated the other day, for the Indians of the United States, for a great many years after the acquisition of Alaska the Congress took no steps whatever to protect or to promote the welfare of the natives of Alaska. That responsibility has been assumed gradually and yet it is far from being what it should be. It is far from being what it is with respect to the Indians of the United States.

The other day in appearing before the committee I was able, with the help of information that I received from the Bureau of Indian Affairs, to point out that to this very day the Indian schools of Alaska are not receiving the same degree and the same kind of support that is being enjoyed by the Indian schools in the United States.

On page 733 of volume II of the hearings you will find a tabulated statement. The conclusion expressed in that statement is that if the Indian schools of Alaska were maintained on the same scale and with the same degree of efficiency as the Indian schools of the United States, that there would be included in this bill \$98,100 above the amount carried for the education of the Indians in Alaska. This condition ought not to be permitted to exist.

I suppose there is not a Member here representing a constituency which has any considerable number of Indians who thinks that the Indians of his district are too well taken care of. In fact, from my own very meager observation of what is being done for the Indians in the United States, I think that the Indians generally over the United States, and in Alaska as well, have been shamefully neglected and in many instances shamefully ill-treated.

Mr. RICH. Mr. Chairman, will the gentleman yield?

Mr. DIMOND. Yes; I yield gladly to the gentleman from Pennsylvania.

Mr. RICH. It has been the thought among the Members of Congress, as I gather it, that the Indian population would gradually decrease and that eventually we would find the Indians self-supporting. Year after year, however, we see the amount contributed to the Indian Bureau increased; and if I interpret the trend correctly, it is going to increase annually. Does the gentleman think there will ever come a time when the Indians will be self-supporting?

Mr. DIMOND. Answering the gentleman from Pennsylvania, Mr. Chairman, not only do I think so, but I am certain of it

Mr. RICH. When will that time be?

Mr. DIMOND. It may take 25 years; it may take 50 years; but the time certainly will come when the Indians will be entirely self-supporting.

The other day while reading a recent biography of that great genius of Pennsylvania, Benjamin Franklin, I was forcibly struck by a remark attributed to Franklin that even back in that day he observed that whenever there was a war between the white men and the Indians in the colonies, without exception it arose because of some injustice or some crime committed by the white men against the Indians; and so it has been all down through the 150 years of our history as a nation. Until comparatively recent years the Indians have been shamefully neglected or abused. They have been robbed of their territory, they have been deprived of their property, and they have been herded in general onto lands which the white men did not want. Only lately have we begun slowly to take steps to make amends for some of the terrible injustices we have inflicted upon the Indians. The job cannot be done in 10 days or even in 10 years; it is going to take time. The aim ought to be to help the Indians to help themselves. I am therefore particularly encouraged by the bill reported out by the committee, for it marks a definite advance, definite improvement, although a vast amount still remains to be done.

[Here the gavel fell.]

Mr. RICH. Mr. Chairman, I yield 10 minutes to the gentleman from Montana [Mr. Thorkelson].

Mr. THORKELSON. Mr. Chairman, I am very happy to have an opportunity to speak to the Members today, for I have heard many things that interest me. Our colonial policy has been debated. No one is responsible for this policy except the Congress itself. I also heard a discussion about alliances—and permit me to say that alliances should be handled by Congress. It is the rightful duty of the Congress to handle such serious things. I also heard the importance of national defense. This is a rather large question and something that we ought to bear in mind and give serious consideration to because it intimately concerns our security. Then, again, I heard my colleague speak about Alaska.

I want to say a few words about Alaska, just to recall to the Members of Congress that it is a great piece of land-a country that has not been fully developed by any means whatsoever. The fishing industry of Alaska is large. It has hardly been touched. Bristol Bay inside the Aleutian Islands abounds with fish of all sorts and it is a source of wealth to the country. The mineral deposits of this Territory have not been touched. They include copper, tin, gold, lead, and many other metals. There are also large deposits of coal in Alaska. In other words, it is a country with undeveloped sources of wealth.

Were this Territory of the United States developed to its fullest extent, it would employ many of our idle people, but we must treat it differently from the manner in which we have treated our colonies in the past. We must offer some inducement for our business people to develop this country, and it must not be done by subsidizing the people. We could make the Territory self-sustaining as other powers have made their territories. As a suggestion, I would say that the United States Government might well say to the business people that Alaska is open to them. The Government should reduce all oppressive taxation in Alaska for 25 or 30 years. I venture to say that under such a policy many thousands of people would go to Alaska. It is a country that rightly deserves much consideration; and if given to it, it will be self-sustaining and profitable to all.

I want you to know that this Territory is important to the United States as a matter of protection to the west coast, which we should bear in mind.

I heard the gentleman from Michigan [Mr. CRAWFORD] speak a while ago about money, and I desire to make a few remarks about that.

In 1934 the Gold Reserve Act was passed, which took us off the gold standard at home, but we still remained on a gold standard abroad. The peculiar part of the situation is that the money we are using here is a commodity or managed money. When it leaves the boundaries of the United States each dollar becomes worth exactly 15.21 grains of gold. Money we are using here today is a commodity of managed money, a money that has no actual, real value within itself, no intrinsic value whatsoever, but its purchasing value depends entirely upon the ability of a committee to control prices throughout the land so that this dollar may buy the necessities.

Mr. EBERHARTER. Will the gentleman yield?

Mr. THORKELSON. I yield to the gentleman from Pennsylvania.

Mr. EBERHARTER. Does the gentleman know of any country in the world that has a more stabilized currency than the United States?

Mr. THORKELSON. I did not catch the gentleman's question.

Mr. EBERHARTER. A country that has a more stabilized currency, so far as value is concerned, than has the United

Mr. THORKELSON. It is not a question of stabilized value of a currency. Our currency is not stabilized. The only thing that stabilizes currency is gold, which gives it an intrinsic value. If you deprive our currency of gold, then you cannot have a stabilized currency, because it has nothing upon which to be stabilized.

Mr. EBERHARTER. Is it not a fact that the currency of the United States is and has been stabilized for the past 5 years?

Mr. THORKELSON. No. Our currency has not been stabilized.

Mr. EBERHARTER. One more question.

Mr. THORKELSON. Our prices have been held within bounds, so far as our currency has been able to buy certain commodities. As a matter of fact, it is the price fixing of commodities that has stabilized the currency, but not the intrinsic value of the money itself.

Mr. EBERHARTER. Does the gentleman know of any country in the world that does not have what the gentleman terms "a managed currency or a managed control of money"?

Mr. THORKELSON. At the present time most of the countries have, as a matter of fact, a managed currency. Of course, in England the pound sterling has not a fixed value in gold like our dollar has. We fixed our value of gold at 15.21 grains. The pound sterling, of course, is regulated somewhat in proportion to our own money.

Mr. RICH. Will the gentleman yield?

Mr. THORKELSON. I yield to the gentleman from Penn-

Mr. RICH. The gentleman knows that the Congress gave the Secretary of the Treasury and the President \$2,000,-000,000 to stabilize the currency?

Mr. THORKELSON. I understand that. I also say that in doing so the Congress did something that was absolutely unconstitutional.

Mr. RICH. And they did not ask the President to give any

accounting for the money.

Mr. THORKELSON. That is right. The Constitution also demands that money taken from the Public Treasury must be accounted for and the receipts and expenditures published from time to time.

Mr. CRAWFORD. Will the gentleman yield?

Mr. THORKELSON. I yield to the gentleman from Mich-

Mr. CRAWFORD. Does the gentleman know of any world power operating in the world today, such as France, England, Belgium, Italy, Australia, or Germany, where the power of their domestic exchange has been as unstable, uncertain, and as fluctuating as it has been in the United States during the past 5 years?

Mr. THORKELSON. I do not. Mr. CRAWFORD. Does the gentleman also recall that Dr. Goldenweiser, the present chief technical adviser of the Board of Governors of the Federal Reserve System of the United States, has recently said we have not had monetary control and that we cannot have monetary control within the framework of our present constitutional form of government?

Mr. THORKELSON. That is correct.

Mr. CRAWFORD. Does the gentleman say that we have a stabilized currency?

Mr. THORKELSON. I say no, we have not.
Mr. CRAWFORD. Then he did not give an affirmative answer to the question asked by the gentleman a moment ago.

Mr. THORKELSON. The point I wish to raise is that in the Constitution you will find "the Congress has the power to coin money and regulate the value thereof, and of foreign Upon this paragraph alone the Gold Reserve Act was passed. There is nothing within the paragraph itself to give the Congress the right to pass that particular act.

[Here the gavel fell.]

Mr. RICH. Mr. Chairman, I yield the gentleman 5 addi-

Mr. SCRUGHAM. Will the gentleman yield?

Mr. THORKELSON. I yield to the gentleman from Ne-

Mr. SCRUGHAM. Does the gentleman know of any nation whose money is more stable than is the money of the United States; and if so, what are those nations?

Mr. THORKELSON. No money is stable except when it is secured by gold. The fact that one nation is wrong does not justify us in doing the same things; in other words, one error does not make right another.

Mr. SCRUGHAM. Can the gentleman answer the ques-

Mr. THORKELSON. I answered the question.

Mr. SCRUGHAM. Does the gentleman know of any nation whose money is more stable; and if so, what are they?

Mr. THORKELSON. I say no; but I also say that that does not justify this administration in depriving the American people of being secured by gold.

Mr. RICH. Mr. Chairman, will the gentleman yield?

Mr. THORKELSON. I yield to the gentleman from Penn-

Mr. RICH. If we continue for a few years more as we have in the last 6 years running the Nation into debt, and if our course in the future is going to be the same as it has been from July 1 of last year up to the present time, when we have

gone into debt more than \$2,364,726,000, how can our money ever become stable, as long as we are doing the things we are

doing now, squandering the taxpayers' money?

Mr. THORKELSON. Our money cannot become stable if we continue as we are at the present time, because money cannot become stabilized unless it is based upon gold. If we continue as we are now, it can only end in dismal failure and national bankruptcy. Gold is accepted as the general standard throughout the whole world upon which money is stabilized.

At the present time we have about \$13,000,000,000,000 of gold certificates issued to interests outside of the Treasury, and we have about \$7,000,000,000 in currency of different kinds in circulation. This makes approximately \$20,000,000,000 in circulation today. We are in the midst of a great inflation at the present time. The reason we are reasonably secure is that the business people do not know and do not realize that we are in the position we are in; that our currency is actually worthless. It is indeed to the credit of the courage of the American people that they remain in their business, put up security to borrow money, and use currency which as far as anyone knows might collapse tomorrow. That is the position we are in today.

Mr. CRAWFORD. Mr. Chairman, will the gentleman

yield?

Mr. THORKELSON. I yield to the gentleman from Michigan.

Mr. CRAWFORD. Add to that the fluctuating, erratic characteristic of our currency at the present time, which causes people with savings to hesitate to make long-term commitments.

Mr. THORKELSON. Let me reply to the gentleman in this manner: Why should I take a stable security that may be worth, say, \$50,000 and borrow \$20,000 from the bank and then start in business? I begin to operate and the first thing I know other taxes are placed on me, or some sort of restrictions. I finally reach the point where I cannot pay interest on the money borrowed and I lose a stable security for what? For nothing but inflated commodity money that is worthless.

Mr. CRAWFORD. With reference to the question raised by the gentleman a few minutes ago, I think he was directing his remarks perhaps unintentionally to the stabilization which has been given dollar exchange externally on the foreign exchange markets. I believe the gentleman will agree with me our stabilization fund has operated in that manner quite successfully, but I am directing my remarks to internal prices.

[Here the gavel fell.]

Mr. RICH. Mr. Chairman, I yield 3 additional minutes to the gentleman from Montana.

Mr. THORKELSON. The reason international money is stabilized is that the dollar is backed by 15.521 grains of gold.

Mr. CRAWFORD. Exactly.

Mr. THORKELSON. Our money here in the United States is not backed by that. It has no value whatsoever. No international transaction is carried on with the money we are using here. All international transactions are carried on upon the gold standard, the same standard we had in 1932, and this is why international currency is stable.

Mr. SCHAFER of Wisconsin. Mr. Chairman, will the gen-

tleman yield?

Mr. THORKELSON. I yield to the gentleman from Wis-

Mr. SCHAFER of Wisconsin. I just wanted to make a constructive suggestion. The gentleman from Michigan indicated that Brazil now has a great deal of the export cotton market which America had prior to our New Deal administration. We find in the press this morning that although Brazil, with a dictatorship form of government, owes to American investors several hundred million dollars on defaulted bonds, our New Deal Secretary of State has opened the Treasury and has entered into an agreement to advance Brazil many millions of dollars.

Mr. THORKELSON. May I remark at this point that the money that will be loaned to Brazil will be gold, and the people right here in the United States who have earned that gold cannot get it and cannot even be secured by such gold?

Mr. SCHAFER of Wisconsin. And Brazil will use that money taken from the American taxpayers to take more of our American cotton export markets and further wreck our American cotton producers.

Mr. THORKELSON. Yes; and it will wreck the United

States in the end.

Mr. SCHAFER of Wisconsin. Absolutely.

Mr. THORKELSON. Mr. Chairman, yesterday my Democratic colleagues expressed their elation in a very jubilant manner after having passed the reorganization bill. There really was no occasion for this expression of joy, because the present Democratic majority has committed constitutional rape for 6 years. This unfortunate irresponsibility or constitutional immorality is responsible for the chaotic state we are in today.

Yesterday when the crew of the New Deal steam roller began to act as statesmen, an amendment introduced by the gentleman from Texas [Mr. Kleberg] was adopted. It was about the only period of intelligent reaction in yesterday's debate. To rally his crew, the gentleman from North Carolina [Mr. Warren] took the floor, accompanied by the Doones. It is true that his own forces were divided momentarily, during a period in which constitutional responsibility was rekindled. But his divided crew from the west and east mountains did not train their guns upon the Doones—they trained them instead upon the people who sent them to Congress. They shot the Constitution full of holes.

The gentleman from North Carolina said to the gentleman

from Texas [Mr. KLEBERG]:

He does not propose to write into this legislation one single, solitary thing that is not already guaranteed to the President of the United States under the Constitution. He comes up with a dagger in his hand and tries to strike the whole proposition down.

I say the gentleman from Texas should be acclaimed for his courage in defending the people's rights and the Constitution of the United States.

What excuse can the gentleman from North Carolina find, or wherein is power delegated to anyone in Congress, to give the President more than his constitutional power?

As I understand it now, the President proposes a measure. It comes to the House. If it is not acted upon within 60 days, it becomes law. This holds for both Houses. It now goes back to the President—not for approval—it was approved by him before it was presented to the House. The procedure is entirely reversed from the procedure outlined in the Constitution. I quote:

Every bill which shall have passed the House of Representatives and the Senate shall, before it becomes a law, be presented to the President of the United States. If he approves, he shall sign it; but if not, he shall return it, with his objections, to that House in which it shall have originated.

As it stands now, if the President proposed the measure, which, of course, Congress expected him to do, he passes the bill, and Congress approves it by negative action.

I shall now take you back 163 years and briefly review causes which led to the formation of our Government. The people who lived in the colonies at that time were well acquainted with everything putrid in government. Their experience dated back not years but centuries. It began before Christ and was carried through from the time of our Saviour's crucifixion, from the period when those who believed in Christ were persecuted for their faith. It extended practically without interruption, and was horribly revived in the Thirty and Seven Year Wars in Europe. This persecution was brought to a climax during the Spanish Inquisition, the French Revolution, and into the period when the same intolerance was felt acutely by the people in England. The history of this had been passed on from parents to children, so that all lived in fear of their masters.

If you recall the history of that time, and the prison ships that carried these innocent and defenseless people from their homes and families to penal colonies, it should be a warning to you today.

No doubt some of you have seen those ships and the instruments of torture aboard them. I have been on board such ships. I have seen those instruments of torture: The iron woman, with its inverted spikes, within which the victim was placed, the door closed until death came to his rescue; the shackles and chains in the hold of the ship, to which the prisoners were chained; the iron frames on the deck to which the prisoners were chained-neck, wrists, and anklesso they could not move; the thumbscrews, in which their fingers were placed until in sheer agony they confessed to anything to be relieved of pain. Such confessions often led to persecution of innocent victims who in turn became objects of the same torture, a sort of endless piecemeal destruction of human lives and liberties. Somewhat similar to your expression yesterday when you so jubilantly expressed your joy after having passed the reorganization bill, which can only end in the loss of the people's liberties and rights. Yes, my friends, the people whom you took a solemn obligation "to preserve, to protect, and defend" against the Government and against the politicians who are now running it-yes, against the head of the Democratic Party-I do not want you to forget that.

With this experience vividly impressed in their minds, these people rebelled when the reptile of persecution reached its fangs into the heart of the colonies of America. After years of strife to free themselves from this monster, and with suffering still in their hearts, they, in common united effort, attempted to provide for themselves and their children a government to exist only by public grant "by the people, of the people, and for the people." And so the Constitution of

the United States came into being 151 years ago.

The Constitution is the expression of a people who asked only for life, liberty, and the pursuit of happiness; to be free of intolerance, persecution, and excessive taxation—I might say, destructive taxation. With this in mind, they established the principle that each person should work to sustain himself so that he would be a useful unit among his fellowmen, that in furtherance of this civilized state each family should assume responsibility for its own and its children's welfare. These are the fundamental principles of a popular government such as ours.

When the community life reached a population where it could not be well regulated by each unit, officials were elected to represent a community comparable to town or county. These elected officials were not to rule the people who had placed them in office but were to adjust differences between family units for the general welfare of all and to provide for collective protection and for all things that should be shared equally by each and every unit within the county.

These separate county units found it impractical and too costly to negotiate with each county, for distances between them were too great for economical operation. In order to overcome this each county elected men to represent them. which, of course, we recognize as our State government. The duty of the State government is not to rule the people within each county, but is instead to adjust differences

among the counties for the general welfare of all.

The State government became the first major unit in which officials were elected by the counties to represent them in the State capital. The people provided a State constitution, which delegated certain powers to the State legislature for the general welfare of all counties and the population thereof. The State government, therefore, is a sovereign government within itself and occupies exactly the same relation to the counties as the Federal Government does

The 48 States now find that it is inconvenient and too costly for each State to negotiate directly with the other 47 States, so each of them elects men to represent them in the Nation's Capital, and this is the Congress of the United States. The fundamental principle of this form of government is based upon the fact that the greatest economy may be enjoyed if each unit assumes full responsibility and respects mutual rights. The State, as a sovereign government, is responsible to the counties and to the people within the State and to its own population for a sound Federal Government. In this plan each State occupies the same position in the 48 States as the county government occupies in its relation to the counties within the State.

I want to call my colleagues' attention to the fact that these are the fundamental principles of a popular form of government such as ours. It is the only manner in which a republican form of government may be maintained and perpetuated. It is based first upon the rights of the States to regulate the affairs within the State and for each to maintain representatives in Congress to adjust and regulate differences among the States with the foreign nations and with the Indian tribes.

If my colleagues have followed me, they will now understand that Congress represents all States and Territories for the general welfare of the United States. In such administration, the Federal Government is relieved of all responsibility except as representative of the United States in foreign relations, and must provide for the common defense and general welfare of the United States, not by dealing directly with the people but instead by helping the people through the several State governments.

After this brief discussion, I have reached the point which I desire to set clearly before you, and which I hope you will not misconstrue. When you come here to Washington, the people hand you the Constitution of the United States, and they say to you: This is the Constitution, and in it you will find certain powers delegated to you. You have our permission to enact any legislation within the powers so delegated in this document, but you must not exceed the powers granted to you or deny to the States or to the people the powers reserved to themselves.

It is my desire to call the attention of Congress to the fact that the constitutions of the various States differ, because each is formulated for the general good of the people within that State. When it comes to the United States, the Constitution does not differ but provides equality to all the States. That is the difference between the State constitution and the Constitution of the United States. It is also a clear certification of the sovereign status of the States. It is now my desire to inform the majority of Congress who voted for the reorganization bill, H. R. 4425, yesterday that the bill is not within the legislative power delegated to this body. In other words, it is absolutely unconstitutional. The arguments expressed in debates on this floor yesterday were not expressions of the knowledge of the Constitution, but they were, instead, clear demonstrations of the lack of such knowledge. You failed to recognize one essential principle, and that is the instrument upon which the constitutionality rests. Congress should know that Congress itself, the Supreme Court, or the President of the United States do not make legislation constitutional, but such certification must rest entirely upon the provisions which are found within the Constitution itself.

I now challenge any Member of Congress, the Supreme Court, and the Attorney General, and the President himself, to point out the paragraph in the Constitution where power is delegated to Congress to create the various private corporations which Congress has provided in the last 6 years. I ask you to designate where in the Constitution power is delegated to Congress to enact the Gold Reserve Act, to set up the stabilization fund, and to pass the reorganization bill which you enacted yesterday. I say there is no provision for it in the Constitution.

It was lamentable to observe those in debate on this bill defending the rights of the President of the United States to act in the capacity of the Members of this House. It is well for my colleagues to bear in mind that each of us is elected to represent the people of the United States, not the President, not the Supreme Court, nor anyone else. It is also well for the Members of this House to remember that a solemn obligation was taken to perform this service without equivocation or mental reservation on our part.

The first duty of Congress is to see that all legislation comes within the limit of the Constitution. Even with this carethrough stress or carelessness—legislation will be enacted that is not constitutional. It then becomes the duty of the Supreme Court to send it back to this House and declare it unconstitutional. I shall go a little further in my statement and say that the Supreme Court has not observed the principles of the Constitution either. It is well for the Supreme Court to know that when a great difference of opinion exists in that body, or when there is a question of doubt in their minds, the ninth amendment of the Bill of Rights prevails.

To stand on this floor, as you did yesterday, and fight to take the rights away from the people and give such rights to the President or anyone else, makes you traitors to your own people. It is time for Congress to know that. The life of this Nation and the rights of the people come first, and political parties and political expediency should not be considered

where the security of our people is jeopardized.

I shall recite to you what happened in my own State when the elected officials did not confine themselves within the accepted laws of the community; when they constantly deprived the people of their right to own property and even confiscated it. When the people found that the very ones they trusted were the culprits, they organized what is known as the Vigilantes. These law-abiding citizens rounded up these betrayers of public rights and they hanged all of them. I just mention this to you so that you may understand the power of the people. The people are supreme in this land of ours, the supreme power, if you please, and the Constitution is their mandate to you here in Congress. They might take the law in their own hands.

In a few days you will have the National Health Act coming up on this floor. It was introduced in the Senate on the 27th of last month. That act is a red stepbrother to this reorgani-

zation bill. It is also clearly unconstitutional.

I cannot understand the psychology of this body in its abject fear of and subservience to the Chief Executive. I respect the President of the United States as much as anyone, but in taking this stand I am acting for his protection, so that he will not step out of office to be despised at some future date because Congress bestowed upon him powers and duties for which Congress alone should be responsible. It is well to bear in mind that a person may be destroyed by kindness, especially kindness of this sort.

In closing I want to remind you that the President enjoys only two definite powers-to grant reprieves and pardonsthat is all. He is Chief and Commander of the Army and Navy. He can appoint officials with the approval of the Senate, and he must see that the laws are faithfully obeyed. If Congress has any respect for the President and for themselves, they should insist that each department confine itself within the power delegated to it by the Constitution of the United States. In such observance, as I have tried to explain. rests the soundness and the perpetuation of our Government.

Mr. JOHNSON of Oklahoma. Mr. Chairman, I yield to the gentleman from Arizona [Mr. MURDOCK] such time as he may desire.

Mr. MURDOCK of Arizona. Mr. Chairman, I ask unanimous consent to extend my own remarks at this point in the RECORD.

The CHAIRMAN. Is there objection to the request of the gentleman from Arizona?

There was no objection.

Mr. MURDOCK of Arizona. Mr. Chairman, I wish to say, in agreement with my colleague from California on the other side of the aisle, that when the Interior appropriation bill is before the House it is a splendid opportunity to speak concerning some great enterprises of the West, such as reclamation and mining. He was thinking of reclamation, and so am I, but I want to discuss mining.

Remarkable changes have come about in metallurgy during our generation and, no doubt, greater changes are ahead within the same length of time. As an illustration of this I would like to repeat to the House a story told me by our Arizona cowboy author and historian, Will C. Barnes, which I think is not only amusing but highly illustrative of some facts concerning mining and minerals. But I must explain the setting of this story before telling it.

About 20 miles west of Winslow, Ariz., and 6 miles south of United States Highway No. 66, there is on that open, level plateau a peculiar feature of Nature. It is a great circular and cone-shaped hole in the ground known as Meteor Crater. Around the edge of this circular opening is a surrounding mound lying there on the flat plateau like a huge doughnut on the table, the height of the mound being 75 or 80 feet above the level of the plain. This crater, or inverted cone-shaped hole, is about a half mile in diameter and its sloping sides extend down a depth of about 600 feet, the bottom of the hole being a level, grass-covered area. It is now called Meteor Crater because scientists tell us that the hole was made there by the falling of a giant meteor upon this rocky plain ages ago. When the meteor struck it not only cracked the rock crust but splashed earth material up and out into the doughnutshaped mound which I have just mentioned somewhat as if you threw a marble into rather thick mud. Of course, the meteor buried itself below the surface.

Will C. Barnes says that he was working for the Hash Knife cattle outfit in that region about the year 1892 and that he and his fellow cowhands were well acquainted with this giant hole in the ground and sometimes used it as a natural corral for their herds without knowing the facts of its geological orgin. One day the cowboys saw a man from Washington, a scientist from the Smithsonian Institution, going around the rim picking up stones scattered about. They asked him what the objects were that he was examining, and he told them that they were fragments of the meteor which had buried itself in the ground at that place. He explained that the hole had been caused by a great meteor striking the earth and burying itself. They asked the scientist whether the pieces of rock had any value, and he said that the stuff was probably worth a dollar a pound. The cowboys then asked if he felt sure that the meteor was down there and about how much a meteor weighed. The man from the Smithsonian said it was undoubtedly down there and that it no doubt weighed between ten and fifteen millions of tons. These scientific facts gave the cowboys a great idea.

According to Will C. Barnes, they straightway organized an exploring company and used what capital they could get together to purchase shovels, wheelbarrows, poles, ropes, pulleys, and buckets to dig for it. This exploring party went down to the bottom of the crater and out near the middle of the level area at the bottom and began to dig. They soon found that the digging was not very easy, although the material was loose and not hard to remove. When they got below the grass roots they discovered that the material was a finegrained, sandlike or asheslike composition. When they took out a bucketful of it in attempting to dig straight down the other material would roll down upon them, and they found that they could not have perpendicular walls to their excavation, for it was like digging a well in sand. The cowboys worked for a couple of weeks and had gotten down only a few feet when they saw the scientist again up on the rim further studying the phenomena.

Seeking more information, they clambered out to ask this gentleman one more question and that was about how far down he thought that meteor might be. He expressed the opinion that it might be down 1,000 or possibly 2,000 feet. That so discouraged the stockholders that the exploring company broke up without declaring a dividend. Now, we may laugh at the hopes, dreams, and ambitions of these cowboy miners who lacked insight, but it is just such zeal and determination on the part of courageous souls and optimistic ad-

venturers which made the West.

I should explain here that later companies have searched for this buried meteor and with better luck than the cowboy effort. Of course, later searchers used more modern methods such as would be needed for a deep exploration, and, although they have found it, it is not worth today a dollar a pound as it once was. Man now can produce in his laboratory the alloys which were at one time found only in the product of the laboratory of Nature and hence so valuable.

I think that in the future of mining and metallurgy there will be a development somewhat parallel to the expected development in agriculture. We are now trying to apply our scientific knowledge to find new uses of old agricultural products and along with that to find and develop new agricultural products. Of course, we shall continue to use corn to feed hogs, which is one of its old uses, but we may make new uses of corn to produce sugar or fuel or many other things which the scientist tells us may be made from corn. So it is in regard to mineral products. We shall, of course, continue to use iron and copper as early man used them, but we shall undoubtedly use more alloys to make a better grade of product out of iron and copper more suitable to our needs. I am hopeful that we shall continue to find new uses for gold, silver, iron, copper, lead, and zinc, but I also believe that new minerals will be found to be used with the old to the great advance of mankind.

My colleague, Judge Leavy, of Washington, has called my attention to an ore called magnite, which he says exists in his district in great abundance, and he has also shown me the remarkable metal known as magnesium obtained from this ore. The judge has indicated to me some of the marvelous properties and possibilities of this metal. I can scarcely imagine what some scientific Aladdin will do with this slightly known product of the earth.

Although copper today is regarded as the basic mineral product of Arizona, and I believe it will continue to be such, I expect to see new uses found for copper and I also expect to see new kinds of mineral brought into use in the metallurgy of the near future to be used with copper. We hear talk of conservation, but if copper is indestrucible, which it is, there is very little need of our attempt at conservation in regard to the red metal. Again, if it is true that there is enough manganese in one of our States to match all the iron ore in the United States there would be very little need of emphasizing conservation in regard to that mineral.

I am optimistic enough to believe that there is really no need of our getting some of these minerals from foreign countries under the plea of conservation of our own resources. However, that brings up the question, How large is our supply? It is true that there is a limit to the most precious mineral we have in the Southwest, and I mean by that remark that our most precious mineral is water. Therefore, a kind of conservation is desirable concerning that mineral but by that I mean proper use. In regard to some minerals the claim is made that we should get our current supply from abroad because we do not have much and it is contended that we ought to husband the limited supply of what we do have. Right in that matter we are in need of facts, scientific facts, gathered by reliable and unprejudiced persons.

I noticed that the United States Bureau of Mines has an appropriation of \$274,000 suggested for this bill. I certainly am in favor of appropriating this amount, or even more, for I believe that there are larger supplies of, say, manganese and tungsten within the State of Arizona than governmental authorities know about or consider. If we are shaping the wrong policy it may be through ignorance and we ought to have the facts. I would like to have the United States Bureau of Mines find and furnish us the facts.

Mining is one of the great extractive industries of this country. It is so productive of wealth that I am not surprised that the ancient school of economists known as physiocrats overemphasize its importance when they contended that all wealth comes from the earth. It is, in my judgment, hard to overestimate the industry of mining as a factor in the production of wealth, but I feel sure that some American economists, many American big-business men, and most of America's lawmakers have greatly underestimated mining as a means of producing wealth. Mining is a predominant industry in the Rocky Mountain area and in my State

This great industry has suffered more during the years of depression, and received less stimulation from the Government, than any of our other basic industries. Transportation, banking, various lines of commerce, the building trades, and agriculture have all been subsidized in some way by the Government through public assistance of funds or of credit.

This is not true of mining. I think it has been very unwise for the Government to be so neglectful of mining.

Just now I am not asking for subsidy or financial aid for the encouragement of mining, for I do believe that right public policy, together with individual enterprise, will enable the mining industry to carry on and grow. I have talked with mining men, large and small, in my State, and while some of them feel that the Government ought to subsidize the industry in this way or that, many of them merely ask for a sane policy, sensible legislation, and a more or less free hand. I heard experienced mining men say last summer that many of our mining laws ought to be revised. Some say that prospecting and entry on the public domain, and particularly in the Indian reservations, is too restricted. Still others say that the great need of western mining is new capital and that a more consistent and favorable attitude of Government and a more sympathetic treatment of investments would be all that is necessary for the mining industry to flourish.

Many of the small mine operators in the West feel that the Government ought now to purchase large quantities of the strategic and critical minerals as a part of our national preparedness. These, they say, should be taken off the market and stored for wartime uses only, so that their existence in marketable form might not depress the price. These men feel that if the mining industry flourishes all the other industries would necessarily flourish, because all others are dependent upon it. My own feeling is that mining shares with agriculture the high distinction of being a mother industry. However, one school of economists who create value out of fiction and who build an economic structure on paper, have taught another philosophy, and accordingly those men who are engaged in taking wealth from Mother Earth have been given scant consideration. The very least we can do in the bill now before the House is to appropriate liberally that the United States Bureau of Mines may investigate and give us scientific facts.

Mr. JOHNSON of Oklahoma. Mr. Chairman, I move that the Committee do now rise.

The motion was agreed to.

Accordingly the Committee rose; and the Speaker having resumed the chair, Mr. Buck, Chairman of the Committee of the Whole House on the state of the Union, reported that that Committee, having had under consideration the bill H. R. 4852, the Interior Department appropriation bill, 1940, had come to no resolution thereon.

LEAVE OF ABSENCE

By unanimous consent, leave of absence was granted as follows:

To Mr. Harrington, for 2 weeks, on account of official business.

To Mr. Allen of Louisiana, for 2 days, on account of illness in his family.

EXTENSION OF REMARKS

Mr. COCHRAN. Mr. Speaker, I ask unanimous consent to revise and extend the remarks I made today and to include therein a letter I received from the Attorney General, as well as an excerpt from the annual report of the Comptroller General.

The SPEAKER. Is there objection to the request of the gentleman from Missouri?

There was no objection.

Mr. KLEBERG. Mr. Speaker, I ask unanimous consent to extend in the Record the remarks I made today and to include therein some statistics and statements from the Bureau of Entomology concerning the pink bollworm.

The SPEAKER. Is there objection to the request of the gentleman from Texas?

There was no objection.

Mr. DIMOND. Mr. Speaker, I ask unanimous consent to extend in the Record the remarks I made today in Committee and to include therein some brief excerpts.

The SPEAKER. Is there objection to the request of the gentleman from Alaska?

There was no objection.

Mr. JOHNSON of Oklahoma. Mr. Speaker, I ask unanimous consent that all Members who have spoken on this bill may be permitted 5 legislative days within which to extend their own remarks.

The SPEAKER. Is there objection to the request of the gentleman from Oklahoma?

There was no objection.

SENATE BILLS AND JOINT RESOLUTIONS REFERRED

Bills and joint resolutions of the Senate of the following titles were taken from the Speaker's table and, under the rule, referred as follows:

S. 50. An act to provide for recognizing the services rendered by civilian officers and employees in the construction and establishment of the Panama Canal and the Canal Zone; to the Committee on Merchant Marine and Fisheries.

S. 270. An act for the relief of Lofts & Son; to the Committee on Claims.

S. 421. An act for the relief of the estate of O. K. Himley; to the Committee on Claims.

S. 439. An act to confer the Distinguished Service Medal on Col. Richard C. Patterson; to the Committee on Military Affairs.

S. 509. An act to add certain lands of the Front Royal Quartermaster Depot Military Reservation, Va., to the Shenandoah National Park, and for other purposes; to the Committee on Public Lands.

S. 510. An act to authorize certain officers and enlisted men of the United States Army to accept such medals, orders, and decorations as have been tendered them by foreign governments in appreciation of services rendered; to the Committee on Military Affairs.

S. 511. An act for the relief of Dolores P. de Williamson; to the Committee on Claims.

S. 512. An act for the relief of certain disbursing officers of the Army of the United States and for the settlement of individual claims approved by the War Department; to the Committee on Claims.

S. 518. An act to provide for the further development of cooperative agricultural extension work; to the Committee on Agriculture.

S. 645. An act to provide funds for cooperation with Wapato School District No. 54, Yakima County, Wash., for extension of public-school buildings to be available for Indian children of the Yakima Reservation; to the Committee on Indian Affairs.

S. 661. An act for the relief of Ida A. Deaver; to the Committee on Claims.

S. 749. An act for the relief of Harry F. Baker; to the Committee on Claims.

S. 793. An act for the relief of Worth Gallaher; to the Committee on Claims.

S. 810. An act for the relief of Joe Pizl, Sr.; to the Committee on Claims.

S. 811. An act for the relief of George A. Rogers; to the

Committee on Claims. S. 827. An act for the relief of John H. Barry; to the Committee on Civil Service.

S. 828. An act to permit the President to acquire and convert, as well as to construct, certain auxiliary vessels for the Navy; to the Committee on Naval Affairs.

S. 829. An act to authorize alterations and repairs to certain naval vessels, and for other purposes; to the Committee on Naval Affairs.

S. 1045. An act to give effect to the International Agreement for the Regulation of Whaling, signed at London June 8, 1937, and for other purposes; to the Committee on Foreign Affairs.

S. 1098. An act to amend section 12 of the Soil Conservation and Domestic Allotment Act, as amended, by authorizing advances for crop insurance; to the Committee on Agriculture.

S. 1281. An act to prohibit reproductions of official badges, identification cards, and other insignia; to the Committee on the Judiciary.

S. 1357. An act for the relief of Chester J. Babcock; to the Committee on Civil Service.

S. 1363. An act to repeal subsection (4) of subsection (c) of section 101 of the Agricultural Adjustment Act of 1938; to the Committee on Agriculture.

S. 1374. An act for the relief of Cohen, Goldman & Co., Inc.; to the Committee on Claims.

S. 1517. An act for the relief of F. E. Perkins; to the Committee on Claims.

S. J. Res. 2. Joint resolution providing for consideration of a recommendation for decoration of Sgt. Fred W. Stockham, deceased; to the Committee on Military Affairs.

S. J. Res. 59. Joint resolution authorizing the Bureau of Labor Statistics to collect information as to amount and value of all goods produced in State and Federal prisons; to the Committee on Labor.

S. J. Res. 76. Joint resolution to authorize the Postmaster General to withhold the awarding of star-route contracts for a period of 45 days; to the Committee on the Post Office and Post Roads.

ADJOURNMENT

Mr. JOHNSON of Oklahoma. Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to; accordingly (at 5 o'clock and 5 minutes p. m.) the House adjourned until tomorrow, Friday, March 10, 1939, at 12 o'clock noon.

COMMITTEE HEARINGS

COMMITTEE ON WAYS AND MEANS

Public hearings will continue Friday morning, March 10, 1939, at 10 a.m., on social-security legislation in the Ways and Means Committee room in the New House Office Building.

COMMITTEE ON INTERSTATE AND FOREIGN COMMERCE

There will be a meeting of the Committee on Interstate and Foreign Commerce at 10 a.m. Friday, March 10, 1939. Business to be considered: Railroad legislation—H. R. 2531.

COMMITTEE ON NAVAL AFFAIRS

There will be a meeting of the Committee on Naval Affairs Friday morning, March 10, 1939, at 10:30 a.m., for the consideration of H. R. 2878, to authorize the Secretary of the Navy to proceed with the construction of certain public works.

COMMITTEE ON RIVERS AND HARBORS

The Committee on Rivers and Harbors will meet Friday, March 10, 1939, at 10: 30 a.m., to continue hearings on H. R. 3222 and H. R. 3223, bills for the completion of the construction of the Atlantic-Gulf Ship Canal across Florida.

COMMITTEE ON MERCHANT MARINE AND FISHERIES

The Committee on Merchant Marine and Fisheries will hold public hearings in room 219, House Office Building, Washington, D. C., at 10 a. m., on the bills and dates listed below:

Tuesday, March 14, 1939:

H. R. 180, H. R. 202, construction of a Nicaraguan Canal; H. R. 201, additional facilities for Panama Canal; H. R. 2667, construction of a Mexican Canal.

In listing the bills to be heard on March 14, 1939, House Joint Resolution 112 (Tinkham), to create a commission to study and report on the feasibility of constructing the Mexican Canal, was inadvertently omitted from the notice.

This is to advise all interested parties that House Joint Resolution 112 will be considered at that time with the following bills: H. R. 180 (IZAC), relative to the construction of a Nicaraguan canal; H. R. 202 (Bland), relative to the construction of a Nicaraguan canal; H. R. 201 (Bland), need for additional lock facilities at Panama; H. R. 2667 (Tink-Ham), relative to the construction of a Mexican canal.

Tuesday, March 21, 1939:

H. R. 137, H. R. 980, H. R. 1674, relating to annuities for Panama Canal construction force.

Thursday, March 23, 1939:

H. R. 141, H. R. 142, H. R. 1819, miscellaneous Panama Canal bills.

Tuesday, March 28, 1939:

H. R. 197, relating to the clearance of vessels; H. R. 199, relating to the allotment of wages by seamen; H. R. 200, relating to foreign towboats towing between American ports; H. R. 1780, relating to penalties on certain undocumented vessels and cargoes engaging in the coastwise trade or the fisheries; H. R. 1782, relating to change of masters of vessels. Wednesday, March 29, 1939:

H. R. 198, relating to the measurement of vessels; and H. R. 132, authorizing the use of condemned Government vessels for breakwater purposes.

Tuesday, April 4, 1939:

H. R. 3209, making it a misdemeanor to stow away on vessels; H. R. 3398, regarding the down payment of construction of new vessels; H. R. 3935, relating to the discharge of seamen.

Wednesday, April 5, 1939:

H. R. 3052, uniform insignia for Naval Reserve radio operators.

COMMITTEE ON THE PUBLIC LANDS

There will be a meeting of the Committee on the Public Lands on Wednesday, March 15, 1939, at 10 a. m., in room 328, House Office Building, to consider H. R. 3794, to establish John Muir-Kings Canyon National Park, Calif., to transfer thereto the lands now included in the General Grant National Park, and for other purposes.

There will be a meeting of the Committee on the Public Lands on Thursday, March 23, 1939, at 10 a.m., in room 328, House Office Building, to consider H. R. 3759, to authorize a National Mississippi River Parkway and matters relating thereto.

COMMITTEE ON THE JUDICIARY

Beginning at 10 a. m. on Wednesday, March 22, 1939, there will be a hearing held before subcommittee No. 4 of the Committee on the Judiciary on House Joint Resolution 176, declaring the conservation of petroleum deposits underlying submerged lands adjacent to and along the coast of California, below low-water mark and under the territorial waters of the United States of America, essential for national defense, maintenance of the Navy, and regulation and protection of interstate and foreign commerce; reserving the same as a naval petroleum reserve, subject to any superior vested right, title, or interest; and authorizing appropriate judicial proceedings to assert, ascertain, establish, and maintain the right and interest of the United States of America in such reserve and to eject trespassers.

EXECUTIVE COMMUNICATIONS, ETC.

Under clause 2 of rule XXIV, executive communications were taken from the Speaker's table and referred as follows:

500. A letter from the president, Board of Commissioners, District of Columbia, transmitting the draft of a proposed bill to authorize the central heating plant to furnish heat to such buildings as may be erected by the District of Columbia on the property in the District of Columbia known as squares 533, 490, 491, and reservation 10; to the Committee on the District of Columbia.

501. A letter from the Acting Secretary of the Department of Agriculture, transmitting the draft of a proposed bill to amend an act approved April 26, 1926, entitled "An act fixing the fees of jurors and witnesses"; to the Committee on the Judiciary.

502. A letter from the Acting Secretary of the Interior, transmitting a notice of transfer by the Interior Department to the War Department of 1.03 acres of lands belonging to the St. Elizabeths Hospital for an Army airways radio-transmitter station; to the Committee on Public Buildings and Grounds.

503. A letter from the Secretary of the Treasury, transmitting the draft of a proposed bill to provide for the detail of a commissioned medical officer of the Public Health Service to serve as assistant to the Surgeon General; to the Committee on Interstate and Foreign Commerce.

504. A letter from the Federal Power Commission, transmitting suggested amendments to the act of August 2, 1937 (50 Stat. 551); to the Committee on Irrigation and Reclamation.

505. A letter from the Chairman of the Commission of Fine Arts, transmitting a report of the Commission of Fine Arts concerning the Thomas Jefferson Memorial; to the Committee on the Library.

PUBLIC BILLS AND RESOLUTIONS

Under clause 3 of rule XXII, public bills and resolutions were introduced and severally referred as follows:

By Mr. ANGELL:

H. R. 4893. A bill to provide for reorganizing agencies of the Government; to the Select Committee on Government Organization.

By Mr. ANDERSON of Missouri:

H. R. 4894. A bill to authorize the attendance of the Marine Band at the opening session of the national convention of the Benevolent and Protective Order of Elks of the United States of America to be held on July 10, 1939, at St. Louis, Mo.; to the Committee on Naval Affairs.

By Mr. MERRITT:

H. R. 4895. A bill to authorize the coinage of 50-cent pieces in connection with the New York World's Fair, 1939, to be held in commemoration of the one hundred and fiftieth anniversary of the inauguration of the First President of the United States and of the establishment of the Federal Government in the city of New York; to the Committee on Coinage, Weights, and Measures.

By Mr. SIROVICH:

H. R. 4896. A bill to amend section 12B of the Federal Reserve Act, as amended, to increase the maximum amount of insurance for any deposit which may be insured by the Federal Deposit Insurance Corporation; to the Committee on Banking and Currency.

By Mr. VINSON of Georgia:

H.R. 4897. A bill to authorize the Secretary of the Navy to proceed with the construction of a naval supply depot, Oakland, Calif., and for other purposes; to the Committee on Naval Affairs.

By Mr. ELLIOTT:

H. R. 4898. A bill to amend the Tariff Act of 1930, as amended, to provide for a tariff on importations of charcoal; to the Committee on Ways and Means.

By Mr. GERLACH:

H.R. 4899. A bill to authorize a preliminary examination and survey of the Delaware River at and in the vicinity of Morrisville, Bucks County, Pa., with a view to the control of floods resulting from ice jams; to the Committee on Flood Control.

By Mr. GWYNNE:

H. R. 4900. A bill to amend section 13 (a) of the act approved June 25, 1938 (52 Stat. 1069), entitled "Fair Labor Standards Act of 1938"; to the Committee on Labor.

By Mr. HARE:

H. R. 4901. A bill authorizing a refund to the States the amount of direct taxes collected, 1866, 1867, and 1868; to the Committee on the Judiciary.

By Mr. McREYNOLDS:

H. R. 4902. A bill to meet the cost of travel and transportation of household effects of Government employees transferred other than by their own request; to the Committee on Expenditures in the Executive Departments.

By Mr. RANDOLPH:

H. R. 4903. A bill to exempt from taxation certain property of the American Friends Service Committee, a nonprofit corporation organized under the laws of Pennsylvania for religious, educational, and social-service purposes; to the Committee on the District of Columbia.

H. R. 4904. A bill relative to certain annuities; to the Committee on the Civil Service.

By Mr. DIES:

H. R. 4905. A bill to provide for the exclusion and expulsion of alien Fascists and Communists; to the Committee on Immigration and Naturalization.

By Mr. HOFFMAN:

H. R. 4906. A bill to amend an act of June 24, 1936, the same being chapter 746, United States Statutes at Large, entitled "An act making it a felony to transport in interstate or foreign commerce persons to be employed to obstruct or interfere with the right of peaceful picketing during labor controversies," by adding four new sections thereto; to the Committee on the Judiciary.

By Mr. DIES:

H. R. 4907. A bill to require the registration of certain organizations; to the Committee on the Judiciary.

By Mr. CASE of South Dakota:

H. R. 4908. A bill authorizing the construction of dams and other works in the basin of the South Fork of the Cheyenne River, S. Dak.; to the Committee on Irrigation and Reclamation.

By Mr. DIES:

H. R. 4909. A bill to make ineligible for employment by the Government of the United States of Communists or Fascists; to the Committee on Immigration and Naturalization.

By Mr. HOFFMAN:

H. R. 4910. A bill to provide for the registration of labor organizations having members engaged in interstate or foreign commerce and to impose duties upon such labor organizations and the members thereof and to impose liability for unlawful acts upon such organizations and the members thereof, and for other purposes; to the Committee on Labor.

By Mr. WALTER:

H. R. 4911. A bill to create a commission to prepare a plan for the cession of certain parts of the District of Columbia to Maryland; to the Committee on the District of Columbia.

By Mr. KING: H. J. Res. 200. Joint resolution authorizing a preliminary survey of Kalepolepo Boat Harbor, island of Maui, T. H.; to the Committee on Rivers and Harbors.

By Mr. COCHRAN:

H. Con. Res. 12. Concurrent resolution authorizing the printing as a document of the congressional proceedings held in the House of Representatives on March 4, 1939, in commemoration of the one hundred and fiftieth anniversary of the commencement of the First Congress of the United States under the Constitution; to the Committee on Printing.

By Mr. ALEXANDER:

H. Res. 117. Resolution to prevent competitive bidding by truck drivers on Works Progress Administration projects; to the Committee on Appropriations.

MEMORIALS

Under clause 3 of rule XXII, memorials were presented and referred as follows:

By the SPEAKER: Memorial of the Legislature of the State of New Jersey, memorializing the President and the Congress of the United States to consider their resolution with reference to income taxes; to the Committee on Ways and Means.

Also, memorial of the Legislature of the State of Montana, memorializing the President and the Congress of the United States to consider their resolution, introduced by Mr. Woods, with reference to flood-control and water-conservation measure; to the Committee on Flood Control.

Also, memorial of the Legislature of the State of Montana, memorializing the President and the Congress of the United States to consider their resolution, Senate Joint Memorial No. 16, introduced by Mr. Nutt and others, with reference to the Civilian Conservation Corps; to the Committee on Labor.

Also, memorial of the Legislature of the State of New Jersey, memorializing the President and the Congress of the United States to consider their Senate concurrent resolution, by Mr. Scott, with reference to Senate bill 126 and House Resolution 188, concerning freight rates; to the Committee on Interstate and Foreign Commerce.

Also, memorial of the Legislature of the State of New Jersey, memorializing the President and the Congress of the United States to consider their Senate concurrent resolution with reference to an adequate ship canal across this State; to the Committee on Rivers and Harbors.

Also, memorial of the Legislature of the State of New Jersey, memorializing the President and the Congress of the United States to consider their Senate concurrent resolution, by Mr. Scott, with reference to Senate bill 223, providing for the exemption of certain vessels of the United States from the requirements of the officers' competency certificates convention; to the Committee on Merchant Marine and Fisheries.

Also, memorial of the Legislature of the State of Alabama, memorializing the President and the Congress of the United States to consider their concurrent resolution (H. J. Res. No. 33), with reference to the cotton trade; to the Committee on

Agriculture.

Also, memorial of the Legislature of the State of Oregon, memorializing the President and the Congress of the United States to consider their Senate Joint Memorial No. 2, with reference to the forest-products industries; to the Committee on Ways and Means.

PRIVATE BILLS AND RESOLUTIONS

Under clause 1 of rule XXII, private bills and resolutions were introduced and severally referred as follows:

By Mr. ANDREWS:

H. R. 4912. A bill for the relief of the Eberhart Steel Products Co., Inc.; to the Committee on Claims.

By Mr. CARTWRIGHT:

H. R. 4913. A bill for the relief of Floyd Jones; to the Committee on Claims.

By Mr. GEARHART:

H. R. 4914. A bill granting an increase of pension to Harriet L. Liggett; to the Committee on Pensions.

By Mr. GEHRMANN:

H. R. 4915. A bill granting a pension to Anna Norton; to the Committee on Invalid Pensions.

By Mr. HARE:

H.R. 4916. A bill for the relief of Dawson A. Bell; to the Committee on Military Affairs.

By Mr. HARTER of Ohio:

H. R. 4917. A bill for the relief of Michael Friday; to the Committee on Naval Affairs.

By Mr. HOLMES:

H. R. 4918. A bill to entitle Effie Canning Carlton to now file with the Register of Copyrights a corrected application for renewal of copyright to her musical composition entitled "Rock-A-Bye Baby"; to the Committee on Patents.

By Mr. LANDIS:

H. R. 4919. A bill granting a pension to Jessie Myrtle Bennett; to the Committee on Invalid Pensions.

By Mr. ROMJUE:

H. R. 4920. A bill granting a pension to Mary L. Bruner; to the Committee on Invalid Pensions.

By Mr. WALTER:

H. R. 4921. A bill for the relief of Mrs. Hugh J. Finn; to the Committee on Naval Affairs.

PETITIONS, ETC.

Under clause 1 of rule XXII, petitions and papers were laid on the Clerk's desk and referred as follows:

1647. By Mr. FITZPATRICK: Petition of the Westchester County Grand Jurors Association, White Plains, N. Y., petitioning consideration of their resolution with reference to immigration laws, and that all aliens should be fingerprinted; also that a bill similar to House bill 9690 should be submitted to the Seventy-sixth Congress; to the Committee on Immigration and Naturalization.

1648. By Mr. GAMBLE: Resolution adopted by the members of the Italian-American Civic Association of the Tarrytowns, in the State of New York, opposing the sale of war materials abroad; to the Committee on Foreign Affairs.

1649. Also, petition signed by Morris Weinstein, a member of the Rotary Club of Katonah, N. Y., urging the stoppage

of war supplies to Japan; to the Committee on Foreign | Affairs.

1650. Also, petition signed by Hazel Kingsley and other members of the Catholic action group of Holy Trinity Parish, New Rochelle, N. Y., urging opposition to any attempt to empower the President to determine the aggressor in a war among nations; to the Committee on Foreign Affairs.

1651. By Mr. HINSHAW: Petition of several citizens of Pasadena, Calif., urging the President to bring to an end shipment of supplies to Japan from the United States; to the Committee on Foreign Affairs.

1652. By Mr. MARTIN J. KENNEDY: Letter from the pastor of the Church of the Covenant, New York City, expressing the opposition of his congregation, and of all churches of Presbyterian faith, to the proposal to include churches and ministers under the extended provisions of the Social Security Act; to the Committee on Ways and Means.

1653. By Mr. KEOGH: Petition of the Church of the Covenant, New York City, opposing amendments to the Social Security Act that would include churches with their ministers and other employees under the provision; to the Committee on Ways and Means.

1654. Also, petition of the Acheson Harden Co., of New York, concerning amendments to the Fair Labor Standards Act: to the Committee on Labor.

1655. Also, petition of the Presbytery of Brooklyn-Nassau, Brooklyn, N. Y., concerning House bill 101, amending the Social Security Act; to the Committee on Ways and Means.

1656. Also, petition of the Marshall County schools, Moundsville, W. Va., concerning the Federal-aid bill (S. 1305); to the Committee on Education.

1657. By Mrs. NORTON: Petition of the House of Assembly of the State of New Jersey, memorializing the Congress of the United States to adjust and regulate the collection of income taxes; to the Committee on Ways and Means.

1658. Also, petition of the Society of the War of 1812 in the State of New Jersey, urging adequate national defense and endorsing the measures proposed by President Roosevelt to this end; to the Committee on Military Affairs.

1659. By Mr. PFEIFER: Petition of the Marine Engineers' Beneficial Association, No. 33, New York City, concerning the nonenforcement of section 2, Public, 808; to the Committee on Labor.

1660. Also, petition of the Allied Printing Trades Council of Greater New York, opposing the Hobbs bill (H. R. 2203); to the Committee on the Judiciary.

1661. Also, petition of the Greenpoint Presbyterian Church. Brooklyn, N. Y., opposing inclusion of churches, their ministers and employees, in amendment to the Social Security Act; to the Committee on Ways and Means.

1662. Also, petition of the Presbytery of Brooklyn-Nassau. Brooklyn, N. Y., opposing House bill 101, which would repeal exemption granted to churches, ministers, and other employees under the present Social Security Act; to the Committee on Ways and Means.

1663. Also, petition of the Southern Baptist Theological Seminary, Louisville, Ky., concerning amendment to the Social Security Act; to the Committee on Ways and Means.

1664. Also, petition of Rev. D. B. Blackstone, pastor, the Church of the Covenant, New York City, opposing the proposed amendment to the Social Security Act to include churches, ministers, and other employees; to the Committee on Ways and Means.

1665. Also, petition of the united telephone organizations, New York City, concerning retention of their pension benefits in place of social security; to the Committee on Ways and Means.

1666. By Mr. POLK: Petition of William Thompson and 133 other residents of the Stockdale, Ohio, community, urging support of House bill 3842, which proposes to amend the wage and hour law to exempt operators of telephone exchanges having less than 1,000 subscribers, which would apply to the operator of the above-mentioned community and enable them to continue their much-needed service; to the Committee on Labor.

1667. By Mr. SIMPSON: Resolution of the Christian Endeavor Society of St. John's Reformed Church, Mifflinburg, Pa., protesting against the huge increases in our military budget, the fortification of Guam, and any attempt to force Japan to conform more closely to our wishes in the Far East, etc.; to the Committee on Foreign Affairs.

1668. By the SPEAKER: Petition of the Board of Commissioners, Newark, N. J., petitioning consideration of their resolution with reference to a bill taxing municipal bonds; to the Committee on Ways and Means.

HOUSE OF REPRESENTATIVES

FRIDAY, MARCH 10, 1939

The House met at 12 o'clock noon.

The Chaplain, Rev. James Shera Montgomery, D. D., offered the following prayer:

Eternal and everlasting God and our Father, we thank Thee for the hidden spring within us which bids us bow and pray and urges us upward and onward; it bridges the gulf and makes the continuity of life an abiding reality. praise Thee for Him who is the light of life, who imparts His calm fearlessness to all who put their trust in Him. Almighty God, remember the suffering and the homeless in all warring lands. They are washed by bitter tears, lashed by stinging shame, and driven by wanton cruelty; oh, here is a pathos too deep for words. May the believers of the holy, humane Saviour move courageously in the highways of progress. We pray that they may traverse the beaten ways of this shuddering earth and bless and save those who are trembling on the verge of despair. We entreat Thee that the spirit of monstrous inhumanity may be removed from beneath and heaven be shaken down from above. In the spirit of the world's immortal Peacemaker. Amen.

The Journal of the proceedings of yesterday was read and approved.

MESSAGE FROM THE SENATE

A message from the Senate, by Mr. St. Claire, one of its clerks, announced that the Vice President had appointed Mr. BARKLEY and Mr. GIBSON members of the joint select committee on the part of the Senate, as provided for in the act of February 16, 1889, as amended by the act of March 2. 1895, entitled "An act to authorize and provide for the disposition of useless papers in the executive departments," the disposition of executive papers in the following departments and agencies:

- 1. Department of Agriculture.
- 2. Department of the Interior.
- 3. Department of the Navy.
- 4. Post Office Department.
- 5. Department of the Treasury.
- 6. United States Civil Service Commission.
- United States Coal Commission.
- 8. Veterans' Administration.

RESIGNATION FROM A COMMITTEE

The SPEAKER. The Chair lays before the House the following resignation from a committee.

The Clerk read as follows:

MARCH 8, 1939.

Hon. WILLIAM B. BANKHEAD,
Speaker of the House, House of Representatives,
Washington, D. C.
Washington, D. C.

My Dear Mr. Speaker: I herewith respectfully submit my resignation as a member of the District of Columbia Committee of the House of Representatives.

Hoping that it may be possible to release me from this committee at an early date, I beg to remain,
Sincerely yours,

L. M. FORD.

The SPEAKER. Without objection, the resignation will be accepted.

There was no objection.

EXTENSION OF REMARKS

Mr. REED of New York. Mr. Speaker, I ask unanimous consent to extend my remarks in the RECORD.

The SPEAKER. Is there objection?

There was no objection.

ORDER OF BUSINESS

Mr. MARTIN of Massachusetts. Mr. Speaker, I ask unanimous consent to proceed for 1 minute.

The SPEAKER. Is there objection?

There was no objection.

Mr. MARTIN of Massachusetts. I do so for the purpose of asking the majority leader about the program for today and next week.

Mr RAYBURN. We will run along with this bill as far as

possible today.

Mr. MARTIN of Massachusetts. It is not expected to finish

the bill today?

Mr. RAYBURN. I do not think there is any hope of that. It is the purpose to adjourn over until Monday. Monday is District day, and business on that calendar will take just a very short while. On Tuesday last we passed over the Private Calendar. It is my purpose to ask unanimous consent today that the Private Calendar may be called on Monday next after disposition of the District business.

Mr. MARTIN of Massachusetts. And the gentleman would

rather do that than finish the pending bill?

Mr. RAYBURN. Yes. After that some rules probably will be presented. On Tuesday there will be nothing to do except to go on with this bill. Also, I might say that we will start on Wednesday calling the calendar of committees, and on Thursday we hope to take up the Agricultural Department appropriation bill.

RECONSTRUCTION FINANCE CORPORATION

Mr. TAYLOR of Tennessee. Mr. Speaker, I ask unanimous consent to proceed for 1 minute and to extend my remarks in

The SPEAKER. Is there objection?

There was no objection.

Mr. TAYLOR of Tennessee. Mr. Speaker, I have for some time been convinced, not only by observation but by actual experience, that the Reconstruction Finance Corporation has been grossly derelict in its obligations to the little-business men of this country. During the last session of the Congress we passed an act which was intended to liberalize loans by the R. F. C., especially to the small-business man, but small business has about the same chance to obtain a loan at the R. F. C. as the proverbial celluloid cat would have to catch an aspestos rat in that land where icicles are unknown.

Now, it is not so with the big "city slickers" who come to Washington and by some sort of mysterious magic secure loans of most any desirable proportion, and upon bases which, to me, is a vulgar violation of at least the spirit of the act.

The case described in the following newspaper article which appeared in the March 4 issue of the Washington Times-Herald, which I have obtained leave to print as a part of my remarks, is a clear prostitution of the law creating the R. F. C., in my opinion:

MERRY-GO-ROUND

(By Drew Pearson and Robert S. Allen)

(By Drew Pearson and Robert S. Allen)

In the center of the Capital's financial district a historic landmark is being pulled down. It is the old McLean mansion, famous for the days when two New York bands jazzed alternately at opposite ends of the room, when several hundred bottles of champagnewere opened in an evening, and when the elite of Washington danced the New Year into the dawn.

Ned McLean, its owner, was one of the rulers of Washington, a friend of Harding, Fall, and Daugherty.

Today the era of Ned McLean's parties, his house, his power is over. But on the site of this one-time glory is being erected a new building, which demonstrates that, despite an alleged New Deal, the old days of personal pull and privilege have not changed.

Briefly, two officials who resigned from the New Deal have now turned around and borrowed \$5,600,000 of Government money from the R. F. C. through their old friend, Jesse Jones, and are now erecting on the McLean site a new office building, into which Jesse Jones will move his R. F. C. In other words, Jesse Jones having advanced Government money to build a building, later will pay out Government money as rent so his two friends can repay their Government money. Government money.

All of which would indicate a profit of about \$1,100,000. The two gentlemen who will receive most of this are Col. Horatio "Rash" Hackett, former head of the Public Works Administration under Ickes, and Angelo "Mike" Clas, former Director of the P. W. A. Housing Division.

To get the full story, it is necessary to go back to the pre-Roosevelt days when Clas was a salesman with the Holabird & Root architectural firm in Chicago, and when Hackett was an architect with the same firm. Later Secretary Ickes, also of Chicago, brought the two men to Washington and they became the Castor and Pollux of P. W. A.

Castor and Pollux of P. W. A.

Where one went, so went the other. When Hackett was promoted from Director of Housing to be Assistant Administrator of P. W. A., he got Clas the job of Director of Housing. And when Clas proved a dud as Housing Director, Hackett promoted him to be Assistant Administrator of P. W. A. When Hackett resigned from P. W. A., Clas followed a month later.

Horatio Hackett then became president of Thompson-Starrett, New York contractors, and suddenly put in an appearance in Washington last fall to camp on the R. F. C. doorstep of Jesse Jones. Jones and Hackett are old friends, Jesse having once taken Hackett to the Kentucky Derby in his private car. Mrs. Hackett also came to Washington and was seen with Mrs. Jones almost every day playing bridge and visiting mutual friends.

After all this personal pow-wowing was over, the R. F. C. put out an official and very innocent announcement that it had approved a loan of \$5,600,000 to the Lafayette Building Corporation to construct a 12-story office building on the site of the McLean mansion.

MYSTERIOUS DUMMY

No explanation was given regarding the incorporators of the Lafayette Building Corporation, and as far as possible it is kept a mystery to this day. George Rogers, listed as assistant secretary of the corporation, says: "I don't know who the directors are or anything else about the set-up. All I know is that I'm assistant secretary. But I don't have anything to do with the affairs of the company. The whole thing is run from New York.

Jesse Jones' henchmen at the R. F. C. are equally mysterious. Although information regarding Government loans is supposed to be a matter of public record, the R. F. C. refuses to give any information regarding the Lafayette corporation. Any publicity, it says, "might reveal secrets to competitors."

Officials of the American Security & Trust Co., however, trustees

officials of the American Security & Trust Co., however, trustees for the McLean estate which sold the property, state that the Lafayette Building Corporation was formed by the Thompson-Starrett Co., of which Col. Horatio Hackett is president.

Furthermore, Thompson-Starrett are constructing the new building while Angelo Clas is listed as architect. Clas, it is also revealed is one of the incorporators of the Lafayette Building

Corporation.

In other words, Colonel Hackett, after getting out of the New Deal, set up the Lafayette corporation, borrowed \$5,600,000 from the New Deal through his friend, Jesse Jones, then turned around and hired his own firm, Thompson-Starrett, to construct the building, with his old friend, Clas, as architect. But, inasmuch as Clas never has had any architectural experience on anything important, Hackett also hired his old boss, John Holabird, of Chicago, to do the real architectural work. Finally he rented the new building to Jesse Jones, from whom he had borrowed the money.

Interesting fact is that the transaction is perfectly legal. It merely bears a resemblance to the old practices at which the New Deal so sanctimoniously holds up its hands.

Note.—While Jesse Jones was advancing \$5,600,000 of R. F. C. funds to his old friends he was refusing thousands of applications from small-business men, with the result that Congress is considering special legislation to obtain funds for small business.

The R. F. C. was created to render financial aid to business in distress. Pray tell me what distress is shown in the instance mentioned in this article. Absolutely none.

This article, Mr. Speaker, breathes implications which I would not dare to make; however, it occurs to me that it presents a case which would be thoroughly investigated.

It might be apropos to state that the writers of this article, Mr. Drew Pearson and Mr. Robert S. Allen, are well known for their loyalty and obsessions for the New Deal, and the fact that they would censure this transaction is certainly

Mr. Speaker, the Reconstruction Finance Corporation was originally set up under the administration of President Hoover. I voted for it and, as I recall, it had the support of practically every Member of the Congress. It performed such a magnificent job under the Hoover administration that the Democrats, or rather the new dealers, adopted it when they came into power in 1933 and enlarged upon it. I should regret very much to see this agency, which has rendered such splendid service in the past, get into disrepute, but unless it shows more sympathy and consideration for

the little-business men of the country I very much fear that such may be the case.

I recently had up with the R. F. C. a loan for a small manufacturing plant in Knoxville, Tenn. The amount sought was only \$25,000. This little factory was in the greatest possible distress, and it was perfectly obvious that unless it could secure this loan it would be forced to "fold up," which would mean the loss of their jobs to fifty or a hundred men and women. The people back of the business were men of the highest integrity, but because of an unsatisfactory business experience which was shown to be due to sabotage they were turned down. They were refused a loan notwithstanding the fact that they were able to show orders for goods which would have soon netted them far more than the loan requested. It is cases such as this that should command the sympathetic consideration of the R. F. C. rather than such artificial cases as that described in the article I have submitted.

I greatly fear, Mr. Speaker, that the small-business men of this country have little to hope for from the R. F. C. as it is being administered today.

EXTENSION OF REMARKS

Mr. HAWKS. Mr. Speaker, I ask unanimous consent to extend my remarks in the RECORD and to include therein a short letter I received from the chairman of the social education committee of the Milwaukee Presbytery, of Milwaukee,

The SPEAKER. Is there objection? There was no objection.

TOBACCO FARMERS OF SOUTHERN WISCONSIN

Mr. BOLLES. Mr. Speaker, I ask unanimous consent to proceed for 1 minute and to extend my remarks in the RECORD.

The SPEAKER. Is there objection?

There was no objection.

Mr. BOLLES. Mr. Speaker, I wish to call the attention of the House to the crisis in the tobacco market and the affairs of the tobacco farmers of southern Wisconsin. For years this was one of our great cash crops and formed a large part of the income of the farmers in Rock, Dane, and Columbia Counties. Perhaps the situation is best expressed in the following letter from T. S. Biggar, of Edgerton, Wis., who is a leader in tobacco growing and among his fellow producers. Mr. Biggar writes as follows:

Tobacco growers in this section, and that means quite a large number of your constituents, are right now in a critical situation. I believe something can be done for them and for the general welfare of this tobacco district.

welfare of this tobacco district.

Let me give you a brief sketch of the facts: The 1938 tobacco crop, known federally as type 54, is still practically all on the farms, consequently no money to producers. Ordinarily this tobacco sells and moves off the farm during January and February. This crop is "stemming tobacco" and must eventually be sold to the four stemming firms that operate in this State. It is the general impression here, and my earnest belief, that if events are allowed to take their course, that before summer this Rock and Dane County tobacco district will lose from one-half to a million dollars through a demoralized market.

Last season stemming tobacco brought from 10 to 12 cents a pound. Right now the talk is 5 and 6 cents, but no sales, because growers are holding off and so far their morale is very good despite the financial straits of many. At a meeting of leaders in Stoughton about 3 weeks ago, Andrew Mell, Deforest, Lars Lein, Albion, and myself were chosen as a growers' committee to head a movement attempting to prevent almost certain loss which this district cannot afford.

cannot afford.

we have been working with the college of agriculture, department of markets, and the local Government A. A. A. agencies, and I have proposed to the A. A. A. in Washington that it send representatives to Wisconsin to appear at growers' meetings and discuss the possibility of a Federal emergency loan to individuals where they need it on this tobacco in the sheds. We believe that such a move at this time would keep the poorest growers from breaking the market for all, and that as a direct result the four stemming firms would come into the market and take this crop at a fair price. This appeal was made to Washington a week ago today with no definite reply as yet.

We are confident that this would be a self-liquidating project worth the Government's attention, and that it would not require a very large amount of money. We estimate that there are about 3,000 farmers in this southern Wisconsin district holding about 19,000,000 pounds of tobacco; that possibly 50 percent of them

might apply for such loans, which should be at a rate of about 5 cents a pound; tobacco to be kept on farms, which is cheapest and safest place to store. Details would be handled by local A. A. A. set-up, which could administer the project with very little

A. A. set-up, which could administer the project with very little expense. This would work similar to corn loans.

The loan angle is, of course, only one important part of our program. The following brief outline hits the high spots: (1) Secure loan soon to keep desperate growers from breaking market; (2) get change in 1939 A. A. A. benefit program so that growers may get benefits without producing 80 percent of their base acreage, as was the rule; (3) if 1938 crop lays in sheds until planting time (June), secure growers' agreement to drastically reduce 1939 plantings; (4) secure three-way conference (buyers, Government, and growers' committee) to discuss future interests of this important industry.

We have confidence that the situation can be handled if loan proposal goes through, because stocks of this type of tobacco are lowest in 10 years, market outlook for manufacturers is favorable, 55 percent of raw material for established scrap tobacco brands must be obtained from Wisconsin, and manufacturers cannot afford

to have 1939 crop shortage in this State.

We know that manufacturers could pay 14 or 15 cents per pound for this tobacco and still show a nice profit; growers would be satisfied with 10-cent average. We are confident that the buyers' much-expressed fear of the quality of this crop is just so much

hokum to depress prices.

The affairs of tobacco farmers are critical; the same is true of businessmen in the country towns who have backed them with credit; and tobacco price failure, if it comes, would hit our tobacco communities mighty hard.

BRITISH WOOL EXPORTS

Mr. BROWN of Ohio. Mr. Speaker, I ask unanimous consent to proceed for 1 minute and to extend my remarks in the RECORD.

The SPEAKER. Is there objection?

There was no objection.

Mr. BROWN of Ohio. Mr. Speaker, I do this to bring to the attention of the House a report not yet published, but . available at the Department of Commerce, relative to the import of woolen goods and materials from England, and to insert with my remarks a comparative table showing the imports in the month of January 1938 as compared with the imports in the month of January 1939 under the newly adopted reciprocal-trade treaty recently made with England, and also a dispatch appearing in the New York Times of March 7, 1939, from London, England, respecting export orders of wool from England.

The SPEAKER. Is there objection?

There was no objection.

The matter referred to is as follows:

Imports into the United States for the months of January 1938 and January 1939

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BRITISH WOOL EXPORTS UP-GAINS FROM ANGLO-AMERICAN TRADE TREATY INDICATED

London, February 24.—The Bradford wool trade reported improvement in export orders this week, and available figures indicated that substantial advantage would be derived from the Anglo-American trade treaty. Great Britain exported 1,204,000 yards of wool textiles to the United States in January, compared with 550,000 in December and 616,000 in January last year.

Manufacturers in the worsted dress-goods section continue to complain about the competition of Italian fabric imports, which, they claim, are offered at below cost. Such imports are increasing, and Bradford firms, convinced that some kind of subsidy is operating, are making representations to the board of trade about the

ing, are making representations to the board of trade about the matter.

matter.

Belfast reported a marked improvement in the American linen business, though orders are not of great size. Canadian buyers have also been active in the market. Existing stock is changing hands quickly because replacement at current prices is impossible. The South American market continues to expand.

Factories reported that a good number of looms in the finer end are again working. Household and fancy lines are in demand and the handkerchief output has advanced.

EXTENSION OF REMARKS

Mr. SHANLEY. Mr. Speaker, I ask unanimous consent to extend my remarks in the RECORD.

The SPEAKER. Is there objection.

There was no objection.

INTERIOR DEPARTMENT APPROPRIATION BILL, 1940

Mr. SCRUGHAM. Mr. Speaker, I move that the House resolve itself into the Committee of the Whole House on the state of the Union for the further consideration of the bill (H. R. 4852) making appropriations for the Department of the Interior for the fiscal year ending June 30, 1940, and for other purposes. Pending that, I ask unanimous consent that general debate on the bill may close at 5 o'clock p. m. today, the time to be equally divided between myself and the gentleman from Pennsylvania [Mr. Rich], after which time the first paragraph of the bill shall be read.

Mr. RICH. And with the privilege of amending the first

paragraph when we take it up again?

Mr. SCRUGHAM. Yes.

The SPEAKER. The gentleman from Nevada moves that the House resolve itself into the Committee of the Whole House on the state of the Union for the further consideration of the bill H. R. 4852; and pending that motion, asks unanimous consent that general debate on the bill shall conclude at 5 o'clock p. m., the time to be equally divided between himself and the gentleman from Pennsylvania [Mr. Rich], after which time the first paragraph of the bill may be read under the 5-minute rule. Is there objection?

the 5-minute rule. Is there objection?

Mr. DOWELL. Mr. Speaker, reserving the right to object, may I inquire if the request means there will be consideration of the first paragraph, or does the request mean that it

will just be read?

Mr. SCRUGHAM. It will be just read under the rule and not considered.

The SPEAKER. Is there objection to the request of the gentleman from Nevada?

There was no objection.

The SPEAKER. The question is on the motion of the gentleman from Nevada.

The motion was agreed to.

Accordingly the House resolved itself into the Committee of the Whole House on the state of the Union for the further consideration of the bill H. R. 4852, with Mr. Buck in the chair.

The Clerk read the title of the bill.

Mr. RICH. Mr. Chairman, I yield myself 10 minutes.

Mr. Chairman, I ask unanimous consent to revise and extend my remarks.

The CHAIRMAN. Without objection, it is so ordered. There was no objection.

Mr. RICH. Mr. Chairman, we are considering the Interior Department appropriation bill for 1940. We have already considered a number of the appropriation bills this year, and I wish to call the attention of the Members to the fact that each and every appropriation bill each and every year is increasing-increasing by leaps and bounds. We are coming to the point in our national life when something must be done. It is imperative. It is compulsory. When we realize what our national income is, when we see what the Members of Congress are considering from time to time in their expenditures, and we find that these bills are all increasing away beyond what the revenues which we receive amount to, it certainly means a wreck ahead unless we stop spending. I have been trying to issue that warning for the past 5 years, but it does not seem to have much effect. It has fallen on deaf ears so far as Congress is concerned.

The statement has been made a great many times by my colleague from Virginia [Mr. Woodrum], "We will see what happens when they bring in the Interior Department appropriation bill," referring to my efforts for economy.

In the first place, I want to say to the Members of Congress that the men who work with me on the subcommittee considering this bill are just as fine men as you will find any place in the world. Every one of them is a real, true, red-

blooded American. They are men who look after their own districts, and you cannot blame them for that. They see more of their district than they do of the country. But when we come to the consideration of the bill, my colleague from Virginia asked me what we are going to do when we bring this bill in, and I just have to say that I am in the minority—so far in the minority on this committee that sometimes I can hardly see my way out. But I warn you I am here fighting all the time.

A newspaperman asked me to reply to the statement by Mr. Woodrum of Virginia, "We are going to save it when the Interior Department appropriation bill comes before us." That statement by the gentleman from Virginia has been made a number of times. I can say generally that if I were making the appropriation for the Interior Department I would cut from this bill \$40,400,000. It can be done, and it

would be for the best interest of America.

Mr. SCRUGHAM. Mr. Chairman, will the gentleman yield?

Mr. RICH. Yes; I yield to the distinguished gentleman from Nevada, a most congenial fellow and a real gentleman.

Mr. SCRUGHAM. Would you cut the appropriation for the Pittsburgh Experiment Station of the Bureau of Mines?

Mr. RICH. The gentleman asks me about something that happens to be spent in Pennsylvania. There is an item of \$35,000 for that—a lot of money, I must agree. The situation is just this about the Pittsburgh Bureau of Mines Experiment Station: You have there a building and equipment that is worth \$500,000. It is going to be of no use very soon for experimental purposes unless the Government buys some land in order that people do not encroach upon this property, which they now own, and get the Government into trouble after a while because they cannot do their experimental work. You can see whether it is an advisable thing to do or not, and I will leave it up to the wisdom of this House if it is not the wise and businesslike thing to do, then I say cut it out.

Mr. VOORHIS of California. Mr. Chairman, will the gentleman yield?

Mr. RICH. I yield.

Mr. VOORHIS of California. There is an exactly comparable situation existing in connection with the experiment station of the Forest Service out in California and in Utah, where we have equipment, all constructed, ready to be used, from which very important facts regarding water conservation can be obtained if we only have enough money to staff it. It is in the same situation as that which the gentleman just mentioned with reference to Pennsylvania.

Mr. RICH. If you will help me cut down Pennsylvania \$35,000, I will do it, providing you will cut down this bill \$40,400,000, then we will get down to brass tacks. I am not here trying to do something for Pennsylvania when I think we can get along without it. But let me call your attention to this fact: It is the only salvation to our country and to our form of government. Pennsylvania gets only a drop of this

bill and others get a lake.

Mr. LEAVY. Mr. Chairman, will the gentleman yield?
Mr. RICH. I will in a few moments when I show the gentleman from Washington the statement of the Federal Treasury. [Laughter.]

Since July 1, 1938, this New Deal administration has put the Treasury in the red \$2,364,726,000. You have increased the national debt since you first went into office in March 1933 from \$19,000,000,000 to \$40,000,000,000. Now, you have the responsibility for that, after you promised the economy that you did in your platform of 1932; after you said you were going to give us a good business administration. With 11,000,000 men out of work and now 12,000,000 unemployed. Never in the history of this Nation have we had the ruthless expenditure of funds which we have had in the past 6 years. There is nothing approaching it in any nation in the world. It is a travesty on our American institutions. It is a travesty on American justice; it is a travesty on the American people that we have had such ruthless expenditure of Government funds. It is a blight on our children. There is no accounting for such foolish, unbusinesslike, unethical action as this

New Deal administration is guilty of. After your promise to the American people of economy in government, the promise of consolidation of offices, and the cutting of Government expenses of at least 25 percent.

Mr. LEAVY. Mr. Chairman, will the gentleman yield? Mr. RICH. I yield to the gentleman from Washington.

Mr. LEAVY. The gentleman has sat by my side for 3 years during hearings on the Interior Department appropriation bills. He has been a consistent fighter for the reduction of appropriations. He is an individual I have learned to admire very much and whose judgment I respect very highly, but whose judgment I think sometimes in appropriation matters is not based upon that fine business sense he dis-

Mr. RICH. I thought the gentleman was going to ask me a question.

plays in his own activities. I want to say to him-

Mr. LEAVY. I am coming to it—in reference to the Pennsylvania item that was included in the Budget, evidence was presented to our committee that it was extremely meritorious. I was delighted to support it upon the case they made before us. I may say to the gentleman that it will be no reflection upon his good judgment if he goes along and supports the item for his own State.

Mr. RICH. The gentleman from Washington is one of the finest fellows I have ever known in my whole life. [Applause.] If the State of Washington ever did a good job, it was when they sent Mr. Leavy to Congress, for if there ever was a man who could get by the Budget Bureau, get by the President of the United States, and get by the Congress, certainly Mr. Leavy is that man, second to none in the whole Congress. A real go-getter. [Applause.]

Mr. LEAVY. I profoundly thank the gentleman for his kind words.

kind words.

Mr. RICH. I told you that the members of this committee were all fine fellows; but if they are not men who know how to get items in this bill for their districts and out of the Congress, then I am no judge of human nature.

Mr. McCORMACK. Mr. Chairman, will the gentleman vield?

Mr. RICH. I yield to the gentleman from Massachusetts.
Mr. McCORMACK. Not for the purpose of entering into

any controversy on anything the gentleman stated— Mr. RICH. Mr. Chairman, I yielded for a question only.

Mr. McCORMACK. This is in the interest of keeping the record straight. When a few moments ago the gentleman told us of the outstanding indebtedness of the country, he made somewhat of an error.

Mr. RICH. Oh, no, no; I quoted from the Treasury statement.

Mr. McCORMACK. Pardon me. Former President Hoover left us with an indebtedness of \$22,000,000,000, not \$19,000,000,000.

Mr. RICH. When the Democrats took over the administration on the 4th of March 1933, the indebtedness was \$19,000,000,000 plus. If the gentleman doubts my statement, I refer him to the Treasury figures.

Mr. McCORMACK. But the gentleman must realize, of course, that appropriations for the coming fiscal year had been made. It is true that after the World War the national debt went down to \$16,000,000,000, but during the last 3 years of President Hoover's administration it rose \$6,000,000,000, so that when he went out of office it stood at \$22,000,000,000 plus.

Mr. RICH. The gentleman is wrong. I do not yield further, but the gentleman is wrong. The increase in debt during President Hoover's administration of 4 years was \$3,491,-800,000; Roosevelt's 4 years' deficit was \$11,500,000,000, or more than three times as much as Mr. Hoover's.

Mr. McCORMACK. All right. I wish the gentleman would look into it.

Mr. RICH. The present administration has gone hay-

[Here the gavel fell.]

Mr. WHITE of Ohio. Mr. Chairman, I yield 5 additional minutes to the gentleman from Pennsylvania.

Mr. RICH. I do not want to get too involved, but in order to correct some of the erroneous impressions that have been spread, let me remind the gentleman that from March 4, 1933, to June 30, 1933, the Democratic administration went into the red \$892,000,000. In 1934 the Democratic administration went into the red \$3,409,000,000; in 1935 it was \$2,-938,000,000; in 1936 it was \$4,361,000,000; in 1937 it was \$2,707,000,000; in 1938 it was \$1,459,000,000. This year you will be \$4,000,000,000 in the red. Next year you will be \$3,-500,000,000 in the red. Where are you going? It is bankruptcy for you and everybody else. Where are you going to get the money? Here I show you the kind of money you want to start issuing in 6 weeks, rubber money. That is the kind of money the New Deal wants to issue. I prefer to have and we want to have this old-fashioned staple, gold and silver money. Not funny money that the New Deal is now advo-

Mr. RANKIN. Mr. Chairman, will the gentleman yield for one question affecting the State of Pennsylvania?

Mr. RICH. I do not have time for that. Pennsylvania always has, will, and can take care of itself.

Mr. RANKIN. The gentleman from Pennsylvania measures the stature of Congressmen by their influence in getting things for their districts. I just attended a committee meeting in which we were told that there is recommended for flood control at Williamsport, Pa.—the town where the gentleman from Pennsylvania [Mr. Rich] resides—several millions of dollars. I just want the people to know that that district, measured by the gentleman's own standard, has a great and efficient Congressman. [Applause.]

Mr. RICH. I have been looking after the Nation.

Mr. RANKIN. Surely he would not let the Williamsport item be taken out.

Mr. RICH. Mr. Chairman, expenditures must be cut down. We have reached the point in our national life when we must be sensible. We must bring our expenditures within our income; the two must be brought closer together. Every Member knows this, I am sure. What are you going to do? Can we go on with deficits year after year, \$4,000,000,000 this year and \$3,500,000,000 next year? It is as reasonable and sensible as anything can be. No man can spend more than his income without getting into trouble. No business can spend more than it takes in or it will go into bankruptcy eventually. What will happen to our Nation if we do not have an income equal to our outgo? We cannot expect our children to stand the burden of our New Deal folly. It is not reasonable, it is not just. It shows your inability to operate the Government. You are "passing the buck" to your children and children's children.

We are going to find ourselves in the same place Germany found itself when that country repudiated its debts of every kind and description and the gentleman from Mississippi, who is chairman of the Veterans' Committee of the House will find that when we repudiate our debts, we will repudiate all the obligations which we owe the ex-service men who fought and thought they were going to have something in the form of pensions on account of the services they rendered to their country in 1918. These debts will be repudiated with all other debts, and we will clean the slate and start all over again. It is going to be a sad, sad day for the American people when we do that.

Mr. Chairman, we can pay our bills if we get down to hard rock and find jobs for the people. Some laws have been enacted during the last 3 or 4 years that must be changed. We might as well face the situation and come to the conclusion that if we want good, honest business in government we will have to take the Government out of business. There is no one who has tried to put the Government in business more than has the gentleman from Mississippi. What do we find? We find that the tax base of this country becomes so narrow that the people cannot stand it. When you put the Government in business you take away from the individual citizen the rights which the Constitution of the United States gave him. You are putting it into a political pot where it will boil over one of these days, with the result

there will be inefficient Government operation, and the whole Nation will suffer.

Mr. RANKIN. Will the gentleman yield?

Mr. RICH. I must yield to the gentleman from Mississippi because I made a statement about him. He is a good fellow, but goes haywire when it comes to the electrical-energy business.

Mr. RANKIN. May I say to the gentleman from Pennsylvania [Mr. Rich] that before we began this drive in connection with the electrical business, as he calls it, the power interests were levying a tax of \$1,500,000,000 a year on the consumers in exorbitant overcharges. Now they are still taxing the people over \$1,000,000,000 a year.

Mr. RICH. Mr. Chairman, my time is about to expire. They paid the Government taxes, which we lose under this plan of Government ownership. I will have to give further data in reference to this bill when it is read for amendment. It can and must be reduced. I hope we will accomplish it.

[Here the gavel fell.]

Mr. JOHNSON of Oklahoma. Mr. Chairman, I yield 10 minutes to the gentleman from Connecticut [Mr. SHANLEY].

Mr. SHANLEY. Mr. Chairman and my colleagues, in beginning my talk on the doctrine of recognition and its instant application to the Spanish Nationalist situation, I cannot but feel encouraged in my development of the subject by the news concerning the Brazilian trade agreements. I confess that I am one of those followers of the hearty good-neighbor doctrine who believe in affording to the nations, large and small, to our southward every available facility of our Nation consistent with the rights and welfare of our Nation.

Thus the threefold aspects of the commercial and financial pacts between Brazil and America seemed especially opportune. The willingness of the Brazilian Government to unharness its exchange market and to create a Central Reserve Bank means that we are counter-attacking against the yoke of restricted German currency and also linking them to our American dollar. On their side their promise to protect our American investors is most timely and reassuring.

I have asked permission of the House to insert a brief outside summary of the features of that manifold treaty. think that it will prove helpful to all of us in the days that are to come, for unless the signs are wrong we will multiply this activity with many other nations.

1. The Export-Import Bank undertakes the extension of credits to Brazil in the amount of \$19,200,000 for freeing Brazilian exchange to make possible payments to American exporters covering merchandise heretofore shipped to Brazil and not yet paid for.

2. The Export-Import Bank undertakes to assist in the financing of future exports by American manufacturers and producers to Brazil by granting banking credits under arrangements the details of which will be worked out at the time of the negotiations for this aid.

3. The Washington Government proposes to ask Congress for authority to provide up to \$50,000,000 of gold to Brazil for its Central Reserve Bank, repayment to be made from Brazil's future production of gold.

4. The Washington Government will undertake to furnish to Brazil such agricultural and other technical aides as will enable it to diversify its production and increase its national development.

5. Brazil will issue an edict freeing its exchange to enable its importers to acquire American products.

importers to acquire American products.

6. Brazil proposes to guarantee to American investors treatment equal to that now or hereafter accorded its own nationals, this in the face of pending ultranationalistic legislation that might otherwise affect adversely United States interests.

7. By diversification of its production Brazil will undertake extensive rubber operations, which will have a tendency to free the United States from dependence upon other areas for its supplies, as well as to mitigate price shifts that have been so disconcerting in the past to automobile tire and other rubber goods manufacturers in the United States.

United States. Under a separate agreement made with Foreign Bondholders Protective Council, Inc., in New York, beginning July 1, 1939, Brazil will resume service on a temporary basis on its dollar-bond indebt-edness of \$357,000,000 that has been in default since November 1937, and after 2 years will seek permanent readjustment of this

The estimate in authoritative circles of a possible total of \$120,-000,000 in financial aid to Brazil was reached in this way: \$50,000,-000 in gold credits for the Central Reserve Bank, \$20,000,000 in acceptance credits extended by the Export-Import Bank, and up to \$50,000,000 in Export-Import Bank credits to American exporters and

manufacturers to finance operations with Brazil. The actual total that might be involved will depend upon circumstances in the future.

I think when the history of this period is written, which will cover the great war that has existed for foreign ex-change, the most hidden, the most difficult subject we have today, and any nation has, it will demonstrate conclusively that our efforts in Brazil will have brought us untold benefits.

Mr. HINSHAW. Will the gentleman yield?

Mr. SHANLEY. I yield to the gentleman from California.
Mr. HINSHAW. I do not fully understand the move that
is reported in the papers today. Does it mean that Brazil intends to resume the payment of interest on its indebtedness to the private citizens of the United States?

Mr. SHANLEY. As of July 1, that is the understanding. Mr. HINSHAW. They intend, then, to place their entire debt structure to the United States in good order?

Mr. SHANLEY. Yes. The terms of the agreement just completed between the United States and Brazil, containing official recognition of the status and rights of United States holders of defaulted foreign dollar bonds, set an important precedent in the Government's policy toward those bondholders, according to Wall Street opinion. In most former trade pacts the bondholders have been ignored and left to deal independently with the debtor nation. The State Department's new concept of the position of the holders of defaulted dollar obligations is interpreted as an encouraging step which may bring some relief eventually to the holders of a long list of foreign bonds who have received little or no income for several years. Here is a comment in a news-

As one phase of the new Brazilian agreement, it is recalled, the Brazilian Government has promised to resume service on July 1, next, on the \$357,000,000 of dollar bonds of Brazilian origin. That

next, on the \$357,000,000 of dollar bonds of Brazilian origin. That this disclosure came as a surprise to the financial community has been demonstrated by the spectacular advance in all of the Brazilian issues in the last 3 days, many of them having doubled their value in this short space of time. They are now selling at the highest prices since late in 1937, or just after the collapse of the unexpired Aranha plan.

There remain undisclosed, too, many important details of the plan to resume debt service, as well as contingencies, to justify unrestrained optimism on the part of the bondholders, according to some observers in the financial community. It will be several weeks before any announcement will be made of the details of the scale and amount of payments to be made under a transitorial arrangement which has been discussed by Dr. Oswaldo Aranha, Brazilian Foreign Minister, and the Foreign Bondholders Protective Council, Inc.

Does that answer the question of the gentleman?

Mr. HINSHAW. I hope it does. I hope to see the debt payments being resumed right away. I do not see any particular reason why we should lend them money for trade purposes when they refuse to pay their regular debts.

Mr. SHANLEY. Of course, the distinction between private debts and commercial debts is the distinction between what we are doing today and what we did after the World War through the Debt Commission. Of course, the gentleman's party has given us an undoubted example and an undoubted precedent in that direction, although a most unfortunate example.

Mr. HINSHAW. I am not so much interested in precedents, and I do not happen to know just what the gentleman refers to, but I do say that much money was loaned by the American people to municipalities as well as to the state governments of Brazil, Sao Paulo, and so forth. Certainly they ought to be able to resume payments on such debts if they can do a good commercial business with the United States.

Mr. SHANLEY. I think the gentleman will agree with me that the question of how much we are going to get out of it is within the knowledge of the State Department. I do not think they would forswear our opportunities by unduly indulging in a loan where there was real uncertainty of getting the money back.

Mr. HINSHAW. Can the gentleman place in the RECORD what payments are to be resumed on July 1?

Mr. SHANLEY. Yes; I believe I can.

Discussions between His Excellency Senhor Oswaldo Aranha, Minister of Foreign Affairs of Brazil, and officials of the Government of the United States were summarized by the State Department as follows:

The Government of Brazil plans to free the exchange market

The Government of Brazil plans to free the exchange market for commercial transactions and to facilitate the transfer of an equitable return upon investments made in Brazil by United States citizens under normal conditions in the Brazilian balance of international payments. In order to facilitate this improved exchange situation the Export-Import Bank will extend appropriate acceptance credits to meet amounts due American exporters for imports from the United States.

The Minister has likewise engaged in discussions with the Foreign Bondholders Protective Council, Inc., relative to the status of the Brazilian dollar debt and has announced that the Government of Brazil intends to resume payments on July 1, 1939, on account of interest and amortization on such debts in accordance with a transitional arrangement, the details of which will be made known following his return to Rio de Janeiro.

The Minister has also stated that it is the hope and expectation of his Government that with the improvement in its foreign commerce which it now foresees, a permanent settlement which will be equitable and satisfactory to all interests involved will follow upon the expiration of the Government of Brazil to issue a decreelaw freeing the exchange market for commercial transactions. This will ensure the provision of funds in payments for imports from the United States in accordance with the note of the Brazilian Ambassador to the Secretary of State of the United States of February 2, 1935. This measure will also facilitate the transfer of an equitable return upon investments made in Brazil by United States citizens under normal conditions in the Brazilian balance of international payments.

The Brazilian Government will give further study to this matter.

of international payments.

The Brazilian Government will give further study to this matter. I believe that, as a result of the discussions between the authorized representatives of our respective Governments during the course of my visit, a substantial accord has been reached as to the basis of these provisions and for the necessary cooperation between our institutions.

Mr. HINSHAW. I thank the gentleman. I have constituents in my district who have invested their life's savings in these bonds and who have been suffering severe privations because they defaulted. These people will be happy to know that payments are to be resumed.

Mr. CULKIN. Mr. Chairman, will the gentleman yield? Mr. SHANLEY. I yield to the gentleman from New York.

Mr. CULKIN. I agree with the gentleman. I believe this is a step forward. Of course, I believe it is necessarily a departure from the multilateral trade agreements the Secretary of State has been promulgating. I think it is distinctly a progressive step in the recapture of the South American business.

May I say to the gentleman, the Brazilians, who are our best friends and biggest clients in South America, are not Spanish but Portuguese?

Mr. SHANLEY. I said the Iberian Peninsula, if the gentleman will recall.

Mr. CULKIN. I did not hear the gentleman say that. Mr. SHANLEY. I am sorry. I thank the gentleman for his contribution because I believe it is a definite step. have said repeatedly, and I know Americans are apt to forget it, that the Portuguese element is there, but I covered all races by referring to the links with the Iberian Peninsula. The solidarity of these people, their independence, and their desire to continue with us on the basis of the heartiest of goodwill is probably best evidenced by the reactions of those who have had the good fortune to meet the Foreign Minister of Brazil, Oswaldo Aranha.

However, I am convinced more than ever that in our foreign policy we must adhere to the question of our vital interests. I will go anywhere with anyone at any time provided he shows me our vital interest is concerned. I said before that the extension of American interests in the Mediterranean by the Republican administration on one side and the extension of American vital interests by the Wilsonian adventures are examples of bipartisans' leaps into a diplomatic dark hitherto unthinkable. I make no comment on what both administrations have done. That is too long a chapter.

I have tried to believe, and I hope to believe, that the entire foreign policy of our Nation is something that must be viewed from a nonpartisan point of view. Unless we do that we cannot compete with the British. I pay them the

tribute that they are among the most astute, able, and shrewdest diplomats in the world today. I have never been classed as an Anglophile. Their government, their finance, and their business are tied up as one unit. They give that department their best men and their best thoughts. Wherever they move they move as a unit. I am hopeful that this unity of all of our departments—for latterly we have seen the Treasury Department enter into dealing with foreign policy; we have seen the National Munitions Board dealing with foreign policy, and, of course, we understand the ramifications of the State Department-will be a most helpful thing.

I am not one of those who believe that we can get much by the speeches that are being made. I believe we are doing more by this day-by-day contact with not only the Central and South Americans but Europeans and others. I believe the proper way is the practical way, and that is why I started this discussion hoping that we might revive what the Spanish people have done for us. Do not forget that in the stormy days of 1778 loans and subsidies were made to us by the Spanish governments. Do not forget that the subsidies and loans of the Spanish people amounted to almost \$6,000,000. Do not forget that the mere fact that they were alined with us vis-à-vis England had something of a moral effect. [Applause.]

May I continue on?

While the Brazilian people are linked more with Portugal than Spain it must be remembered that the greater part of South America has cultural, spiritual, and racial ties with Spain. Their interest in that tragic land is understood. What we will do in the matter of Spanish recognition will be watched by them.

The Christian Science Monitor had a very able editorial in its paper yesterday, and I may say that paper probably has made more profound, scholarly, and nonpartisan comments on foreign affairs than any other journal or publication in the world. I shall ask unanimous consent to revise and extend my remarks in the RECORD and include therein a short editorial of not more than 14 lines. Here it is:

The resignation of President Azana and the ousting of Premier

The resignation of President Azana and the ousting of Premier Negrin by a revolt of military leaders leaves little in Madrid that can be called a Spanish Republic. Even while respecting the desperate courage which says, "We will fight to the death or have an honorable peace," one must hope that General Casado's seizure of power will not prolong a war in which the Spanish people as a whole have little now to gain.

Starting as a representative government, the loyalists have gradually lost the right to speak for more than a fraction of the nation and have no stronger moral claim than the original military insurgents. It would be well now to recognize that their democratic ideals, insofar as they transcend personal or partisan interest, will be best worked out in peaceful lines. The tenacity with which the Republic has hung on proves that those ideals have vitality and gives hope that they will revive in Spain, whoever controls the Government.

The alacrity with which both Britain and France have hastened to accord recognition to the Nationalist forces is such as to cause us instantaneous and, I may say, permanent interest. Why are these great commercial nations so interested and we seemingly so hesitant? That is a problem that we in the Congress are naturally concerned with.

Mr. Chairman, I am going to place in the RECORD the history of recognition in this country. I shall start with that distinguished statesman, Daniel Webster, who said that partisan politics in foreign policy ends at the seashore.

The doctrine of recognition is, of course, one of the outstanding questions of today. I want to say right from the start that is a high prerogative of the executive department. It has been an undoubted privilege of the President to exercise this power in an almost exclusive manner. He has a legal basis for that, despite the fact that there is no direct provision in the Constitution. Inferentially also a number of other powers are placed in the President which may give him that right. The power to appoint ambassadors and public ministers is subject to the confirmatory power of the Senate, to be sure, but while the policy may indicate that the President should receive senatorial confirmation of his appointments, diplomatic agents are selected frequently by the President upon his own authority.

The sending of an agent may not be the equivalent of a grant of complete recognition, but it may constitute an acknowledgment of the de facto existence of the government in question. In addition the President may appoint ambassadors and ministers while Congress is not in session, and thus afford complete recognition though senatorial confirmation may not be secured.

Beyond this the President has complete power to receive ambassadors and other public ministers and recognition accorded by the granting of exequators. I have stated also that the right of initiating treaties belongs to the President, and thus from this power he has these great prerogatives. Professor Corwin says:

The other methods of according recognition are even more clearly within the hands of the Chief Executive. The issuing of new letters of credence to ministers and foreign officers who have already been accredited is entirely a Presidential act. The same observabeen accredited is entirely a Presidential act. The same observa-tion holds true of the recognition granted by a formal acknowledg-ment of the existence of a new government or a new state—the ex-press declaration is made by the President, subject to no legal re-strictions. Thus the President is in a position of vantage. His power to recognize depends upon the methods which he takes, but at most his power is limited legally by the Senate in only an indirect meanure. indirect manner.

indirect manner.

Even if we should admit that Congress, incidentally to discharging some legislative function like that of regulating commerce, might in some sense recognize a new state of government, the question still remains how it would communicate its recognition, having the power neither to dispatch nor to receive diplomatic agents. As we said of the States of the Confederation, Congress is as to other governments both "deaf and dumb." Why, then, claim for it a power which it could not possibly use save in some roundahout, and inconclusive fashion? about and inconclusive fashion?

Of course there has come into modern diplomacy a theory known as the so-called Stimson doctrine, virtually placing recognition upon a moral basis. It is also known as the concept of nonrecognition as a sanction. An authority has

Secretary Stimson also points out three effects following from such a policy: First, nonrecognition of the fruits of aggression obtained by violation of the treaty; second, it tends to strengthen the sanctity of treaties; and third, it marks a milestone in the development of actual international cooperation when war threatens the world. It is only the first of these effects—nonrecognition of the fruits of aggression obtained by the violation of a treaty—that is to be considered here.

The most recent development in the recognition policy of the

The most recent development in the recognition policy of the United States, and one which has now been accepted by most of the members of the international community, is that which Secre-tary Stimson outlined in his note to China and Japan of January 7, 1933, which declared that the United States would not recognize 7, 1933, which declared that the United States would not recognize any situation, treaty, or agreement brought about by means contrary to the Pact of Paris. It thereby implied the nonrecognition of new states or governments. It is a departure from a de facto policy of recognition dependent for its success upon the joint action of all the members of the international community and makes of the recognition process a collective procedure whose ultimate effectiveness depends upon the power of moral force.

At the same time Professor Lowell, of Harvard, in an address before the Foreign Policy Association has declared that this policy is one which rather than preventing war would tend to lead the world into war and that it was an ineffective instrument to right what Secretary Stimson and President Hoover believed to be wrong.

Dr. Lowell at the time had very pointedly asked-

If we fail to recognize Manchuria, can we recognize the tariffs, taxes, laws and regulations, and officials set up there under Japanese control? Our merchants can trade at their own risks, but can we protect them?

Of course, it has been suggested that Congress could by passing a statute over the Presidential veto grant recognition to a new government. However, this has never been at-tempted and never will as that is a departure in pure

Practically every state has a right to send recognition to another state on such terms as they may see fit to impose. According to Rivier:

Recognition is the assurance given to a new state that it will be permitted to hold its place and rank, in the character of an independent political organism, in the society of nations.

Charles Cheny Hyde, in his "International Law Chiefly as Interpreted and Applied to the United States," has this to States are free to accord recognition on such terms as they may see fit to impose. A group of states contemplating collective recognition may lay down those which it deems imperative. According to the Treaty of Berlin of 1878, Bulgaria was recognized as an autonomous and tributary principality of the Sultan of Turkey, but was a Christian government and a national milita; Servia and Rumania were recognized subject to the condition that complete religious toleration should prevail within the territories of those countries; and in the case of Rumania, the further condition was imposed that certain specified territory should be restored to Russia.

If the terms on which recognition is conceded be violated by the new state, the group of states according recognition may assert the right to intervene for the purpose of establishing a state of affairs in accordance with the condition specified. Experience has shown, however, that the exercise of such a right is likely to be ineffective. Consequently a new system has been devised and applied with reference, as has been observed, to certain of the new states of Europe, as in the Treaty of June 28, 1919, between the principal associated and allied powers, on the one hand, and Poland on the other.

the other

the other.

It has been observed that European and other states have found it possible to maintain diplomatic relations with countries not possessed of or attached to that civilization which is commonly described as European, without recognizing those countries for all purposes as states of international law.

The recognition of a foreign state is a matter peculiarly within the province of the political as distinct from the judicial department of the Government. The position taken by the former is rigidly followed by the latter. As Sir William Grant expressed it in 1809:

"It always belongs to the government of the country to determine in what relation any other country stands toward it; that is a point upon which courts of justice cannot decide."

Such is the position of the courts of the United States.

I hope, therefore, that our State Department, the strongest proponent of the good-neighbor policy of our South American neighbors, will be able to examine this question with their usual sympathy. If they do, I believe we can present to the descendants of the Iberian Peninsula added evidence that America is sincerely expounding the good-neighbor policy. We want them to forget those acts in our diplomatic history that have been responsible for harmful repercussions. We have done much during the last 6 years to eradicate its unfortunate reactions.

Obviously the problem in its entirety is not easy, but we have much in common with these great neighbors to the South. They, too, were pioneers in this New World. They threw off the shackles of foreign dynasties. They tried to avoid participation in the quarrels of Europe and knew their best defense meant separation from these quarrels. They are closer to the democratic form of government than they are to the European models of monarchy or despotism. I believe, however, that our approach should always be one of cooperation. The way we invited the ABC nations to help us work out a doctrine of recognition for Mexico before the war should be typical of our methods of approach in the future. We want them to feel that the Monroe Doctrine is just as much their doctrine as it is ours, and its success must rest with them also.

Mr. JOHNSON of Oklahoma. Mr. Chairman, I yield 10 minutes to the gentleman from Massachusetts [Mr. Mc-

Mr. McCORMACK. Mr. Chairman, it is apparent from the news of the past few days of happenings in so-called loyalist Spain that the charges that the Communists controlled and dominated that government are correct.

It is also true that there has been a revolt in that part of Spain and that those in control have been overthrown, This means that the so-called loyalist government is nonexistent.

Therefore the question arises as to what government the present Spanish Ambassador represents. He is the accredited representative of the so-called loyalist Spain, but that government, according to reports, does not exist any more. According to international law he no longer has any status as an ambassador, and the necessary steps should be taken to meet and handle this situation. Our approval of his cre-dentials should be withdrawn. He no longer represents a foreign government even under the conditions that exist in Spain today

Mr. ANDERSON of Missouri. Mr. Chairman, will the gentleman yield?

Mr. McCORMACK. I yield.

Mr. ANDERSON of Missouri. He has about the same status as the Ambassador from Ethiopia.

Mr. McCORMACK. Exactly; except that the Ambassador

from Ethiopia is entitled to more sympathy.

When the Soviet Union was recognized it was after public utterances had been made by Senator Borah, Senator La Follette, and others that the friendship of 165,000,000 of Russians must be considered. There were many of us then, as now, who doubted the advisability of such action in view of the antagonism of Communist Russia to all other nations of the world, and particularly to democracies. Not only has Soviet Russia represented a political, social, and economic theory in direct antagonism to our country but it harbors the Third Internationale, dedicated to world revolution. This situation exists today despite hypocritical protestations to the contrary by the Third Internationale and by the American section of the Communist Party.

However, the argument was made that we should evidence feelings of friendship for the people of Soviet Russia, many of whom are not in sympathy with communism and the vicious dictatorial form of government that dominates them. The same argument, to say the least, applies with equal force to Nationalist Spain. However, there is an additional reason from the angle that the government of Nationalist Spain is not of the vicious and destructive type as is Soviet Russia. There is also the broad reason that the government of Nationalist Spain represents the great majority of the people of that country. It has shown its ability to function. It is the only government now existing in Spain. The so-called loyalist government has been overthrown. It is now nonexistent.

It is not our prerogative to dictate to the people of other nations the form of government they shall possess. We would like to see the peoples of all the nations of the world possessed of democratic institutions of government. We hope the peoples of the totalitarian nations will soon demand and obtain personal liberty and those essentials which make for a democracy. It is only under a democracy that personal liberty can exist as a right. It is only under a democracy that religious liberty, freedom of speech and of the press, of the right of freedom of assembly under the law, of the right of petition, the cornerstone of personal liberty, and the rights of the individual in the possession of his own dignity and personality, such as the personal rights of the individual in the sanctity of the home life, in the possession of his property, of his right of trial by a jury, and so forth, can exist, as a right, without destruction or abridgement by government itself

While our Government and our people have a right to express their views when persecutions and oppression exist in other lands, usually in the first instance by offering our good offices to try to remove or alleviate such conditions, as a condition of recognition of a nation, we should not, directly or indirectly, impose any conditions, particularly as to the form of government that another people should establish.

If a nation such as Soviet Russia openly admits its enmity of our form of government and harbors or permits or establishes agencies to engage in efforts to subvert our Government, we would be justified in withholding recognition. That situation does not exist in this case.

There are other compelling reasons why we should act at once, without regard to what other nations have done, and that is as a piece of evidence as we are deeply interested in Central and South American countries. The recognition at once of Nationalist Spain would add greatly to our prestige among the people of those nations.

We should not permit agitators of communism and their front in this country, their intellectual and chaotic liberal allies, to interfere with the proper action being taken. We should not permit any agitation of any kind to interfere with what is for the best interest of our country. In accordance with international law, it is apparent that a clear case for recognition exists. That duty rests with the executive branch of our Government. It is my opinion, and the opinion of millions of Americans, that such action should be taken at once. [Applause.]

Mr. SCRUGHAM. Mr. Chairman, I yield 10 minutes to the gentleman from Mississippi [Mr. Colmer].

Mr. COLMER. Mr. Chairman, I shall not discuss this morning any international situation, nor shall I discuss anything that is foreign to the legislation that the Committee is now considering. I invite attention briefly to one phase of the bill, a phase of the bill that I discussed a year ago when this matter which I am going to discuss was under consideration. We have heard this morning a very learned and, I think, appropriate talk upon the condition of the Treasury by the gentleman from Pennsylvania [Mr. Rich]. Sometimes we want to criticize our friend from Pennsylvania about some of the things that he says, but I make public acknowledgment of the debt of gratitude to him for the position that he takes in the matter of being watchdog of the Treasury. I think it is time that we should overcome partisanship in the matter of public expenditures. We are faced with a \$40,000,000,000 national debt. We are going into debt at the rate of \$10,000,-000 a day. In other words, we are spending \$10,000,000 a day more than the national governmental income. That certainly should be a stop, look, and listen sign; and we all realize, however much we might be interested in getting money for our particular districts, however much we might be interested in approving these Utopian schemes and having humanity relieved, that we are bound to realize sooner or later that we will have to stop this spending some place.

With these few introductory remarks, I address myself particularly to an item in the appropriation bill on page 60 that appropriates approximately a million and a half dollars-one might say a small sum these days, but a million and a half dollars that goes into this ten million daily deficit-for the purpose of buying reindeer up in Alaska and turning them over to the natives. That is a fine idea, as I pointed out on the floor of the House a year ago when the authorization was under consideration, but it is purely utopian. As I said then, it would be a fine thing, and everyone, I am sure, would like to see the Eskimos receive this gratuity from the hands of the Government, with the possible exception of the taxpayers of the country. As I pointed out before, it might be a fine thing to go out into the West in the mountains there and gather up all the billy goats and turn them over to the native people out there, or it might be a fine thing to go into the South Seas and gather up all of the turtles and turn them

over to the native people on the adjacent islands.

Mr. CUMMINGS. Mr. Chairman, will the gentleman

yield?

Mr. COLMER. Yes.

Mr. CUMMINGS. Just to say to the gentleman that the billy goats out there are too poor for the people to eat.

Mr. COLMER. I am glad to know that because then I know that we are not going into that business, but it is almost ludicrous when you come to think of the extent to which we go in trying to help somebody. I have no interest in this matter except that I realize that sooner or later we must stop the expenditure of public money.

What is the history of this matter? It is very brief, and if I am in error I want someone to point it out, because I am as interested in seeing justice done as anyone else. The history of the proposition is that some gentlemen named Lomen went up there and acquired these herds of reindeer. They constructed slaughterhouses and corrals and all these necessary things for the purpose of what? Of engaging in a doubtful venture of making money—not to help the Eskimos. Later they found out it was not a successful venture—and all of this is in the hearings—but I say something now that is not in the hearings, but which we all know to be true, and that is that thing having failed they are looking to the Federal Government to pull their chestnuts out of the fire and have it acquire this herd of reindeer. According to the hearings there are approximately 500,000 reindeer in Alaska and according to the table inserted in the hearings 260,000 of those reindeer are claimed by the Lomen people, and the Lomen people are broke and want to sell these deer to the Government so that your taxpayers and my taxpayers will pay for them so that they may be given to the Eskimo, ostensibly, but in reality to relieve these gentlemen who have

engaged in an unsuccessful venture. I wish you would all read the hearings on this matter. I was impressed by some things said by some members of the Committee on Appropriations about the matter. I notice that the ranking member on the subcommittee referred to it as a white elephant on the hands of the Lomen people, and in another place another member of the Committee on Appropriations asked the following question:

Do you think it is the duty of the taxpayers to go in there and save these people who made that investment?

That is a member of the Committee on Appropriations who is speaking and that question is in the hearings. That is what we are asked to do. We are asked to do that at a time when every effort is being made to reestablish the confidence of the people in their Government and to hold out the olive branch as a token to the business interests whom we are to tax to purchase the reindeer. Is it not a fine thing to approach the taxpayers, the businessmen, with an olive branch in one hand and a stiletto in the other? If we are going to ask business to cooperate, if we are going to try to get this Government back on a sound, fundamental basis, the way to do it is to carry an olive branch in both hands. I know there is probably a difference of opinion on this thing. I do not think we ought to go into this venture. I made the fight upon it when the authorization bill was under consideration. I regard it as my duty as a Member of this body to again call attention to it on this occasion. It is my purpose, at the proper place, to offer an amendment to strike out this appropriation which is for approximately \$1.500,000. Mind you, that is just an entering wedge. That is where the Government goes into the reindeer business. It will cost untold millions to maintain it in the future.

[Here the gavel fell.]

Mr. CARTER. Mr. Chairman, I yield 12 minutes to the gentleman from Nebraska [Mr. Curtis].

Mr. CURTIS. Mr. Chairman and Members of the House of Representatives, I wish to speak to you for a few moments to focus your attention upon a much-neglected valley in my district. To prevent confusion, let me state at the outset that this problem of which I speak is not included in the bill now being considered. I merely take this opportunity to state my case. I believe in the justness and fairness of this Congress, and I expect to come before you again with a more definite request.

If you will refer to the map here before you, you will notice that I have marked a river in red. This river rises in Colorado and enters Nebraska near the corner where the States of Colorado, Nebraska, and Kansas converge. It flows eastward across Nebraska, through the district which I have the honor to represent, through the counties of Dundy, Hitchcock, Red Willow, Furnas, Harlan, Franklin, Webster, and Nuckolls. It then leaves the State of Nebraska and goes down into Kansas and finds its way into the Kansas River and thence into the Missouri River.

In the spring of 1935 there was a terrific flood in this valley. A wall of water came rushing down this valley, leaving devastation and misery in its wake. Homes were destroyed. Livestock drowned. Farm machinery, implements, and grain were carried away and utterly destroyed. The finest farm land in the world was covered with debris and several feet of fine sand and thus rendered worthless. Many miles of highways and railroad were utterly destroyed. Transportation was suspended and for many days there was no mail service.

I have mentioned some of the property losses briefly. The human loss in that flood was astounding. Somewhere between 100 and 140 people lost their lives in that terrifying disaster. You cannot go into a community but what you will find families scarred by the effects of that disaster. The tremendous loss of human life in that flood of 1935 makes it one of the major disasters of our country.

Although almost 4 years have elapsed since that flood, not one cent of Government relief has come to that valley. Not one bit of protection has been provided against a recurrence of such a flood. Not one dollar has been appropriated to

harness and utilize this water and pour it onto the parched lands of those sturdy, honest, and hard-working farmers of that district. May I say here that this valley not only needs some protection against floods but it needs some assistance to utilize this water in bringing irrigation to what was once a fine productive territory.

I realize that the Congress of the United States has never before been asked to do anything for this valley. Those heretofore in charge of assisting this valley, with honest and faithful intentions, sought the aid of the Public Works Administration. The P. W. A. considered this project, and it appeared that it would be allowed; then this New Deal agency made a startling discovery. They discovered the name of the river. It is the Republican River. The result was, the P. W. A. picked up their papers, ran away, and disallowed the project.

Now, this last statement was uttered in the spirit of jest. I do not believe that the P. W. A. disallowed this project because the river was named Republican. But I do think the rejection of those projects along that river was not justified. But be that as it may, no help has come to the people of that territory, and I am here to say that they are entitled to it.

Now, let me say a word to certain of my colleagues who are inclined to oppose all irrigation and reclamation projects. To turn a deaf ear to this problem would be to render a great injustice to a fine people. To bring flood control and irrigation to the Republican Valley of Nebraska would not bring into cultivation any land heretofore uncultivated. This territory has been settled a long time. The farmers are sturdy, hard-working people. They have built their homes there and they have been excellent taxpayers. They represent the highest kind of American citizenry. Foreign "isms" can make no headway there.

They have a splendid soil. It is deep and it can receive and use water to a good advantage in most any season of the year. It is in that section of the country where we never do get quite enough rainfall. The productivity of the soil has gradually been reduced and they have reached that point that unless they receive irrigation they cannot continue to be self-sustaining.

I cannot overemphasize the needs of this valley. It means the preservation of farms and homes for which men have fought for a half a century. The peculiar hardships that have befallen the Republican Valley, together with the general prevailing conditions, have left this territory in want and destitution. I have in mind one county where there will be no money in the public treasury to pay their local officials for about a year.

To do something for this valley would be the best and highest type of national defense in which this Congress could invest. It would restore economic independence and a wholesome morale to America's first line of defense—a group of its great people. [Applause.]

Mr. CULKIN. Mr. Chairman, will the gentleman yield? Mr. CURTIS. I yield.

Mr. CULKIN. The gentleman is making a very able speech. Does not the gentleman believe that these areas which have been settled and established by the blood and sweat of these pioneers might better get help so that they may continue to be self-sustaining, through the medium of water supply, than that vast new areas should be reclaimed in other parts of the country?

Mr. CURTIS. I agree with the gentleman, and I thank him for his contribution.

Mr. CULKIN. In other words, they should have the first call upon the Republic.

Mr. RANKIN. Mr. Chairman, will the gentleman yield?

Mr. CURTIS. I yield.

Mr. RANKIN. Is there any water power in that river to be developed?

Mr. CURTIS. There is.

Mr. RANKIN. How much?

Mr. CURTIS. I do not know.

Mr. RANKIN. If there is water power in this river, it ought to be developed for power purposes as well as for

flood control and irrigation purposes. You can save the water there and generate power for those people and at the same time control the floods and use the water for irrigation.

Mr. CURTIS. I might say that it is within the territory served by one of the Nation's major hydroelectric projects already.

Mr. RANKIN. I understand that.

Mr. CURTIS. For that reason, I understand that project is not in favor of this project developing electricity, because of the limited market.

Mr. RANKIN. The reason they think the market is limited is because they have not been using electricity for anything except lights and few small appliances, but when the people of that area begin to use electricity for the purposes for which it was created, you will find you will not have enough of it. You are speaking about the tri-counties project, are you not?

Mr. CURTIS. I am.

Mr. RANKIN. I have been over both the tri-counties project and the Loop River project. Both of them will not actually supply the needs of those people when they begin to use electricity for the purposes for which it is intended. So if you have power in this Republican River of any appreciable amount, it seems to me the gentleman should get at it in one of two ways. One of them would be to ask for the creation of an authority to develop the entire river. Another one would be for a survey for the development of a dam for flood control and irrigation purposes under the Flood Control Act that was passed last year.

Mr. CURTIS. I may say the people of that valley sought something like that, and the gentlemen over in the Public Works Administration said "no."

Mr. H. CARL ANDERSEN. Mr. Chairman, will the gentleman yield?

Mr. CURTIS. I yield.

Mr. H. CARL ANDERSEN. Will the gentleman state again for the benefit of the House the number of people who lost their lives in that 1935 disaster?

Mr. CURTIS. The number of people has been estimated at around 110. That is known dead. There were undoubtedly a number of people, transients and the like, in the valley, as the main line of the Burlington Railroad, as well as Highway No. 6, follow that valley. We do not know how many people were actually drowned.

Mr. BOLLES. Mr. Chairman, will the gentleman yield? Mr. CURTIS. I yield.

Mr. BOLLES. Is there any navigation on that river?

Mr. CURTIS. There is not.

Mr. BOLLES. If you put power dams in there and had an electric plant for the purpose of distributing electricity, the price would not be reduced by navigation paid by the tax-

Mr. CURTIS. I might say that I do not want the interests of those people to be sacrificed upon the altar of any power dispute. I am not hostile to those things necessarily, but primarily what they want is protection against floods and something to make their crops grow.

The CHAIRMAN. The time of the gentleman from Nebraska has expired.

Mr. CARTER. Mr. Chairman, I yield to the gentleman from Michigan [Mr. SHAFER] such time as he desires.

Mr. SHAFER of Michigan. Mr. Chairman, I take this occasion to commend the subcommittee in charge of this legislation for its action in recommending an increase in the appropriation for Freedmen's Hospital this year. It is my understanding that the increase, amounting to \$30,740, has been recommended to enable hospital authorities to correct unfavorable work conditions at the institution by hiring needed additional help and, in some instances, to raise wages.

It is to be regretted, however, that the committee has failed to recognize a serious situation existing at the hospital—that of making compulsory deductions from employees' wages for board and room, regardless of whether these facilities are used. A slight additional appropriation, properly earmarked, would have taken care of this question.

As has been pointed out in the hearings of this committee, nurses, waiters, waitresses, and five members of the dietary staff of Freedmen's Hospital have compulsory deductions made from their salaries for board and room whether or not they eat or stay at the hospital. I am certain most Members of Congress will agree that this practice is unfair and undemocratic and should be abolished. I would like to see a committee amendment to this legislation calling for a slight additional earmarked appropriation to enable authorities of Freedmen's Hospital to end this practice.

I feel it is unjust to charge Government employees for meals they do not consume and for lodgings they do not use. These employees should be permitted the option of taking their meals at the hospital or outside and should be given the option of living outside of the hospital, especially if they have families.

A similar problem, although worse, exists in all veteran facilities where compulsory deductions from already meager wages are made for quarters, subsistence, and laundry, regardless of whether these facilities are used. And the unbelievable situation in this connection is that in many instances the Government makes a profit through these deductions.

This is an evil that should be recognized and abolished by this Congress. Quarters, subsistence, and laundry should be made optional in all Government institutions, and where deductions are made, certainly only actual costs should be charged. H. R. 2402, now pending before the Committee on World War Veterans' Legislation, would abolish this unjust practice. I call upon all Members of this Congress to assist me in my efforts to bring this legislation to the floor of this House for consideration.

Because of the practice of compulsory deductions from wages, employees in veterans' facilities throughout the country are maintaining their families on less than W. P. A. wages. At Camp Custer, Mich., in my district, attendants at the veterans' facility receive \$1,020 per year salary, from which is deducted \$396 for quarters, subsistence, and laundry, and \$35.70 per year for retirement deduction under civil service, or total deductions of \$431.70. This leaves them \$588 per year to support themselves and their families, or a net pay per month of \$49.02.

At Camp Custer there are 52 attendants, with an equal number of dependents, receiving from \$1,080 to \$1,260 per year, who, because of these compulsory deductions, are forced to live on \$588 a year.

This unfair practice should be abolished, and I urge Members of this Congress to assist me in my efforts. Let us show those Government employees who are affected by this practice that we are seeking to be fair. [Applause.]

Mr. CARTER. Mr. Chairman, I yield 25 minutes to the gentleman from Ohio [Mr. WHITE].

Mr. WHITE of Ohio. Mr. Chairman, it is my intention to confine my remarks to the Interior Department appropriation bill which is under consideration here today. I am sure you have all noticed that this bill includes appropriations totaling approximately \$160,000,000. This represents a cut of \$6,000,000 below the figures presented by the Budget, but it also represents an increase of approximately \$15,000,000 over the same appropriation bill last year. This in my opinion affords an excellent example of the never-ending spiral of Government bureaucracy. Included in this measure are many extremely worthy functions of government. There is no question but what they have a valuable place in the service we expect the Government to render its people, but I wonder if they have been considered and will be considered in the light of the insufficiency of Government revenue to meet more imperative expenditures? You and I all know that there is a necessity for a reduction of the costs of government, and that upon such a reduction, and its amount, depends the speed with which the country will be placed back on the road to genuine recovery, with a restoration of private employment. It seems to me we ought to consider the bill in the first place from the standpoint of expenditures which are not justified; and in the second place from the standpoint of expenditures which even though they may be extremely worthy, ought, at least, to be reduced in keeping with the present necessity for reducing the cost of every operation of government. The Government spends money in such vast sums that the average individual cannot grasp them. I confess an utter inability to envision these huge sums. I cannot comprehend such things unless I can reduce them to some kind of individual experience. You know and I know that when, as individuals, we encounter a condition whereby we make less than we spend, there inevitably comes a day when we have to bring our outgo in line with our income; we have to forego things we consider worth while, things we regard as very desirable. This analogy must be carried forward into the realm of government, for government itself is nothing more nor less than a magnified cross section of the citizens it governs.

There are items in this bill aside from the more worthy things that ought to be reduced, if not eliminated, to bring about the result we should be working for; items that do not justify the amounts of money that have been appropriated for them. Under the office of the Secretary of the Interior, for example, we find a Division of Information which calls for the expenditure of \$14,000 in the form of transfer of salaries; and \$36,740 additional is included, making a total expense of \$50,000 for 21 new positions each. There is no increase of other employees, but 21 new places are added for press relations, which is largely another name for propaganda. This so-called publicity work is increasing at a tremendous rate and spreading in every department of the Government. It seems to me this is an item that ought to be reduced. Certainly it does not justify an increase of 21 people in the press relations work.

As we go through the bill we come to various other items; for instance, the item on reclamation. Other members are specializing on the study of reclamation and irrigation, so I will not dwell on it longer than to state that here is a place where the money is not exactly an outright expenditure on the part of the Government. In similar fashion, a good deal of the outlay for the National Park Service comes back in fees from the parks.

Indian affairs is another item being studied by certain other members of the committee. In this case a large amount of the money belongs to the Indians themselves. I do think we go pretty far in handling it. As I look through the bill I find tribes of Indians I never heard about before. I have come to the conclusion that about the only tribe that has been left out is the ancient and honorable tribe of wooden cigarstore Indians. [Laughter.]

In large measure, however, the money for the Indian items belongs to the Indians themselves.

On the reindeer item, the gentleman from Mississippi [Mr. Colmer] and the gentleman from California [Mr. Carter] and others have made a special study, which I am sure they will present to you.

The Bituminous Coal Commission received a cut of \$600,000 in committee. The appropriation still carries \$2,900,000 for this Commission and an additional \$285,000 for the Consumers' Counsel. I have in mind the testimony presented in the hearings regarding the Bituminous Coal Commission and think I can weigh it without prejudice, because I voted for the enactment of the legislation in the first place. But when I did so I had in mind the thought that it would accomplish the stabilization of employment for the miners of America; in other words, that it might provide some remedy for the condition whereby thousands upon thousands of miners work for perhaps a period of 60 days and then find themselves out of work for a period ranging from 4 to 6 months. Had you listened to the hearings, however, as I did, and if you study them, you will find by the testimony of the Commissioners themselves, clearly stated on page 603 of the hearings, that this act has not contributed to the stabilization of employment in the coal-mining industry of the country.

You will also find in the hearings that testimony was presented which indicated an admission on the part of the members of the Commission, particularly the Consumers' Counsel, that they feel the purposes of the Bituminous Coal Act cannot be completely effective unless and until there is corresponding regulation of all the fuels.

You will also find in the testimony the purpose of the Bituminous Coal Commission clearly stated is to raise the price of coal to the extent that the revenue received from the annual coal production will be equal to the cost of its production, which means an addition of 11 cents per ton to the price of coal. This does not sound very large, but according to their own figures it means an increase of \$37,000,000 on the annual coal bill paid by the people of the United States. Do not these admissions on the part of those who are responsible for the administration of this law indicate that there might wisely be a further reduction made in the appropriation for the Bituminous Coal Commission?

Next I come to the United States Housing Authority.

Mr. DOWELL. Will the gentleman yield?

Mr. WHITE of Ohio. As soon as I complete my general review of the bill I shall yield in whatever time I have left.

Mr. DOWELL. I would like to ask a question.

Mr. WHITE of Ohio. I will be glad to give the gentleman an opportunity to ask a question if I can cover all of this bill. I have quite a little ground to cover yet.

Mr. Chairman, for the United States Housing Authority we find there is appropriated five and a half million dollars for administrative expenses. We find there is also appropriated one and one-half million dollars for construction advisers in the field, which sum is supposed to be paid back to the Government. In addition, we find \$5,000,000 for annual contributions. I would like to focus attention on a speech made by Senator Tydings, of Maryland, recently, in which several very vital observations were made, and they go to the very core of this United States Housing Authority appropriation.

Senator Typings explained that the United States Housing Authority to date has contracted for the construction of 141 apartment houses to cost \$356,695,341, or an average of \$2,529,045. These projects contain 64,431 dwelling units, so that the average cost for the slum dwelling is \$5,520 per family dwelling unit.

Those figures apply solely to the original cost of construction.

This-

Said Senator Typings-

is \$136 more than the cost of the average American home as constructed and reported by the Federal Housing Administration under the F. H. A. program.

He added:

The rent subsidy to be paid by the United States Government over the 60 years of annual contributions on these 141 projects will amount to \$831,861,000, according to the figures from the U.S. H. A. report. This is approximately two and one-half times the original cost of erecting these apartment houses. If we divide the total rent subsidy by the number of families occupying these apartment houses, we find this amounts to \$12,910 for each family.

There are two or three things I would like to repeat from what I said when this legislation was under consideration. I agree with every Member of the House that slums are a blight on civilization and should be eliminated in this modern age.

There are two schools of thought. One school of thought is that the people of Podunk, Ohio, Adrian, Mich., Tuscaloosa, Ala., or Biloxi, Miss., should not bear the burden of expense for clearing the slums in New York, Chicago, San Francisco, and other cities. No one can deny the fact it is a justifiable and a greatly needed thing to have waterworks and sewage disposal in every community, but would you contend it is the responsibility of your communities and mine to provide such facilities for New York City, or that New York should provide them for us? Why, then, does not the same reasoning apply to slum clearance? However, that is not the greatest wrong in the method adopted. I would not object to that so much and I would be willing to forego the idea, although I agree with that theory fundamentally, if I could still believe that the Federal Government was undertaking these projects on a basis that was fair to the average citizen of your State and my State.

Let us look at this thing again and see if it is fair to the average citizen. The main fault with the whole business is that it misses the target of slum clearance entirely, for the simple reason that even after the Government subsidizes this proposition the slum dweller cannot afford to pay the rent necessary to live in one of these slum dwelling units. That is one of the main troubles.

On top of that, according to the figures I have cited, we find that the average family unit under the U. S. H. A. program costs \$5,520, plus \$12,910 for the annual contribution, which, if I figure correctly, makes a total of over \$17,000 per family dwelling unit.

Who is going to pay for this and who is building them? I do not know what the conditions are in the communities of the various Members here, but I may say that I represent just as good a community as there is in the country. I know the value of the dwelling of the average citizen in my area is about \$3,500; yet, by this legislation, you are saying to the man who lives in the \$3,500 home that he has to pay for a slum dwelling home, in which even a slum dweller cannot live, costing a total of \$17,000 per family unit, while he himself, as a private taxpayer, who does not get such beneficent assistance from the Federal Government, has to live in a \$3,500 home, which he had to pay for out of his own sacrifices, out of his own toil, and out of his own years of saving. This situation should be corrected. Under U. S. H. A. we also find \$36,000 for another one of those press sections.

I say that Mr. Strauss, head of the U. S. H. A., has indulged in what is probably an unintended piece of misinformation when he contended that this legislation is self-liquidating, as he did in the hearings.

That is just so much poppycock because if you will take the formula under the U.S. H. A. original authorization and apply it to a \$1,000,000 project you will find that with slight variation the figures come out something like this: For each \$1,000,000 project, the Federal Government, when this formula is applied and you determine the net results, has furnished not only the full sum of \$1,000,000, the original cost of the project, but in addition has furnished almost \$500,000 which the local housing or slum-clearance authority is able to use to pay interest to the Federal Government, the original source of the money. The Federal Government gives them the entire \$1,000,000 and almost \$500,000 in addition for interest-paying purposes. It is the Federal Government that gives them the money, and it is the Federal Government that collects \$500,000 of its own money for interest. Yet some people would have you believe that the original outlay and all of the interest is actually borne by the local slum-clearance authorities.

On the basis of these facts, I contend that here again is a place where there could very properly and very wisely, in keeping with the dictates of sound conscience and judgment, be a cut in order to bring the expenditures of the Government in line with our income.

Next I would like to discuss the Bonneville and Grand Coulee power projects. The annual appropriation listed for Grand Coulee is \$23,000,000 and \$13,000,000 for Bonneville. Right at the very beginning let me say that I am not in any way, shape, or form attacking the wisdom of these projects. I mean by that I am not saying it is wrong to have them. Maybe it is, but my point, based entirely on principle and not in any sense of the word upon partisanship—and I believe you will note I have not brought a partisan word into this discussion—is, Are they getting money out there for these projects faster than they can digest it and chew it and masticate it and consume it and put it to work in accordance with the dictates of sound judgment?

Let us take a look at some of the facts in this connection. In the first place, I refer you to the hearings. There you will find that for Bonneville the Government has furnished a total of \$45,000,000, and the ultimate cost will be approximately \$100,000,000. This project was undertaken with the assurance on the part of Mr. Ross and the sponsors of the plan that it would not interfere with private industry or employment; in other words, that they were going to cooperate with private industry and employment and were not going to replace them in any way, shape, or form.

Then the sponsors of this plan contended, and have contended until this very day in all the hearings relative to this bill, that there would be no duplication of existing lines. Let us look at these two claims briefly. If you check up in the hearings you will find that when Bonneville and Grand Coulee are completed there will be a total production of 1,600,000 kilowatts. If you will check further you will find in the hearings that the consumption in the entire area at this very minute is approximately 1,600,000 kilowatts. Can anyone tell me how it can be contended that they can produce and dispose of 1,600,000 kilowatts under this project—

Mr. PIERCE of Oregon. If the gentleman will yield, I think I can give the gentleman an answer.

Mr. WHITE of Ohio. Not just now. I will gladly yield if I can complete my review.

When the consumption in the entire area at the present time is 1,600,000 kilowatts, and when the combined total is for sale from Bonneville and Grand Coulee, how can it be contended that there is a market in that area without encroaching upon private enterprise and private employment? The answer given by the administrator is that there are tremendous potentialities in this field.

[Here the gavel fell.]

Mr. JOHNSON of Oklahoma. Mr. Chairman, I yield 10 additional minutes to the gentleman from Ohio.

Mr. WHITE of Ohio. I am very deeply indebted to my colleague of the committee.

If you will examine the hearings, you will find that Mr. Ross, the administrator of this Authority, stated that the potentialities of this field are growing at such a tremendous pace; that the consumption of the area has doubled about every 5½ years, and this is supposed to be the justification for furnishing additional production and transmission facilities. However, the fact remains that such has not been the experience, and that to increase consumption to the level that would be required to consume this additional power would take 12 to 15 years, according to the experience there over a period of 15 or 20 years. In other words, the point I wish to make is that the statement in support of the need for such large sums so quickly is not justified by the increase in the demand for power that has been evidenced in the territory, according to the figures of the Federal Power Commission.

Here is a field with a total consumption of 1,600,000 kilowatts at the present time. This volume is furnished by local agencies. Not Bonneville or Grand Coulee. But along comes the vast appropriations for these two projects, based on a pledge that there will be no interference with those local agencies. They say Bonneville and Grand Coulee will have 1,600,000 kilowatts for sale, and that it can be marketed without violating the pledge of noninterference. Obviously that is impossible unless consumption needs show an increase during the next few years that is somewhere near as large as the growth of annual consumption from the start of all power service up to the present time.

You can judge for yourself whether this is likely by the following figures taken from the Federal Power Commission reports, page 116 of the hearings:

Production of energy in the States of Washington and Oregon (in 1,000 kilowatt-hours)

1,000 KHOWALL-HOWS)	
1920	1, 672, 268
1921	1, 645, 398
1922	1, 789, 429
1923	2,040,920
1924	2, 181, 955
1925	2, 352, 866
1926	2, 638, 927
1927	2, 966, 593
1928	3, 401, 767
1929	3, 713, 711
1930	3, 774, 483
1931	3, 749, 121
1932	3, 455, 634
1933	3, 404, 310
1934	3, 749, 704
1935	4, 065, 439
1936	5, 523, 569
1937	15, 107, 000

¹ 10 months actual, 2 months estimated.

In 1936 and 1937 a large block of kilowat!-hours were generated in Washington and transmitted to Montana where there was a most unusual drought.

The next point is, the sponsors of these projects stated there would be no duplication with the lines of private enterprises. I have here a map which represents the proposed transmission lines for Bonneville, when completed, superimposed upon the existing system. The solid red lines indicate transmission lines completed or under construction in 1939. The red lines with the spaces in between mark the ultimate Ross plan. the transmission lines that will exist when this plant is completed. Then alongside of that you have the existing transmission-line system, marked in black lines. I ask any Member of this House to look at this map and decide for himself if there is actual truth in the statement that was made to the Congress as a solemn pledge when this project was originally authorized and the statement that has been repeated in the hearings last year and this year that there would be no duplication of existing lines.

Mr. RICH. Mr. Chairman, will the gentleman yield?

Mr. WHITE of Ohio. I should like very much to yield to my distinguished colleague, but I have had to decline to yield on this side and I should like to maintain the same batting average on both sides.

We find these three points met by this argument: First, that there is an element of interference, that there is duplication of lines, that the consumption of the area is now taken care of by private industry and they cannot add to the power production of the area and sell it without infringing upon the production of private enterprise, which is supposed to be in conflict with the entire plan.

In addition to this, I was interested in finding out how much demand there was there for the power that already was available. In the hearings we found out that the present production at Bonneville is 86,400 kilowatts. Last year, and again this year, the administrators were repeatedly asked how much of their existing production they had actually sold or how much they had actually under contract. Invariably the answer was, "We have requests and applications for contracts amounting to a couple of hundred thousand kilowatts." It was necessary to press with diligence and with care, emphasizing that the question was not based upon applications but upon actual sales, and you will find these questions and answers at page 115 of the hearings:

Mr. White. All right. Let me ask you this question: Have you signed any contracts to deliver power to any public-utility district or town, and if so, to what district or town, and how much power were you delivering on January 1, 1939, in round figures?

Mr. Ross. We could only reach the little city of Cascade Locks. We have been serving those people. They are small. They bought their company there.

Mr. White. How many kilowatts?

Mr. Ross. It is around a couple hundred kilowatts.

Let me repeat, if you will, that I am not attacking the wisdom of the establishment of the Bonneville Authority in this discussion this afternoon. What I am asking is, Are we going to meet our responsibilities applying to all projects, no matter whether they be worthy ones or not, of reducing the expenses of government? Are we going to take advantage of an opportunity, if one exists here, to cut down the expenditures on an item where money has already been furnished faster than it could be economically used?

In substantiation of my belief that money has been furnished more rapidly than it could be used on a sound and economical basis for these projects, the sole basis of my contention, I further want to call your attention to the fact that a year ago the Bonneville administrator came to the Congress and asked for an appropriation totaling \$6,000,000. Congress considered his plea, Congress examined it, and the members of the Appropriations Committee made a thorough study of the matter. After such careful consideration, they determined that their request was too high and that they needed not \$6,000,000 but \$3,500,000.

So it was that the appropriation was made in that amount. Then what happened? The Bonneville administration went around to the back door and succeeded in obtaining from P. W. A. \$10,750,000 and from W. P. A. \$2,850,000, making a total of \$13,600,000, in addition to their appropriation from the Congress of \$3,500,000, making a total of \$17,100,000 which was provided by the Federal Government for Bonneville in a year when the administrator himself said that their total need was \$6,000,000. Is it any wonder, therefore, that Mr. Ross described those funds as "pennies from heaven"?

Now let us go back to this question once more. Are we furnishing money faster than they can use it on an economical basis? Are we furnishing them with the means to construct transmission lines in far greater proportion and far ahead of the time when they will have the demand and the contracts and the business to make use of such transmission

In order to get another answer to that question. I was interested in how much the unexpended balance might be at both Bonneville and Grand Coulee. So this morning I called up Mr. Burlew, the Assistant Secretary of the Interior. Mr. Burlew said he could not give me the figures as of this date but could give the figures as of June 30, 1939. We realize, of course, there will be a beautiful opportunity to spend a lot of the present money between now and June 30, 1939. But, nevertheless, according to his own statement, the unexpended balance-

[Here the gavel fell.]

Mr. RICH. Mr. Chairman, I yield the gentleman 5 additional minutes

Mr. WHITE of Ohio. His reply showed that the unexpended balance on June 30, 1939, would be \$3,100,000 for Bonneville and the unexpended balance for Grand Coulee would be \$7,000,000.

Now, let us boil this statement down and see just what it means. It simply means that after this Congress said last year their need was \$3,500,000 and they confined their own figure to \$6,000,000, they got "pennies from heaven" that made their total \$17,100,000; in other words, they got almost \$14,000,000 more than Congress said was their real need for the year.

Yet they are coming back here and asking for \$13,000,000 more for Bonneville this year. They are getting money faster than they can put it out in an economical way. Last year they received a total of \$17,100,000, and this year they are asking for \$13,000,000 more when, as a matter of fact, they have for Bonneville and Grand Coulee an unexpended balance on June 30 of \$10,100,000. This proves the point I make that they are getting money faster than necessary, and that we should reduce these amounts, and that we can do so without tearing down the structure of the project in its fundamental form. We can take this means of doing it. It presents an opportunity for us to bring Government expenditures this much nearer in line with Government revenues. There are a good many departments that deal largely in service of personnel. It is difficult to cut down on them, but here is a question simply of holding back expansions for a little while longer, of not making enlargement or expansion at such a rapid rate. It is not a question of destroying something already in existence. There is another illustration that I want to give you to illustrate the point that I am making. In the T. V. A., according to these people who appeared before the committee, the total production will be 1,400,000 kilowatts. For Grand Coulee and Bonneville the total production when it is all completed will be about 1,600,000 kilowatts for sale. In other words, 200,000 more than T. V. A. Yet the total population of the T. V. A. area, comprising all of the dams under that project, is 13,402,000, while the total population in the transmitting area of Grand Coulee and Bonneville is 2,316,000. So I contend again there is decided proof that they are overbuilding the present needs.

Mr. PIERCE of Oregon. Mr. Chairman, will the gentleman

Mr. WHITE of Ohio. There are some other points that I desire to call to the attention of the Committee, and then I shall be glad to yield if I have the time. We all know—and I am speaking in the utmost sincerity—that there is confronting us a solemn obligation to reduce expenses of government; that it is an essential factor in restoring this country to the road of recovery and 10,000,000 American people to the road of employment. We all know that the President of the United

States stood on this rostrum within the last couple of months and not only placed upon Congress the responsibility for determining those cuts, but he even double-dared Congress to do it. Do you not think the time is here when we ought to meet that challenge? In the Senate and in this House we have great men, men of lovable character, men of intense patriotism, both Democrats and Republicans, who have had the courage to rise up and proclaim the needs of this situation. Senators Byrd and Glass just a few days ago advocated that all of these needless expenditures should be eliminated and on top of that there should be a 10-percent cut made on all expenditures of the Federal Government from one end to the other. So, Mr. Chairman, here is an opportunity to do it. Senator Byrn went up to the White House yesterday and came away saying the President is in sympathy with the economy proposals. Let us start now. Let us eliminate, first, the excess amounts in this bill; and then after that we ought to make a 10-percent cut on all of the expenses in the bill from one end to the other, worth-while things though they may be; and then do the same thing on all other appropriation bills that come before the House. [Applause.]

The CHAIRMAN. The time of the gentleman from Ohio

has expired.

Mr. LEAVY. Mr. Chairman, I yield now to the gentleman from Montana [Mr. O'CONNOR].

THE NECESSITY OF RECLAMATION

Mr. O'CONNOR. Mr. Chairman, reclamation has been fittingly defined as the very lifeblood of agriculture. Reclamation holds the same important place in the life of agriculture as the blood stream does to man and animal.

It is highly significant to note in our consideration of reclamation projects that 73,000,000 American farm acres in 1935, 75,000,000 in 1936, and 87,000,000 acres in 1937 have been displaced by agricultural commodities grown on foreign soil and imported into this country. This is more than 20 times the acreage now under all Federal reclamation projects, according to statistics compiled by the research division of the Raw Materials National Council.

No longer is it possible for the farmer in Montana and other Western States to plant his seed in the ground and then raise his calloused hands to the high heavens in a prayer for rain. The prayers of the farmers have not been answered. Today he must safeguard the life of his crops against drought through a unified scientific approach to the agricultural problem. That solution lies in irrigation and reclamation, as has been proven by projects over the arid West.

In agriculture, and in agriculture alone, lies the key to our national prosperity. And in irrigation and reclamation alone lies the key to prosperity on the farm.

I am not unearthing a new revelation when I tell the Members of this House that agriculture is our orphan industry. The farmer purchases his needs on a closed market and sells his products on an open market. When he purchases items necessary on the farm he pays the price placed on the article by the various handlers, from the manufacturer to the retailer. When he sells his products he receives what is offered, not what he asks or what he deserves. He receives no figure near his cost of production.

I have seen thousands of acres of crops planted in the richest soils in the West wilting in the middle of summer, and when the harvest season arrives the crops are dead from thirst. I cannot impress upon Members of this House the supreme importance of irrigation and reclamation projects to the agriculture industry of our land. It is my firm conviction that large-scale construction of irrigation and reclamation projects will be our first step toward restoring normal prosperity to our Nation.

A mysterious voice synchronized in the Government movie. The Plow That Broke the Plains, describes portions of my home State of Montana and adjoining States as "a wasted wilderness of dust storms and disaster and broken hopes and deserted farms." That is a gross and libelous exaggeration. But in the same breath let me say that there is a possibility that we will have a "vast wilderness" on our hands in the future unless we take immediate steps to provide water to the thirsty expanses of land.

We have the finest farm land in the world. We have the most productive soil in the world. We have the greatest water resources of any country in the world. Combine our natural, God-given resources, and we shall lift this orphan industry from its neglected cradle to its rightful place among our most important industries.

We shall never forget the ringing words of Theodore Roosevelt, who in his first message to the Congress in December of 1901 said:

It is as right for the National Government to make the streams and rivers of the arid regions useful by engineering works for the storage of water as to make useful the rivers and harbors of the humid regions by engineering works of another character.

Reclamation can never be considered in the light of partisan politics. The same words, as once spoken by President Theodore Roosevelt, were repeated in substance by President Taft, President Harding, President Coolidge, President Hoover, and our great President Franklin D. Roosevelt, who said, in a letter addressed to my esteemed friend, O. S. Warden, of Great Falls, Mont., president of the National Reclamation Association:

The providing of new opportunity to make homes and gain decent livings for a large number of our farmers through irrigation of western deserts serves to increase the wealth of the Nation and to cement us economically into a perfect whole.

And in connection with our consideration of reclamation projects, we must not forget incidental benefits, including employment, flood control, improvement of domestic water supplies for urban areas, the creation of recreational centers, wildlife refugees, and hydroelectric power.

The Chamber of Commerce of the United States, in a resolution adopted at its annual convention last year, exempted irrigation and reclamation from its broadside attack on Federal expenditures and stated, "In any reckoning of national resources the water and the land hold foremost place."

The matter before the House today is clearly nonpolitical. Reclamation has the united support of virtually every organized body in our Nation. We, as Members of this House, should do all possible to further reclamation in the United States. [Applause.]

Mr. RICH. Mr. Chairman, I yield 10 minutes to the gentleman from Michigan [Mr. ENGEL].

Mr. ENGEL. Mr. Chairman, I want to discuss during the brief time allotted to me this afternoon that part of the bill which pertains to Indian affairs. When I examine the hearings I find that 758 pages of the hearings are devoted to Indian affairs and 1,150 pages to the remainder of the bill. I find that the total bill aggregates, as submitted to the House, \$160,578,905, of which Indian affairs are allotted \$34,777,303. I find that the Indian affairs budget has been increasing every year. There is an increase of \$1,283,672 this year over the last year's bill. It is rather interesting to note that since the beginning of the Government under the Constitution, or from 1789 down to 1937, Congress has appropriated and the Government has expended \$1,352,135,000 on Indian affairs.

There are 1,903,216,640 acres of land in the United States. This means that from 1789 to 1937 Congress has appropriated for Indian affairs an amount equaling 71 cents for every acre of land in the United States. When we add the Public Works Administration allotments and the 1939 and 1940 appropriations, the cost will run up to about 75 cents an acre.

I want to comment upon several items in this bill.

I find on page 197 a statement that is rather interesting. According to the statement made by Mr. Wathen, of the Indian Affairs, the total investment in irrigation projects today is in the neighborhood of \$50,000,000. Mr. Wathen informs me that the total Indian irrigation projects will cost approximately \$100,000,000. According to the statement in the record, the Indian Service proposes to irrigate 1,230,000 acres of land, 800,000 of which is Indian-owned land. He further informs me that two-thirds of the \$100,000,000 that will be spent is for irrigation of this 800,000 acres of land owned by Indians. In other words, we are spending \$67,000,-000 to irrigate these Indian-owned lands.

He further informs me that this land is owned by 20,000 Indian families, some of whom are leasing their land to the whites, so we are spending \$3,300 of the taxpayers' money to irrigate and improve the farm land of each of these Indian families. This money is not reimbursable unless the Indian sells the land. If the Indian leases the land to the whites, the operating cost is taken out of the lease money and the Indian takes the balance. This is the kind of aid that is not being extended to any farmers in my district.

Now, I want to discuss another phase of the bill. I am not a member of this subcommittee and I have not had the advantage of hearing the testimony. I have been busy on another subcommittee of the Appropriations Committee and have not been able to read the record, consisting of something like 2,000 pages. On page 305 of the testimony the gentleman from Oklahoma [Mr. Johnson] stated that there were 40,000 Navajo Indians. Mr. Beatty, of the Indian Service, agreed that statement was correct. I have in my hand another statement that is rather interesting. Two years ago I happened to run across an item in the P. W. A. part of the Interior bill which read, "Capital for the Navajo Indians, \$1,049,000." I was curious as to just what that meant and obtained a statement of this expenditure, which is as follows: "Allotment for P. W. A., Navajo Agency, headquarters and administration building," \$77,565; council house, \$29,815; quarters, \$349,900; school, \$36,365; dispensary and field nurse quarters, \$16,000; garage, \$14,000; warehouses, \$12,140; heat and power plant, \$271,130; water system, \$97,390; sewer system, \$46,065; telephone lines, \$99,460; a total of \$1,049,830 for buildings for employees, and so forth, caring for 40,000 Navajo Indians.

We find that they have 1,181 employees in the Navajo Agency, or 1 employee for every 34 Indians in that tribe. I would like to have the Members of this House go back home and pick out a county in their district with a population of 40,000. Ask your board of supervisors for \$1,049,000 to construct public buildings in that county. Ask them for a pay roll of 1,181 employees for all purposes in that county and see what they will say.

We have 72,767 Indian children actually going to school, at a cost of \$10,602,695, or \$150 per child. That includes grade schools and high schools. How many school districts are getting one-third of that amount per child in your district? Yet we are increasing these appropriations year after year

I have Indians in my district. I have a few scattered here and there. I would like to see some of this money spent in my district, where we need it badly. We do not get a dime as far as I know. I walked into an Indian home in my district a year ago. The father, mother, and grandfather died of tuberculosis. The grandmother was living in a hut infested with TB germs with two little girls. We placed the father, before he died, into a veterans' hospital and the children into the American Legion billet. In spite of all this money we are spending, I did not see one individual from the Indian Affairs Bureau come up there and do anything for these people. Yet they are spending \$34,000,000, exclusive of tribal funds, on the Indians of the United States and not one dime to help these Indian people in need in my district.

Mr. OLIVER. Mr. Chairman, will the gentleman yield?

Mr. ENGEL. I yield.

Mr. OLIVER. Would it not be pertinent at this point to inquire if we might not give the country back to the Indians?

inquire if we might not give the country back to the Indians?

Mr. ENGEL. We paid 15 cents an acre for the land we acquired in the Louisiana Purchase. We have paid 75 cents an acre for every acre of land in America to the Indians,

[Here the gavel fell.]

Mr. JOHNSON of Oklahoma. Mr. Chairman, may I ask how the time stands?

The CHAIRMAN. The gentleman from Oklahoma has consumed 1 hour and 35 minutes altogether. The gentleman from Pennsylvania has consumed 2 hours and 30 minutes. This includes time on yesterday and today.

Mr. JOHNSON of Oklahoma. Mr. Chairman, I yield 10 minutes to the gentleman from Washington [Mr. Leavy], a member of the committee.

Mr. LEAVY. Mr. Chairman, I rise primarily for the purpose of answering my colleague on the committee, the gentleman from Ohio [Mr. WHITE]. He is a member of the subcommittee that helped write this bill for Interior Department appropriations. He is a scholar, a gentleman, an able lawyer, and I am sure that the statements he made as facts were made in the belief that they were facts. If they were facts in reference to Bonneville, I would not have the temerity to stand in the Well of this House and say that the American Congress should appropriate one penny further for Bonneville; but I have come down here for the sole purpose of challenging the statements made by my colleague on the Interior Department subcommittee, because I fear he secured his facts from sources other than the record. I invite any Member of this Congress to read the record made before our committee, as found on pages 94 to 121 of the hearings. If he does so, he will find that my assertion that the gentleman from Ohio did not get his facts entirely from the record is correct

Mr. WHITE of Ohio. Mr. Chairman, will the gentleman vield?

Mr. LEAVY. I must decline to yield, not because I am fearful of the consequences of yielding but because of the limited time at my disposal. I hope I shall be allowed additional time, as I feel that as a matter of courtesy I must permit the gentleman to interrogate me, as I have referred to him.

The facts about Bonneville are these: When Bonneville is ultimately developed—and I emphasize this particularly—it will generate 504,000 kilowatts of electrical energy. It is now developed to only 20 percent of capacity. There is outstanding a contract for the installation of 2 additional generators—that would be 4 of the 10. When these are installed it will then be developed to about 40 percent of its capacity. The problem of constructing the dam is one that is past; that of developing electricity at Bonneville is one that is past. The dam is built. Power is now being generated. Governmental policy may well be criticized and called short-sighted in installing power generators ahead of transmission lines. It is a policy that might properly and justly be criticized. There must be a set-up of distribution lines.

If the lines of Bonneville were in existence now every kilowatt of electrical energy generated there at this moment would be carried out to an anxious, willing, and waiting market. The record shows that contract applications have been made for more than 400,000 kilowatts in that region-86,000 developed there now; 104,000 additional coming in when the two other generators are installed. We cannot sell it because we have no distribution lines. But what a shortsighted policy is now being proposed. Even my good friend from Pennsylvania [Mr. Rich], member of our subcommittee. with his sound business sense, would not say that it were wise to install instrumentalities of producing electrical energy and then deny yourself the agency of carrying that energy to the waiting and willing market. Think of it; 86,000 kilowatts are now being generated, and there is only one little line owned by a private power company passing by the dam carrying 12,000 kilovolts of electricity and loaded to capacity. That is all that is being sold there because that is the only way that you can get out.

Private utility companies want to buy now 80,000 kilowatts, if they could get it.

The \$13,000,000 the committee allowed, which is \$1,000,000 under the Budget estimate, would go toward building the needed lines. Last year there was spent or authorized through direct appropriations and by P. W. A. and W. P. A. grants, about \$14,000,000 for this purpose. Next year an additional appropriation of about \$7,500,000 will be required to complete the entire system of distribution lines. Then we shall have a great distribution system reaching a radius of

over 300 miles to the territory where people are anxiously | waiting for the electrical energy.

Mr. RANKIN. Mr. Chairman, will the gentleman yield? Mr. LEAVY. I yield.

Mr. RANKIN. Will it not be economy to build the line from Bonneville to connect with Grand Coulee so the Government can use this power in that construction work there?

Mr. LEAVY. Undoubtedly it would be. In this connection I may state that when the Grand Coulee comes in, power can be carried on the same line in the other direction.

Now, as to the charge that there is a duplication of lines, I again challenge the statement of my good friend the gentleman from Ohio [Mr. White] to take the map that Mr. Ross, the administrator, submitted at the hearings, and then take the plat that he and every member of the committee has which was furnished us by the committee of the utility executives, which speaks for the private power group of this country, who maintain a powerful lobby in this city headed by Mr. P. H. Gadsden. I ask that you examine both these maps impartially and fairly, and you will see there is not a single line in the States of Oregon or Washington, south of Seattle, that has the capacity to carry 110,000 volts of electricity. We must have lines that will carry 220,000 kilovolts to get this electrical energy out into the field. There is no duplication of lines. Occasionally a private utility line is crossed. These major lines would reach into the cities and towns now served by the private utilities.

No one would attempt to deny that. Private utilities are at liberty to buy 50 percent of this power generated at Bonneville outright, and they can buy it for 2 mills a kilowatt. So can a public utility, that is, a city, county, or town, or any municipal corporation. Bonneville is planning to take its energy out to the market, where they are begging for it, and sell it anywhere along the distribution lines for 2 mills a kilowatt or \$17.50 per kilowatt-year. Bonneville will pay back to the Government, when the next two generators are installed, at the rate of \$3,000,000 a year. When all generators are installed it will pay back at the rate of \$7,500,000 a year. Could you ask for a better investment? This is better than a 10-percent gross annual return on the investment.

Let me tell the gentlemen where the real objection is here. Under the Bonneville Act and the rate set up there, for charge to the ultimate user, they say to the private utilities: "You can buy half the power generated here, if there are no public municipalities that want to buy it. We will let you have it for 2 mills a kilowatt-hour. You cannot sell it to the consumer, however, for any sum in excess of 21/2 cents a kilowatt for the first 50 and grading it on down," 2 cents for the next 150, 1 cent for the next 100, one-half cent for the next 1,700, and all excess for three-fourths of a cent per kilowatt-

That is the real objection, because in some places in that territory that God blessed with more potential hydroelectrical energy than anywhere on the face of this green earth they are paying as high as 11 cents a kilowatt-hour for their electrical energy.

Mr. CARLSON. Will the gentleman yield?

Mr. LEAVY. I yield to the gentleman from Kansas.

Mr. CARLSON. Is it not true that under the Grand Coulee project a large portion of the electricity generated will be used to lift the water from this lake on to the land that is to be irrigated?

Mr. LEAVY. A very substantial amount of it will; yes.

Mr. RANKIN. Will the gentleman yield?

Mr. LEAVY. I yield to the gentleman from Mississippi. Mr. RANKIN. I think the gentleman is correct, but if the power companies in that area will sell their power at the same price that the city of Eugene, Oreg., is selling it, they can buy the power at 2 mills a kilowatt-hour and make money on the investment, but they do not do that.

[Here the gavel fell.]

Mr. JOHNSON of Oklahoma. Mr. Chairman, I yield the gentleman 5 additional minutes.

Mr. RANKIN. The power companies want to get this power at 2 mills a kilowatt-hour and sell it for 10 cents a kilowatt-hour, a profit of about 6,000 percent, as they used to do in the Tennessee Valley area; therefore, they do not want these lines built.

Mr. LEAVY. The gentleman is absolutely correct. Chairman, in reference to distribution lines, may I say that I have here a chart that can be obtained from the Federal Power Commission which shows every power distribution line in the Northwest territory. I particularly commend this to the attention of my good friend from Ohio [Mr. WHITE]. It will show there is not a line in existence capable of carrying Bonneville power in the amount necessary to carry it, south of Seattle.

Mr. HEALEY. Will the gentleman yield?

Mr. LEAVY. I yield to the gentleman from Massachusetts. Mr. HEALEY. Has the gentleman figures showing the average price paid for electrical energy in the region served by these lines?

Mr. LEAVY. I could not answer that offhand. The average price in the Northwest, and in the States of Washington and Oregon, is lower possibly than the average generally in the United States except in the T. V. A. region. But this is not because of any generosity on the part of the Electric Bond & Share Co. or Stone & Webster, who dominate that field. It is because the cities of Tacoma and Seattle were wise enough 20 or 30 years ago to get their own power plants, largely through the foresight and courage of the senior Senator of the State of Washington, Homer T. Bone, and those cities furnish a cheap power, making for a general average that is low and a general consumption that is high.

Mr. RANKIN. Will the gentleman yield?

Mr. LEAVY. I yield to the gentleman from Mississippi. Mr. RANKIN. The people of the State of Oregon and the State of Washington, on the present consumption, are being overcharged between \$15,000,000 and \$20,000,000 a year for electric light and power.

Mr. LEAVY. I thank the gentleman for his valuable contribution.

Mr. WHITE of Ohio. Will the gentleman yield?

Mr. LEAVY. I yield to the gentleman from Ohio.

Mr. WHITE of Ohio. I did not question the statement that the gentleman from Mississippi made, and I made no contentions along that line. May I ask the gentleman from Washington this question: Does he believe that when the ultimate Ross plan is completed there will be no duplication of effort? He is speaking now of the lines that exist. The point I made was in reference to duplication, based upon final completion of the Ross plan.

Mr. LEAVY. If I were required, as we sometimes compel witness to do in court, to answer categorically "yes" or "no." I would probably answer "yes," but I would want the opportunity to explain my answer. There will be instances for short distances where there will be line duplications, even under the present program, but the lines duplicated will not have the capacity to carry the load, and therefore they would be utilized and it cannot be called line duplication.

Mr. WHITE of Ohio. Will the gentleman tell me what the consumption of the entire Bonneville-Grand Coulee district is at the present time, the present use of power?

Mr. LEAVY. The present consumption in that region is approximately 1,600,000 kilowatts.

Mr. WHITE of Ohio. My figure was correct then.

Mr. LEAVY. The gentleman was correct in about 80 percent of what he said.

Mr. WHITE of Ohio. I meant to be correct in 100 percent of what I said and I think I was.

Mr. LEAVY. I appreciate that, but his source of information was wrong.

Mr. WHITE of Ohio. Let me make that clear, if I may. I had no source, and I do not care about any source, except the hearings held by this committee.

Mr. LEAVY. We are in accord then, insofar as we take our facts from the record of the hearings.

Mr. WHITE of Ohio. What will be the total production of both Grand Coulee and Bonneville when completed?

Mr. LEAVY. Grand Coulee and Bonneville will be a quarter of a century in coming into full development. Grand Coulee itself, when it is finally developed, will be the greatest power site or the greatest power development on earth and will have a productive capacity of 1,400,000 kilowatts; but it is going to take 25 years to develop it. The present program provices only for the development of three units, most of which will be used in furthering the reclamation program. Anything additional will be readily consumed.

[Here the gavel fell.]

Mr. JOHNSON of Oklahoma. Mr. Chairman, I yield the

gentleman 5 additional minutes.

Mr. LEAVY. On page 116 of the report the gentleman requested permission to extend figures taken from the Federal Power Commission. These figures are illuminating. They disclose that in 16 years, from 1920 to 1937, power consumption in the Northwest, in the two States of Washington and Oregon, increased from 1,672,000,000 to 5,170,000,000 kilowatt-hours. This is a slight variation from Mr. Ross' statement about the consumption doubling in every 5-year period before the depression.

Mr. WHITE of Ohio. The gentleman means the figures of

the Federal Power Commission as quoted by me.

Mr. LEAVY. There is a mistake; and if the gentleman will check back, he will find that the Power Commission just used the figure 5 as the first figure, instead of 4. That is where the error occurred. This shows that in 1935, in round numbers, there were 4,000,000,000 kilowatt-hours consumed; in 1936, 4,500,000,000; and in 1937, 5,107,000,000. The figure for 1936 is in error. The correct figure is 1,000,000,000 under the figure printed in the record. The point I desire to make by that is there has been a steady upward climb in the use of power because we have no great coal deposits where we can go for our energy. The Lord gave us falling water as energy that works 24 hours a day and does not exhaust nature in the slightest. If you will give us an opportunity to make it useful, you will not only bless us but you will bless America, and, as far as a preparedness program is concerned, you will be on the soundest foundation on which you could possibly stand. [Applause.]

Mr. WHITE of Ohio and Mr. MURDOCK of Arizona rose. Mr. LEAVY. I yield to my colleague the gentleman from

Ohio because I have made reference to him and have chal-

lenged his statements.

Mr. WHITE of Ohio. As the gentleman recalls, Mr. Ross made a great point of what the gentleman has just been discussing—that power consumption in that area has doubled every 5½ years.

Mr. LEAVY. Before the depression.

Mr. WHITE of Ohio. Yes. He said under normal circumstances, and then finally he explained that was before the depression. But even so, with the correction the gentleman has made—and I accept his correction on those figures, which are not my figures but the figures of the Federal Power Commission, as being absolutely correct—does it not show that in 1930 the consumption was 3,774,000,000 kilowatt-hours, whereas in 1935 it was 4,065,000,000? Even before the depression there was no doubling of consumption in 5½-year periods, which I believe to be Mr. Ross' sincere hope but not an actual accomplishment.

Mr. LEAVY. Of course, we Democrats insist that the de-

pression began in 1929.

Mr. WHITE of Ohio. Yes; I know; but the gentleman can take any 5-year period he wishes between 1920 and 1937, and he will find it does not substantiate Mr. Ross' claim.

Mr. LEAVY. I have not checked it, but I know it has gone from over 1,000,000,000 kilowatt-hours in 1920 to over 5,000,000,000 in 16 years, an increase of five times in that period.

Mr. RANKIN. Mr. Chairman, will the gentleman yield? Mr. LEAVY. I yield to the gentleman from Mississippi.

Mr. RANKIN. Of course, there has not been an increase, because they have had cheap power at only a few places out there—Seattle, Tacoma, and Eugene, Oreg.; but let me remind the gentleman from Ohio that when the T. V. A. power was turned on where I live, at Tupelo, Miss., the average domestic consumption was only 35 kilowatt-hours a month, whereas today it is 180 kilowatt-hours a month, as it will be

in the gentleman's district when we get through. The commercial consumption, the consumption of the merchants, the hotel operators, the filling station operators, and so forth, has multiplied about three times. So when this power is brought down the amount now available will not equal one-third of what will be needed.

Mr. LEAVY. Mr. Chairman, I must decline to yield further. When I have a good case I am willing to have it questioned, because I know I can defend it on the facts, and such is the condition now.

Here we have \$53,000,000 invested in Bonneville, a magnificent structure built by the Army engineers. We have an opportunity to get that money back, as the act provides, with a payment of $3\frac{1}{2}$ -percent interest, in 40 years. Are we going to be so short-sighted as to say, "We will let you have that project there, we will let you develop the energy there, but you must wait for the private utility companies to build their lines to the point of generation and then let them continue the methods they practiced in depriving the people of power by reason of high rates"? [Applause.]

[Here the gavel fell.]

Mr. RICH. Mr. Chairman, I yield 10 minutes to the gentleman from Kansas [Mr. LAMBERTSON].

Mr. LAMBERTSON. Mr. Chairman, somewhere between the pork barrel and the gravy bowl the \$30,000,000 second Jefferson Memorial in St. Louis hangs by a thread.

For more than 5 years a group of St. Louis real estate promoters, traveling under the guise of a patriotic fellowship intent on doing honors to men and places already well provided for in that particular, have been trying to foist onto the United States Government a \$30,000,000 second memorial to Thomas Jefferson.

This memorial, the most expensive ever presented to Congress or any other legislative body, is to occupy an alleged historic site of 37 complete city blocks and parts of 3 others lying along the western banks of the Mississippi River in the heart of downtown St. Louis. This area at one time was the principal business and commercial district of the city and as late as June 1935, was occupied by as many as 290 going concerns, 134 of whom had an incorporated capital of \$12,-610,500. These firms employed more than 5,000 persons and the annual pay rolls amounted to more than \$12,000,000 according to reliable estimates. This project has never received an authorization for, or an appropriation of funds by Congress. It now and always has been a political orphan, hanging by a thread somewhere between the pork barrel and the gravy bowl.

Almost everyone who has had anything to do with it has had more or less bad luck, and I predict that more bad luck and more headaches are yet in store for some people before this memorial scheme is ever brought to a conclusion.

Like skeletons in the family closet, it will pop right out in the years to come to embarrass those who have aided in many of the disgraceful and dishonorable events that have transpired in its promotion. For the benefit of the Members who are unfamiliar with the project as proposed, I have a generous supply of a pamphlet describing the project in pictures which I will be glad to distribute. The pamphlet is entitled "Public Necessity or Just Plain Pork?" After looking the booklet over, I feel sure you will have no difficulty in making up your minds as to the answer. Now this 37 blocks of valuable commercial and industrial property seems to be a strange place for businessmen or patriots to pick out to destroy and wreck in order to build a memorial But strange things have happened in the last few years as you will presently see from the facts in this strange memorial scheme.

Now, in the summer of 1933 the memorial promoters of St. Louis organized themselves into a group known as the Jefferson National Expansion Memorial Association. They began making plans to get the Government to finance the scheme. They did a lot of preliminary work, selling the hometown folks on the idea and then they sold one of their hometown Congressmen, for on January 3, 1934, at the opening

of the second session of the Seventy-third Congress the gentleman from Missouri, who fought so nobly for the reorganization bill here this week, introduced a joint resolution (H. J. Res. 213)-

Authorizing an appropriation for the acquisition of a suitable site Authorizing an appropriation for the acquisition of a suitable site and the construction of a permanent memorial to the men who made possible the territorial expansion of the United States, particularly President Jefferson and his aides, who negotiated the Louisiana Purchase, and the great explorers, Lewis and Clark, and the hardy hunters, trappers, frontiersmen, and pioneers, and others who contributed to the territorial expansion and development of the United States of America.

This joint resolution was referred to the Committee on the Library. Thank God, Mr. Chairman, there were some sons of the frontiersmen and pioneers on that Library Committee, for that joint resolution never saw the light of day. It "died a bornin'."

But this was only a temporary set-back for these eager men, for they were skillful lobbyists in their own right, and on March 19, 1934, they had the same gentleman from Missouri introduce another joint resolution which provided for the establishment of a Federal Memorial Commission to consider and formulate plans for the construction on the west bank of the Mississippi River, at or near the site of old St. Louis, of a permanent memorial to all of the men mentioned in the previous resolution. But this joint resolution did not ask for an appropriation or the authorization of one.

But on the passage of this joint resolution on June 18, 1934, the gentleman from Missouri, under permission to extend his remarks in the RECORD, placed a glowing account of the project in the RECORD. But all the plans and praise that has been lavished on this scheme seems to have gone for naught as you will presently learn. In the summer of 1935 the memorial promoters, finding they were unable to privately finance a memorial, applied to the Public Works Administration for a loan and grant of \$22,015,000 for the project. And while this application was pending they began a campaign of deception and misrepresentation in St. Louis in which long before there had been any action by the Federal Government they claimed the Government was to furnish \$22,500,000 for the scheme if only the taxpayers of St. Louis would vote a bond issue of \$7,500,000 to match the Federal money at the rate of \$1 for every \$3 contributed by the Government.

INTRIGUE AND DECEPTION GROW APACE

From the very outset suspicious souls doubted that with millions of people crying for bread the Federal Government would be interested in spending \$22,500,000 for a memorial to Jefferson in a city where there already was one memorial not to be sneezed at as memorials go. Among the doubters were several businessmen and a former newspaper reporter. This man began a quiet fox hunt and just prior to a bondissue election, which was held in St. Louis on September 10, 1935, he found the fox. The fox was a denial by Col. Horatio Hackett that the Government had approved the project or allocated funds to it, and the information the P. W. A. examining engineers had reported-

The proposed project has social desirability but cannot be classed as a public necessity.

In the heat of this campaign of misrepresentation and deception, the bond-issue election was held as scheduled on September 10, 1935. The ghost voters of St. Louis were marshaled in full array, and after the ballot-box stuffers had gotten in their full day's work, the votes were counted and the memorial promoters won a glorious victory. But their victory was short lived. Within a few months this same suspicious newspaperman got busy and dug up evidence that the election results were made to order and mostly fraudulent in the river wards. In fact, in a subsequent investigation conducted by the principal newspapers of St. Louis-the St. Louis Star-Times and the St. Louis Post-Dispatch—it was revealed that more than 46,000 persons whose names were carried on the poll books of the city could not be found by investigators when they went to check the registrations. Two weeks after this exposé, the St. Louis Post-Dispatch in an exhaustive series of unchallenged articles presented the facts that fraud existed in each of the wards in which the bond issue carried. But even this did not disconcert or dismay the memorial schemers. A little fraud did not matter to them. Anyhow the bonds were authorized, they were finally sold under questionable circumstances, and the money paid into the Treasury of the United States contrary to law, for there at this time existed no lawful authority whereby any agent of this Government may accept, without the consent of Congress, gifts or donations in money for any purpose whatsoever.

Meanwhile, after the bond-issue election, and following the turn-down by the Public Works Administration, the mayor of St. Louis came to Washington and persuaded the President that the memorial was the real "McCoy." Anyhow he bamboozled the President into signing an Executive order allocating \$6,750,000 toward the preservation of mostly nonexistent historic sites in the area first selected. On previous occasions I have told how the President was hoodwinked by this mayor from St. Louis by the name of Dickmann. He also hoodwinked the people of St. Louis on several occasions, but he is all through hoodwinking them now. For the dirt he was going to have flying on the river front in 10 days after September 10, 1935, has run into 3 years and 7 months, and not a spoonful of dirt has been moved up to this hour. But there has been a lot of dirt stirred up about certain realestate deals in St. Louis, and the Dickmann Realty Con of which the mayor is the president, has recently been suspended by the St. Louis Real Estate Exchange, and the Home Owners' Loan Corporation have done likewise by suspending the firm as brokers with them.

Besides this the city of St. Louis is now faced with a deficit for this year of more than \$3,000,000. Many of the firms in the memorial area have been harassed until they either quit business or were forced to move to other locations. The once great fur trade which existed on the St. Louis river front is gone forever. So, too, seem to be the chances of ever getting an appropriation out of this or any other Congress for this useless scheme.

Now, to complete the picture, I want to account to you as best I can for what has happened to the \$6,750,000 of Federal funds and the \$2,250,000 of St. Louis bond-issue money that is now being sunk in the memorial.

Chronologically here is what has happened:

The \$6,750,000 allocation of money appropriated by Congress for relief, work relief, and the building of useful projects was released from the Treasury on January 22, 1936, when Comptroller General McCarl countersigned a W. P. A. warrant making the \$6,750,000 available to the Works Progress Administration for construction purposes when matched by the city's \$2,250,000 contribution. Please notice, this fund was turned over, by the action of the Comptroller General, to the W. P. A., and also note that at present the project is being constructed by the National Park Service under authority of the Historic Sites Act of August 21, 1935. The contribution of the city of St. Louis, amounting to \$2,250,000, heretofore mentioned, was not made until some time in May, when the bonds authorized in the special election were sold at a private sale only after paying a bonus of \$36,000 to the purchasers, to interest them in what heretofore had been a first-class risk, based on the excellent credit and fiscal standing of the city of St. Louis.

So, by the middle of May 1936, the full amount of \$9,000,-000 was available for the memorial. Then started a most unusual series of lawsuits, exposures of fraud, and corruption, through which the memorial promoters have marched from one victory to another even in the courts. Although the bond election reeked with fraud and corruption, and in spite of the fact that many persons were indicted for their part in the matter, not one person was ever found guilty, due to delays and technicalities in the Missouri laws.

Mr. ZIMMERMAN. Mr. Chairman, will the gentleman yield?

Mr. LAMBERTSON. Just briefly.
Mr. ZIMMERMAN. I am very much interested in the
very learned discourse on St. Louis, and I am wondering if

this section down there that they are cleaning up to build this memorial is the location where we had Hoovertown, where the hungry and the unemployed were kept and feddown there during the Hoover administration. Is this the same locality?

Mr. LAMBERTSON. Yes; and there are just as many hungry now, and a few more, than there were then [laughter and applause], although we have \$25,000,000,000 more indebtedness. There are just as many hungry now, you know.

But the promotion was still urged forward. For the thousands to whom jobs had been promised in 10 days, the long delay seemed unusual. As the weeks ran into months and the months into years the people of St. Louis began to lose faith in the whole memorial scheme. But during all the months and years the National Park Service were quite busy surveying and resurveying the memorial area in St. Louis. From an expensive suite of offices in the business district they built up a staff of 104 persons, including many specialists. According to information contained in the Budget for 1940 I find that of the contribution made by the city less than a million dollars remains at this time and all will be used up by the end of the next fiscal year. Of the allocation made to the W. P. A. I have an intimation that all but a few thousand dollars have been disbursed.

If the fund has been disbursed, there is no record available for what purposes it was used. A significant indication that no part of the site has been acquired up to now is the statement of Secretary Ickes on February 10, 1939, that—

My idea of a memorial to Thomas Jefferson is not to see how much money can be spent for land. If those who hold title to this land believe it more valuable than the United States does there is no reason for depriving them of their privilege of their holding this vacant property and discovering if it really has that value to them when the United States does not take it.

So the memorial promoters who expected some day to unload at a profit now find themselves facing a stern and shrewd bargainer in "Honest Harold."

POINTS NOT TO BE OVERLOOKED

Aside from the fact that much of the \$9,000,000 has already been spent on the project and aside from the fact that at this time it is still in the planning stage, there are certain legal difficulties which still surround the promotion.

Keeping in mind the fact the original allocation was released to the Works Progress Administration, and that the persons heretofore employed on the project are for the most part employees of the National Park Service, a regular establishment of the Government, it is extremely difficult to find authority to pay these persons salaries, either out of the fund contributed by the city of St. Louis, which no Federal officer or agency had legal authority to accept until so authorized by Congress, or from the moneys appropriated by the Emergency Relief Appropriation Act of 1935 which specifically provided that—

No part of the funds appropriated should be expended for the administrative expenses of any department, bureau, board, commission, or independent agency of the Government if such administrative expenses are ordinarily financed from annual appropriations, unless additional work is imposed by reason of this act.

Now the Historic Sites Act was passed subsequent to the relief act and consequently could have imposed no extra work on the National Park Service under the meaning of the appropriation act. With the work proceeding under the direction of the regular National Park Service men, a delicate legal question is involved as to the authority under which they are being paid. Aside from determining the legality of the expenditures already made and contemplated, there is yet to be determined the question as to the authority to proceed under the Historic Sites Act in this instance. The act itself goes only as far as to provide the authority of the National Park Service to acquire and preserve historic sites. Nowhere in the act will the authority be found to engage in the creation and construction of a site prior to preservation.

Mr. Chairman, this summer thousands of people will view with amazement the screen showing of Jesse James in Missouri. Jesse James in his far-flung operations had only a horse and a gun to work with.

He was only a piker compared with these memorial promoters in St. Louis. They had everything to work with—money, the prestige of famous names and famous men; they also had willing helpers high in public office and national affairs. Despite all of these favorable factors the very foolishness of the project has done more to cause its downfall than anything else. Perhaps in the years to come some enterprising promoter, digging into the records of the great depression years, will come across the trail of this memorial and use it for the theme of another screen thriller. The title might well be Vanishing Memorials, for I predict that when the St. Louis money is all spent in planning and the Federal funds are used up in buying at least a portion of the contemplated site, the memorial promoters will "fold their tents like the Arabs and as quietly steal away."

Mr. RICH. Mr. Chairman, I yield 15 minutes to the gentleman from New York [Mr. Culkin].

Mr. CULKIN. Mr. Chairman, the distinguished gentleman from Pennsylvania [Mr. Rich], an able, useful Member of this House, a man who has won his spurs in the field of large and successful business, today sounded his customary note of warning that unless the Congress of the United States, that still holds the purse strings of the Nation, stops, looks, and listens, and discontinues its mad spending a debacle will come, with resulting inflation, and bring with it the end of constitutional popular government in America. I would feel myself remiss in my duty to myself and to my constituents if I did not sound a similar note. Devoted as I am to popular government and to free institutions, I fear that some of the charges now being made against the ability of popular government to remain within the realms of decent disbursement will prove themselves to have a sound foundation in fact. My belief is that unless this Congress controls its appetite and the appetite of the localities and constituencies, then, indeed, will inflation surely come, and that with inflation this Congress and constitutional government will pass from the scene here in our own America. I am not alone in that. The distinguished gentleman from Pennsylvania [Mr. RICH] is not alone in that. Yesterday we witnessed the visit of the distinguished gentleman from Mississippi, Senator Harrison, the chairman of the Finance Committee of the other body, carrying word to the President in the White House, if you please, and telling the President that unless relief be had from this spending orgy that popular government would be imperiled.

I say that, and I repeat the thought, and that is my theme today. Unless the Congress can control the individual appetites of its Members, or unless the individual Members control those appetites, then indeed will popular government pass from the scene, because, as Hitler and Mussolini say, popular government will have proved itself unworkable.

In my judgment the orgy of needless and unnecessary spending which is presented by this pending bill gives foundation for the charge that the dictators are making that democracies are in fact inefficient. When the historian of the future stands perhaps on the ruined arch of this building, gazing over the scene of Washington, considers the passing from existence of this great Republic, and seeks the cause for that, he will base it upon what I charge is the selfishness of localities in the matter of national disbursement. If, later, he retires to his study and pens the story of his contemplation, he will mark down as mad in the last degree, and as one of the causes of the financial debacle, the absurd policy of reclamation as it is carried on in the Department of the Interior in this Government.

Consider the facts. There are 973,000,000 acres of arable lands, watered and out under the sun, in the United States. There are under cultivation, eliminating the crop reduction under the Soil Conservation Act, only 250,000,000 acres. Here in this bill is presented a remarkable paradox of bringing into production in the Grand Coulee area 1,200,000 and perhaps 2,000,000 acres of land. At the same time the historian will

observe and wonder that under the Department of Agriculture, in the fields of corn, cotton, and other types of grain, the Department is retiring some 35,000,000 acres of production so as to achieve parity prices for agriculture. May I say that I was in sympathy with that bill, and I am one of the few on the Republican side of the House who voted for it, because I believe that the farmer, selling, as he did then, largely in a foreign market and buying in a protected market, was entitled to that reimbursement. Today the farmers in the United States in every group have their backs to the wall. and yet this mighty urge on the part of the Department of the Interior, completely and deliberately at war with the Department of Agriculture in its policy of crop reduction for the purpose of gaining parity prices, is bringing land into production in excess of 3,500,000 acres. Not only committing that terrific paradox, if you please, but they will take out of the Treasury for that purpose in the long run approximately six or seven billion dollars.

This policy of reclamation as carried on decreases the value of every acre of land in the United States, whether it lies in the East, in the Middle West, or the extreme West. I am speaking here today against this policy and I am making bold to speak not only for the farmers in my own district, who protest against it, but, so far as I may, I am protesting in behalf of all farmers on the land. East and West.

Our friends from the reclamation States say it adds nothing to national production. We once had a measure of that kind put in the 1930 census bill; some distinguished Senator from the reclamation States took that item out of the census bill, the item that directed that a census be made of crops upon reclaimed lands. But I want to tell you that the old-time fallacy, the old-time fiction, that crops on reclaimed lands, public and private, only represent 1 percent of the national production is to the last degree an absurdity.

I have the 1929 table. That is the last one that is available. In that year the percentage of crops produced on reclaimed lands, with reference to the total value of the same crops for the United States, was somewhat as follows:

Cereals, including corn, rye, barley, and oats, 3 percent; other grain and seeds, including wheat, 18 percent; hay crops, 17 percent; vegetables, 13 percent; small fruits, 9 percent; orchard fruits, 37.2 percent.

So that these items are, in fact, giving the farmers of the United States in every field of production added, merciless, and killing competition.

I want to say in that connection that the wrath of the people in those reclamation districts, after the first blush of this spending is past, will fall upon the gentlemen from those districts who engineered this fallacy to legislative completion. This procedure, I repeat, is going to decrease the value of all lands under cultivation in Kansas, Iowa, Nebraska, Minnesota, and all the States intervening between there and the Atlantic coast.

May I suggest this: The textile industry is hard-pressed. The steel industry complains of its present condition. shoe industry in New England has its back to the wall. Suppose the Government, if you please, went into the steel, the textile, and the shoe industries. I wonder what would happen then. I wonder would that be a severe strain to the patriotism and loyalty of the people in those lines. Yet, under this mad urge to make two blades of grass grow where one grew before, we are bringing into production in this Grand Coulee area-at a cost, be it noted, of \$394,000,000-1,200,000 acres, thus giving added competition to the farmer.

Some of you new Members probably do not know about the Grand Coulee.

The CHAIRMAN. The time of the gentleman from New York [Mr. Culkin] has expired.

Mr. RICH. Mr. Chairman, I yield the gentleman 5 additional minutes.

Mr. CULKIN. The Grand Coulee is a vast area of gloomy table lands in northern Washington. It will be otherwise described by the distinguished and able gentleman from Washington [Mr. LEAVY].

Mr. LEAVY. Mr. Chairman, will the gentleman yield? Mr. CULKIN. Yes; I yield to the gentleman.

Mr. LEAVY. I want to ask the gentleman how long it has been since he has been out over that area to which he

Mr. CULKIN. I was through there about 6 years ago. Mr. LEAVY. Did the gentleman see the Wenatchee lands lying right to the side of it, which were identical with it

until they put water on it?

Mr. CULKIN. I will say to the gentleman that I have letters from farmers in the Wenatchee district telling me they are pulling their orchards, and this competition of this new land is going to destroy them. I put those letters in the RECORD and I think the gentleman has seen them.

Mr. LEAVY. I am wondering if some of those fellows might not have been city farmers from the East who did not know how to irrigate farms.

Mr. CULKIN. Well, you have had all sorts of suckers out there, I know that. [Laughter.] And you have plucked them properly. You are very efficient in plucking. [Laughter.]

Mr. LEAVY. Will the gentleman yield further? Mr. CULKIN. No; I cannot yield further at this time.

Mr. LEAVY. I may say to the gentleman from New York that we are very courteous and patient. I hope the gentleman understands that we have helped a lot of them get on their feet and they have become useful citizens. [Laughter.]

Mr. CULKIN. If the gentleman is true to type and is typical of the people of his district, there is a superb type of citizenry out there. [Applause.]

This Grand Coulee proposition involves the damming of the Columbia River with a dam a mile long and 500 feet high with the development, as the gentleman from Washington so brilliantly stated, of horsepower that I think is at least as great as that developed on both the American and Canadian side of Niagara Falls. This dam will develop at least 1,450,000 horsepower.

Mr. LEAVY. Mr. Chairman, if the gentleman will pardon me in the interest of accuracy of the figures, he means kilowatt-hours. The dam will develop 2,250,000 horsepower in the next quarter of a century, or about 1,400,000 or 1,500,000

Mr. CULKIN. And so far as customers for the electricity are concerned, there is no one to sell it to except jackrabbits and coyotes. If those who settle on the land pay up under the law, they would have to pay \$300 an acre for this scrub land which has a short growing season and is of very, very doubtful character

This project involves the colossal task of pumping the Columbia River up hill a distance of 360 feet, 16,000 cubic second-feet, a flow of water equal to one-third of the Niagara River, which carries all the waters of the Great Lakes, has to be pumped up over a hill 360 feet high. I do not have figures as to the number of tons of water to be pumped per day, but it runs into many millions.

At the proper time I shall offer an amendment to strike this item from the bill if I think it can wait. On the figures shown by the gentleman from Ohio they have \$7,000,000 left in this pot. They can go ahead with that, take stock of themselves, and find out whether or not the country is going completely to destruction by way of the inflation route.

[Here the gavel fell.]

Mr. RICH. Mr. Chairman, I yield 5 additional minutes to the gentleman from New York.

Mr. LEAVY. Mr. Chairman, will the gentleman yield?

Mr. CULKIN. I yield.

Mr. LEAVY. The gentleman suggests that it would be wise to stop all appropriations for Grand Coulee-

Mr. CULKIN. I yielded for just a question.

Mr. LEAVY. By the end of this fiscal year \$96,000,000 will have been spent out there for a giant block of concrete across the river with no value whatever. Would the gentleman say we should refuse to spend the few additional millions needed to complete it?

Mr. CULKIN. Let me say to the gentleman that it will have just as much value as the Pyramids; and that is all it

Mr. LEAVY. I am afraid the gentleman is prejudiced.

Mr. CULKIN. Gentlemen will tell you that they buy much material and merchandise in the East. This, of course, is an absurd picture. The only illustration I can give is that of the merchant who stands out in front of his store handing out \$10 bills to everybody conditioned only that they spend it in his store. By Saturday night he would be in the insane asylum and his attorneys would put him in bankruptcy. This is the only analogy I can give to that claim which will be advanced.

Let me say in this connection that I am making no fight on Bonneville. I congratulate the distinguished and able gentleman from Washington, of whom I am very fond, for the very brilliant and unselfish defense he made of Bonneville. I differ with my friend from Ohio in that I think Bonneville is a sound project. General Martin, who formerly served in this House, sold me on it and since then I have always been for it. I think the Bonneville item in the bill should be left intact. [Applause.] I am glad to get the approval of the gentleman from Washington on that minor point. [Laughter.]

Mr. WHITE of Ohio. Mr. Chairman, will the gentleman yield?

Mr. CULKIN. I yield.

Mr. WHITE of Ohio. Does the gentleman believe it merits such a large amount? Does he not think it might possibly be wiser not to spend the money so fast at Bonneville?

Mr. CULKIN. I have great faith in Administrator Ross. I have heard him testify on four or five occasions, and I consider him very rational in his views. I take him out of the Lilienthal class. I think he has a constructive and sound mind on the social uses of electricity. [Applause.]

Mr. WHITE of Ohio. I do not question what the gentleman says about Mr. Ross, but I remember Ross made the statement that the depression in the country would be over if it were not for the war scare; in other words, he blamed the war scare for the depression. Remembering the difference in time between the beginning of the depression and the beginning of the war scare we see that his judgment is not substantiated in all things.

Mr. CULKIN. I thank the gentleman for his observation, but I am greatly impressed with the sanity of Mr. Ross.

Mr. WHITE of Ohio. I do not disagree with the gentleman on his qualifications.

Mr. CULKIN. Mr. Chairman, if you want to strike a blow—and I say it with a great deal of unwillingness, because as I say, I am awfully fond of the gentleman from Washington—for what is vulgarly called a balanced Budget, this is one place that you can begin without affecting seriously the welfare either of the gentleman's district or of America. I repeat again that I trust all of us, including myself—and I am particeps criminis—will lay aside the selfishness of locality and the unreasonable demands of our own districts and stand up and be counted in the interest of a balanced Budget and the salvation of this great Republic of ours from destruction via the inflation route. [Applause.]

[Here the gavel fell.]

Mr. RICH. Mr. Chairman, I yield 10 minutes to the gentleman from California [Mr. CARTER].

Mr. CARTER. Mr. Chairman, the committee has under consideration a bill making appropriations for the Interior Department for the fiscal year ending June 30, 1940. This bill covers 140 pages and a multitude of subjects.

My good friend and colleague from the State of New York has just made another of his addresses relative to the subject of reclamation. He is a very effective and efficient Member of the House and I am happy to hear him state this afternoon that he is not opposed to all reclamation projects. He did say that we would bring too much good land use. I did not know that you could have an oversupply of good land any more than you could have an oversupply of good Congressmen. I think that good things are always sought and are necessary.

Mr. CULKIN. Will the gentleman yield?

Mr. CARTER. For a brief question.

Mr. CULKIN. Does not the gentleman think good land might come too high when you do not need it?

Mr. CARTER. I am familiar with the cost in the reclamation areas. There may be isolated cases where the land has cost too much, but they are exceptions to the rule, they are very rare, and in over 99 percent of the reclamation areas the lands will pay out, or the reclamation project would not have been established.

Back in 1901 President Theodore Roosevelt, who signed the first reclamation law this Congress ever put through, made the following statement:

Reclamation and settlement of the arid lands will enrich every section of our country, just as the settlement of the Ohio and Mississippi Valleys brought prosperity to the Atlantic States.

Mr. Chairman, that statement was true then and it is true now. This Congress is going forward with a sane reclamation program in the years to come just as it has been doing in the past. [Applause.]

It is impossible for me to touch on very many of the items included in this bill, although there is one item here that was mentioned by the gentleman from Mississippi [Mr. Colmer] which I desire to discuss. He stated that he proposes to offer an amendment striking out the appropriation having to do with the reindeer industry in Alaska, found on page 60 of the bill.

Mr. Chairman, I have given some study to this question and I concur in the conclusion reached by the gentleman from Mississippi. When the proper time comes I shall vote to strike this item from the bill. Although I am a member of the subcommittee that reported this bill, I voted against that particular item when it was pending before the subcommittee and reserved the right to oppose it on the floor of the House. I regret very deeply to find myself in opposition to the chairman of the Committee on Appropriations and with some of the members of the subcommittee, but I believe, upon investigation, anyone who makes a study of this reindeer question will conclude that it is a needless, useless, and wasteful expenditure of money.

Mr. RICH. Will the gentleman yield? Mr. CARTER. For a brief question.

Mr. RICH. How does the gentleman think this New Deal administration can get along as Santa Claus if it does not have any reindeer? [Laughter.]

Mr. CARTER. Of course, Santa Claus and reindeer are very closely associated.

Mr. Chairman, we are asked by the terms of this bill to purchase 180,000 reindeer, which, in my opinion, are not at all needed.

What is the justification for the purchase of these reindeer? It is said to be for the benefit of the Eskimos of Alaska. A special investigating committee went to Alaska to study the reindeer question during the last summer and found that there were probably 500,000 reindeer in Alaska. This is not an exact count. It is more or less of an estimate and may be quite inaccurate. They also found that 180,000 of these reindeer were owned by what we call the white or nonnative owners and that 320,000 of them were owned by the Eskimos of Alaska. The proposal here is to purchase for the benefit of these Eskimos, who already own 320,000 reindeer, 180,000 more.

I have here a communication which I received this morning from the Interior Department estimating that the Eskimo population of Alaska is about 15,000, and of that 15,000, 14,000 own reindeer at the present time. We are in reality purchasing 180,000 reindeer for the benefit of 1,000 native, or, according to the estimate of the Interior Department given me this morning, 200 Eskimo families. That is the situation, Mr. Chairman.

May I say further that the reindeer is not a native of Alaska. It is a native of Siberia. Many years ago a missionary conceived the idea of bringing some reindeer from Siberia to Alaska, and did bring over a consignment of 12 reindeer.

Mr. COLMER. Will the gentleman yield?

Mr. CARTER. I yield to the gentleman from Mississippi. Mr. COLMER. As I understand, the gentleman said there would be 200 families affected by this. I understand, furthermore, it is contended by those who advocate this purchase that if we do not give the reindeer to these people they will have to be put on the W. P. A. They have not been on W. P. A. before. On that theory and on the basis of 200 families involving an expenditure of two or three million dollars, you could bring those two or three hundred families down here and put them in the Mayflower Hotel and keep them.

Mr. CARTER. I am sure the gentleman appreciates they would not be satisfied there.

Mr. COLMER. I mean if they could get by the picket

Mr. DONDERO. Will the gentleman yield?

Mr. CARTER. I yield to the gentleman from Michigan. Mr. DONDERO. What is the item of expense for the 180,000 reindeer?

Mr. CARTER. The item of expense carried in this bill at the present time is something over \$1,000,000.

May I say in connection with that also there will be an annual carrying charge for taking care of these reindeer. The question was asked before the committee, What is the Government of the United States going to do with the reindeer after they get them? And there was never a satisfactory answer given to the question. One man stated, we will trade them to the natives for ivory, furs, and things of that kind." Some other man's idea was that these reindeer should be given the natives. No satisfactory answer was given or explanation made as to what they were going to do with these reindeer after they were purchased.

Mr. CULKIN. Will the gentleman yield?

Mr. CARTER. I yield to the gentleman from New York

Mr. CULKIN. The theory of the gentleman from Mississippi would not be tenable if these were union reindeer, because they could not live at the Mayflower.

Mr. WHITE of Idaho. Will the gentleman yield? Mr. CARTER. I yield to the gentleman from Idaho.

Mr. WHITE of Idaho. Is it not a fact, due to the fishing operations and to the influx of white people to Alaska, there is a shortage of food and that the reindeer is a food animal, and the Government is trying to supply that deficiency?

Mr. CARTER. If the gentleman had been here when I started my statement he would have heard me say that there are 14,000 Eskimos up there who own 320,000 reindeer.

[Here the gavel fell.]

Mr. RICH. Mr. Chairman, I yield the gentleman 5 addi-

Mr. CARTER. If there were any necessity for giving these Eskimos reindeer for their own use I would be for it absolutely.

Mr. HAWKS. Mr. Chairman, will the gentleman yield for a brief question?

Mr. CARTER. I yield to the gentleman from Wisconsin.

Mr. HAWKS. At the beginning of the gentleman's statement he said this bill covered a multitude of subjects. wonder if the gentleman would not like to correct the record and say it covered a multitude of sins?

Mr. CARTER. I will let the gentleman make his own speech in regard to that.

Let me say this in response to the question of the gentleman from Idaho. If anything were needed there in reference to the reindeer, it would be some direction and suggestions by those familiar with the industry to the Eskimos in regard to the care of the herds they have at the present time. That is all that is needed. The Indian Service is doing something along that line at the present time and the Interior Department is also doing something along that line at the present time. If this procedure needs to be enlarged upon, I for one will vote to provide the personnel for carrying on that work.

Mr. RANKIN. Mr. Chairman, will the gentleman yield? Mr. CARTER. I yield to the gentleman from Mississippi.

Mr. RANKIN. Who owns the reindeer they are trying to sell to the Government?

Mr. CARTER. There is a grave question as to who owns

Mr. RANKIN. Are they the same people who were trying to sell reindeer 10 or 15 years ago up there?

Mr. CARTER. Yes; some of the same people are still there.

Mr. RANKIN. Are they the same reindeer?
Mr. CARTER. I do not know that they are the same reindeer but they are descendants of those reindeer, and these people are still endeavoring to get rid of them.

Mr. Chairman, this is the situation with regard to this reindeer question. At one time it looked as if the reindeer business was going to be a very profitable business so a number of white people went to Alaska and went into that business. At the present time the prospects are not good; in fact, these businessmen are making no money. The white operators are losing money every year. Some of the larger companies have considerable investments in the business. I read in the testimony before the Committee on the Territories when the authorization bill was under consideration about a gentleman by the name of Lomen who went up to New York and, as he said in his testimony, "My brothers and I raised \$1,200,000 one evening and all was expended in the development of the industry," meaning the reindeer industry in Alaska.

Of course, this is going to be a very fine thing for these men who have invested their money in the reindeer business. They are going to sell all their reindeer to one purchaser. They are going to get rid of the reindeer and get out of the business. They have raised the reindeer on the public land. They have never paid one cent of range fees all these years for ranging the deer there. According to the testimony of Mr. Lomen, when they were going in good shape they sold \$100,000 worth of reindeer meat in New York in one season: but, notwithstanding that, as far as I can find through the Interior Department, they have never paid one cent of range fees. They have put their buildings, their slaughterhouses. and their warehouses on Government land, and have never paid one cent of rental for the land on which the buildings are located. I believe we have been kind and generous enough to them already. If you disagree with me and think we ought to buy them out, in addition to that, why, of course, you will have to determine that question for yourselves: but it is simply placing a burden on the taxpayers of this country for the benefit of a group of individuals who made a poor investment in Alaska.

Mr. RANKIN. Mr. Chairman, will the gentleman yield?

Mr. CARTER. I yield for a brief question.

Mr. RANKIN. I just want to say to the gentleman that if the Government does buy the reindeer it would be cheaper for us to give them to the Eskimos than to try to keep them.

Mr. PATRICK. Mr. Chairman, will the gentleman yield? Mr. CARTER. I yield to the gentleman from Alabama. Mr. PATRICK. The gentleman is a member of the com-

mittee. Was any acute need shown on the part of the Eskimos or any persons in that area for the reindeer that are demanded?

Mr. CARTER. As far as I remember, not one word of testimony was brought in by the special subcommittee that was appointed to go to Alaska and there was not one word of testimony before our committee to show there was an acute need on the part of the Eskimos for these reindeer.

Mr. WHITE of Idaho. Mr. Chairman, will the gentleman vield?

Mr. CARTER. I yield to the gentleman from Idaho.

Mr. WHITE of Idaho. Is it not a fact that from time to time we read accounts of distress and starvation among the Eskimo tribes inhabiting Alaska and the Arctic region?

Mr. CARTER. Yes; that is true. We also read accounts of distress and starvation right here in the States, too. I may say to the gentleman from Idaho it is true they do have epidemics of disease. I have also heard a great deal about the wolves killing the deer. I wonder if the wolves are going to cease to kill them after the reindeer are taken over by the Federal Government.

Mr. WHITE of Idaho. The gentleman is concerned about the natives inhabiting this sterile country and about their maintenance since the whites have gone in and taken away their food-killing off the game and taking away the fish. Is not the gentleman concerned about doing something for their relief?

Mr. CARTER. I most certainly am. I want to see every Eskimo in Alaska have every reindeer that is necessary for his sustenance, and that can be provided without the purchase of a single one of these 180,000 reindeer.

Mr. PIERCE of Oregon. Mr. Chairman, will the gentle-

man yield?

Mr. CARTER. I yield to the gentleman from Oregon.

Mr. PIERCE of Oregon. Was the gentleman himself one of the members of the commission?

Mr. CARTER. I was not a member of the commission. I was a member of the subcommittee to whom the commission reported when it returned and made its report. May I say they made a very thorough investigation and made their report based entirely on the supposition that it was the desire of Congress to purchase these reindeer. They did not go into anything else.

The enabling bill under which they were working reads as

follows

An act to provide subsistance for the Eskimos and other natives of Alaska by establishing for them a permanent and self-sustaining economy to encourage and develop native activity in all branches of the reindeer industry, and for other purposes.

Then the bill goes on to provide that the Secretary of the Interior may take all lawful means for purchasing reindeer there for the benefit of the natives. It does not say they must purchase these reindeer that belong to nonnative people, and I want to say further that this enabling act gives the Secretary of the Interior the authority to exercise the right of eminent domain as to those animals if they cannot agree on a price, and I may say, further that if you start in on this program, it is going to cost this Government millions and millions of dollars because there are reindeer running all over those ranges and of all the herds in Alaska at the present time, only six of them are herded and you are never going to get through counting those reindeer.

Mr. PIERCE of Oregon. That is just what I was going to

ask the gentleman. Are they branded?

Mr. CARTER. No; not branded. Some of them are marked on the ears and some of them are not and as to many of them they are not sure about the ownership.

Mr. RICH. Mr. Chairman, will the gentleman yield?

Mr. CARTER. I yield.

Mr. RICH. Is it not going to cost the Government another \$100,000 annually to take care of them after we do purchase them?

Mr. CARTER. The testimony before my subcommittee given by the representative of the Interior Department was to the effect that the first year it would cost at least \$100,000, and after that there would be a decided increase in the expenditures in attempting to take care of them.

Mr. Chairman, I am in favor of making ample provision for the Eskimos of Alaska. I am for providing them with all the reindeer they need. I am for giving them everything they need in the way of direction, aid, help, and assistance in caring for these reindeer, but I want to say to you here that it is the height of folly to go out there and purchase 180,000 reindeer belonging to 45 or 50 individuals and spend we know not how many millions of dollars.

[Here the gavel fell.]

Mr. RICH. Mr. Chairman, I yield the gentleman 1 additional minute.

Mr. CARTER. And then let the Government hold the sack, and that is what we are doing here.

If we want to go out there and be kind and generous to those fellows who went into Alaska and entered this business venture and if we desire to spend the taxpayers' money in pulling them out of a hole, let us do it with our eyes open and let us not fool anybody while we are trying to do it. [Applause.]

Mr. JOHNSON of Oklahoma. Mr. Chairman, I yield myself 15 minutes.

Mr. Chairman, since the Interior subcommittee of the Appropriations Committee on yesterday presented the pending bill making various and sundry appropriations for the Department of the Interior, I have delayed making any general statement on the bill, waiting for Members to discuss the measure. Frankly, I have been waiting for the usual criticisms against this bill. We have had much interesting discussion on various subjects, but I may remind members of the Committee that up until this time a comparatively small part of the debate has had any reference to the Department of the Interior or the many divisions, subdivisions, agencies, and boards within that large and important department of government. Up to this time what reference has been made to the bill has been to a comparatively few items in the measure. Let me say at the outset that members of our committee do not object to criticisms against the bill, but welcome them. Constructive criticisms are always helpful and thought-provoking. I shall endeavor to be fair in any answers to the items criticized.

The subcommittee has presented the pending bill making appropriations for the fiscal year ending June 30, 1940, after holding hearings for more than a month, during which time the committee heard representatives from every bureau and office in the 21 major activities under the Department of the Interior. These hearings were often extremely exacting and frequently ran until late in the day, but I am pleased to say that members of the committee were in attendance most regularly and worked most faithfully. We were not always in agreement by any means, but we settled our differences usually, and I feel the bill we have presented is the best agreement we could possibly present to the House at this time.

I want to thank the majority members of the committee for their very valuable and diligent assistance, and I wish to state that each of the three minority members worked conscientiously and offered many valuable suggestions, many of which were accepted by the committee and will be found in this bill.

The committee has also heard a number of Members of Congress, and it is significant that in every instance Members of Congress appearing before the committee asked for additional appropriations for matters and projects in which they were familiar and, of course, especially interested.

I am not saying this to be in any way critical of the Members of Congress who appeared before the committee. I do not mean it in that sense. It is nevertheless true that had the committee followed the urgent demands of several splendid Members of Congress this bill would have been many millions more than it is at the present time. The fact is that a great many of these projects appeared to be worth while, and some the committee felt were exceedingly meritorious, even though there was no Budget estimate for them; but we were forced to refuse to accede to the insistent demands of Members of Congress and others because the committee was determined to stay within the Budget estimates, and I am glad to report that the Interior subcommittee of the Committee on Appropriations having in charge this bill actually cut a little over 4 percent from the Budget estimates while others talked economy. [Applause.] That is a very sizable cut. considering the fact that every department, every function, every agency, every bureau, every board that appeared before us felt that the committee was treating it badly, and we were told that they were unable to function unless they got increased appropriations for the coming year.

In addition to the time spent in the hearings, it might be of interest to state that we spent approximately 2 weeks in drafting the measure which is before you. The bill consists of 140 pages, and we must consider the full facts on each item in the entire bill. The activities of the Interior Department, as you know, stretch from the Arctic Circle to the Equator, from Alaska to the Virgin Islands and the South Sea islands, and we have to deal with such matters as reindeer, about which we have heard so much on the floor this afternoon and about which we will probably hear more later on. We have to deal with Indians, public lands, including reclamation, all the national parks in the United States, the Geological Survey, the Bureau of Mines, the Office of Education, various institutions located in the District of Columbia,

including the Colombia Institution for the Deaf, Howard University, St. Elizabeths Hospital, and Freedmen's Hospital. I shall not even mention them all, but will confine my remarks largely to those items that have been criticized, hoping I may be able to give you facts that will be helpful.

The Budget estimates in connection with this bill amount to \$166,833,093. The amount recommended by the committee is \$160,578,905. This, as I said a moment ago, is a reduction of 4 percent, or \$6,254,188 below the Budget estimates.

As pointed out by the distinguished gentleman from Ohio [Mr. White], a very valuable, sincere, and hard-working member of the committee, the amount recommended is an increase over the 1939 appropriation of \$14,851,000; but what the gentleman from Ohio forgot to tell you is this, that of the increase over 1939 appropriations which at first blush appears to be excessive, \$13,000,000 is an increase in the amount provided for public-works projects, and only \$1,851,-000 is chargeable to all of the increases in operation and maintenance for the entire Department of the Interior.

In other words, we are spending \$13,000,000 more for public works this year than we did last year.

Someone has asked today about the cuts in this bill. Here are the major cuts: The major decreases in the Budget estimate are, first, the Bituminous Coal Commission, in the enormous sum of \$615,000; second, the Bonneville project, Columbia River, in the State of Washington, cut \$1,000,000 below Budget estimates.

Mr. RICH. Mr. Chairman, will the gentleman yield?

Mr. JOHNSON of Oklahoma. Yes.

Mr. RICH. In reference to the Bituminous Coal Commission, while we struck out quite a sum from the amount, the Coal Commission has been in operation more than 2 years, and has spent more than \$7,000,000, and has never accomplished anything to this date.

Mr. JOHNSON of Oklahoma. Of course, that is a matter of personal opinion on the part of the gentleman from Pennsylvania. May I say here that I did not vote for the Guffey coal bill. As a member of this committee, I was more or less prejudiced against it at the outset, but let us be fair and not make a statement that it has not accomplished anything.

The Coal Commission has gone a long way in endeavoring not only to stabilize the price of coal but to stabilize the entire coal industry, and there is abundant evidence that this was impossible to be done by any local or State agency; and may I further suggest the time has passed to argue with the gentleman as to whether the bill ought to have been passed in the first place. Congress has spoken through both Houses by an overwhelming majority, and to say that this Bituminous Coal Commission has done nothing is beside the issue. You might just as well say that about any other department that you might not have any particular liking for. It is so easy to charge that a certain department, agency, or official has done nothing.

Mr. RICH. Mr. Chairman, will the gentleman yield?

Mr. JOHNSON of Oklahoma. Yes.

Mr. RICH. We will grant that Congress set up this Coal Commission, and we will grant that the Coal Commission spent seven and a half million dollars.

I ask you or any Member of this House to tell me one thing that the Bituminous Coal Commission has accomplished which has put the coal industry in any better position today than it was 3 years ago. The price of coal is not a bit higher and the miners are working less. What have they accomplished? I ask the gentleman to name one thing.

Mr. JOHNSON of Oklahoma. I endeavored a few moments ago to say that the Coal Commission had gone a long way in trying to stabilize the industry. I think even the gentleman from Pennsylvania, who apparently is bitter against the Commission, will agree that the Bituminous Coal Commission is functioning 100 percent better today than it did a year ago. It has had many obstacles to overcome.

It is pretty generally agreed that a seven-man commission was unfortunate. It was top-heavy at first. It is always more difficult for a seven-man commission to function in a satisfactory manner than a three-man commission or even a five-man commission. For the first year or year and a half the Bituminous Coal Commission had considerable trouble and difficulty, but the gentleman knows that those difficulties have, for the most part, been ironed out and that the Coal Commission is functioning today. I do not propose to argue whether or not we ought to have a Coal Commission, but the question is, Shall we make the necessary appropriations to keep the Coal Commission functioning?

Another large cut was made in the Bonneville project on the Columbia River in the State of Washington. The Bureau of Indian Affairs, about which we have heard considerable criticism by the gentleman from Michigan [Mr. Engel] this

afternoon, took a cut of \$645,350.

Mr. LEAVY. Mr. Chairman, will the gentleman yield?
Mr. JOHNSON of Oklahoma. I yield to the gentleman
from Washington, a member of the committee.

Mr. LEAVY. I just want to refer back for a moment to the Coal Commission and ask the gentleman if it is not a fact that after we heard the members of the Coal Commission, as this record is made, the Supreme Court of the United States in the case of the Utah Fuel Co., an independent coal and coke company, and the Liberty Fuel Co. and others, as petitioners, against the National Bituminous Coal Commission, decided January 30, 1939, the difficulties that have been confronting the Coal Commission in the matter of procedure in the administration of this law were cleared up, and that occurred subsequent to the hearings. Had we had this matter before us it perhaps would have made the difference that appears now between the Budget estimate and the committee allowance.

Mr. JOHNSON of Oklahoma. There is no question but what that important decision was a very important factor. Another factor that enters into the cut, which I think I should say frankly was an unreasonable reduction is this: When the bill was under consideration, before its enactment, it was stated on many occasions that the Coal Commission would pay its own way by the 1-cent-per-ton tax levied against the industry.

[Here the gavel fell.]

Mr. JOHNSON of Oklahoma. Mr. Chairman, I yield myself 10 additional minutes.

We were told that the 1-cent-per-ton tax against the industry would pay the expense of the Commission without any question. The bill itself provides that we must stay within the revenues of the bill. Unfortunately for the Coal Commission, there is outstanding and uncollected approximately \$1,000,000 for the past year. I think I ought to say, however, that the Coal Commission is not responsible for that. The Treasury of the United States has the responsibility of collecting, and it has failed, lacking about \$600,000, to collect the amount authorized by the Budget estimate. For that reason, and that reason primarily, if not entirely, the committee felt it was obligated to cut this appropriation \$615,000 below the Budget estimate and \$335,000 below the appropriation for the Coal Commission last year.

So much for the Coal Commission.

With reference to the Bonneville project that has been discussed this afternoon at length, the committee found there will be approximately \$3,100,000, including \$2,400,000 of P. W. A. funds, which will carry over from last year's appropriation and be available for this project. Therefore we were able to make a very sizable cut of \$1,000,000 on that one project. We feel that Bonneville could take a cut of \$1,000,000 without slowing up the project to any unreasonable degree.

The Bureau of Indian Affairs, about which we have heard considerable criticism on the floor this afternoon, has also taken a too drastic cut. The gentleman from Michigan [Mr. Engel]—and I hope he will give attention if he is on the floor—in his remarks this afternoon was exceedingly critical not only of the Bureau of Indian Affairs but of this committee and the Congress in its endeavors to assist needy and, I might say, hungry Indians, dependent, helpless Indians, throughout this entire country. I have said on the floor of this House, and I want to repeat this afternoon, that I am not speaking for the Bureau of Indian Affairs. I have sometimes

criticized the policy of the Bureau in the past and I reserve the right to do so in the future, as far as its policy is con-

But simply because I may not happen always to agree with some policy of the Bureau of Indian Affairs, I do not propose to unjustly criticize the entire Department and take out my spite on our less fortunate brothers-Indians throughout the United States.

As what the gentleman from Michigan terms a "glaring example" of what he considered wasteful extravagance of money by this committee, the gentleman from Michigan pointed out that the 50,000 Navajo Indians who live on the Navajo Reservation in the State of Arizona have received entirely too much consideration at the hands of this Congress in recent years. It has been pointed out that within the past few years the Navajos have received some additional hospital facilities, some additional reservation schools, and a few so-called schools to educate their children.

The gentleman from Michigan made it plain he is convinced that this Government has spent entirely too much money to educate those particular Indians out in Arizona. Remember he pointed out those rich Navajos as a glaring example. If the gentleman had taken the time to read the hearings before the committee, he would realize that these very Navajo Indians whom he holds up this afternoon as being the Indians on whom Congress has lavished money, he would find that they are actually the poorest Indians, in fact, the poorest people of any race on the face of the earth. The evidence is that in that vast, sparsely settled area where there are 50,000 Navajo Indians, the land is of such a poor type that a white man would not live on it. The whole area will not keep or maintain 5,000 white people, yet 50,000 Indians are forced to eke out a living there in-I started to say-that God-forsaken desert country.

It is true that the Government has within recent years built some additional schools and constructed some additional hospitals, and I am glad to tell you that illiteracy among those poor Indians has decreased very noticeably. I am also pleased to say that diseases of various kinds among the Indians in that particular reservation have decreased in the past 4 or 5 years. I am ashamed, however, to state to the Congress and the country that on that one reservation alone-the Navajo Reservation, that has been held up to ridicule and criticism this afternoon by the gentleman from Michigan—there are some 6,000 poor Indian children who have never had the opportunity to enter the door of a school, either public or private. Yet the committee is criticized for lavishing too much money on the Indians on the Navajo Reservation. Criticize, gentlemen, all you wish. No one objects to it. But let us be fair and reasonable about it. Certainly I shall not apologize for trying to assist those poor, helpless, and needy Indians on the Navajo or any other reservation. [Applause.]

Inasmuch as Indian education has been criticized, let me give you a few facts in connection with Indian education. You may be interested to know that there are operated in the United States under the Bureau of Indian Affairs 211 day schools, 27 boarding schools, and 19 nonreservation schools, or a total of 256 Indian schools. In the United States there are more than 200 Indian reservations where many of these schools are located. The Indian pupils in these schools, it is estimated, number over 78,000. One hundred and three schools are operated in Alaska with more than 4,000 Indian children in attendance. Despite the fact the committee has generally allowed the funds proposed by the Budget, and more than once have been criticized for increasing the Budget figure in the past, there are in excess of 7,000 Indian children throughout the United States not attending any kind of school, who do not have the same opportunity or facilities that your children and mine have. And yet we are charged with lavishly spending money on Indian education.

While making a slight reduction in the item for Indian school construction, a total of \$15,000, the committee made readjustments which we believe will more adequately care for the Indian schools in the future. Let me say in this connection that representatives of the Indian Service came before our committee and said it would take approximately \$10,000,-000 to construct the schools and other improvements that were vitally necessary to give the Indian children adequate school facilities and take care of other pressing building construction upon the 200 Indian reservations.

Mr. BATES of Massachusetts. Mr. Chairman, will the gentleman yield?

Mr. JOHNSON of Oklahoma. I yield.

Mr. BATES of Massachusetts. I was quite interested in the gentleman's statement that 50,000 Navajo Indians live on this reservation, but that the land was of such character that it would take care of only 6,000 white people.

Mr. JOHNSON of Oklahoma. Pardon me, but I stated it

would not support 5,000 white people.

Mr. BATES of Massachusetts. If this be so, and if there is going to be a constantly increasing number of Navajo Indians on this reservation, what is the future going to be and why are we erecting schools and such facilities?

Mr. JOHNSON of Oklahoma. That is the very question I asked the officials of the Indian Service.

Mr. BATES of Massachusetts. What are the possibilities of transferring some of these Indians elsewhere to land of a character that would make them self-sustaining?

Mr. JOHNSON of Oklahoma. That is a problem that must be solved in the future, it is inevitable.

[Here the gavel fell.]

Mr. JOHNSON of Oklahoma. Mr. Chairman, I yield myself 5 additional minutes.

Mr. BATES of Massachusetts. Is the Indian Service doing anything about it?

Mr. JOHNSON of Oklahoma. Yes; they are doing something about it, as the hearings before our committee will disclose. In the area below Boulder Dam considerable land is proposed to be purchased for irrigation. It is excellent land and with water will produce bountifully. It is hoped that some of the younger Indians can be transferred to this and other areas. There are several other more desirable areas in the West where it is hoped the younger Indians can be transferred.

Mr. BATES of Massachusetts. How far away are these areas from the Navajo Reservation?

Mr. JOHNSON of Oklahoma. Within a few hundred miles. It will be difficult to transfer the older Indians; they will not go. It is almost impossible to induce them to leave, but many of the younger Indians are anxious to leave. In the last 50 years the number of Indians on the Navajo Reservation have increased from 8,000 to approximately 50,000. It is estimated that within the next 50 years the Navajo population will increase to 100,000 or 150,000; so it is inevitable that these Indians must be transferred to a more fertile area. But so long as they remain where they now are I submit that it is shameful not to give them adequate school and hospital facilities. I am sure the gentleman agrees with me.

Mr. BATES of Massachusetts. Do they have to depend

entirely on agriculture for an income?

Mr. JOHNSON of Oklahoma. Their income is not entirely agricultural. The Indians make trinkets and sell them to tourists and others. They are splendid silversmiths. They are experts at making many interesting and somewhat useful things, particularly the famous Navajo rugs.

If the gentleman had driven through that country as I did a few months ago he would have found many of those poorly clad Indian children on the verge of starvation standing at the roadside begging him to buy something from them so that they might have something to eat.

Mr. BATES of Massachusetts. I am wondering why the Government has not attacked this problem in a more substantial way. Why are we attacking it in this way and adding to the misery, especially in view of the tremendous increase in population?

Mr. JOHNSON of Oklahoma. I have wondered about that myself. I say that the Government cannot much longer fail and refuse to tackle this matter in a straightforward, humanitarian way. I have discussed this particular tribe at some length this afternoon because the gentleman from Michigan held up the Navajo Indians as a glaring example of the Congress of the United States spending too much money on Indians

Mr. Chairman, it is very easy to criticize Indians. It is especially easy to do so if you do not have any Indians in your own district or in your own State. It is very easy to vote against any kind of an Indian appropriation. I happen to know of Members of Congress who have consistently voted against any and all appropriations in years past for the Indian Service. Of course, such Members did not have any Indians in their districts. It is so easy to go back home and say, "I voted to reduce the expenses of government by voting against all appropriations for the Indian Service." But it takes a lot more courage and statesmanship to vote to help these helpless people when none of them reside in your dis-

Let me remind Members that when you vote against an appropriation for the Indian Service you are voting against hospitalizing the Indians, you are voting against treating them for trachoma, and there are more Indians suffering from trachoma today than ever before. You are voting against helping to stamp out that dreaded disease, so prevalent among Indians of all tribes, tuberculosis. We must establish additional trachoma and tubercular hospitals, especially in the West and Northwest. Simply because a majority of you do not have Indians in your own districts and States is no reason why any fair-minded man ought to vote against an appropriation for the benefit of Indians.

I want to mention, before I conclude, the very controversial reindeer topic that has been discussed so ably this afternoon by the gentleman from California [Mr. Carter], a member of the committee.

[Here the gavel fell.]

Mr. JOHNSON of Oklahoma. Mr. Chairman, I yield myself 3 additional minutes.

Mr. Chairman, the gentleman from California who addressed the Committee this afternoon, as well as the gentleman from Mississippi [Mr. Colmer], very seriously criticized the committee for including in this bill the so-called reindeer item. In order to keep the record straight I think I ought to say in justification of my own action that I stood on this floor more than once and spoke against the reindeer bill that was passed by the Congress. But to be perfectly frank I did so because then I did not know anything about the situation except what I was told. I, too, like some of you, was somewhat prejudiced against the white reindeer owners. You know, it is very easy to get up here and say that the Lomen interests or some other interest own 34 or 40 percent of the nonnative reindeer in Alaska and that they are trying to unload a white elephant on the Congress. It is easy to make the charge that the Congress is trying to do this for some outside interest there rather than to actually help the na-But the fact is that practically all members of the committee have in the past opposed legislation to purchase reindeer, hoping that some other solution might be found.

But please bear in mind that, so far as this item is concerned, the Congress has spoken with reference to the reindeer problem in Alaska. Over my continued opposition, after making a very definite and thorough investigation, and after my very good friend the Delegate from Alaska, who has been up there for 20 or 30 years, gave his views, this Congress spoke in no unmistakable terms and said that it wanted the Government to spend, not \$720,000, but \$2,000,000 to purchase the Alaskan reindeer. Is that not correct? Although the Congress has authorized the expenditure of \$2,000,000 to buy nonnative reindeer in Alaska, this committee has refused, refused, and continued to refuse to appropriate such an amount of money. You will remember that another body at the other end of the Capitol last year did make an appropriation to buy reindeer in Alaska and sent it to the House for approval. You will also recall that the President of the United States, after a thorough investigation, asked this Congress to buy reindeer in Alaska in order to keep the Alaskans and Indians there from starvation. To say that all or practically all of

the natives own reindeer is absurd and not in keeping with the evidence presented to the committee.

Mr. WHITE of Idaho. Will the gentleman yield?

Mr. JOHNSON of Oklahoma. I yield to the gentleman from Idaho.

Mr. WHITE of Idaho. Is it not a fact that these privately owned reindeer crowd off the range the reindeer owned by

Mr. JOHNSON of Oklahoma. Yes: that is the situation

Mr. WHITE of Idaho. Is it not a monopoly that is crowding out the native reindeer?

Mr. JOHNSON of Oklahoma. That is true. Certainly it is not up to me to defend this reindeer item, because I opposed it in the past before the committee and on the floor of this House. However, in presenting this bill and in mentioning the most controversial items, I feel that I should give this body the real facts with reference to the matter, and then I know you gentlemen will use your own good judgment in supporting or refusing to support it, as you deem wise. That is your prerogative. In doing so please remember that a committee of disinterested gentlemen was appointed to go to Alaska to investigate this matter during the past summer. Bear in mind that almost without exception every speech made on the floor of the House against the reindeer item yesterday, today, and for the past 3 or 4 years has been made by those who have never been within a thousand miles of Alaska. I think the gentleman from California is one possible exception. As I stated, a committee went to Alaska and spent several weeks investigating this perplexing problem.

That committee went all over Alaska and investigated the situation there. It came back and unanimously reported to the Congress that there is just one thing we can do. It stated that we must buy the reindeer at once and settle once and for all this long, drawn-out controversy. This reindeer committee told us we ought to pay an average of at least \$5 a head for the reindeer. Many of those owning herds want \$10 a head or more. There are many of those natives who only own one or two reindeer, which is the only meat they have there except fish. When they have to buy reindeer they must pay \$10 to \$12 a head for the reindeer.

[Here the gavel fell.]

Mr. JOHNSON of Oklahoma. Mr. Chairman, I yield myself 5 additional minutes.

Mr. CARTER. Will the gentleman yield? Mr. JOHNSON of Oklahoma. I shall be delighted to yield when I finish my statement.

This reindeer committee came back and unanimously reported to our committee that the committee ought to solve this terrible fight that has been going on, a fight to the finish between the white owners in Alaska and the natives. Gradually the white owners have been pushing the natives back, gradually they have been usurping their lands, and, in some instances, so we are advised, actually branding the natives' reindeer. The natives are helpless to defend themselves against the encroachments of the white owners. Not only are their herds being depleted but their ranges also are being depleted. It is an easy thing for us who do not have any reindeer in our districts or any Indians or Eskimos in our districts to go home and say, "I saved so much by voting against the reindeer item," but this will be back on our doorstep next year if we do not take care of the problem now.

You have to do something with reference to this item, or not only will the reindeer be extinct but many of the Eskimos and the Indians actually face starvation, so the committee has been advised. The problem is more serious than any you may contemplate.

Mr. CARTER. Mr. Chairman, will the gentleman yield? Mr. JOHNSON of Oklahoma. I am pleased to yield to the gentleman from California.

Mr. CARTER. Is there any testimony in the hearings that there is suffering among the Eskimos at the present time by reason of lack of reindeer?

Mr. JOHNSON of Oklahoma. Oh, yes. The gentleman will find testimony over a period of several years. If the

gentleman will read the testimony of Mr. Rood, who is in charge of reindeer in Alaska, Mr. DIMOND, the able and sincere Delegate from Alaska, or talk to either of the gentlemen who went up there as representatives of our committee, he will find there is considerable suffering, and that suffering is increasing among the natives of Alaska.

Mr. CARTER. Is it due to lack of reindeer?

Mr. JOHNSON of Oklahoma. Of course, a lot of things enter into the situation in Alaska, but considering the fact that many natives are not getting sufficient to eat, I would say yes, it is largely due to lack of reindeer.

Mr. CARTER. That is not the information I got from the Department of the Interior.

Mr. JOHNSON of Oklahoma. But please let me go on, as I must conclude.

Mr. CARTER. I have one other question.

Mr. JOHNSON of Oklahoma. I want to be courteous, but I must not consume too much time.

A lot of talk has been going on here about what the Government is going to do with the reindeer. Reindeer associations have been organized up there among the Eskimos. We are not going to give the reindeer to anyone. If and when the Government takes over these reindeer belonging to the whites, the Eskimo who works will be paid in reindeer meat and he will be paid off at \$4 a head, not \$12 or \$15 a head. They propose to permit the Eskimo to earn a living and increase and breed up his herds. The Government of the United States proposes to help him to help himself. Those are the facts. Take it or leave it. It is your problem as much as mine.

I may say the gentleman from Alaska [Mr. DIMOND] will defend the item on reindeer. As a man who has voted against every bill that has ever been presented with reference to reindeer. I have endeavored to make a fair and impartial statement of the reindeer item in the pending bill.

Mr. SHORT. Mr. Chairman, will the gentleman yield?

Mr. JOHNSON of Oklahoma. I yield to the gentleman from Missouri, a member of the committee.

Mr. RICH. I may say I am going to assign time to the gentleman from Missouri.

Mr. JOHNSON of Oklahoma. I cannot refuse to yield to my distinguished neighbor from Missouri, who, I assume, desires to take a fling at this or some other item in this bill, or else inject politics into the discussion.

Mr. SHORT. No. Mr. Chairman, the gentleman is mistaken. I have a high admiration and fond affection for the

gentleman.

Mr. JOHNSON of Oklahoma. I thank the gentleman for

his generosity.

Mr. SHORT. I wanted to ask about the farm families who were transported from Michigan, Wisconsin, and Minnesota to far-off Alaska, to the Matanuska Colony, where the chief products are reindeer, Eskimos, icebergs, and polar bears, and who have been returned to the States disappointed and disillusioned after the experiment has cost the taxpayers \$30,000 for each family transported there.

Mr. JOHNSON of Oklahoma. The gentleman has raised a very interesting question, a question I asked more than one of the representatives of the Interior Department who came

before the committee. It is a fair question.

[Here the gavel fell.]

Mr. JOHNSON of Oklahoma. Mr. Chairman, I am going to take 2 additional minutes to answer the question of the gentleman from Missouri.

Mr. SHORT. Did Harry Hopkins give any one of those farmers a mule in foal? In Missouri I know my mules, but

I never heard of that strange animal.

Mr. JOHNSON of Oklahoma. Well, just as I suspected, the gentleman, after all, is more interested in criticizing a member of the President's Cabinet than in solving the many problems facing this Committee and the Congress. But since the gentleman raises the question with reference to the colony that went to the Matanuska Valley, let me say that the evidence is that the Matanuska Valley Colony has not been a total failure by any manner of means. That

is one of the most fertile valleys on the face of the earth. In that valley they have about 130 days of growing season. The evidence is that many of the farmers are prospering. Had proper and reasonable care been used in selecting the families I dare say there would not have been a single family returned. Too many families were selected who had never farmed and thought they were going on a lark. Of the 200 families that went to Alaska, I am sorry to say 90 have returned and the evidence is that probably 10 or 15 more families will return. The selection of these families was turned over to agencies in our counties who were anxious to get people off relief. Such local agencies who selected the families are at fault. To condemn Secretary Harry Hopkins personally for what local agencies did is, of course, manifestly unfair. But the gentleman from Missouri probably believes that all is fair in war and politics. [Applause.]

[Here the gavel fell.]

Mr. RICH. Mr. Chairman, I yield 15 minutes to the gentleman from Maine [Mr. OLIVER].

Mr. OLIVER. Mr. Chairman, today in the United States we are being tested as a democracy as never before. Problems of a serious economic import have been and are now threatening our very existence as a free, happy, and prosperous people. Unemployment, insecurity, and misery are slowly but surely attacking and undermining with the persistence and insistence of an army of termites the very foundations of our Nation.

Internationally as well as nationally the same condition

Unrest, conflict, dissatisfaction with the status quo are driving the leaders of nations to military and economic action which if crystallized will doubtlessly destroy the civilization of modern times.

For 2 years in the Seventy-fifth Congress I listened to the partisan debates and arguments which arose as the Congress of the United States wrestled with this situation and these problems. In all humility, I wish at this time to make a small contribution in the interests of a solution which must be considered from a strictly nonpartisan viewpoint. Mr. Chairman, the preservation of the principles of this great Nation far transcends any petty personal or partisan interests that this great deliberative body may have, and I know from my personal observations that such fair attention and careful consideration is always manifested when the general problem is approached from a national emergency standpoint.

Today we have the continuation of the unemployment problem which has most severely afflicted us for the past 10 years. Today we have the same and the more imminent threat of increasing debt which has hung over our heads for the past several years. Today we have the same inadequate thinking and leadership to cope with this problem that we have had for the past decade. Today we have the same unwillingness and practical aversion to meeting this problem face to face in head-on collision. For 10 years we have been tilting at windmills as we have organized nationally to prop up an economy and a financial system based on debt and scarcity. The leadership on my side of the aisle has been as deficient in this as those of you on the other side who have had the responsibility of leading the Nation. Those of you who know me know that I am not rabidly partisan. I have said that our problem, which is needless want in the midst of plenty, transcends partisanship. Yet, by the same token, this problem needs omnipartisan lead-

Mr. Chairman, we all know that debt hangs over the head of the American people like the sword of Damocles. Yet Mr. Morgenthau, the Secretary of the Treasury, intends to ask this membership for authority to borrow beyond the existing maximum limit of forty-five billions. Every agency of government that has been established to implement and maintain recovery and employment has functioned on the basis of debt. The United States Government, under this and other recent administrations, has completely relied on a financial background of debt. Our whole consciousness is

impregnated with the idea of debt. Our economy is geared to a financial racket which swells up with debt and then becomes stalled when further debt creation is rendered impossible. I do not criticize this administration for the social objectives which it has endeavored to reach, but I do criticize it, and severely, for its continued adherence to a debt complex which time and time again has demonstrated its complete inadequacy to make possible for the American people a permanent utilization of our wonderfully adequate plant structure. In 1933 this administration had the first real opportunity that any party has ever had to correct the evils and the criminality of the perpetuation of the debtmoney system which has always precipitated the panics and depressions of this Nation and of the world. Since 1933 this administration has constantly and continually adhered to its obeisance to the idol of debt money. It has encouraged the American people to create more debt obligations, both through private and public instrumentalities. This has been done, so it is claimed, to put into circulation more purchasing power.

But purchasing power based on debt money is not permanently effective whether it comes into existence through the creation of public or private credit. Today the great hue and cry is for confidence to the end that private credit or debt may be put to work. In my opinion it is not lack of confidence that is stalemating recovery but it is the obvious impossibility of expanding a credit-debt economy which already is strained to a bursting point as it endeavors to meet its already existing debt service.

Internationally, this is also true with most nations, with the possible exception of Germany. The only reason that Germany is excepted is because she repudiated her internal debt through banker-created inflation and has met her external debt through a repatriation of her obligations under the propaganda built around Hitler.

How can we depend internally or rely further on an attempted eternal expansion of our debt money when all divisions of Government, including States and municipalities, are already loaded to the eyebrows with existing debt, and when our citizens who are expected to use additional credit-debt expansion are groaning under the load of existing debt obligations? The automobile industry is an example of this.

The absurdity of expecting the automobile industry to function as the bell wether of economic prosperity becomes obvious when we analyze the difficulties confronting the dealer as he tries to dispose of used cars. He can sell the new car for cash or credit because those in the class of the "haves" can still buy, but the potential purchaser of the used car taken in trade is relatively in the class of the "have nots" and has neither the cash nor the credit because he is already loaded with existing debt. He has confidence enough but the dealer cannot take the chance. So we have the assembly line at the factories stopped because the used-car buyer either has no cash, no credit, or is overburdened with existing debt.

Housing is in a similar position. It is true that the Federal Housing Administration has functioned well on a small down payment, but, in my opinion, the potential debt carriers under that plan have narrowed down considerably or will within the reasonably near future. In other words, installment buying, which is a modern form of debt money, must eventually reach a peak where further customers are not available for debt sales.

The National Government should not be permitted to extend its debt limit; local divisions of government are already facing tax resistance and opposition to increased debt obligations; individuals are loaded, generally speaking, with contractual debt payments; foreign nations are notoriously in default to us either as a government or as private bondholders; so, in my opinion, it is incumbent upon us to examine carefully and with determination the financial superstition of debt money, privately created, which has been making a shambles of this Nation for the past decade.

Brookings Institution, under the able leadership of Dr. Harold G. Moulton, is authority for the estimate that the United States is fully capable of producing a national income

of one hundred and twenty billions of dollars annually, based on the 1929 price level, when, as, and if we utilize our existing plant structure to its full capacity. Personally, I believe that this is a conservative estimate. But for the purpose of this discussion I shall use it as a base. In 1929 we produced something more than \$81,000,000,000 in national income, and last year we produced something over sixty billions.

It is now the New Deal hope to step it up to eighty billions by 1940, which is some few billions under the actual income of 1929 and forty billions under the Brookings Institution estimate of the amount which we could have produced in 1929. But since 1929 we have increased our population nearly 10 percent, and if we would maintain now a living standard equivalent to that possible in 1929 for this increased population, we may justifiably conclude that the 1939 produced income would have to be \$132,000,000,000 predicated on the previous estimate of this conservative research institution. Furthermore, it is also claimed that we have so advanced in technological efficiency that we now produce 10 percent more effectively than we did in 1929. This factor, if utilized, could reasonably increase our potential 1939 production to \$145,000,000,000 worth of goods and services based once again on the Brookings Institution potential figure for 1929 income. In addition, we have potentially available forces in unexplored technological effectiveness which are now latent and cannot be utilized because there is no effective purchasing demand to stimulate them. If used, these might conceivably step up our national income from 15 to 20 percent. To be conservative, let us admit that this would be only 10 percent. If utilized, this in turn would increase our production to \$162,000,000,000. Furthermore, when we consider that the devaluation of gold has given us a 59-cent dollar in international relationships which in domestic purchasing power has fallen approximately 121/2 percent as compared with 1929, then we may justifiably increase the potential national income as of the 1929 price level to \$180,000,-000,000. Therefore, when we hear these inferences made that an increase in national income to \$80,000,000,000 would place the American people in clover, it is well for us to give further consideration to these added factors which I have most inadequately referred to, namely, increased population, increased technological skill, further technological improvements, now latent, and a lower price level as compared with 1929. By doing this we may realize how inadequately such a relatively small increase in national income will function in meeting our problems of unemployment and insecurity for the masses of our people.

Production, and the complete consumption of that production, rests entirely and wholly on the distribution of that production. The distribution of that production depends wholly on the automatic functioning of our money supply. Therefore, when we find our plant only operating at from one-third to one-half capacity, it seems to me that we can reasonably and properly turn our attention to a survey and study of our money supply. The industrial planning, together with any rationalizing and legislating on the production angle which we have been carrying on in the past decade, is entirely futile and idle until and unless we have the courage and determination to develop an unbiased and unprejudiced inquiry into the monopoly of usury, which eventually has always and is now strangling production and Americanism.

Today, in my opinion, at least 95 percent of our money comes into existence through the monopolistic banking and financial structure, privately owned, and this money creation is, furthermore, based on interest-bearing debt accumulation. I think that I can conservatively state that over 80 percent of our money supply is directly created by an expansion of public and/or private debt. If this is true—and I believe that it is—then does it not follow that a contraction, restriction, or cessation of debt creation automatically decreases or destroys our money supply? Just as night follows day, so does it follow, in my humble thinking, that today we are not suffering from lack of confidence so much as we are facing a dead-end street in the process of expanding our debt structure; and if we are not up against the pin on further debt creation, then we should be, because additional debt will only

make the collapse more severe when it comes. Money based on debt must always and inevitably cause bigger and better

Mr. Chairman, we are on the wrong track and we are traveling in the wrong direction. Recovery for the American people cannot be reached in curtailing production or restricting labor, but rather must it be found in the direction of furnishing us with a money supply free of debt and based on production. Permanent jobs will not be found in the nonproductive works of Government, but rather must be made possible by the mass consumption of our mass production of goods and services. Such a utilization of our plant structure cannot be secured with the vehicle of distribution running wild today on the overexpanded tires of credit-money inflation and stalled tomorrow on the flat tires of deflated debt money.

The expansion of credit or debt in our financial system is a pyramiding of interest charges and obligations which is usury in the sight of God. Usury is predicated on the idea of getting something for nothing. Today, and for the past three-quarters of a century, we have been sacrificed to our idolatry of this godless practice. It is only in the past decade that it has become so obvious and so burdensome. This principle of money interest on fictitious money loaned through a privately owned financial structure must be abolished if the profit system under a democratic process is to survive. Otherwise the nationalization of industry and agriculture will be established under a totalitarian control. In these days financial or usurious piracy is negating production and forcing our productive process to walk the plank of involuntary unemployment and idleness. It is a most criminal indictment of our intelligence that we define unsalable commodities as surplus while millions of our people are confronted with the fear and the fact of want and misery. Because of our apathetic attitude toward financial usury we are forced to reason that the blessings of leisure and abundance are unemployment and surplus, or overproduction. Our present conception and application of the existing money system based on debt inhibits this Nation and the entire world from enjoying and using the obvious physical plenty which is evidenced all around us, and as a direct result we starve because our money complex and superstitution compel artificially and financially created scarcity.

Mr. Chairman, today the membership of this Congress has indicated its interest in the problem of what makes or breaks business by the creation of a joint committee to investigate

monopoly and its effect on America.

Very properly, the able members of this committee are turning their attention to the huge, colossal, and stupendous aggregations of wealth and the institutions of savings which, in the final analysis, are dealers in debt. But, Mr. Chairman, it seems to me that as a matter of constructive criticism this committee is not aiming directly at the real issue. The greatest monopoly in this Nation and the world today is the absolute control which our banking structure and our huge credit or debt institutions have in their power to create credit or debt money. With my limited mental capacity, I can arrive at no other conclusion than that this power is the greatest of all, and we have farmed this out to private institutions either directly or indirectly.

The continued and limitless flow of wealth money in productive channels is absolutely essential to full and permanent employment, but today, because we depend for this flow on the expansion of limited credit or debt money, we have invested private financial corporations with the power of control of our entire destiny as a nation. When debt claims have been materially expanded by a progressive pyramiding issuance of credit through these institutions, then we have a stoppage of the flow of our money supply. Furthermore, the secondary flow, which comes as a result of the investment of savings, finally finds itself up the same dead-end alley where further exploitation of the debt areas is not possible. Then it is not lack of confidence, but it is the overloading and the overburdening of debt-carrying capacity, that prevents a further expansion of our debt-money supply. Therefore, Mr. Chairman, it seems altogether pertinent to me that the representation of the House of Representatives on this joint committee should be instructed to require a full investigation along this line. I have great confidence and I know the membership of this House has the same confidence in the gentleman from Texas, HATTON SUMNERS, and the gentleman from Tennessee, Mr. Reece, our colleagues on the Monopoly Committee. But I do submit that a mandate of the Seventy-sixth Congress should be given to carry out an inquiry as outlined in this House resolution which I herewith file, send to the Clerk's desk, and ask to have read at this time.

House Resolution 118

Resolved, That the House of Representatives, assembled, herewith direct Hon. Hatton W. Sumners and Hon. B. Carroll Refect, its Member representation on the Temporary National Economic Committee, to demand that the Temporary National Economic Committee shall make an inquiry into and an investigation of the following questions:

the following questions:

(1) Why, at certain times in our economic cycle, do we have plenty of debt, plenty of goods available for sale, and at the same time have very little money in the form of currency, coin, or demand deposits in the possession of the rank and file of the American people for actual use?

(2) Does 95 percent of our money come into existence as a direct or indirect result of the creation of interest-bearing loans? If not 95 percent, then what proportion?

(3) Does control or influence over United States credit rest directly or indirectly in the hands of a few highly centralized banks?

banks?

(4) Does this control constitute the most powerful monopoly in the Nation? If not, to what extent does the control influence our economy?

(5) Is this private control of money and this issuance of credit money in contravention of article 1, section 8, of the Constitution and therefore unconstitutional?

Mr. Chairman, let me ask your further indulgence while I present some thoughts on this subject from Mr. William A. Overholser, of Libertyville, Ill., who is a member of the executive committee of the National Monetary Conference:

America's greatest need today is a money system which will be constituted so as to make possible the creation and injection into circulation with safety, of new money when needed, without the creation of more debt; and so as to furnish the country with a circulating supply of money that will fully balance, but not overbalance, with the production and consumption requirements and needs of the country.

This is something which the country has never had, but it is something which the country can have when it makes a sincere effort to be as scientific in dealing with its money system as its people have been in dealing with the great production facilities of

the country.

In times past our money system has more nearly met the country's needs than it does today. This, however, was only accomplished at the expense of getting our people deeper and deeper in debt, because of the fact that very little money could be created, under the laws and practices which have been and still are in force, without the creation of more debt.

without the creation of more debt.

Continuing our money system on the present debt-creating basis not only is injurious to the general welfare but is also quite detrimental to most of the bankers and creditors of the country.

Loans cannot be made safely without security. While the debtors continued to have sufficient unmortgaged property or equities on which further loans could be extended, it may have been an advantage to the bankers and creditors to have required that newly created money should only come into existence through the banking system by the creation of more debt. This, however, has resulted in the debtors of the country getting so badly mired into debt that they can no longer obtain sufficient loans with which to provide the country with a sufficient influx of new money with which to meet the needs of the country. This has retarded business, brought on the greatest depression in history, and impaired values. It also has curtailed production and the creation of new wealth.

In this matter the securities held by creditors have become more and more questionable in value and the making of new loans has become more and more nearly impossible without being made to or through the Government. Not only has the making of loans by the creating of new credit been greatly curtailed but the loaning or reloaning of existing money and credit has been greatly impaired.

Thus, by basing the creation of new money upon the creation of more debt trained bases.

Thus, by basing the creation of new money upon the creation of more debt, values—the basis upon which credit is extended—have been impaired or destroyed. In the interest of the banking business, as well as of all other business, the creation of new money must not depend upon debt, and sufficient new money must be placed into circulation to provide an adequate balance for production and consumption, and to serve as an aid in maintaining old values and in creating new wealth for the basing of new values.

Finally, Mr. Chairman, may I state that until and unless this inquiry is made and legislative action taken to make possible the full and complete operation of our productive plant structure, free, clear of, and unimpeded by money manipulation and private financial frustration, then we may expect the money changers to remain in control of the temple and of our entire destiny as a free people. Continued scarcity and want in the midst of plenty is the inevitable result of such

I hope, Mr. Chairman, that this resolution may have favorable consideration. [Applause.]

Mr. SCRUGHAM. Mr. Chairman, I yield myself 1 minute in order to clarify the discussion relating to the reindeer situation in Alaska.

I insert in the RECORD, from page 564 of part 2 of the hearings, a statement by Mr. Rood, the expert on reindeer care, and reading as follows:

Mr. CARTER-

expressed a perfect willingness to do what was necessary to benefit the natives; he thought it might be desirable for the Government to aid them in the operation of their herds, but it was not quite clear to him why we should purchase white-owned reindeer, some buildings, corrals, etc., that might be useful up there. Well, it seems to me we cannot very well carry out our program of benefiting the native people unless we eliminate the white owners—for this reason: The deer are completely mixed on the ranges, and just as soon as we put improvements on any of those ranges the white owners are going to get the benefit of the Government's expenditure. But there is another thing that occurs. The white ownership has a tendency to increase more rapidly than the native ownership does. That is for this reason: The native depends upon his reindeer as a source with which to satisfy his primary wants for food and clothing. The white owner is in the reindeer business for only one purpose—to make dollars out of it. Not having been able to exploit reindeer meat by shipping to the States, he has not used many reindeer through the years; consequently his ownership tends to increase more rapidly than the native ownership does. Now where is this going to end?

is this going to end?

The white owners' animals are grazing off pastures that the natives need to develop this resource which is vital to them. In the Kotzebue area those Eskimos are not obtaining more than \$50 per family annual income for their furs, according to a statement I got from a well-known trader who deals with them and has dealt with them for years.

Those people are meat eaters. Those people cannot raise crops in that agriculturally impoverished country. But they exchange moss for meat. Reindeer are absolutely essential to them, and, in order for them to raise their animals, they must have ranges accessto where they live. White owners' deer are grazing off of those pastures which the natives need to exist.

Mr. Chairman, I yield 8 minutes to the gentleman from California [Mr. Voornis].

Mr. VOORHIS of California. Mr. Chairman, the reason I tried to induce the gentleman from Maine [Mr. OLIVER] to yield to me was because I wanted to say to him that he was telling the House more in his brief 15 minutes than it has been told in a long, long time, and because I wanted to express to him my own heartfelt thanks for the things he was saying.

It so happens that on this very day I have introduced a bill which embodies exactly the philosophy which he sets forth. I am not going to describe that bill in detail, except to say that it would give us a scientific control over the flow of money and credit in this Nation by, first, providing for the purchase of the capital stock of the 12 Federal Reserve banks by the Government; second, perpetuating the present liquid condition of our commercial banks by requiring dollar-fordollar reserves behind demand deposits; and, in the third place, making of the Federal Reserve Board, plus the Secretary of the Treasury who would be an ex officio member, a real monetary agent of the Congress, charged with the task of keeping the flow of money and credit in this country in accord with the increased population and the increased productive capacity of the Nation, and of bringing that money into circulation on the basis of national growth and development without the increase of public debt; and, finally, the bill provides for a stability in the buying power of the dollar.

This is a very brief description, and I did not intend to go into that bill until the gentleman from Maine spoke as he did. What I did want to say was that it seems to me we have been treated with a whole lot of oratory in the House, which reminds me very much of the kind of speeches that used to be made by Mr. Cobden and Mr. Bright in the early days of the laissez-faire philosophy in England.

To say one is in favor of leaving people as free as possible or in favor of a balanced Budget is like saying he is against

sin. It is obviously a good thing politically to say, but to propose a balancing of the Budget simply by a deflationary reduction of governmental expenditures without doing anything else about it means certain stagnation and economic death to the United States. Furthermore, immediately it means hunger and suffering on the part of a lot of people. We have got to have a better answer than that.

If I believed that America's problem could be solved by simply a laissez faire policy and the reduction of governmental expenditures, I would certainly do a lot less worrying about the future, but I do not think that is possible. By this policy you might cause a temporary boom, you might get a couple of million people back to work for a little while. Probably some people would make a good deal of money. Undoubtedly inventories would pile up as never before if that were the case. Surplus savings would accumulate. The result anyone can forecast.

We have two problems. The gentleman from Maine has posed them for us very well. In the first place, we have the problem of the Budget and of debt; and in the second place, the problem of the purchasing power of the American people; and we have to solve both of them at once or we cannot solve either one of them at all. The basic problem in a nutshell is this: You have out of the national income realized in any given year a certain percentage, which is passed on to the people generally and is spent for consumption goods. You have another portion which is saved by a comparatively small group of people, and sometimes those savings run into very large amounts of money. In 1929 it ran to \$19,000,000,000, and in 1937 to approximately the same figure. Now, unless new investment can balance these savings, you have inevitable depression, falling, first, as a rule, on the farmer, later on industry.

This is an economic fact that I do not believe anybody will question. Therefore the philosophy of laissez faire, which is being advanced so freely in the House today, particularly from the Republican side, necessarily implies that you must be able to get enough new investment to balance the savings that are made. I submit that is impossible. The savings represent a failure to pass on sufficient purchasing power to the consumers of the Nation to take the goods off the shelves and the crops off the farms.

Investment means new distribution of buying power. But it would take only \$40,000,000,000 to rebuild every factory in America, and we have \$20,000,000,000 of excess savings even on the 1929 basis of production. In 1937, as I said, as high an amount of national income was saved as in the twenties, and this was a year in which New Deal taxes were in effect. Those taxes have been charged with causing depression, falling too heavily on the wealthy, and not distributing the burden widely enough. These charges are contrary to facts about taxation under the New Deal that many people apparently are not informed about. We have had an increase in total taxation and total revenues, but we have not had nearly as large a percentage of taxes raised from corporate income taxes and taxes on individual incomes of more than \$5,000 a year, as was the case in 1928. Indeed, of the total revenues in 1928, 34 percent came from corporate income taxes and 30 percent from private income taxes on incomes of over \$5,000. In 1938 those figures were 19.7 and 18 percent. The increased revenues under the New Deal have come largely from increased consumption taxes, and if we are going to reduce taxes, the taxes that need reducing are taxes on consumption, and not taxes on large income. For it is the taxes on consumption, and I would add taxes that fall with especial weight on small business enterprises, that reduce buying power and are of no use in counterbalancing surplus savings.

Another reason why it is impossible to expect investment to make up for the volume of national income that goes into savings is because the depreciation account of industry as a whole—and I realize this is not true of every small industry—the total of depreciation account of all American in-dustry is about sufficient to reequip that industry if used for that purpose. Therefore, you have not got much room for new investment so far as the reequipment of industry to increase its productive capacity is concerned.

Another reason is that the rate of interest remains too high, thus giving too great a preference on the part of investors to buy debts or obligations of one kind or another such as bonds or mortgages, and too little inclination on the part of investors to invest in productive enterprise. Little business today is growing anxious to get more credit than it can get, and as evidence of that fact groups of small-business men have requested legislation to be introduced to give them access to a greater amount of credit, and one such bill was introduced only a couple of days ago by the gentleman from Texas [Mr. Patman] and myself.

Mr. RICH. Mr. Chairman, will the gentleman yield?

Mr. VOORHIS of California. Yes.

Mr. RICH. We passed such an act requiring the Reconstruction Finance Corporation to make loans to small business. Why does not the Reconstruction Finance Corporation make those loans?

Mr. VOORHIS of California. I refer the gentleman to one short paragraph I put in the Record that day, April 4, 1938, in which I said we have authorized the R. F. C. to make such loans, but we have to have more than that. We have to have a will to make such loans. I agree with the gentleman. I do not think they have been made.

Mr. RICH. They are holding back too much in granting those loans which we intended they should make.

Mr. VOORHIS of California. I think small industry has a legitimate kick about its inability to get credit, but I do not think that kick should be mainly made against the R. F. C. I think the main thing is that there exists a monopoly control of credit in the hands of private individuals.

FOUR POSSIBLE COURSES

There are, roughly, four courses of action open to us. Before I go into them let me say that everyone should agree that no wasteful expenditures should be made by Government. By wasteful I mean expenditures which do not yield the tax-payers in value received 100 cents or more for their tax dollar. Everyone is, I am sure, agreed about that.

Now, what are our four possible courses of action? The first is to continue Federal deficit spending until the national income has been increased to a point where, at least, the Budget is balanced. Economically this is a possible course and vastly to be preferred to an alternative of cutting down on public works employment and increasing the poverty and insecurity of our people. This program was working fairly well up to 1937, when it was virtually abandoned, the W. P. A. and P. W. A. drastically reduced, and other spending cut down. The result of our failure to carry through with this policy, as you know, was a severe recession in business activity.

Whether or not Federal deficit spending is feasible economically, it is extremely doubtful that it is possible politically for the reason that it depends on an increasing public debt. The size of that debt at present is not, in my opinion, cause for alarm. Its continual increase is a different matter, however, and certainly the people of the country are concerned about it.

Finally on this point let me emphasize that the basic reason for increasing the debt has been thereby to buy into circulation an additional volume of money in the form of bank deposits. The Government has been paying interest to the banks to get them to exercise privately a function which, according to our Constitution, belongs to Congress and it alone—the function of creating money.

The second possible alternative is that suggested by many, many speakers in the House. It is to cut Federal expenditures to meet the revenues. Not only was this method tried during the Hoover administration with disastrous consequences, but when I ask you to consider the immediate consequences of dismissing 1,000,000 W. P. A. workers on April 1 in order to accord with this program, I believe anyone who is fair-minded will see where it leads. A deflationary policy—less taxes, less Public Works employment, less farm benefits, fewer loans by Federal agencies, lower payments to the

aged—such a policy spells economic ruin for America. Politically it is at the moment popular for just one reason. That reason is that the people of America—yes; the businessmen of America—do not yet realize what its consequences would be. Economically it would be suicidal.

The third alternative offers real hope but will take courage to carry through. The demand for retirement pensions for those who can no longer find places in our industry is no mere idle thing. It is based not only on justice but on economic necessity. By a real program of better distribution of buying power, cutting down excess savings, and distribution ing them in buying power to all our people, say of 60 years and beyond, we would have an answer to the necessity of increased consumer buying power to make up for the inevitable failure of new investment to balance savings.

Such a program should not be limited to pensions on a charity basis nor to the aged. It should extend to all who cannot or ought not to be employed—widowed mothers and the disabled, for example. To be successful, however, not only must taxes be levied on a broad base, they must also tap the surplus savings themselves or be so levied as to prevent surplus accumulation. This is where we are inclined to fall down, but a courageous, ability-to-pay tax policy is the price we must pay if we want to continue our free economic system with any degree of success. Another part of this third alternative, however, must be a lowering of interest rates. The most direct way to accomplish this is by Government loans through Government credit agencies using Government credit.

But I do not believe even the third alternative can be entirely successful without the fourth one being taken, too. The fourth one is effective monetary and credit reform. If I read history correctly, the Democratic Party has, through most of its history, stood in a general way for a constitutional money system. Today its very destiny calls it, as well as all other earnest Americans, to take up this cause and fight it through.

America cannot continue to depend for her monetary supply, with which all her business must be done, upon the private creation and destruction of check-book credits by 15,000 separate banking institutions.

There are several things that must be done, and the Congress that undertakes them will be the greatest in the Nation's history.

The first and most obvious of these is a sensible financing of revenue-producing or properly secured public works. Briefly, I refer you here to my bill-H. R. 115-the Public Works Finance Act. If private finance were to lend funds for the construction of a dam or houses or any other revenueproducing project, or if it were to lend funds to a city or State or the Federal Government on the security of its bonds, it would simply lend its credit on the security of the revenues or the bonds. It would not say, "Wait; we must go and sell some debentures or some of our bonds before we will have any credit to lend you." No; it would create and lend the credit. But our Federal Government and its credit agencies-because we have given away the Nation's birthright, the right to create her money-must, before they make a loan on however good security or advance funds for a self-liquidating project, go out and sell the Nation's bonds or debentures to buy back the Nation's credit from private banks. Change this; start using the Nation's credit, always on proper security, for loans for proper national or local projects, and you will find you can have many worth-while things done and much employment created without increasing the public debt. My bill—H. R. 115-would make this possible. Let me make it clear, however, that H. R. 115 is not the general monetary-reform bill to which I referred in the beginning of my speech.

Carrying this principle one step further, a rational use of national credit for loans on mortgage security to home builders and farmers and small-business men would mean that money could be loaned them at interest rates as low as 2½ or 3 percent and still have a substantial income over and above administrative costs and losses for the Federal Treasury. It is all a question of who exercises the right to create

credit, whether it is Uncle Sam or private financial insti-

Basically, however, the main thing is to establish a scientific control in the hands of the Congress, through a proper agency, over the volume of lawful money and demand bank deposits, which constitute 95 percent of our actively circulating medium of exchange. And this implies that, while no interference would be made with banks lending actual money or with their making legitimate profits—which many of the smaller ones have not made recently—the Congress must take back to itself the exclusive right to create money and bring it originally into circulation and must stop paying tribute to the banks every time it does so. Our money supply must be geared to the growth of the Nation. It is all the people who have babies, all the people who make invention possible, all the people who contribute to increased productive capacity in the Nation. So it is the Nation itself that should bring an increased volume of money into circulation to keep pace with its population and industrial growth and to keep the buying power of its dollar on an even keel. And it is the Nation as a whole that should benefit from the creation of this money. I am not talking inflation. I am talking about scientifically preventing both inflation and deflation. Only by unified governmental monetary control and the exclusive issue of money by the Congress can these things be done.

And then we would be able to prevent what we cannot prevent now—namely, things like the destruction of \$8,000,-000,000 of formerly existing bank deposits between 1929 and 1932. This happened just because the banks called in and did not renew loans. And since the loans were flat bank credit, therefore that much of our money supply disappeared. With dollar-for-dollar reserves behind demand deposits that could not happen.

Nor will it be difficult to bring about a 100-percent reserve system at present.

For if we add the total of all reserves now held by the banks, all of their cash and all their Government bonds, the figure is very nearly equal to the total of demand bank deposits, at least so far as Federal Reserve member banks are concerned. So that if we permit the banks to count Government bonds as cash they are practically on a 100-percent reserve basis now. My bill, introduced today, proposes to keep them there, and that in future only the monetary agent of Congress shall originally create either money or credit. There are provisions in the bill to assist banks in establishing 100-percent reserves; and, if necessary, I would even be willing to lend them money at no interest at all in order to accomplish this great reform.

And, further, here is the answer to some of our great dilemmas: Why, we wonder, do farmers have surplus food while people go hungry; why do we need pensions for the aged so badly but cannot finance them; why cannot we build houses when we need them so much? Why do we have poverty in the midst of great productive possibilities? The answer is: We could solve these problems by having a system of money and credit wherein the people of America, by their industry and the growth of their Nation, would earn into circulation each year enough additional volume of the circulating medium to compensate for this growth.

The burden of taxes, the burden of unemployment, are so very heavy now largely because America is trying to buy into circulation the money she needs to do an expanding business. We have today in circulation less money—including demand deposits, of course—than we had in 1928. Our population is 10,000,000 greater. That is the story.

I do not claim that such measures as I have suggested offer a complete answer. I do say that if they are taken our national debt will stop increasing, that it can without undue burden be paid off, and that a new psychology will possess our people. And I also say that without this fundamental and eminently just measure being taken other efforts will not be likely to be so very successful. The solution of our other problems will be immeasurably advanced by and to a large extent wait upon the restoration to the Congress, by the Congress, of the constitutional right of Congress to "coin money and regulate its value."

For not in new investment alone but in increased buying power on the part of all America must the answer to the economic riddle of the machine age be found.

The CHAIRMAN. The time of the gentleman from California has expired.

Mr. SCRUGHAM. Mr. Chairman, I yield 3 minutes to the gentleman from Oregon [Mr. Pierce].

Mr. PIERCE of Oregon. The quantity of electricity used in a community depends largely if not entirely on the price. In Portland, Oreg., we have, compared to other places in the United States, a fairly cheap rate, but there we are using only about 1,100 kilowatt-hours per year per installed meter. In Tacoma, Wash., which has a publicly owned plant, with rates about two-thirds of Portland, Oreg., they are using 50 percent more power, or about 1,700 kilowatt-hours per year per installed meter. In Winnipeg, Canada, with a rate one-third that of Washington, D. C., and less than one-half of Portland, Oreg., and even less than Tacoma, they are using 4,650 kilowatt-hours per year per installed meter, four times what they are using in Portland, Oreg., because it is cheaper. Niagara has one of the cheapest producing powers in the United States—500,000 kilowatts development.

They can develop a million kilowatts at Niagara on the American side. It was developed by a private power company. The Wall Street interests invested \$3,100,000 there. They have paid dividends of \$81,000,000 on that \$3,100,000 investment, and they have property today worth \$167,000,000. The Wall Street company made 80 to 1. These are the figures of Berle, Assistant Secretary of State, and were given by him to the New York Constitutional Convention in Albany.

In the Northwest we have now installed 1,500,000 or 1,600,-000 kilowatts. The installations at Bonneville and Grand Coulee will ultimately be about that amount. It will be years before it will all be available. There will be a market for it all as soon as the power is developed.

On the Columbia River and its tributaries there can be developed 20,000,000 kilowatts, more than 40 percent of all hydro power in the United States, and there will be use for it all when it is developed—the cheapest hydroelectric power in all the world, worth more than all the anthracite beds of Pennsylvania. There is no question about its use if sold at a low rate.

Niagara's American side is a shining example of private development of hydro power. Out of an investment of \$3,-100,000, the Wall Street company has made a quarter of a billion. This is what we are trying to prevent on the Columbia River. We want the power developed for the benefit of our people.

Members of this House have received copies of a memorandum against the Bonneville appropriation, sent out by the committee of utility executives.

I am glad to note that this committee of utility executives admits, on page 7 of their memorandum, to members of the Appropriations Committee that a market exists for Bonneville power. For the last 3 years this committee has contended just the opposite, and during this period I have, in various House debates, contributed numerous studies of the power market situation in the Northwest. This admission, however, at such a late date, demonstrates that the numerous presentations made on this floor are having an effect on public opinion.

This utility committee now presents three adverse arguments against the pending Bonneville appropriation. Their arguments are based on alleged duplication of existing facilities, hypothetical tax losses, and a supposition that congressional approval of the Bonneville appropriation would represent a contradiction of the recent declarations of the President and Secretary Hopkins. None of the arguments presented in this memorandum are valid. The information on which it is based is factually incorrect.

DUPLICATION OF EXISTING FACILITIES

I was once the owner and operator of an electric power system in eastern Oregon. When I found that I could not play the game as the holding company officials were dictating, I disposed of my holdings. I have built and operated trans-

mission lines. I know the transmission situation in the Northwest and can state that the committee's presentation of the transmission situation is a complete misrepresentation. The transmission layout contemplated in the 1940 Bonneville program does not represent a duplication nor a displacement of existing facilities. On the contrary, this layout is a contribution to the existing private power facilities in increasing their values, and extending their period of usefulness.

Mr. Gadsden, representing the committee of utility executives, presents two maps to substantiate his allegation as to duplication, but refrains from noting on his maps the voltage of the lines shown, and the conductor sizes. He leaves the reader with the idea that the existing transmission lines are so built, and have such high voltage that they can handle loads coming from Bonneville. This is incorrect. Most of the lines shown on his maps are low-voltage lines with small conductor sizes. These lines are totally inadequate to handle the loads necessary to market Bonneville power.

When the Bonneville Act was before the Rivers and Harbors Committee in the spring of 1937, I presented the facts as to transmission capacities, and stated that it would take 220,000-volt lines to handle the Bonneville output. The only line of this voltage in the States of Washington and Oregon is the double-circuit line running from the Diablo plant to Seattle and owned by the Seattle "City Light." There are a few 110,000-volt lines in the State of Washington that have intermediate capacity values. These lines are located in the Little Falls-Spokane district, and from the Baker plant to the cement works. The city of Tacoma has a fair-sized line from Cushman to Tacoma but this line is removed from any area contemplated in the Bonneville transmission lay-out. There is another 110,000-volt line running a short distance from the Ariel plant to Portland. This is a single line without any reserve transmission capacity.

The pending Bonneville construction appropriation contemplates a duplicate reinforcing transmission line from Bonneville to a point southeast of Yakima, Wash. This line will tie into lines which are projected into eastern Oregon and eastern Washington to handle irrigation pumping loads and a sizable rural cooperative which has been successfully established in the congressional district which I represent. Also included in this appropriation is a double line from a point near Yakima to Pasco, Wash., with extensions to Umatilla and Pendleton, Oreg. Another line is projected from Yakima to Ellensburg, in Washington. This line will serve an existing public undertaking. Another line will be extended from Bonneville toward Condit and will be tied into a line already authorized from Bonneville to The Dalles, in Oregon. Another line is projected from St. Johns and the Portland area to Astoria.

Now let us look into the situation as to the existing private lines. There is only one line extending eastward from the Bonneville area, and it has a nominal capacity of 13,000 kilowatts. This line is already loaded and no duplicate facilities exist. The maximum that the present line could handle would be possibly 5,000 kilowatts when a capacity of at least 100,000 kilowatts is needed. Extending westward from Bonneville is a single 66,000-volt line with an available capacity of about 12,000 kilowatts to handle another 100,000 kilowatts of capacity.

The same situation prevails in the Willamette Valley. There are two existing low-voltage transmission lines running from Portland to Salem, and these lines have practically no additional capacity. From Salem to Eugene there is only a single line, already loaded, connecting the systems of the Portland General Electric and the Mountain States Power Co. The public plant at Eugene formerly purchased auxiliary service from this line and the line running south toward the plants north of Medford. Service was so unsatisfactory from these two lines that the public plant at Eugene had to discontinue connections with these lines.

There is only one line from the Yakima country routed southeast toward Pasco and Pendleton. This line has such a small nominal capacity that it would be of no service to my country in handling Bonneville power. I could discuss this situation at length, but there is no need as I have covered the existing control transmission lines. South of the Columbia and east of Hood River the existing lines are nothing more than semirural facilities of very limited capacity.

From reading the presentation before the Appropriations Committee and being present when this testimony was given, I am in a position to state that the projected Bonneville lines will be tied into the existing facilities, giving a two-way feed, shortening the transmission distance of the secondary lines, increasing the capacities of the existing lines, and lengthening their useful life. To say that the projected Bonneville lines would represent a duplication is absurd to one familiar with the existing lines.

TAXES

I have previously discussed in my speeches on this floor the utility tax situation in Oregon, in the State of Washington, and in Washington, D. C. There will be no displacement of State and local taxes. Administrator Ross has publicly announced that contracts made between the Bonneville administrator and the public and cooperative plants will contain stipulations safeguarding the tax situation. Two years ago I compared the amount of taxes paid by the Tacoma plant and the Potomac Electric Power Co., serving Washington, D. C., showing that the Potomac Electric Power Co. is paying an indecently low tax bill. I also pointed out in a speech a year ago that private utilities of Oregon and elsewhere are re-collecting from public institutions and municipalities, through power sold them, a goodly share of the taxes they have paid.

POLICY STATEMENTS

I was a part of the fight during the enactment of the Bonneville legislation. I offered a bill which was practically parallel with the bill reported by the Rivers and Harbors Committee. I feel that I am in a position to state that that appropriation is fully authorized by the act of August 20, 1937, and that there is no item in the pending appropriation which would represent any expansion beyond the point authorized by Congress 2 years ago.

APPROPRIATIONS AND ALLOTMENTS

The committee's chart 1 sets out appropriations and allotments for the whole Bonneville navigation and power project, totaling \$73,342,810. Included in this sum is an item of \$53,188,800, capital cost of the entire plant as allocated by the Federal Power Commission. If this utility committee wanted to be fair, they would have quoted the allocation order of the Federal Power Commission issued under date of February 8. 1938. In that order it stated that out of the \$53,188,800, \$5.517.600 represented facilities used only for navigation purposes, namely, the ship lock; and that out of the \$53,000,000. facilities which are used solely for power amount to only \$9,180,500, and facilities having a joint value between navigation and power, such as the fishways and the dam, amounted to \$38,490,700. The allocation order of the Federal Power Commission further sets out that only \$11,682,400 was initially allocated solely to power.

ENORMOUS UTILITY PROFITS

There is very little difference between the average residential rate of the State of Oregon and the rate applying in Washington, D. C. The Washington, D. C., average rate is about 11 percent higher than the average Oregon rate. The relatively low Oregon rate, compared to the national average, is largely due to the influence of the Eugene, Oreg., public plant, which with Tacoma has the lowest rates in the United States.

On July 27, 1937, I addressed this House on the subject of Utility Rates and Earnings in the District of Columbia. The District company in 1937, under the comparatively low average rates, earned 75 percent on the common stock because of official laxity in law enforcement. This is something the District Committee should investigate. It is easy to show that this company is earning around \$4,000,000 annually more than the amount to which it is entitled by law. The law requires a sliding scale as to dividends and rates, but the local utility commission has neglected to enforce the dividend section.

The earnings of the local company have been so large since the consent decree that it has paid out \$27,600,000 in dividends. It has impounded \$12,800,000 in a reserve fund which has been charged to operating expenses, and has invested \$41,200,000 in the property. All of these sums have come from the rate payer. Nearly 90 percent of the value of the local property, which amounts to some \$73,800,000, has been taken from the rate payer in excess charges, even under rates materially lower than the other private utilities are charging.

The Federal and District Governments are paying annually, here in Washington, practically \$460,000 in excess charges over a 10-percent dividend return on the common stock of the company, an amount illegally collected. No wonder Mr. Gadsden and his committee have tried to defeat every public power measure which has come before Congress. These selfish interests have only one purpose, and that is to freeze the water in their capital structures and to prevent the American electric consumer from knowing what it really costs to produce, transmit, and distribute electricity. The move on the part of these interests to defeat the pending Bonneville appropriation amounts to an effort to continue their right to pick the pockets of the electricity-consuming public. [Applause.]

Mr. RICH. Mr. Chairman, I yield 5 minutes to the gen-

tleman from Michigan [Mr. BLACKNEY].

Mr. BLACKNEY. Mr. Chairman, I desire to call the attention of the committee for a few brief moments to one feature of this bill that I think shows clearly the policy of the American Government. Since the inception of our Government we have been vitally interested in the cause of education, and the very year that the Constitution of the United States was adopted the Ordinance of 1787 clearly set up our proposition with reference to education.

My own State of Michigan is known as one of the pioneer States of education. I am particularly interested, therefore, in the Department of Education, and particularly with reference to Howard University, because of the fact that in the State of Michigan many colored lawyers, doctors, and businessmen are graduates of that institution, and also because of the fact that the great majority of colored people in my district are vitally interested in the cause of education.

The appropriation for the salaries as given in this bill is \$557,000, with general expenses of \$188,000, or a total of \$745,000 given by the Government to Howard University.

Now, what is Howard University? During the school year of 1866-67, with very meager equipment, with a handful of students, surrounded by an atmosphere of unfaith in the ability of the colored man to advance. Howard University was organized for the purpose of developing teachers to help that harassed and scattered race. Seventy-one years ago that was. Today Howard University is a university with 2,240 students enrolled. Those students are in the undergraduate, graduate, and professional schools of that university. They come from 42 States and 16 foreign countries. The university has an investment in excess of \$9,000,000. They have 10,266 graduates who are now working in 43 States of the Union and in 24 foreign countries. They have a faculty which is the largest faculty of Negro educators in the entire world. Of those 10,266 graduates, 1,799 are doctors and surgeons, representing 48 percent of the total colored practitioners in medicine in the entire United States. Of that number 835 are dentists, which represents 49 percent of the colored dentists practicing in America. Of that number 1,210 are lawyers, which represents 96 percent of the colored lawyers practicing in America. Six hundred and six are teachers of religion. Five hundred and twenty-one are pharmacists. One hundred and forty are engineers and architects. One hundred and fifty-eight are in business or in finance. That is a record that any university could be proud of. The colored race has a right to be proud of Howard University. The people of America have a right to be proud of that university. In every colored population center of the United States are graduates of that university who are endeavoring to raise the standard of educational qualifications of the colored race.

When President Roosevelt in 1936 addressed the university at the time of the dedication of one of their new buildings he made the statement:

I have a special interest in Howard University because of the fact that the Government of the United States has a special relationship toward this institution.

That special relationship to which the President referred was passed by an act of Congress in March 1879, when the Congress that year made an appropriation of \$10,000 for Howard University, knowing of the splendid work that that institution was doing. That has continued during the years, with a steadily increasing appropriation. [Applause.]

On December 13, 1928, both Houses of Congress passed and the President of the United States signed a bill amending the act incorporating Howard University so as to provide substantive law for appropriations thereto in language as follows:

[Public, No. 634, 70th Cong., vol. 45, p. 1021, sec. 8]

Annual appropriations are hereby authorized to aid in the construction, development, improvement, and maintenance of the university, no part of which shall be used for religious instruction. The university shall at all times be open for inspection by the Bureau of Education and shall be inspected by the said Bureau at least once a year. An annual report, making a full exhibit of the affairs of the university, shall be presented to Congress each year in the report of the Bureau of Education.

As a result of this study a definite program to establish Howard University on a first-class basis was worked out in every detail, and a formulation of financial support, based upon the experience of the Government, was established and agreed upon by the experts of the Office of Education, the United States Commissioner of Education, the Secretary of the Interior, and the Subcommittee on Appropriations of the House of Representatives dealing with the Interior bill.

As a result of historical conditions beyond their control, the colored people in the United States stand in an abnormal relationship to the tax-supported educational institutions within the States of their major residence. They are not admitted to some State universities legally supported by State and Federal funds, and no separate universities are established from the public funds to serve them. All such institutions thus far established are of and below college grades.

As a result of this abnormal relationship there is a serious shortage of higher educational facilities for colored people in the United States. While they constitute one-tenth of the population of the Nation, they have less than one-fiftieth of the enrollment in colleges, universities, teachers colleges, and normal schools. For example, the entire income of all 79 institutions, public and private, ministering to the higher educational needs of this colored one-tenth of the population in 1926 was less than the expenditure of the University of Michigan for that year. This lack of adequate higher educational facilities translates itself into a serious shortage of competent services in matters fundamental to the life and development of the colored people, to the States of their residence, and to the Nation.

It means a serious shortage of competent primary- and high-school teachers, of physicians, nurses, dentists, pharmacists, architects, engineers, chemists, trained clergymen, and leaders of every kind. For example, while there is one physician and surgeon in the United States as a whole for approximately every 800 in the population, in the State of Mississippi there is 1 Negro surgeon for every 14,221 of the Negro population; in the State of South Carolina, 1 for every 11,846; in the entire group of South Atlantic States, 1 Negro physician for every 4,091 population.

Again, while in the United States there is 1 lawyer, judge, and justice for every 750 of the population, in the State of Georgia there is 1 lawyer for every 71,000 of the Negro population; in Alabama, 1 for every 236,000; in the entire group of Eastern South Central States, 1 Negro lawyer for every

43,578 of the Negro population.

Again, in the United States there is 1 dentist for every 1,700 of the population. In the State of Mississippi there is 1 Negro dentist for every 34,813 of its population; State of Louisiana, 1 for every 17,252. In the entire group of the South Central States there is 1 Negro dentist for every 14,686 of the Negro population.

Howard University exists to serve the urgent needs of this disadvantaged one-tenth of our population. It constitutes the only complete university organization in the United States, including undergraduates, graduates, and professional schools, ministering directly to the colored people,

[Here the gavel fell.]

Mr. RICH. Mr. Chairman, I yield to the gentleman from Minnesota [Mr. ALEXANDER] 1 minute.

A NEW NEUTRALITY ACT FOR JAPAN

Mr. ALEXANDER. Mr. Chairman, though the question of neutrality is not up before the House today it was nevertheless brought to our attention very strongly yesterday afternoon by the distinguished gentleman from New York [Mr. FISH1. His speech was unnecessarily violent, often beside the point, and in many cases misinterpreted history and facts. But above all, I, as a Republican, do not consent to the all-inclusiveness of his references, nor do I subscribe to his reading out of the long line of great Republican statesmen the name of Henry L. Stimson. In repudiating Mr. Stimson as a great Republican statesman, the gentleman from New York must also, if he is to be consistent, repudiate such great American figures as William McKinley, John Hay, Elihu Root, Theodore Roosevelt, and Charles Evans Hughes, who held the same view in their day. Mr. Stimson carries on the traditions of these great Republican forebears and it is in an unfortunate way simply confusing the issues facing the American people today to attack him and a Democratic President for continuing these traditions. Due to the serious international situation, it is unfortunate that the gentleman from New York has seen fit to echo the dastardly self-serving, facesaving words of Hitler, Mussolini, and some of the more rabid militarists in Japan when he accuses President Roosevelt of being a war monger and a man whose chief aim is to draw the American people in a war against aggressor nations. He even went so far as to bring up the thought of impeachment. Now, whatever policy Congress adopts in collaboration with the American people, it seems to me we must, above all things, present a common and united front. Nothing, absolutely nothing, gives the aggressor nations so much courage as to be able to point out to their own people through their controlled press and radio that the American people are disunited and are cowardly in the face of strong-arm methods abroad in the world today. What we need, rather, is to stand firm in the face of these conditions, much like "Teddy" Roosevelt did in his heyday.

The gentleman from New York accuses the President of having failed to enforce an act of Congress. That, I think, can be denied very definitely. Though the Sino-Japanese conflict can be interpreted as a state of war, nevertheless, it has not yet been openly declared to be such by any nation. This conflict is one of many similar conflicts which have been raging throughout the world since 1931.

If we were to apply the Neutrality Act every time a gun was shot off by one nation against another for one reason or another, we would today have business dealings with only a very small section of the world. The gentleman from New York knows as well as I do that this Neutrality Act was enacted specifically with an eye toward Europe in 1935, first in the Ethiopian conquest by Italy and then in the Spanish conflict starting in 1936. The inconsistency of the act is as he himself admits not due to any misinterpretation of it by our Government, but because it was designed for one purpose, and one use only-in Europe-and has since become inadequate to handle our new foreign affairs and the new problems presenting themselves since 1937 in the Far East. Since he expresses a willingness to modify or repeal it in favor of legislation more suitable to the needs of today, is not it beside the point to rehash the inconsistency of the act as well as to muddle the water in which we must now trace a new course in an effort to protect the best interests of the American people?

The gentleman from New York stated that our present Neutrality Act, if applied, would have hurt Japan more than China. That conclusion is incorrect. Since shipments of raw materials and machinery to Japan cannot be embargeed under the act its application would hurt China a lot more than Japan, which is a nation with very large and effective munitions industries. Some figures at this point make some very interesting reading. The total exports from America to Japan for the 2 years 1937 and 1938 come to the figure of \$528,133,000. No other nation has sold nearly as much material to Japan during this period. In 1937 we supplied Japan with 54.4 percent of its war material imports as against 17.5 for the British Empire. Though the percentage is large. the actual total sum covering finished munitions is small, there being somewhat over seven and one-half million dollars for 1937, and it will probably total in the neighborhood of a similar sum for 1938. These purchases of American-finished munitions represent a small fraction of Japan's total purchases from the United States. The reverse is true of China. Its purchases of munitions is a very large percentage of the total imports from us.

This is important, in view of the provisions of the Neutrality Act. That act, if enforced, would embargo exports of finished munitions, and thus hurt China. It would not at all embargo the huge quantities of essential war materials which Japan buys in the hundreds of millions of dollars. Japan has the machinery with which to convert these raw materials into finished munitions, and Japanese control of the seas and its ownership of a large merchant marine can overcome cash-and-carry features, whereas China would be hopelessly lost. It would be prevented from buying any munitions at all, and it would not have the cash nor the ships nor the factories with which to make use of our raw materials. Thus Japan would go on buying the war materials it most needs, while China would be deprived of the finished munitions which she needs most. In addition, the present Neutrality Act would embargo American credits, which are much more likely to be advanced to China than Japan. Thus we are using our economic strength, on the one hand, to build a great navy with which to defend our rights to trade freely with any nation we like, while, at the same time, we are using this strength to equip a nation which is continuing to threaten this very right to the freedom of the seas. In fact, we are her partner in her action of lawless aggression, while we play politics under our present Neutrality Act, made solely for use in Europe.

It is a strange paradox that those who attack the administration's foreign policy most severely are at the same time the most vocal opponents of relief expenditures and Government participation in our economic life. I do not say that we should do the latter, but they fail to see that such Government participation must increase as we continue to permit aggressor nations to limit our world trade more and more. There is a great connection between our foreign policy and our internal policy. One cannot be discussed intelligently without the other. I hope the gentleman from New York and those who applauded him will consider these two questions with the seriousness which they deserve, and not cover them with slander, violent language, and the denial of the best traditions of our Nation.

Mr. Chairman, I ask unanimous consent to revise and extend my remarks in the RECORD and include therein a copy of some remarks made yesterday over the Columbia Broadcasting System by myself.

The CHAIRMAN. Without objection, it is so ordered.

There was no objection.

Mr. LEAVY. Mr. Chairman, I yield 8 minutes to the gentleman from Idaho [Mr. WHITE].

Mr. WHITE of Idaho. Mr. Chairman, I wish more Members could have been on the floor to hear the able presentation of the monetary system and fiscal policy made by the gentleman from Maine [Mr. OLIVER] and the gentleman from California [Mr. Voornis]. There is a great drive now on to tighten the interest load on the American people. The economists of the country, some 68, are making a determined effort to scuttle forever the silver-purchasing policy and tighten the interest rate on the American people, all of whom are staggering now under the heaviest interest load the country was ever called upon to bear.

Mr. Chairman and members of the Committee, the opponents of the national administration's silver-purchase program are

vociferous in their denunciation of one of the most constructive and profitable money programs that the Treasury of the United States has ever put into operation—the only monetary program on which the Government is making a profit today.

The members of the self-constituted Economists National Committee on Monetary Control have come out with a pronouncement against silver signed by 68 economists, which I insert herewith in the RECORD.

Insert herewith in the Record.

From December 21, 1933, to date the Federal administration, by Presidential proclamation, has been fixing the prices to be paid to domestic producers of silver. These prices have ranged from 64.64 cents to 77.57 cents per fine ounce. Under this system of arbitrary Government price fixing our silver producers have been receiving large subsidies. Their size is determined by the pleasure or discretion of the administration. The present price paid for domestic silver is 64.64 cents per fine ounce, and represents a subsidy of approximately 50 percent above the prevailing world price of silver.

Since the effectiveness of the proclamation which fixes the present price of domestically produced silver expires on December 31 of this year, we, the undersigned members of the Economists' National Committee on Monetary Policy, urge that the prevailing policy of subsidizing our silver producers be discontinued. We urge its discontinuance in the interests of a sounder currency and the general welfare. It is particularly undesirable to leave to the discretion of any administration the question of what the price of silver and consequently what the subsidy to our silver producers shall be.

We also recommend, in the interests of a sounder currency and the public welfare, the repeal of the Silver Purchase Act of 1934, which is diluting and weakening our currency structure with overvalued and inflated silver and silver certificates.

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These students and teachers of finance and political economy doubtless have a profound knowledge of economic law and must be familiar with the economic history and development of the several national monetary systems and more especially with the monetary system of the United States.

In their communication they "recommend in the interests of a sounder currency and the public welfare the repeal of the Silver Purchase Act of 1934 which is diluting and weakening our currency structure." Now, in considering the recommendations of these eminent gentlemen in connection with the recent financial history of the United States, I am sure it has been clearly demonstrated to the entire satisfaction of most everyone, with the possible exception of these 68 economists on whose advice much of the past monetary legislation was devised and enacted into law, that our money system has signally failed to meet the requirements of the American people in the conduct of their business. Due to this failure the country has been plunged into one of the most disastrous financial depressions of its history, a depression from which we have not as yet recovered. Through most of the Hoover administration and all of the succeeding administrations the Congress and the National Government, in an effort to remedy these conditions have devised and put into operation a series of banking and credit expedients which are only substitutes for a sound and adequate currency.

These attempts to remedy the defects in our banking and monetary system have met with little success, and now business finds itself in a condition in which the influence of big bankers and their zealous servants, the so-called economists, are largely responsible, with the result that we are struggling with a system that has laid an unbearable interest load on the American people as the price of operating their-the people's-monetary system with Federal Reserve currency.

When this system failed with such disastrous consequences in the recent depression and it was demonstrated so clearly that it was necessary to strengthen our financial structure by broadening the metallic base of our redeemable currency by adding silver to the money volume and thus relieve the strain on gold and obviate the necessity of revaluing the dollar-when we were in a fair way at last to give the country a sound, workable, adequate money system by the remonetization of silver, the bankers and their helpful economists stepped in to save their precious interest yield and their prerogative to expand and contract the currency and thereby control prices and instead of remonetizing silver to place our currency on a sound foundation of money redeemable in gold and silver which would have created a stable dollar with which to measure values, a dollar that would remain constant in its purchasing and debt-paying power. The influence of these so-called economists prevailed and the people were given a new artifice by the statute which created the Reconstruction Finance Corporation, an instrumentality to draw on the collective credit of the American people through the taxing power of Congress to finance loans to individuals and business organizations, thereby salvaging the interest yield of the bankers from the threat of the remonetization of silver and the creation of a sound currency.

What is the Reconstruction Finance Corporation? In the first place it is a poor substitute for bimetallism; in the second place it is the greatest reservoir ever created for the storage of wealth out of reach of taxation, a Government facility which relieves the financiers and capitalists of the risk and expense of lending their money and collecting the interest and principal, an agency that absorbs through the medium of tax-exempt securities the bulk of the money available for investment and forces business and industry to turn more and more to the Government for the necessary money to finance its operations.

Let us remember that this system, this substitute, has the approval and acclaim of these eminent economists, 68 leaders of financial thought in this country—and how has this system worked?

The people through their Government have lost on one class of R. F. C. loans, to say nothing of the Dawes grab of \$90,000,000, and the class of loans that includes the ministration to the railroads. The Reconstruction Finance Corporation has canceled under authority of legislation enacted by Congress over \$2,500,000,000 in R. F. C. loans, to be exact as stated in a letter from Chairman Jones under date of February 13, 1939:

In response to your inquiry of February 3, 1939, we wish to advise that as at the close of business January 31, 1939, the Secretary of the Treasury had canceled Reconstruction Finance Corporation notes aggregating \$2,699,236,945.83, pursuant to Public Act 432, Seventy-fifth Congress, approved February 24, 1938.

Just a small item in the staggering price the American people are paying for a faulty and unworkable monetary system. Do these eminent economists and the American people want further proof of the advantages of the "sounder currency," the brain child of these economists, a currency system that made necessary the Reconstruction Finance Corporation, the expedient that blocked the remonetization of silver, which would have relieved the greatest money shortage in relation to the needs of the people this country ever experienced.

As these eminent gentlemen have raised the question of silver in our currency system, it might be well to point out to them the essential difference in the mechanics of creating and circulating Federal Reserve notes not redeemable in coin and silver certificates redeemable in silver dollars and explain the difference between the cost in the form of a continuing interest charge attached to the issuance and circulation of the kind of money they advocate, Federal Reserve notes, legal tender currency, and the profit the Government makes on the issuance and circulation of silver certificates and the saving in interest to the American people by the use of this kind of money, legal tender silver certificates, free of a continuing interest charge.

Now how are Federal Reserve notes created and placed in circulation? To get this money—Federal Reserve notes and place it in circulation in the channels of trade and business, people engaged in business must borrow money from a bank on short-term interest-bearing obligationseligible paper-which in turn must be guaranteed by the lending bank and rediscounted by the Federal Reserve bank to secure the issuance of Federal Reserve notes equal to the amount of the promissory note-eligible paper-deposited with the Federal Reserve bank as security. By this operation business must pay current rates of interest on every dollar of money in the form of Federal Reserve noteslegal tender money-that is placed in circulation and as long as it is kept in circulation, and the businessman must pass this item of interest as part of the cost of doing business on to the customer.

Now how are silver certificates created and issued into circulation? The Treasury buys domestically mined silver at 64.64 cents per ounce and immediately issues silver certificates at \$1.29½ per ounce against this silver, making a 100-percent profit on the transaction, and buys foreign silver at 43 cents per ounce and makes a profit of 200 percent by placing the silver in circulation in the form of silver certificates—money that is placed in the channels of trade and business by the Government interest-free in paying current expenses.

As an example of how this money—silver certificates—is placed in circulation, it is interesting to note that Members of Congress and their clerical help in cashing pay checks at the Disbursing Office in the Capitol are paid in brand new silver certificates which they proceed to put into circulation. Let us examine the facts concerning this money—silver certificates—"which is diluting and weakening our currency structure." Silver certificates is the only paper money which we have which is redeemable in coin and, as a matter of record, most of the silver, as fast as it is acquired, is put into circulation as money, as is evinced by the daily statement of the Treasury, the amount of silver certificates increasing day by day as silver is purchased.

Consulting the daily balance sheet of the Treasury of December 22, 1937, 1 year before the release of this pronouncement, under the heading "Silver," we find there was \$1,436,359,530.10 in silver on hand against which there was in circulation in the form of silver certificates and Treasury notes of 1890 \$1,392,303,346, and on November 22, 1938, 30 days before the release of this pronouncement, we find there was \$1,603,827,604.29 in silver in this account and that the silver certificates and Treasury notes of 1890 in circulation against this silver was \$1,574,972,353. Thirty days later, on December 22, 1938, the day of this release, there was \$1,629,983,167.79 in silver in this account and the currency in circulation against this silver in the form of silver certificates and Treasury notes of 1890 was \$1,582,363,371, showing an

increase of \$7,391,018 in new currency placed in circulation in the month preceding the release of this pronouncement against silver.

Now concerning the recommendation of these 68 eminent economists, "in the interests of a sounder currency by repealing the Silver Purchase Act of 1934, which is diluting and weakening our currency structure," let us consider the soundness of each kind of money.

Silver certificates are redeemable in silver dollars and are backed 100 percent with silver bullion valued at the cost price of the bullion to the Government for every silver certificate in circulation. Federal Reserve notes are not redeemable in coin and the law requires only a 40-percent gold coveragegold, that it is illegal to use as money. The advantage of using this kind of money-Federal Reserve notes-we are told, is "that when business gets slow and currency piles up in the bank, it—the local bank—goes to the Federal Reserve bank and pays back the currency it secured and redeems its collateral—reducing commercial loans. The Federal Reserve currency is then retired." It should be apparent that this is just the trouble with their system. The difficulty is to get the banks to create and issue this money again when neededat times when it is most needed—as business learned to its sorrow in 1929.

Do these eminent educators seriously contend that the kind of money that goes out of existence when business slows up is better than the kind of money that remains on deposit to be withdrawn and put to work at the will of its owner? Do they believe that business and employment is made more secure by the monetary system dependent for its creation and circulation on banking conditions and "confidence" of the banker in making loans on future business conditions and the ability of the applicant to repay the principal with interest? Do they believe that this kind of currency is better than silver certificates redeemable in silver dollars, which are permanent in their existence and remain the property of the owner to be put to use whenever wanted?

Surely a billion and a half dollars of silver certificates—legal-tender money—is an invaluable stabilizing influence in the Nation's monetary system. These eminent gentlemen are concerned about "a sounder currency." Let them explain what was wrong with the currency and the Federal Reserve banking system in 1929 and why it was necessary to bolster this perfected banking system with the financing operations of the Reconstruction Finance Corporation; and let them explain the circumstances that plunged the country, with all its resources and facilities for production and distribution, \$44,000,000,000 in debt, with an annual interest charge which all the money we have in the form of silver certificates would hardly pay the interest on for 1 year.

In their solicitude for a sounder currency have they—these economists—taken into account what the failure of this undiluted currency has contributed to existing business contions, unemployment, and public debt? Can all the 68 compute the loss suffered by the American people resulting from our faulty, defective, and unworkable monetary systems?

Have these disinterested (?) economists in their zeal for "the general welfare" considered the real motive behind this opposition to the Government's silver policy? Do not they know it is the simple matter of collecting interest by the banks on the money in circulation?

We have today \$1,599,577,227 in interest-free silver certificates in circulation which these 68 economists want us to retire "in the interest of a sounder currency," to be replaced by Federal Reserve notes—money that must be supported while it is in circulation by interest-bearing commercial paper or Government bonds which would yield the banks in interest computed at 3 percent, \$47,987,316.61; but we all know that current rates of interest on business notes is more than 3 percent. If we calculate the interest at 6 percent, then the Federal Reserve notes which would replace the silver certificates now in circulation would yield the bankers \$95,974,633.22—\$96,000,000 every year flowing to the banks out of the pockets of the American people as the price of keeping this billion and one-half dollars in circulation when we are already

paying an interest-carrying charge on the bulk of the money now in circulation; that is, Federal Reserve notes and Federal Reserve bank notes.

According to the Treasury statement of January 31, 1939, this currency in circulation amounted to \$4,707,729,936, on which the interest, computed at 6 percent, is \$282,473,796.16—a charge which business must raise every year and pay as interest to keep this money in the channels of trade and business.

In addition to this interest load, we are paying a service charge on \$44,000,000,000,000 of public debt. We must carry this load "in the interests of a sounder currency and general welfare"—whose welfare, the American people's or the American banker's? Is there no limit to the tax and interest load that these 68 eminent economists would lay on the backs of the American people?

Let me say of these disinterested(?), learned, and eminent economists that there can be no permanent prosperity in this country until our Government devises and gives to the American people an adequate, workable monetary system free of a continuing interest charge; and when the Government sets about doing this thing, let us thrust aside self-seeking bankers and financiers, and the Lord deliver us from the advice of political economists. [Applause.]

Mr. LEAVY. Mr. Chairman, I yield 5 minutes to the gentleman from Arizona [Mr. MURDOCK].

Mr. MURDOCK of Arizona. Mr. Chairman, reference was made during debate on this bill today to the situation of the Navajo Indians of Arizona and New Mexico. I want to defend the appropriation carried in this bill for these Indians.

Let me point out that the Navajos are increasing in numbers rapidly. Some 10 or 12 years ago they were fairly well fixed individually. The Navajos are a seminomadic people who live on their flocks and herds. They weave the remarkable Navajo rugs, of which there is no superior and few equals in all the fabrics known to man. These people have been crowded into an area which one of my colleagues referred to as a God-forsaken country. At the present time it may look like a God-forsaken country, but I must remind you that there was once a time, before the coming of the white man, when that high plateau, in fact, the whole region round about the place where the four States corner—I have reference to Utah, Colorado, New Mexico, and Arizona-that whole region was the home of prehistoric men. It was populated with a teeming population. Only their ruins now attract our attention and cause us to wonder how it happened that prehistoric men, probably coming from Asia by way of Alaska, having the whole North American Continent on which to locate and make their homes, should have located where they did. These prehistoric men disappeared because they were unable to build the great engineering projects to conserve water which modern man has undertaken.

I am not speaking of the Salt River Valley in which I live, nor the Gila Valley nearby; I am talking of the barren plateau region on which the seminomadic Navajo Indians now reside. They have overgrazed it; yes, and they must reduce their stock; but there is a limit to how much they can reduce and live.

I tell you, Mr. Chairman, we must, in the name of humanity and fairness to the American Indian, especially the Navajos, do something to protect them, not as a vanishing race but as an increasing race of people who have something to contribute even to our cultural life, and particularly to our industrial life. This latter remark applies to the Hopi Indians who live in that region, as well as to the Navajos, only that the Hopi contribution is relatively greater. So I do not feel that the committee has wastefully appropriated anything in this bill; nor has the Indian Bureau spent too much money for these Navajos in the past. The Navajo Indians, in my opinion, constitute economic problem No. 1 for the Bureau of Indian Affairs to solve, and I trust that we shall have the right spirit in dealing with them. The appropriation asked for to continue work on the dam on the Colorado River at Parker, Ariz., is intended to be a distinct aid to the Navajo Indians, as well as to the Mohave Indians. Do not let the distance of this dam from the Navajo Reservation confuse your minds as to its benefits.

This dam being built at Parker will provide water for about 100,000 acres of good land. This is an enlargement of an early Arizona irrigation project built for the Indians in the early days of Arizona Territory. It is a most commendable project and must be carried forward as planned. [Applause.]

Mr. LEAVY. Mr. Chairman, I yield 2 minutes to the Delegate from Alaska [Mr. DIMOND].

Mr. DIMOND. Mr. Chairman, I had hoped to be able to secure at least 20 minutes in order to tell the Committee something about the reindeer of Alaska and about the proposal to buy the non-native-owned reindeer and the distribution of them amongst the natives. It is obviously impossible to put the facts before the Committee in 2 minutes, and I rather detest the idea of extending remarks in the RECORD, because, after all, I do not know how many of the Members of this House are going to read them. In the limited time allotted to me, however, let me say that my only present request to you is to read the report of the special committee that investigated the entire subject of the reindeer of Alaska during the past summer, a committee chosen by the chairmen of the Appropriations Committees of the House and Senate and consisting of Dr. Wilson of Virginia; Mr. Reeds, of Colorado; and Mr. Rachford, who is employed by the Forest Service in Washington, D. C.

This committee unanimously, decisively, and definitely recommended that the non-native-owned reindeer of Alaska be purchased and that the same be held in trust for the natives or distributed among them. There is not any doubt about the nature of the inquiry they made nor the conclusions they reached. This was a committee composed not of employees of the Government generally or of administrative officers but a committee representing in reality the House and Senate of the United States. Their whole story is in the Record, and that story demonstrates why the reindeer ought to be bought, how the Government and how the people of the United States will benefit if the plan is carried out.

There is so much that can be said upon the subject a good deal of time would be required to say it all, but now I ask that you read the record of the hearings with respect to this subject.

Mr. Chairman, it is impossible to get an adequate grasp of this question unless one knows something of the history of the introduction and use of reindeer in Alaska. The statement of the matter contained in the hearings is brief, but I shall try to further summarize it.

When the white men first came to the shores of northern Alaska, the Eskimo population was much larger than at the present time. The Eskimos were not only more numerous but life was for them not particularly harsh, despite the climate, because they had available an ample supply of food in the walrus and seals and whales of the ocean and in the caribou on land. But the white visitors, here as elsewhere, soon changed all of that. They killed almost indiscriminately both the sea and the land animals until in the 1880's the natives were confronted with extinction through lack of food. Many of them died. One might say that they died of starvation, but the eminent correspondent of the New York Times in Russia, Walter Duranty, used a different term. As related by Eugene Lyons, when 4,000,000 of the peasants of Russia, by reason of the policy of the National Government, met death from lack of food, Mr. Duranty reported that there had been no starvation but that some of them had died from malnutrition. And so I suppose we can say that large numbers of Eskimos in the decade before 1890 passed away from mulnutrition.

A distinguished Presbyterian missionary, Dr. Sheldon Jackson, conceived the idea of bringing reindeer from Siberia to replace the nearly exterminated caribou of northwestern Alaska and thus provide a food supply for the Eskimos as well as a source of clothing. Dr. Jackson managed to impress his views upon the Government, and so between 1890 and 1902 approximately 1,280 reindeer were brought from Siberia and landed on the coast of northwestern Alaska. From those

1,280 have come the present herds which the special committee appointed by the chairmen of the Appropriations Committees of the House and Senate estimates to now number about 500,000

For many years after the reindeer were brought to Alaska the use made of them was in all respects excellent. A highly competent man, imbued with the deep sense of the obligations of public service, and devoted to the welfare of the Eskimos, William Thomas Lopp was in charge of the Alaska Reindeer Service. Laplanders, experienced in reindeer care and herding, were brought from Europe to teach the Eskimos how to handle the deer. As the deer increased in number a number of herds were established and these herds were constantly cared for by the Eskimos under the supervisions of the Laps and under the general charge of Mr. Lopp and his assistants. It is important to note that the reindeer were herded at all times, just as has been the custom in northern Europe and Asia for centuries. The deer really became domesticated and were used not only as a supply of food and clothing, but also to serve as transport animals, particularly in the winter. A well-trained and healthy reindeer can travel an almost incredible distance with very little food.

In 1914, or about that time, white men first purchased reindeer, so far as I am aware. The natives were doing so well with the reindeer that some of the white residents thought they could see in reindeer possibility of a great industry. Mr. Lopp consistently and continuously opposed, so far as he was able, the acquisition and ownership of deer by any but the natives. But he was overruled by the authorities at Washington, and so the white men's herds became more numerous through purchase and through natural increase. Finally, in the early 1920's, Mr. Lopp was removed from office without any statement having been made of the cause of his removal.

About the same time the Government officials in charge of the reindeer in Alaska advised the natives that herding of the reindeer was not necessary, and so, at the instance of the Government authorities, the natives gradually abandoned herding and permitted the reindeer to run on the range without guard or care. Attempts were made yearly to round up the reindeer and to earmark them in accordance with ownership. Left unherded, the reindeer of the various herds soon strayed and mixed, and in time the intermingling of the herds was so great as to cause much confusion. Moreover, the deer owned by white men were intermingled with the deer of the natives, and sharp disputes and conflicts arose at the times of the round-up as to the ownership of many deer. The intensity of that conflict has developed and increased with the passing years until at the present time on the reindeer ranges of northwestern Alaska the condition existing was aptly described by one of the witnesses before the subcommittee as being little better than chaos.

The point to be noted here is that existing conditions with regard to Alaska reindeer, conditions which have made many of us who have given intense study to the subject believe that the only satisfactory solution of the problem can be attained through the purchase of the non-native-owned deer by the Government, are the direct and sole result of the act of the Government itself in reversing the herding policy set up with so much pains and care by Mr. Lopp and his assistants, and in establishing the policy of no herding, thus turning the reindeer loose in the thousands and thousands of square miles of reindeer pasture in northwestern Alaska without any adequate protection or supervision.

The reindeer are blood brothers of the caribou and, in fact, at times they are in appearance almost indistinguishable. The only substantial difference is that the caribou cannot be domesticated but the reindeer can. If the reindeer are left long untended and uncared for, they soon become practically as wild as caribou and they readily intermingle with the caribou herds. So to turn the reindeer out on the range without herding was "worse than a crime, it was a mistake," a mistake which the Government authorities should have known to be a mistake when they fired Tom Lopp from the

service and advised the natives that no more herding of reindeer was necessary or advisable.

Another evil resulted from the no-herding policy, or lack of policy. As long as reindeer are herded, the herders can protect them from wolves and coyotes. Without herding there is no such protection. Accordingly, since herding has been abandoned the wolves of northwestern Alaska have largely increased in number and the coyotes have entered that part of the country, and between the wolves and coyotes the reindeer are being slaughtered by the thousands. The Eskimos tell me that a wolf is fastidious in his eating, and that when reindeer are plentiful a pair of wolves will kill as many as 100 deer, eating only the tongues of the animals slaughtered. From careful and comprehensive reports made of the entire area, it is clear that many of the reindeer, through the attacks of the wolves, are being driven from the usual feeding grounds eastward to the region where the caribou range, and thus there is grave danger that many of them will mingle with the caribou and be lost to the natives, except as they may hunt them in the distant parts of Alaska as they would hunt any other wild animals.

The native Eskimos of Alaska are a simple and generous and kindly people. An Eskimo will share his last bit of food, not only with the members of his family but with his neighbors and even with a casual stranger who may visit him. Their charity and generosity are carried to extreme lengths. Moreover, the Eskimos have only lately come under civilizing influences and many of them to this day live a relatively simple and primitive life. It is not to be expected that without assistance they can or will resume herding of the reindeer or preserve the reindeer as domestic animals. An excellent start was made in their training under Mr. Lopp, but most of the results of that training have been lost by the neglect and incompetency of the Government in failing to carry out the policy of herding originally established. Moreover, the natives resent, and bitterly resent, the idea that they should herd the white men's deer and care for them in order to herd and care for their own. And that is precisely what they would have to do at the present time because the herds are so intermingled as to make permanent separation all but impossible. The results that will eventually flow from the present do-nothing policy are inevitable, the reindeer will be partly killed by the predatory animals, and partly will they be driven to join the caribou herd, so that in another two decades or perhaps even a shorter time reindeer, as such, will be all but unknown in Alaska save for the few small herds which are now being adequately herded and taken care of. The Eskimos will be deprived of their principal supply of food and clothing and their principal source of income derived from the sale of reindeer meat and skins and clothing made from the skins. The Government will then have the alternative of either feeding the natives or permitting them to die from what Walter Duranty called malnutrition. The ultimate effects of the present policy, which is in reality a lack of policy, is indicated in the statement of Mr. J. Sydney Rood, acting reindeer superintendent, as follows:

But unless the herds are constantly tended they will gradually disappear. In 1932 the Kivalina Reindeer Co. corralled 42,000 deer; in 1934, 38,000; 15,000 in 1936; only 12,000 in 1937. In 1935 the Selawik corral count was 12,778, whereas in 1937 only 2,722 deer were corralled. At the Kivalina marking of this month the fawn increase was found to be only 10 percent; at Koyuk during July, the fawn increase was only 7.3 percent; the Egavik marking of September showed a fawn increase of one-half percent. Poor success of round-ups and heavy fawn loss is due to the deer being untended while glaciation covers large spots of pasture, to wolf depredations, to the wildness of the reindeer, etc.

After intensive study of the subject it seemed to me, as to others, that the only completely satisfactory solution of the problem would be brought about through the purchase by the Government of the non-native-owned reindeer. Doubtless the Government could adopt measures with respect to the non-native-owned deer that would eventually dispose of them, but those measures could not in morals be well distinguished from confiscation. In this Chamber I have heard passionate denunciation of one policy or another of this Government or of foreign governments which were said to

result in confiscation. Particularly do I have in mind the speeches that have been made about the effects of the development of Tennessee Valley. No one, I assume, thinks it right or even expedient to confiscate the property of any citizen either directly or indirectly, and so with respect to the non-native-owned reindeer of Alaska I suggest that if anything at all is to be done we have the simple choice of either purchase or confiscation.

It is plain that the Seventy-fifth Congress resolved in favor of purchase and against confiscation, because that Congress passed, and the President, on September 1, 1937, approved the so-called Reindeer Act, which was rightly entitled as an act to "provide subsistence for the Eskimos and other natives of Alaska by establishing for them a permanent and self-sustaining economy; to encourage and develop native activity in all branches of the reindeer industry *

In this act the Secretary of the Interior was not only authorized but he was directed to acquire by purchase or other lawful means, including the exercise of the power of eminent domain, for and on behalf of the Eskimos and other natives of Alaska the reindeer and appurtenant equipment described in the act. The act mentioned was passed under a rule of the House after full debate and after adoption by the House of one or more amendments and consideration of other proposed amendments. Not a Member of the House, so far as I am aware, was then in ignorance of all relevant facts concerning the reindeer of Alaska. The same arguments against the project which have been heard on the floor of the House today were made against the reindeer bill in August 1937. But the House, nevertheless, passed the bill which had theretofore been passed by the Senate and the Senate concurred in the House amendments.

At the time the reindeer bill was under consideration in the House I was not entirely satisfied with the language of the bill as reported by the House Committee on Territories, and I proposed several amendments, one, at least, of which was adopted, and others were rejected. But the act, as passed, had my full approval, and I personally urged the President to sign it. Like most legislation enacted by Congress and by State and Territorial legislatures, it is likely that the Reindeer Act is still susceptible to some improvement, but, in my judgment, it is highly satisfactory and workable, and the policy and intent of Congress therein expressed should be followed through without delay by the appropriation of the money carried in the bill now under consideration for the purchase of reindeer and equipment and for the establishment of the ultimately self-sustaining native reindeer industry.

When the Interior Department appropriation bill for the current fiscal year was under consideration by the House Appropriations subcommittee I appeared before the subcommittee and urged inclusion in the bill of the sum of \$1,000,-000 to carry out the purposes of the Reindeer Act, that amount having been set up in the estimate of the Bureau of the Budget. However, the subcommittee and the full committee declined to make an appropriation at that time, and so, as a result, the bill passed the House with an appropriation of \$25,000 for a special investigation of the reindeer of Alaska. The Senate, when the bill reached that body, sought an appropriation of \$500,000 for the purposes specified in the Reindeer Act, but in conference the Senate receded from its amendment, and so, as finally passed, the fiscal 1939 Interior Department appropriation bill carried \$25,000 for investigation of reindeer but nothing for the purchase of non-nativeowned deer. Later an additional \$25,000 was appropriated for the same purpose.

You all have heard of the appointment of the special committee by the chairmen of the House and Senate Appropriations Committees, consisting of Messrs. C. E. Rachford, chairman; I. D. Wilson, and Frank H. Reeds, all eminent and capable men. This committee, as I have stated before, represented the Congress of the United States and did not represent the executive branch of the Government. That committee made a thorough, careful, and painstaking investigation of everything in Alaska relating to reindeer, by far the most thorough and complete inquiry that had ever been made of the subject by anyone not connected with the executive branch of the Government.

That committee, as I have stated, has reported unanimously and without qualification that the will of Congress, as expressed in the Reindeer Act, should be completely carried out and fulfilled. It was suggested in the debate here today that the committee simply took the Reindeer Act as its mandate and did not consider or report upon the advisability of the purchase of the non-native-owned deer and equipment. However, the report of the committee, which appears in the hearings from page 572 to page 595, indicates beyond question that the committee did carefully consider whether it was advisable to carry out the Reindeer Act, for on pages 581 and 582 we find the following:

The investigation has proved to the satisfaction of the committee that the Federal Government now has one or two alternatives:

that the Federal Government now has one or two alternatives:

(1) It may allow things to go as they are; that is, paying only indifferent attention to the herds and to the range. This trend will inevitably lead to the total elimination of the reindeer, as the caribou were eliminated in the early days.

(2) The Government can develop the necessary organization and administration; and provide the needed regulations which will put the raising of reindeer on a thoroughly sound and productive basis for the use of the natives.

Let us consider the alternatives. The adoption of the first would

Let us consider the alternatives. The adoption of the first would, of course, be the simplest, but it would also be the most destructive policy conceivable, if viewed from the standpoint of the needs of valuable resources and of native life. It would be a backward step from the very progressive and constructive beginning of the reindeer industry. To the committee, therefore, it is unthinkable that the Government should adopt any other course than that of adequate administration.

It will be noted that the continuation of the do-nothing policy, which is urged by the opponents of the appropriation, is characterized by the committee as "the most destructive policy conceivable, if viewed from the standpoint of the needs of valuable resources and of native life." The committee considered it "unthinkable" that the Government should adopt any other course than that of adequate administration. The committee also advised, as will be seen from a reading of the report, that to allow things to go on as they are "will inevitably lead to the total elimination of the reindeer." It is plain that the report of the committee merits not only consideration but unhesitating belief. This committee constituted the eyes and the ears of Congress to report to Congress not only the facts found but the conclusions of the committee, conclusions inescapable to anyone who has given adequate study to the subject on the ground.

The suggestion has also been made in debate by those who oppose the appropriation that the committee did not report any need for the reindeer, approximately 180,000 in number, owned by nonnatives. That suggestion is contradicted by the testimony of a member of the committee, appearing in the hearings on page 607, as follows:

The entire number of deer in that particular area included in both native and nonnative ownership is hardly adequate to supply the needs of the population in that area, and especially is that true when all of the natives do not secure the meat and hides necessary for their food and clothing on that peninsula.

Mr. Rachford. Congressman, on that point I think I emphasized at fact that all of the natives are not getting the deer and hides that they need.

Further along Mr. Rachford, chairman of the committee. in answer to a question propounded to him, showed the need by the natives of all of the deer, including those owned by others than natives, in the following language:

The answer is the 320,000 reindeer owned by natives are not distributed over the Alaskan Territory in a proportion best suited to meet the needs of all of the natives. The ranges occupied by nonmeet the needs of all of the natives. The ranges occupied by nonnative owners, furthermore, are in most instances the most desirable
in that they are close to the coast, where a comparatively large number of natives are dependent upon the range and reindeer for subsistence. The ranges occupied by nonnatives, in other words, are
the more strategic ones from the standpoint of developing a selfsustained economy for the natives. A further reason lies in the fact
that because of lack of attention during the past 7 or 8 years, the
herds have become badly mixed; and each of the ranges which has
heretofore been occupied by the reindeer of nonnative owners is now
occupied by reindeer coming from various other ranges and belonging to natives. For example, in the round-up held by the committee at Teller there were reindeer from eight other ranges, some of which were 150 miles away from the Teller range. The Teller range is, of course, now considered a native range.

In the Golovin round-up, July 20 to 24, 1938, reindeer belonging to the Deering Native Reindeer Association were found to have drifted from the Deering range to the Golovin range across what is

known as the upper Koyuk range.

On the Egavik range reindeer belonging to the Koyuk Reindeer Co. were found to have drifted a distance of about 100 miles. The mixing of herds makes it practically impossible to secure management. There is constant friction and controversy between natives and nonnatives. Failure to agree on round-ups and distribution of costs is also a cause of friction. The large expense to the natives of rounding up the total number of animals, coupled with a lack of control as to the number of animals that may be taken off, presents an impossible situation from the standpoint of private ownership. The mixing of herds results in a lack of attention. The inability of the natives to pay costs of management, inevitably please the

The mixing of herds results in a lack of attention. The inability of the natives to pay costs of management inevitably places the herds at the mercy of various hazards, such as woives, illegal killing, straying, and drifting into native caribou herds; and if this condition is continued, it will mean the total extinction of the reindeer. From the facts obtained it is, therefore, certain that the reindeer in Alaska must be handled as a unit and management perfected accordingly.

With Government ownership of a large number of reindeer and the direction and supervision which this ownership naturally entails, the Government can direct, educate, and train the natives in the best management practices and develop self-government among the natives in a gradual cooperative way. It is not beyond a reasonable hope that eventually the natives will have been trained in business and management to the point where they can take over the entire administration of their properties, and in this process the Government could distribute its reindeer to those who do not now have them.

It has further been urged by an opponent of the appropriation that nearly all of the Eskimos have reindeer at the present time, and therefore the purchase of 180,000 for the few Eskimo families who have no deer would be frivolous and wasteful. To one who knows the facts that argument is entirely without weight because it is based upon false assumptions. The facts are that the additional reindeer are required for the use, not only of Eskimos, but of other natives of Alaska, Aleuts, and Indians, who are equally in need of reindeer. Last fall I traveled for nearly a thousand miles along the Alaska Peninsula and in the Aleutian Islands, and almost everywhere in that region the natives begged me to obtain some reindeer for them. Most of them have no deer at the present time. In fact, I found only one small herd in the entire journey; a herd located near Alitak, on Kodiak Island, Alaska. So the reindeer are needed, not only for the Eskimos but also for the Indians and the Aleuts, who are just as much deserving of reindeer and who need them just as badly as do the Eskimos.

At the present time some of the Eskimos have very few reindeer, and there is no source from which they can get additional stock except through the purchase of the non-native-owned deer under the Reindeer Act. Some of the Indians of southeastern Alaska have requested reindeer on numerous occasions, but no supply has ever been available for them.

Moreover, for the life of me, I do not know where the information was originally secured, which was evidently furnished to a member of the subcommittee, that there were only 15,000 Eskimos in Alaska. The lowest figure that I ever heard of the Eskimo population was 18,000, and that figure did not include the Aleuts who reside along the Alaska Peninsula and in the Aleutian Islands region. The natives of the Alaska Peninsula and the Aleutian Islands are in desperate need of some new source of food. Reindeer would supply them with ample food in the way of meat, and thus their economic conditions would be markedly improved. In my judgment, the same is true of some of the Indians in southeastern Alaska.

So the facts show that there are thousands of natives of Alaska who at the present time have few, if any, deer and who would be immensely benefited by being supplied with deer.

The appropriation of the money now asked for and the carrying out of the Reindeer Act would do more than any one other thing to make two-thirds of the natives of Alaska not only eventually self-sustaining but enable them to live in a relative degree of security from famine. As the distinguished gentleman from Oklahoma [Mr. Johnson] so

powerfully said, the carrying out of the Reindeer Act will help the natives of Alaska to help themselves. It is true that the purchase of the non-native-owned reindeer and equipment will not alone be sufficient. It will also be necessary to retrain the natives in herding the deer and in caring for them and in domesticating them and in all of the business matters which are involved in the care and ownership and use of reindeer and the sale as meat of the surplus deer. I foresee, Mr. Chairman, that in the course of another generation the natives of Alaska who are supplied with deer under a faithful fulfillment of the Reindeer Act will be in truth and in fact entirely self-supporting and able to manage without Government aid all of the phases of the business involved in the ownership and use of reindeer.

It has been charged here, Mr. Chairman, either directly or by inference, that this bill and the Reindeer Act are designed for the relief not of the natives but of certain white persons who own reindeer in Alaska. That charge is entirely without any foundation in fact. The report of the special committee indicates that about 32 percent of the non-native-owned reindeer belong to the so-called Lomen interests. And so it is inferred that those interests will really be the beneficiaries of any appropriation that is made. The sole and only object for pressing the passage of the Reindeer Act and of the appropriation for reindeer carried in the bill before us which animates those of us who advocated the passage of the Reindeer Act and who urge this appropriation is the welfare and benefit of the natives of Alaska. If, as an incident, citizens of Alaska or of other places who own Alaska reindeer receive fair compensation for the value of their property, it is no reason why any Member of Congress should hesitate to support this appropriation. The special committee has pointed out in unequivocal language, and from personal knowledge I assert as strongly as I can, that the only way to save the reindeer and the best way to save the natives is through the carrying out of the Reindeer Act, which means making the appropriation now carried in the bill.

True, it requires some foresight to agree with what is now being asked. It is necessary that we do what any good businessman would do under similar circumstances—look ahead for 5, or 10, or 20 years in order to determine just what will be the result for adopting either of the suggested courses of action. To fail to pass the appropriation is to continue the do-nothing policy, and that means the exhaustion of the reindeer and the pauperization of the natives. While by following the policy suggested by the special committee, and which I support with all my heart, we shall have a really substantial and ultimately self-sustaining industry for the natives of Alaska.

Of course Congress may, if it so desires, evade all responsibility for the welfare of the Eskimos and the Indians of Alaska. It is likely that if half of them should die of malnutrition little would be heard of it. They are a patient people and ordinarily they meet death from whatever cause without clamor or complaint. But, as a moral question, we cannot evade our responsibility so easily. Having taken away or destroyed their natural food sources we are morally bound to make some equivalent provision for them. That provision can best be made by carrying out the Reindeer Act.

In debate it has been said, in substance, that we should economize and balance the Budget and not give what amounts to a subsidy to the natives of Alaska. I venture to predict, Mr. Chairman, that if the program of economy should be sustained by the defeat of the reindeer item in the bill, that is precisely as far as the economy program will go. That will be the end of it. The plan for economy will be completely carried out at the expense of the natives of Alaska.

It is sometimes a matter of wonder to me how many Members of this body are able to make speeches against the evils of subsidies even if the natives should fairly be considered to have received a subsidy under the appropriation requested, that subsidy will be as a "drop in the bucket" against the enormous, the vast subsidies heretofore granted and now being granted to several classes of American citizens. The cotton farmers enjoy a subsidy, and the wheat farmers enjoy a

subsidy, and it would be possible to name a number of other classes of citizens who receive Government aid in one form or another which can be called subsidies; so the natives will have nothing extraordinary, nothing unusual, if they finally obtain what Congress has decreed in the Reindeer Act they are justly entitled to receive. Ordinary foresight and the fundamental concepts of statesmanship support the appropriation which is now requested to fulfill the will of Congress as expressed in the Reindeer Act.

Mr. LEAVY. Mr. Chairman, I yield the remainder of my time to the gentleman from Illinois [Mr. Keller].

Mr. KELLER. Mr. Chairman, it seems to me this is the open season in the House for making statements that we do not know anything about. I may proceed along the same line myself, but I am going to try my best not to do so.

I have heard a number of statements made here this afternoon about the Coal Commission. There seems to be a very well formulated plan or plot here to scuttle that Commission, without knowing what its real service is or what its real service may be under proper conditions and if given sufficient time. It is to that matter that I desire to address myself at this time.

Mr. Chairman, there are 484,000 soft-coal miners in the United States and something more than 11,000 operators. It constitutes about the third largest individual industry in the country. The coal industry at the time this Commission was formed by an almost unanimous vote of both Houses was in such condition that every man who studied the problem was compelled to come to the conclusion that unless we did something with it the coal industry would go into a state of chaos and would further pull down the rest of the industry in this country.

· Mr. Chairman, the Coal Commission had to undertake an entirely new job. It did undertake this job. It had too large and too unwieldy a commission, but that commission had to experiment, and it did. It did not do a lot of this well, but it did enough to show what could be done. When the law was amended and when the new Commission went to work it was shown that it could accomplish something worth while, and if let alone and given the proper amount of money, it can do a good job of stabilizing the coal industry of the country.

I do not speak from my own information alone. I live and have lived in the midst of it all the years of my life.

I call attention to the fact also that of the several thousand small operators who asked to be exempted from the operation of this Commission, more than half have withdrawn their requests for exemption, and have asked that this Commission be given a fair, square trial.

When the pending bill is read for amendment, unless someone else does so, I shall offer an amendment to reinstate the amount provided by the Budget of three and a half million dollars, because if we are going to try out a matter of as great importance as this, we ought not to scrimp, pinch, and tie the hands of the men we are asking to study and carry out our ideas.

[Here the gavel fell.]

The CHAIRMAN. All time has expired. The Clerk will read.

The Clerk read down to and including line 6, page 1.

Mr. LEAVY. Mr. Chairman, I move that the Committee do now rise.

The motion was agreed to.

Accordingly the Committee rose; and the Speaker having resumed the chair, Mr. Buck, Chairman of the Committee of the Whole House on the state of the Union, reported that that Committee, having had under consideration the bill H. R. 4852, the Interior Department appropriation bill, 1940, had come to no resolution thereon.

EXTENSION OF REMARKS

Mr. LEAVY. Mr. Speaker, I ask unanimous consent that all Members who have spoken on the pending bill may have 5 legislative days in which to revise and extend their own remarks in the Record.

The SPEAKER. Is there objection to the request of the gentleman from Washington [Mr. Leavy]?

There was no objection.

Mr. Leavy asked and was given permission to extend his own remarks in the Record.

Mr. DIMOND. Mr. Speaker, I ask unanimous consent to revise and extend the remarks which I made in the Committee of the Whole and to insert therein certain excerpts from the hearings on the bill now under consideration.

The SPEAKER. Is there objection to the request of the Delegate from Alaska [Mr. DIMOND]?

There was no objection.

Mr. WHITE of Idaho. Mr. Speaker, I ask unanimous consent to extend the remarks I made in the Committee of the Whole and to include therein a statement by 68 economists which I referred to at the time, and to include all their names.

The SPEAKER. Is there objection to the request of the gentleman from Idaho [Mr. White]?

There was no objection.

Mr. SCHAFER of Wisconsin. Mr. Speaker, I ask unanimous consent to extend my own remarks in the Record, and to include therein a short editorial entitled "So It Was Only Talk," which appeared in the Milwaukee Journal of Tuesday, March 7, 1939.

The SPEAKER. Is there objection to the request of the gentleman from Wisconsin [Mr. SCHAFER]?

There was no objection.

Mr. RICH. Mr. Speaker, on behalf of the gentleman from Michigan [Mr. Hoffman], I ask unanimous consent that the gentleman may insert in the Record an article which he prepared.

The SPEAKER. Is there objection to the request of the gentleman from Pennsylvania [Mr. Rich]?

There was no objection.

Mr. CURTIS. Mr. Speaker, I ask unanimous consent to extend my own remarks and to include therein an address made by Mrs. George A. Carter, of Superior, Nebr.

The SPEAKER. Is there objection to the request of the gentleman from Nebraska [Mr. Curris]?

There was no objection.

Mr. ALEXANDER. Mr. Speaker, I ask unanimous consent to insert in the Appendix of the Record three memorials from the Legislature of the State of Minnesota.

The SPEAKER. Is there objection to the request of the gentleman from Minnesota [Mr. Alexander]?

There was no objection.

Mr. OLIVER. Mr. Speaker, I ask unanimous consent to extend in the Record the remarks I made today in Committee of the Whole and include therein a copy of a resolution which I have introduced; also a statement by Mr. William A. Overholser, of Libertyville, Ill.

The SPEAKER. Is there objection to the request of the gentleman from Maine?

There was no objection.

Mr. GILLIE. Mr. Speaker, I ask unanimous consent to extend my own remarks in the Record and include therein an editorial from the Baltimore Sun on the Fort Wayne housing plan.

The SPEAKER. Is there objection to the request of the gentleman from Indiana?

There was no objection.

Mr. CARTER. Mr. Speaker, I ask unanimous consent to extend in the Record the remarks I made in Committee of the Whole today and include therein certain quotations in regard to reclamation and quotations from the hearings on the Interior Department appropriation bill.

The SPEAKER. Is there objection to the request of the gentleman from California?

There was no objection.

ADJOURNMENT OVER

Mr. LEAVY. Mr. Speaker, by direction of the majority leader, I ask unanimous consent that when the House adjourns today it adjourn to meet on Monday next.

The SPEAKER. Is there objection to the request of the gentleman from Washington?

There was no objection.

PRIVATE CALENDAR

Mr. LEAVY. Mr. Speaker, by direction of the majority leader, I ask unanimous consent that on Monday next, following the disposition of the business of the Committee on the District of Columbia, it shall be in order to call the Private Calendar, under the rule.

The SPEAKER. Is there objection to the request of the gentleman from Washington?

There was no objection.

LEAVE OF ABSENCE

By unanimous consent, leave of absence was granted to Mr. Vinson of Georgia, for 10 days, on account of important business.

ADJOURNMENT

Mr. LEAVY. Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to; accordingly (at 5 o'clock and 5 minutes p. m.), under its previous order, the House adjourned until Monday, March 13, 1939, at 12 o'clock noon.

COMMITTEE HEARINGS

COMMITTEE ON WAYS AND MEANS

Public hearings will continue Monday morning, March 13, 1939, at 10 a.m., on social-security legislation in the Ways and Means Committee room in the New House Office Building.

COMMITTEE ON RIVERS AND HARBORS

The Committee on Rivers and Harbors will meet Monday, March 13, 1939, at 10 a.m., to continue hearings on H. R. 3222 and H. R. 3223, bills for the completion of the construction of the Atlantic-Gulf Ship Canal across Florida.

The Committee on Rivers and Harbors will meet Tuesday, March 14, 1939, at 10:30 a.m., to hold hearings on the project for the improvement of the Connecticut River between Hartford, Conn., and Holyoke, Mass.

COMMITTEE ON MERCHANT MARINE AND FISHERIES

The Committee on Merchant Marine and Fisheries will hold public hearings in room 219, House Office Building, Washington, D. C., at 10 a. m., on the bills and dates listed below: Tuesday, March 14, 1939:

H. R. 180, H. R. 202, construction of a Nicaraguan Canal; H. R. 201, additional facilities for Panama Canal; H. R. 2667, construction of a Mexican Canal.

In listing the bills to be heard on March 14, 1939, House Joint Resolution 112 (TINKHAM), to create a commission to study and report on the feasibility of constructing the Mexican Canal, was inadvertently omitted from the notice.

This is to advise all interested parties that House Joint Resolution 112 will be considered at that time with the following bills: H. R. 180 (Izac), relative to the construction of a Nicaraguan Canal; H. R. 202 (Bland), relative to the construction of a Nicaraguan Canal; H. R. 201 (Bland), need for additional lock facilities at Panama; H. R. 2667 (TINKHAM), relative to the construction of a Mexican Canal.

Tuesday, March 21, 1939:

H. R. 137, H. R. 980, H. R. 1674, relating to annuities for Panama Canal construction force.

Thursday, March 23, 1939:

H. R. 141, H. R. 142, H. R. 1819, miscellaneous Panama Canal bills.

Tuesday, March 28, 1939:

H. R. 197, relating to the clearance of vessels; H. R. 199, relating to the allotment of wages by seamen; H. R. 200, relating to foreign towboats towing between American ports; H. R. 1780, relating to penalties on certain undocumented vessels and cargoes engaging in the coastwise trade or the fisheries; H. R. 1782, relating to change of masters of vessels.

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Wednesday, March 29, 1939:

H. R. 198, relating to the measurement of vessels; and H. R. 132, authorizing the use of condemned Government vessels for breakwater purposes.

Tuesday, April 4, 1939:

H. R. 3209, making it a misdemeanor to stow away on vessels; H. R. 3398, regarding the down payment of construction of new vessels; H. R. 3935, relating to the discharge of seamen.

Wednesday, April 5, 1939:

H. R. 3052, uniform insignia for Naval Reserve radio operators.

COMMITTEE ON IMMIGRATION AND NATURALIZATION

The Committee on Immigration and Naturalization will meet on Wednesday, March 15, 1939, for the public consideration of H. R. 4185, H. R. 4823, and H. R. 4860. The meeting will be held at 10:30 a. m. in room 445, House Office Building.

COMMITTEE ON THE PUBLIC LANDS

There will be a meeting of the Committee on the Public Lands on Wednesday, March 15, 1939, at 10 a.m., in room 328, House Office Building, to consider H. R. 3794, to establish John Muir-Kings Canyon National Park, Calif., to transfer thereto the lands now included in the General Grant National Park, and for other purposes.

There will be a meeting of the Committee on the Public Lands on Thursday, March 23, 1939, at 10 a.m., in room 328, House Office Building, to consider H. R. 3759, to authorize a National Mississippi River Parkway and matters relating thereto.

COMMITTEE ON THE JUDICIARY

Beginning at 10 a. m. on Wednesday, March 22, 1939, there will be a hearing held before the subcommittee No. 4 of the Committee on the Judiciary on House Joint Resolution 176, declaring the conservation of petroleum deposits underlying submerged lands adjacent to and along the coast of California, below low-water mark and under the territorial waters of the United States of America, essential for national defense, maintenance of the Navy, and regulation and protection of interstate and foreign commerce; reserving the same as a naval petroleum reserve, subject to any superior vested right, title, or interest; and authorizing appropriate judicial proceedings to assert, ascertain, establish, and maintain the right and interest of the United States of America in such reserve and to eject trespassers.

EXECUTIVE COMMUNICATIONS, ETC.

Under clause 2 of rule XXIV, executive communications were taken from the Speaker's table and referred as follows:

506. A letter from the Archivist of the United States, transmitting a list of papers consisting of 825 items from the Treasury Department and recommended for disposition; to the Committee on the Disposition of Executive Papers.

507. A letter from the Archivist of the United States, transmitting a list of papers consisting of 392 items from the Post Office Department and recommended for disposition; to the Committee on the Disposition of Executive Papers.

508. A letter from the Archivist of the United States, transmitting a list of papers consisting of 42 items from the Department of Agriculture and recommended for disposition; to the Committee on the Disposition of Executive Papers.

509. A letter from the Archivist of the United States, transmitting a list of papers consisting of one item from the United States Civil Service Commission and recommended for disposition; to the Committee on the Disposition of Executive Papers.

510. A letter from the Archivist of the United States, transmitting a list of papers consisting of 14 items from the Veterans' Administration and recommended for disposition; to the Committee on the Disposition of Executive Papers.

511. A letter from the Archivist of the United States, transmitting a list of papers consisting of one item from the Navy Department and recommended for disposition; to the Committee on the Disposition of Executive Papers.

512. A letter from the Archivist of the United States, transmitting a list of papers consisting of records of the former United States Coal Commission and recommended for destruction or other effective disposition; to the Committee on the Disposition of Executive Papers.

513. A letter from the Archivist of the United States, transmitting a list of papers consisting of 12 items from the Department of the Interior and recommended for destruction or other effective disposition; to the Committee on the

Disposition of Executive Papers.

514. A letter from the Acting Secretary of the Treasury, transmitting the draft of a proposed bill to readjust the commissioned personnel of the Coast Guard, and for other purposes; to the Committee on Merchant Marine and Fisheries.

515. A letter from the Acting Secretary of the Navy, transmitting the draft of a proposed bill to authorize the acquisition of two motor vessels for the Navy; to the Committee on Naval Affairs.

516. A letter from the Chairman of the Railroad Retirement Board, transmitting two copies of the report of the Railroad Retirement Board for the fiscal year ended June 30, 1938, together with supplementary information covering the period July 1 to October 31, 1938; to the Committee on Interstate and Foreign Commerce.

517. A letter from the Secretary of the Interior, transmitting a draft of proposed legislation to authorize further relief to water users on United States reclamation projects and on Indian reclamation projects; to the Committee on Irrigation

and Reclamation.

REPORTS OF COMMITTEES ON PUBLIC BILLS AND RESOLUTIONS

Under clause 2 of rule XIII,

Mr. RANDOLPH: Committee on the District of Columbia. H. R. 2561. A bill relating to banking, banks, and trust companies in the District of Columbia, and for other purposes; without amendment (Rept. No. 182). Referred to the House Calendar.

Mr. KELLER: Committee on the Library. S. 917. An act authorizing the Library of Congress to acquire by purchase, or otherwise, the whole, or any part, of the papers of Charles Cotesworth Pinckney and Thomas Pinckney, including therewith a group of documents relating to the Constitutional Convention of 1787, now in the possession of Harry Stone, of New York City; without amendment (Rept. No. 183). Referred to the Committee of the Whole House on the state of the Union.

Mr. KELLER: Committee on the Library. H. R. 3234. A bill to provide for the completion of the Navy and Marine Memorial; with amendment (Rept. No. 184). Referred to the Committee of the Whole House on the state of the Union.

Mr. MAAS: Committee on Naval Affairs. S. 829. An act to authorize alterations and repairs to certain naval vessels, and for other purposes; without amendment (Rept. No. 185). Referred to the Committee of the Whole House on the state of the Union.

Mr. DARDEN: Committee on Naval Affairs. S. 828. An act to permit the President to acquire and convert, as well as to construct, certain auxiliary vessels for the Navy; without amendment (Rept. No. 186). Referred to the Committee of the Whole House on the state of the Union.

Mr. RANDOLPH: Committee on the District of Columbia. H. R. 1982. A bill to amend the act entitled "An act to classify officers and members of the Fire Department of the District of Columbia, and for other purposes"; without amendment (Rept. No. 187). Referred to the House Calendar.

Mr. JONES of Texas: Committee on Agriculture. House Joint Resolution 188. Joint resolution authorizing the delegation of certain authority within the Department of Agriculture; without amendment (Rept. No. 188). Referred to the House Calendar.

Mr. JONES of Texas: Committee on Agriculture. House Joint Resolution 189. Joint resolution to define the status of the Under Secretary of Agriculture, and for other purposes; without amendment (Rept. No. 189). Referred to the House Calendar.

Mr. JONES of Texas: Committee on Agriculture. S. 1098. An act to amend section 12 of the Soil Conservation and Domestic Allotment Act, as amended, by authorizing advances for crop insurance; without amendment (Rept. No. 190). Referred to the Committee of the Whole House on the state of the Union.

CHANGE OF REFERENCE

Under clause 2 of rule XXII, committees were discharged from the consideration of the following bills, which were referred as follows:

A bill (H. R. 1223) granting a pension to Anthony Tomasello; Committee on Pensions discharged, and referred to the

Committee on World War Veterans' Legislation.

A bill (H. R. 3901) granting a pension to Capitola Pease;
Committee on Invalid Pensions discharged, and referred to
the Committee on Pensions.

A bill (H. R. 4670) granting a pension to Paul Frederick Churns; Committee on Invalid Pensions discharged, and referred to the Committee on Pensions.

PUBLIC BILLS AND RESOLUTIONS

Under clause 3 of rule XXII, public bills and resolutions were introduced and severally referred as follows:

By Mr. BURGIN:

H. R. 4922. A bill to provide for the transfer of Hoke County to the eastern judicial district of North Carolina; to the Committee on the Judiciary.

By Mr. GEYER of California:

H.R. 4923. A bill to amend section 211 of the Criminal Code, as amended, relating to certain nonmailable matter; to the Committee on the Judiciary.

By Mr. LESINSKI:

H. R. 4924 (by request). A bill to adjust the rate of pension to soldiers of the Indian wars who served 90 days or more in active service against hostile Indians, and for other purposes; to the Committee on Invalid Pensions.

By Mr. PACE:

H. R. 4925. A bill to amend the act entitled "An act to provide for the conservation of national soil resources and to provide an adequate and balanced flow of agricultural commodities in interstate and foreign commerce, and for other purposes"; to the Committee on Agriculture.

By Mr. PIERCE of Oregon:

H. R. 4926. A bill to change the name of the Pickwick Landing Dam to Rankin Dam, and the name of the Watts Bar Dam to McKellar Dam; to the Committee on Military Affairs.

By Mr. RANDOLPH:

H.R. 4927. A bill to amend the act entitled "An act to authorize the operation of stands in Federal buildings by blind persons, to enlarge the economic opportunities of the blind, and for other purposes," approved June 20, 1936; to the Committee on Labor.

By Mr. SMITH of Washington:

H.R. 4928. A bill to authorize the acquisition, rehabilitation, and operation of the facilities for the public in the Olympic National Park, in the State of Washington, and for other purposes; to the Committee on the Public Lands.

By Mr. VINSON of Georgia:

H. R. 4929. A bill to amend the act of June 23, 1938 (52 Stat. 944); to the Committee on Naval Affairs.

By Mr. VOORHIS of California:

H.R. 4930. A bill to provide for certain Presidential appointments to the United States Military Academy and the United States Naval Academy; to the Committee on Military Affairs

H.R. 4931. A bill to restore to Congress the sole power to issue money and to regulate its value as provided in article I, section 8, of the Constitution of the United States; to improve the banking system; to aid in restoring and maintaining full

employment and production; to reduce the public debt; and to provide a stable currency; to the Committee on Banking and Currency.

By Mr. GAVAGAN:

H. R. 4932 (by request). A bill to amend the act of March 3, 1879, "Postal Laws and Regulations"; to the Committee on the Post Office and Post Roads.

By Mr. LUTHER A. JOHNSON:

H. R. 4933. A bill providing for the refund of taxes collected under Public Law No. 169, Seventy-third Congress, known as the Bankhead Act; to the Committee on Agriculture.

By Mr. MAY:

H. R. 4934 (by request). A bill to authorize the appointment of female dietitians and female physiotherapy and occupational-therapy aides in the Medical Department of the Army; to the Committee on Military Affairs.

By Mr. SIROVICH:

H. R. 4935. A bill to curtail the retirements of young and able officers in the line of the Navy resulting from the faulty administration of the Navy Selection Act of June 23, 1938; to the Committee on Naval Affairs.

H. R. 4936. A bill to amend the Navy Selection Act of June 23, 1938, to correct injustices and discriminations resulting from the faulty administration of said act; to the Committee on Naval Affairs.

By Mr. TARVER:

H.R. 4937. A bill to amend the act approved June 26, 1935, entitled "An act to create a national memorial military park at and in the vicinity of Kennesaw Mountain in the State of Georgia, and for other purposes"; to the Committee on Military Affairs.

H. R. 4938. A bill to provide for the acquisition of additional lands for the national military parks, national historical parks, national battlefield parks, and battlefield sites administered by the National Park Service of the Department of the Interior, and for other purposes; to the Committee on the Public Lands.

By Mr. VINSON of Georgia:

H. R. 4939. A bill to provide for the operation of the United States Naval Academy laundry, and for other purposes; to the Committee on Naval Affairs.

By Mr. RANDOLPH:

H. R. 4940. A bill to authorize the furnishing of steam from the central heating plant to the District of Columbia; to the Committee on the District of Columbia.

By Mr. STEFAN:

H.R. 4941. A bill to investigate the claims of, and to enroll certain persons, if entitled, with the Omaha Tribe of Indians; to the Committee on Indian Affairs.

H. R. 4942. A bill making it unlawful to sell certain spirits containing alcohol produced from materials other than cereal grains, and for other purposes; to the Committee on the Judiciary.

H.R. 4943. A bill authorizing the erection of memorial statues of Maj. Frank North and Capt. Luther H. North: to the Committee on the Library.

H.R. 4944. A bill to provide for liquidation of loans to farmers for crop production and harvesting for the years 1935, 1936, 1937, and 1938; to the Committee on Agriculture.

By Mr. RANKIN:
H. R. 4945. A bill to authorize the Administrator of Veterans' Affairs to exchange certain property located at Veterans' Administration facility, Tuskegee, Ala., title to which is now vested in the United States, for certain property of the Tuskegee Normal and Industrial Institute; to the Committee on World War Veterans' Legislation.

By Mr. ANDERSON of Missouri:

H. J. Res. 201. Joint resolution providing for consideration of a recommendation for decoration of Sgt. Fred W. Stockham, deceased; to the Committee on Military Affairs.

By Mr. McLEOD:

H. J. Res. 202. Joint resolution proposing the creation of a fact-finding committee to determine the limit the public debt of the United States can reach with a reasonable degree of safety; to the Committee on Rules. By Mr. RICH:

H. J. Res. 203. Joint resolution to preclude the printing of extraneous matter in the Congressional Record; to the Committee on Printing.

By Mr. GRANT of Indiana:

H. J. Res. 204. Joint resolution authorizing the President of the United States of America to proclaim October 11 of each year General Pulaski's Memorial Day for the observance and commemoration of the death of Brig. Gen. Casimir Pulaski; to the Committee on the Judiciary.

By Mr. OLIVER:

H. Res. 118. Resolution to provide for an inquiry into money monopoly by temporary National Economic Committee; to the Committee on Rules.

By Mr. RANDOLPH:

H. Res. 119. Resolution authorizing the Committee on Labor to investigate the effects of technological changes on the employment of labor, and for other purposes; to the Committee on Rules.

By Mr. TAYLOR of Colorado:

H. Res. 120. Resolution to pay to Emeline B. Dailey, widow of Charles Dailey, 6 months' compensation and a sum not to exceed \$250 for funeral expenses; to the Committee on Accounts.

MEMORIALS

Under clause 3 of rule XXII, memorials were presented and referred as follows:

By the SPEAKER: Memorial of the Legislature of the State of Minnesota, memorializing the President and the Congress of the United States to consider their Resolution No. 9, Senate File No. 6, with reference to the stabilization of prices on farm products; to the Committee on Agriculture.

Also, memorial of the Legislature of the State of Minnesota, memorializing the President and the Congress of the United States to consider their Resolution No. 11, Senate File No. 442, with reference to the Pittman-Robertson Act; to the Committee on Agriculture.

Also, memorial of the Legislature of the State of Minnesota, memorializing the President and the Congress of the United States to consider their Resolution No. 8, Senate File No. 4, with reference to the enactment of legislation to stabilize prices on dairy products; to the Committee on Agriculture.

Also, memorial of the Legislature of the State of Minnesota, memorializing the President and the Congress of the United States to consider their Resolution No. 10, Senate File No. 177, on the need to establish a more stable program of subsidies to farmers for development and maintenance of farm woodlands and shelterbelts; to the Committee on Agriculture.

PRIVATE BILLS AND RESOLUTIONS

Under clause 1 of rule XXII, private bills and resolutions were introduced and severally referred as follows:

By Mr. ANDERSON of Missouri:

H. R. 4946. A bill for the relief of the Rock Hill Stone & Gravel Co., of St. Louis, Mo.; to the Committee on Claims.

By Mr. BOYKIN:

H. R. 4947. A bill for the relief of Hannis Hoven; to the Committee on Claims.

By Mr. CLASON:

H. R. 4948. A bill for the relief of William H, Armstrong; to the Committee on Military Affairs.

By Mr. COLLINS:

H. R. 4949. A bill for the relief of the estate of Vira Stokes Flowers; to the Committee on Claims.

By Mr. GAVAGAN:

H.R. 4950 (by request). A bill to restore Joseph Theodore Kingsley to the emergency officers' retirement list; to the Committee on Military Affairs.

By Mr. GEYER of California:

H. R. 4951. A bill for the relief of Ancell E. Cleaver; to the Committee on Military Affairs,

By Mr. HARTLEY:

H. R. 4952. A bill for the relief of Morris Fogel or Moische Fogel; to the Committee on Immigration and Naturalization. H. R. 4953. A bill for the relief of Charles Leonard; to the

Committee on Immigration and Naturalization.

H. R. 4954. A bill for the relief of Rosa Paone; to the Committee on Immigration and Naturalization.

H.R. 4955. A bill for the relief of Agnes Constable, nee Kydd; to the Committee on Immigration and Naturalization. H.R. 4956. A bill for the relief of Robert Brady; to the Committee on Naval Affairs.

By Mr. HOPE:

H. R. 4957. A bill granting an increase of pension to Laura B. Mills; to the Committee on Invalid Pensions.

By Mr. LARRABEE:

H.R. 4958. A bill granting an increase of pension to Albert C. Whitaker; to the Committee on Pensions.

By Mr. McCORMACK:

H. R. 4959. A bill for the relief of Francis Joseph Conley; to the Committee on Naval Affairs.

By Mr. McKEOUGH:

H. R. 4960. A bill for the relief of Stanley Lee Odom; to the Committee on Claims.

By Mr. McLAUGHLIN:

H.R. 4961. A bill for the relief of William McKinley Gill; to the Committee on Military Affairs.

By Mr. McREYNOLDS:

H. R. 4962. A bill granting a pension to Artricey K. Burden; to the Committee on Invalid Pensions.

By Mr. MURDOCK of Arizona:

H.R. 4963. A bill for the relief of Walter D. Adams; to the Committee on the Judiciary.

By Mr. O'CONNOR:

H. R. 4964. A bill for the relief of John M. Grady; to the Committee on Military Affairs.

H.R. 4965. A bill for the relief of J. Harry Walker; to the Committee on Indian Affairs.

By Mr. PETERSON of Georgia:

H. R. 4966. A bill for the relief of Richard Macleod Hull; to the Committee on Claims.

By Mr. ROBSION of Kentucky:

H. R. 4967. A bill granting a pension to George W. Birchfield; to the Committee on Pensions.

By Mr. SHAFER of Michigan:

H. R. 4968. A bill for the relief of Leah A. Brownell; to the Committee on Claims.

H. R. 4969. A bill for the relief of Thomas Geairn; to the Committee on Claims.

By Mr. SIROVICH:

H.R. 4970. A bill for the relief of Mira Friedberg (Mira Dworecka); to the Committee on Immigration and Naturalization.

By Mr. SMITH of Maine:

H.R. 4971. A bill for the relief of Annie Brown; to the Committee on Claims.

By Mr. STEFAN:

H. R. 4972. A bill granting a pension to Jennie Hillers; to the Committee on Invalid Pensions.

H. R. 4973. A bill granting a pension to Grace Gerecke; to the Committee on Invalid Pensions.

H. R. 4974. A bill granting an increase of pension to Mar-

garet Haney; to the Committee on Invalid Pensions.

H. R. 4975. A bill granting an increase of pension to Jennie

Paniska; to the Committee on Invalid Pensions.

H. R. 4976. A bill granting a pension to Lotta Dorr; to the Committee on Invalid Pensions.

H. R. 4977. A bill granting an increase of pension to Mary E. Hall; to the Committee on Invalid Pensions.

H. R. 4978. A bill granting a pension to Elia May Wilkinson; to the Committee on Invalid Pensions.

H. R. 4979. A bill granting a pension to Flavia F. Kile; to the Committee on Invalid Pensions.

By Mr. WELCH:

H. R. 4980. A bill to confer jurisdiction on the District Court of the United States for the District of Columbia to hear, determine, and render judgment upon the claim of C. A. Blume against the United States; to the Committee on Claims,

PETITIONS, ETC.

Under clause 1 of rule XXII, petitions and papers were laid on the Clerk's desk and referred as follows:

1669. By Mr. ANDREWS: Resolution adopted by the Board of Supervisors of Eric County, N. Y., protesting against the enactment of House bill 7; to the Committee on Rivers and Harbors.

1670. By Mr. BARRY: Resolution of the Chamber of Commerce of the State of New York, favoring the Barry bill (H. R. 2551), providing for a 2-cent postage rate within the corporate limits of a municipality; to the Committee on the Post Office and Post Roads.

1671. By Mr. CASE of South Dakota: Petition of 24 residents of the Arpan-Owman district, S. Dak., endorsing the Ludlow resolution, known as House Joint Resolution 89; to

the Committee on the Judiciary.

1672. Also, Senate Concurrent Resolution No. 9, State of South Dakota, petitioning the Postmaster General to bring about the issuance of a stamp commemorating the fiftieth anniversary of statehood of South Dakota; to the Committee on the Post Office and Post Roads.

1673. Also, concurrent resolution of the South Dakota Legislature, requesting Congress to provide by law for the creation of a special claims commission to meet with the Sioux Indians of South Dakota, to effectuate prompt settlement of individual or tribal Indian claims presented and filed under the laws and treaties of the United States with said Indian tribes; to the Committee on Indian Affairs.

1674. Also, Senate Concurrent Resolution No. 12 of the State of South Dakota, urging the Congress of the United States to pass proper legislation for the control and eradication of noxious weeds; to the Committee on Agriculture.

1675. By Mr. FISH: Petition of 20 members of the Bible Class Sisterhood of Congregation B'nai Jeshurun, favoring the passage of House bill 2645, to regulate the formation and activities of private military forces in the United States; to the Committee on Military Affairs.

1676. Also, petition of Harry B. Price, of the American Committee for Non-Participation in Japanese Aggression, representing Christian and Missionary Alliance; Congregational and Christian Ministers' Association of Metropolitan Area of New York City; New York City Congregational Church Association, Hunter College group, Roerich Museum group; Buffalo business groups; Federation of Churches of Rochester, N. Y.; Third Presbyterian Church, of Rochester, N. Y.; Colgate-Rochester Divinity School; Rochester School for the Deaf group; and citizens of Geneseo, Middleburg, Scotia, Brooklyn, and White Plains, N. Y., including 41 resolutions; to the Committee on Foreign Affairs.

1677. By Mr. GAMBLE: Petition signed by the Reverend Arthur Tonnaso and other residents in Ossining, N. Y., opposing any change in the neutrality policy of the United States; to the Committee on Foreign Affairs.

1678. Also, petition signed by Mrs. David A. Weir and other residents in Westchester County, N. Y., urging retention of the Spanish embargo; to the Committee on Foreign Affairs.

1679. Also, petition signed by Harry Brady and other residents in New Rochelle, N. Y., urging retention of the Spanish embargo; to the Committee on Foreign Affairs.

1680. Also, petition signed by Margaret E. Kennelly and other residents in New Rochelle, N. Y., urging retention of the Spanish embargo; to the Committee on Foreign Affairs.

1681. Also, petition signed by Daniel O'Brien and other residents in New Rochelle, N. Y., urging retention of the Spanish embargo; to the Committee on Foreign Affairs.

1682. Also, petition signed by John McInerny and other residents in Ossining, N. Y., urging the retention of the arms embargo on Spain; to the Committee on Foreign Affairs.

1683. By Mr. HART: Memorial of the One Hundred and Sixty-third Legislature of the State of New Jersey, memorializing the Congress of the United States to provide, by

proper amendment, that in no case shall income taxes levied exceed 25 percent of the total of such income; to the Committee on Ways and Means.

1684. Also, petition of the New Jersey State Board of Commerce and Navigation, Newark, N. J., opposing Senate Joint Resolution 24: to the Committee on the Judiciary.

1685. By Mr. HARTER of New York: Petition of the Board of Supervisors of Eric County, in the State of New York, opposing passage of House bill 7; to the Committee on Rivers and Harbors.

1686. By Mr. LUTHER A. JOHNSON: Petition of Earl Taylor, Horace Hitt, Frankie Felz, H. A. Dawson, Charlie Felz, George H. Bell, I. V. Boren, Glenn Rogers, Marvin Rogers, D. B. Ballard, Herman Hitt, Leonard Tidwell, W. W. West, W. W. Barnett, Lynn Adams, A. H. Berry, C. R. Bachus, C. Z. Bowman, Nelson Reynolds, William Henry, Howard Suttle, Maurice Robinson, Ray McCraw, R. W. Rogers, Ed Neil, Carl Taylor, Laddie Aycock, Milton Cox, W. E. Cox, Glenn Stokes, Virgil Cox, Charles Bellard, B. O. Barnett, H. C. Moore, J. C. Dickey, Odell Carlile, A. N. Rand, W. S. Wright, R. O. Delo, Dixie Ballard, and Inez McSwane, favoring House bill 1, the Federal retail chain-store tax bill; to the Committee on Ways and Means.

1687. By Mr. MARTIN J. KENNEDY: Letter from the Allied Printing Trades Council of Greater New York, New York City, expressing opposition to House bill 2203, a bill to provide for the recording of the proceedings in one of the courtrooms of the District Court of the United States for the District of Columbia by sound-recording equipment and the reproduction of the same: to the Committee on the Judiciary.

tion of the same; to the Committee on the Judiciary.

1688. By Mr. KEOGH: Petition of the Allied Printing
Trades Council of Greater New York, opposing House bill 2203,
providing for the recording of proceedings in one of the
courtrooms of the District of Columbia by sound-recording
equipment; to the Committee on the Judiciary.

1689. By Mr. KRAMER: Resolution of the International Association of Machinists of Hollywood, relating to proposed amendments to the Wagner Labor Relations Act; to the Committee on Labor.

1690. By Mr. PETERSON of Georgia: Petition of certain counties of the State of Georgia, favoring legislation to prevent the erection of a fixed bridge over the Altamaha River at Darien, Ga., and over any navigable river; to the Committee on Interstate and Foreign Commerce.

1691. By Mr. SCHAEFER of Illinois: Petition of Local Union No. 530, Amalgamated Meat Cutters and Butcher Workmen of North America, affiliated with the American Federation of Labor, Edward H. Fischer, secretary, East St. Louis, Ill., opposing amendment of the Wagner Labor Relations Act; to the Committee on Labor.

1692. Also, petition of members of the Tar and Chemical Workers, Local No. 297, Granite City, Ill., opposing amendment of the Wagner Labor Relations Act; to the Committee on Labor.

1693. Also, petition of Townsend Club No. 1, East St. Louis, Frank C. Smith, president, with endorsements of Aluminum Workers Union, Local No. 1878; Plasterers Union, Local No. 90; Workers Union, Local No. 100; Carpenters Union, Local No. 169; Amalgamated Association of Iron and Steel Workers, No. 1038; Teamsters and Chauffeurs, Local No. 729; Electrical Workers Union, Local No. 309, supporting House bill 2, known as the General Welfare Act; to the Committee on Ways and Means.

1694. By Mr. SCHIFFLER: Petition of Rt. Rev. Robert E. L. Strider, Bishop of the Diocese of West Virginia, Wheeling, W. Va., urging that ministers be excluded from the provisions of the Social Security Act; to the Committee on Ways and Means

1695. By Mr. SHAFER of Michigan: Resolution of the legislative committee and members of Hillsdale, Mich., branch of the American Association of University Women, relating to amendments to the Neutrality Act; to the Committee on Foreign Affairs.

1696. By Mr. TERRY: Petition of the Fifty-second General Assembly of Arkansas, urging Congress to enact the legislation embodied in Congressman DeRouen's measure,

House bill 3759, to authorize surveys and estimates for the Mississippi River Parkway, and upon completion of such surveys that the Congress make necessary appropriations from time to time until this meritorious project has been completed; to the Committee on Rivers and Harbors.

SENATE

MONDAY, MARCH 13, 1939

The Reverend Albert Joseph McCartney, D. D., minister, the Covenant-First Presbyterian Church, Washington, D. C., offered the following prayer:

Righteousness exalteth a nation, but sin is a reproach to any people.

Let us pray. Almighty God and Father of us all, whose Spirit rules the minds and hearts of those who acknowledge Thee, as once again we meet together to take counsel concerning the welfare of the Nation, grant unto Thy servants in the Senate assembled the counsel and the wisdom that cometh down from above and is ever profitable to direct. So guide our deliberations that truth and justice, virtue and plety, peace and happiness may be established within our borders.

If anyone amongst us be troubled in heart, perplexed in mind, or burdened in body, come with Thy clarifying Spirit and healing touch to restore us to a state of strength and calmness.

We commend to Thy protecting care the President of the United States, the Vice President, and all into whose hands, through the voice of the people, Thou hast committed the governance of the state. These blessings that we invoke upon our own land we ask for all the peoples of the earth, to the end that peace and good will may be restored among the nations. This we ask in the name of the Prince of Peace, Jesus Christ our Lord. Amen.

THE JOURNAL

On request of Mr. BARKLEY, and by unanimous consent, the reading of the Journal of the proceedings of Thursday, March 9, 1939, was dispensed with, and the Journal was approved.

CALL OF THE ROLL

Mr. MINTON. I suggest the absence of a quorum.

The VICE PRESIDENT. The clerk will call the roll.

The legislative clerk called the roll, and the following Senators answered to their names:

Adams	Danaher	La Follette	Reed
Andrews	Davis	Lee	Reynolds
Ashurst	Donahev	Lewis	Russell
Austin	Downey	Lodge	Schwartz
Bailey	Ellender	Logan	Schwellenbach
Bankhead	Frazier	Lucas	Shipstead
Barbour	George	Lundeen	Smith
Barkley	Gerry	McCarran	Stewart
Bilbo	Gibson	McKellar	Taft
Bone	Gillette	McNary	Thomas, Okla.
Borah	Glass	Maloney	Thomas, Utah
Brown	Guffey	Mead	Tobey
Bulow	Gurney	Miller	Townsend
Burke	Harrison	Minton	Truman
Byrd	Hatch	Murray	Tydings
Byrnes	Hayden	Neely	Vandenberg
Capper	Hill	Norris	Van Nuys
Caraway	Holman	Nye	Wagner
Chavez	Hughes	O'Mahoney	Walsh
Clark, Idaho	Johnson, Calif.	Overton	Wheeler
Clark, Mo.	Johnson, Colo.	Pittman	Wiley
Connally	King	Radcliffe	

Mr. LEWIS. I announce that the Senator from West Virginia [Mr. Holf] is detained from the Senate because of illness.

The Senator from Rhode Island [Mr. Green], the Senator from Iowa [Mr. Herring], the Senator from Florida [Mr. Pepper], the Senator from Texas [Mr. Sheppard], and the Senator from New Jersey [Mr. Smathers] are unavoidably detained.

The VICE PRESIDENT. Eighty-seven Senators have answered to their names. A quorum is present.

MESSAGES FROM THE PRESIDENT-APPROVAL OF BILLS

Messages in writing from the President of the United States were communicated to the Senate by Mr. Hess, one of his secretaries, who also announced that the President had approved and signed the following acts:

On March 4, 1939:

S. 1102. An act to continue the functions of the Reconstruction Finance Corporation, and for other purposes.

On March 6, 1939:

S. 1294. An act to authorize the Commissioners of the District of Columbia to regulate the hours during which streets, alleys, etc., shall be lighted.

On March 7, 1939:

S. 494. An act to name the bridge to be erected over the Anacostia River in the District of Columbia after the late "March King." John Philip Sousa, composer of the Stars and Stripes Forever.

MESSAGE FROM THE HOUSE

A message from the House of Representatives, by Mr. Calloway, one of its reading clerks, announced that the House still further insisted upon its disagreement to the amendments of the Senate Nos. 17 and 18 to the bill (H. R. 3743) making appropriations for the Executive Office and sundry independent executive bureaus, boards, commissions, and offices for the fiscal year ending June 30, 1940, and for other

The message also announced that the House had agreed to the report of the committee of conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H. R. 2868) making appropriations to supply deficiencies in certain appropriations for the fiscal year ending June 30, 1939, to provide supplemental appropriations for the fiscal year ending June 30, 1939, and for other purposes: that the House receded from its disagreement to the amendment of the Senate No. 23 to the bill and concurred therein with an amendment, in which it requested the concurrence of the Senate, and that the House agreed to an amendment to the engrossed copy of the bill, in which it requested the concurrence of the Senate.

REPORT OF THE RAILROAD RETIREMENT BOARD

The VICE PRESIDENT laid before the Senate the following message from the President of the United States, which was read, and, with the accompanying report, referred to the Committee on Interstate Commerce:

To the Congress of the United States:

In compliance with the provisions of section 10 (b) (4) of the Railroad Retirement Act, approved June 24, 1937, and of section 12 (1) of the Railroad Unemployment Insurance Act, approved June 25, 1938, I transmit herewith for the information of the Congress the report of the Railroad Retirement Board for the fiscal year ended June 30, 1938, together with supplementary information covering the period July 1 to October 31, 1938.

FRANKLIN D. ROOSEVELT.

THE WHITE HOUSE, March 13, 1939.

COMMISSIONED PERSONNEL OF THE COAST GUARD

The VICE PRESIDENT laid before the Senate a letter from the Acting Secretary of the Treasury, transmitting a draft of proposed legislation to readjust the commissioned personnel of the Coast Guard, which, with the accompanying papers, was referred to the Committee on Commerce.

AMENDMENT OF POSTAL SAVINGS SYSTEM ACT

The VICE PRESIDENT laid before the Senate a letter from the Acting Postmaster General, transmitting a draft of proposed legislation to amend the act approved June 25, 1910, authorizing establishment of the Postal Savings System by changing the denominations of postal-savings stamps, which, with the accompanying paper, was referred to the Committee on Post Offices and Post Roads.

WATER USERS ON RECLAMATION PROJECTS

The VICE PRESIDENT laid before the Senate a letter from the Acting Secretary of the Interior, transmitting a draft of proposed legislation to authorize further relief to water users on United States and Indian reclamation projects by authorizing the Secretary of the Interior to grant extensions for payment of construction charges in certain cases, which, with the accompanying paper, was referred to the Committee on Irrigation and Reclamation.

DEFICIENCY JUDGMENTS IN CONNECTION WITH REAL-ESTATE LOANS

The VICE PRESIDENT laid before the Senate a letter from the Governor of the Farm Credit Administration, stating that, pursuant to Senate Resolution 89, agreed to March 4. 1939, his report with respect to deficiency judgments which have been obtained by the Federal land banks and the Land Bank Commissioner will be submitted to the Senate at the earliest practicable date, which was referred to the Committee on Banking and Currency.

STUDY OF INVESTMENT TRUSTS AND COMPANIES

The VICE PRESIDENT laid before the Senate a letter from the Chairman of the Securities and Exchange Commission, transmitting, pursuant to law, chapter VIII of part 2 of the Commission's report on its study of investment trusts and investment companies entitled "Portfolio Investments of Investment Trusts and Investment Companies." which, with the accompanying report, was referred to the Committee on Interstate Commerce.

SENATOR FROM INDIANA—PETITION FOR INVESTIGATION OF ELECTION

The VICE PRESIDENT laid before the Senate the petition of Raymond E. Willis, Esq., of Angola, Ind., praying for an investigation of the senatorial election held in the State of Indiana on November 8, 1938, and submitting summary of evidence and other data relative thereto, which, with the accompanying papers, was referred to the Committee on Privileges and Elections.

PHILIPPINE INDEPENDENCE

The VICE PRESIDENT laid before the Senate a letter from the Secretary of War, transmitting a letter from Gen. Emilio Aguinaldo, commanding general of the Philippine Revolution and president of the Philippine Veterans' Association, with an accompanying resolution adopted by veterans of the Philippine Revolution, reiterating the desire of the Filipino people to be free and independent at an early date. which, with the accompanying papers, was referred to the Committee on Territories and Insular Affairs.

EXCISE TAX ON PHILIPPINE COCONUT OIL

The VICE PRESIDENT laid before the Senate a letter from the Secretary of War transmitting copy of a radiogram from the United States High Commissioner to the Philippines, which, with the accompanying paper, was referred to the Committee on Finance and ordered to be printed in the RECORD, as follows:

WAR DEPARTMENT, Washington, March 9, 1939.

The PRESIDENT OF THE SENATE,

Washington, D. C.

Sir: There is enclosed herewith a copy of a radiogram quoting the text of Resolution No. 10, adopted on March 3, 1939, by the National Assembly, Commonwealth of the Philippines, protesting against the reported proposals in the Congress to increase the excise tax on Philippine coconut oil, received in the Bureau of Insular Affairs of this Department from the United States High Commissioner to the Philippine Islands.

Copies of the above-mentioned radiogram have been sent to the President of the United States and Speaker of the House of Representatives.

Representatives Respectfully,

HARRY H. WOODRING. Secretary of

[Radiogram received March 8, 1939] (42 WTJ AC 390 BIA Manila)

SECWAR. Washington. Burnett. March 8-No. 153.

(Par. 2) Following is text of Resolution No. 10, adopted by national assembly March 3, 1939. President's office requests that this be transmitted to the President and Congress:

"Resolution protesting against reported proposals in the Congress of the United States to increase the excise tax on Philippine coconut oil

"Whereas there is now pending in the Congress of the United States a proposal to increase the excise tax on coconut oil coming from the Philippines from 3 to 5 cents per pound; and

"Whereas, notwithstanding the 2 cents preferential now enjoyed by Philippines coconut oil, the coconut industry is already suffering from bedrock prices, and the elimination of such preferential through the increase of the tax from 3 to 5 cents will further reduce to misery millions of Filipinos who depend on this industry: Now, therefore, be it

"Resolved, by the national assembly to express, as it does hereby express, its strongest, firm, and decided opposition to and protest against any measure designed to increase the present excise tax on Philippine coconut oil; and

"Resolved further, That this resolution be transmitted through His Excellency, the President of the Philippines, to the President and Congress of the United States, with the request that such representations be made by the duly authorized representatives of the Philippines in the said Congress and before the proper officials of the Government of the United States, in order to carry out the purposes of this resolution.

"Adopted, March 3, 1939."

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PETITIONS AND MEMORIALS

The VICE PRESIDENT laid before the Senate the following joint memorial of the Legislature of Oregon, which was referred to the Committee on Agriculture and Forestry:

Senate Joint Memorial 7

To the honorable Senate and House of Representatives of the United

States of America in Congress assembled: We, your memorialists, the Fortieth Legislative Assembly of the State of Oregon, convened in regular session, respectfully represent that:

Whereas there has been introduced in the House of Representatives of the Seventy-sixth Congress of the United States of America a bill, being House bill No. 4036, entitled "A bill to amend the act entitled 'An act to regulate the importation of nursery stock and

entitled 'An act to regulate the importation of nursery stock and other plants and plant products; to enable the Secretary of Agriculture to establish and maintain quarantine districts for plant diseases and insect pests; to permit and regulate the movement of fruits, plants, and vegetables therefrom; and for other purposes,' approved August 20, 1912 (37 Stat. 315)'';

Whereas the farmers of the State of Oregon sustain immense damage each year from plant diseases and insect pests, which spread from outside this country and from State to State and injuriously affect the fruits, plants, and vegetables in the State of Oregon, as well as those in other States, which plant diseases and insect pests are beyond the power of the State of Oregon to control without the assistance of the Federal Government, and it is necessary to provide a Nation-wide program to control such pests and diseases in order to protect the farmers within the State of Oregon: Now, therefore, be it

order to protect the farmers within the State of Oregon: Now, therefore, be it

Resolved by the Senate of the State of Oregon (the house of representatives jointly concurring therein), That the Legislature of the State of Oregon hereby does petition the Congress of the United States of America to favorably consider and pass legislation to prevent the introduction and control the spread of and to eradicate plant diseases and insect pests, to regulate the importation of nursery stock and other plants and plant products, to enable the Secretary of Agriculture to establish and maintain quarantine districts for plant diseases and insect pests and to permit and regulate the movement of fruits, plants, and vegetables therefrom, as provided in House bill No. 4036 of the Seventy-sixth Congress; be it further

Resolved, That the secretary of state of the State of Oregon be, and he hereby is, directed to transmit copies of this joint memorial to the Vice President of the United States, the Speaker of the House of Representatives, and to each Member of Congress from the State

The VICE PRESIDENT also laid before the Senate the following joint memorial of the Legislature of Colorado, which was referred to the Committee on Appropriations:

Senate Joint Memorial 10

Senate Joint Memorial 10

Whereas the Norris-Doxey Act which was passed by Congress and approved by the President in 1937 authorizes an appropriation of \$2,500,000 for the following purposes: To increase farm-forest income; to improve living conditions on the farms; to increase employment; to prevent the movement of farm population to the cities; to conserve soil and water resources; to aid agriculture generally; the work to be carried on through the State forestry agencies and the land-grant colleges cooperating with the United States Department of Agriculture; and

Whereas the efficiency of much of the forest lands of Colorado would be greatly increased through an expanded farm forestry program; and

program; and

Whereas the benefits from increased shelterbelts and tree plantings for flood- and wind-erosion control would add much to the income of Colorado farmers, improve farm homes, and render a valuable public service; and

Whereas the Federal assistance to date is inadequate to accomplish the above objectives: Now, therefore, be it

Resolved by the Senate of the Thirty-second General Assembly (the house of representatives concurring herein). That this General Assembly of the State of Colorado urges the Congress of the United States to provide funds to carry out the provisions of the Norris-Doxey Act; be it further

Resolved, That copies of this memorial be forwarded to the President of the United States, the Vice President of the Senate, and the Speaker of the House of Representatives of the Congress of the United States, and the Senators and Representatives of the State of Colorado in the Congress of the United States.

The VICE PRESIDENT also laid before the Senate the following concurrent resolutions of the Legislature of North Dakota, which were referred to the Committee on Agriculture and Forestry:

Senate Concurrent Resolution 185

Concurrent resolution memorializing Congress to increase the minimum number of employees required in agricultural States under the Unemployment Compensation Act

Be it resolved by the Senate of the State of North Dakota (the

Be it resolved by the Senate of the State of North Dakota (the house of representatives concurring):

Whereas the present minimum number of employees fixed and required by the Federal Unemployment Act is eight persons; and Whereas such limit may not be too low in industrial States, but is too low and too oppressive a requirement in States where the income of the people, and particularly the business interests in such State, is wholly or almost wholly from agriculture: Now, therefore he it.

fore, be it Resolved, That we hereby memorialize Congress, and particularly our Senators and Members of the House of Representatives in Congress, to enact an amendment to the existing Federal requirement of a minimum of 8 employees, as required in the present Unemployment Act, so as to raise said minimum to not less than 20 employees in States where 75 percent or more of the gross income of such States is derived from agricultural sources.

House Concurrent Resolution 248

Be it resolved by the House of Representatives of the State of North Dakota (the senate concurring):

Whereas the farmers of the State of North Dakota are in a severe economic emergency because of the fact that it has cost them more to operate their farms than they have received for the crops produced; and

more to operate their farms than they have received for the crops produced; and
Whereas the extreme drought of the past 5 years has made it necessary for large numbers of farmers to go on relief; and
Whereas the Frazier-Lemke Refinancing Act, which is about to be voted upon by Congress, will be of great assistance to the farmers of North Dakota and will save thousands of people from hunger and privation: Now, therefore, be it

*Resolved by the House of Representatives of the State of North Dakota (the senate concurring), That we memorialize Congress to enact into law the Frazier-Lemke Refinancing Act; and be it further Resolved, That the chief clerk of the house of representatives transmit a copy of this resolution to the President of the United States Senate, to the Speaker of the United States House of Representatives, and to the North Dakota delegation in Congress.

The VICE PRESIDENT also laid before the Senate the following concurrent resolutions of the Leglislature of North Dakota, which were referred to the Committee on Appropriations:

House Concurrent Resolution 225

Be it resolved by the House of Representatives of the State of North Dakota (the senate concurring therein), Whereas the Hayden-Cartwright Act of Congress authorized a maximum of \$4,000,-000 be spent for Indian Service roads; and

000 be spent for Indian Service roads; and
Whereas the appropriation of such an amount by Congress would provide for an expenditure of \$250,000 for Indian Service roads on Indian reservations in North Dakota; and
Whereas the recommendations of the Bureau of the Budget for the fiscal year 1939-40 provides for an amount of only \$2,000,000 to be appropriated by Congress for Indian Service roads, thus depriving the Indian reservations in the State of North Dakota of nearly \$150,000 per annum: Now, therefore, be it

*Resolved by the House of Representatives of the State of North Dakota (the senate concurring), That the Congress of the United States be and the same is hereby memorialized to provide in their present appropriation bills that the full amount of the Hayden-Cartwright Act, to wit, \$4,000,000 be allocated the several Indian reservations of the United States for Indian Service road purposes; be it further

reservations of the United States for Indian Service road purposes; be it further

Resolved, That the chief clerk be instructed to send a copy of this resolution to the Speaker of the House of Representatives in Congress, the President of the Senate, to the Members of Congress from the State of North Dakota, to the Commissioner of Indian Affairs, and to the Bureau of the Budget.

House Concurrent Resolution 398

Concurrent resolution petitioning Congress to make appropriations ample for the road program of the Fort Berthold Reservation

Be it resolved by the House of Representatives of the State of North Dakota (the senate concurring): Whereas the three affliated tribes of the Fort Berthold Reservation have eight well-equipped Government schools, with four busses traveling over 90 miles of poorly constructed roads in all kinds of weather; and Whereas medical and hospital service at the agency renders appreciable service to the Indians, but the work in the field is made

very difficult due to poor road facilities, creating a condition unsatisfactory and dangerous, alike to the field medical service, and the members of the three tribes; and

Whereas the construction of roads has enabled the young men of the reservation, just out of school, an opportunity to learn practical work and earn a livelihood; and

Whereas the tribal council favors the construction of all-weather Indian Service roads, to serve as "life lines" to truck trails and fire-suppression lanes to remote areas of the reservation; and

Whereas the allotment for the past 2 years has been \$40,000 per annum, a much smaller amount than allowed in many jurisdictions of smaller area, and it is believed this sum may be curtailed: and

Whereas this fund does not allow for the employment of sufficient labor to operate equipment to advantage, nor employ available manpower, and this, not being supplemented by State or other funds, makes it necessary to rely solely upon gratuitous appropriations: Now, therefore, be it

*Resolved by the House of Representatives of the State of North Dakota (the senate concurring), That the North Dakota Legislative Assembly urgently recommends that in the interests of health, welfare, and education, that a yearly allotment of not less than \$75,000 be appropriated for the road program of the three affiliated tribes of the Fort Berthold Reservation; and be it further Resolved, That the secretary of state is instructed and directed to transmit copies of this resolution to the President of the Senate, the Speaker of the House of Representatives, each of the Members of Congress of this State, the Secretary of the Interior, and the Commissioner of Indian Affairs.

The VICE PRESIDENT also laid before the Senate the following concurrent resolution of the Legislature of North Dakota, which was referred to the Committee on Finance:

House Concurrent Resolution 368

House Concurrent Resolution 368

Payments of old-age assistance, aid to the blind, and aid to dependent children, grants to ward Indians

Be it resolved by the House of Representatives of the State of North Dakota (the senate concurring therein):

Whereas there are on Indian reservations within the State of North Dakota a large group of ward Indians who are wards of the United States Government; and

Whereas many of these ward Indians living on Indian reservations are eligible for old-age assistance and are now receiving oldage assistance grants, and others, as they become eligible, will be making application for old-age assistance grants; and

Whereas there are many ward Indians living on Indian reservations who are blind and are eligible for aid to the needy blind; and

tions who are blind and are eligible for aid to the needy blind; and Whereas many ward Indian children living on Indian reservations are receiving aid to dependent children, and many more will no doubt apply and be eligible for aid to dependent children; and Whereas payments of old-age assistance and aid-to-dependent-children grants are paid by the Federal Government, State, and county, and aid-to-blind grants are paid by the Federal Government and State to these ward Indians on the same basis as non-ward Indians and other citizens of the State of North Dakota not living on Indian reservations and who are not wards of the Federal Government: and Government; and

Whereas the payment by the county and State for old-age assistance and aid-to-dependent-children grants to ward Indians places a heavy burden on the State and those counties in which Indian reservations are located; and

reservations are located; and
Whereas ward Indians are wards of the Federal Government and
it would seem that they should therefore be the sole responsibility
of the Federal Government: Now, therefore, be it
Resolved by the House of Representatives of the State of North
Dakota (the senate concurring), That the Twenty-sixth Legislative Assembly of North Dakota respectfully request the Congress of
the United States to amend titles 1, 4, and 10 of the Federal Social
Security Act so as to provide that 100-percent payments of oldage assistance, aid-to-the-blind, and aid-to-dependent-children
grants to ward Indians living on Indian reservations be made by
the Federal Government; and be it further
Resolved, That attested copies of this resolution be sent to both
Houses of Congress of the United States, to each of the Members
thereof from this State, and to the Social Security Board, Washington, D. C.

ington, D. C.

The VICE PRESIDENT also laid before the Senate the following concurrent resolution of the Legislature of North Dakota, which was referred to the Committee on Public Lands and Surveys:

Senate Concurrent Resolution 285

Concurrent resolution memorializing the Members of the United States Congress to pass a bill to establish a national land policy and to provide homesteads free of debt for actual farm families, which bill is now pending in Congress known as S. 136

Be it resolved by the Senate of the State of North Dakota (the house of representatives concurring):

Whereas there is a bill known as S. 136 now before the Congress of the United States to establish a national land policy, and to provide homesteads free of debt for actual farm families; and Whereas, if said bill is enacted into law, it will do more to relieve the agricultural situation in the United States than any

measure that has heretofore been proposed in Congress and will bring immediate and permanent relief to more than 35,000 farm families in North Dakota whose farm homes are heavily mortgaged: Now, therefore,

gaged: Now, therefore,

The Twenty-sixth Legislative Assembly of the State of North
Dakota respectfully requests and petitions the Congress of the
United States to give immediate and favorable consideration of
this bill; and be it further

Resolved, That the secretary of state cause sufficient copies of
this resolution to be printed, and that he cause to be mailed a
copy to the President of the Senate and Speaker of the House
of Representatives of the Congress of the United States requesting
that said resolution be read before each of said bodies, and also
that a copy of this resolution be sent to each of the Senators
and Representatives in Congress from the State of North Dakota.

The VICE PRESIDENT also laid before the Senate the following concurrent resolutions of the Legislature of North Dakota, which were referred to the Special Committee to Investgate Unemployment and Relief:

Senate Concurrent Resolution 271

Concurrent resolution relating to the distribution of food com-modities by Federal relief agencies

Be it resolved by the Senate of the State of North Dakota (the house of representatives concurring):

Whereas the distribution of surplus food commodities and clothing to persons in need is necessary to many people in this State, but in many instances the distribution is not made to those who

but in many instances the distribution is not made to those who are in the greatest need thereof.

Whereas the present system of distribution is costly to both the United States Government, the State of North Dakota, and the several counties participating in the distribution thereof.

Whereas large quantities of the commodities distributed are not best adapted to the needs of the people of this State, which likewise results in waste and expense; and

Whereas the system of distribution results in diminishing the volume of wholesale and retail sales of commodities in the State, and the total cost of distribution equals the profits of regular dealers and merchants: Therefore be it

and the total cost of distribution equals the profits of regular dealers and merchants: Therefore be it Resolved by the senate (the house of representatives concurring), That we memorialize the Congress of the United States to enact such measures as will correct these objections and that direct grants be made to the States for the purchase of such commodities of such kind and quality as are most adapted and suitable to the needs of such recipients, and that such commodities be distributed to persons found eligible and in need through regular commercial channels of trade by the issuance of purchase orders upon merchants and business establishments operating in North Dakota and offering for sale at points of consumption such commodities. commodities.

Senate Concurrent Resolution 287

Resolution urging the President of the United States and the Conesolution urging the President of the United States and the Congress of the United States to make such adequate provisions for public-relief needs in the State of North Dakota as are warranted by conditions as they have been developed in reports to the Governor of North Dakota and to members of the Twenty-sixth Legislative Assembly of the State of North Dakota by a special citizens committee, and urging that there be no further curtailment at this time of Federal funds for work relief, old-age assistance, aid for dependent children, aid to the blind, and for grants-in-aid to farmers grants-in-aid to farmers

Be it resolved by the Senate of the State of North Dakota (the

Be it resolved by the Senate of the State of North Dakota (the house of representatives concurring therein):

Whereas the relief needs of the State of North Dakota, as they are developed by the inescapable facts, are greater at this time than at any time in the history of this State, the Twenty-sixth Legislative Assembly of the State of North Dakota respectfully represents to the President and to the Members of Congress of the United States the following facts:

States the following facts:

The State of North Dakota has approximately 680,000 people. For more than 7 years, because of drought, crop failures, insect pests, and other factors over which the people of the State have no control, there has been developed a tremendous burden of tax delinquency, arriving at the point where, to discharge its ordinary constitutional obligations to the people of the State, the government of North Dakota is faced with the greatest problem of its history.

history.

On the basis of 4 members to a family, a population of 680,000 persons is the equivalent of 170,000 families in North Dakota. Of this number there are at present in a relief status, as evidenced by the employment on W. P. A. rolls of 14,300 and by the grant-in-aid list of F. S. A. approximately 30,000 families, a total of more than 44,000 families. In addition to this, it is estimated that easily 30,000 more families are reduced to a bare subsistence level of living and are unable to discharge normally their responsibilities as taxpayers. It thus becomes evident that approximately 90,000 families must accept responsibility for a tax burden of more than \$25,000,000 in the forthcoming blennium. While facing further uncertainties of crop production, it is also evident that the burden of relief now indicated can be but slightly reduced in the coming year; and

Whereas it is apparent that the current Federal relief appropriations, while going a long way to meet need, are necessarily expended upon an emergency basis, while it is clearly evident that the State has before it a great problem of rehabilitation, it is respectfully urged upon the President and Members of Congress that appropriation of Federal funds to North Dakota be continued on a basis

priation of Federal funds to North Dakota be continued on a basis which will meet insofar as possible, utilizing the best available rehabilitation methods, the needs of the people; and Whereas it is clearly established by the facts that in large sections of North Dakota, because of crop failure, we now have what may be termed stranded populations; and Whereas it is evident that nothing is to be gained by moving these stranded populations to new areas where their future welfare must necessarily be determined by new agricultural practices with which few of them are familiar, and their welfare will be affected by economic factors which exist throughout the country; and

Whereas it is apparent that the future destiny of North Dakota and its proper development can best be assured by employing the efforts of the people who know the country, its production possibilities, the vicissitudes of its climate, and the natural problems it presents, we urge that the most careful attention be given to scientific methods for the rehabilitation of the people where they

We urge that more funds be made available for intelligently engineered and well-considered water-conservation projects, for the education of the people in new methods of land utilization, and for relief financing which will encourage stranded farmers and town workers to assume their full share of responsibility in re-

building North Dakota.

We respectfully represent that any curtailment of Federal ex-

We respectfully represent that any curtailment of Federal expenditures in North Dakota under present conditions cannot but result in suffering for individuals, loss of morale to the people, and in a lamentable loss of time in obtaining the objectives which must be attained to rehabilitate this State: Now, therefore, be it Resolved by the Senate of the State of North Dakota (the house of representatives concurring), That we urge a thorough investigation of the North Dakota relief situation directed to the end that for the present the best results for the welfare of the greatest number of people be made a practical objective.

The VICE PRESIDENT also laid before the Senate the following joint resolution of the Legislature of Minnesota, which was referred to the Committee on Agriculture and Forestry:

Joint resolution by the Legislature of the State of Minnesota in regular session assembled assenting to the provisions of the Pittman-Robertson Act

Whereas the Congress of the United States has enacted an act commonly known as the Pittman-Robertson Act, which is entitled "An act to provide that the United States shall aid the States in wildlife restoration projects, and for other purposes," having approval September 2, 1937; and

Whereas under the statutes of the State of Minnesotte from lives to the State of Minnesotte from lives and all moneys

whereas under the statutes of the state of Minnesota all moneys accruing to the State of Minnesota from license fees paid by hunters and all moneys paid into the State treasury through the game and fish department, including the income from the sale of confiscated game and parts thereof, and from all other sources, are appropriated for the maintenance and conduct of the activities of the commis-

Whereas the purpose of the act is to furnish funds to aid in wildlife restoration projects and for the further development of the

wildlife restoration projects and for the further development of the game resources of the State of Minnesota; and Whereas the State of Minnesota, in order to avail itself of its proportions of the funds made available under said act, desires to assent to the provisions of the act: Now, therefore, be it Resolved by the Legislature of the State of Minnesota in regular session assembled. That the State of Minnesota assent to the provisions of the said Pittman-Robertson Act and such assent is hereby given, and that the secretary of state is hereby directed to send certified copies of this resolution to the President of the Senate of the United States and the Speaker of the House of Representatives of the United States, and two copies to the Secretary resentatives of the United States, and two copies to the Secretary of Agriculture, Henry A. Wallace, and one copy to the office of the regional director of the United States Department of Agriculture at Milwaukee, Wis.

The VICE PRESIDENT also laid before the Senate the following concurrent resolutions of the Legislature of Minnesota, which were referred to the Committee on Agriculture and Forestry:

Concurrent resolution memorializing the Congress of the United States and the Secretary of Agriculture on the need to establish a more stable program of subsidies to farmers for development and maintenance of farm woodlands and shelterbelts

Whereas the farm woodlands make up more than 5,000,000 acres of the 19,000,000 acres of forest land in the State of Minnesota; and of the 19,000,000 acres of forest land in the State of Minnesota; and Whereas forests are a soil-building and soil-conserving crop; and Whereas the practice of good conservation on these lands can be encouraged by special inducements such as those given under the agricultural conservation program; and Whereas this program now includes benefits for maintaining land in pasture and orchards: Now, therefore, be it Resolved by the Senate of the State of Minnesota (the house of representatives concurring). That the agricultural conservation program should also include a stable and comprehensive program of benefits for forestry practices on farm woodlands, including the

protection of such woodlands from grazing, fire, and destructive

protection of such woodlands from grazing, fire, and destructive logging; and be it further Resolved, That additional technical forestry aid, as authorized by the Norris-Doxey Farm Forestry Act, should be provided to instruct the farmers and woodland owners in this phase of the agricultural conservation program; and be it further Resolved, That the secretary of state be instructed to send copies of this resolution to the President of the Senate of the United States and to the Speaker of the House of Representative of the United States, and to the Secretary of Agriculture. Hon. of the United States, and to the Secretary of Agriculture, Hon. Henry A. Wallace, and to each of the Senators and Representatives of the State of Minnesota in the Congress of the United States.

Concurrent resolution memorializing Congress to stabilize prices on farm products

Whereas widespread dissatisfaction exists among the producers of

Whereas widespread dissatisfaction exists among the producers of farm commodities in Minnesota and neighboring States relative to the losses incurred in ordinary farm operations; and Whereas the American farmer is forced to sell the major portion of what he produces on a world market and purchase all of his necessities on a highly protected stabilized domestic market; and Whereas the spread between the values of the commodities the farmer sells and those he buys places him at a serious disadvantage in the market places; and Whereas this price disparity has existed for over 5 years and promises to continue indefinitely and create disaster among agriculturies.

promises to continue indefinitely and create disaster among agriculturists; and

Whereas the prices of agricultural commodities are not on a parity with prices of other products and especially with the prices of those commodities which the farmer must buy; and

Whereas the financial returns from the farming industry have been such that the people engaged in that industry are practically bankrupt, demanding immediate, drastic action; and

Whereas the farmers are the largest buyers of commercial products in the Nation and a return of their purchasing power is essential before we can have any general and lasting return of prosperity: and

prosperity; and
Whereas in view of the price-fixing opportunities given by
national legislation to industry, and in view of the curtailment of

farm production; and
Whereas to encourage, create, develop, and maintain a stable,
prosperous, and permanent system of agriculture in the United
States, it becomes necessary that agriculture should enjoy the
same protection in price stabilization, which is enjoyed by industry; and
Whereas our present economic system does not operate to pro-

Whereas our present economic system does not operate to protect the farmer when there is an exportable surplus of agricultural products, thereby resulting in the world price being paid on not only the exportable surplus of such agricultural products but on that consumed domestically as well; and

Whereas the existence of an exportable surplus of a vitally important food crop is a national necessity and from the consumer's standpoint nothing could be more dangerous than to create a deficiency in our stable food commodities through curtailment of production; and

Whereas to remove the disparity in prices and to guarantee equality to agriculture with industry and labor, it is wholly essential and absolutely necessary that the American farmer should receive a price for commodities which he produces which will assure him cost of production and in addition thereto an amount sufficient to pay taxes, interest, debts, and living expenses: Now, therefore, be it

Resolved by the State Senate of the State of Minnesota (the house of representatives concurring). That Congress of the United States, at its present sitting, be and the same is urgently petitioned and requested to enact such legislation as will meet our agricultural crisis; that will insure cost of production plus an amount sufficient to pay taxes, interest, debt service, and living expenses; that will place agriculture on a parity with those engaged in industry; that will retain the American market for the American farmer; and that will fix an adequate minimum price on farmer's products; be it further

Resolved, That a duly authenticated copy of this resolution be presented to the President of the United States, to the presiding

Resolved, That a duly authenticated copy of this resolution be presented to the President of the United States, to the presiding officers of the Senate and House of Representatives of the Congress of the United States, and to each of the Senators and Representatives from the State of Minnesota in the Congress of the United States.

The VICE PRESIDENT also laid before the Senate the following concurrent resolution of the Legislature of Minnesota, which was referred to the Committee on Finance:

Concurrent resolution memorializing Congress of the United States to enact legislation to stabilize prices on dairy products

Whereas the dairy farmers of the Nation are becoming impoverished because the prices received on the public markets for the commodities produced by them are less than the cost of producing

commodities produced by them are less than the cost of producing such commodities; and
Whereas the impoverishment of the farmers of the Nation will ultimately impoverish all the people of the Nation; and
Whereas it is imperative that legislation be enacted by Congress to secure fair prices for dairy products to the producers thereof;

Whereas dairy products constitute a very substantial portion of the total products produced by the farmers of the Nation; and

Whereas the causes of the depression in prices are the importa-tion of dairy products from foreign countries, dairy substitutes, and overproduction engendered by the use of lands, taken out of production of grains, for increased dairy production: Now, there-

Resolved by the Legislature of the State of Minnesota in regular session assembled, That the Congress of the United States be, and it hereby is, urgently petitioned to speedily enact legislation which will:

1. Levy a tax of not less than 5 cents per pound on uncolored

oleomargarine;

2. Bring about the prevention of the importation of foreign oils and fats used in the manufacture of foodstuffs, and of dairy products:

products;
3. Provide for the immediate removal of enough butter and cheese from the public markets so as to absorb the present surplus, and distribute this surplus for relief use;
4. Provide an effective plan to prevent lands withdrawn from cotton, wheat, tobacco, corn, and other crop production under the Federal Government's plan of acreage reduction from being utilized for the increase of dairy production; be it further

Resolved, That a duly authenticated copy of this resolution be presented to the President of the United States, to the Presiding Officers of the Senate and House of Representatives of the Congress of the United States, and to each of the Senators and Representatives from the State of Minnesota in the Congress of the United States. United States.

The VICE PRESIDENT also laid before the Senate the following concurrent resolution of the Legislature of Minnesota, which was referred to the Committee on the Judiciary:

Concurrent resolution memorializing the Congress of the United States to propose an amendment to the Constitution of the United States preventing the issuance of tax-exempt securities

States preventing the issuance of tax-exempt securities

Whereas the United States, the several States, and subdivisions thereof issue from time to time tax-exempt securities; and

Whereas such securities being tax exempt, the purchasers thereof are avoiding payment of their fair share of taxes; and

Whereas such tax-exempt securities for the most part are purchased by those best able to pay taxes; and

Whereas the result is that an intolerable burden of taxation is placed upon those least able to pay; and

Whereas further result is that money has been diverted from the pay rolls of business and industry and invested in tax-exempt securities, thereby retarding and preventing the progress of business and industry and creating unemployment; and

Whereas the Legislature of the State of Minnesota believes that the situation of the taxpayers has assumed proportions bordering on national calamity, imperatively requiring action by the United States with a view of a speedy and permanent relief and solution:

Therefore be it

States with a view of a speedy and permanent relief and solution:
Therefore be it

Resolved by the Senate of the State of Minnesota (the house of representatives concurring). That the State of Minnesota does hereby memorialize the Congress of the United States to propose to the States an amendment to the Constitution of the United States in the manner and form as follows:

"No evidences of indebtedness hereafter issued by the United States or by any Territory or dependency thereof, or by any State or by any municipality or any other subdivision thereof, or by any private person, corporation, or other organization, shall be exempt from taxation by the United States or by any State, Territory, or dependency or subdivision thereof." And be it further

Resolved, That the secretary of state be, and he hereby is, instructed to forward exemplified copies of this resolution to the Honorable Franklin D. Roosevelt, President of the United States; the Honorable John N. Garner, Vice President of the United States; the Honorable William B. Bankhead, Speaker of the House of Representatives of the United States; and to each of the Senators and Representatives from the State of Minnesota to the Congress of the United States. United States.

The VICE PRESIDENT also laid before the Senate the following joint memorial of the Legislature of Idaho, which was referred to the Committee on Banking and Currency:

Senate Joint Memorial 9

To the Honorable Senate and the House of Representatives of the United States of America in Congress assembled:

We, your memorialists, the Legislature of the State of Idaho,

we, your memorialists, the negislature of the State of Idaho, respectfully represent that—
Whereas in recent years the Chicago Mercantile Exchange and other similar exchanges in the United States have included the white potato as one of the commodities in which their members may deal in future trading during certain months of the year;

Whereas Idaho potatoes are the only potatoes produced in the United States in which there is any trading to any great extent, and that trading is limited to the Chicago Mercantile Exchange;

Whereas this form of trading in futures on Idaho potatoes has resulted in greatly depressed prices for Idaho potatoes on the Chicago market and other principal terminal markets of the United States; and Whereas the Chicago terminal market on potatoes is the principal terminal market for potatoes of the United States and any

depressed prices thereon affect all other markets on which Idaho potatoes might be sold; and

Whereas this form of trading and dealing in potato futures, particularly as they apply only to the State of Idaho, are beyond any control or regulation by this body; and

Whereas the matter of regulating all form of exchange trading in all commodities is subject only to the laws passed by the Congress of the United States: Now, therefore,

We, the Legislature of the State of Idaho do hereby most respectfully urge of your honorable body, the Congress of the United States, that your honorable body pass such legislation empowering the honorable Secretary of Agriculture to prohibit the sale of potatoes and other vegetables of like character for future delivery on any and all exchanges in the United States: Be it

Resolved, That the secretary of the State of Idaho be authorized, and is hereby directed, to immediately forward certified copies of this joint memorial to the Secretary of Agriculture, and the Senate and the House of Representatives of the United States, to the Senators and Representatives in Congress from the State of Idaho, and to the President, Franklin D. Roosevelt.

The VICE PRESIDENT also laid before the Senate the following joint memorials of the Legislature of the Territory of Alaska, which were referred to the Committee on Territories and Insular Affairs:

House Joint Memorial 1

House Joint Memorial 1

To the Honorable the Congress of the United States:

Whereas section 883, title 46, United States Code, as amended, was passed to regulate shipping between points in the United States, including Districts, Territories, and possessions thereof; and

Whereas under provisions of said section, Alaska is excluded in favor of points within the continental United States; and

Whereas this exclusion has operated as discriminatory against the best interest of Alaska by delaying delivery of goods and by increasing costs of transportation:

Now, therefore, we, your memorialist, memorialize the Congress of the United States to amend said section by striking therefrom the words "except Alaska", thereby making it lawful to ship merchandise over Canadian rail and water lines, providing the same privileges are extended by the Canadian Government to American bottoms in the Canadian waters between the United States and Alaska.

And your memorialist will ever pray.

House Joint Memorial 20

To the Honorable Congress of the United States, to Hon. Harold L. Ickes, Secretary of the Interior, and Hon. Anthony J. Dimond, Delegate to Congress from Alaska:

Your memorialist, the Legislature of Alaska, respectfully repre-

sents:

That there was passed by the Congress of the United States and approved June 30, 1932, an act governing the operation of roads, trails, and bridges in Alaska, found in section 321b, title 48, United States Code, and also section 3, 47 Statutes at Large, page 446, and which act gives the Secretary of the Interior the power, by order or regulation to make rules and regulations governing the use of roads, trails, and other works in Alaska, including the fixing and collection of tolls where deemed necessary and advisable in the public interests: and

roads, trails, and other works in Alaska, including the fixing and collection of tolls where deemed necessary and advisable in the public interests; and

Whereas pursuant to the power and authority vested in him by virtue of the act aforesaid, the honorable Secretary of the Interior, by order No. 905, dated March 25, 1935, has promulgated a set of regulations for the use of highways in Alaska and the operation of motor vehicles, section 2 of which regulations reads as follows:

"Sec. 2. Tolls: For the transportation of merchandise or freight over the Richardson Highway, there shall be charged and collected at or adjacent to the McCarthy Ferry on the Tanana River, tolls equal to 2½ cents per ton of such merchandise or freight passing that point multiplied by the number of miles such merchandise or freight has been or is being carried over the said highway. No vehicle hauling such merchandise or freight shall be allowed to pass the designated toll station except upon payment of the tolls as herein provided. It shall be the duty of the Governor of Alaska, as ex officio Commissioner for the Interior Department, to cause the collection of the tolls to be made in such manner as may be found most convenient and practicable, and all moneys so collected shall be deposited in the Treasury of the United States as miscellaneous receipts"; and

Whereas the imposition of said tolls upon the Richardson High-

Whereas the imposition of said tolls upon the Richardson Highway between Valdez and Fairbanks, and between other points on said highway, has worked a great hardship upon the residents of Fairbanks and interior Alaska, by adding to the freight rates normally required a toll of approximately \$9 per ton on all freight shipped over the Richardson Highway from Valdez to Fairbanks, Alaska; and
Whereas said rate is discriminatory and unjust and adds to the

Alaska; and
Whereas said rate is discriminatory and unjust and adds to the
cost and expense of doing business and to the cost of living of all
the people of Fairbanks and other points in the interior of Alaska:

Now, therefore
Your memorialist respectfully pray that section 321b, title 48,
United States Code, section 3, 47 Statutes at Large, page 446, providing that tolls may be fixed and collected on highways in Alaska,
be repealed, and, pending such repeal, that the honorable Secretary

of the Interior be requested to suspend the operation of the regula-tion contained in order No. 905, requiring tolls to be paid for trans-portation of merchandise or freight over the Richardson Highway. And your memorialist will ever pray.

The VICE PRESIDENT also laid before the Senate the following joint memorials of the Legislature of the Territory of Alaska, which were referred to the Committee on Commerce:

House Joint Memorial 18

To the Honorable Franklin D. Roosevelt, President of the United States of America; to the Senate and House of Representatives of the Congress of the United States; and to the Honorable Anthony J. Dimond, Delegate to Congress from Alaska:

Whereas during the 2-year period ending December 31, 1936, conclusive evidence has appeared that fishing and packing of salmon was being conducted in the waters adjacent to Bristol Bay and the Alaska Peninsula by foreign nationals; and

Whereas the legislature of 1937, by House Joint Memorial 50, did protest against the continuance of these activities by foreign nationals; and

tionals; and

Whereas it appears that in the 11-year period from 1928 to and including 1938 a total of 4,184,840 cases of salmon were packed in the areas above referred to, with a total value of \$78,465,447, and during that period the number of fishermen employed averaged over 2,000 per annum, with transporters and shoremen approximating 5,000 additional per annum; and

mating 5,000 additional per annum; and

Whereas during the calendar year 1936, being the last year for which complete details are available, 2,676 fishermen and 4,568 transporters and shoremen were employed in this section, \$1,119,516 being paid to Alaskan residents in connection with this work, and during the same period approximately 33½ of all of the taxes received by the Territory of Alaska came from the fishing industry of the Bristol Bay and Port Moller sections of Alaska; and

Whereas the salmon-fishing industry is jeopardized by the encroachments of said foreign fishermen in the said waters, and also by competition arising from the cheap oriental labor used in the packing of such fish products as compared with the higher standard of wages paid to American fishermen and others engaged in the industry; and

Whereas the Honorable Anthony J. Dimond, Delegate to Con-

Whereas the Honorable Anthony J. Dimond, Delegate to Congress from Alaska, did, on January 3, 1939, introduce H. R. 883 in the House of Representatives of the Congress of the United States, which said H. R. 883 is intended to cover the entire situation involving the conflict of interests between the Asiatic countries and the United States over the waters in and adjacent to the Territory of Alaska, and particularly those in Brital Ray and along the of Alaska, and particularly those in Bristol Bay and along the Alaska Peninsula, and also to determine the property right in salmon spawned and hatched in the waters of Alaska: Now, therefore,

spawned and hatched in the waters of Alaska: Now, therefore, Your memorialist, the Legislature of the Territory of Alaska in fourteenth regular session assembled, respectfully petitions that the Senate and House of Representatives of the Congress of the United States give due consideration to said H. R. 883 of the Seventy-sixth Congress of the United States of America and enact the same into law at as early a date as possible.

And your memorialist will ever pray.

House Joint Memorial 24

To the Public Health Service of the United States, the Senate, the House of Representatives of the Congress of the United States, and to the Honorable Anthony J. Dimond, Delegate to Congress from the Territory of Alaska:

Your memorialist, the Legislature of the Territory of Alaska, in fourteenth regular session assembled, respectfully submits that—Whereas section 26 of title 24 of the United States Code, Anno-

and in the administration of this law the term "merchant marine seamen," and in the administration of this law the term "merchant marine seamen" has been held to include seamen employed on "registered, enrolled, and licensed vessels," or, in effect, seamen employed on boats of 5 tons or over; and

boats of 5 tons or over; and
Whereas the practical results of this construction and administration has discriminated against a large part of the fishing population
of the Territory of Alaska and this discrimination has been unjust
since the owners and operators of boats under 5 tons are, as a rule,
much less able to care for emergencies such as sickness or disability
of any kind than are their fellows engaged on larger boats; and this
has resulted in such seamen, through illness or accident, being
forced to pay expenses for hospitalization, in many cases to such an
extent as to lose their entire investment in their boats; and
Whereas it is not believed that it was the intention of the Con-

Whereas it is not believed that it was the intention of the Congress to so limit the construction of the words "merchant marine seamen," and it is believed that the said section 26 of title 24 of the United States Code, Annotated, should be amended to remove this discrimination:

Now, therefore, we, your memorialist, the Legislature of the Territory of Alaska, in fourteenth regular session assembled, do hereby petition the Congress of the United States to so amend the said section 26 of title 24 of the United States Code, Annotated, so as to include in the term "merchant marine seamen" all persons engaged in commercial fishing without respect to the size of the boat or appliances used, and that in cases of sickness requiring hospitalization such care shall be given at the nearest hospital to the patient's home or home port.

And your memorialist will ever pray.

House Joint Memorial 28

To the Honorable Franklin D. Roosevelt, President of the United States of America; the Honorable Harry Hopkins, Secretary of Commerce; the Honorable Congress of the United States; and to the Honorable Anthony J. Dimond, Delegate to Congress

from Alaska:

Your memorialist, the Legislature of the Territory of Alaska, in fourteenth regular session assembled, respectfully submits that—Whereas the life, the welfare, the prosperity, and the happiness of approximately one-half of the population of this Territory is totally dependent upon the Alaska fisheries and the manner and method in which the same are administered by the United States Bureau of Fisheries; and

Whereas the people of Alaska have long sought to obtain a voice in the regulation, administration, and the control of said fisheries, but the same have continued to be administered by the United States Bureau of Fisheries of the Department of Commerce, which has no direct contact with the people of Alaska and no machinery whereby the people most interested can present their views or make available to the United States Bureau of Fisheries the practical experience and observations of those who have spent their lifetime taking fish in Alaskan waters; and

Whereas, in view of the situation hereinbefore set forth, the

make available to the United States Bureau of Fisheries the practical experience and observations of those who have spent their lifetime taking fish in Alaskan waters; and

Whereas, in view of the situation hereinbefore set forth, the fishing population of Alaska is justified in requesting that some means be provided whereby those who make their livelihood from Alaska's fisheries can participate in the preparation of the necessary regulations for the conservation and utilization thereof:

Now, therefore, your memorialist respectfully prays that the Congress of the United States enact a law creating a commission of eight or more members, to be known as the Alaska Fisheries Commission; the members thereof to be appointed by the President of the United States or the Secretary of Commerce, as Congress shall determine, and to be chosen from among the actual bona fide resident fishermen of the several fishing areas or districts throughout the Territory, upon the recommendation of all the bona fide resident fishermen of the particular area, or districts; such recommendation to be made through regular established unions, associations, or other organizations composed exclusively of fishermen.

And your memorialist further prays that by said act of Congress the duty and authority be imposed upon said Alaska Fisheries Commission, and its members, of meeting annually with the United States Commissioner of Fisheries, or his Alaska agent, in the capital or elsewhere in the Territory, as shall be designated by said Commissioner, for the purpose of holding hearings, receiving recommendations, and discussing the regulations to be promutated by the Secretary of Commerce concerning the Alaska fisheries; such meeting to be held annually prior to the issuance of the annual regulations.

And your memorialist further prays that the members of said Alaska Fisheries Commission may be reimbursed for their actual and necessary transportation expense in going to and from the annual meeting of said commission and may receive a per diem of

House Joint Memorial 31

To the Honorable Franklin D. Roosevelt, President of the United States; to the Secretary of Commerce; to the Congress of the United States; and to the Honorable Anthony J. Dimond, Delegate to Congress from the Territory of Alaska:

Your memorialist, the Legislature of the Territory of Alaska, in Your memorialist, the Legislature of the Territory of Alaska, in fourteenth regular session assembled, respectfully submits that—
Whereas during the year 1937, 1,255 boats, with crews of approximately 2,000 men, were employed in fishing for salmon and about 700 men were engaged in fishing for halibut, and the industry produced \$3,001,813 in fish products in the waters of southeastern Alaska lying south of the fifty-ninth degree north latitude and east of the one hundred and thirty-seventh degree west longitude. During that year approximately 6,000,000 pounds of herring were used for batt, which was the general annual average from 1932 to 1937; and

Whereas the records of the Bureau of Fisheries show that the

Whereas the records of the Bureau of Fisheries show that the industry of packing herring for food has been practically wiped out because the larger herring have all been used and the remaining are the small herring which are being manufactured into herring meal and oil. This industry has increased, but if the use of herring for meal and oil continues the entire herring supply will soon be gone, and accordingly no herring will be available to supply bait for the halibut and salmon trolling fleet; and

Whereas H. R. 3024 was introduced in Congress by the Honorable Anthony J. Dimond, Delegate from Alaska, on January 23, 1939, and the purpose of the bill is to forbid the taking of herring in the waters of the Territory of Alaska southeast of the fifty-ninth degree north latitude and east of the one hundred and thirty-seventh degree west longitude, except for curing for human consumption and for bait, and it is the belief of the fishing industry of the Territory of Alaska that this bill should be enacted into law:

Now, therefore, your memorialist respectfully urges the enactment of H. R. 3024 into law.

And your memorialist will ever pray.

House Joint Memorial 36

To the Honorable Franklin D. Roosevelt, President of the United States of America, to the Senate and House of Representatives in Congress assembled:

Your memorialist, the Legislature of the Territory of Alaska, in fourteenth regular session assembled, respectfully submits that: Whereas the residents of Alaska are as fully citizens of the United States of America as are the residents of the 48 States and entitled to the same privileges as the citizens residing i. said

Whereas said residents of Alaska have at various times expressed their desire to have a greater measure of self-government, including control of the fisheries, this being indicated by the fact that both major political parties have embodied this request in their platforms: Now, therefore,

Your memorialist respectfully urges Congress to pass and the President to sign H. R. No. 2411, introduced in the Seventy-sixth Congress by Alaska Delegate, the Honorable Anthony J. Dimond, on January 12, 1939.

And your memorialist will ever pray. Whereas said residents of Alaska have at various times expre

And your memorialist will ever pray.

House Joint Memorial 40

To the Congress of the United States of America and to the Honorable Harry Hopkins, Secretary of Commerce of the United States of America; and to the Honorable Anthony J. Dimond, Delegate to the Congress of the United States from the Territory of Alaska:

tory of Alaska:

Your memorialist, the Legislature of the Territory of Alaska, in its fourteenth session assembled, respectfully represents that:

Whereas a considerable proportion of the population of the Territory of Alaska depend for their livelihood, and that of their families, upon the halibut fishing industry in said Territory; and Whereas the time during which said industry can be plied as a trade or occupation for the support of these fishermen and their families is limited to 4 months pursuant to the laudable policy of the Commission regulating the halibut-fishing industry to insure the perpetuation of the yearly catch of halibut; and

Whereas the prices paid for halibut to the fishermen have not been considered and scaled in proportion to the extremely curtailed fishing season for halibut, resulting in the inability of the said fishermen to make a living for themselves and their families with consequent economic distress to themselves and the communities in which they live, making it impossible, among other things, for these men to maintain their boats and gears in seaworthy and workmanlike condition: Now, therefore,

We, your memorialists, respectfully petition that the Congress of

We, your memorialists, respectfully petition that the Congress of the United States of America conduct an investigation into the economic disposition of the halibut-fishing industry of the Pacific coast with a view to stabilize the price which would enable the fishermen to make a living.

And your memorialist will ever pray.

The VICE PRESIDENT also laid before the Senate a concurrent resolution of the Legislature of South Carolina, favoring the enactment of legislation to make adequate provision for the Junior Reserve Officers' Training Corps, which was referred to the Committee on Appropriations.

(See resolution printed in full when presented today by Mr. BYRNES.)

The VICE PRESIDENT also laid before the Senate a concurrent resolution of the Legislature of Michigan, favoring the enactment of legislation to provide a tax of 10 cents per acre on land held by the Federal Government, especially as national forests, which was referred to the Committee on

(See resolution printed in full when presented today by Mr. VANDENBERG.)

The VICE PRESIDENT also laid before the Senate a resolution adopted by the convention of the American Progressive League, Inc., of Pennsylvania, at Scranton, Pa., favoring an appropriation of \$150,000,000 for the W. P. A. for the remainder of the current fiscal year, which was referred to the Committee on Appropriations.

He also laid before the Senate a resolution of the Kings County Consolidated Civic League, Brooklyn, N. Y., favoring certain changes in the Home Owners' Loan Corporation Act. to extend the period of amortization, to reduce the interest rate, etc., which was referred to the Committee on Banking and Currency.

He also laid before the Senate a petition of sundry citizens of Brooklyn, N. Y., praying for continuance of the investigation by the subcommittee of the Committee on Education and Labor investigating violations of civil liberties, and so forth, which was referred to the Committee to Audit and Control the Contingent Expenses of the Senate.

He also laid before the Senate a resolution of the Council of the City of Portland, Oreg., favoring the adoption of the

so-called Townsend plan for old-age assistance and national recovery, which was referred to the Committee on Finance.

He also laid before the Senate a letter in the nature of a memorial from Local Division No. 824, Brotherhood of Locomotive Engineers, Kansas City, Mo., remonstrating against the enactment of legislation to regulate or limit the earnings of train-service employees, including locomotive engineers, which was referred to the Committee on Interstate Com-

He also laid before the Senate a resolution of the Seventeenth District American Legion Auxiliary, Department of California, San Francisco, Calif., favoring the enactment of the so-called Sheppard-May bill, known as the Universal Service Act, providing for the draft of capital, industry, and manpower in the event of a national emergency or war, which was referred to the Committee on Military Affairs.

He also laid before the Senate a resolution of the board of supervisors of the county of Alameda, Calif., favoring the permanent assignment of one-half of the fleet for operations in Pacific waters, with headquarters at San Francisco Bay, which was referred to the Committee on Naval Affairs.

He also laid before the Senate a letter from James G. K. McClure, president, the American Forestry Association, Washington, D. C., relative to jurisdictional conflicts in the development and administration of the national forests and the national parks, which, with the accompanying paper, was referred to the Committee on Public Lands and Surveys.

He also laid before the Senate a resolution of the international policy committee of the United Mine Workers of America, adopted at New York City, N. Y., favoring the exemption of the National Bituminous Coal Commission from the provisions of pending reorganization legislation, and that it remain an independent commission, which was referred to the Select Committee on Government Organiza-

Mr. MEAD presented a resolution of the Westchester County (N. Y.) Grand Jurors Association, favoring the enactment of legislation to provide for the fingerprinting of all aliens, which was referred to the Committee on Immigration.

He also presented a resolution of members of the Bronx County (N. Y.) Hungarian Democratic Club, favoring the enactment of the so-called Nye-Fish bill, forbidding the uniforming and drilling of subversive groups along military lines, which was referred to the Committee on Military Affairs.

Mr. WALSH presented a resolution of the New England Section, Society of American Foresters, at Amherst, Mass., favoring increase by \$250,000 of the Forest Service appropriation for forest product research, etc., which was referred to the Committee on Appropriations.

He also presented a resolution adopted by the annual town meeting of citizens of Chatham, Mass., protesting against the setting aside of that part of the town of Chatham known as Monomoy Point for the purpose of establishing a bird sanctuary, which was referred to the Committee on Agriculture and Forestry.

He also presented a resolution of the Men's Brotherhood of the First Baptist Church of Stoneham, Mass., protesting against the inclusion of religious bodies under the operation of the social-security system, which was referred to the Committee on Finance.

Mr. CAPPER presented the petition of members of the Framer-Labor Union of Kansas, Cherokee, Kans., praying for an additional appropriation of \$150,000,000 for the continuance of the Works Progress Administration program, which was referred to the Committee on Appropriations.

He also presented resolutions of the Social Welfare Group, Workers Alliance, and Local G 318, Workers Alliance, both of Topeka, Kans., favoring the making of an additional appropriation of \$150,000,000 for the continuance of the Works Progress Administration program, which were referred to the Committee on Appropriations.

He also presented a letter in the nature of a memorial from the pastor and members of the First Baptist Church of Rozel, Kans., remonstrating against the inclusion of religious bodies under the operation of the social-security system, which was referred to the Committee on Finance.

He also presented a petition, numerously signed, of members of the Kansas Farmers Liberty League and farmers of Marshall County, Kans., praying for repeal of the Agricultural Adjustment Act of 1938, which was referred to the Committee on Agriculture and Forestry.

He also presented the petition of members of the Workers Alliance, of Manhattan, Kans., praying for an additional appropriation of \$150,000,000 for the continuance of the Works Progress Administration program, which was referred to the

Committee on Appropriations.

Mr. REED presented a petition of 56 citizens of Topeka, Kans., praying for the enactment of the so-called Neely bill, granting optional retirement to letter carriers at the age of 60 years, which was referred to the Committee on Civil Service.

He also presented memorials of 22 citizens of Vermillion, 26 citizens of Axtell, and 68 citizens of Salina, all in the State of Kansas, remonstrating against the inclusion of religious bodies under the operation of the social-security system, which were referred to the Committee on Finance.

He also presented a petition of 26 citizens of Wichita, Kans., praying that the United States take every practicable means to end the traffic in arms and supplies to Japan for use in operations in China, which was referred to the Com-

mittee on Foreign Relations.

He also presented a petition of 80 citizens of Harvey County, Kans., praying for the enactment of legislation to limit railroad employees to not more than 208 hours' service in one month, etc., which was referred to the Committee on Interstate Commerce.

He also presented a petition of 94 citizens of Lorraine, Kans., praying for the adoption of the so-called peace amendment to the Constitution, providing for a referendum on war, which was referred to the Committee on the Judiciary.

He also presented a petition of 11 citizens of Fort Scott, Kans., praying for the enactment of Senate bill 1236, to correct the present sick-leave and annual-leave law in the Postal Service, and Senate bill 1350, providing a sliding scale of wages for substitute employees in the Postal Service, which was refered to the Committee on Post Offices and Post Roads.

Mr. BYRNES presented the following concurrent resolution of the Legislature of South Carolina, which was referred to the Committee on Banking and Currency:

Concurrent resolution memorializing the Congress of the United States, and the proper departments of the Federal Government, to make some provision to restore to the several counties of the State the income which it is losing annually by reason of the Federal Government taking over large bodies of land for referention and other development projects. forestation and other development projects

Whereas the several counties in the State are being deprived of substantial revenues on account of submarginal and other lands being taken over by the Federal Government for reforestation and

other improvement projects; and
Whereas it is recognized that in time to come the lands will, in
all probability, prove of considerable value to the Federal Govern-

Whereas the counties can ill afford at this time to lose the revenues by way of taxes ordinarily accruing to it from these properties: Now, therefore, be it

*Resolved by the senate (the house of representatives concurring), That the attention of the Congress of the United States be respectfully called to this matter and the United States Senators and the Members of Congress from this State are urged to take this matter up with the proper departments of the Federal Government, and in case it is found that legislation is necessary, to enact such legislation that will partially, at least, make provision for the restoration to the counties of the loss of revenues, which they are sustaining annually by reason of such properties being taken off of the tax books.

It is recognized that under the present the state of the sustaining that the second is the properties of the sustaining tax books.

It is recognized that under the present law the counties are to receive 25 percent of the profit arising from these properties, but it is also true that for a number of years the income from this source

will be quite negligible; further

Resolved, That a copy of this resolution be forwarded to the
United States Senators and the Members of Congress of this State.

Mr. BYRNES also presented the following concurrent resolution of the Legislature of the State of South Carolina, which was referred to the Committee on Appropriations:

Concurrent resolution to memorialize the Congress of the United States to make adequate provision for the Junior Reserve Officers' Training Corps

Whereas the Congress of the United States, recognizing the unstable conditions existing throughout the world and the eminent

danger of war has, and is, making provision for a vast program of national defense; and Whereas the Junior Reserve Officers' Training Corps units in

whereas the Junior Reserve Officers' Training Corps units in secondary schools of the United States have been a vital and necessary factor in our program of national defense; and Whereas the continuance and expansion of the Junior Reserve Officers' Training Corps units are indispensably necessary to provide an adequate supply of emergency officers; and Whereas many public and private secondary schools in the United States desire to institute Junior Reserve Officers' Training Corps units but cannot do so because adequate appropriations are not available to institute and maintain such training corps units: not available to institute and maintain such training corps units: Now therefore be it

Resolved by the house of representatives (the senate concurring), That the Congress of the United States be, and it is hereby, respectfully requested and urged to appropriate sufficient funds to enable the War Department to institute Junior Reserve Officers' Training Corps units in all of the secondary schools of the United

States properly prepared and desirous of maintaining Junior Reserve Officers' Training Corps units; be it further Resolved, That copies of this resolution be sent to the Speaker of the National House of Representatives, the President of the Senate of the United States, the Secretary of War of the United States, and each member of the South Carolina delegation in the National Congress

Mr. MURRAY presented the following joint memorial of the Legislature of Montana, which was referred to the Committee on Agriculture and Forestry:

Senate Joint Memorial 19

Resolution memorializing the Congress of the United States for the passage of legislation authorizing the continuance of the purchase of silver

purchase of silver

To the Honorable Senate and House of Representatives of the United States of America in Congress assembled:

Whereas the "Silver Purchase Act of 1934," and proclamations of the President and the Secretary of the Treasury, pursuant thereto, and the purchase of silver by the Secretary of the Treasury of the United States have resulted in greatly increased activity in the mining business in the State of Montana; and Whereas by reason of the renewed activity in the mining regions many theretofore unemployed have been profitably employed, many new mining properties have been opened up and operated to advantage; and

Whereas a discontinuance of the purchases of silver by the

Whereas a discontinuance of the purchases of silver by the Government of the United States, or the reduction in the price paid for domestic mined silver would result in the closing of many mines now being operated to advantage with resultant

many mines now being operated to advantage with resultant unemployment; and

Whereas Senator Key Pittman, under date of January 19, 1939, introduced a bill to amend the "Silver Purchase Act of 1934," and to extend the authority and power of the Secretary of the Treasury to purchase silver mined from natural deposits in the continental United States subsequent to June 30, 1939, at the rate and price of \$1.29 per fine ounce: Now, therefore, be it

Resolved by the senate (the house of representatives concurring), That the Congress of the United States of America be, and it is hereby respectfully urged and petitioned to enact the said bill amending the "Silver Purchase Act of 1934," which bill is known as S. 800, or similar legislation having the same general intent and purposes, to the end that the Secretary of the Treasury may be authorized to continue the purchase of silver mined from natural deposits in the continuental United States subsequent to June 30, 1939; be it further

Resolved, That a copy of this joint memorial be submitted by the

Resolved, That a copy of this joint memorial be submitted by the secretary of state of the State of Montana to both the Senate and House of Representatives of the United States of America, to the President of the United States, and to each of the Senators and Representatives of the State of Montana in Congress.

Mr. MURRAY also presented the following joint memorial of the Legislature of Montana, which was referred to the Committee on Irrigation and Reclamation:

Senate Joint Memorial 12

Memorial in relation to the construction of a water conservation project in the valley of the Musselshell River, known as Dead Mans Basin or lower Musselshell project

Mans Basin or lower Musselshell project

To the Honorable Franklin D. Roosevelt, President of the United States; the Honorable Burton K. Wheeler, the Honorable James E. Murray, Senators from the State of Montana; the Honorable Roy E. Ayers, Governor of the State of Montana; the Honorable James F. O'Connor, and the Honorable B. J. Thorkelson, Members of Congress from the State of Montana; to the Honorable Harold F. Ickes, Secretary of the Interior; to the Honorable Harry L. Hopkins, Secretary of Commerce; to the Works Progress Administration of the United States; to the Federal Emergency Administration of Public Works; to the Reconstruction Finance Corporation; and to the members of the State Water Conservation Board of the State of Montana:

Your memorialists, the members of the Twenty-sixth Legislative

Your memorialists, the members of the Twenty-sixth Legislative Assembly of the State of Montana, the senate and house concur-ring, respectfully represent as follows: That Whereas the Musselshell River is a stream which carries a large volume of water, and the natural development of this stream in

its lower valley for irrigation purposes requires the completion of such an irrigation project, which is to a large extent constructed;

Whereas a large portion of said project is already completed and the funds already expended will be wasted in the event same is not

Whereas a large portion of said project is already completed and the funds already expended will be wasted in the event same is not completed; and

Whereas the residents of the Musselshell Valley who may receive benefits from this irrigation have suffered great hardships by reason of drought, and other calamities, and the productive lands in this valley have suffered by reason of a lack of water for irrigation purposes; and

Whereas completion of this project will not only rehabilitate and restore to prosperity the residents of said valley, but will also irrigate lands which may furnish a supplemental livelihood to miners who work in the mines a portion of the year in the vicinity of Roundup, Mont.; and

Whereas the construction of this project has every element of a sound public works program and will furnish employment to needy and destitute citizens and supplement the income of miners engaged in coal production, and the construction thereof and the benefits therefrom will in no manner interfere with any established business or industry; and

Whereas the livelihood, the happiness, and prosperity of the people of said valley depend upon this project, and every motive of good business judgment and every instinct of humanity demands this work as a relief program: Therefore be it

Resolved, That we hereby petition the above-named officials that we may have their full cooperation and assistance in securing the approval and speedy completion of this project, so that the relief of the people from their hardships and distress in said area be accomplished and they be restored to a permanent and successful state of prosperity; be it further

Resolved, That a copy of this memorial be submitted by the Secretary of State of the State of Montana; the Honorable James F. O'Connor, and the Honorable B. J. Thorkelson, Members of Congress from the State of Montana; the Honorable Harry S. Easyer, Governor of the State of Montana; the Honorable Harry L. Hopkins, Secretary of the Interior; to the Honorable Harry L. Hopkins, Secret

Mr. MURRAY also presented the following joint memorial of the Legislature of Montana, which was referred to the Committee on Mines and Mining:

Senate Joint Memorial 10

Joint memorial requesting a congressional investigation of the smelting and refining business in order to determine means for the alleviation of economic distress, unemployment, and loss to small mine operators as a result of these smelters being closed

To the Honorable Senate and the House of Representatives of the United States in Congress assembled:

Be it resolved by the Senate of the Twenty-sixth Legislative Assembly of the State of Montana (the house of representatives con-

whereas the business of smelting and refining ores is one that is so technical and intricate that it has become highly specialized and can only be engaged in by large firms and corporations; and

and

Whereas the nature of the business has subjected it to vicious monopoly practices such as from time immemorial forced governments to regulate such businesses in order to protect the patrons and citizens; and

Whereas there are now in Montana a great number of independent mine owners whose initiative and resourcefulness are among the chief factors in the orderly development of the natural resources of this State; and

Whereas these miners are solely dependent for their welfare upon the continued operation of smelters that can process their ores; and

ores; and Whereas

Whereas in recent months the closing of certain smelters in Montana has worked untold hardships upon these independent mine operators, has caused State-wide unemployment, seriously reduced the State's income, unnecessarily disrupted the economic welfare of a vital and important industry in this State; and Whereas the smelters in Montana are owned and operated by large interstate corporations the problem created is one that affects the Nation as a whole: Now, therefore, be it *Resolved*, That the Senate of the Twenty-sixth Legislative Assembly of the State of Montana (the House of Representatives concurring), respectfully request a congressional investigation of this monopoly practice to the end that the Government of the United States of America can work out some means of regulation and control whereby the smelters of the Nation will be required to maintain service for the small independent mine operators of the Nation; and be it further

the Nation; and be it further

Resolved, That the secretary of state be requested to send copies
of this resolution to Senator Burron K. WHEELER and Senator
JAMES E. MURRAY, United States Senators from Montana, and to
the Honorable JAMES F. O'CONNOR and the Honorable J. THORNELSON, Congressmen and Montana.

Mr. VANDENBERG presented the following concurrent resolution of the Legislature of Michigan, which was referred to the Committee on Finance:

House Concurrent Resolution 8

Concurrent resolution respectfully memorializing the Congress of the United States to enact legislation providing for a tax of 10 cents per acre on land held by the Federal Government, especially as national forests

Whereas thousands of acres of land in Michigan have been taken over by the Federal Government, especially for national forests, thereby crippling many Michigan communities through loss in tax revenue; and

Whereas the Legislature of the State of Michigan, in recognition of this problem, under Act No. 305 of the Public Acts of 1931, which amended Act No. 116 of the Public Acts of 1917, provided for the payment by the State of Michigan of a tax of 10 cents per acre on lands held by the department of conservation, with certain minor exceptions, which tax was to assist local units of government due to the loss of revenue from such lands when taken over by the

Whereas similar action on the part of the Congress of the United States would greatly benefit local units of government in Michigan in such localities where the Federal Government has vast holdings, which are not contributing to the cost of government: Now, therefore, be it

Resolved by the house of representatives (the senate concurring), That the Michigan Legislature hereby respectfully memorializes the Congress of the United States to enact legislation providing for at ax of 10 cents per acre on land held by the Federal Government, especially as national forests; and be it further

especially as national forests; and he it further

Resolved, That this resolution be spread on the journals of the
house and the senate and copies be sent to the President of the
United States, the President of the Senate and Speaker of the
House of Representatives of the Congress of the United States, and
to the Michigan Members in the Congress of the United States.

Mr. VANDENBERG also presented the following concurrent resolution of the Legislature of Michigan, which was referred to the Committee on Foreign Relations:

Senate Concurrent Resolution 17

Concurrent resolution memorializing the United States Maritime Commission to restore and enforce the natural and legal rights of the people of the State of Michigan to ship direct from the Great Lakes to foreign markets

of the people of the State of Michigan to ship direct from the Great Lakes to foreign markets

Whereas the people of Michigan possess the natural right to ship agricultural and industrial products direct from the Great Lakes to the markets of the world free from artificial and illegal restrictions imposed by groups or interests of other waterways; and Whereas this right is recognized by existing Federal maritime legislation and court interpretations thereof; and

Whereas North Atlantic steamship conferences have deprived our people of their natural and legal rights to ship direct from the Great Lakes by compelling our shippers desiring contracts and contract rates with them to deliver such contracted commodities to such steamship lines at Atlantic coast ports; and

Whereas North Atlantic conference contracts prohibit any of our contracting shippers shipping direct from the Great Lakes of the season; and

Whereas such North Atlantic conferences are thereby illegally presuming upon the rights of both our sovereign State and the United States Maritime Commission; and

Whereas the attorneys general of Michigan, Wisconsin, Indiana, and Ohio, the Great Lakes Harbors Association, the Detroit Board of Commerce, and the Detroit Port Authority, acting in behalf of the port cities, have made formal protest to the Maritime Commission against the artificial, abnormal, and illegal restrictions imposed on the Great Lakes by the North Atlantic Steamship conferences: Therefore be it

Resolved by the senate (the house of representatives concurring), That we do formally and respectfully request the Maritime Commission forthwith to order the North Atlantic Steamship Lines to remove from all contracts all restrictions depriving our people of their legal right to ship direct from the Great Lakes to the markets of the world; and be it further

Resolved, That a formally attested copy of this concurrent resolution be served on the United States Maritime Commission; that copies be forwarded to our Senators and Representatives in the Nat

Mr. BARBOUR. Mr. President, I ask consent to have printed in the Record and appropriately referred a resolu-tion adopted by the New Jersey House of Assembly memorializing the Congress of the United States to adjust and regulate the collection of income taxes; a concurrent resolution adopted by the New Jersey Senate and concurred in by the house favoring the construction of a canal across the State of New Jersey, and a concurrent resolution adopted by the New Jersey Senate and concurred in by the house of assembly memorializing the Congress of the United States against the enactment of Senate bill 126 and House Resolution 188 designed to modify and interfere with existing interterritorial freight rates.

The VICE PRESIDENT. The resolutions presented by the Senator from New Jersey will be received, appropriately referred, and, under the rule, printed in the RECORD.

To the Committee on Finance:

Resolution memorializing the Congress of the United States to adjust and regulate the collection of income taxes

Whereas the sixteenth amendment to the Federal Constitution whereas the sixteethi amendment to the Federal Constitution gives to the Congress the power to lay and collect taxes on incomes, from whatever source derived, without apportionment among the States and without regard to any census or enumeration; and Whereas the Congress has enacted appropriate legislation to enforce the amendment and has enacted an income-tax statute which

in many instances works inequitably, resulting in hardships to citizens and corporations; and
Whereas in order that business may be encouraged and promoted:

Therefore be it

Therefore be it

Resolved by the house of assembly, That the Congress of the
United States is hereby memorialized and requested to provide by
proper amendment that in no case shall income taxes levied exceed
25 percent of the total of such income; and be it further

Resolved, That copies of this resolution, signed by the speaker
and attested to by the clerk, be transmitted to the Senate and
House of Representatives of the United States and to the Senators
and Members of Congress from New Jersey in the Senate and House
of Representatives.

This resolution shall take effect immediately.

This resolution shall take effect immediately.

To the Committee on Commerce:

Concurrent resolution favoring the construction of a canal across the State of New Jersey

Whereas there exists a modern system of inside waterways along the Atlantic coast from Florida to New England and thence to the Great Lakes, with the exception of through the State of New

Whereas in order to complete such system it is neces at the same time, adequate communication by water between the ports and navy yards at New York and Philadelphia and would be of inestimable value in our scheme of national defense: Therefore be it

be it

Resolved by the Senate of the State of New Jersey (the house of assembly concurring), That the State of New Jersey hereby reaffirms its long-continued endorsement of an adequate ship canal across this State, memorializing His Excellency the President of the United States and Commander in Chief of the Army and Navy, and the United States Senators and Congressmen from this State, to cooperate in the acceleration of the construction of such canal; and be it further

Resolved That the Secretary of the Senate forward certified

Resolved, That the Secretary of the Senate forward certified copies of this resolution to His Excellency the President of the United States and to the United States Senators and Congressmen

from New Jersey.

To the Committee on Interstate Commerce:

Concurrent resolution memorializing the Congress of the United States against the enactment of Senate bill No. 126 and House Resolution No. 188, designed to modify and interfere with existing interterritorial freight rates

Be it resolved by the Senate of the State of New Jersey (the house of assembly concurring), That the Congress of the United States be memorialized against the enactment of Senate bill No. 126 and House Resolution No. 188, which measures are designed to interfere with, modify, and disturb existing interterritorial freight rates; and be it further

Resolved, That copies of this concurrent resolution, signed by the president of the senate and the speaker of the house of assembly, be transmitted to the Vice President of the United States and the Speaker of the House of Representatives and to the Senators and Representatives from this State in the Congress of the United

Mr. BONE. Mr. President, I ask consent to have placed in the Congressional Record and appropriately referred a resolution adopted by the House of Representatives of the State of Washington concerning the effect of the reciprocaltrade agreement with Canada on the Pacific Northwest shingle industry. A resolution similar to the one I offer for the RECORD has been adopted by the Washington State Senate.

The VICE PRESIDENT. The resolution will be received and appropriately referred, and, under the rule, printed in the RECORD.

To the Committee on Finance:

Be it resolved by the House of Representatives of the State of Washington in legislative session assembled, That whereas the most effective means of restoring prosperity and providing reem-ployment is the encouragement of industry; and

Whereas the manufacture of red cedar shingles has been one of the most important industries of the State of Washington, providing employment for thousands of men and for the welfare of their families; and

Whereas through the efforts of former Senator C. C. Dill and Senator Homer T. Bone in securing a quota protection for this industry and through the adoption of the quota amendment by Senator Homer T. Bone to the Revenue Act of 1936, the red cedar

shingle industry of this State was saved; and
Whereas under the present reciprocal agreement with Canada
the red-cedar shingle industry is again threatened with destruction
by the unfair competition of shingles from British Columbia produced under wage-and-cost conditions with which Washington

andeed under wage-and-cost conditions with which Washington manufacturers maintaining the American standard of wages and of living cannot compete: Therefore be it

Resolved, By the House of Representatives of the State of Washington that Senators Homer T. Bone and Lewis B. Schwellenbach and the Members of Congress from the State of Washington petition the President of the United States and the Department of State to use every means in their power to insure salvation of this important industry and employment of thousands of workers by immediate action of the Federal Government.

Mr. THOMAS of Oklahoma. I present resolutions adopted by the State Legislature of Oklahoma for appropriate reference and printing in the RECORD as is usual, one a resolution requesting the Senators and Members of Congress from Oklahoma to initiate and cooperate in supporting legislation to restore cotton to its former economic importance in world commerce.

I also present a resolution in the form of a memorial, a concurrent resolution, requesting the Federal Government to reimburse the State of Oklahoma for the revenue lost by the State due to the exemption from taxation by the Federal Government of Indian lands located in the State of Oklahoma

The VICE PRESIDENT. The resolutions will be received, properly referred, and, under the rule, printed in the RECORD. To the Committee on Agriculture and Forestry:

House Concurrent Resolution 15

Requesting the United States Senators and Members of Congress from Oklahoma to initiate and cooperate in supporting legisla-tion to restore cotton to its former economic importance in world

Whereas by reason of legislation creating trade barriers to the cotton trade, discriminating freight rates, the tariff, and other legislation, and by reason of world economic conditions and comlegislation, and by reason of world economic conditions and competition from cotton growers in foreign countries with living standards below that of this country, the cotton farmers in the Southern States have been reduced to a tragic financial condition, their export markets have been almost lost, they are subject to competition which they are handicapped in meeting, and the growing of cotton made economically impossible under existing conditions; and

Whereas unless concerted action is immediately taken by the Senators and Members of Congress from the cotton States looking to the relief of the cotton farmers from the handicaps under which such conditions have come about, the growing of cotton may soon become a thing of the past in this country, and the welfare and income of large sections of the United States seriously affected: Now, therefore, be it

Now, therefore, be it

Resolved by the House of Representatives of the Seventeenth
Legislature of the State of Oklahoma (the senate concurring
therein), That the attention of the Congress of the United States
is respectfully directed to the fact that cotton is the leading product is respectfully directed to the fact that cotton is the leading product in America's commerce and international trade, and that the cotton farmer represents the world's largest primary wealth-producing group, and that it is of paramount importance to the producers of this commodity, as well as to the continued life of world trade on the part of the United States that this interest be adequately rehabilitated and fostered. To that end the Senators and Members of Congress from the State of Oklahoma are respectfully urged to take immediate steps to meet with the Senators and Representatives from all other cotton States for the purpose of securing concerted action by the Congress for the relief of the cotton farmers and of the industry from the handicaps and barriers under which they and it now suffer in the marketing of cotton, domestic and foreign, and it is respectfully suggested that among the things they are called to advocate the following:

(1) Legislation for the removal of statutory trade barriers, as far

are called to advocate the following:

(1) Legislation for the removal of statutory trade barriers, as far as possible, against our cotton trade, such as the modification or repeal of the Johnson Act, the enactment of legislation bringing about the equalization of transportation rates, the revision of the tariff to relieve discrimination against the cotton farmers, and other legislation; (2) the sale to and use by the Government for the manufacture of equipments and munitions of war of 6,000,000 bales of surplus cotton; (3) allocation to producers of cotton from the cotton being carried under Government loans a sufficient number of bales to pay them the balance due on 3 cents per pound subsidy authorized by national legislation effective on 1937 cotton crop and on which only 1.80 per pound had been paid; (4) increase the subsidy payment to the cotton producers by the further distribution

of Government loan surplus cotton to 65 percent of parity prices on cotton during the crop years 1937, 1938, and 1939; (5) allocation or reapportionment of 4,000,000 bales of cotton being carried by the Commodity Credit Corporation to the cotton growers in lieu of their making an additional reduction of one-third or less in their cotton accesses allotment for 1939 seed formers a additionally reducing reapportionment of 4,000,000 bales of cotton being carried by the Commodity Credit Corporation to the cotton growers in lieu of their making an additional reduction of one-third or less in their cotton acreage allotment for 1939, each farmer so additionally reducing his allotted cotton acreage to be allotted the amount of cotton he would have produced on this acreage based upon his average yield as allowed by the Government, and farmers so reducing to be paid the same soil building and other amounts they would have been paid had they planted the full cotton acreage allotted by the Government for 1939; (6) selling to the Post Office Department 1,000,000 bales of cotton now being carried by the Government under loans, this cotton to be used to be manufactured into twines and other materials for use of the United States Mail Service, the Post Office Department to place this cotton through bids to be manufactured for their use; (7) to allocate or reapportion from the cotton being carried by the Government under the loans, 1,000,000 bales to be manufactured into cotton bagging to be distributed to cotton farmers as an additional subsidy without charge for baling their 1939 cotton and cotton of subsequent years; (8) the allocation of cotton, in point of time, to comply with the time now required under the law for the sale thereof; (9) the retention of soil-conservation payments as now made, pending the working out of a definite permanent plan for the future of cotton; (10) the pledging of the Government to a definite support of cotton production profitable to cotton growers; (11) the protection of cotton growers through a subsidy payment increasing the selling price to 65 percent of the parity price of cotton, so that they may successfully compete with foreign growers and regain lost export markets; (12) the granting to cotton growers of the privilege of planting other money crops than cotton on surplus lands resulting from reduction of cotton acreage, and not needed for production of feed and food crops for home con is no one in the United States Department of Agriculture whose primary interest is the promotion of the welfare of the cotton farmer. To remedy this condition, create an office of cotton commissioner in the United States Department of Agriculture. It should be the commissioner's duty to develop new uses and markets for cotton and to represent producers of cotton in developing farm programs; (15) in addition to finances otherwise available that a sufficient fund be appropriated from the general funds of the Treasury and made available to the Secretary of Agriculture to carry into effect this program here recommended and that funds for agriculture be raised in the same manner that funds are raised for other Government expenditures: (16) the formation in each House of Government expenditures; (16) the formation in each House of Congress of a bloc to advocate measures for the protection, encouragement, and support of the cotton both now and in the future; be it further

Resolved, That the legislative bodies of the cotton States be urged to take immediate action to request from their Senators and Members of Congress similar cooperation and support of such actions

To the Committee on Indian Affairs:

Senate Concurrent Resolution 3

Concurrent resolution requesting the Federal Government to reimburse the State of Oklahoma for all revenue lost by the State To the honorable President and the Congress of the United States: Government of Indian lands located in the State of Oklahoma

Government of Indian lands located in the State of Oklahoma
To the honorable President and the Congress of the United States:
Whereas cause of complaint upon which this petition and claim
is grounded arises under the Constitution, treaties, and laws of the
United States of America due to the following facts:
First. The State of Oklahoma was admitted to the Union with
one-half of its area free from all taxation by the new State.

The eats of Congress under which the State of Oklahoma was

one-half of its area free from all taxation by the new State.

The acts of Congress under which the State of Oklahoma was admitted into the Union, as enforced by the Supreme Court of the United States (Choate v. Trapp, 224 U. S. 665), diminished the sovereign right of the State to levy a land tax for State purposes on land owned by citizens of Indian blood in fee simple. The United States owned no property right in the land exempted at the time the tax exemption, which is a property right, was contracted, for the reason that the Indians at the time owned the land in fee simple, and Congress had no power under the Constitution to enforce such tax exemption by the terms of the Act of Admission for the reason that Congress has no power to control a land tax for State purposes, and further, because a State cannot surrender a right of sovereignty by the acceptance of the provisions of an act of admission by which the new State is admitted on an equal footing with the other States.

Second. The Five Civilized Tribes of Indians (Choctaws, Chicke-

Second. The Five Civilized Tribes of Indians (Choctaws, Chicka-Second. The Five Civilized Tribes of Indians (Choctaws, Chickasaws, Cherokees, Creeks, and Seminoles), the members of which as citizens of Oklahoma were exempted by the United States from a State land tax before they were moved to what was later the Indian Territory, held lands east of the Mississippi River under occupancy. The United States, by treaties with the various tribes, granted to the respective tribes lands in the Indian Territory in exchange for the lands occupied in the East. The various treaties granted the western lands to the Indians and to their descendants in fee simple, and the land was described by metes and bounds. As consideration to induce the Indians to leave their homes and go into an uninhabited area, the United States by treaties guaranteed to the various tribes that they should be protected in their tribal rights forever and that their land should never be incorporated into any State with-

that their land should never be incorporated into any State without their consent. The United States recognized the Indians as landlords by leasing portions of their lands, buying other parts, and selling them additional land for cash.

Third. The President of the United States, in pursuance of the treaties, executed to each tribe deeds conveying to each such tribe, in trust for the members and their descendants, the land ceded by the treaties aforesaid in fee simple. The deed specifically reserved the right to reversion or escheat to the United States in case the Indians became extinct or abandoned their land. This possibility of reversion was specifically waived by Congress (sec. 15, Acts, March 3, 1893). Congress consented to the allotment of the land in severalty to the members of each tribe. The President engrafted onto the deed a provision that the Indians could not sell their lands without the consent of the United States; the Supreme Court has consistently held (March Tiger v. Western Inv. Co., 221 U. S. 286) that this restriction did not affect the property right of the Indians. The deeds to each tribe are similar in all material respects.

respects.

On March 3, 1893, Congress expressed by act a desire to create a State to embrace the Indian Territory within its boundary (27 Stat. 612). Accordingly a commission was created, later called the Dawes Commission. This commission was empowered to negotiate with the Five Civilized Tribes with the view of inducing the Indians (1) to surrender their rights to remain forever free from the government of any State, (2) to partition their common estate and allot to each member of the tribe his equitable share of the tribal land, and (3) to become citizens of proposed new State of Oklahoma.

Oklahoma.

For the purpose of obtaining relief from the perpetual charge of protecting the Indians in their tribal rights, the commission was empowered, in the event the Indians would not allot their land, to purchase outright the 18,785,781 acres owned by the Five Civilized Tribes (sec. 15, Acts, March 3, 1893).

Fourth. The act appointing the Commission, empowered the Commissioners to enter into negotiation with the five tribes as said in the act, "with a view to such adjustment, upon the basis of justice and equity, as may, with the consent of such nations or tribes of Indians, be requisite or suitable to enable the ultimate creation of a State"; but the Commission, acting beyond the scope of its authority, ignored all principles of justice and equity, in that the Commission made, the Congress approved, and the Supreme Court upheld, agreements by which the United States was relieved of the burden of protecting the Indians, at the sole expense of the future State, which, under Federal policy, was to assume the burden of these people. The Congress, at the expense of the taxpayers of Oklahoma, discharged a national obligation for which it stood pledged to purchase more than 19,000,000 acres of fertile land, without cost to the United States Treasury by guaranteeing to the various tribes tax exemption from future State taxation as follows:

(1) Charchese 40 acres tax free land on held by ellettes. ation as follows:

(1) Cherokees, 40 acres tax-free land as held by allottee.

(2) Creeks, 40 acres tax free for 21 years from date of patent (32 Stat. 500)

(3) Seminoles, 40 acres forever (30 Stat. 567).

(4) Choctaws and Chickasaws owned 4,000 square miles in a solid body all nontaxable while held by allottee for 21 years from date of patent (30 Stat. 507).

solid body all nontaxable while held by allottee for 21 years from date of patent (30 Stat. 507).

Fifth. In pursuance of the agreement by which the United States guaranteed that they should, for a period, hold land free from taxation, the Indians divided their lands, their tribal courts and legislatures were dissolved, and they became citizens entitled, under the Constitution to all immunities enjoyed by other citizens, and to no greater privileges than other citizens enjoy. By the act under which Oklahoma was admitted into the Union "on an equality with the other States" (34 Stat. 367) Congress sought to diminish the sovereignty of Oklahoma by denying to the State the right to tax citizens of Indian blood, to whom the United States had promised tax exemption at the expense of the proposed new State, in satisfaction of a national obligation.

Sixth. After admission, Oklahoma never voluntarily relinquished its right to tax, as other lands are taxed, the land owned by citizens of Indian blood, in fee simple; the State levied such tax, which was questioned by injunction; the Supreme Court of Oklahoma upheld the State's sovereign right to tax such land; but on appeal, the Supreme Court of the United States (Choate v. Trapp, 224 U. S. 665) sustained the injunction on the ground that the tax exemption was a property right which Congress had power to bestow. Later the same exemption or immunity was extended to oil and gas produced from Indian lands; not only the Indian's one-eighth royalty interest but also the oil producer's seven-eighths "working" interest bus likewise held to be exempt.

one-eighth royalty interest but also the oil producer's seven-eighths "working" interest was likewise held to be exempt. Seventh The State of Oklahoma has, therefore, been deprived of the sovereign constitutional right to tax for State and local purposes, land and minerals within the State, owned in fee simple; that the act of Congress exempting the land is not the supreme law of the land, but an usurpation of authority not conferred by the Constitution; and that the Constitution confers no powers on Congress by which the sovereignty of a State may be diminished, impaired, or contracted away, by the provisions of the act under which the new State is admitted into the Union.

Eighth. This national obligation, voluntarily assumed by Congress, was judicially recognized by this court in Choate against Trapp, where it was held: That the Indians furnished a consideration, in the surrender of treaty rights, "sufficient to enable them to enforce the benefits conferred" in the form of a tax exemption.

Since the United States has compelled Oklahoma to pay this national debt, the State is entitled to an accounting, at the expense of the United States; and for redress in a sum sufficient to reimburse the State of Oklahoma, for the lawful revenues of which the State has been unlawfully deprived.

Ninth. The Indian is a ward of the Federal Government and not a ward of the State of Oklahoma, and
Whereas further the Governor of the State of Oklahoma in his

Whereas, further, the Governor of the State of Oklahoma in his inaugural address stated:

"It is my belief that the State of Oklahoma has a just claim against the Federal Government by reason of the exemption of Indian lands from taxation all through the years since statehood. "I have discussed this problem with as many of our delegation in Congress as possible since my election. I believe that a many of them are conscientiously attempting to perform the

in congress as possible since my election. I believe that a majority of them are conscientiously attempting to perform the duties and functions given to them by their election at your hands; and I am hopeful that this injustice can be remedied and the State of Oklahoma receive from the Federal Government the amount of taxes which would have been received by the State had there been no exempt Indian lands through all the years since statehood. statehood.

"There never was a time in our history when we were in such dire straits for revenue to carry on as we are at this time. The record of the past is one of great extravagance, and that statement is not made with any intention of being bitter at this particular time.

Now, therefore, be it

Now, therefore, be it

Resolved by the Senate of the Seventeenth Legislature of the
State of Oklahoma (the House of Representatives concurring
therein), That the State of Oklahoma does hereby represent to the
President and to the Congress of the United States that the State
of Oklahoma has been unlawfully deprived of is sovereign right to
tax lands within the State, owned by citizens in fee simple; and
oil and gas and other minerals produced from such lands; and an
accounting be ordered, to ascertain the amount of loss that the
State has sustained; for an act requiring the Treasurer and other
proper officials of the United States of America to refund annually
such sum as will reimburse the State of Oklahoma for the unlawful
loss of revenue sustained by virtue of the tax exemptions aforesaid;
that the cost and expense of the exemptions given wards of the
United States should be borne by the Federal Government.

SILVER CERTIFICATES AND FEDERAL RESERVE NOTES

Mr. TOWNSEND. Mr. President, recently the Congres-SIONAL RECORD and reports on hearings held by the House Coinage Committee have carried the assertion that silver currency has an advantage over Federal Reserve notes because silver currency does not involve an interest burden whereas Federal Reserve notes represent payment of interest to the banking system.

With reference to the above-mentioned assertion by defendants of the silver program, I wish to have the RECORD show at this point the text of a letter sent to me under date of March 10, 1939, by the Honorable Marriner S. Eccles, Chairman, Board of Governors, Federal Reserve System.

I ask that the letter be referred to the Committee on Banking and Currency, and printed in the body of the RECORD at this point.

There being no objection, the letter was referred to the Committee on Banking and Currency and ordered to be printed in the RECORD, as follows:

BOARD OF GOVERNORS OF THE FEDERAL RESERVE SYSTEM, OFFICE OF THE CHAIRMAN Washington, March 10, 1939.

Washington, March 10, 1939.

Hon. John G. Townsend, Jr.,

United States Senate, Washington, D. C.

My Dear Senators: I acknowledge receipt of your personal letter to me of March 3 in which you quote remarks of Congressman White of Idaho and ask certain questions.

Your first question is whether Federal Reserve notes involve the payment of interest on the part of the public using them and to the benefit of the banking system.

The issuance of Federal Reserve notes as such does not involve interest, payment any more than the issuance of any other kind.

interest payment any more than the issuance of any other kind of currency. A person who has a bank deposit can withdraw it in currency and does not have to pay interest; a person who has no deposit and has to borrow must pay interest on his loan, regardless of the kind of currency in which he withdraws the proceeds, or whether he leaves them on deposit and checks against them

Your second question is whether the issuance of silver certificates

Your second question is whether the issuance of silver certificates reduces the interest burden on the general public.

The issuance of silver certificates in payment for silver purchases by the Treasury in no way diminishes the interest burden on the general public. It is true that if the Treasury paid for silver purchased otherwise than by issuing silver certificates it would have to increase the public debt by the amount of these payments, but that is not, I believe, what is meant by the question. There has never been a proposal that the Treasury pay for silver out of general revenues or out of borrowed funds. Aside from this,

the issuance of silver certificates has no bearing whatsoever on the interest burden.

the interest burden.

Your last question is whether the issuance of silver currency increases the interest-earning capacity of the banking system.

There is no connection whatsoever between the issuance of silver and the interest-earning capacity of the banking system. The only connection under present conditions is highly indirect and exactly the opposite of that implied in the question. The issuance of silver certificates adds to excess reserves, and this in turn would tend to reduce interest rates were it not for the fact that they are already at the lowest level on record, and for short-term paper are at the vanishing point.

I hope that these explanations will be of help to you.

Sincerely yours,

M. S. ECCLES.

COMMITTEE REPORTS FILED DURING ADJOURNMENT

Under the order of the 9th instant the following reports were filed on March 10, 1939, during adjournment of the Senate:

Mr. JOHNSON of Colorado, from the Committee on Military Affairs, to which was referred the bill (S. 43) to authorize the erection within the Canal Zone of a suitable memorial to the builders of the Panama Canal and others whose distinguished services merit recognition by the Congress, reported it with amendments and submitted a report (No. 155) thereon.

Mr. LOGAN (for Mr. SHEPPARD), from the Committee on Military Affairs, to which was referred the bill (S. 1301) to create the office of Military Secretary to the General of the Armies of the United States of America, with the rank of colonel, and for other purposes, reported it with an amendment and submitted a report (No. 156) thereon.

Mr. HILL, from the Committee on Military Affairs, to which were referred the following bills, reported them each without amendment and submitted reports thereon:

S. 556. A bill for the relief of Catherine Humler (Rept. No. 157); and

S. 1155. A bill to provide for probationary appointments of officers in the Regular Army (Rept. No. 158).

Mr. TYDINGS, from the Committee on Appropriations, to which was referred the bill (H. R. 4218) making appropriations for the legislative branch of the Government for the fiscal year ending June 30, 1940, and for other purposes, reported it with amendments and submitted a report (No. 159) thereon.

Mr. GLASS, from the Committee on Appropriations, to which was referred the bill (H. R. 4492) making appropriations for the Treasury and Post Office Departments for the fiscal year ending June 30, 1940, and for other purposes, reported it with amendments and submitted a report (No. 160) thereon.

Mr. ELLENDER, from the Committee on Agriculture and Forestry, to which was referred the bill (S. 69) relating to the apportionment of shares of the sugar crop for 1939 and 1940, reported it without amendment and submitted a report (No. 161) thereon.

REPORTS OF COMMITTEES

Mr. ELLENDER, from the Committee on Claims, to which was referred the bill (S. 1629) for the relief of the Canvas Decoy Co., reported it without amendment and submitted a report (No. 162) thereon.

Mr. HUGHES, from the Committee on Claims, to which was referred the bill (S. 1515) for the relief of the Louisiana National Bank, of Baton Rouge, and the Hibernia Bank & Trust Co., of New Orleans, reported it with an amendment and submitted a report (No. 163) thereon.

Mr. BANKHEAD, from the Committee on Agriculture and Forestry, to which was referred the bill (S. 1209) to extend the time for retirement of cotton pool participation trust certificates, reported it without amendment and submitted a report (No. 165) thereon.

COTTON PRICE ADJUSTMENT ACT OF 1939—REPORT OF COMMITTEE ON AGRICULTURE AND FORESTRY

Mr. SMITH. Mr. President, from the Committee on Agriculture and Forestry, I report back favorably without amendment the bill (S. 1303) to amend the Agricultural Adjustment Act of 1938, as amended, with respect to cotton, and I submit a report (No. 164) thereon. I ask unanimous consent that the report of the committee may be printed in the

The VICE PRESIDENT. The report will be received and the bill will be placed on the calendar, and, without objection, the report will be printed in the RECORD.

The report is as follows:

The Committee on Agriculture and Forestry, to whom was referred the bill (S. 1303) to amend the Agricultural Adjustment Act of 1938, as amended, with respect to cotton, having considered the same, report thereon favorably, with a recommendation that the bill do pass without amendment.

GENERAL STATEMENT

The primary purpose of this bill, cited as the "Cotton Price Adjustment Act of 1939," which amends the Agricultural Adjustment Act of 1938, as amended, with respect to cotton, is to protect and maintain the income of cotton growers. At the same time, it will bring about a systematic and gradual reduction of the quantity of cotton now held by the Government as security for loans made during the marketing years of 1937 and 1938.

Up to the present time the Commodity Credit Corporation has made advances on approximately 12,000,000 bales of cotton, representing an investment of nearly \$560,000,000. Unless some measure is adopted during the present session of Congress changing the policies of the present farm law with respect to accumulation of large stocks of cotton under loans, it appears inevitable that additional large quantities of cotton will be so acquired during the coming year.

year.

This bill will correct the situation by turning the current production into the normal channels of trade through the means of cotton price-adjustment payments. It in no way affects the operation of the 1939 acreage allotments provided for under the Agricultural Adjustment Act of 1938. Also, the soil-conservation program will be continued unchanged, and cooperating farmers will receive, as usual, any payments thereunder to which they might be entitled.

SECTIONAL ANALYSIS OF BILL

Section 1 provides that the title of this measure shall be the "Cotton Price Adjustment Act of 1939."

Section 2 of this bill amends section 303 of the Agricultural Adjustment Act of 1938 by adding thereto a new subsection authorizing and prescribing the terms under which price adjustment payments on cotton may be made. This section provides that in any year when the average price during the marketing year of Middling %-inch cotton on the 10 designated markets is below 75 percent of the parity price of cotton, the Secretary of Agriculture is authorized and directed to make price adjustment payments to cotton producers. It is provided that only those farmers who keep within their farm-acreage allotments established under the Soil Conservation and Domestic Allotment Act will be eligible for payments.

These payments are to be based on the average production on the farm-acreage allotments on the date of sale, at rates equal to the amount by which the average price at the designated markets on the day previous to the date of sale by the producer is below 75 percent of the parity price. The maximum rate of any payment is limited to 5 cents per pound. The following illustrates how such payments would be calculated: If the price on the day previous to the date of sale is 7 cents per pound, assuming 75 percent of parity to be 12 cents, then the rate would be the difference between 12 cents and 7 cents, or 5 cents per pound. If the price rose to 8 cents, then the payment would be 4 cents, and with each 1 cent rise in price the rate accordingly would be reduced 1 cent. When a price of 12 cents is reached it would obviate any payment whatsoever. Should the price decline below 7 cents per pound, the payment would be calculated at the rate of 5 cents per pound, inasmuch as such rate is the top limit.

It also is provided that no payments shall be made on any cotton upon which loans have been made pursuant to the loan section of the Agricultural Adjustment Act of 1938. This provision coupled with the fact that growers will receive more income for their cotton if they accept such payments rather than obtain loans, in the opinion of your committee, will cause the bulk of the current and future cotton crops to move freely into the regular channels of trade. There would be no incentive to the growers to place their cotton under Government loans and further increase the already burdensome surplus owned by the Commodity Credit Corporation.

As used in this subsection, average production for any number These payments are to be based on the average production on

As used in this subsection, average production for any number of acres is defined to mean the average production per acre for the farm for the 5 calendar years preceding the year for which such average production is determined, adjusted for abnormal weather conditions, times such number of acres.

This section also contains a provision to allow any grower whose crops are destroyed to receive such payments on the quantity of cotton by which his average production is in excess of his actual

production.

This section contains an authorization of an appropriation for

such sums as may be necessary to enable the Secretary of Agriculture to carry out the provisions of the bill.

Section 3 of this measure amends subsection (b) of section 343 of the Agricultural Adjustment Act of 1938 by providing that if the national allotment for any year is determined under the

formula set out in said act to be less than 11,000,000 bales, then the national allotment for such year shall be 11,000,000 bales. In other words, the minimum national allotment is fixed at 11,000,000

other words, the minimum national allotment is fixed at 11,000,000 bales.

Section 4 of this bill amends the Agricultural Adjustment Act of 1938 by adding after section 393 thereof three new sections.

The first of these new sections, section 394, authorizes and directs the Commodity Credit Corporation, after July 1, 1940, to acquire title to cotton from the 1934 crop remaining as security for loans made by the Corporation and, after discharging all obligations with respect to such cotton, to transfer title to the Federal Surplus Commodities Corporation, at such times and in such quantities as may be applied for by that Corporation. The latter agency is directed to dispose of this cotton in ways which will tend to expand markets for or increase consumption of cotton or cotton products, or develop new uses thereof, provided such disposition does not interfere with the sale and distribution of cotton and cotton products in the normal channels of trade.

Under this section approximately 1,600,000 bales of cotton from the 1934 crop would be transferred to the Federal Surplus Commodities Corporation. Of this quantity not in excess of 500,000 bales, or products thereof, may be donated for distribution to needy recipients. The Corporation is empowered to sell any unsuitable qualities of cotton and purchase in the open market in lieu thereof qualities which will be suitable for the prescribed purposes.

Section 395 (a) provides that any cotton producer who reduces

lieu thereof qualities which will be suitable for the prescribed purposes.

Section 395 (a) provides that any cotton producer who reduces his cotton acreage on his farm in 1939, not less than 20 percent nor more than 75 percent, below his soil-conservation allotment, and who devotes the land so withdrawn to soil conserving and soil building uses, may be compensated by the release to him by the Commodity Credit Corporation of a like quantity of cotton at a price of 3 cents per pound, basis Middling, % inch. It is required that any farmer who purchases cotton under this plan shall, wherever practicable, receive cotton on which a loan was made to him; but if necessary the Corporation may release to him any cotton of the 1937 or 1938 crops to which it has acquired title. The Corporation is directed, when necessary to carry out the purposes of this section, to acquire title to any cotton held as security for any loan made or arranged for by the Corporation by paying to the borrower the sum of \$1.25 a bale. All expenses and obligations, including accrued interest and carrying charges, assessed against cotton released under this section will be borne by the Corporation.

Section 395 (b) requires that any grower who purchases cotton from the Government in lieu of production in 1939 shall not be penalized in computing allotments in subsequent years. In making such future determinations this section specifies that any acreage so diverted from the production of cotton in 1939 shall be deemed to have been planted to cotton and to have produced the same average yield as the acreage actually devoted to the production of cotton on such farm in 1939.

Cotton released under this section will not thereafter be eligible for a loan from the Commodity Credit Corporation. Such a loan from the Commodity Credit Corporation.

Cotton or cotton on such farm in 1939.

Cotton released under this section will not thereafter be eligible for a loan from the Commodity Credit Corporation. Such a loan would defeat the purpose of this section, which is patterned after the Smith cotton-option plan incorporated in title II of the Agricultural Adjustment Act, approved May 12, 1933. This plan proved of great benefit to cotton growers at practically no expense to the Government.

Should extra growers account to the section of the control of the section of the control of the section of the sec

to the Government.

Should cotton growers cooperate to the extent of 100 percent with this provision by purchasing 75 percent of their allotment from the Government instead of producing it, then 9,000,000 bales would be repurchased. This would reduce the tremendous surplus with which we are now confronted to approximately 3,000,000 bales, or a carry-over of normal proportions. Then in 1940 the United States would not be hampered with such a large surplus as it has been for the past several years.

Section 396 provides that any grower who so desires after July.

been for the past several years.

Section 396 provides that any grower who so desires, after July 1, 1940, may repossess cotton pledged by him as security for a loan with the Commodity Credit Corporation. The amount which may be so released in any marketing year is limited to 2,500,000 bales, with the further stipulation that no cotton shall be released during the months September to December, inclusive. The release of cotton under this section is discretionary with the Secretary of Agriculture, and the Commodity Credit Corporation is forbidden to release any of such cotton unless recommended by the Department of Agriculture. ment of Agriculture.

ment or Agriculture.

Cotton released under this section is to be transferred to the grower at a price sufficiently below the loan value and other charges against such cotton as may be necessary to enable borrowers to sell such cotton, provided that the amount does not exceed \$1.50 a bale below the average 10 spot-market price, adjusted for the particular quality of cotton and its location as in the 1937 release program. The Corporation shall assume and discharge whatever costs necessary to enable the grower to put the cotton into the channels of trade.

SUMMARY AND CONCLUSIONS

It is the opinion of your committee that this bill will solve the present serious cotton situation, especially from the long-time point of view. It is a type of emergency measure which will improve conditions from year to year. As the surplus is liquidated the cost of the measure should diminish to the vanishing point

Its first objective is to increase the income of the cotton grower and bring it somewhere near the same percent of parity enjoyed by other farmers; second, it is designed to stop the further piling

up of cotton in Government loans, which now total nearly 12,000,-000 bales, and at the same time turn the cotton into trade channels; third, it will provide cotton for relief purposes where it can be utilized by people too poor to buy needful cotton goods, and other portions of it can be used for entirely new and untried uses; fourth, it will provide for the flow of the coming crop as well as some of the loan cotton into the channels of consumption in such a way as to prevent dumping and the consequent disastrous further decline in cotton prices. It also will insure farmers that they may plant, if they wish, 27,000,000 acres of cotton this year and that there will be an allotment of at least 11,000,000 bales in any year. It is the belief of your committee that if this bill is enacted into law that we soon will see a rising cotton market, and that conditions among cotton growers will greatly improve.

RECOMMENDATIONS

Your committee has held extensive public hearings on this bill and has given thorough and careful consideration to its provision. Your committee recommends that the bill be passed at the earliest possible time.

BILLS AND JOINT RESOLUTIONS INTRODUCED

Bills and joint resolutions were introduced, read the first time, and, by unanimous consent, the second time, and referred as follows:

By Mr. REYNOLDS:

S. 1760. A bill granting an increase in pension to Mary Elizabeth Moore; to the Committee on Pensions.

S. 1761. A bill for the relief of Dr. Henry Clay Risner; and S. 1762. A bill relating to pensions for widows of veterans of the World War whose subsequent remarriage has been dissolved; to the Committee on Finance.

By Mr. NORRIS:

S. 1763. A bill granting a pension to Etta Brooks Reese; to the Committee on Pensions.

By Mr. LODGE:

S. 1764. A bill for the relief of Walter G. McCormick; to the Committee on Claims.

By Mr. WILEY:

S. 1765. A bill to amend the Fair Labor Standards Act of 1938; to the Committee on Education and Labor.

By Mr. McNARY:

S. 1766. A bill to provide for the payment of annuities to blind persons; to the Committee on Finance.

By Mr. NEELY:

S. 1767. A bill granting a pension to Golda Stump Darr; to the Committee on Pensions.

By Mr. DAVIS:

S. 1768. A bill for the relief of Andrew D. Slacker; to the Committee on Claims.

By Mr. MINTON:

S. 1769. A bill to correct the military record of Orville Riggle (with an accompanying paper); to the Committee on Military Affairs.

By Mr. BILBO:

S. 1770. A bill granting a pension to Mittie Gaffney; to the Committee on Pensions.

By Mr. MILLER:

S. 1771. A bill granting a pension to James A. Coffelt, Sr.; to the Committee on Pensions.

By Mr. CAPPER:

S. 1772. A bill for the relief of Elmer E. Miller; to the Committee on Claims.

By Mr. ASHURST:

S. 1773 (by request). A bill to provide that no statute of limitations shall apply to offenses punishable by death; and S. 1774 (by request). A bill to place deputy United States marshals in the competitive classified civil service, and for other purposes; to the Committee on the Judiciary.

By Mr. PITTMAN:

S. 1775. A bill for the relief of the sufferers from the earthquake in Chile; to the Committee on Foreign Relations.

By Mr. THOMAS of Oklahoma:

S. 1776. A bill granting a pension to Margaret B. Barker (with accompanying papers); to the Committee on Pensions. By Mr. MURRAY:

S. 1777. A bill granting the consent of Congress to the States of Montana, North Dakota, South Dakota, and Wyoming to negotiate and enter into a compact or agreement for division of the waters of the Little Missouri River: to the Committee on Irrigation and Reclamation.

S. 1778. A bill authorizing the Secretary of the Interior to issue to Martha Austin a patent to certain land; to the Committee on Public Lands and Surveys.

By Mr. WALSH:

S. 1779. A bill to extend the time for filing claims for refund of amounts paid as tax under the Agricultural Adjustment Act; to the Committee on Agriculture and For-

By Mr. RADCLIFFE and Mr. TYDINGS:

S. 1780. A bill to authorize the Secretary of the Interior to acquire property for the Antietam Battlefield site in the State of Maryland, and for other purposes; to the Committee on Public Lands and Surveys.

By Mr. BYRNES:

S. 1781. A bill providing for a preliminary examination and survey of the Edisto River and tributaries, South Carolina, with a view to its improvement in the interest of navigation and the development of hydroelectric power; to the Committee on Commerce.

By Mr. LUNDEEN:

S. 1782. A bill to provide for the appointment of a bailiff by each district judge in a United States district court, and for other purposes; to the Committee on the Judiciary.

S. 1783. A bill to authorize the exchange of certain lands in Minnesota; to the Committee on Public Lands and Sur-

By Mr. LA FOLLETTE:

S. 1784. A bill to amend the Railroad Retirement Act of 1937; to the Committee on Interstate Commerce.

By Mr. BONE:

S. 1785. A bill to amend the act authorizing the President of the United States to locate, construct, and operate railroads in the Territory of Alaska, and for other purposes; to the Committee on Territories and Insular Affairs.

By Mr. WHEELER:

S. 1786. A bill for the relief of Emil Guertzgen; to the Committee on Claims.

S. 1787. A bill relating to contracts with respect to laundry services for Civilian Conservation Corps camps: to the Committee on Education and Labor.

S. 1788. A bill granting a pension to Chester Y. Arthur; to the Committee on Pensions.

S. 1789. A bill to authorize the cancelation of deportation proceedings in the case of Florence Sinclair Cooper and daughter, Margaret Lavallie; to the Committee on Indian Affairs.

By Mr. MEAD:

S. 1790. A bill for the relief of the Eberhart Steel Products Co., Inc.; and

S. 1791. A bill to confer jurisdiction upon the Court of Claims to hear, determine, and render judgment upon the claim of the estate of William S. Erb, deceased; to the Committee on Claims.

S. 1792. A bill granting a pension to Alice G. Townsend; to the Committee on Pensions.

By Mr. BANKHEAD and Mr. DONAHEY:

S. 1793. A bill to provide just compensation for certain losses in the value of real property resulting from the flooding of lands by the Tennessee Valley Authority; to the Committee on Agriculture and Forestry.

By Mr. THOMAS of Oklahoma:

S. 1794 (by request). A bill to amend an act entitled "An act authorizing the Court of Claims to hear, consider, adjudicate, and enter judgment upon the claims against the United States of J. A. Tippitt, L. P. Hudson, Chester Howe, J. E. Arnold, Joseph W. Gillette, J. S. Bounds, W. N. Vernon, T. B. Sullivan, J. H. Neill, David C. McCallib, J. J. Beckham, and John Toles," approved June 28, 1934; to the Committee on Indian Affairs.

By Mr. KING:

S. 1795. A bill to authorize the furnishing of steam from the central heating plant to the District of Columbia; to the Committee on the District of Columbia.

By Mr. PITTMAN:

S. J. Res. 89. Joint resolution to authorize the Secretaries of War and of the Navy to assist the Governments of American Republics to increase their military and naval establishments, and for other purposes; to the Committee on Foreign

By Mr. O'MAHONEY:

S. J. Res. 90. Joint resolution to amend the joint resolution approved June 16, 1938, entitled "Joint resolution to create a Temporary National Economic Committee"; to the Committee on the Judiciary.

By Mr. BANKHEAD:

S. J. Res. 91. Joint resolution to create a Congressional Monetary Committee; to the Committee on Agriculture and Forestry.

ADRIEN ADELMAN-AMENDMENT

Mr. DANAHER submitted an amendment intended to be proposed by him to the resolution (S. Res. 97) to pay Adrien Adelman for services as professional consultant to the Committee on Manufactures (submitted by Mr. Overton on March 8, 1939), which was referred to the Committee to Audit and Control the Contingent Expenses of the Senate and ordered to be printed.

AMENDMENT TO TREASURY AND POST OFFICE DEPARTMENTS APPRO-PRIATION BILL

Mr. BONE submitted an amendment proposing to increase the appropriation for carrying into effect the provisions of section 7 (b) of the National Cancer Institute Act, approved August 5, 1937, from \$440,000 to \$700,000, intended to be proposed by him to House bill 4492, the Treasury and Post Office Departments appropriation bill, 1940, which was ordered to lie on the table and to be printed.

NOTICE OF MOTION TO SUSPEND THE RULE-AMENDMENT

Mr. O'MAHONEY submitted the following notice in writing:

In accordance with the provisions of the rule XL of the Standing Rules of the Senate, I hereby give notice in writing that I shall hereafter move to suspend paragraph 4 of rule XVI, for the purpose of proposing to the bill (H. R. 4492) making appropriations for the Treasury and Post Office Departments for the fiscal year ending June 30, 1940, and for other purposes, the following amendment, viz, at the proper place in the bill insert the following:

"Sec. 6. On and after July 1, 1939, no executive department or independent establishment of the Government shall transmit through the mail, free of postage, any book, report, periodical, bulletin, pamphlet, list, or other article or document, except official correspondence, unless a request therefor has been previously received by such department or independent establishment or such transmission is required by law. For each quarter, beginning with by such department or independent establishment or such transmission is required by law. For each quarter, beginning with the quarter commencing July 1, 1939, the head of each independent establishment and executive department (other than the Post Office Department) shall submit to the Postmaster General an estimate of the number of pieces and the weight of the mail matter that the independent establishment or department will be required to transmit free of postage during such quarter, and he shall also certify to the Postmaster General at the end of each such quarter that nothing was transmitted through the mail free of postage by the independent establishment or department in violation of the provisions of this paragraph: Provided, That nothing herein shall be construed to prohibit the mailing free of postage of lists of agricultural bulletins or of lists of public documents which are offered for sale by the Superintendent of Documents."

Mr. O'MAHONEY also submitted an amendment intended to be proposed by him to House bill 4492, the Treasury and Post Office Departments appropriation bill, 1940, which was ordered to lie on the table and to be printed.

(For text of amendment referred to, see the foregoing notice.)

TERRITORIAL RIGHTS OF GUATEMALA

Mr. REYNOLDS. I submit a resolution and respectfully request that it be read to the Senate.

The VICE PRESIDENT. Without objection, the clerk will read.

The legislative clerk read the resolution (S. Res. 100), as

Resolved, That the Senate of the United States requests that the Secretary of State submit to it (if not incompatible with the public interest) information as to what, if anything, is being done by our Government toward protecting, as a part of the Monroe Doctrine, the alleged territorial rights of our sister Republic of Guatemala

in its dispute with Great Britain over Belize (British Honduras), as evidenced by the White Book, recently released by the Guate-malan Government, protesting the procedure of Great Britain and appealing to the universal concurrence of civilized nations to come to her aid, and in which the Guatemalan Government has unsuccessfully urged that Great Britain accept President Franklin D. Roosevelt as arbitrator.

Mr. PITTMAN. I ask that the resolution be referred to the Committee on Foreign Relations.

The VICE PRESIDENT. Without objection, the resolution will be referred to the Committee on Foreign Relations.

INVESTIGATION AS TO BARRIERS AND BURDENS UPON INTERSTATE COMMERCE

Mr. WILEY. Mr. President, I submit for appropriate reference a resolution which calls the attention of the Congress to a very serious situation. By this resolution I am asking that a committee be appointed to investigate the situation referred to.

Back in the days before the Constitution we had 13 nations in this country. They built tariff barriers, and the situation became so critical that some States threatened war on other States. Then it was that the great minds of that day saw the need of an organic law that would forbid tariff walls between States, the need of a union where commerce would flow freely.

In these recent years we have seen in the name of police power, tariff walls built which are threatening the very life

of the Nation.

We believe in the police power, but we do not believe in it as a smoke screen or a camouflage to hide an illegal or un-When it is used in that way it is constitutional purpose. not a reasonable or justifiable use of the police power.

The milk situation in Washington in the past few days has brought this situation to the attention of the people in a dramatic fashion. If Washington were to sell milk at 9 cents a quart, there would be three times the amount of milk consumed. It would be possible to have shipped into the District, in glass-lined refrigerator cars, the finest milk in the world from the Middle West.

We are at the seat of government here, and this is a good place to begin in seeing that commerce shall flow freely between the States again so that no one can, under the guise of the police power, invade the rights of the producing class the farmers. Let us hope that it will not be long before the era of tariff barriers between the States shall be over.

We are one people, one nation, and anything that creates economic barriers and differences tends toward resurrecting the secession idea. I hope the Congress will adopt this reso-

I ask that the resolution be read.

The resolution (S. Res. 101) was read and referred to the Committee on Interstate Commerce, as follows:

Whereas legislation enacted by the several States, and by the Congress with respect to the District of Columbia, regulating the bringing into such States, and such District, of legitimate articles of commerce does in many instances actually result in the establishment of artificial and unconstitutional barriers to the free flow of trade and commerce among such States, and between such States and such District, although the enactment of such legislation purports to be an exercise of the police power to protect the health and other interests of such States and such District;

Whereas the extent of such legislation has become so general that it constitutes a serious burden upon interstate commerce and has a serious adverse effect upon the economic life of the

Nation: Therefore be it

Resolved, That a special committee of three Senators, to be appointed by the President of the Senate, is authorized and directed to make a full and complete study and investigation of legislation and other governmental action which results in the establishment of barriers to and burdens upon interstate commerce, and of the effect of such legislation and other governmental action upon such commerce and upon the economic life of the Nation. The committee shall report to the Senate, as soon as practicable, the results of its study and investigation, together with its recommendations.

For the purposes of this resolution the committee, or any duly authorized subcommittee thereof, is authorized to hold such hearings, to sit and act at such times and places during the sessions and recesses of the Senate in the Seventy-sixth and succeeding Congresses, to employ such clerical and other assistants, to require by subpena or otherwise the attendance of such witnesses and the production of such books, papers, and documents, to administer such oaths, to take such testimony, and to make such expenditures, as it deems advisable. The cost of stenographic services to report such hearings shall not be in excess of 25 cents per hundred words. The expenses of the committee, which shall not exceed \$10,000, shall be paid from the contingent fund of the Senate, upon vouchers approved by the chairman.

ASSISTANT CLERK TO COMMITTEE ON PRIVILEGES AND ELECTIONS

Mr. GEORGE submitted the following resolution (S. Res. 102), which was referred to the Committee to Audit and Control the Contingent Expenses of the Senate:

Resolved, That the Committee on Privileges and Elections is hereby authorized to employ for the duration of the Seventy-sixth Congress an assistant clerk, to be paid from the contingent fund of the Senate at the rate of \$2,400 per annum.

ASSISTANT CLERK TO COMMITTEE ON AGRICULTURE AND FORESTRY

Mr. SMITH submitted the following resolution (S. Res. 103), which was referred to the Committee to Audit and Control the Contingent Expenses of the Senate:

Resolved, That the Committee on Agriculture and Forestry is hereby authorized to employ for the duration of the Seventy-sixth Congress an assistant clerk, to be paid from the contingent fund of the Senate at the rate of \$3,600 per annum.

WHICH WAY TO RECOVERY-ADDRESS BY SENATOR AUSTIN

[Mr. Barbour asked and obtained leave to have printed in the Record a radio address on the subject Which Way to Recovery, delivered by Senator Austin on the evening of March 12, 1939, which appears in the Appendix.]

NEUTRALITY-ADDRESS BY SENATOR THOMAS OF UTAH

IMr. RADCLIFFE asked and obtained leave to have printed in the RECORD an address delivered by Senator Thomas of Utah before the Maryland Committee for Concerted Peace Efforts in Baltimore on March 9, 1939, on proposed amendments to the Neutrality Act, commonly known as the Thomas amendments, which appears in the Appendix.]

FUNCTIONING OF THE CIVIL SERVICE—ADDRESS BY SENATOR ELLENDER

[Mr. MILLER asked and obtained leave to have printed in the RECORD a radio address delivered by Senator Ellender on March 11, 1938, in a program entitled "Youth Meets Government," which appears in the Appendix.]

SELF-RELIANCE OF THE COLORED RACE-ADDRESS BY SENATOR TAFT

[Mr. McNary asked and obtained leave to have printed in the RECORD an address on the subject Progress of the Colored Race delivered by Senator Taff at Howard University at its seventy-second charter-day dinner, held on Thursday, March 2, 1939, which appears in the Appendix.]

PROPOSED CHANGE OF THE NATIONAL LABOR RELATIONS ACT

[Mr. Burke asked and obtained leave to have printed in the RECORD an article entitled "How and Why We Want to Change the Wagner Act" written by William Green, president of the American Federation of Labor, and published in Liberty Magazine of the issue of March 18, 1939, and also the result of the Gallup poll of public opinion on the same subject, which appear in the Appendix.]

WAGE AND HOUR LAW-ARTICLE FROM GEORGETOWN LAW JOURNAL

[Mr. Walsh asked and obtained leave to have printed in the RECORD an article on the wage and hour law by Walter D. Murphy, published in the Georgetown Law Journal of February 1939, which appears in the Appendix.]

RECOGNITION OF SPANISH NATIONALIST GOVERNMENT

[Mr. Walsh asked and obtained leave to have printed in the RECORD an article by Rev. Dr. Joseph B. Code, of the faculty of the Catholic University of America, on the subject of the proposal to recognize the Spanish Nationalist Government. which appears in the Appendix.]

BERNARR MACFADDEN

[Mr. REYNOLDS asked and obtained leave to have printed in the Record a statement by Mr. Bernarr Macfadden relative to the bill introduced by Senator REYNOLDS in his behalf and several editorials on the same subject, which appear in the Appendix.]

FEDERAL RESERVE REPORT ON PRICE CONTROL

[Mr. Balley asked and obtained leave to have printed in the RECORD a report of the Federal Reserve Board on price control, which appears in the Appendix.]

FIRST DEFICIENCY APPROPRIATIONS, 1939—CONFERENCE REPORT Mr. ADAMS submitted the following report:

The committee of conference on the disagreeing votes of the two Houses on the amendment of the Senate numbered 23 and the amendment of the House to the amendment of the Senate numamendment of the House to the amendment of the Senate num-bered 13 to the bill (H. R. 2868) making appropriations to supply deficiencies in certain appropriations for the fiscal year ending June 30, 1939, to provide supplemental appropriations for the fiscal year ending June 30, 1939, and for other purposes, having met, after full and free conference, have agreed to recommend and do recom-mend to their respective Houses as follows:

Amendment numbered 13: That the Senate recede from its dis-

agreement to the amendment of the House to the amendment of the Senate numbered 13, and agree to the same with an amendment, as follows: In lieu of the sum proposed by such amendment of the House insert the sum "\$3,000,000"; and the House agree to

the same.

The committee of conference report in disagreement amendment

numbered 23.

ALVA B. ADAMS, CARTER GLASS, KENNETH MCKELLAR, JAMES F. BYRNES, JOHN G. TOWNSEND, Jr., Managers on the part of the Senate. EDWARD T. TAYLOR, C. A. WOODRUM. CLARENCE CANNON, LOUIS LUDLOW, THOS. S. MCMILLAN, J. BUELL SNYDER, EMMET O'NEAL, GEO. W. JOHNSON, W. P. LAMBERTSON, Managers on the part of the House.

Mr. ADAMS. Mr. President, there is one item in the conference report which I think the Senator from North Dakota [Mr. Frazier] desires to discuss. I move the adoption of the

The VICE PRESIDENT. The question is on the motion of the Senator from Colorado.

Mr. FRAZIER. Mr. President, I wish to inquire what was done with the appropriation for grasshopper control.

Mr. ADAMS. Mr. President, as the Senator from North Dakota knows, the House originally included in the bill \$2,000,000 for what has been designated as the grasshopper item. It also included some others. The Senate put in the bill the larger amount of \$5,417,000, being the full amount which the Agricultural Department requested. The House twice passed upon the matter and declined to accede to the Senate amendment; and the conference committee reported an increase of \$1,000,000 over the original House figures.

The Senate members of the conference committee did what could be done to maintain the Senate figures. It was my own judgment and the judgment of others that the wise thing for Congress to have done was to have appropriated the full amount, in order that we might meet the problem, as we thought, once and for all. The House took a different view; so we acceded to what we thought was the best amount obtainable at this time, which is an increase of \$1,000,000. That leaves available for grasshopper work \$3,000,000 from this appropriation, \$700,000 of money unexpended from previous appropriations, and approximately \$1,000,000 in materials.

It should be added that if this amount proves to be definitely inadequate, we have the Agricultural appropriation bill coming, and there will be other deficiency bills. This action does not shut the door to increasing the amount available for the purpose; and it has seemed to us that we were driven to asking the Senate to adopt the conference report, although it is not satisfactory to the Senate or the Senate conferees.

Mr. FRAZIER. Mr. President, I desire to say a word on the grasshopper situation.

The Department think they need the full amount. In the past they have had a smaller amount for the eradication of grasshoppers and other similar pests, but have not had sufficient to take care of all the vacant land in the agricultural district that must be taken care of, where the grasshopper eggs hatch. Last year a great deal of grasshopper poison was spread throughout the Middle West States, but we had one of the worst grasshopper years we have ever had; and the claim of the Department was that they did not have enough poison to cover all the infested areas, and for that reason what was done was not effective.

I had hoped—and that seems to be the view of the representatives of the agricultural districts in the Middle West—that we could get sufficient money this year to spread poison over the vacant land that is not cropped, so that the grass-hoppers might be killed there just as well as on the cultivated lands. I should like to see it tried out. If they cannot be stopped, we shall have to let them go; but if we have a small amount like \$3,000,000 this year, the Department will make the same excuse they made last year. It seems to be the general consensus of the Department of Agriculture and others who administer the work that unless they have sufficient money to cover the whole territory there is very little chance of eradicating the hoppers.

Mr. MURRAY. Mr. President, I agree with what has been said on this subject by the Senator from North Dakota [Mr. Frazier].

The Senators from the States affected have had frequent conferences with the Bureau of Entomology and the Bureau of the Budget; and it is conceded that the amount fixed by this conference report will be totally insufficient to carry on a proper program. It seems to me that if the Government does not appropriate an amount sufficient to carry on an adequate program it would be a waste of money to attempt any program at all. I cannot understand why this cannot be seen by the conference committee.

I certainly am opposed to the conference report as it stands

The VICE PRESIDENT. Without objection, the conference report will be agreed to.

Mr. FRAZIER. I object to agreeing to the conference report.

The VICE PRESIDENT. The question, then, is on agreeing to the conference report.

Mr. NORRIS. Mr. President, personally I believe it is a mistake to cut down the appropriation for grasshopper relief. We have appropriated money for that purpose in the past, and I think a great deal of it has not resulted in any good. The campaign against grasshoppers has not been successful.

It is claimed, as the Senator from North Dakota has said, that this failure came about mainly because the amount appropriated was not sufficient to provide the necessary poison to spread over the country affected by grasshoppers and to cover the land that was not cultivated, on which no farmer or anyone else was interested in exterminating grasshoppers, with the result that the crop of grasshoppers from such land later on went over on the other land and destroyed the crop.

The Department's work is somewhat experimental, as nearly as I can ascertain. Other experiments have failed; and the attempt now is to be made, if we will appropriate sufficient money, to spread the poison over cultivated and uncultivated land as well, with a view of taking in the whole grasshopper district and exterminating the grasshoppers, whether on cultivated land or on land that is not under cultivation.

It is believed by those in charge that the amount of money appropriated by the Senate is not very large for carrying out such a program, and that, indeed, to permit some of the uncultivated lands to go untreated may result in the end in no good being done to the cultivated land, where the poison has been placed, and where it has been effective. As I understand, the program of those who desire to try out the experiment is to treat the uncultivated land.

While we sometimes look at the matter laughingly, perhaps some thinking it is not of much importance to meet and overcome this grasshopper scourge, I wish to say to the Senate that control of the pest is a Nation-wide problem, in my opinion; that is a greater problem than we comprehend.

Of course, it is uncertain at this time of the year whether there will be a grasshopper plague on any land. It depends somewhat upon the weather. The right kind of weather will exterminate all of the pests. On the other hand, if the weather is propitious for the hatching of the grasshoppers, none of them will be exterminated, and there will be a horde of grasshoppers which will destroy the crops in all of the grasshopper area, comprising something more than 20 States of the Union.

The infested area is growing in extent, as I understand, spreading a little each year, so the pest will get into agricultural States, which have not been afflicted with it in the past. I think it would be a great mistake if we did not try this larger experiment, and seek to cover the whole country at once, and be prepared for the infestation.

If the weather is such as to cause to be hatched all the grasshoppers the eggs of which are now laid in the soil, in the grass, both on cultivated and uncultivated land, and all of them mature, the amount of money we have heretofore appropriated will not come anywhere near meeting the contingency.

I believe other Senators will agree with me, if they give the subject serious consideration, that this is a question of national importance. As I see it, it is a mistake to endeavor to attack the problem in a small way. The scourge has been growing for years, and it is now covering a large part of the midwestern section of the country.

Mr. President, it seems to me that Congress ought to appropriate at least the amount of money contained in the amendment of the Senate. I appreciate what the Senator from Colorado has said, and it appears to me to be reasonable; but I think the Senator will agree with me that if we are to try this larger scale experiment, then the money appropriated in the conference committee report will not be sufficient to do the work.

I do not know whether or not there is anything else in the bill which needs immediate action; I would not wish to delay it in any way, and I do not like to be unreasonable about the matter; but it seems to me we can well afford to reject the conference report and see if our conferees cannot succeed in convincing their brethren from the House that the larger amount should be provided, the amount appropriated in the Senate committee amendment.

Mr. HATCH. Mr. President, in connection with the remarks of the Senator from Nebraska, I wish to say that I have had some experience with inadequate appropriations for grasshopper control. I quite well recall that 2 years ago the Governor of my State telephoned me of what may be called a grasshopper epidemic in one small region in New Mexico, covering at that time only one county. It was necessary at that time to have assistance in combatting that infestation, such assistance as other States had been receiving. I went to the Department of Agriculture and found that their funds for this purpose were at that time entirely exhausted. There was no money whatever to be used in the State of New Mexico in an attempt to combat the grasshopper plague. Fortunately the Department understood the problem and sought to and did cooperate, finding other funds which could be made available for controlling the grasshopper epidemic. Perhaps the use of the funds for that purpose was not quite a correct use of them; but the emergency existed, and there was no other place where the money could be obtained; so this money was used for the purpose. and it was used successfully in the particular county where the need arose.

I understand, as perhaps the Senator from Montana and others have understood, that the condition which existed last year and the year before will be greatly exaggerated the coming year if what is reasonably to be expected comes to pass. I do not know whether an appropriation of \$2,000,000 or \$3,000,000 or \$5,000,000 is necessary; but I do believe that the Congress should make an appropriation sufficient to

meet the emergency, whatever it may be, when it arises this spring or the coming summer. I know the emergency cannot be met at the time it arises. I have had previous experience with it, and it is my desire that Congress provide an appropriation adequate to meet the condition as it may reasonably be expected to arise.

Mr. ASHURST. Mr. President, I do not rise to discuss in particular detail the item under consideration, because my knowledge of the grasshopper pest is limited. I arise to say that in this world we are not settlers but pilgrims, and mankind in this pilgrimage is confronted with a constant battle to overcome things which seem to seek to exterminate the human race. It is still an open question as to whether mankind or insects shall ultimately inherit the earth.

It is my opinion that mankind in his contest with the insect

world has about a 50-50 chance to survive.

Those who make an intimate study of the insect world are amazed at that minute life. There are over 4,000,000 different kinds of insects in the world; most of them are open enemies to mankind and they all are our competitors for the world's food supply. Most classes of insects can breed, if, as, and when they choose, in such numbers as they choose, and they can breed either sex they wish at any time they choose, or can breed neuters.

The insect world is not only able to breed with selectivity, but to estimate in advance the numbers they seem to require. Insects are of inexhaustible fecundity. There are more ants in the world than any other living creature, and it is mathematically possible for a pair of houseflies to have 2,000,000,000,000,000 descendants in one season. Any movement taken in this Congress, or in any parliament anywhere, looking toward exterminating insect pests, should have zealous support, because, while it seems bizarre in this prosaic, commonplace world to say that mankind might be exterminated by insect pests, yet if we consult those who know this subject, they will show that mankind is in more danger from bug bane than from any other thing which may seem to threaten man's existence in the future.

Mr. LEWIS. Mr. President, I merely rise to call attention to the fact that I gave notice to the Senate that I would speak today touching the joint resolution looking to change in the neutrality law, but I ask the Senate to remove that assignment in view of other engagements, because I am on the conference committee of the House and the Senate considering the bill we call the naval bill and military bill, which has all promise of continuing for some days. I beg the liberty of asking that I be permitted to withdraw my notice. I will at a later time give notice when I may discuss the subject of the proposed change in the neutrality law.

Mr. GLASS. Mr. President, the Senator from Colorado has explicitly stated the case. The Senate conferees made all the representations and arguments to the House conferees which have been made on the floor of the Senate today, and we experienced the greatest difficulty in getting the House conferees to agree to what we think was the moderate in-

crease which we have already made.

The fact is that we told the conferees that representations had been made to us in the hearing that the Department would rather have no appropriation at all than to have the appropriation provided by the conference report.

The House has been unyielding in the matter, and there are provisions in the bill which it is essential to have passed immediately. They involve many of the employees of the Senate itself who cannot be paid now; it involves the set-up of the Wage and Hour Division; and it is essential that the bill be passed immediately.

As stated by the Senator from Colorado [Mr. Adams], the Agricultural appropriation bill is yet to be considered, and another deficiency bill, perhaps two, are to be considered; and if there is any possibility of getting the House to yield on the grasshopper matter, it can be attended to in any one of those bills.

Mr. NYE. Mr. President, I can understand why the Senator from Virginia [Mr. Glass], the chairman of the Committee on Appropriations, should advance precisely the

argument that he has to the end that the issues in controversy might be brought to a conclusion. Yet for my own part I feel that the Senate ought to decline to accept the report and make at least one more effort to accomplish the larger appropriation that is sought in the effort to bring about a degree of eradication of the grasshopper pest.

I made up my mind last summer and last fall that expenditures for grasshopper eradication by the poison method were proving futile, were proving an utter waste of millions of Federal dollars annually. I observed at first hand the efforts that men were making to accomplish eradication. Through the summer and fall I witnessed the devastating effect of hordes of hoppers as they moved in, even on areas that once had been treated with the poison. I then made up my mind that I should, so far as my influence went, tolerate no more Federal appropriations for grasshopper eradication along the line that had been practiced.

It was late in the fall when representation was made that the failure of the program was traceable alone to the fact that there was an existing limitation upon the money that was available to accomplish the end sought. I have to acknowledge today that the representation is at least in

some degree justified.

The Bureau of Entomology has made its recommendations concerning the amount of money that was required to do the job properly. Before I am prepared finally to say that the expenditure is waste, is futile, I want to see the Bureau of Entomology given the full and free opportunity they desire as presented in their estimates. If under that kind of appropriation the program should ultimately prove futile, I should be the last one to come back a year from now and ask for a continuation of that program. But I say with all seriousness, Mr. President, that to spend less—certainly as much less as is proposed by the House of Representatives—is going to prove an outright waste, an absolute waste of every dollar that is expended.

I should like to feel differently about the matter if I could, but the representations presented before the Appropriations Committee of the Senate made it clear to me that the Bureau of Entomology ought to be given the full amount requested by it, or there ought not to be appropriation of one red cent to continue this particular kind of program. If we limit the amount to \$3,000,000 I fear that a year from now; yes, short of that time, we shall have demonstration before us, that every penny of it was an outright waste; that

the effort was futile.

The Senator from Nebraska [Mr. Norris] has splendidly represented the need for the larger appropriation to the end that there may be larger coverage in the conduct of the eradication program itself. I hope that the Senate will not accept the report, but will require a further effort on the part of its conferees to obtain the full amount of the appropriation requested.

Mr. ADAMS. I fully concur with the other members of the conference committee of the Senate as to the desirability of securing the full appropriation. As the Senator from North Dakota knows, the matter was carried through the subcommittee, the full committee, and on the floor of the Senate. The only point at which I disagree with Senators who have spoken is with respect to the feeling on the part of some Senators that the amount on which we were able to secure agreement with the House would be wasted.

In the State of Colorado in the last year much good was accomplished. I do not agree with those who feel that the expenditure of the \$3,000,000, plus the \$700,000, plus the \$1,000,000 in available materials, or \$4,700,000 in all, will not accomplish any good.

We are confronted with a practical situation in addition to that. I am perfectly willing to continue to make an effort to secure additional funds. I have done everything I could. So have the other Senate conferees. The question now is whether we should accept the House proposal or go back into conference for further effort. But there are other matters involved. The Wage and Hour Division of the

Department of Labor is involved. The money for that great institution is now depleted. We are providing money in the measure to keep that organization under way. If the bill is not passed the Wage and Hour Division will stop functioning.

Another consideration which would, of course, influence no Senator, is that the matter of an extra clerk for every

Senator is involved in the bill.

It seems to me that the thing for us to do is to accept what we were able to get from the House with respect to insect pests, and then make an effort in connection with the next agricultural appropriation bill, or a deficiency bill. or a new joint resolution, to obtain additional money which, I agree with the Senators who have spoken, is needed. But I think that we would be wasting our efforts and doing injury to certain essential agencies of the Government if we did not adopt the conference report.

The PRESIDENT pro tempore. The question is on agree-

ing to the conference report.

The report was agreed to.

The PRESIDENT pro tempore laid before the Senate a message from the House of Representatives, announcing its action on certain amendments of the Senate to House bill 2868, which was read, as follows:

IN THE HOUSE OF REPRESENTATIVES, UNITED STATES

Resolved, That the House recede from its disagreement to the amendment of the Senate numbered 23 to the bill (H. R. 2868) making appropriations to supply deficiencies in certain appropriations for the fiscal year ending June 30, 1939, to provide supplemental appropriations for the fiscal year ending June 30, 1939, and for other purposes, and concur therein with an amendment as follows: follows:

Restore the matter stricken out by said amendment amended to read as follows:

"PROCUREMENT DIVISION, PUBLIC BUILDINGS BRANCH

"General Federal Office Building, Washington, D. C.: For the acquisition of the necessary land and the construction of a building for additional office space in the District of Columbia under the provisions of the Public Buildings Act approved May 25, 1926 (44 Stat. 630), as amended, including the extension of steam and water mains, removal or diversion of such sewers and utilities as may be recessary and for edministrative expenses in connection therewith nations, removal or diversion of such sewers and definites as may be necessary, and for administrative expenses in connection therewith, \$3,500,000"; and

That the House agree to an amendment to the engrossed copy of said bill, in which the concurrence of the Senate be requested,

On page 5, line 2, of said engrossed bill, after "\$850,000", insert a colon and "Provided, That such additional sum shall also be available for administrative expenses of the Wage and Hour Division for the fiscal year 1939 heretofore incurred, otherwise properly charge-able thereto."

Mr. ADAMS. Mr. President, there are two amendments in the House message. I move that the Senate concur in the amendment of the House to the amendment of the Senate numbered 23, which has to do with the building originally designated as the Census Building, but which by agreement is to be a general office building and not restricted to the Bureau of the Census.

The PRESIDENT pro tempore. The question is on agreeing to the amendment of the House to the amendment of the Senate numbered 23.

The motion to concur was agreed to.

Mr. ADAMS. Mr. President, an additional amendment was made by the House. I cannot give the number, as it apparently has no number. The amendment makes money available to the Wage and Hour Division.

I move that the Senate concur in the House amendment to the engrossed bill on page 5, line 2.

The motion was agreed to.

INDEPENDENT OFFICES APPROPRIATIONS—CONFERENCE REPORT

Mr. BYRNES. I send to the desk the conference report on the independent offices appropriation bill, and ask for its consideration at this time.

The PRESIDENT pro tempore. The clerk will read the conference report.

The Chief Clerk read as follows:

The committee of conference on the disagreeing votes of the two Houses on the amendments of the Senate numbered 17 and 18 to the bill (H. R. 3743) making appropriations for the Executive

Office and sundry independent executive bureaus, boards, commissions, and offices, for the fiscal year ending June 30, 1940, and for other purposes, having met, after full and free conference, have to recommend and do recommend to their respective Houses

as follows:
The committee of conference report in disagreement amendments numbered 17 and 18.

CARTER GLASS. JAMES F. BYRNES, RICHARD B. RUSSELL. ALVA B. ADAMS,
PAT MCCARRAN,
JOHN G. TOWNSEND, Jr.,
Managers on the part of the Senate.

C. A. WOODRUM, JED JOHNSON,
JAMES M. FITZPATRICK,
JOHN M. HOUSTON,
R. B. WIGGLESWORTH, EVERETT M. DIRKSEN, FRANCES CASE, Managers on the part of the House.

Mr. BYRNES. Mr. President, I move the adoption of the conference report.

The report was agreed to.

Mr. BYRNES. I move that the Senate recede from its amendments numbered 17 and 18.

The motion was agreed to.

CREDITS TO BRAZIL

Mr. LEWIS. Mr. President, before we proceed with the agricultural bill, which I take it that astute and energetic student, the chairman of the Committee on Agriculture, the Senator from South Carolina [Mr. SMITH], is anxious to have action upon, I desire to say a word to the Senate. The public press brings information that our Government had entered upon some plan to lend its credit and its money, to the amount of \$120,000,000, to the Government of Brazil.

Mr. President, I call attention to the fact that the Senate is not in complete order. I should like to have the complete

attention of Senators.

The PRESIDING OFFICER. The Senate will be in order. Mr. LEWIS. Mr. President. I repeat that my attention is arrested by the announcement that this Government has entered upon some contract or plan for advancing its credit to the Government of Brazil. To the now attentive Senate I describe the plan as one of lending its money to Brazil. I am informed that is being done by the indirect method of having an institution which has been created under our Government, called the Export-Import Bank, to serve as the agency for an underground, subterranean process that violates the law.

I observe also that there is an assumption that if the money can be obtained from this Government and its people in such sums as is assumed, some portion of it, unless I misconstrue the action, is to be dribbled and trickled at certain periods, at the end of certain months, as a part of the interest due for years by the Government of Brazil upon bonds that are held by the American people, bonds which, up to this point, have been not only wholly in default but fraudulently maintained.

Mr. President, I am pained to observe that when we are assuming to extend favors to Brazil, Brazil at the same time, within the last 2 weeks, has closed an arrangement with Germany by which the machinery of Germany is to be sold to Brazil; and Brazil is to have the privilege, sir, of so-called credits from Germany, to the exclusion of the United States, and that in the meantime coffee and certain other products from Brazil are to be afforded to those with whom she is dealing-I refer particularly to Germany-in excess of any allowed the United States.

I observe also that, notwithstanding the supplies this country could afford Brazil, contracts have been made by Brazil and her representatives with agents representing Germany, while the agents of Brazil are in the United States negotiating loans. These German contracts as made are directly opposed to the United States. Brazilian agents in the United States are assuming to grant at least the opportunity of competition to this country, and at the same time are draining our finances by some arrangement that is as-

sumed to be in the form of a loan through an instrumentality designated as the Export-Import Bank.

Mr. President, I have observed that the reports and the promises assume the payment to be of interest on certain bonds held in the United States. This honorable body will not forget that 11 years ago a similar promise was made by the same government and 7 years past a similar announcement as to this past-due interest on debts due citizens of the United States. The Senate will not neglect to note that six times the promise was revived and repeated; but that in the meantime the bonds on which no money has been paid were held by the American public. The bonds are held in some of the banks of our country. No interest is being paid; but the bonds are being negotiated, wherever possible, to the citizens of the United States. I very much deplore that our country and its instrumentalities-I may say its officials—can find it agreeable to enter upon an arrangement to pledge the money of the United States in a loan to a country which, having had many, many millions of dollars from our country, will pay nothing, promise everything, and do nothing.

I deplore even more the fact that a process of government seems to prevail in this, my country, by which great undertakings such as those to which I am now alluding can be entered upon with no effort of cooperation with a legislative body, despite the law of Congress which forbids, if we read it aright, such lending to countries which are in default, which Brazil clearly must confess.

In particular, sir, I must protest for myself against what we call double dealing by those-

That keep the word of promise to our ear And break it to our hope.

In the meantime, drawing our money, Brazil negotiates trade agreements with foreign countries, and now duplicates such agreements in the very week in which some envoys of this land are in our Capital pretending friendship to us on the one hand, and receiving favors from us on the other.

Mr. REYNOLDS. Mr. President, will the Senator yield? Mr. LEWIS. I yield.

Mr. REYNOLDS. Will the Senator be good enough to advise the Members of this body why the United States Government finds it necessary to gain favor with Brazil by lending her \$120,000,000 of the taxpayers' money when, in truth and in fact, the people of the United States buy more than 40 percent of all the exports from Brazil?

Mr. LEWIS. Mr. President, I acknowledge the information imparted by the Senator from North Carolina. Some time ago he and myself, with other Senators collaborating in expression, called attention to that very situation with respect to Brazil, at which time I added-and I now wish to repeat—that Brazil has been able to encourage 30,000 Japanese to take charge of certain areas in Sao Paulo, where cotton is being produced in competition with the cottonproducing section of the United States. In the meantime a very large colony of thousands upon thousands of Germans are solicited to be in Brazilian locality as the direct representatives and agency in Brazil of the commerce of Germany, these acting as intermediaries against the United States. As my able friend from North Carolina [Mr. REYNOLDS] correctly states, it is while we take goods of Brazil in a large amount that she negotiates, through the agents of Germany living in Brazil, to take goods from Germany. To answer the Senator, I do not understand why this is so. I rise before my honorable colleagues demurely to confess an unfortunate ignorance on the part of a Senator who does not obtain information from any source which can be called reliable, other than newspaper reports. From this I behold a course being taken without reference to that body which, under the law, collaborates on foreign affairs, and with which, it would be assumed, someone would have some consultation.

Mr. REYNOLDS. Mr. President, will the Senator again vield?

Mr. LEWIS. I yield.

Mr. REYNOLDS. Let me remind the able Senator from Illinois that a few years ago the Brazilian Government was desirous of making a purchase of certain obsolete battleships belonging to the Government of the United States. At that time the Republic of Argentina objected to our selling the obsolete warships to the Government of Brazil, and as a result thereof Great Britain was called upon to construct ships for the Government of Brazil. Let me also make the observation that I have been informed-whether or not the information is correct I am unable to say—that a portion of the \$120,000,000 which it is proposed to lend to Brazil is to be utilized in repaying the British Government for certain obligations that are due at the present time from Brazil.

Mr. LEWIS. I coincide with the able Senator from North Carolina, and add a further word. Certain debts are due from Brazil to Great Britain. There is interest due upon some of those obligations; and one of the very understandings in obtaining the money from the United States under the proposed loan is that a part of the money is to be applied to the debts due to Great Britain. It is that against which I protest. I do not mean that I would not have England collect her debts or that I would not have Brazil pay her debts. However, I am not reconciled to my own country, in her present condition, lending her money and credit to other nations to enable them to pay their debts due to other countries while they are also in debt to us in the amount of millions of dollars and pay nothing.

Mr. President, I have already taken more time than I had intended.

Mr. ASHURST. Mr. President, will the Senator yield?

Mr. LEWIS. I yield.

Mr. ASHURST. I am interested, as are all other Senators, when the able Senator from Illinois addresses the Senate. He has given evidence of ripe scholarship respecting constitutional law. In view of the fact that the Constitution does not permit any officer of the Government to pay out money from the Treasury of the United States unless Congress appropriates such money, will the Senator advise us before what committee of the Senate is pending the bill proposing to appropriate \$120,000,000 to be loaned to Brazil?

Mr. LEWIS. Mr. President, I will say to the Senator from Arizona that I reciprocate from gratitude his allusions to myself. Only a moment ago I remarked that I, as a Member of this honorable body, have been compelled to obtain information on this very alive and weighty subject from such current stuff as came through the newspapers. Speaking for myself, I have not been honored with information from any official source as to the proposal. I have seen no bill coming to the Senate. I have heard of no message from our President or Cabinet being presented. I am not conscious of any information being advanced; and I am perfectly conscious that no guidance from us is asked.

I now answer further, with a sense of somewhat wounded vanity, that at a time when all available information touching public affairs, particularly of an international character, should be submitted to this body or to some representative of it, I do not like the conception that my colleagues and I are regarded as so insignificant as to be ignored. Yet there comes to us neither the opportunity to ask nor the courtesy of tendered guidance or direction. We, the Senate, are given no information by which we may be directed. In answer to the Senator I will say that to my knowledge we have not been appealed to for information or direction, nor have we been given information on the proposed legislation.

I now answer the Senator from North Carolina. I deplore the existence of such a state of affairs. I join the Senator

from Arizona in deep regret.

Mr. ASHURST. Before the Senator from Illinois leaves that subject, surely we are not to contemplate with equanimity the statement that an official of the United States Government proposes to loan \$120,000,000, or any other sum, to a foreign power without the authority of Congress for such loan, because if there be one subject upon which the people of the United States have made themselves vocal, upon which we, indeed, know their views, it is that not a

dollar should be loaned to a foreign government unless and until that government gives safe and good security for the repayment of such money. It is the policy of foreign governments, it is a part of their scheme, a part of their plan of life, never to repay a dollar to the United States if they can avoid doing so. In view of that situation, I do not perceive how or why, under the Constitution, an official of the United States may lend any money to a foreign government, because, forsooth, without an act of Congress, it would be a violation of the law; indeed, it would be a violation of that which is higher than the law—the common judgment and fixed determination of the American people. I believe the able Senator from Illinois has today performed a public service in this respect. Instead of lending money to foreign governments Congress ought to be busily engaged in enacting protective-tariff laws in order to protect the United States.

Mr. REYNOLDS. Mr. President, will the Senator from Illinois yield to me?

Mr. LEWIS. I yield.

Mr. REYNOLDS. I should like the Senator to know that only a few weeks ago it was reported to the Congress, through the press, that the Brazilian Government had outlined a 5-year armament program under which, according to the press, they proposed to make an expenditure of \$100,000,000. The same press report stated that more than \$70,000,000 of that sum would go to Germany for armament, approximately fifteen or twenty million dollars would go to the British Government for armament, and that the United States would be favored by the Brazilian Government as the result of its contemplated purchase of about \$7,000,000 worth of airplane equipment.

Now, I observe, as the Senator has mentioned, we are on the verge of making a \$120,000,000 loan to Brazil; and, in pursuance of the statement made by the Senator from Arizona, I wish to direct the attention of the Members of the Senate to the fact that only a short time ago this Government is said to have loaned more than \$25,000,000

to the Republic of China.

Mr. ASHURST. Mr. President, will the Senator from Illinois permit me to make a correction of what I said a

moment ago?

Mr. LEWIS. I am glad to yield to the Senator from Arizona. Mr. ASHURST. I stated that no foreign government intends to repay the United States. I was incorrect. The Government of Finland is an honest government and undoubtedly has honest officials. That Government has, I believe, repaid or is making repayment upon their debt to the United States. I may be in error, but I believe Finland is the only government that is making payments to the United States on its debt as it falls due.

Mr. MURRAY. Mr. President-

Mr. LEWIS. I yield to the Senator from Montana.

Mr. MURRAY. I may say that the Irish borrowed \$10,000,000 from the people of this country with which to prosecute their revolution, and that the entire \$10,000,000 has been repaid, with interest, to the American people. That was a voluntary act and an example of good faith which other countries might emulate.

Mr. ASHURST. I am not surprised that the people of Ireland pay their debts, for that is their history for 700 years. As I understand that particular matter, however, it was not an obligation which the Irish government was required to pay, and if they had not repaid the items, the Irish government would not have been delinquent in any sense, as that transaction was personal and individual. Ireland is a classic example because her people are repaying that which in morals and in law they are not required nor expected to repay.

Mr. REYNOLDS. Mr. President, will the Senator from

Illinois yield further to me?

Mr. LEWIS. I yield to the Senator from North Carolina. Mr. REYNOLDS. I assume that the Senator from Montana is referring to the liquidation of obligations by the Independent Irish Free State?

Mr. MURRAY. By the Irish Free State Government, although there was no obligation on the Irish Free State Government to assume that obligation. It did so voluntarily and freely.

Mr. GLASS. Mr. President-

Mr. LEWIS. I yield to the Senator from Virginia.

Mr. GLASS. The Senator from Illinois has been kind enough three times to yield to me, but I have not yet been able to say what I wanted to say.

Mr. LEWIS. I again yield to the Senator from Virginia and request that other Senators shall recognize the courtesy extended.

Mr. GLASS. Mr. President, Senators have short memories. The Senate and the Congress a few days ago, without a single dissent, extended the life of the abominable Export-Import Bank, and not only extended its life, but increased its authority to loan. It gets its funds from the Reconstruction Finance Corporation. I assume that under this enactment of the Congress, which passed this body without dissent, the loan referred to is being made.

Mr. LEWIS. May I not ask the able Senator from Virginia if he does not concede that finally such loans come from the United States and out of the United States

Treasury?

Mr. GLASS. Of course; all appropriations we make come out of the United States Treasury, just as all the money the Congress appropriates for relief comes out of the taxpayers. but the taxpayers do not seem to have sufficient sense to

Mr. BARKLEY. Mr. President, will the Senator from Illinois yield?

Mr. LEWIS. I yield to the Senator from Kentucky.

Mr. BARKLEY. The Senator from Virginia, regardless of his opinion of the Export-Import Bank, which he describes as abominable, has correctly stated what has occurred within recent days in the Congress. The Export-Import Bank was created by authority of Congress for the purpose of helping to facilitate the exportation of American products to foreign markets. Its activities have been very largely limited to the help which it has granted to enable American exporters to find markets and to finance the exportation of American products to foreign countries.

I have not seen a copy of the agreement that has been entered into between Mr. Hull, as Secretary of State, and the former Ambassador from Brazil, Mr. Aranha, who has been in this country for the past few weeks, but I understand that it is predicated somewhat upon the same situation to which the Senator from North Carolina referred a moment ago in regard

to a so-called loan to China.

The Government of the United States made no loan to China. The Export-Import Bank made a loan to an American corporation for the purpose of enabling that corporation to ship American goods to China, and the whole transaction occurred between the Export-Import Bank and the corporation which was engaged in the exportation of goods to China. I think probably the Chinese Government in some fashion guaranteed the payment of the obligation to the American corporation which extended the credit after obtaining it from the Export-Import Bank. That, however, was not a direct loan by the Government of the United States to China, although the Chinese Republic was interested in its citizens or its own corporation obtaining the credit which enabled it to buy \$25,000,000 worth of American goods.

That matter was gone into before the committee when Mr. Jones, Chairman of the Reconstruction Finance Corporation, appeared before it advocating the extension of the law to which the Senator from Virginia referred. Mr. Pierson, president of the Export-Import Bank, also appeared before

the committee in the same cause.

I do not think we can rely upon newspaper reports about what is contained in the agreement, and I do not understand that Secretary Hull has entered into any agreement to loan directly to the Brazilian Government a certain amount of money-and the Export-Import Bank would not have any authority to do that—but that it is a credit which has been made available for the purpose of enabling Brazil, either through some agency of its own or through some private organization operating under the Government, to purchase a large quantity of American products. Certainly I do not understand that the agreement contemplates that \$70,000,000 of money advanced by the Export-Import Bank is to be spent in Germany or is to be used to repay Great Britain or anybody in England any debt that the Brazilian people may owe. It is entered into and contemplated for the purpose of aiding in the exportation of American products to Brazil, which has been the main object, and the main activity, I will say, of the Export-Import Bank in furnishing credit to facilitate the transportation and sale and financing of American products.

Mr. REYNOLDS. Mr. President, will the Senator from Illinois permit me to ask the Senator from Kentucky a

question?

Mr. LEWIS. I yield.

Mr. BARKLEY. I will be glad to answer the Senator's question if I can, but I do not know whether I can.

Mr. REYNOLDS. If the Chinese Government borrows \$25,000,000 from a corporation that is organized and operating in the city of New York and the corporation thus organized and operating in the city of New York borrows \$25,000,000 from the Reconstruction Finance Corporation, I will ask the Senator if the Republic of China is not getting its money from the taxpayers of the United States.

Mr. BARKLEY. In a sense the Senator might so interpret it; but what happened was that the Export-Import Bank made a loan to an American corporation desiring to export to China \$25,000,000 worth of American goods. It did not export the goods to the Chinese Government; it exported them to a corporation organized in China for the purpose of enabling this quantity of American goods to go forward to China. I am not certain, but it is my understanding that the Chinese Government did guarantee that the corporation located in China would repay to the corporation located in America the money that it borrowed from the Export-Import Bank.

Mr. REYNOLDS. There was, therefore, a guaranty by the Chinese Government to the Government of the United States

that the loan would be liquidated?

Mr. BARKLEY. It was not a direct loan by the Government of the United States to the Chinese Government; there was not a direct guaranty by the Chinese Government to the United States Government; but, in order that the Chinese corporation, which desired to purchase \$25,000,000 worth of American goods might do so, the Chinese Government in some fashion did guarantee the repayment of the loan. It is my understanding that a similar arrangement, although involving a different amount, has been entered into in regard to the transaction between the Secretary of State, operating, of course, through the R. F. C. and the Export-Import Bank, in order that the financing and exportation of a large quantity of American goods to Brazil might be facilitated.

I will say to the Senator that I have not seen the contract or agreement; and I do not think the newspaper reports to which the Senator has alluded give the real inside of the transaction, the basis of it, and the modus operandi by which

it is to be carried forward.

Mr. LEWIS. Mr. President, I acknowledge the contribution of the able Senator from Kentucky, who ever contributes, sir, what may be necessary both to information and to guidance in matters touching the Government. But first I will have him gather the thought, if there is a parallel between the action in the case of China and that in the case of Brazil, that first he is confronted with the fact that there is no law that touches China wherein the law prohibits loans to a country in default of its debt when its debt is held by the United States. Secondly, sir, regarding the institution called the Export-Import Bank-my able colleague has defined something of its terms-I do not know what has possessed officials in these latter days by which it is assumed that we must adopt this circumlocutory process of subterranean reachings to achieve some object which could be accomplished just as well plainly and outwardly, with the object disclosed and its purposes revealed.

I therefore, for that reason, cannot agree with my able friend that because a thing is done by these indirect methods and in this indirect manner it becomes legal, whereas otherwise on its face it would be confessed to be illegal and in violation of law.

Mr. BARKLEY. Mr. President, will the Senator further vield?

Mr. LEWIS. Certainly, I yield.

Mr. BARKLEY. The question whether it was a violation of law for the Export-Import Bank to make this arrangement is one upon which there might be difference of opinion. It is not my understanding that the Brazilian Government is in default of any obligation it owes to the Government of the United States. I may be mistaken as to that; I may not have that information; but I do not understand that to be the case. There are, of course, municipal bonds and municipal obligations of various South American countries which were sold over a period of time to citizens of the United States, largely through the salesmanship of American corporations and American banks-a matter into which we went in some detail some years ago-which are in default and which may forever be in default. I do not understand, however-and if I am mistaken about that I am subject, of course, to correction—that the Brazilian Government as such owes the United States Government as such any amount on which it is in default.

Mr. LEWIS. Mr. President, I beg to inform my able friend from Kentucky that the law is addressed to bonds which have been issued by other countries, sent into America, and, from agencies of any nature, passed to the citizen, which are now held by the citizen in default, with no payments upon them, and no spirit indicating an effort to do so. The law is not limited to loans from the United States Government to the Brazilian Government. My able friend seems to assume that that is the expression of the law.

Mr. BARKLEY. Oh, no. I was alluding to what I thought the Senator a moment ago contended, that the Government of Brazil is now indebted to the Government of the United States in an amount in which it is in default.

Mr. LEWIS. To the people of the United States.

Mr. BARKLEY. Of course, the mere fact that there may have been sold to the American people, largely through the instrumentality of American corporations and American banks, municipal obligations of certain countries in South America—not only Brazil, but Argentina, Uruguay, Paraguay, Chile, Peru, and all the others of them—obligations of cities or counties or parishes or even districts which are in default does not make it unlawful for the Export-Import Bank to make loans to American corporations to enable them to ship American goods into those countries. Since the Export-Import Bank was organized to help us find a market for American products, certainly it was not the intention of Congress to make such a transaction as that unlawful.

Mr. LEWIS. Then I understand that my able friend would intimate that, despite the law, if there can be found some method by which some agency can be created whose hand may do the act that the body is forbidden to achieve. it will be legal and right. I answer him, does he not recall that after the World War, during which we loaned large sums for the conduct of the war, our Government loaned money to France and England ostensibly for the purpose of aiding industry and giving rise to new commerce; that the loans were made through two different boards, and that an agency that came over purported to be a financial agency on the one hand and dealt with the Board on the other; and yet I remind my able friend that those debts have not been paid, and the answer comes to us constantly and ever, "We do not owe the United States. We did not borrow this money from the Government. We borrowed it through a board, and issued the bonds which are now outstanding in the United States," largely held by a couple of banks to which we need not now refer.

Mr. BARKLEY. If the Senator will yield-

Mr. LEWIS. Certainly.

Mr. BARKLEY. The so-called Johnson Act, I suppose, is the one to which the Senator has alluded as making it unlawful for the American Government to make loans to any country which is in default of obligations which it as a government owes to the United States. The war debts, which were the basis of the Johnson Act and which had been defaulted, are obligations of the governments of Europe, which during the World War and following the World War borrowed money directly from the Government of the United States. The debts were refunded through a joint commission set up by Congress and largely reduced in amount, so that those obligations are now direct obligations of the governments of Europe to the Government of the United States.

Mr. LEWIS. I must correct my able and eminent friend and assure him that he has a wrong conception. The Johnson Act was specifically addressed, among other things, to the debts due from South America. Allusion was made to the fact that there was \$290,000,000 of such debts—my able friend participated in the debate in a small degree and myself in a lesser degree—and among other governments that were referred to the Senator remembers that bonds were issued by certain governments, which need not be named now, when it was known in one case that the government had no authority to issue the bonds, but the son of the head of the government was sent to America and negotiated them, with forgery attached to the transaction.

Mr. BARKLEY. Yes.

Mr. LEWIS. It was to these matters that the law to which we are now alluding was addressed, as well as to the other matter my able friend may conceive was in the mind of Congress.

Mr. BARKLEY. Those matters were gone into during the discussion, but while I have not read the act for some months it is not my recollection that the act specifically refers to those transactions.

Mr. LEWIS. They are not referred to in the act, but the basis of the act was the matters to which I am referring.

Mr. BARKLEY. Of course, even the son of a President would not have been able to impose those bonds upon the American people without the cooperation, which he had, of certain large banking institutions in this country, which facilitated the transactions and were instrumental in palming off, as we then said and as we could still say, these bonds upon the people of the United States.

Mr. LEWIS. I thank the Senator from Kentucky. He has given suggestions of value.

Mr. BORAH. Mr. President-

Mr. LEWIS. I yield to the Senator from Idaho.

Mr. BORAH. May I submit a question to the able Senator from Illinois and to the Senator from Kentucky? Suppose the \$25,000,000 loaned to China and the \$120,000,000 loaned to Brazil, whether in the form of a direct loan or in the form of an advance of credit, are never repaid: The loss will finally fall on the taxpayers of the United States, will it not?

Mr. LEWIS. If the able Senator from Idaho is addressing his question to the Senator from Kentucky, I yield to

that Senator in order that he may reply.

Mr. BARKLEY. I assume so; just as we might say that if the \$3,000,000,000 which the Home Owners' Loan Corporation has loaned is never repaid by the home owners, the taxpayers of the United States, of course, will suffer; and the same thing is true of all the other loaning agencies which have been created. They may be called fictions of law, but they are corporations. I refer to the Federal Housing Administration, the United States Housing Authority, and various other institutions set up by authority of Congress which have made loans directly to individuals, although the money has come from the Treasury of the United States. If we can imagine a wholesale default on the part of all the borrowers from those institutions, of course the taxpayers will likewise lose.

Mr. LEWIS. Yes; that is true.

Mr. BARKLEY. The object of the creation of the Export-Import Bank was not in order to enable somebody somewhere else in the world to obtain credit or to borrow money, but was to enable the American people to find a market for and sell their otherwise unsalable surpluses of American products which are weighing heavily upon the markets in our own domestic field.

Mr. BORAH. Of course, if the Home Owners' Loan Corporation becomes a failure, the taxpayers will have to settle, but in that matter we are dealing with our own people. We are endeavoring to take care of them under adverse circumstances. But I do not think the taxpayers are willing to engage in loans all over the world knowing that they will have to take care of them in case of failure to pay, and judging the future by the past, there will be a failure to pay. We now have some \$12,000,000,000 of obligations due and unpaid. The taxpayers of this country will have to pay them, and so far as dictators and republics and democracies are concerned, there is no difference between them when they come to pay debts. They default just the same in one instance as in the other. Italy and Great Britain stand side by side in their defalcation and refusal to pay the honorable debts which were contracted during and after the war.

Mr. REYNOLDS. Mr. President-

Mr. LEWIS. I thank the Senator from Idaho for his suggestion. I now yield to the Senator from North Carolina.

Mr. REYNOLDS. I desire to state to the Senator from Illinois that it is my recollection at the present time that there have been floated with investors in this country approximately \$360,000,000 in bonds issued by various municipalities in Brazil and by sundry states of the United States of Brazil, and I am informed that some bonds of the Brazilian Government itself constitute part of the \$360,000,000, and that they have not only failed to liquidate any of the principal itself but they have failed to liquidate the interest up to date.

I make this inquiry of the Senator because, like the Senator from Idaho, I am interested in the taxpayers of the United States.

In case the Export-Import Bank of this country makes a loan of \$120,000,000 to a corporation in this country, and the corporation in this country utilizes the \$120,000,000 to finance the export of goods to Brazil, and the Brazilians fail to liquidate their obligations to the home corporation, and the home corporation goes broke, how are the taxpayers of America ever going to collect the \$120,000,000 which the State Department, we will assume, has agreed to let Brazil have?

Mr. LEWIS. Mr. President, I have occupied more time than I thought I would when I rose to bring forth a suggestion which I thought might be considered by this body. I wish to conclude with the observation that it is to be dreamed that at some appropriate time, somewhere, somehow, our honorable officials of Government will find it not incompatible with their dignity to report to the United States Senate something of the transactions which touch the Government, and in the consideration of which the Senate, by the Constitution is made a collaborating agency.

Mr. BARKLEY. Mr. President-

The PRESIDING OFFICER (Mr. Schwellenbach in the chair). Does the Senator from Illinois yield to the Senator from Kentucky?

Mr. LEWIS. I yield.

Mr. BARKLEY. The Export-Import Corporation is required by law to make a report to Congress, and does so, and has done so since its existence.

Mr. LEWIS. I must inform my able friend that one of my grievances is that there is no law which compels this institution, which has been designated by a dignified term, by which it is elevated in the financial nomenclature as the "Export-Import Bank," to make any suggestion whatever before it acts. It is an ex post facto report, under the law—after the crime.

Mr. BARKLEY. Of course, all the acts of the Government, and the reports of Cabinet officers and departments, are, in a sense, ex post facto. They cannot report to Congress what they have done until they have done it, and the law does not require them to report in advance. They are required only to report what they have done.

Mr. LEWIS. I must advise my able friend that the President of the United States sends to this honorable body and to the full Congress from time to time information as to matters which he seeks, and very carefully and courageously asserts that he prays that the Congress will allow him this, that, or the other, naming them. I am not able to see why that does not apply to the matters we are discussing.

that does not apply to the matters we are discussing.

Mr. BARKLEY. That applies to general legislation, and certainly the Senator from Illinois would not expect that the Export-Import Bank or the Reconstruction Finance Corporation, or any of the other lending agencies, would come to Congress every time they were engaged in an individual transaction and get the consent of Congress to make a loan.

Mr. LEWIS. I answer the Senator, I would so expect, when I knew there were laws against it, prohibiting it, and that the spirit of the American public was protesting it. If they wish to make an exception, they should present the facts on which they seek such an exception, and get authority.

Mr. BARKLEY. Will the Senator yield to me long enough to read the law?

Mr. LEWIS. The Senator may read it again to me. I myself have had occasion to consider it.

Mr. BARKLEY. It might be well to put it in the RECORD at this point.

Mr. LEWIS. I yield to the Senator.

Mr. BARKLEY. The law reads:

That hereafter it shall be unlawful within the United States or any place subject to the jurisdiction of the United States for any person to purchase or sell the bonds, securities, or other obligations of any foreign government or political subdivision thereof or any organization or association acting for or on behalf of a foreign government or political subdivision thereof, issued after the passage of this act, or to make any loan to such foreign government, political subdivision, organization, or association, except a renewal or adjustment of existing indebtedness, while such government, political subdivision, organization, or association is in default in the payment of its obligations, or any part thereof, to the Government of the United States.

The point I am making is that none of these obligations which are in default are obligations to the Government of the United States, and unless they are obligations to the Government of the United States it is not illegal, in my view, for any of the agencies which have general legal authority to do so to make loans such as the one referred to apparently is intended to be, in order to enable American citizens to sell in foreign markets what they have produced and cannot sell here. My contention is that the mere fact that certain governments in South American or elsewhere, or certain municipalities or subdivisions of those governments, have issued bonds which are outstanding in the hands of private owners in the United States who have purchased them, does not bring them within the terms of this law, because it is limited to obligations in default to the Government of the United States.

Mr. MINTON. Mr. President, will the Senator yield?
Mr. LEWIS. The able Senator from Kentucky and I differ.
I yield to the Senator from Indiana.

Mr. MINTON. If the Senator will read the second section of the Johnson Act he will see that Government corporations are expressly excluded. The second section reads:

As used in this act the term "person" includes individual, partnership, corporation, or association other than a public corporation created by or pursuant to special authorization of Congress, or a corporation in which the Government of the United States has or exercises a controlling interest through stock ownership or otherwise.

Mr. BARKLEY. I did not read the second paragraph because I thought the first paragraph was perfectly plain; that it had to be an obligation to the Government of the United States as such in order that there might be a violation.

Mr. LEWIS. I must correct my able friend the Senator from Indiana. The provision there is accepted as one applying to what had happened previously, to the past, and in nowise applies, as I see it, to future obligations.

Mr. President, I must insist that what is needed is cooperation between these agencies of our Government and its legislative body, particularly in matters which refer to foreign nations, matters dealing with foreign peoples, particularly those whom we have had described from time to time as willing to have portions of their territory made a base of supplies and a resting place for our enemies, armed for assault, possibly, on the Panama Canal; that before loans and favors and great credit are extended to such as these, a much clearer understanding should exist between the representatives of the people. It is not sufficient that mere bureaus should take upon themselves so great a degree of responsibility after what has already transpired with respect to the nations referred to by Senators describing the indebtedness and their attitude of mind and conduct toward us.

Mr. President, at this particular time in world conditions, with enmittee disclosed toward us, and the general attitude of noncooperation on the part of those from whom we might expect friendship, this is not an hour to have things undertaken which may invite us again to conflict of a very serious nature, for if Brazil is again in debt to this country she may be found doing again what she has done, seeking recourse to other nations.

I remind my colleagues that when Brazil was in debt, Brazil had to call upon her friend Germany, and later Germany proceeded to lend aid to Brazil, which the distinguished President of our country in those days was compelled to protest.

I deplore that the conditions should exist which do exist. The Senator from Kentucky, the eminent leader on this side, called attention to the fact that I might have information less than that which may be gleaned from the newspapers. I assure him I read with great completeness the whole contract, to place such percentages of certain debts and of the outstanding debts at certain periods of time. It may be that our Government has started upon a new course as to all these loans; I do not know. My colleagues recall that when Cato arose at a certain time on the floor of the great Roman senate and sought to bring his country to some answer for its conduct, there was one by the name of Checio del Vechio who would rise and rush out to the door and sanctimoniously turn his eyes to the heavens, and when he returned his reply to Cato would be, "The stars are not propitious," and then he would move to adjourn the senate for the salvation of the republic.

I should like to inform the officials of our Government, whoever they are, wherever they are, and under whatever circumstances they may be, that just now in all matters involving foreign governments, in view of the relations of the world, the stars are propitious for a little closer cooperation and a greater degree of confidence between necessary and constitutional bodies in government, looking to the protection of the Republic.

Mr. REYNOLDS. Mr. President, I desire to state that I have enjoyed very much what the able Senator from Illinois [Mr. Lewis] has had to report today to the Members of this body, and, in view thereof, I wish to state that in my opinion Mr. Aranha, of Brazil, gave this country the finest dry cleaning it has ever experienced. The gentleman comes here and obtains \$120,000,000. In addition to that he suggests that we send our W. P. A. workers to South America to develop his country at the expense of the taxpayers of the United States. He was so thoroughly pleased with his visit to our Capital City of Washington, where he was very generously entertained, that he issued in New York before his departure a very interesting statement, which perhaps escaped the eyes of the Members of this body, and in view of the fact that it might have escaped their attention, I wish to read the statement of the greatest "dry cleaner," the finest salesman, the world has ever known.

The article is headed:

ARANHA EN ROUTE HOME, PLEASED BY UNITED STATES PACTS

New York, March 11.—Foreign Minister Oswaldo Aranha, of Brazil, sailed home today, confident that the \$120,000,000 financial and commercial agreements reached between his country and this would improve Pan American relations.

Why would not \$120,000,000 improve the relations between the United States and any country in the world which received \$120,000,000 of the money of the taxpayers of the United States of America? But what I ask is whether this matter is going to please very greatly the taxpayers of the United States of America, who in all probability will be called | upon to assume that burden?

Says Mr. Aranha:

"I am happy we have started a broad spirit of cooperation which may lead all countries in the same direction," • • • adding that it was "a good thing" because the United States was beginning to realize it is a creditor nation."

The gentleman reminds the people of the United States that it is a very fine thing that at last the United States of America had begun to realize that it is a creditor nation. In other words, he tells the United States of America that the people of America cannot expect the friendship or retain the friendship of the people of South America unless the United States of America is willing to buy the friendship of the people who live south of the Rio Grande.

I repeat to the Senate that he is the finest salesman I ever heard of in my life. The article continues:

He said Brazil would be able to supply more than one-third of the \$2,000,000,000 worth of raw materials which the United States has been buying from foreign countries.

I got a laugh out of this language in the article, and I am sure that Senators who are familiar with the undeveloped portions of American territory will appreciate what he has to say concerning what was done by him in conference with our high executives when he was in the United States. I read from the columns of the daily press:

Plan for large-scale immigration to be submitted. A concrete plan-

Another plan of Mr. Aranha's-

for large-scale emigration of American farmers, skilled technical workers, and college graduates to Brazil to aid in the country's development, is expected to be submitted to Washington at an early date, it was learned today. Thousands of inquiries have deluged the Brazilian Embassy and American State Department in the wake of revelation that Foreign Minister Oswaldo Aranha has proposed to President Roosevelt that skilled workers and farmers on W. P. A. relief rolls be sent to Brazil in a colonization project similar to the Matanuska colony in Alaska.

Mr. President, this clever salesman from the south suggests to the President of the United States that the President of the United States have those who are on the W. P. A. and relief rolls in the United States today placed aboard ships and sent to Brazil for the purpose of developing that

High officials here pointed out that one major stumbling block in the first proposal by Aranha is that W. P. A. funds cannot be expended outside of the territorial jurisdiction of the United States without an act of Congress making specific provision.

I should like to have the article embodied in the RECORD as part of my remarks. The article makes mention of the interest of the Export-Import Bank in the matter of the loan of \$120,000,000.

In connection with the suggestion that W. P. A. workers be employed in the territory of Brazil, I wonder if it was clear to anyone that just to the north, in the Territory of Alaska, there are 587,000 square miles of land, a vast area waiting for colonists to come and develop it. Of that 587,000 square miles of American territory within the confines of America, there ought to be found more than 35,000 square miles of land subject to grazing by sheep, goats, and reindeer, and more than 33,000 square miles of land capable of cultivation by farmers from our country. If we have in mind the slightest idea of sending W. P. A. workers on a tour to South America, I for one prefer to send them to the Territory of Alaska.

Mr. President, I want the Senator from Illinois, who has been so intelligently discussing matters in relation to our sister republics of South America, to know that I am extremely desirous of continuing on friendly terms with Brazil, but I can see no reason why we should be called upon to send to Brazil \$120,000,000 of the money furnished by the taxpayers of the United States to curry favor with To the contrary, they should be endeavoring to curry favor with us, because last year the United States bought more than 40 percent of all the exports from Brazil, and, as a matter of fact, the United States bought more from the republics south of the Rio Grande, Mexico, Central America, South America, and the West Indies than the combined purchases of the three other major nations of the world that do business in South America.

I ask that the article in question be printed in the RECORD at this point as part of my remarks.

The PRESIDING OFFICER (Mr. Lundeen in the chair). Without objection, it is so ordered.

The article is as follows:

[From the Times-Herald of Washington, D. C., March 12, 1939] United States To Colonize Areas in Brazil—Plan for Large-Scale EMIGRATION TO BE SUBMITTED

A concrete plan for large-scale emigration of American farmers, skilled technical workers, and college graduates to Brazil to aid in the country's development, is expected to be submitted to Wash-

ington at an early date, it was learned today.

Thousands of inquiries have deluged the Brazilian Embassy and American State Department in the wake of revelation that Foreign Minister Oswaldo Aranha has proposed to President Roosevelt that skilled workers and farmers on W. P. A. relief rolls be sent to Brazil in a colonization project similar to the Matanuska colony in Alaska.

PROJECT TENTATIVE

Brazilian sources said today the project still is in its tentative stage, but is one of the important phases of Brazil's new economic plan, which Aranha will develop on his return to the Brazilian

It was indicated President Roosevelt had listened attentively to Aranha's colonization proposal discussing it with him in two separate conferences, but that no definite commitments were made on behalf of this Government.

High officials here pointed out that one major stumbling black in the first proposal by Aranha is that W. P. A. funds cannot be expended outside of the territorial jurisdiction of the United States without an act of Congress making this specific provision.

In the preliminary talks, Aranha proposed that the United States finance the colonization plan, continuing the colonists on W. P. A. rolls until they could establish themselves in their new home. Within a year or two, the Brazilian official estimated, the colonists would be self-supporting, and no longer a burden to the American Treasury.

Officials here privately said this plan presented many problems for which they could see no immediate solution.

Brazil badly needs-Aranha told Washington officials-young and ambitious farmers, men in the skilled trades, particularly railroading and mining, and young college graduates with engineering training to develop Brazil's interior.

INTEREST WIDESPREAD

He indicated his Government, when a workable plan is completed, will be willing to set aside for homesteads tracts of rich farming lands in the pleateau country.

A major part of the plan for economic development calls for con-A major part of the plan for economic development cans for construction of a new network of transportation lines. Railroads must be built and highways constructed to open up the vast Brazilian hinterlands, in which lie fabulously rich mineral deposits. One of the most important financial aids granted by the Export-Import Bank under the just-consummated Brazilian-American economics. nomic agreement calls for extension of huge credits for development of Brazil's transportation system.

The colonization project, it was emphasized, is as yet in its tentative stage, but is one in which the Brazilian Government is vitally interested. Some weeks may pass before it is brought to its prac-

Numerous inquiries to the State Department have indicated a widespread interest in the proposal. Such inquiries at present are being referred to the Brazilian consul-general's office in New York City.

TYPICAL INQUIRIES

Typical of the inquiries are the following:
From Colorado a young mechanical engineer wrote:
"I am a mechanical engineer just out of college a few years and like others I find I am unable to get employment as I am com-

peting with men who have years of experience.

"I believe this idea to be very sound and for one would be very glad to go, providing I could retain my United States citizenship."

Mr. DAVIS. Mr. President, will the Senator yield? Mr. REYNOLDS. I yield.

Mr. DAVIS. Did I understand the Senator to say that the Foreign Minister of Brazil desired us to send our W. P. A. workers to that country?

Mr. REYNOLDS. I was just reading from a newspaper a clipping which I asked to have incorporated in the RECORD. The clipping said that on two occasions Mr. Aranha had conferences with the President of the United States in contemplation of sending our W. P. A. workers to Brazil for the purpose of developing that country.

Mr. DAVIS. Does he expect to pay their wages and expenses out of the \$120,000,000?

Mr. REYNOLDS. I assume, from the article, that we in the United States are to pay their wages, pay their expenses while there, and pay their transportation to Brazil.

Mr. MINTON. Mr. President, will the Senator yield?

Mr. REYNOLDS. I yield.

Mr. MINTON. Where does the Senator get that information?

Mr. REYNOLDS. I got it from a newspaper.

Mr. MINTON. That the United States will pay their wages and pay their way to Brazil?

Mr. REYNOLDS. Yes. I ask that the newspaper clipping be returned to me. I did not read all of it. I glanced over it very rapidly yesterday.

Mr. MINTON. What newspaper is it from?

Mr. REYNOLDS. This is from the Washington Herald-Times of Sunday. I read as follows:

In the preliminary talks, Aranha proposed that the United States finance the colonization plan, continuing the colonists on

While in Brazil developing their territoryuntil they could establish themselves in their new home.

This is the most unmitigated gall I ever heard of in my life.

Within a year or two, the Brazilian official estimated, the colonists would be self-supporting, and no longer a burden to the American

Anyone who knows anything at all about Brazil knows that it is a great country. One might say it is highly uninhabited. It is about one-third larger than the United States. It has a population of only about 45,000,000 people. But everyone knows that about 99 percent of all the people in Brazil are poverty-stricken. When you meet a man you can judge he is not a millionaire if he does not wear a clean pair of pants.

Officials here privately said this plan presented many problems for which they could see no immediate solution. Brazil badly needs—Aranha told Washington officials—young and ambitious farmers, men in the skilled trades, particularly railroading and mining, and young college graduates with engineering training to develop Brazil's interior.

INTEREST WIDESPREAD

He indicated his Government, when a workable plan is completed, will be willing to set aside for homesteads tracts of rich farming lands in the plateau country.

Our Government is now setting aside fine high tracts of land in the country to the north of us in the Territory of

A major part of the plan for economic development calls for construction of a new network of transportation lines.

He wants us to build transportation lines for them.

Railroads must be built and highways constructed to open up the vast Brazilian hinterlands, in which lie fabulously rich mineral deposits.

All, he suggests, at the expense of the United States of America.

One of the most important financial aids granted by the Export-Import Bank under the just consummated Brazilian American economic agreement calls for extension of huge credits for development of Brazil's transportation system.

By the way, in regard to advancing money for railroads in the development of South American countries, I call to the attention of the Members of this body the fact that it is my recollection that a few years ago we advanced many millions of dollars either to Peru or to Chile; and none of that money has ever been returned.

The colonization project, it was emphasized, is as yet in its tentative stage, but is one in which the Brazilian Government is vitally interested.

No doubt they would be vitally interested if they could obtain tens of thousands of W. P. A. workers at the expense of the taxpayers of the United States to construct their highways, build their roads, and develop all sections of the country at the cost of the people of America.

Some weeks may pass before it is brought to its practical stage. Numerous inquiries to the State Department have indicated a widespread interest in the proposal. Such inquiries at present are

being referred to the Brazilian consul general's office in New York

City.

Typical of the inquiries are the following:

Typical of the inquiries are the following:

From Colorado a young mechanical engineer who wrote:
"I am a mechanical engineer just out of college a few years, and like others I find I am unable to get employment as I am competing with men who have years of experience."

That is an unfortunate thing on account of the unemployment situation in this country. However, I do not believe that our unemployment situation is in such a distressful state that we must send American citizens to Brazil to develop another country at the expense of the American taxpayers.

I believe this idea to be very sound and, for one, would be very glad to go, providing I could retain my United States citizenship.

I am glad to note that the young man believes that his United States citizenship is the most valuable thing in the world

Mr. President, like all the other Members of this body. I am desirous of remaining on friendly terms with our sister republics to the south. At the same time, if we have to buy that friendship by the utilization of the dollars of the taxpayers of the United States, I do not think it is worth it, particularly in the case of Brazil. Why should we have to buy her friendship by letting her have \$120,000,000 of the money of the taxpayers of the United States, when it is a known fact that the United States of America favors Brazil year in and year out by buying more of her exports than all the other major countries of the entire world?

We have had some sad experiences in that particular direction. As I mentioned a moment ago, when I was directing an inquiry to the Senator from Illinois [Mr. Lewis], a few years ago Brazil wanted to buy some obsolete battleships from us. We wanted to sell her those battleships; but Argentina objected. Argentina is under the thumb and influence of Great Britain. Why should she not be? Great Britain buys all her beef and all her wheat. Argentina objected to our selling the obsolete battleships to her rival, Brazil. What happened? We found that action to be a very smooth trick on the part of the British to get the business of the Brazilians. When Uncle Sam, as a result of the protest of Argentina, was knocked out of the opportunity to sell the old battleships to Brazil, Brazil placed her money with Great Britain and asked Great Britain to build battleships for her. That was the situation.

Mr. President, we are the big brother of the republics to the south of us. That fact is evidenced by many, many transactions. I wonder if we are really sincere. I ask the Members of this body whether or not we have a sincere and genuine friendship for the 130,000,000 or 140,000,000 people to the south of us. Let us see.

Earlier in the day I introduced a resolution. It may be said to have been in behalf of the people of our sister republic of Gautemala. That resolution is in the form of an appeal to the civilized people of the world, a cry which has gone up from the people of the country of Gautemala itself. The people of Guatemala are appealing to the conscience of the civilized world for help. The people of Guatemala say that Great Britain is up to her old tricks. The people of Guatemala say that Great Britain, being up to her old tricks, is trying to steal more property from her, at a time when Great Britain is doing her very best to make an ally of us in order that she may attempt to hold together the one-fourth of the earth which she possesses today.

In other words, Great Britain says, "We want you Americans to help us maintain the peace upon the face of the earth." Why should she not wish our help? Mr. President, the situation is like that of the fellow who comes to me and steals \$100 out of my pocket. He robs me, and I go after him. I want to fight for the return of my property. He holds up his hands in holy horror and says, "Why, my dear friend. Let us be peaceful. Let us not quarrel. Let us not fight." Of course, he does not want to fight, because he has robbed me of all I have.

That attitude is typical of the British. They have taken one-fourth of the earth by bloody conquests and aggressions everywhere. Now they have it, they come to America and say, "We want you to help us maintain the empire which we obtained by bloody aggression all over the world."

In the course of the debate earlier in the day, I remember that the able Senator from Montana [Mr. Murray] reminded the Senator from Illinois [Mr. Lewis] of the fact that the Irish Free State had completely liquidated its obligation to the United States as to both principal and interest. When he mentioned the Irish Free State I was reminded that in 1717, immediately after the aggressions against Great Britain had ceased, Great Britain herself started aggressions, and began them on the people of Ireland. Today about 2,000,000 or 3,000,000 of the people of Ireland are under the yoke and domination of Great Britain. For years they have pleaded and fought for independence, but to this day they have never obtained independence.

In the Western Hemisphere we find John Bull up to his old tricks. What do we find? To the south of us, just north of the Mosquito Coast, there is a little country known as British Honduras. Some refer to it as Belize. Along about the year 1783 the Spanish had charge of that territory. It was one of the Spanish colonies. Spain entered into an agreement with Great Britain that certain interests in Great Britain might have the right and the franchise to secure certain timber and other products of the land. According to my recollection, another agreement was entered into about 1786; and from the franchise that she had. Great Britain eventually became the sole possessor of British Honduras. Later, as a result of that controversy, a treaty was entered into. In 1859 the British agreed to settle the matter by making a certain delimitation of the territory. However, Great Britain has never performed her part of the agreement. She never settled anything. In 1859 we took an interest in the matter and were going to the aid of the people of Honduras as a protection due them under the Monroe Doctrine of 1823.

At this juncture, in view of the fact that I have seen a number of additional Senators come in, I wish to read the resolution.

(At this point Mr. Reynolds yielded to Mr. Harrison to make a statement concerning House bill 3790, which appears elsewhere under the appropriate heading.)

The PRESIDING OFFICER. The hour of 2 o'clock having arrived, the morning hour has expired. The Senator from North Carolina is recognized.

Mr. TYDINGS. Mr. President-

Mr. REYNOLDS. I shall be happy to yield to the Senator from Maryland in a second.

Mr. TYDINGS. Very well. I do not wish to interrupt the speech of the Senator from North Carolina, but I should be very grateful if the Senator could advise me about when it will be possible for me to ask the Senate to proceed with the consideration of the legislative appropriation bill.

Mr. REYNOLDS. I am going to yield in about 5 minutes, I say, Mr. President, if we of the United States are desirous of being of assistance to our sister republics to the south, for whom we proclaim great friendship, that then we should come to the aid of our sister republic of Guatemala that is being unjustly dealt with by the British. As a result of that situation, I submitted today a resolution which I now desire read. I have a copy of the resolution before me. It is as follows:

Resolved, That the Senate of the United States requests that the Secretary of State submit to it (if not incompatible with the public interest) information as to what, if anything, is being done by our Government toward protecting, as a part of the Monroe Doctrine, the alleged territorial rights of our sister Republic of Guatemala in its dispute with Great Britain over Belize (British Honduras), as evidenced by the White Book recently released by the Guatemalan Government protesting the procedure of Great Britain and appealing to the universal concurrence of civilized nations to come to her aid; and in which the Guatemalan Government has unsuccessfully urged that Great Britain accept President Franklin D. Roosevelt as arbitrator.

Mr. President, I believe if the United Government would today evidence its friendship and provide help for the sister Republic of Guatemala to the south that the British would back water, and would deal fairly with the Guatemalans and would not try to take Guatemalan territory that the Guate-

malans believe belongs to them. I make the statement advisedly, recalling that about the year 1895, when John Bull was up to his same old tricks, he tried to grab some land from Venezuela that belonged to Venezuela, claiming at the time that her territory of British Guiana extended farther northward than it really did. The British made that claim because at that time gold had been discovered in southern Venezuela and northern British Guiana. In that instance the people of the United States knew that Great Britain was up to her same old tricks of taking that which did not belong to her.

Great Britain is always willing to give away the property of someone else. Mr. President, you will recall that at Munich she was perfectly willing to give some of Czechoslovakia's property to Germany in order to bring about "appeasement." When we read about the settlement at Munich we all thought that that was something never heard of before. What a hue and cry arose! The very idea of Great Britain giving somebody else's property to spare a civil war! Yet she has been up to that all her life.

My recollection of history is that in 1817 there was difficulty in regard to Florida. She wanted Florida; we of the United States had made up our minds that we were going to have Florida. At that time Florida belonged to Spain. About 1817, after the end of the Napoleonic wars, defeat having come to Napoleon June 18, 1815, when Spain appealed to her ally, Great Britain saying, "Save us; do not let the United States take our property," what did John Bull say? He said, "You must be 'appeased'; give them the property and do the best you can in regard to settling your boundary with Mexico and Texas." Great Britain is always willing to give away the property of someone else. It was in 1817 that we first heard the word "appeasement."

In just a word or so more, Mr. President, I shall conclude. Here is what the poor people of Guatamala say—this is from the White Book, a copy of which I have before me:

Great Britain, defender of the rights of weak nations, implacable judge of aggressive states, has refused and refuses to comply with the obligations which she solemnly contracted in the convention of 1859, and has declared all discussion closed.

the obligations which she solemnly contracted in the convention of 1859, and has declared all discussion closed.

In the face of this inconceivable attitude, the only recourse of the Republic is to appeal to the universal conscience of civilized nations, to protest against the procedure of Great Britain against a nation which is small and which is weak because of its territory and its population.

In conclusion, Mr. President, I wish to say that all we have to do is to tell Great Britain to deal fairly with Guatamala and that we ought to do under the Monroe doctrine itself, just as in 1895, when she tried to steal the property of Venezuela President Cleveland interfered. In reference to that, I ask that there be embodied in my remarks a statement beginning with the words:

A much graver controversy suddenly flared up in 1895 concerning the disputed boundary of Venezuela and British Guiana.

And to continue the quotation to the place I have marked in the book.

The PRESIDING OFFICER. Without objection, the excerpt will be printed in the RECORD.

The excerpt referred to is as follows:

A much graver controversy suddenly flared up in 1895 concerning the disputed boundary of Venezuela and British Guiana. When, in 1835, British settlers at Belize had encroached upon the limits of Guatemala, that Republic in vain solicited the mediation of the United States under the Monroe Doctrine. No great immediate harm to the doctrine came from this neglect, although the passive attitude of the United States at that time doubtless encouraged the activities of Great Britain on the Mosquito Coast, which became such a challenge to the Monroe Doctrine in 1848–50. The Guatemala incident had been an example of how a little aggression, unrebuked, may lead to others more serious. The Venezuela boundary affair was similar.

zuela boundary affair was similar.

The frontier between Venezuela and British Guiana had never been agreed on between the two sovereigns. The roots of the controversy reached far back into colonial history, and the area concerned was a pestilential hinterland at first of little value. In 1840 Robert Schomburgk surveyed the boundary for Great Britain. Great Britain put forth his survey as "merely a preliminary measure, open to further discussion between the Governments of Great Britain and Venezuela." It threatened Venezuela's control of the Orinoco River. Venezuela would not take it, even when Lord

Aberdeen offered (1844) deviations away from the Orinoco, which left Great Britain an equivalent amount of territory in the interior. Civil commotion in the South American state made impossible amplegotiations before 1876. Venezuela in 1884 offered to accept Lord Aberdeen's proposed line, but Great Britain now rejected it. Prospectors had discovered gold fields in the back lands of both countries. Great Britain expanded her claims westward to take in rties. Great Britain expanded her claims westward to take in gold fields in Venezuela and the Venezuelans countered by pushing their claims extravagantly eastward to the Essequibo River, to include the Guiana gold fields. Venezuela had no force to defend her claims, while Great Britain was the most powerful empire in the world. The Venezuelan Government since 1876 had invoked, without tangible result, the good offices of the United States. It next offered to arbitrate the whole area in dispute, i. e., the expanded claims of both countries. The United States expressed to England sympathy with this proposal, but the British Government refused to arbitrate unless Venezuela would first give up all the region east of the Schomburgk line. Venezuela broke off diplomatic relations with Great Britain (1887). President Cleveland, during his first administration, offered to Great Britain the good offices of the United States for arranging an arbitration, but without success.

A case had now arisen in which a first-class power still pos-

ration, but without success.

A case had now arisen in which a first-class power still possessing colonies on one of the American continents might, by advancing boundary claims and refusing to arbitrate them, arbitrarily expand its territory in violation of that dictum of the Monroe Doctrine which interdicted further colonization of the American continents. The statistics in the British official yearbook, the Colonial Office List, had suddenly increased the area of British Guiana by about 40 percent between 1885 and 1886. Cleveland, during his second term in 1894, recommended arbitration to American continents. The statistics in the British official yearbook, the Colonial Office List, had suddenly increased the area of British Guiana by about 40 percent between 1885 and 1886. Cleveland, during his second term in 1894, recommended arbitration to Great Britain. Congress supported him by a vigorous joint resolution. The President had been further nettied at Great Britain's seizing the Nicaraguan customs in April to force payment of a claim, as well as by her persistent refusal to arbitrate the Venezuela controversy. Secretary of State Gresham was loath to make an issue of the Venezuela boundary, but after his death his successor, Richard Olney, at Cleveland's suggestion, presented, in the form of a dispatch (July 20, 1895) to the United States Ambassador at London, a demand to know whether Great Britain would or would not arbitrate the dispute, which, he said, concerned the Monroe Doctrine, the principles of which had become a "doctrine of American public law." No responsible jurist has ever conceded such a quality for the doctrine. Olney went on to say in tones which recall Webster's note to Hülsemann that: "Today the United States is practically sovereign on this continent, and its fiat is law upon the subjects to which it confines its interposition." Most belatedly (November 26, 1895) the British Prime Minister, Lord Salisbury, who held the office of Foreign Affairs, responded in effect that although England since 1823 had been willing to accept the noncolonization principle of the Monroe Doctrine, this was not a case which concerned it; that the proposal of the United States to impose an arbitration on the disputants was unreasonable and not to be justified by international law.

A foreign power had thus taken it upon itself to explain to the United States the Monroe Doctrine ad hoc. If Great Britain was immensely superior to the United States in naval and military strength there remained always the weak British flank of Canada. There were other factors present to enter into the situation and giv

in the ring.'

Cleveland resolved not to take the rebuff. In a special message to Congress (December 17, 1895) he requested authorization to appoint a commission to investigate the merits of the dispute. "When such report is made and accepted," he said, "it will, in my opinion, be the duty of the United States to resist by every means in its power, as a willful aggression upon its rights and interests, the appropriation by Great Britain of any lands or the exercise of governmental jurisdiction over any territory which after investigation we have determined of right belongs to Venezuela. In making these recommendations I am fully alive to the responsibility incurred and keenly realize all the consequences that may follow." Congress speedily created the fact-finding commission.

speedily created the fact-finding commission.

The qualified character of Cleveland's statement, indicated by the italics introduced above, left the President plenty of room to back out if the people did not rally nationally to stand behind him on this new foreign issue. His correspondence, now printed, suggests more anxiety about the radical political situation within the United States than the safety of the Monroe Doctrine. Cleveland's whole career in the White House was so forbearing on matters of foreign policy that some have been led to suspect that in this spectacular exception he was resorting to the time-honored device of beating the big drum on a foreign issue in order to deafen the country to political dissidents at home a few months before the nominating conventions of 1896. In the West the Populists were rapidly gathering strength and threatening to capture the leadership of the Democratic Party. In private and public utterances, at the time and since, Cleveland has explained his stand solely on the issue of the Monroe Doctrine and his confidence that Great Britain would really arbitrate. The standard biographies of Olney (H. James)

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and Cleveland (A. Nevins) have accepted this explanation. The fact that Olney's famous dispatch, which Cleveland called a "20-inch gun," was not published until the message of the President to Congress confirms Cleveland's explanations. The country as a whole—despite the chagrin of intellectuals—rallied behind the President. Events in distant parts of the world were conspiring to afford him—as they did Seward in 1867—the opportunity for a striking diplomatic victory. In South Africa a crisis was rapidly heading up over the question of the Transvaal. Kaiser Wilhelm II of Germany, having dropped Bismarck, was addressing himself energetically to the development of naval power and to colonial expansion. On January 2, 1896, occurred Jameson's raid, in which a handful of British subjects invaded the Transvaal for the purhelm II of Germany, having dropped Bismarck, was addressing himself energetically to the development of naval power and to colonial expansion. On January 2, 1896, occurred Jameson's raid, in which a handful of British subjects invaded the Transvaal for the purpose of stirring up a rising of the "outlanders" against the Boer State. It collapsed miserably. The next morning the German Kaiser deliberately published a telegram to Kruger, the Boer President: "I express to you my sincere congratulations that without appealing to the help of friendly powers you and your people have succeeded in repelling with your own forces the armed bands which had broken into your country and in maintaining the independence of your country against foreign aggression." The effect on England of Cleveland's Venezuela message was mild compared with the shock to the British Empire that followed the publication of the Kaiser's message, which Langer terms one of the greatest blunders in the history of modern diplomacy. In the London music halls the crowd now cheered Yankee Doodle and booed The Watch on the Rhine. The trend of future German policy revealed itself as under a flash of lightning. At that moment Great Britain in "splendid isolation" stood before the world without allies, without friends among the great powers, on the verge of a war crisis with the United States over the paltry issue of the jungle boundary of Guiana, involving a principle which meant so much to the American mind, so little to the British Empire. Joseph Chamberlain, Secretary for Colonial Affairs, urged the Prime Minister (January 4, 1896) to make a naval demonstration against Germany coupled with a declaration against interference in South Africa, and "to make a serious effort to come to terms with America * *."

From that time British foreign policy took a different direction toward conciliating disputants and building up allies and friends against a new menace—that of a German colonial and naval power which might combine with England's rivals on the Continent

Europe's distresses had redounded to the advantage of the United States in achieving its independence, in consolidating its nationality, in laying the territorial basis for its future. Now an analogous situation was taking shape, soon to turn to America's advantage as she stepped into the position of a world power.

Overnight the Anglo-American crisis disappeared, when Chamberlain, in a memorable speech at Birmingham (January 25, 1896), stated: "We do not covet one single inch of American territory. War between the two nations (England and the United States) would be an absurdity as well as a crime. * * * The two nawould be an absurdity as well as a crime. The two nations are allied and more closely allied in sentiment and in interest than any other nations on the face of the earth. While I should look with horror upon anything in the nature of a fratricidal strife, I should look forward with pleasure to the possibility of the Stars and Stripes and the Union Jack floating together in defense of a common cause sanctioned by humanity and justice." Lord Salisbury publicly declared in the House of Lords: "I do think the princip in of the Monree Poctrine was controversially quite unbringing in of the Monroe Doctrine was controversially quite unnecessary for the United States. Considering the position of Venezuela in the Caribbean Sea, it was no more unnatural that the zuela in the Caribbean Sea, it was no more unnatural that the United States should take an interest in It than that we should feel an interest in Holland and Belgium." Within a few weeks Venezuela and Great Britain had agreed in principle to arbitrate, after long negotiation as to detail, during which Joseph Chamberlain made a flying visit to the United States. They concluded at Washington (February 2, 1897), in close understanding with the United States, a treaty prescribing the conditions. The tribunal consisted of two Justices of the Supreme Court of the United States, two English jurists, and an umpire chosen by the four, the Russian jurist, F. F. de Martens. It brought in an award (October 3, 1899) roughly conforming to Lord Aberdeen's proffered modifications of 1844 of Schomburgk's line.

Great Britain's new foreign policy, developed by her predica-

Great Britain's new foreign policy, developed by her predicaments in Europe, Asia, and Africa, greatly strengthened the position of the United States in dealing with the Cuban crisis and readjusting the international situation of the Isthmus, also, as

we shall presently see, in settling a new and serious dispute with the Dominion of Canada over the Alaskan boundary.

The Venezuelan controversy at first appeared to help consecrate the general principle of international arbitration. In the corre-spondence which followed the celebrated message of December 17, 1895, Secretary Olney had suggested a convention which might provide for settlement by arbitration of all future controversies between the United States and Great Britain, including the Venezuelan boundary, and which, as to the latter, would give due recognition to long-continued occupation by Venezuelans or by British subjects. Lord Salisbury, too, desired to sweep the Venezuelan question into some broad arrangement for arbitration. Though this had to give way to the conclusion of a treaty between Venezuela and Great Britain, worked out under Anglo-American discussions, both Governments were now eager to follow up the idea, then novel, of a general arbitration treaty. They signed such a convention at Washington (Olney-Pauncefote Convention, Jan. 11, 1897). By its terms important issues, such as questions of territorial claims or national rights, could be presented to a tribunal of six arbitrators, three from each side, with a majority of five necessary for a binding award. In case of no award, there would not be recourse to hostile measures of any description until the mediation of one or more friendly powers had been invited by one or both disputants. A separate tribunal was to settle minor issues by simple majority vote. Parliament promptly ratified this, but the United States Senate withheld its consent, principally because it feared being thus deprived of its authority to pass on the matter of allowing arbitration of particular disputes as they came up. This senatorial insistence really marked the setting of brakes on the American policy of arbitration.

Mr. REYNOLDS. In addition to that. Mr. President. I

Mr. REYNOLDS. In addition to that, Mr. President, I ask that there be embodied in my remarks the introductory pages of the White Book, which was prepared by officials of the Guatemalan Government in which they appeal to the conscience of the world and ask the aid and the moral support of the people of the world for her protection against the encroachments and aggression of Great Britain.

The PRESIDING OFFICER. Without objection, it is so ordered.

The matter referred to is as follows:

PURPOSE OF THIS BOOK

PURPOSE OF THIS BOOK

Prolonged and disagreeable has been the controversy between the Governments of Guatemala and Great Britain because of the Belize question, which rests primarily on the fact that this latter power has always resisted and still resists complying with the obligations which it assumed by the treaty of 1859 between it and the Republic of Guatemala. By said treaty were determined the boundaries between the republic and the British settlement of Belize, established since 1783 in purely Guatemalan territory when Guatemala was still a Spanish colony. Under the circumstances and for reasons which will be seen in the course of this treatise, Guatemala lost a valuable zone, which, in passing to foreign sovereignty, also closed the outlet to the Atlantic to extensive regions, which constitute, because of their incalculable resources, the most extensive and valuable natural reserve of the republic. But Great Britain assumed for its part in 1859 a transcendental compensatory obligation, the noncompliance with which on its part has caused serious damages to this country, made the territorial sacrifice fruitless, damaged the good faith and sincerity of international pacts and given origin to a discussion which has lasted almost 80 years, the origin, development, and documented details of which are precisely the object of this publication.

By virtue of the treaty signed in 1783 by the Count of Aranda,

By virtue of the treaty signed in 1783 by the Count of Aranda, party of the first part, and the Duke of Manchester, party of the second, Spain granted Great Britain a permit to cut dyewoods in the small sector comprised between the Hondo and Belize Rivers; but under the express condition that said permit, limited to its exclusive purpose, was granted provided that Spanish sovereignty over said sector be maintained inviolate, Great Britain being further absolutely prohibited from constructing therein fortifications founding settlements or cultivating the land under any pretext whatever.

text whatever.

Three years later the convention of 1786 was signed in London by which the area granted for the usufruct was extended southward as far as the Sibun River, and permission was granted to England to cut other kinds of timber, to make plantings and construct dwellings. But in a definite and absolute manner Spanis sovereignty over that zone and the English promise to comply faithfully with the obligations assumed again were ratified.

As is seen, those solemn pacts, duly perfected, prove that Great Britain never had dominion over the territory of Belize and that the rights derived from the concessions granted were absolutely limited, always leaving Spanish sovereignty completely and unrestrictedly in force.

strictedly in force

Nevertheless, English expansions in territory beyond the limits fixed continued in a slow but constant encroachment. It was difficult for the authorities of the Kingdom of Guatemala to prevent this. The systematic piracy exercised principally by the British along Central American coasts had dispopulated them and

British along Central American coasts had dispopulated them and made life thereon or in the vicinity thereof impossible.

With the conditions in this state, Central America gained her independence in 1821, organizing a federal republic, and, on obtaining her independence from Spain, assumed, as did the other countries of America which had been under its dominion, the sovereignty of the former over the territory of the respective colonial divisions which had been Spain's.

Great Britain was one of the first powers to accredit representation to the Central American Government. She proved thereby her recognition of the independence and the results thereof insofar as the new republic's succession to the rights which had belonged to Spain was concerned.

The Government of the State of Guatemala in the Federation of Central America, in legitimate exercise of those rights, granted various concessions to exploit the forests situated to the south of the Sibun River and to the north of the Sarstoon River, respecting always the boundaries of the permits granted to the English by the pacts of 1783 and 1786.

A map which the national government had drawn shows the area of the above-mentioned Spanish concessions, as well as the extent of the de facto English usurpations in purely Central American territory.

What was there to do in face of the encroachments and the actual impositions made by a great power at those times when Central America, recently emancipated and prey to a long civil war, which finally destroyed the federation, could not, due to its material weakness, oppose the usurpation force against force.

The de facto occupation allowed Great Britain to extend the old usufruct which it restrictedly enjoyed; but then it no longer based its claims on agreements with Spain, nor did it restrict its occupation of Belize to timber cutting; the old pirate shelter, orginally a simple settlement established for concrete purposes, now openly exhibited the character of British sovereignty over Guatemalan territory, on Central American soil; the Anglo-Spanish treaties of 1783 and 1786 no longer had any significance in restraining acts of violence. Great Britain extended her claims of dominion over all Central America, under the obsession of attaining for herself the construction of the interoceanic canal across Nicaragua. This is why the islands of the bay, belonging to Honduras, were occupied, in violation of the sovereignty of mother; the Atlantic coasts of Nicaragua were under her protectorate, by means of the ludicrous fiction of a ridiculous King of Mosquitia, chosen from the savage tribes which inhabited it and with whom Great Britain had entered into an agreement; and if the energetic intervention of the United States, culminated in the Clayton-Bulwer Treaty of 1850

the part of Great Britain.

the part of Great Britain.

Faced with the inevitability of the unrestrictable penetration, it became necessary for the Government of Guatemala to negotiate actively the celebration of a boundary treaty with that power, but said desire failed in face of English opposition to negotiate.

After the adjustment of the above-mentioned Clayton-Bulwer pact—and 6 years later the treaty known as the Dallas-Clarendon, which modified the former, both between the United States and England; and this latter country being required by one of the clauses of the second treaty to settle its boundaries with Guatemala, it sent as its representative Mr. Charles Lennox Wyke, urgently charged with entering into the same agreement which it had formerly tenaciously rejected.

The Clayton-Bulwer Treaty stipulated:

"The United States and Great Britain agree not to ever assume, use, occupy, or exercise dominion over any part of Central America,

use, occupy, or exercise dominion over any part of Central America, as well as not to obtain or maintain any exclusive control over the projected canal."

And in the Dallas-Clarendon Treaty of 1856 the following was

agreed:

"(1) That Her Britannic Majesty's settlement called the Belize, or British Honduras, on the shores of the Bay of Honduras, bounded on the north by the Mexican Province of Yucatan and on the south

on the north by the Mexican Province of Yucatan and on the south by the River Sarstoon, was not and is not embraced in the treaty entered into between the contracting parties on the 19th day of April 1850; and that the limits of the said Belize, on the west, as they existed on the said 19th day of April 1850, shall, if possible, be settled and fixed by treaty between Her Britannic Majesty and the Republic of Guatemala within 2 years from the exchange of the ratifications of this instrument, which said boundaries and limits shall not at any time hereafter be extended."

The 2 years fixed for the new treaty had passed without the boundaries with Guatemala being determined. It was only at the expiration of the time that England decided to send to Guatemala her representative, Mr. Lennox Wyke, with powers to discuss the matter. The negotiator brought a draft treaty drawn in such a manner that thereby Guatemala was to recognize openly and frankly the boundaries which the English Government wished to establish, without mentioning therein work, compensation, or any other phrase which could signify that Guatemala considered herself, as in reality she was, the legitimate owner of the territory of Belize.

Minister Lennox Wyke's instructions were clear to such an atomic

Belize.

Minister Lennox Wyke's instructions were clear to such an extent that they could leave no doubt regarding Great Britain's intentions. He showed them confidentially to the Minister of State, Mr. Aycinena, who was the negotiator for Guatemala, in order to convince him as to the necessity of not stating in the agreement which was to be carried out anything which could signify the cession of territory and the payment of compensations. But as the Guatemalan Government demanded recognition, on the part of

Great Britain, of the rights which she was disposed to relinquish, without which she would not sign the convention, the English diplomat agreed to include the provisions, in favor of Guatemala, contained in article VII, but drawing it up personally, in accord with his Government's convenience and to its entire satisfaction; although not without affirming that the true compensatory meaning of said article in favor of Guatemala was of course understood and that he Wike would make the explanations processory to and that he, Wyke, would make the explanations necessary to his Government, which in good faith would comply with the

agreement.

Article VII was drawn up in vague, inexact terms, with no guaranty or fixed period; in short, it was a skillful diplomatic piece of work employed by a powerful country against a weak one. Nevertheless, it signified a definite obligation for England, which should fulfill it at the same time that Guatemala recognized the boundaries with Belize. The article was an integral part of the convention and gave Guatemala what she so needed at that time to promote her general development, the possibility of communicating with the Atlantic, opening the way for its future prosperity by expediting commercial channels. Therefore, the convention of 1859, in stipulating the mutual advantages of both contracting parties—and even though in its text the word "compensation" was not written—fixed to each party a definite obligation, corresponding logically and absolutely to the benefits attained.

Supposing, without conceding it, that the Anglo-Spanish pacts of 1783 and 1786 had given England sovereignty over the region comprised between the Hondo and Sibun Rivers, the demarcation which was to be agreed upon should precisely cover only that

comprised between the Hondo and Sibun Rivers, the demarcation which was to be agreed upon should precisely cover only that region; but by the Convention of 1859, Guatemala relinquished, furthermore, her legitimate sovereignty over the enormous area comprised between the Sibun River to the south as far as the Sarstoon River, between the mouths of which there is approximately 130 kilometers in a straight line; and that condition obliged England to insert article VII, in the above-mentioned convention which; although it has no apparent relation to the boundary demarcation, is a logically compensatory clause.

If article VII is not considered in that sense and as an integral part of the pact in which Guatemala relinquished implicitly her dominion in favor of Great Britain over a territory to which that country had no right, the great power cannot explain the inser-

dominion in favor of Great Britain over a territory to which that country had no right, the great power cannot explain the insertion of the clause which obliges it to carry out public works in a foreign country in a simple boundary pact.

And not only is the compensatory sense of article VII established in an implicit form. In later official English correspondence with regard to this matter, this is clearly proved, as may be amply seen in the documents published in this treatise.

It was evident that it was a question of avoiding the difficulties presented to Great Britain by the Clayton-Bulwer Treaty, one of the purposes of which was to prohibit English expansion in Central America, or the acquisition of new territories by any reason whatever.

tral America, or the acquisition of new territories by any reason whatever.

If in the Convention of April 30, 1859, it had been stated expressly that Guatemala ceded to England the extensive territory comprised between the Sibun and Sarstoon Rivers, England would ostensibly have violated the treaty's provisions; if it had been said categorically that the construction of the road was a compensation, this also would have proved the violation of obligations which admitted no argument. It was necessary, under the special conditions, for Guatemala, to recognize clearly and fully the frontier of the Sarstoon, as if Great Britain had been the owner of the territory bounded by that river, if it were not to seem that the Clayton-Bulwer Treaty had been violated.

That is the origin of article VII of the Convention of 1859, and the reason for its vagueness and indefiniteness.

Guatemala was to trust in English good faith. Mr. Lennox Wyke was the guarantor, under his personal honor, that his country's cooperation in the construction of the road agreed upon would be an unquestionable fact. And the English Government was so grateful for the proofs of friendship given by that of Guatemala, by the accommodation of accepting article VII as it was drafted by Lennox Wyke, that the head of the Foreign Office addressed warm expressions of appreciation to it.

Soon this Government was to understand the extent of its in-

expressions of appreciation to it.

Soon this Government was to understand the extent of its ingenuity and candid faith, when the British Government, on learning the amount of the estimate of the cost of the road, which was ridiculous due to its smallness, objected, considering the work too expensive. The very rich and powerful empire considered herself unable to pay the sum of £150,000 for the territory of Belize.

The correspondence exchanged was taken up by painful haggling to reach the conclusion that it was impossible for England to comply with article VII which its own plenipotentiary had drafted at his own pleasure and discretion.

It was necessary to enter into new conversations to substitute

It was necessary to enter into new conversations to substitute article VII by another supplementary convention with which the English Government might be able to comply. And, after long and intricate diplomatic notes, there was signed in London the supplementary convention of 1863, by virtue of which article VII disappeared and, in exchange Guatemala was to receive £50,000 in such installments and under such conditions that surely some cause would be given to cancel every obligation without making any payment. Time was to justify these fears.

But there was no necessity of that. Guatemala was engaged in one of the many wars which characterized the period subsequent to her independence, and could not ratify the supplementary convention within the period of 6 months. And neither did England ratify it; in face of these facts Great Britain declared that she owed Guatemala nothing and that article VII was canceled and void.

The unusual doctrine which England sustains to avoid compliance with bilateral obligations is interesting. The convention of 1859 is null and void in the part favorable to Guatemala, but is in full force in all parts favorable to England.

Guatemala has sustained, with the reason of logic and the obvious meaning of the convention of '59, that, inasmuch as the modification of article VII was not approved, this article remains as expressed in the original convention, and should be fulfilled in accordance with the object had at the time of its drafting.

For 79 years Guatemala has been demanding faithful compliance with the boundary convention, without obtaining any satisfactory recently.

result

And it is not long ago that Great Birtain, basing herself on the same convention, asked Guatemala to proceed with the demarcation of the frontier. As was natural, Guatemala then asked if the English Government were ready to comply fully with the pact, because only in that case was the Government of Guatemala ready to carry it out in its final phases. And the reply was curious, Why mention the road desired in 1859, if Guatemala, since 1908, has had a railroad to the Atlantic?

This fact proves that the noncompliance of England with her

the road desired in 1859, if Guatemala, since 1908, has had a railroad to the Atlantic?

This fact proves that the noncompliance of England with her
obligations imposed on Guatemala the great expense of the construction of the railway, to increase the material prosperity of the
Republic in compliance with article VII itself, and even when in
this same clause its compensatory condition appears, establishing
that "the limits of the two countries being now clearly defined, all
further encroachments by either party on the territory of the other
will be effectually checked and prevented for the future."

In the Dallas-Clarendon Treaty (1856) the United States and
England agreed to exclude from the pact of 1850 the Settlement of
Belize. On what could the English base this request and on what
the United States its agreement? Possibly on the Anglo-Spanish
pacts of 1783 and 1786 which fixed the boundaries of the English
settlement between the Hondo and Sibun Rivers.

Buchanan, Minister of the United States before Great Britain,
replied in 1854 to Lord Clarendon that the Government of the
United States did not accept any English claim to Belize, excepting
the temporary "right to make use of timber of different kinds, fruits,
and other products in their natural state, recognizing fully that the
former Spanish sovereignty over the country belongs to Guatemala
or perhaps to Mexico," and, as the Convention of 1859 brought the
boundary very much to the south as far as the Sarstoon, it is evident that one of the parties to this last agreement had made encroachments into the territory of the other, and that to remain in
possession of such encroachments it promised to cooperate in the
material prosperity of Guatemala and agreed that, once the boundaries of the two countries were clearly defined, all subsequent
encroachments was impossible for the future.

Guatemala was 50 years without the communication to the
Atlantic promised by England in compensation for her sovereignty
in Belize, from 1859 until the inauguration o

It is absolutely necessary to bear in mind the advantages attained by Great Britain by the Convention of 1859, that is to say, by the good will of Guatemala in signing the convention in the way that England needed to acquire title to the sovereignty of Belize, which formerly she did not possess, and to avoid the responsibilities undertaken in the Clayton-Bulwer Treaty with the United States.

taken in the Clayton-Bulwer Treaty with the United States.
Guatemala demanded as a condition sine qua non recognition of adequate compensation for the renunciation of her rights to Belize. She agreed to sign the convention, suppressing all that which signified a definite statement of cession of territory and the receipt of compensation; she trusted and believed in the promises of the negotiator, Lennox Wyke. England would be loyal and everything discussed and promised would be faithfully carried out; Central America felt the threat of filibuster invasions and the plans to create a slave state in her midst, and was sensitive in face of the disconsolate picture of the feared invasions, similar to the one overcome by her in 1856; the convention which she had before her would be protection against the dangers by virtue of the valued proximity of a part of the British Empire.

The Guatemalan Government asked for something in writing as

The Guatemalan Government asked for something in writing as record of the bilateral agreement, but the caution with which it was necessary to proceed in face of the Clayton-Bulwer Treaty prevented all written record; there must be faith in the pledged English word. The convention was signed.

The convention was signed.

The English Government alleges that it had never recognized Guatemalan rights to Belize; opposed to this assertion are the history of the occupation of Belize, the prohibition to exercise sovereignty over the usufructuary territory, the exact demarcation within the indellible boundaries of the Hondo and Sibun Rivers and the absence of a legal title to take possession of the extensive area of territory as far as the Sarstoon River, which belonged to Guatemala by right of inheritance from the Spanish nation. However, the question be investigated, it is evident that Guatemala, in signing the recognition of the Sarstoon River as the southern frontier of the recognition of the Sarstoon River as the southern frontier of Belize, tacitly relinquished part of her territory which passed to England under a legal title of recognition.

Great Britain has alleged the possession of Belize, not by virtue of the English-Spanish treaties of 1783 and 1786, but by reason of the English-Spanish treaties of 1783 and 1786, but by reason of the English-Spanish treaties of 1783 and 1786, but by reason of the English-Spanish treaties of 1783 and 1786, but by reason of the English-Spanish treaties of 1788 and 1786, but by reason of the English-Spanish treaties of 1788 and 1786, but by reason of the English-Spanish treaties of 1788 and 1786, but by reason of the English-Spanish treaties of 1788 and 1786, but by reason of the English-Spanish treaties of 1788 and 1786, but by reason of the English-Spanish treaties of 1788 and 1786, but by reason of the English-Spanish treaties of 1788 and 1786, but by reason of the English-Spanish treaties of 1788 and 1786, but by reason of the English-Spanish treaties of 1788 and 1786, but by reason of the English-Spanish treaties of 1788 and 1786, but by reason of the English-Spanish treaties of 1788 and 1786, but by reason of the English-Spanish treaties of 1788 and 1786, but by reason of the English-Spanish treaties of 1788 and 1786, but by reason of the English-Spanish treaties of 1788 and 1786, but by reason of the English-Spanish treaties of 1788 and 1786, but by reason of the English-Spanish treaties of 1788 and 1786, but by reason of the English-Spanish treaties of 1788 and 1786, but by reason of the English treaties of 1788 and 1786, but by reason of the English treaties of 1788 and 1786, but by the English treaties of 1788 and 1786, but by the English treaties of 1788 and 1786, but by the English treaties of 1788 and 1786, but by the English treaties of 1788 and 1786, but by the English treaties of 1788 and 1786, but by the English treaties of 1788 and 1786, but by the English treaties of 1788 and 1786, but by the English treaties of 1788 an

of armed conquest during the Anglo-Spanish war of 1798. What armed conquest was that? The Battle of the Key of St. George, the 10th of September 1798, when General O'Neil, governor of Yucatan, was unsuccessful in his attempt to land in the port of Belize because the English, in violation of their obligations which

were solemnly fixed in international treaties, had fortified the town and stationed naval forces along the coast. Without taking into consideration at this point whether such armed action could be sustained as a basis for the "right of conquest," the case could affect only the territory granted in usufruct by Spain to Great Britain; that is, the area comprised between the Hondo and the Sibun Rivers; to the south of this river there never was armed action by the English against Spanish troops, much less against those of the republic after 1821.

But even supposing the effectivity of that "conquest" of which

But even supposing the effectivity of that "conquest" of which there is no trace in history, excepting the acts of pirates and adventurers, before us are the contents of the Treaty of Amiens (March 28, 1802) the fourth article of which provides: "His Britannic Majesty will restore to the French Republic and its allies, to wit, to His Catholic Majesty and the Batavian Republic, all the possessions and colonies which belonged to them, respectively, and the Batavian Republic, all the possessions and colonies which belonged to them, respectively, and have been accounted by force of arms during the tively, and have been occupied by force of arms during the course of the war, excepting the island of Trinidad and the Dutch pos-sessions of the island of Ceylon."

The conquest, if there was one, is eliminated as a right to the

title of Belize.

Nevertheless, it may be said that in 1850 England possessed the

Nevertheless, it may be said that in 1850 England possessed the territory as far as the Sarstoon River; such a confession by Great Britain is the best proof of its territorial usurpations beyond the Sibun River; the usurpation never was conquest.

Great Britain, defender of the rights of weak nations, implacable judge of aggressive states, has refused and refuses to comply with the obligations which she solemnly contracted in the convention of 1859, and has declared all discussion closed.

In face of this inconceivable attitude, the only recourse of the Republic is to appeal to the universal conscience of civilized nations, to protest against the procedure of Great Britain against a nation which is small and weak because of its territory and population. Justice does not prescribe, and to it we shall appeal with faith in our right. faith in our right.

This book will be the best brief which we can present to form an exact opinion of the case. It is a book of explanation not of combat. The documents which march across its pages will be more eloquent than legalistic and historic arguments. He who reads the painful development will have the discernment necessary to form a personal and exact opinion of the question; he will have a merciful smile for our statesmen of 1859, so ingenuous in their honorability and good faith.

This publication will reach all places where homage is rendered to faith in international obligations, where enlightenment dwells and history is investigated, and, above all, it will reach the consciousness of the nations of America.

RECIPROCAL TAXATION OF FEDERAL AND STATE EMPLOYEES

During the delivery of Mr. REYNOLDS' speech,

Mr. HARRISON. Mr. President, will the Senator yield? Mr. REYNOLDS. I am glad to yield to the Senator from Mississippi.

Mr. HARRISON. I thank the Senator from North Carolina for permitting me to interrupt him for a moment. I

mercly wish to make a very brief statement.

It was understood that today House bill 3790, dealing with reciprocal taxes on the salaries of State employees and Federal employees, which has passed the House and been reported by the Finance Committee of the Senate, would be taken up for consideration. That announcement was made by the leader, the Senator from Kentucky [Mr. Barkley]. However, considerable delay has been encountered with reference to that proposed legislation in the form of amendments, which were offered by the Senator from Texas [Mr. CONNALLY], the Senator from North Carolina [Mr. Bailey], and the Senator from Iowa [Mr. GILLETTE], dealing with increased taxes on the importation of certain fish, animal, and vegetable oils. It was such an important matter and so far-reaching in its effect upon the administration's reciprocal trade agreement program that the committee has had hearings on those amendments, and the testimony involved morning and afternoon sessions for almost a week. So we find it impossible to take this bill up as we had hoped to do today.

The reason I make this statement in the time of the distinguished Senator from North Carolina is because of a decision recently rendered by the Supreme Court, which has been construed in such a way as to give the Federal Government the right to tax the salaries of certain State and local employees. It has created some confusion and question as to whether such a law might operate retroactively upon State and local employees. So the bill passed by the House, and which has been recommended by the Senate Finance Committee, states specifically that such taxes cannot be retroactively imposed by the Federal Government, thus relieving any impression that State or local employees who had been exempt in the past would be taxed upon the incomes derived from their back salaries.

The Committee on Finance was unanimously of the opinion that the Federal Government should not proceed to col-

lect such taxes retroactively.

There was some difference of opinion, I may say, as to the taxes to be imposed in the future; but if these back taxes are to be collected for the year 1935 in the case of those employees who filed income-tax returns, assessments must be made by the 15th day of March next. The Commissioner of Internal Revenue felt some hesitancy about giving out any statement to the effect that these taxes on past salaries might not be collected. In view of the fact that the House has passed this measure in a form that removes the idea that retroactive taxes upon these salaries might be imposed, and in view of the fact that the Finance Committee, so far as that part of the bill is concerned, were unanimous in their recommendation to the Senate and in the belief-which I am sure every Member of the Senate entertains—that these taxes should not be imposed retroactively upon the salaries of such State and local employees, I feel certain that the Commissioner of Internal Revenue will be justified and relieved of any criticism in announcing to his collectors throughout the country that they need not make the assessments upon the salaries of such employees for the year 1935, even though the period of limitations may expire before we pass this bill.

I make this statement at this time, Mr. President, and if there is any Senator who has any doubt as to the position I have announced here, I wish he would say so at this time. [A pause.] Since no Senator has raised any objection to my statement and explanation, I will say nothing further concerning this matter. I thank the Senator from North

Carolina.

LEGISLATIVE APPROPRIATIONS

After the conclusion of Mr. REYNOLDS' speech,

Mr. TYDINGS. Mr. President I move that the Senate proceed to the consideration of House bill 4218, the legislative appropriation bill.

The PRESIDING OFFICER. The question is on the

motion of the Senator from Maryland.

The motion was agreed to; and the Senate proceeded to the consideration of the bill (H. R. 4218) making appropriations for the legislative branch of the Government for the fiscal year ending June 30, 1940, and for other purposes, which had been reported from the Committee on Appropriations with amendments.

Mr. DAVIS. I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll. The Chief Clerk called the roll, and the following Senators answered to their names:

Adams	Danaher	La Follette	Reed
Andrews	Davis	Lee	Reynolds
Ashurst	Donahey	Lewis	Russell
Austin	Downey	Lodge	Schwartz
Bailey	Ellender	Logan	Schwellenbach
Bankhead	Frazier	Lucas	Shipstead
Barbour	George	Lundeen	Smith
Barkley	Gerry	McCarran	Stewart
Bilbo	Gibson	McKellar	Taft
Bone	Gillette	McNary	Thomas, Okla.
Borah	Glass	Maloney	Thomas, Utah
Brown	Guffey	Mead	Tobey
Bulow	Gurney	Miller	Townsend
Burke	Harrison	Minton	Truman
Byrd	Hatch	Murray	Tydings
Byrnes	Hayden	Neely	Vandenberg
Capper	Hill	Norris	Van Nuys
Caraway	Holman	Nye	Wagner
Chavez	Hughes	O'Mahoney	Walsh
Clark, Idaho	Johnson, Calif.	Overton	Wheeler
Clark, Mo.	Johnson, Colo.	Pittman	Wiley
Connally	King	Radcliffe	

The PRESIDING OFFICER. Eighty-seven Senators have answered to their names. A quorum is present.

Mr. TYDINGS. I ask unanimous consent that the formal reading of the bill be dispensed with and that it be read for amendment, the amendments of the committee to be first considered.

The PRESIDING OFFICER. Without objection, it is so ordered. The clerk will read the bill.

The Chief Clerk proceeded to read the bill.

The first amendment of the Committee on Appropriations was, under the heading "Senate—Office of the Secretary", on page 3, line 2, after the figures "\$4,000", to strike out "and \$1,000 additional so long as the position is held by the present incumbent"; in line 11, after the figures "\$2,460", to insert "press relations officer, \$2,140"; and in line 14, after the words "in all", to strike out "\$142,040" and insert "\$143,180", so as to read:

so as to read:

Salaries: Secretary of the Senate, including compensation as disbursing officer of salaries of Senators and of contingent fund of the Senate, \$8,000; Chief Clerk, who shall perform the duties of reading clerk, \$5,500 and \$1,000 additional so long as the position is held by the present incumbent; financial clerk, \$5,000 and \$2,000 additional so long as the position is held by the present incumbent; assistant financial clerk, \$4,500; Parliamentarian, \$5,000 and \$1,000 additional so long as the position is held by the present incumbent; journal clerk, \$3,780; principal clerk, \$3,780; legislative clerk, \$4,000 and \$1,000 additional so long as the position is held by the present incumbent; enrolling clerk, \$4,000; printing clerk, \$4,000; chief bookkeeper, \$3,600; librarian, \$3,360; assistant journal clerk, \$3,360; executive clerk, \$3,180; first assistant librarian, \$3,120; keeper of stationery, \$3,320; clerks—one at \$3,180, one at \$2,880 and \$300 additional so long as the position is held by the present incumbent, three at \$2,800 each, three at \$2,640 each, clerk in disbursing office, \$2,400, six at \$2,400 each, three at \$1,620, five at \$1,380 each, one in Secretary's office, \$1,680, one \$1,560, one, \$1,260; in all, \$143,180.

The amendment was agreed to.

The amendment was agreed to.

The next amendment was, under the subhead "Committee employees", on page 3, line 25, after the figures "\$7,000", to strike out "and \$1,000 additional so long as the position is held by the present incumbent", so as to read:

Appropriations—clerk, \$7,000; assistant clerk, \$4,800; assistant clerk, \$3,900; three assistant clerks at \$3,000 each; two assistant clerks at \$2,220 each; messenger, \$1,800.

The amendment was agreed to.

The next amendment was, on page 5, line 8, after the figures "\$3,900", to insert a semicolon and "assistant clerk, \$2,880 and \$500 additional so long as the position is held by the present incumbent", so as to read:

Foreign Relations—clerk, \$3,900; assistant clerk, \$2,880 and \$500 additional so long as the position is held by the present incumbent; assistant clerk, \$2,580; assistant clerk, \$2,220; additional clerk, \$1,800; messenger, \$1,800.

The amendment was agreed to.

The next amendment was, on page 7, line 8, after the words "in all", to change the total appropriation for committee employees from \$502,580 to \$504,960.

The amendment was agreed to.

The next amendment was, under the subhead "Office of Sergeant at Arms and Doorkeeper", on page 8, line 16, after the word "three", to strike out "attendants to women's toilet rooms" and insert "female attendants in charge of ladies' retiring rooms", so as to read.

three female attendants in charge of ladies' retiring rooms, Senate Office Building, at \$1,500 each.

The amendment was agreed to.

Mr. KING. Mr. President, I desire to ask whether this bill increases the appropriations over those of last year or year before last.

Mr. TYDINGS. Mr. President, I shall be glad to give the Senator from Utah a full report on the matter.

The amount of the bill as passed by the House is \$21,636,278. The amount of increase by the Senate committee is \$348,321. Therefore, the amount of the bill as reported to the Senate is \$21,984,599.

The amount of appropriation for the last fiscal year, 1939, was \$22,210,883.50, which is more than for this year. In other words, the bill this year carries about \$225,000 less than the amount carried by the bill of last year.

The amount of the regular and supplemental estimates for 1940 was \$24,359,851. The bill as reported to the Senate carries \$2,375,252 less than the 1940 estimates and \$226,284.50 less than the appropriation for the fiscal year 1939. In other words, it represents a 10-percent decrease in the estimated Budget amount.

The PRESIDING OFFICER. The clerk will continue the reading of the bill.

The reading of the bill was resumed.

The next amendment of the Committee on Appropriations was, on page 8, line 19, before the figures "\$1,500", to insert "adopted May 13, 1938", so as to read:

Attendant authorized by Senate Resolution 252, adopted May 13, 1938, \$1,500.

The amendment was agreed to.

The next amendment was, on page 8, line 25, before the word "at", to strike out "three" and insert "four", and in line 26, after the word "each," to insert a comma and "and S. Res. 236, adopted February 21, 1936, providing for a messenger for service to press correspondents, is hereby repealed", so as to read:

messengers for service to press correspondents—four at \$1,440 each, and S. Res. 236, adopted February 20, 1936, providing for a messenger for service to press correspondents, is hereby repealed.

The amendment was agreed to.

The next amendment was, on page 9, line 5, after the word "session", to strike out "\$15,204" and insert "\$15,288", so as

twenty-one pages for the Senate Chamber, at the rate of \$4 per day each, during the session, \$15,288.

The amendment was agreed to.

The next amendment was, on page 9, line 6, after the words "in all", to change the appropriation under the office of Sergeant at Arms and Doorkeeper from \$264,604 to \$266,128.

The amendment was agreed to.

The next amendment was, under the subhead "Contingent expenses of the Senate," on page 10, line 10, after the word "law", to strike out "\$27,500" and insert "\$28,250", so as

For payment of one-half of the salaries and other expenses of the Joint Committee on Internal Revenue Taxation as authorized by law, \$28,250.

The amendment was agreed to.

The next amendment was, on page 10, line 24, after the name "Sergeant at Arms", to strike out "\$8,260" and insert "\$8,760", so as to read:

For maintaining, exchanging, and equipping motor vehicles for carrying the mails and for official use of the offices of the Secretary and Sergeant at Arms, \$8,760.

The amendment was agreed to.

The next amendment was, on page 11, line 1, after the word "labor", to strike out "\$200,000' and insert "\$350,000", so as to

For miscellaneous items, exclusive of labor, \$350,000.

The amendment was agreed to.

The next amendment was, under the heading "House of Representatives—Contingent expenses of the House," on page 21, line 16, after the word "law", to strike out "\$27,500" and insert "\$28,250", so as to read:

For payment of one-half of the salaries and other expenses of the Joint Committee on Internal Revenue Taxation as authorized by law, \$28,250.

The amendment was agreed to.

The next amendment was, under the heading "Architect of the Capitol-Capitol Buildings and Grounds," on page 26, line 16, after the word "services", to strike out the comma and "including \$5,000 for contract structural engineering services, to be available immediately", so as to read:

Capitol Buildings: For necessary expenditures for the Capitol Building and electrical substations of the Senate and House Office Buildings, under the jurisdiction of the Architect of the Capitol, including minor improvements, maintenance, repair, equipment supplies, material, fuel, oil, waste, and appurtenances; furnishings and office equipment; special clothing for workmen; personal and other services; cleaning and repairing works of art; purchase or exchange (not to exceed \$1,000), maintenance, and driving of motor-propelled passenger-carrying office vehicle; not exceeding \$300 for the purchase of technical and necessary reference books, periodicals, and city directory, \$327,200. and city directory, \$327,200.

The amendment was agreed to.

The next amendment was, on page 26, after line 23, to

For a structural-engineering study of the roofs and skylights over the Senate and House wings of the United States Capitol Building with a view to determining the strength and safety of such roofs and skylights and the need of their replacement, to be made under the direction and supervision of a committee of two, one a Senator to be appointed by the President of the Senate and the other a Member of the House of Representatives to be appointed by the Speaker of the House, \$10,000, or so much thereof as may be necessary, to be immediately available. Said committee shall have authority to employ a structural engineer or firm of engineers, and to make such other expenditures as may be necessary to carry out the purposes of this paragraph. The committee shall make a report to the Congress at the earliest possible date.

The amendment was agreed to.

The next amendment was, on page 27, line 19, after the word "services", to strike out "including landscape gardener at \$4,400 and \$600 additional so long as the position is held by the present incumbent", so as to read:

Capitol Grounds: For care and improvement of grounds surrounding the Capitol, Senate and House Office Buildings; Capitol power plant; personal and other services; care of trees; planting; fertilizers; repairs to pavements, walks, and roadways; purchase of waterproof wearing apparel; maintenance of signal lights; and for snow removal by hire of men and equipment or under contract without compliance with sections 3709 (41 U. S. C. 5) and 3744 (41 U. S. C. 15) of the Payinged Statutes \$100.000. 16) of the Revised Statutes, \$104,000.

The amendment was agreed to.

The next amendment was, on page 28, line 5, after the word "expenses", to strike out "\$9,360" and insert "\$11,880", so as to read:

Legislative garage: For maintenance, repairs, alterations, personal and other services, and all necessary incidental expenses, \$11,880.

The amendment was agreed to.

The next amendment was, on page 28, line 18, after the word "Rules", to strike out "acting through the Architect of the Capitol, who shall be its executive agent" and insert "including four female attendants in charge of ladies' retiring rooms at \$1,500 each; in all, \$314,428, of which \$14,000 shall be immediately available: Provided, That structural changes in the Senate Office Building shall only be made with the approval of the Architect of the Capitol", so as to read:

Senate Office Building: For maintenance, miscellaneous items and supplies, including furniture, furnishings, and equipment, and for labor and material incident thereto, and repairs thereof; and for personal and other services for the care and operation of the Senate Office Building, under the direction and supervision of the Senate Committee on Rules, including four female attendants in charge of ladies' retiring rooms at \$1,500 each; in all, \$314,428, of which \$14,000 shall be immediately available: Provided, That structural changes in the Senate Office Building shall only be made with the approval of the Architect of the Capitol.

The amendment was agreed to.

The next amendment was, at the top of page 29, to

For the repair, alteration, and equipment of rooms 90-B, 92-B, 94-B, and 96-B for use as barber shop and beauty shop, \$1,905.

The amendment was agreed to.

The next amendment was, under the heading "Library of Congress—Books for adult blind", on page 36, line 7, after the word "amended", to strike out "\$275,000, including" and insert "including not exceeding \$17,000 for personal services and", and in line 12, after the name "Librarian", to insert a comma and "\$275,000, together with the unexpended balance of the appropriation for this purpose for the fiscal year 1939", so as to read:

To enable the Librarian of Congress to carry out the provisions of the act entitled "An act to provide books for the adult blind," approved March 3, 1931 (2 U. S. C. 135a), as amended, including not exceeding \$17,000 for personal services and not exceeding \$500 for necessary traveling expenses connected with such service and for expenses of attendance at meetings when incurred on the written authority and direction of the Librarian, \$275,000, together with the unexpended balance of the appropriation for this purpose for the fiscal year 1939.

The amendment was agreed to.

The next amendment was, under the subhead "Library Buildings", on page 37, line 19, to strike out "\$273,618" and insert "\$280,470", so as to read:

Salaries: For the superintendent, disbursing officer, and other personal services, in accordance with the Classification Act of

1923, as amended, including special and temporary services and special services of regular employees in connection with the custody, care, and maintenance of the Library Buildings, in the discretion of the Librarian (not exceeding \$750), at rates to be fixed by the Librarian, \$280,470.

The amendment was agreed to.

The next amendment was, under the heading "Government Printing Office", on page 40, line 16, after the words "in all", to strike out "\$3,685,000" and insert "\$3,820,000"; and in line 24, after the word "exceeding", to strike out "\$2,685,000" and insert "\$2,820,000", so as to read:

To provide the Public Printer with a working capital for the following purposes for the execution of printing, binding, lithographing, mapping, engraving, and other authorized work of the Government Printing Office for the various branches of the Government: For salaries of Public Printer and Deputy Public Printer; Government Printing Office for the various branches of the Government: For salaries of Public Printer and Deputy Public Printer; for salaries, compensation, or wages of all necessary officers and employees additional to those herein appropriated for, including employees necessary to handle waste paper and condemned material for sale; to enable the Public Printer to comply with the provisions of law granting holidays and half holidays with pay to employees; to enable the Public Printer to comply with the provisions of law granting leave to employees with pay, said pay to be at the rate for their regular positions at the time the leave is granted; rental of buildings and equipment, fuel, gas, heat, electric current, gas and electric fixtures; bicycles, motor-propelled vehicles for the carriage of printing and printing supplies, and the maintenance, repair, and operation of the same, to be used only for official purposes, including operation, repair, and maintenance of motor-propelled passenger-carrying vehicles, and the purchase or exchange of two such passenger vehicles (at a cost, including the allowance on any vehicle given in part payment therefor of not to exceed \$1,000 and \$750, respectively), for official use of the officers of the Government Printing Office when in writing ordered by the Public Printer; freight, expressage, telegraph and telephone service, furniture, typewriters, and carpets; traveling expenses; stationery, postage, and advertising; directories, technical books, newspapers and magazines, and books of reference (not exceeding \$500); adding and numbering machines, time stamps, and other machines of similar character; rubber boots, coats, and gloves; machinery (not exceeding \$300,000); equipment, and for repairs to machinery, implements, and buildings, and for minor alterations to buildings; necessary equipment, maintenance, and supplies for the emergency room for the use of all employees in the Government Printing Office who may be taken suddenly ill or receive injury while on duty; other n equipment, material, and supplies and Government printing plants in the District of Columbia or elsewhere (not exceeding \$1,000); for salaries and expenses of preparing the semimonthly and session indexes of the Congressional Record under the direction of the indexes of the Congressional Record under the direction of the Joint Committee on Printing (chief indexer at \$3,480, one cataloger at \$3,180, two catalogers at \$2,460 each, and one cataloger at \$2,100); for the printing and distribution of the Federal Register in accordance with the provisions of the act approved July 26, 1935; and for all the necessary labor, paper, materials, and equipment needed in the prosecution and delivery and mailing of the work; in all, \$3,820,000; to which sum shall be charged the printing and binding authorized to be done for Congress, including supplemental and deficiency estimates of appropriations, the printing, binding, and distribution of the Federal Register (not exceeding \$120,000), the printing and binding for use of the Government Printing Office, and printing and binding (not exceeding \$2,000) for official use of the Architect of the Capitol upon requisition of the Secretary of the Senate, in all to an amount not exceeding \$2,820,000. \$2.820,000.

The amendment was agreed to.

The next amendment was, under the subhead "Office of Superintendent of Documents," on page 43, line 9, after "(44 U. S. C. 40)", to strike out "\$630,000" and insert "\$665,-000", so as to read:

For the Superintendent of Documents, assistant superintendent, and other personal services in accordance with the Classification Act of 1923, as amended, and compensation of employees paid by the hour who shall be subject to the provisions of the act entitled "An act to regulate and fix rates of pay for employees and officers of the Governmenting Printing Office," approved June 7, 1924 (44) 15 C 40) 4865 000 U. S. C. 40), \$665,000.

The amendment was agreed to.

The PRESIDING OFFICER. That completes the committee amendments.

The bill is still before the Senate and open to amendment.

Mr. BARKLEY. Mr. President, I offer an amendment. The PRESIDING OFFICER. The clerk will state the amendment.

The CHIEF CLERK. On page 30, line 8, it is proposed to strike out "\$80,040" and insert in lieu thereof "\$81,220."

Mr. BARKLEY. Mr. President, this is an increase of \$1,180 in order to take care of a situation in the new Library Building. As chairman of the Joint Committee on the Library I have had occasion, of course, to cooperate with the Architect of the Capitol, and I have familiarized myself somewhat, in that capacity, with the needs of the new building.

This magnificent addition to the Library will soon be available, and a storekeeper is needed. I have been advised by the Architect of the Capitol that they need and must have someone to be in charge of the supplies and the property over there, to make distribution among the employees, and the salary which he proposes to pay that employee is \$1,800. He now has \$620 available for the payment of the salary, so that \$1,180 is all that is necessary to make the additional appropriation sufficient to pay this storekeeper.

Mr. TYDINGS. Mr. President, as I understand, the Architect of the Capitol in making his report to the Committee on Appropriations intended to call attention to this

matter, but through oversight did not do so.

Mr. BARKLEY. That is correct.

Mr. TYDINGS. So it would be fair, as no opportunity was given him later, and it was an oversight, for the amendment to be agreed to, and for us to take it to conference and examine it and see what its merits are. It was omitted purely through oversight.

Mr. BARKLEY. I think the Senator's suggestion is a wise

The PRESIDING OFFICER. The question is on agreeing to the amendment offered by the Senator from Kentucky.

The amendment was agreed to.

Mr. McKELLAR. Mr. President, I offer an amendment, on page 6, line 15, after "\$3,900" and the semicolon, to insert the word "two" and to strike out the word "clerk" and insert "clerks", and in the same line to strike out the word "four" and insert "three."

Mr. TYDINGS. Let us have the amendment reported. The PRESIDING OFFICER. The clerk will state the amendment.

The CHIEF CLERK. On page 6, line 15, after "\$3,900" and the semicolon, it is proposed to insert the word "two" and to strike out "clerk" and insert "clerks."

Mr. McKELLAR. Provide for two assistant clerks at \$2,880, and then strike out "four" and insert "three." The purpose is to increase the salary of the clerk who has charge of all the nominations of postmasters. His work is very difficult and very important. He receives only \$2,200. He is a very efficient man, and, in my judgment, should have an increase in pay. This does not provide for a new clerkship at all, but merely the addition of \$660 to the compensation of a clerk who comes in contact with every Senator, because every Senator has postmasters to be appointed.

Mr. WALSH. What is the gentleman's name?

Mr. McKELLAR. Mr. William M. Fry. Mr. TYDINGS. Mr. President, if the Senator will yield, the difficulty is that while perhaps the Senator's amendment is desirable, it was not brought to the attention of the committee and we have had no chance to examine into it in any

Mr. McKELLAR. Will not the Senator take it to conference and consider it there?

Mr. TYDINGS. The committee adopted, almost unanimously, a resolution that there would be no increases of the salaries of the ordinary personnel at this session of Congress; and, having adopted that resolution, and other Senators having dropped particular projects in which they were interested, I would obviously be in the position of not keeping faith with the committee if I should say that I would like to see the amendment go to conference. I do not know but that the amendment may be a good one. I should say to the Senator that if he would bring it to our attention we would look into it, but in view of the committee's resolution that there would be no increases at this session of Congress I certainly would be in no position to say that the committee was agreeable to the amendment.

Mr. McKELLAR. Mr. President, I shall not ask anything unreasonable; but it is a fact that Mr. Fry comes in contact with every Senator's office; he is very efficient; he looks after the postmaster nominations for every Senator, and he is really entitled to more money.

Mr. TYDINGS. If the Senator will bring the matter to the attention of the committee at another time, or in connection with some other bill, so that we can really go into it, it may be that the amendment could be adopted; but the Senator will appreciate that I am in no position to agree to it in connection with the pending bill.

Mr. McKELLAR. I appreciate that fact and will not insist

Mr. DANAHER. Mr. President, I have an amendment which I should like to have reported.

The PRESIDING OFFICER. The clerk will state the amendment.

The CHIEF CLERK. On page 7, line 16, it is proposed to strike out "seventy" and insert "one hundred and three."

Mr. TYDINGS. Does the Senator intend to speak to his amendment?

Mr. DANAHER. I should like to speak to the amendment. The PRESIDING OFFICER. The question is on agreeing to the amendment offered by the Senator from Connecticut.

Mr. DANAHER. I should like to have the clerk state the other amendment.

The PRESIDING OFFICER. The clerk will state the amendment.

The CHIEF CLERK. On line 19, after the word "chairman", it is proposed to insert "and one additional clerk for each Senator from a State having a population of one million or

Mr. TYDINGS. A parliamentary inquiry. The first amendment was read and, before we could discuss it, I asked the Senator if he was going to speak to his amendment, and he indicated that he was. Has the amendment been adopted?

The PRESIDING OFFICER. In view of the fact that the reading of the amendment was not concluded, the amendment was not agreed to.

Mr. TYDINGS. I make the inquiry because I will have to oppose the Senator's amendment; but I did not want to preclude his remarks.

Mr. DANAHER. The Senator is entirely correct, and what he has stated is my understanding of the situation. In submitting the entire amendment, and asking that the clerk read it in its entirety, I desired to bring to the attention of he Senate exactly what the full effect of the amendment would be.

I have in mind that there are 33 States of the 48 each of which has a population of more than a million. Those of us from the more populous States find ourselves engaged constantly in correspondence of an important nature. People naturally and properly are becoming more governmentminded and more government-conscious-more interested in what Congress is doing. Therefore, with the increase of public business, serious demands upon our inadequate personnel have been created. There are States, to be sure, with such small populations that the present allotment is entirely adequate, but in a large proportion of the States many people are constantly submitting their inquiries and their public business to their Senators. So I have felt, and I ask Senators to consider the suggestion, that the Senators representing more populous States should very properly have one additional clerk each. Therefore I ask that the figure be amended from "70" to "103," and I also ask that the appropriation to cover that particular matter be set forth in line 19. That is why I asked the reading clerk to continue, and now ask that the amount appropriated in line 19 be increased from \$724,200 by the amount of \$54,540.

Mr. TYDINGS. Mr. President, it seems to me to be illadvised to consider an amendment of this kind on the floor of the Senate without some examination by the committee into its merits or demerits. Here is an amendment which will increase by \$54,000 the appropriation for committee help and whether or not the proposal is sound and the way it is being handled is wise, even if it is desirable, we are in no position to discuss.

For example, we all know that the Senators from New York State and the Senators from the smaller States of the Union have the same amount of money with which to run their offices. According to my way of thinking that is obviously unfair. I think the help a Senator has ought to be predicated somewhat upon the population he represents, because obviously a man representing a great populous State such as Pennsylvania or Ohio requires considerable clerical help, whereas one representing a State with a small population requires very little office personnel in comparison.

Under the Senator's proposal we would not be dealing with that need per se. We would be simply saying that there should be 17 or 18 new clerks, whatever the number would be. In my opinion, under the Senator's amendment, we would be giving clerks to Senators who did not need them. The committee felt they should not do this, and that if any Senator needed an extra clerk for a short period of time, because of any good case he could make out, the correct procedure would be to present a resolution and have the extra clerk paid out of the contingent fund of the Senate during the emergency. Then, of course, recurring appropriations would not be made.

To attach an amendment of this magnitude to a bill of this kind without any consideration in committee I think would be ill-advised. There is something in the Senator's general approach to the problem, and if at another time he will come before the Committee on Appropriations, when we can work out an amendment, I will be one of the first to try to help him; but I do not think we can do it on the floor of the Senate.

Mr. KING. Mr. President, will the Senator from Connecticut yield?

Mr. DANAHER. I yield.

Mr. KING. There is something to be said in favor of the Senator's amendment; but I invite his attention to a situation which possibly he has overlooked.

From my State I receive perhaps a limited number of letters measured by the number which come to me from other States. I have received many letters from the Senator's State dealing with taxation, immigration, and various matters which come before committees of which I am a member.

My own State, whose population is limited measured by the population of some other States, furnishes a small part of the great number of letters that come to me for consideration. Take, for instance, the economy investigation which is now being conducted. I doubt not that my friend the chairman of the committee receives hundreds, if not thousands, of letters connected with the investigations being conducted by that committee. He comes from a State whose population is rather insignificant compared with the population of New York.

Mr. O'MAHONEY. Mr. President, I object to the word—Mr. KING. The word "insignificant"?

Mr. O'MAHONEY. Yes. They are not very numerous, but they are very significant.

Mr. KING. I will qualify my statement and say they are numerous and very important. The point I tried to make is that if we attempt to determine the amount that shall be allotted to the various Senators for their office help based upon the population of their various States we make a mistake. I repeat, the amount of correspondence is in part due to the committees of which Senators are members and the importance of the measures which are before those committees. Let us consider the Finance Committee. Thousands and thousands of letters are received by members of that committee. When the last tax bill was under consideration I received many thousand letters, although perhaps not more than a few hundred came from my own State, in regard to the matters before the committee. I mention that to show the unfairness, perhaps, or certainly the inadequacy, of the amendment offered by the Senator in dealing with the situation

Mr. DANAHER. I call the Senator's attention to the committee employees listed on pages 3, 4, 5, 6, and 7, indicating allotments to those committee members who, like the distinguished Senator from Utah, are so popular that people

even from my State are writing to them. I can quite understand that the nature of the business is such that the Senator would be so engaged.

Mr. BARKLEY. Mr. President, will the Senator yield?

Mr. DANAHER. I yield.

Mr. BARKLEY. The committee clerkships are deceptive. The Senators by and large have as many clerks as the chairmen of the committees do. The chairmen of the committees simply transfer their clerks to the committees, in which case they are carried as committee clerks. As a matter of fact, chairmen of committees have no more clerks, except, perhaps, the chairmen of half a dozen committees, than have Senators who have no committee chairmanships at all. Therefore it is deceptive to read that there are so many clerks and assistant clerks for committees. Senators will find that the chairmen have no other clerks than those assigned to the committees. They simply transfer them to the committees when they become chairmen.

I should like to ask the Senator from Connecticut if his amendment provides what States shall receive these 33 clerkships?

Mr. DANAHER. For the RECORD I will say that the following States have populations of 1,000,000 or more: Alabama, Arkansas, California, Colorado, Connecticut, Florida, Georgia, Illinois, Indiana, Iowa, Kansas, Kentucky, Louisiana, Maryland, Massachusetts, Michigan, Minnesota, Mississippi, Missouri, Nebraska, New Jersey, New York, North Carolina, Ohio, Oklahoma, Pennsylvania, South Carolina, Tennessee, Texas, Virginia, Washington, West Virginia, and Wisconsin.

Mr. TYDINGS. Mr. President, will the Senator yield?

Mr. DANAHER. I yield.

Mr. TYDINGS. I am sure the Senator appreciates that I do not want to be at all discourteous, but I point out to him that, as I see it, the amendment could not be adopted, because it would go out on a point of order as being legislation on an appropriation bill. But even so, an amendment of this magnitude ought to be brought before the Committee on Appropriations, where it can be examined in more detail than is possible on the floor of the Senate.

I ask the Senator if he will not withdraw his amendment and present it at some other time, in connection with a deficiency bill for next year.

Mr. DANAHER. Mr. President, I believe the Senator's reference to a point of order is the best argument so far submitted, and I will yield on the matter of a point of order.

Mr. TYDINGS. I do not want to take the Senator off the floor, but I point out to him that eventually I will have to make the point of order against his proposal. However, I did not want to do it too quickly.

Mr. DANAHER. I wish to have it definitely understood by the Senator from Maryland that there has been no interpretation on my part of a lack of courtesy on his.

Mr. TYDINGS. I appreciate that.

Mr. DANAHER. I thank the Senator.

The PRESIDING OFFICER (Mr. TRUMAN in the chair). The Senator from Connecticut withdraws his amendment.

Mr. ADAMS. May I make a suggestion? From my experience I think what Senators need is not an extra \$1,800 clerk, but a high-grade, well-paid clerk who can act as an underscretary to aid us in legislation and aid us in the more important work of our business. We furnish the heads of departments with all the help they want. If the head of this or that department wants lawyers, wants experts, we have no hesitation in giving him unnumbered assistants at \$7,500, \$8,000, \$9,000, and \$10,000 a year. But we work with merely a clerical force. We have never had the courage to provide for the Senators who must pass upon legislation the necessary high-grade help to aid us to do our job. It is not an \$1,800 clerk we need. We need one who can do high-grade work in our offices and whose ability and talents can command \$5,000 or \$6,000 or \$7,500.

The PRESIDING OFFICER. The bill is still before the Senate and open to further amendment.

Mr. GEORGE. Mr. President, I desire to offer an amendment, on page 6, line 19, after the first semicolon in that line, to insert the word "two", and in the same clause to strike out the word "clerk" and to insert "clerks."

Mr. President, the purpose of the amendment is to give to the Committee on Privileges and Elections one extra clerk. I wish to say to the Senator who is in charge of the bill that I have on more than one occasion talked to the committee about this matter. I have asked the committee for the clerk. At this moment the Committee on Privileges and Elections has before it two contests involving two seats in the Senate, as well as half a dozen important legislative bills. There is no committee in the Senate whose records ought to be more faithfully preserved than the Committee on Privileges and Elections. It is manifestly impossible to do it simply with the office force that is provided to all Senators whose committee assignments do not involve a great deal of work. In other years I have gone to various members of the committee and have talked about this matter with them. In all good faith I ask for an additional clerk, but at the same salary as that of the first assistant clerk, \$2,400. I think that amount would be adequate for the pay of this committee clerk. The committee is one which ought to have a clerk who would remain in the committee room all the while, who could furnish information, who could preserve the records, who could have the records of the committee kept in order.

Mr. NORRIS. Mr. President, will the Senator yield?

Mr. GEORGE. I yield.

My NORRIS. It seems to me that what the Senator says about the Committee on Privileges and Elections is entitled to a great deal of weight. However, it occurs to me that that committee ought not to be a continuing one. Is it not true of that particular committee that its work depends almost entirely upon the number and kind of contests for seats in the Senate which are pending before the committee? Most of those contests necessarily occur after an election. For instance, in the next session of Congress there will probably be no contests whatever.

Mr. GEORGE. For the most part, I will say to the Senator from Nebraska, that is true, but the committee does handle some important legislative matters, and the committee has often been hampered by not having proper assistance in the committee room itself.

Mr. TYDINGS. Mr. President, will the Senator yield?

Mr. GEORGE. I yield.

Mr. TYDINGS. I think I can point out to the Senator how he may get help in the dilemma in which he finds himself, and, with his permission, I should like to do so. From time to time when a case has been made out that a chairman of a Senate committee has needed additional help in order to do some particular thing which at the time was abnormal, the Committee to Audit and Control the Contingent Expenses of the Senate has provided for such Senator, as chairman of the committee, an additional clerk. I am only a humble member of that committee, but if the situation presented by the Senator from Georgia is called to the attention of that committee I feel certain that it will be favorably received and that he will get the help to which he is entitled.

I may point out to the Senator that in four or five other instances called to the attention of the Appropriations Committee Senators made out very good cases as to why they should each have an extra clerk, and we were much impressed by them; but the committee felt that there were a great many of these occurrences which were abnormal, and that there was not need for permanent additional help. However, I am sure that if the Senator will present a resolution and have it referred to the Committee to Audit and Control the Contingent Expenses of the Senate, he will find that the helphe needs will be provided by that committee on the facts as he presents them.

Mr. GEORGE. Mr. President, I thank the Senator for the suggestion. On one other occasion I followed that suggestion. I want to say again that the Committee on Privileges and Elections ought to have a permanent clerk, because to bring in a new clerk in the midst of a contest, one not familiar at all with the work of that committee, is simply adding another

stenographer or clerk, that is all, and he cannot be of any real help.

I should like to say to the Senate that not many Senators have any idea of the number of requests we have for the records made in various contests going back practically to the very foundation of the Government.

I myself have carefully and conscientiously gone through the records in that committee room. I wish to say frankly that they are inadequately kept. One can find nothing in them. The records cannot be kept without a regular clerk who is responsible for them. For that reason I think the Committee on Privileges and Elections should have a permanent clerk

Mr. SMITH. Mr. President, I do not want this opportunity to pass without saying a few words on this subject.

I do not think there is a Senator present who does not believe that the situation described actually exists. I do not believe there is a committee of the Senate which has the volume of correspondence that the Committee on Agriculture and Forestry has. We are not only swamped with requests for information, which is not always forthcoming, but we are also flooded with panaceas for the immediate settlement of all questions. The correspondents are in earnest, and we try to answer them as best we may. Seriously, however, the volume of work that the Committee on Agriculture and Forestry has to do is amazing not only in keeping up with the correspondence but in answering inquiries as to legislation which is pending. I am glad the Senator in charge of the bill [Mr. Typings] has said that he will sympathetically receive a resolution asking for additional help. I have introduced such a resolution this afternoon and hope it will go to him, and that he will afford relief.

Before I take my seat I wish to endorse what the Senator from Colorado [Mr. Adams] said. We ought to have additions to our offices of personnel to assist us in the matter of legislation. The departments are furnished with men who are acquainted with the processes as well as the subject of legislation. Surely the chairmen and members of important committees should be given such aid. I now wish to state to the Senator from Colorado that if at the proper time he will introduce an appropriate bill. I shall be delighted to support it.

Mr. McKELLAR. Mr. President, will the Senator yield?

Mr. SMITH. I yield.

Mr. McKELLAR. I wish to express my full accord with the proposal of the Senator from Colorado. I entirely agree with him.

Mr. SMITH. I think the Senator from Colorado has made a very valuable contribution this afternoon for the thoughtful consideration of this body.

Mr. WALSH. Mr. President, I should like to make a brief observation on this matter. I hope that before the next legislative bill is reported the Committee on Appropriations will give some attention to the subject.

I wish very briefly to give my own experience. I am about as busy as the average Senator. During vacations of the Senate I have more employees than I need. During the sessions of the Senate I do not have a sufficient number. The salaries are maladjusted. Senators should be able to employ and to fix the salaries of their own employees. Briefly I suggest that a certain definite appropriation—not any more than we now have—be allotted to Senators in the same manner in which postage or stationery money is allotted, and that Senators be permitted to arrange their own offices, employ whom they please, pay whatever salaries they please, and make a report thereof to the Treasury.

Mr. GEORGE. Mr. President, if the Senator from Maryland [Mr. Tydings], as a member of the committee which will have jurisdiction of the resolution to provide additional help during this session of Congress and during the vacation, or some part of it, will look kindly upon a resolution to provide additional help to the Committee on Privileges and Elections, I shall let the matter pass without pressing for a vote on it. I will say frankly that, in my judgment, the records of the Committee on Priveleges and Elections ought to be kept in better shape than they are kept, because some very important

matters have passed through the committee, and the records are badly confused.

Mr. TYDINGS. Mr. President, it is my experience that when any Senator or committee has real need in unusual circumstances for an additional clerk to do a particular job such as the Senator has outlined, the request of the Senator or committee, if brought to the attention of the Committee to Audit and Control the Contingent Expenses of the Senate, is always favorably received. I do not know a case in which real evidence to support the need of a Senator or committee has been presented which has been turned down. On the other hand, some cases have been turned down, but in those cases there was no evidence showing a real need. When Senators resort to that means of acquiring additional help, they usually have a pretty good case.

Mr. BARKLEY. Is the Senator referring to the Committee on Appropriations or the Committee to Audit and Control the Contingent Expenses of the Senate?

Mr. TYDINGS. I refer to the Committee to Audit and

Control the Contingent Expenses of the Senate.

Mr. BARKLEY. Mr. President, other Senators have revealed their own situations. I should like to mention a situation which refers particularly to myself and to the Senator from Oregon [Mr. McNary], the minority leader.

My experience has been that my work has been multiplied by four on account of the position I happen to occupy. In spite of that fact, I have no more clerk hire and no more assistants than has any other Senator. In the House an allowance is made to the majority leader because of his position, which allowance is sufficient to enable him to employ additional help. The Senate has never provided such an

I have brought the matter to the attention of the chairman of the Committee to Audit and Control the Contingent Expenses of the Senate. He was sympathetic; but I have not pressed the suggestion. However, I think Senators will agree that someone ought to be available as a legislative clerk, not charged with the duty of trying to run the office, but to be at the beck and call of whoever happened to have charge of the program, for research in connection with such questions as the one which arose today in an unexpected discussion. Information of that sort and of all sorts should be available from day to day and should be placed upon the desk of the majority and minority leaders.

When I was in the House I was amazed at the ability of the Republican leader, the late Mr. Mann, of Illinois, to have at his fingertips complete information about every bill which came up for consideration. He was able to do that because he had a corps of assistants whose duty it was to do nothing but look into the facts relative to all measures, and lay them on his desk every morning before the session began.

The Senator has indicated such a generous disposition that I feel that I should be justified in going before his committee and asking for a little relief along the line I have suggested, not only for myself but also for the minority leader, the Senator from Oregon [Mr. McNARY].

Mr. TYDINGS. Mr. President, I think the majority and minority leaders have much extra work thrust upon them. Many persons wish to see them. Obviously they do not have the time to spend in their offices that other Senators have. While I should not want to give any "hostages to fortune," so far as my individual position on the committee is concerned. I feel that the Senator has a pretty good prima facie case, without any concrete evidence.

The PRESIDING OFFICER. The question is on the engrossing of the amendments and the third reading of the bill.

The amendments were ordered to be engrossed, and the bill to be read a third time.

The bill was read the third time, and passed.

Mr. TYDINGS. Mr. President, I move that the Senate insist upon its amendments, ask for a conference with the House thereon, and that the Chair appoint the conferees on the part of the Senate.

The motion was agreed to; and the Presiding Officer (Mr. TRUMAN in the chair) appointed Mr. Tydings, Mr. Byrnes, Mr. Adams, Mr. Overton, Mr. Truman, Mr. Hale, and Mr. BRIDGES conferees on the part of the Senate.

TREASURY AND POST OFFICE APPROPRIATIONS

Mr. McKELLAR. Mr. President, the chairman of the Appropriations Committee [Mr. GLASS] is not present in the Chamber. I move that the Senate proceed to the consideration of House bill 4492, the Treasury and Post Office appropriation bill, with the understanding that no action is to be taken with respect to it today. The chairman will be present tomorrow and will personally take charge of the bill. I wish merely to move that the bill be made the unfinished business.

Mr. McNARY. Is it proposed that the Senate then take a recess until tomorrow?

Mr. McKELLAR. Yes.

The PRESIDING OFFICER. The question is on the motion of the Senator from Tennessee.

The motion was agreed to; and the Senate proceeded to the consideration of the bill (H. R. 4492) making appropriations for the Treasury and Post Office Departments for the fiscal year ending June 30, 1940, and for other purposes, which had been reported from the Committee on Appropriations with amendments.

RESTORATION OF COINAGE AND CIRCULATION OF GOLD

Mr. KING. Mr. President, on March 3 last I introduced Senate bill 1684 to amend the Gold Reserve Act of 1934. I ask unanimous consent that the bill be printed in the RECORD at this point.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

A bill to amend the Gold Reserve Act of 1934

Be it enacted, etc., That sections 3 and 4 of the Gold Reserve Act of 1934, approved January 30, 1934, are hereby repealed.

SEC. 2. Section 5 of the Gold Reserve Act of 1934, approved January 30, 1934, is amended to read as follows:

"SEC. 5. Except as hereinafter provided, no gold shall hereafter be coined, and no gold coin shall hereafter be paid out or delivered by the United States: Provided, however, That coinage may continue to be executed by the mints of the United States for foreign countries in accordance with the act of January 29, 1874 continue to be executed by the mints of the United States for foreign countries in accordance with the act of January 29, 1874 (U. S. C., title 31, sec. 367): And provided further, That the Secretary of the Treasury, with the approval of the President, may provide for the coinage of gold coins of the value of \$10 and \$20 each for the purpose of paying for gold purchased under the authority of section 3700 of the Revised Statutes (U. S. C., title 31, sec. 734), as amended by section 8 of the Gold Reserve Act of 1934, and for the purpose of redeeming gold certificates: And provided further, That the President is authorized by proclamation to provide for the unlimited coinage of gold hereafter tendered for coinage, at the weight per gold dollar in grains nine-tents fine for coinage, at the weight per gold dollar in grains nine-tenths fine fixed from time to time in accordance with paragraph (b) (2) of section 43, title III, of the act approved May 12, 1933 (Public, No. 10, 73d Cong.), as amended, or which may hereafter be fixed by law. The President, in addition to the authority to provide for the unlimited coinage of gold as aforesaid, under such terms and conditions as he may prescribe, is further authorized to cause to be issued and delivered to the tenderer of gold for coinage, gold certificates in lieu of the standard gold coins to which the tenderer would be entitled and in an amount in dollars equal to the value of the standard gold coins that the tenderer of such gold for coinage would receive in such coins?

or the standard gold coins that the tenderer of such gold for coinage would receive in such coins."

SEC. 3. Section 6 of the Gold Reserve Act of 1934 is amended by striking out the words "owned by the Federal Reserve banks". from the first proviso thereof and by striking out the second para-

Mr. KING. The bill was referred to the Committee on Banking and Currency and I hope to secure favorable action upon the measure within a short time.

I have had a large number of requests for copies of the bill together with a statement of its purposes. In order to meet these requests I desire to submit a few observations.

The purpose of this bill is to restore to the people of the United States, its Territories and possessions, the right to possess gold and gold coin in order that gold may circulate freely within and from our country. By authorizing the Treasury to pay for acquisitions of gold in gold coin or gold certificates the Federal Government may at any time cease further additions to the enormous gold reserve which we are now accumulating.

Since the passage of the Gold Reserve Act of 1934 it has been forbidden to our citizens to possess gold in the form of coin or otherwise. Gold was nationalized, and on February 18 the United States Government had 423,298,963.6 ounces which, at a value of \$35 per ounce, represents \$14 815 463 727 16.

Now there is no question about our having sufficient gold. There is a serious question as to the wisdom of increasing our now enormous hoard. What reason can possibly be given for denying our citizens the right to possess gold, to have gold coins, and to permit gold to circulate freely both within this country and from this country? It may not be necessary, and in fact may be quite undesirable, to cease the purchase of gold; but there is no valid reason why such purchases cannot be paid for in gold coin or gold certificates.

How can anyone deny that with more than half of the monetary gold of the world in our Federal vaults we have more than the United States needs for its own purposes? This situation, coupled with the small gold holdings of all the other nations of the world, makes the restoration of any general use of gold as money extremely difficult, in fact, well-nigh impossible. There is simply not enough gold in the rest of the world to meet the requirements of the people. The following table compiled from the Federal Reserve Bulletin for December 1938 clearly reflects this situation. I ask that the table be inserted in the RECORD at this point without reading.

The PRESIDING OFFICER (Mr. O'MAHONEY in the chair). Without objection, the table will be printed in the RECORD.

The table referred to is as follows:

SCHEDULE A .- Gold reserves of central banks and governments [Compiled from the Federal Reserve Bulletin for December 1938, p. 1088, except as shown]

	Dollars	Date gold reserve reported
United States 1	14, 065, 000, 000	Oct. 31, 1938
United Kingdom:		Marin Series
Bank of England	2, 690, 000, 000	Do.
Equalization fund 2	758, 940, 000	Sept. 30, 1938
France	2, 428, 000, 000	Oct. 31, 1938
Netherlands	1,008,000,000	Do.
Switzerland:		
	695, 000, 000	Do.
National Bank Bank of International Settlements	10, 000, 000	Do.
Belgium	562, 000, 000	Do.
Spain	525, 000, 000	Do.
Sweden	321, 000, 000	Do.
Italy	210, 000, 000	Do.
Canada	188, 000, 000	Do.
Rumania	\$129,000,000	Do.
Argentina	*435, 000, 000	Sept. 30, 1938
British India	274, 000, 000	Do.
South Africa	220, 000, 000	Do.
Japan	164, 000, 000	Do.
37 other countries 4	² 1, 074, 000, 000	Do.
Total of countries outside the United States,	a 11, 691, 940, 000	
excluding Russia	- 11, 001, 040, 000	
Grand total	3 25, 756, 940, 000	

¹ According to the daily statement of the U. S. Treasury for Dec. 30, 1938, the United States held \$14,511,225,000, evidently having bought \$446,225,000 since Oct. 31, 1938. All estimates of monetary gold are necessarily approximate, because times of statement do not synchronize. Also, current mine production and constant transfers back and forth enter the picture. For example, the gain in United States gold of \$465,225,000 just mentioned must, in part, have been at the expense of other nations. Part was mine production, which runs around \$110,000,000 per month.

2 Wall Street Journal, Jan. 3, 1939, p. 16.

Mr. KING. Mr. President, from 1934 to 1938 the United States has bought, at the price of \$35 per ounce, the equivalent of the entire world production of gold, which was 168,813,000 ounces, plus over 50,000,000 ounces from gold previously mined. This is particularly interesting when it is remembered that 87 percent of the current new gold production of the world has its source in countries outside the United States, and I may remark that most of the gold comes from Russia, South Africa, Australia, and Canada.

In part gold has come to us in payment of excess balances in the international exchange of goods and merchandise, but the larger part of this excessive flow of gold is due to the flight of the holders of currency of other nations to the United States dollar or United States securities, and, of course, it has been largely influenced by our stabilized price of \$35 per ounce for any and all gold offered. I may add, by way of parentheses, that the fear of war in Europe, if not elsewhere, has contributed to the enormous inflow of gold into the United States.

Who can see in the present disturbed situation existing in Europe and the Far East any change in the gold movement? The probability is that gold will continue to flow to the United States. We cannot cease buying at the existing price without lowering the value of what we now have, and, worse still, without precipitating a major disturbance in the already chaotic monetary and economic condition of the world, since the price of gold would at once become variable and probably fluctuate widely in price.

Down through the centuries man has found gold to be the most desirable of the media of exchange and to be the best protection for the individual when war, revolution, insolvencies of governments, and other catastrophes assail the world and make the value of printed money tokens a hollow mockery. We have had examples of these situations even in our own country, and in recent years we know of what has happened in Germany and other countries of the world. In this statement I do not disparage the importance of silver for monetary purposes. Gold and silver have served the world for centuries for monetary purposes.

To the people of the Rocky Mountain West our precious metals, including gold and, of course, silver, are of outstanding importance as it is upon the mining industry of the West that we so greatly depend for our economic and industrial development.

Since the days following the Civil War when the gold of California and of the Rocky Mountain States played so important a part in the rebuilding of our war-weakened country, the search for gold has been one of the chief factors in the development of the West. It has always been and it still is this search which in large part results in the finding and development of the base metal ore bodies, which contribute so heavily to the wealth and well-being of our entire Nation. Hence to us gold has always been important and continues in our esteem today.

Eastward from the Rockies and from the Black Hills of South Dakota, however, there is not the same high regard for the precious metals. The production of gold in this area is negligible and gold has not continued to hold the same high regard with which it is viewed from the Rocky Mountains to the Pacific coast. Securities, drafts, checks, and paper currency serve the need of the people in the area referred to, as of course they do over our entire country, but the people of the more easterly sections have no consciousness of gold comparable to their fellow citizens in the West, and, as year follows upon year under a managed currency, our citizens outside of the mining areas are forgetting gold. In another business generation under existing fiscal policies there would be little realization of the essential part gold plays and of the need for hard money to sustain the confidence of the people in their currency and in the credit of the United States.

The bill (S. 1684) provides in brief the following:

First. Repeal of the law prohibiting the ownership of gold coins or bars in the United States.

Second. Authorizes our Government whenever it wishes to avoid further accumulation of gold to pay therefor only with United States \$10 or \$20 gold pieces, or for convenience, in gold certificates redeemable in gold coin to the appropriate extent.

Third. Authorizes the unlimited coinage of gold hereafter tendered for coinage at the weight per gold dollar now or hereafter fixed by law.

The enactment of this bill will be a substantial step toward restoring the confidence of our people in the currency and in the credit of the United States which they cherish so dearly. It will make it possible to put an end to further increases in our present excessive gold stocks and will greatly decrease the present growing possibility that gold ultimately

³ Preliminary Includes Europe, 17 countries, excluding Russia; Latin America, 10 countries; Asia and Oceania, 6 countries; and Africa, 4 countries.

may cease to be the foundation of money systems and become a mere commodity. It would still maintain the existing price of gold at not less than \$35 per fine ounce and thereby protect the value of the fourteen and one-half billion dollar reserve which the Government now possesses.

I might add, in passing, that Mr. Keynes-regarded, unfortunately, too highly and whose views have, I fear, too much influence upon the administration-stated a few years ago in his book on money that if there were too great an accumulation of gold in the hands of one or two governments the day might come when there might be a movement to regard it as a redundant currency.

There is no valid reason why gold should be kept from the people and there is every good reason that they should be permitted to possess it. There is no scarcity of it and it is being mined in this country, Canada, South Africa, Russia, and other parts of the world in increasing quantities. I appeal to the Members of the Senate to act in what I know to be their desire for the protection of the credit of the United States and their desire to maintain the confidence of the people in their currency by restoring the right of the individual to possess gold coin and gold certificates.

EXECUTIVE SESSION

Mr. BARKLEY. I move that the Senate proceed to the consideration of executive business.

The motion was agreed to; and the Senate proceeded to the consideration of executive business.

EXECUTIVE MESSAGES REFERRED

The PRESIDING OFFICER (Mr. O'MAHONEY in the chair) laid before the Senate messages from the President of the United States submitting sundry nominations and a convention, which were referred to the appropriate committees.

(For nominations this day received, see the end of Senate proceedings.)

EXECUTIVE REPORTS OF COMMITTEES FILED DURING ADJOURNMENT

Under the order of the ninth instant the following executive reports of committees were filed on March 10, 1939. during adjournment of the Senate:

Mr. LOGAN, from the Committee on Military Affairs, reported favorably the nominations of several officers for appointment to temporary rank in the Air Corps of the Regular Army, under the provisions of law.

He also, from the same committee, reported favorably the nominations of sundry officers for promotion, or for appointment by transfer (one officer: First Lt. Maurice Monroe Simons, Air Corps, with rank from June 12, 1938, to the Coast Artillery Corps), all in the Regular Army.

He also, from the same committee, reported favorably the nomination of Brig. Gen. Harry Knox, Jr., Adjutant General's Department, Texas National Guard, to be brigadier general, Adjutant General's Department, National Guard of the United States.

He also, from the same committee, reported favorably the nomination of Col. Edwin Martin Watson, Field Artillery, Regular Army, to be brigadier general from April 1, 1939, vice Brig. Gen. Evan H. Humphrey, United States Army, to be retired March 31, 1939; and also the nomination of Col. Jacob Earl Fickel, Air Corps, to be wing commander, with temporary rank of brigadier general in the Air Corps, Regular Army, from March 1, 1939, under the provisions of law, vice Brig. Gen. Delos C. Emmons, wing commander, who accepted another appointment.

EXECUTIVE REPORT OF A COMMITTEE

Mr. CLARK of Missouri, from the Committee on Commerce, reported favorably the nomination of C. B. Allen, of West Virginia, to be a member of the Air Safety Board within the Civil Aeronautics Authority for the term expiring December 31, 1940 (original appointment), which was ordered to be placed on the Executive Calendar.

The PRESIDING OFFICER. If there be no further reports of committees, the clerk will proceed to state the nominations on the calendar.

POSTMASTERS

The legislative clerk proceeded to read the sundry nominations of postmasters.

Mr. McKELLAR. I ask unanimous consent that the nominations of postmasters be confirmed en bloc.

The PRESIDING OFFICER. Without objection, the nominations of postmasters are confirmed en bloc.

IN THE ARMY

The legislative clerk proceeded to read sundry nominations for appointment and promotion in the Regular Army. Mr. BARKLEY. I ask unanimous consent that the nom-

inations in the Army be confirmed en bloc.

The PRESIDING OFFICER. Without objection, the nominations in the Army are confirmed en bloc.

That concludes the Executive Calendar.

RECESS

Mr. BARKLEY. I move that the Senate take a recess until 12 o'clock noon tomorrow.

The motion was agreed to; and (at 3 o'clock and 10 minutes p. m.) the Senate took a recess until tomorrow, Tuesday, March 14, 1939, at 12 o'clock meridian.

NOMINATIONS

Executive nominations received by the Senate March 13, 4939

DIPLOMATIC AND FOREIGN SERVICE

AMBASSADOR EXTRAORDINARY AND PLENIPOTENTIARY

Laurence A. Steinhardt, of New York, now Ambassador Extraordinary and Plenipotentiary to Peru, to be Ambassador Extraordinary and Plenipotentiary of the United States of America to the Union of Soviet Socialist Republics.

ENVOY EXTRAORDINARY AND MINISTER PLENIPOTENTIARY

William Dawson, of Minnesota, now Envoy Extraordinary and Minister Plenipotentiary to Uruguay, to be Ambassador Extraordinary and Plenipotentiary of the United States of America to Panama.

PROMOTIONS IN THE FOREIGN SERVICE

From Foreign Service officer of class 2 to Foreign Service officer of class 1

Eugene H. Dooman, of New York. Joseph E. Jacobs, of South Carolina.

Leland B. Morris, of Pennsylvania.

From Foreign Service officer of class 3 to Foreign Service officer of class 2

Samuel W. Honaker, of Texas.

Graham H. Kemper, of Kentucky.

George A. Makinson, of California.

From Foreign Service officer of class 4 to Foreign Service officer of class 3

Henry H. Balch, of Alabama.

Alfred W. Klieforth, of Pennsylvania.

Robert B. Macatee, of Virginia.

Leslie E. Reed, of Minnesota. Warden McK. Wilson, of Indiana.

From Foreign Service officer of class 5 to Foreign Service officer of class 4

Austin C. Brady, of New Mexico.

James G. Carter, of Georgia.

Harry F. Hawley, of New York.

James P. Moffitt, of New York.

Marshall M. Vance, of Ohio.

From Foreign Service officer of class 6 to Foreign Service officer of class 5

Donald F. Bigelow, of Minnesota.

Gilson G. Blake, Jr., of Maryland.

George H. Butler, of Illinois.

Reginald S. Castleman, of California.

Charles H. Derry, of Georgia.

Fayette J. Flexer, of Illinois.

Robert Y. Jarvis, of California.

Joseph C. Satterthwaite, of Michigan.

David Williamson, of Colorado.

From Foreign Service officer of class 7 to Foreign Service officer of class 6

George Alexander Armstrong, of New York.

Charles E. Bohlen, of Massachusetts.

Ernest E. Evans, of New York.

Walton C. Ferris, of Wisconsin.

Franklin C. Gowen, of Pennsylvania.

Lawrence Higgins, of Massachusetts.

Nelson R. Park, of Colorado.

J. Hall Paxton, of Virginia.

William L. Peck, of Connecticut.

James W. Riddleberger, of Virginia.

Alan N. Steyne, of New York.

Edward G. Trueblood, of Illinois.

Clifton R. Wharton, of Massachusetts.

From Foreign Service officer of class 8 to Foreign Service officer of class 7

Garret G. Ackerson, Jr., of New Jersey.

Cavendish W. Cannon, of Utah.

Norris B. Chipman, of the District of Columbia.

William P. Cochran, Jr., of Pennsylvania.

William M. Cramp, of Pennsylvania.

Archibald E. Gray, of Pennsylvania.

Perry N. Jester, of Virginia.

George D. LaMont, of New York.

Edward S. Maney, of Texas. Kennett F. Potter, of Missouri.

W. Quincy Stanton, of Montana.

Llewellyn E. Thompson, Jr., of Colorado.

Joseph I. Touchette, of Massachusetts.

Thomas C. Wasson, of New Jersey.

APPOINTMENT, BY TRANSFER, IN THE REGULAR ARMY

TO QUARTERMASTER CORPS

Capt. Philip James Henderson, Infantry, with rank from June 30, 1936.

PROMOTIONS IN THE REGULAR ARMY

MEDICAL CORPS

To be colonel

Lt. Col. Harry Rex MacKellar, Medical Corps, from April 28, 1939.

To be majors

Capt. Donald Carl Snyder, Medical Corps, from April 1, 1939. Capt. Merritt Gartley Ringer, Medical Corps, from April 6, 1939.

To be captains

First Lt. Claude Benjamin White, Medical Corps, from April 6, 1939.

First Lt. Andrew Fredrick Scheele, Medical Corps, from April 16, 1939.

First Lt. Clark Bolton Meador, Medical Corps, from April 29, 1939.

DENTAL CORPS

To be captain

First Lt. Maurice Edson Washburn, Dental Corps, from April 1, 1939.

CHAPLAIN

To be chaplain with the rank of colonel

Chaplain William Richard Arnold (Lt. Col.), colonel, chief of chaplains, United States Army, from April 29, 1939.

POSTMASTERS

CALIFORNIA

Ruth E. Palmer to be postmaster at Calwa City, Calif. Office became Presidential July 1, 1938.

Bennett H. Emory to be postmaster at Cheswold, Del. Office became Presidential July 1, 1938.

ILLINOIS

Prentiss C. Puffer to be postmaster at Centralia, Ill., in place of W. C. Vass, deceased.

John E. Ryan to be postmaster at Crete, Ill., in place of J. E. Ryan. Incumbent's commission expired June 18, 1938.

Mary L. Brennan to be postmaster at Elkhart, Ill. Office became Presidential July 1, 1938.

George H. Fruit to be postmaster at Franklin Grove, Ill., in place of G. H. Fruit. Incumbent's commission expired April 27, 1938.

Lorin R. Baker to be postmaster at Green Valley, Ill. Office became Presidential July 1, 1938.

Mark J. Humphreys to be postmaster at Keithsburg, Ill., in place of M. J. Humphreys. Incumbent's commission expired June 6, 1938.

Francis L. Dabler to be postmaster at Manlius, Ill. Office became Presidential July 1, 1938.

Sophie Benhart to be postmaster at Medinah, Ill., in place of Sophie Benhart. Incumbent's commission expired June 18, 1938.

Thomas F. Kirby to be postmaster at Steward, Ill. Office became Presidential July 1, 1938.

Wilfred J. Brennan to be postmaster at West Chicago, Ill., in place of W. J. Brennan. Incumbent's commission expired June 6, 1938.

INDIANA

Sue E. Reese to be postmaster at Greens Fork, Ind. Office became Presidential July 1, 1938.

Adolph Hannie to be postmaster at Monroe, Ind., in place of Adolph Hannie. Incumbent's commission expired June 13 1938.

Simon C. Hilsmier to be postmaster at Ossian, Ind., in place of S. C. Hilsmier. Incumbent's commission expired June 13, 1938.

Mary Dugan to be postmaster at Pittsboro, Ind. Office became Presidential July 1, 1938.

Alton L. Metzger to be postmaster at Rossville, Ind., in place of A. L. Metzger. Incumbent's commission expired June 18, 1938.

IOWA

Floyd Stotts to be postmaster at Melcher, Iowa, in place of Floyd Stotts. Incumbent's commission expired May 2, 1938.

LOUISIANA

Haden H. Phares to be postmaster at Clinton, La., in place of R. A. Dilly, removed.

Jerome G. Russell to be postmaster at Danforth, Maine, in place of J. G. Russell. Incumbent's commission expired April 25, 1938.

Anna G. Clatterbuck to be postmaster at Deer Park, Md. Office became Presidential July 1, 1938.

Lawrence B. Setzler to be postmaster at Maple Plain, Minn., in place of L. B. Setzler. Incumbent's commission expired June 18, 1938.

MONTANA

Lewis W. Fetterly to be postmaster at Eureka. Mont., in place of L. W. Fetterly. Incumbent's commission expired June 18, 1938.

John R. Kruger to be postmaster at Plains, Mont., in place of J. R. Kruger. Incumbent's commission expired April 30,

Albert J. Dorris to be postmaster at Thompson Falls, Mont., in place of A. J. Dorris. Incumbent's commission expired June 18, 1938.

NEW JERSEY

Edward J. Gleason to be postmaster at New Brunswick, N. J., in place of E. J. Gleason. Incumbent's commission expired June 18, 1938.

NEW YORK

Samuel B. Cline to be postmaster at East Hampton, N. Y., in place of S. B. Cline. Incumbent's commission expired January 31, 1938.

John F. Gleason to be postmaster at Le Roy, N. Y., in place of J. F. Gleason. Incumbent's commission expired June 14, 1938.

Katherine M. Nortz to be postmaster at Lowville, N. Y., in place of K. M. Nortz. Incumbent's commission expired January 31, 1938.

Donald S. Ryan to be postmaster at McGraw, N. Y., in place of H. J. Sheridan, deceased.

Kathryn R. Fuselehr to be postmaster at Malverne, N. Y., in place of K. R. Fuselehr. Incumbent's commission expired June 15, 1938.

Robert C. McCarthy to be postmaster at Palmyra, N. Y., in place of R. C. McCarthy. Incumbent's commission expired June 18, 1938.

NORTH DAKOTA

Peter M. Schmitz to be postmaster at Ray, N. Dak., in place of P. M. Schmitz. Incumbent's commission expired June 1, 1938.

OHIO

Harry J. Dixon to be postmaster at Warren, Ohio, in place of F. H. Waldeck, deceased.

OKLAHOMA

William A. Jenkins to be postmaster at Beggs, Okla., in place of W. A. Jenkins. Incumbent's commission expired June 6, 1938.

Joseph S. Austin to be postmaster at Mill Creek, Okla. Office became Presidential July 1, 1938.

OREGON

Ann B. Heydon to be postmaster at Valsetz, Oreg. Office became Presidential July 1, 1938.

PENNSYLVANIA

Daniel Leffler to be postmaster at Clearfield, Pa., in place of Daniel Leffler. Incumbent's commission expired June 6, 1938.

Albert F. Buck to be postmaster at Emmaus, Pa., in place of A. F. Buck. Incumbent's commission expired June 18, 1938.

Fred Schneider to be postmaster at Leetsdale, Pa., in place of Fred Schneider. Incumbent's commission expired June 6, 1938.

James F. Dugan to be postmaster at Osceola Mills, Pa., in place of J. F. Dugan. Incumbent's commission expired June 6, 1938.

Robert J. Miller to be postmaster at State College, Pa., in place of R. J. Miller. Incumbent's commission expired June 18, 1938.

Mary K. Pavlik to be postmaster at Universal, Pa., in place of Mary Pavlik. Incumbent's commission expired June 12, 1938

SOUTH DAKOTA

Stephen E. Halva to be postmaster at Belvidere, S. Dak., in place of S. E. Halva. Incumbent's commission expired May 22, 1938.

TENNESSEE

John J. Parran to be postmaster at Bolivar, Tenn., in place of J. J. Parran. Incumbent's commission expired January 31, 1938.

George F. Barfield to be postmaster at Henning, Tenn., in place of G. F. Barfield. Incumbent's commission expired May 24 1938

Loraine Adkins to be postmaster at Wartburg, Tenn., in place of Loraine Adkins. Incumbent's commission expired June 8, 1938.

Ferd B. Cowan to be postmaster at White Pine, Tenn., in place of F. B. Cowan. Incumbent's commission expired May 31, 1938.

TEXAS

Marion L. Neal to be postmaster at Baytown, Tex., in place of C. C. Burgess. Incumbent's commission expired June 9, 1938.

Daniel T. McElligott to be postmaster at Bells, Tex. Office became Presidential July 1, 1938.

George L. Keller to be postmaster at Dublin, Tex., in place of G. L. Keller. Incumbent's commission expired April 4, 1938.

Vernon May to be postmaster at Katy, Tex., in place of Vernon May. Incumbent's commission expired June 12, 1938.

VIRGINIA

F. Cleveland Davis to be postmaster at Lexington, Va., in place of E. L. Graham, deceased.

WASHINGTON

John H. Field to be postmaster at Newport, Wash., in place of W. B. Dingle, deceased.

CONFIRMATIONS

Executive nominations confirmed by the Senate March 13, 1939

APPOINTMENT, BY TRANSFER, IN THE REGULAR ARMY First Lt. Maurice Monroe Simons to Coast Artillery Corps.

PROMOTIONS IN THE REGULAR ARMY

David McCoach, Jr., to be colonel, Corps of Engineers.

Edgar Warren Taulbee to be colonel, Cavalry.

Francis Henry Miles Jr. to be colonel, Ordnance Dena

Francis Henry Miles, Jr., to be colonel, Ordnance Department.

Fred Clute Wallace to be colonel, Field Artillery.

Orville Monroe Moore to be lieutenant colonel, Field Artillery.

Walter Rayburn McClure to be lieutenant colonel, Infantry, Charles Edward Speer to be lieutenant colonel, Infantry, Leonard Russell Boyd to be lieutenant colonel, Infantry, Geoffrey Cooke Bunting to be major, Coast Artillery Corps, Orion Lee Davidson to be major, Infantry, Thomas Francis Hickey to be major, Field Artillery, Leander Larson to be major, Quartermaster Corps, Arthur Kay Chambers to be major, Coast Artillery Corps, Emmett Michael Connor to be major, Infantry, Thomas Newton Stark to be major, Infantry.

APPOINTMENT IN THE REGULAR ARMY

Edwin Martin Watson to be brigadier general.

Appointments to Temporary Rank in the Air Corps in the Regular Army

Col. Jacob Earl Fickel to be wing commander with the rank of brigadier general, Air Corps.

Junius Wallace Jones to be colonel, Air Corps. Paul Jones Mathis to be lieutenant colonel, Air Corps. Julian Buckner Haddon to be major, Air Corps. Haynie McCormick to be major, Air Corps.

APPOINTMENT IN THE NATIONAL GUARD OF THE UNITED STATES Harry Knox, Jr., to be brigadier general, Adjutant General's Department, National Guard of the United States.

POSTMASTERS

LOUISIANA

Owen R. Phillips, Glenmora.

NEW YORK

Thomas F. Tobin, Kings Park. Mary J. Morgan, Medford Station. William E. Farnsworth, Oakfield.

HOUSE OF REPRESENTATIVES

MONDAY, MARCH 13, 1939

The House met at 12 o'clock noon.

The Chaplain, Rev. James Shera Montgomery, D. D., offered the following prayer:

Lord of all being, throned afar, we pray in overcoming faith and in the love of Jesus Christ our Lord. Thou who art our fathers' God, who made the mother's heart, we pray for that will and fortitude that will enable us to do the truth. Come with us and give us the strength to speak the brave word and live the brave life. Heavenly Father, lead us through the disorders and the halting weaknesses of human nature which fetter the sympathy of the heart. May we be generous toward the ungrateful, gracious to the unthankful,

do good to the bad, and teach the cruel the way of kindliness. Bless us each day with breadth of sympathy and broadness of vision. At eventime whisper quietness; may we give ourselves pause to meditate on the deep things of the soul, on time and its meaning, and on life and its mysteries. With godlike power, may our immortal spirits touch the depths and the heights of the unseen world.

Now, Heavenly Father, we pause a moment in memory of him, honorable in public service, true to all the trusts of private life. We are reminded of our mortality. In the midst of life we are in death. We bid this honorable Member an affectionate farewell. In the name of our Saviour. Amen.

The Journal of the proceedings of Friday, March 10, 1939, was read and approved.

MESSAGE FROM THE PRESIDENT

A message in writing from the President of the United States was communicated to the House by Mr. Hess, one of his secretaries, who also informed the House that on the following date the President approved and signed a joint resolution and bill of the House of the following titles:

On March 4, 1939:

H. J. Res. 185. Joint resolution making additional funds available for salaries and expenses, Federal Housing Administration: and

H. R. 4011. An act to continue the functions of the Commodity Credit Corporation and the Export-Import Bank of Washington, and for other purposes.

COMMITTEE ON RIVERS AND HARBORS

Mr. PARSONS. Mr. Speaker, I ask unanimous consent that the Committee on Rivers and Harbors may be permitted to sit this afternoon during the session of the House.

The SPEAKER. Is there objection to the request of the gentleman from Illinois?

There was no objection.

DUTIES OF COMPTROLLERS OF CUSTOMS

Mr. FITZPATRICK. Mr. Speaker, I ask unanimous consent to proceed for 1 minute.

The SPEAKER. Is there objection to the request of the gentleman from New York?

There was no objection.

Mr. FITZPATRICK. Mr. Speaker, I ask unanimous consent to extend my remarks by including a statement on the duties of the comptrollers of customs.

The SPEAKER. Is there objection to the request of the gentleman from New York?

There was no objection.

Mr. FITZPATRICK. Mr. Speaker, the legislation proposed in the Treasury-Post Office appropriation bill for 1940 to abolish the positions of the seven comptrollers of customs is identically the same as the amendment proposed in 1932, which was rejected by Congress.

At that time the late Honorable Ogden L. Mills was Secretary of the Treasury and previous to that a Member of the House. He wrote to the chairman of the Senate Committee on Appropriations urging the retention of the position of comptroller of customs as essential to the sound administration of the Customs Service.

The action of the Congress in 1932 in eliminating the proposed amendment abolishing comptrollers of customs was in agreement with that of prior Legislatures continuing the position of comptrollers of customs since its inception in 1789.

FUNCTIONS OF COMPTROLLERS OF CUSTOMS

Comptrollers of customs represent an independent branch of the United States Treasury Department established at the seven largest ports of entry for the sake of convenience and economy to make the necessary examination and final accounting of the accounts of collectors of customs.

The position of comptroller of customs, then known as naval officer, was established by the First Congress in 1789. Under the act of March 2, 1799, comptrollers of customs possessed equal rights with collectors of customs in the assessment of duties on all imported merchandise, and no duties

were to be received without concurrent action by these two customs officers.

Prior to the Tariff Act of 1922 comptrollers of customs were located at Boston, New York, Philadelphia, Baltimore, New Orleans, San Francisco, and Chicago. Their verification was limited to customs transactions originating in the particular collection districts in which they were located. Under authority of section 523 of the Tariff Act of 1922, the duties of comptrollers were more specifically set forth, and their administrative examination was extended to all the customs districts as assigned to them by the Secretary of the Treasury.

It is apparent from these provisions of law and the practice in effect for 140 years in the administration of customs that the comptrollers of customs are required to perform important administrative as well as auditing functions, and that their review of assessments of duties and allowances for drawback made by collectors extends to administrative questions of fact as well as to matters of law and accounting. These comptrollers, acting under the Secretary of the Treasury, pass upon matters affecting the liquidation of duties in an administrative capacity and perform for the Secretary administrative functions which are necessary to the proper supervision of the collection of revenue from customs. Their check upon the transactions of the collectors is essentially an administrative audit.

The duties of the comptrollers under the statutes are to establish the accountability of collectors of customs for the proper and complete collection of all duties imposed upon imported merchandise and the disbursement of refunds in connection therewith. They verify the collectors' assessment of duties on all imported merchandise and allowances for draw-back of duties on exportations of manufactured imported merchandise. By comparison with independent records and vouchers, they verify the correctness of the collectors' abstracts and accounts of moneys collected. After certification by the comptroller of customs, the collectors' accounts current are forwarded to the Secretary of the Treasury for transmission to the Comptroller General.

The comptrollers of customs receive copies of all manifests of imported merchandise directly from the masters of the importing vessels and verify the disposition thereof by comparison of the reports of the discharging inspectors with the import entries and the record of merchandise sent to general order.

During the fiscal year 1938, the seven comptrollers of customs verified the collection of \$356,888,770 as duties on imported merchandise covering 3,121,176 individual transactions. In this verification errors discovered by the comptrollers totaled \$940,890 for the above fiscal year and \$1,121,275 in the fiscal year 1937. They also verified disbursements made by collectors of customs of \$5,220,303 on account of excessive duties collected and \$11,841,390 in draw-back payments.

EXTENSION OF REMARKS

Mr. VOORHIS of California. Mr. Speaker, I ask unanimous consent to extend my own remarks in the Record and to include therein a radio broadcast by Prof. Irving Fisher, of Yale, and Senator George W. Norris, of Nebraska, on the subject of 100-percent reserves against demand deposits in banks.

The SPEAKER. Is there objection to the request of the gentleman from California?

There was no objection.

Mr. BRADLEY of Michigan. Mr. Speaker, I ask unanimous consent to extend my own remarks in the Record by including Senate Concurrent Resolution No. 17, adopted by the Michigan Legislature.

The SPEAKER. Is there objection to the request of the gentleman from Michigan?

There was no objection.

THE LATE GEORGE SCHNEIDER

Mr. GEHRMANN. Mr. Speaker, I ask unanimous consent to address the House for 1 minute.

The SPEAKER. Is there objection to the request of the gentleman from Wisconsin?

There was no objection.

Mr. GEHRMANN. Mr. Speaker, it is with extreme regret that I announce the death of one of our old colleagues, George Schneider, of Wisconsin.

I have just received a telegram this morning stating that George had died very suddenly on Saturday afternoon. George served here with distinction in the Sixty-eighth, Sixty-ninth, Seventieth, Seventy-first, Seventy-second, Seventy-fourth, and Seventy-fifth Congresses. I do not know the cause of his death. He was here about a week ago apparently in good health. He went to Toledo to attend a national convention, and I received a wire from him from Toledo asking for some information on a bill only a few days ago. It was certainly a shock to me to learn of his untimely demise.

PERMISSION TO ADDRESS THE HOUSE

Mr. GUYER of Kansas. Mr. Speaker, I ask unanimous consent to address the House for 1 minute.

The SPEAKER. Is there objection to the request of the gentleman from Kansas?

There was no objection.

Mr. GUYER of Kansas. Mr. Speaker, there is just one reason that there is fear of war in western Europe and in the Mediterranean area. That reason is that both England and France have weefully and, in a sense, criminally neglected their air defense and permitted their potential enemies, Germany and Italy, to outstrip them about 3 or 4 to 1 in air power. For the first time since the Spanish Armada 350 years ago threatened the mistress of the seas, the British Empire is in danger of defeat and disintegration. It all happened because England neglected her air defense.

France no doubt still has one of the best armies in the world. Ten years ago France was the most powerful nation in continental Europe. Today she trembles before the threat of Hitler's air power. France also has the double threat of Germany and Italy because she forgot her "wings," her air defense. Her Army, invincible on land, might just as well be so many Boy Scouts. She put enough treasure into cement in the Maginot line to build seven or eight thousand planes. The Maginot line will not stop bombing war planes. France really needed was a Maginot line in the sky.

What a tragedy that all the prodigious sacrifices of France and England go for nothing unless they can maintain their power against the dictator states which now threaten their existence. Four years of heroic struggle for liberty and democracy may be lost because these two democracies forgot their defenses in the sky.

The United States, too, has been neglecting her air defenses. Though she stands at the head of all other nations in commercial aviation, she is another democracy which has neglected her air defense.

The people of the United States do not want war, and they demand that we keep them out of foreign wars and our nose out of international affairs that do not directly concern us. I think they believe we should arm for defense and not for aggression; that we should have no entangling alliances with any other nation—the opposite course will inevitably lead to war; that as long as the so-called aggressor nations leave us alone it is not our responsibility to make decisions or to interfere; our country has no business to impose either economic or military penalties on foreign nations merely because we disapprove of their forms of government; that only Congress has the right to declare war; and that the executive department transcends its authority when it commits us to a policy leading to war. But the people know, too, that weakness invites attack and believe with Washington that "to be prepared for war is the best assurance of peace" and for these reasons favor a reasonable program of defense such as has been almost unanimously adopted by this Congress. Many of them believe that if we had been reasonably prepared in 1917 we would never have been in the World War. We were so miserably unprepared that the Central Powers had only contempt for us and

therefore offered insults and committed depredations which forced us into war in spite of ourselves. Several hundred millions spent in defense before that war would have saved us billions in the end, for when the last pension of the last widow of our last World War soldier is paid, that war will have cost us \$100,000,000,000, which was the estimated worth of all the property of the world at the time of the adoption of our Constitution.

I do not believe the people whom we directly represent want our country to again invite attack by our obvious or apparent weakness and be caught like England under Mr. Chamberlain's old umbrella as her protection. It is true that England is feverishly attempting to repair her air defense, and, as usual, her haste will entail prodigious waste, just as we experienced in 1917 and 1918 in our hurry to prepare.

I do not believe the people whose representatives we are want to be caught, like France, trembling alternately between Hitler and Mussolini. I believe the people want that reasonable defense program which will demand respect and, if necessary, inspire fear of the might of this great representative democracy.

Recognizing these things, the Legislature of the State of Kansas has passed a concurrent resolution relative to the air-defense program of the Congress, and I ask unanimous consent to include this resolution in the extension of my remarks.

The SPEAKER. Is there objection to the request of the gentleman from Kansas?

There was no objection.

The resolution referred to is as follows:

Senate Concurrent Resolution 22 A concurrent resolution in relation to aviation

Whereas Kansas is located in the very center of the United States,

Whereas Kansas is located in the very center of the United States, upon a great and magnificent plain far from the influence of adverse weather or other conditions; and

Whereas she was one of the pioneers in the airplane industry, having the first factory located at Girard as early as 1908, and having a most extensive manufacture of aircraft in Wichita and Kansas City; and

Whereas Kansas planes fly the airways of the world and the ideal

flying conditions make the State an ideal location for the rapidly growing aircraft manufacturing of the world; and

Whereas out of the manufacturing of airplanes, Walter Beech, Lloyd Stearman, Clyde Cessna, and E. M. Laird have indelibly impressed their ideas as designers and manufacturers of airplanes

upon the airplane industry; and
Whereas the United States Government makes extensive use of
the Fairfax airport in Kansas City, as it serves the entire Seventh

Corps area of the Army; and
Whereas a Kansas aviation association has been formed to promote the future of aviation in this State and the Nation: Now, therefore, be it

Resolved by the Senate of the State of Kansas (the house of rep-Resolved by the Senate of the State of Kansas (the nouse of representatives concurring therein), That the Secretary of War of the United States be requested to investigate the possibilities of utilizing the Kansas airplane manufacturing plants and that he establish, in addition to the work now done in the schools, a central training field for the aviation college of the United States in the State of Kansas; be it further

Resolved, That sufficient copies of this resolution shall be printed and the secretary of state is bereive directed to mail a copy of the

and the secretary of state is hereby directed to mail a copy of the same to the President of the United States, the Secretary of War of the United States, and the members of the Kansas delegation in the Congress of the United States.

EXTENSION OF REMARKS

Mr. RAMSPECK. Mr. Speaker, I ask unanimous consent to extend my remarks in the RECORD by printing a statement made by the secretary of the Democratic National Com-

The SPEAKER. Is there objection to the request of the gentleman from Georgia?

There was no objection.

Mr. SHANLEY. Mr. Speaker, I ask unanimous consent to extend the remarks I made in the Committee of the Whole House on Friday and to include several extracts and a short

The SPEAKER. Is there objection to the request of the gentleman from Connecticut?

There was no objection.

Mr. THOMAS of Texas. Mr. Speaker, I ask unanimous consent to extend my remarks in the RECORD.

The SPEAKER. Is there objection?

There was no objection.

Mr. BURDICK. Mr. Speaker, I ask unanimous consent to extend my remarks in the RECORD.

The SPEAKER. Is there objection?

There was no objection.

Mr. THILL. Mr. Speaker, I ask unanimous consent to extend my remarks in the RECORD and to include therein an article written by Stephen A. Park, on the status and needs of the Organized Reserves.

The SPEAKER. Is there objection?

There was no objection.

Mr. GILLIE. Mr. Speaker, I ask unanimous consent to extend my remarks in the RECORD and to include an article on the Fort Wayne Housing plan.

The SPEAKER. Is there objection?

There was no objection.

Mr. DWORSHAK. Mr. Speaker, I ask unanimous consent to extend my remarks in the RECORD and to include therein three joint memorials adopted by the Legislature of the State of Towa.

The SPEAKER. Is there objection?

There was no objection.

REPORT OF RAILROAD RETIREMENT BOARD

The SPEAKER laid before the House the following message from the President of the United States, which was read, and, with the accompanying papers, referred to the Committee on Interstate and Foreign Commerce:

To the Congress of the United States:

In compliance with the provisions of section 10 (b) (4) of the Railroad Retirement Act, approved June 24, 1937, and of section 12 (1) of the Railroad Unemployment Insurance Act, approved June 25, 1938, I transmit herewith for the information of the Congress the report of the Railroad Retirement Board for the fiscal year ended June 30, 1938, together with supplementary information covering the period July 1 to October 31, 1938.

FRANKLIN D. ROOSEVELT.

THE WHITE HOUSE, March 13, 1939.

W. P. A. EXHIBIT, WORLD'S FAIR

Mr. TABER. Mr. Speaker. I ask unanimous consent to proceed for 1 minute.

The SPEAKER. Is there objection?

There was no objection.

Mr. TABER. Mr. Speaker, I hold in my hand a copy of a New York newspaper of this morning. From that it appears that \$250,000 of relief money has been wasted in put-ting up a building for the World's Fair at New York. At least \$1,000,000 of relief money will be expended to provide the exhibits. They are going to have a show there, and they are planning to have W. P. A. workers there to show it off. The open court is 126 feet long and 86 feet wide. There will be folk dancing, puppet shows, recitations, concerts. It is seen now what they are using the money for. Is it not about time that we had a house cleaning in the W. P. A. and use the money only for relief? [Applause.]
Mr. RANKIN. Mr. Speaker, I ask unanimous consent to

address the House for a minute and to extend my remarks

in the RECORD.

The SPEAKER. Is there objection?

There was no objection.

BONNEVILLE POWER LINES AND RATES

Mr. RANKIN. Mr. Speaker, on tomorrow we will have under consideration the Interior Department appropriation bill, which carries an item for power lines for the Bonneville project.

This appropriation is very necessary to take the vast amount of electric energy generated at Bonneville to the people of that great northwestern country, as well as to supply the needs of the Federal Government in that area, and to raise revenues with which to repay the Government's investment.

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In order to do that Mr. J. D. Ross, the administrator at Bonneville, has worked out a schedule of retail rates to be charged the residential consumers which I am submitting for

I hope you will all read it carefully, for these are the rates we hope to see put into effect in every home in America within the next few years.

Let me say now that electricity can be furnished at these rates without loss in every State in the Union, whether it is generated with coal, oil, gas, or water power.

Read these rates carefully and compare them with the rates paid in your own districts, and you will see how much your people are overcharged.

These Bonneville rates to residential consumers are as

follows:

First 50 kilowatt-hours a month, 21/2 cents a kilowatt-

Next 150 kilowatt-hours a month, 2 cents a kilowatt-hour. Next 100 kilowatt-hours a month, 1 cent a kilowatt-hour. Next 1,700 kilowatt-hours a month, 5 mills a kilowatthour.

Excess above 2,000 kilowatt-hours a month, 71/2 mills a kilowatt-hour.

Minimum monthly bill, 50 cents.

When we get electricity to every home in America at these rates, including every farm home, and get the commercial and industrial rates reduced accordingly, our people will then begin to enjoy this new civilization into which we are now moving and which will be known as the electric age.

But, Mr. Speaker, the enemy never sleeps: the Power Trust, as usual, is resorting to its customary tactics. Mr. Philip Gadsden, head of the local utility lobby, supported by rate payers overcharges, has sent out a memorandum to the members of the House Appropriations Committee and then turned over this document to the New York Times.

This memorandum is an attempt to kill or limit the pend-

ing appropriation item for the Bonneville project.

The Gadsden communication is a complete mass of misrepresentations. It just shows to what extent these selfish interests will go to prevent the full benefits of one of these Federal projects from reaching the people. Can we ever believe the spokesmen of the private power interests who flood us with such propaganda?

Last year these same interests sent out memoranda stating that no market existed for Bonneville power. That charge has been so thoroughly refuted on the floor of this House that these same interests now admit in their latest memorandum that a market does exist. The Gadsden memorandum attacks this program from the standpoints of duplication, taxes, and power policy. It leaves out nothing that could be attacked.

It even contains a photostatic copy of the article appearing in the New York Times, February 18, 1939, which contained the following statement:

The President recalled that C. E. Grosbeck, chairman of the Electric Bond & Share Co., had called on him at the White House several months ago to pledge the cooperation of the industry in the administration's purpose to increase its electrical generating and transmission capacity with a view to national defense.

But this latest Gadsden memorandum is far from being a token of cooperation. The national power survey of the Federal Power Commission was based on questionnaires sent to the private operating companies. This survey established beyond any question that a definite power shortage exists in the Pacific Northwest. The shortage is so acute that any national-defense program in that region is likely to break down. The alleged patriotism of these private utility interests is mockery. They now come before Congress and ask that the appropriations for the Bonneville project be curtailed or limited in order to gratify their own cupidity. These interests are trying to repeat what they did at Muscle Shoals, when the Alabama Power Co. purchased bus-bar current for less than two-tenths of a cent per kilowatt-hour and sold it to the people immediately adjacent to the dam for a profit of over 6,000 percent.

This memorandum is a deliberate attempt to misrepresent the facts so that abundant low-priced power can be kept from the home owners in the cities and towns and on the farm, as well as from business establishments in that area.

These utility interests, with their advertising fund of \$25,000,000 annually, are contributing misleading statements to the press in order to build up a psychology of doubt. Their statements are so warped and twisted as to lend suspicion to every movement they make. The American people, when they know the facts, will never accept the false gifts of such industrial leaders. If the real investors in the industry want to be heard, they will have to select different leaders. Their present leaders are discredited. The psychology created by such unholy tactics is making the problem of recovery more difficult for those of us who have a sincere desire to improve conditions.

GADSDEN POINTERS

The Gadsden memorandum states that these pending appropriations, if approved, will result in:

First. The duplication of existing facilities.

Second. Will result in a tax loss to Federal and State Government.

Third. Are not in harmony with the recent declarations of the President and Secretary Hopkins on the Government's utility policy.

I wish to deny with all the emphasis possible the charge that the pending appropriation will duplicate existing transmission lines or result in tax losses or is contrary to the recent declarations of the President and the Secretary.

NORTHWEST EXISTING ELECTRIC SERVICE

The Gadsden memorandum avers that the low rates and the large consumption in the Northwest have produced social benefits through the efforts of the private companies, when, as a matter of fact, the low rates are the result of public opinion and this public opinion was created by the low rates of the three outstanding public plants in this area, Tacoma, Seattle, and Eugene, Oreg. Public opinion has forced the private companies to reduce rates. The average rates in these two States will vary from 2½ to 2%0 cents per kilowatt-hour for residential service. This low regional average results from including in the State figures the enormous quantities of low-priced energy sold in Seattle, Tacoma, and Eugene, together with the requirement that adjacent private companies have to approach the public rates to meet this competition and to satisfy public opinion.

As I have repeatedly pointed out, consumption increases with reduction of rates and at the same time the gross revenue per consumer increases. I repeat—and I can never repeat too often—the slogan "that it is good business to reduce rates." Even with the low-rate levels existing in the Northewest, compared to the country as a whole, the people of Oregon and Washington are still overcharged about \$20,000,000 a year.

DUPLICATION OF EXISTING FACILITIES

The Gadsden memorandum is built upon two maps, numbered charts 3 and 4. These maps set out existing lines and superimpose the projected lines of the Bonneville project. Such a presentation is misleading. With the exception of the lines running from the Skagit and the Baker plant to Seattle and from Cushman to Tacoma, and the lines immediately west of Spokane, all of the existing lines are of low capacity and cannot handle a small fraction of the Bonneville output. Anyone who is interested can find the facts by consulting the normal circuit capacity map prepared by the Federal Power Commission and Bulletin No. 99 of the Engineering Experiment Station of the University of Washington. These two neutral sources present the facts which discredit the Gadsden allegations.

TAX LOSSES

When crowded into a corner these selfish interests raise the bogy of tax losses. If Mr. Gadsden and his committee would look into the matter, they would find that the administrator of the Bonneville project has publicly announced that contracts for the sale of Bonneville energy will contain such stipulations as to avoid any tax losses to the States or the communities.

On February 22 I presented to the House my study of the tax and rate situation in the District of Columbia. In that study I pointed out that the Potomac Electric Power Co. was only paying 4.68 percent of their gross earnings as local taxes, while the public plant at Tacoma, Wash., contributes 12 percent. The public plant at Seattle contributes the same taxes as the private companies do. It is pure hypocrisy to raise this issue when the local company here in Washington is paying less than half of what it should and is earning 75 percent annually on its common stock. The local taxes of the Potomac Electric Power Co. amount to \$686,000 per year. This company, in turn, collects from the Federal Government and the District of Columbia \$1,469,000 annually in service bills. These collections carry overcharges of about \$460,000 a year. It is incompatible for private interests to raise the tax question when in most communities they are collecting from the tax-disbursing agencies a great deal more than they are contributing.

POLICY CONFLICTS

The Gadsden memorandum sets out that the passage of the Bonneville appropriation items will create a conflict with the recent policy statements of the President. Such an allegation is certainly untrue. Mr. Gadsden and his cohorts should know that the pending appropriation carries out the policies established by Congress 2 years ago when the Bonneville legislation passed both Houses. Again these interests are raising false issues to defeat the yardstick program. They want to gobble up this power and then rob the people in that area with exorbitant overcharges.

FINANCIAL FIGURES

The financial figures set out in the Gadsden memorandum are incorrect. Anyone interested in securing the correct figures can find them in the Bonneville annual report. Mr. Gadsden includes in his cost figures funds appropriated for navigation purposes and funds included in the Rivers and Harbors Act—none of which are a part of any power cost. He makes a misleading statement when he tries to create the impression that the Bonneville project is subsidized by the taxpayers. If he will read section 7 of the Bonneville Act, he will find that it is mandatory that rate schedules be prepared to recover for the Federal Treasury the capital investment in power facilities, with interest thereon, within a reasonable time.

This is the same old fight of the Power Trust against the American people. I hope every Member of the House will inform himself on this proposition and give his full support to this great project that will mean so much to the people of the Northwest in the years to come.

Mr. RICH. Mr. Speaker, I ask unanimous consent to address the House for 1 minute.

The SPEAKER. Is there objection?

There was no objection.

Mr. RICH. Mr. Speaker, we have had before the Interior appropriations subcommittee a request for money for the transmission lines at the Bonneville project. I say to the gentleman from Mississippi [Mr. Rankin] that the bill carries now a whole lot more money than is necessary for the transmission lines for the current that will be generated at Bonneville Dam, and we are going years ahead of what they will need so far as transmission lines are concerned. We are duplicating practically all of the lines in that vicinity, and it is just wasting money now and putting private enterprise out of business in order to appease the desire of the ones who are back of the Bonneville project. I say to my colleague from Mississippi, whose heart and soul is in power, that when he puts the Government in power he puts individuals out.

Mr. RANKIN. And I also put some more heart and soul into the Government.

BOARD OF VISITORS, UNITED STATES MILITARY ACADEMY

The SPEAKER. The Chair lays before the House the following communication from the chairman of the Committee on Appropriations.

The Clerk read as follows:

HOUSE OF REPRESENTATIVES, COMMITTEE ON APPROPRIATIONS March 10, 1939.

THE SPEAKER OF THE HOUSE OF REPRESENTATIVES.

MY DEAR MR. SPEAKER: Pursuant to the provisions of the act approved May 17, 1928 (10 U. S. C., 1052-A), I beg to advise you that I have appointed the following members of this committee as members of the Board of Visitors to the United States Military Academy: Hon. J. Buell Snyder, Hon. David D. Terry, Hon. Joe Starnes, Hon. D. Lane Powers, and Hon. Albert J. Engel. Very cordially yours,

EDWARD T. TAYLOR, Chairman.

EXTENSION OF REMARKS

Mr. BYRON. Mr. Speaker, I ask unanimous consent to extend my own remarks in the RECORD and to include therein a radio address made by myself.

The SPEAKER. Is there objection? There was no objection.

DISTRICT BUSINESS

The SPEAKER. This is District of Columbia day, and the Chair recognizes the gentleman from West Virginia [Mr. RANDOLPH].

MEMBERS OF FIRE DEPARTMENT, DISTRICT OF COLUMBIA

Mr. RANDOLPH. Mr. Speaker, by direction of the Committee on the District of Columbia, I call up the bill (H. R. 1982), to amend the act entitled "An act to classify officers and members of the Fire Department of the District of Columbia," and for other purposes, which I send to the desk and ask to have read.

The Clerk read as follows:

Be it enacted, etc., That section 5 of the act entitled "An act to Be it enacted, etc., That section 6 of the act entitled "An act to classify officers and members of the Fire Department of the District of Columbia, and for other purposes," approved June 20, 1906, and amended January 24, 1920 (D. C. C., title 20, pt. 2, sec. 557), is hereby amended by deleting the first sentence of the second paragraph thereof and inserting in its place the following provision: "No member of the Fire Department of the District of Columbia shall directly any indirectly apprais in any style of such Columbia shall directly or indirectly engage in any strike of such

Mr. RANDOLPH. Mr. Speaker, I wish to be heard briefly. I have taken the time of the House at this point that I might present to you the reason why the Committee on the District of Columbia brings in this proposal at the present time.

Under the act of 1906, later amended in 1920, the law specifically prohibited any member of the Fire Department of the District of Columbia from joining an organization or an affiliate of an organization which allowed a strike by its members. I want it clearly understood that in bringing in this legislation we are continuing the policy which is carried out in the prior acts of 1906 and 1920. I read the language in the amended act of 1920, as it refers to this subject:

No member of the Fire Department of the District of Columbia shall be or become a member of any organization, or of an organization affiliated with another organization, which itself or any subordinated, component, or affiliated organization of which holds, claims, or uses the strike to enforce its demands.

The legislation which the Committee on the District of Columbia brings before you today is to amend the act so as to delete the language I have just read and insert in lieu thereof the following:

No member of the Fire Department of the District of Columbia shall, directly or indirectly, engage in any strike of such depart-

These fire fighters are loyal public servants. They simply desire to join a labor union, but they want it clearly understood that in joining such body they continue to observe the law and the spirit of the law which does not allow them

Mr. Speaker, I move the previous question. The previous question was ordered.

The SPEAKER. The question is on the engrossment and third reading of the bill.

The bill was ordered to be engrossed and read a third time, and was read the third time.

The SPEAKER. The question is on the passage of the

The bill was passed.

A motion to reconsider was laid on the table.

REGULATION OF BANKS AND TRUST COMPANIES IN THE DISTRICT OF

Mr. RANDOLPH. Mr. Speaker, that is the only legislation which the Committee on the District of Columbia desires to bring up today, but I want to call the attention of the Members to the bill S. 794, House bill 2561, which is a bill relating to banks and trust companies in the District of Columbia. I want it made plain, because there is interest among the membership, the reason why that legislation is laid over until next District day. It is at the specific request of the gentleman from Maryland [Mr. KENNEDY], who, after consulting with certain Members who desire to offer amendments, felt it would be desirable to allow that proposal to lie over until 2 weeks from today.

That is all the business the committee has today, Mr. Speaker.

PRIVATE CALENDAR

The SPEAKER. Under special order heretofore made. the Clerk will call the first bill on the private calendar.

The Clerk called the first bill on the Private Calendar, H. R. 534, for the relief of Hallie H. Woods.

There being no objection the Clerk read the bill as fol-

Be it enacted, etc., That the Secretary of the Treasury be, and he is hereby, authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, to Hallie H. Woods, widow of Damon C. Woods, late American consul at Toronto, Canada, the sum of \$5,700, such sum representing 1 year's salary of her deceased husband who died while in the Foreign Service.

The bill was ordered to be engrossed and read a third time. was read the third time, and passed, and a motion to reconsider was laid on the table.

CALL OF THE HOUSE

Mr. MARTIN of Massachusetts. Mr. Speaker, I make the point of order that a quorum is not present.

The SPEAKER. The Chair will count. [After counting.] One hundred and fifty-three Members are present, not a quorum.

Mr. RAMSPECK. Mr. Speaker, I move a call of the House. A call of the House was ordered.

The Clerk called the roll, and the following Members failed to answer to their names:

[Roll No. 32]

Anderson, Calif.	Douglas	Kennedy, M. J.	Smith, Conn.
Arnold	Drewry	Kerr	Smith. Ill.
Austin	Durham	Kramer	Smith, Maine
Barnes	Eaton, N. J.	Lanham	Snyder
Bell	Evans	Lemke	Somers, N. Y.
Bender	Fay	McDowell	Starnes, Ala.
Bradley, Pa.	Fenton	McGehee	Stearns, N. H.
Buckley, N. Y.	Ferguson	McGranery	Sullivan
Clark	Fish	McReynolds	Sumners, Tex.
Coffee, Wash.	Flannagan	Maas	Sweeney
Corbett	Ford, Leland M.	Magnuson	Terry
Creal	Fulmer	Miller	Tibbott
Crowther	Goldsborough	Mitchell	Vinson, Ga.
Culkin	Grant, Ala.	Myers	Wadsworth
Curley	Hart	Osmers	White, Ohio
Darden	Hartley	Pierce, N. Y.	Wigglesworth
Dies	Hill	Sabath	Wolfenden, Pa.
Disney	Hoffman	Seccombe	Wolverton, N. J.
Ditter	Hunter	Seger	Wood
Doughton	Jeffries	Sheppard	Youngdahl

The SPEAKER. Three hundred and fifty-two Members have answered to their names, a quorum.

On motion of Mr. RAMSPECK, further proceedings under the call were dispensed with.

EMELINE B. DAILEY

Mr. WARREN. Mr. Speaker, I present a privileged resolution from the Committee on Accounts and ask its immediate consideration.

The Clerk read as follows:

House Resolution 120

Resolved, That there shall be paid out of the contingent fund of the House to Emeline B. Dailey, widow of Charles Dailey, late an employee of the House, an amount equal to 6 months' salary compensation, and an additional amount not to exceed \$250, to defray funeral expenses of the said Charles Dailey.

The resolution was agreed to.

EXTENSION OF REMARKS

Mr. DOXEY. Mr. Speaker, I ask unanimous consent to extend my own remarks and to include therein two speeches, one made by the distinguished chairman of the Committee on Agriculture, the gentleman from Texas [Mr. Jones], over the radio on Saturday, March 11, and the other by Mr. Edward A. O'Neil, president of the Farm Bureau Federation.

The SPEAKER. Is there objection to the request of the gentleman from Mississippi?

There was no objection.

Mr. ANDERSON of Missouri. Mr. Speaker, I ask unanimous consent to extend my own remarks in the RECORD and to include therein an editorial from the St. Louis Post-Dispatch.

The SPEAKER. Without objection, it is so ordered.

There was no objection.

PRIVATE CALENDAR

The SPEAKER. The Clerk will call the next bill on the Private Calendar.

MACEY N. BEVAN

The Clerk called the next bill, H. R. 590, for the relief of Macey N. Bevan.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the Secretary of the Treasury be, and he is hereby, authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, to Macey N. Bevan, widow of Thomas Horatio Bevan, late American Consul General at Warsaw, Poland, the sum of \$8,400, equal to 1 year's salary of her deceased husband, who died at Berlin, Germany, July 23, 1938, while in the Foreign Service.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

E. C. BEAVER

The Clerk called the next bill, S. 323, for the relief of E. C. Beaver, who suffered loss on account of the Lawton, Okla., fire, 1917.

The SPEAKER. Is there objection to the present consideration of the bill?

Mr. HANCOCK, Mr. HALLECK, and Mr. COSTELLO objected, and, under the rule, the bill was recommitted to the Committee on Claims.

ESTATE OF DR. DAVID O. CLEMENTS, DECEASED

The Clerk called the next bill, H. R. 309, for the relief of the estate of Dr. David O. Clements, deceased.

There being no objection, the Clerk read the bill, as follows:

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the Secretary of the Treasury is hereby authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, to the administrator of the estate of Dr. David O. Clements, deceased, formerly of Gloucester County, Va., the sum of \$7,216 in full satisfaction of all claims against the United States for the value of a wharf located on the York River approximately 3 miles from Gloucester Point, Va., built and owned by Dr. David O. Clements and destroyed in January 1918 by ice broken by United States Navy ice-breaking tugs in clearing the York River, used at that time as the base for the Atlantic Fleet: Provided, That no part of the amount appropriated in this act in excess of 10 percent thereof shall be paid or delivered to or received by any agent or attorney on account of services rendered in connection with this claim, and the same shall be unlawful, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding \$1,000.

The bill was ordered to be engrossed and read a third time, was read the third time and passed, and a motion to reconsider was laid on the table.

ROLAND P. WINSTEAD

The Clerk called the next bill, H. R. 312, for the relief of Roland P. Winstead.

There being no objection, the Clerk read the bill, as follows:

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That notwithstanding the provisions and limitations of sections 15 to 20, both inclusive, of the act entitled "An act to provide compensation for employees of the United States suffering injuries while in the performance of their duties, and for other purposes," approved September 7, 1916, as amended, the United States Employees' Compensation Commission is hereby authorized and directed to receive and consider, when filed, the claim of Roland P. Winstead for disability alleged to have been incurred by him during the month of February 1922 while in the employment of the Post office Department as a driver of a mail truck operating between Fredericksburg and White Stone, Va., and to determine said claim upon its merits under the remaining provisions of said act: Provided, That no benefits shall be held to have accrued prior to the approval of this act. approval of this act.

With the following committee amendment:

At the end of the bill add: "Provided further, That claim here-under shall be filed within 6 months from the approval of this

The amendment was agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

R. L. SCOTT

The Clerk called the next bill, H. R. 329, for the relief of R. L. Scott.

The SPEAKER. Is there objection to the present consideration of the bill?

Mr. COSTELLO and Mr. HANCOCK objected, and, under the rule, the bill was recommitted to the Committee on Claims.

CHARLES DANCAUSE AND VIRGINIA P. ROGERS

The Clerk called the next bill, H. R. 727, for the relief of Charles Dancause and Virginia P. Rogers.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the proviso in section 2 of the act entitled "An act to provide a method for the settlement of claims arising against the Government of the United States in sums not exceeding \$1,000 in any one case," approved December 28, 1922, which reads: "Provided, That no claim shall be considered by a department or other independent establishment unless presented to it within 1 year from the date of the accrual of said claim," shall be waived in favor of Charles Dancause and Virginia P. Rogers, and the Works Progress Administration (as successor to the Civil Works Administration) is authorized and directed to consider under the remaining provisions of such act the claims of the said Charles Dancause and Virginia P. Rogers on account of damage done to their houses in Lowell, Mass., by employees of the Federal Civil Works Administration in 1933 and 1934.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

CATHERINE WARD

The Clerk called the next bill, H. R. 728, for the relief of Catherine Ward

The SPEAKER. Is there objection to the present consideration of the bill?

Mr. BARDEN and Mr. COSTELLO objected, and, under the rule, the bill was recommitted to the Committee on Claims.

EVA C. NETZLEY ET AL.

The Clerk called the next bill, H. R. 743, for the relief of Eva C. Netzley, William G. Stuff, Lois Stuff, and Harry E. Ridley; and the estates of Clyde C. Netzley and Sarah C. Stuff

There being no objection, the Clerk read the bill, as follows:

There being no objection, the Clerk read the bill, as Ioliows: Be it enacted, etc., That the Secretary of the Treasury be, and he is hereby, authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, to Eva C. Netzley, of Naperville, Ill., the sum of \$1,000; to the administrator of the estate of Clyde C. Netzley, deceased, late of Naperville, Ill., the sum of \$5,000; to William G. Stuff, of Mercersburg, Pa., the sum of \$1,000; to William G. Stuff, as administrator of the estate of Sarah C. Stuff, deceased, late of Mercersburg, Pa., the sum of \$2,000; to Lois Stuff, nee Greenawalt, of Mercersburg, Pa., the sum of \$3,500; and to Harry E. Ridley, of Naperville, Ill., the sum of \$168.85; in all, \$12,668.85, in full settlement of all claims against the United States for personal injuries, death, and property damage sustained in a

collision with a National Park Service truck, operated in connection with the Civilian Conservation Corps, on August 24, 1935, at the intersection of Thirty-first Street with Illinois State Highway No. 54, near Hinsdale, Du Page County, Ill.: Provided, That no part of the amount appropriated in this act in excess of 10 percent thereof shall be paid or delivered to or received by any agent or attorney on account of services rendered in connection with this claim, and the same shall be unlawful, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding \$1,000.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

BENJAMIN WEISENBERG

The Clerk called the next bill, H. R. 767, for the relief of Benjamin Weisenberg.

There being no objection, the Clerk read the bill, as follows:

There being no objection, the Clerk read the bill, as follows:

Be tt enacted, etc., That the Secretary of the Treasury be, and he is hereby, authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, to Benjamin Weisenberg the sum of \$2,500, in full settlement of all claims against the United States Government by reason of being struck and permanently injured by a Government automobile which was driven by an employee of the Department of Agriculture: Provided, That no part of the amount appropriated in this act in excess of 10 percent thereof shall be paid or delivered to or received by any agent or agents, attorney or attorneys, on account of services rendered in connection with said claim. It shall be unlawful for any agent or agents, attorney or attorneys to exact, collect, withhold, or receive any sum of the amount appropriated in this act in excess of 10 percent thereof on account of services rendered in connection with said claim, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding \$1,000.

With the following committee amendments:

With the following committee amendments:

Page 1, line 6, after the name "Weisenberg", insert "of Brooklyn, N. Y."

Page 1, line 6, also strike out the figures "\$2,500" and insert "\$1,000."

Page 1, lines 7, 8, and 9, strike out the words "Government by reason of being struck and permanently injured by a Government automobile which was driven by an employee" and insert "for personal injury sustained on July 2, 1935, at Ellenville, N. Y., when he was struck by a truck".

The committee amendments were agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

MRS. RAY E. NIES

The Clerk called the next bill, H. R. 838, for the relief of the estate of Mrs. Ray E. Nies.

Mr. COSTELLO and Mr. BARDEN objected, and, under the rule, the bill was recommitted to the Committee on Claims.

FLOYD GATTON

The Clerk called the next bill, H. R. 1076, for the relief of Floyd Gatton.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the Secretary of the Treasury be, and he is hereby, authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, to Floyd Gatton, the sum of \$900, under an agreement by which the Government exercised an option to rent certain property to be used as a landing field, although the project was abandoned by the Government, and this sum as accrued rental recommended by the Department of Commerce for payment. merce for payment.

With the following committee amendment:

Page 1, line 6, after the words "sum of", strike out the remainder of the line and all down through and including the word "payment", in line 10, and insert the following: "\$500, in full settlement of his claim against the United States for losses suffered under a lease with the Lighthouse Service, Department of Commerce, dated June 13, 1930, for certain property at Butler, Ohio, to be used as an intermediate landing-field site, which lease was later abandoned by the Government on its decision to locate the landing field at a different site: Provided. That no part of the amount approat a different site: Provided, That no part of the amount appropriated in this act in excess of 10 percent thereof shall be paid or delivered to or received by any agent or attorney on account of services rendered in connection with this claim, and the same shall be unlawful, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding \$1,000."

The committee amendment was agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

BEN L. KESSINGER AND M. CARLISLE MINOR

The Clerk called the next bill, H. R. 1183, for the relief of Ben L. Kessinger and M. Carlisle Minor.

Mr. COSTELLO and Mr. BARDEN objected, and, under the rule, the bill was recommitted to the Committee on Claims.

EDWIN L. WADE

The Clerk called the next bill, H. R. 1229, for the relief of Edwin L. Wade.

The SPEAKER. Is there objection to the present consideration of the bill?

Mr. COSTELLO. Mr. Speaker, I object.

There being no further objection, the Clerk read the bill. as follows:

Be it enacted, etc., That the Secretary of the Treasury is authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, to Edwin L. Wade, of Schenectady, N. Y., the sum of \$1,559 in full settlement of all claims against the United States for personal injuries received by him and property damage to his automobile when such automobile was forced from the Middleburgh-Schoharie Highway near Schoharie, N. Y., on December 3, 1935, by a truck in the service of the Civilian Conservation Corps: Provided, That no part of the amount appropriated in this act in excess of 10 percent thereof shall be paid or delivered to or received by any agent or attorney on account of services rendered in connection with this claim, and the same shall be unlawful, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding \$1,000.

With the following committee amendment:

Page 1, line 6, strike out "\$1,559" and insert "\$484."

The committee amendment was agreed to.

The bill was ordered to be engrossed and read a third time. was read the third time, and passed, and a motion to reconsider was laid on the table.

ITALIAN STAR LINE, INC.

The Clerk called the next bill, H. R. 1279, to confer jurisdiction on the Court of Claims to hear, determine, and render judgment upon the claims of the Italian Star Line, Inc., against the United States.

Mr. COSTELLO and Mr. HANCOCK objected, and, under the rule, the bill was recommitted to the Committee on Claims.

GEORGE HOUSTON

The Clerk called the next bill, H. R. 1363, for the relief of George Houston.

There being no objection, the Clerk read the bill, as follows:

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the limitations of time in sections 15 to 20, both inclusive, of the act entitled "An act to provide compensation for employees of the United States suffering injuries while in the performance of their duties, and for other purposes," approved September 7, 1916, as amended (U. S. C., 1934 ed., title 5, secs. 767 and 770), are hereby waived in favor of George Houston, who is alleged to have sustained an injury on February 4, 1931, while employed as a rural mail carrier from the post office at Wood Lake, Minn., which resulted in permanent physical disability, and his case is authorized to be considered and acted upon under the remaining provisions of such act, as amended, if he files a claim for compensation with the United States Employees' Compensation Commission not later than 6 months after the date of enactment of this act: Provided, That no benefits shall accrue prior to the approval of this act.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

WILLIAM C. REESE

The Clerk called the next bill, H. R. 1429, for the relief of William C. Reese.

Mr. COSTELLO and Mr. HANCOCK objected, and, under the rule, the bill was recommitted to the Committee on

HYMAN GINSBERG

The Clerk called the next bill, H. R. 1430, for the relief of Hyman Ginsberg.

There being no objection, the Clerk read the bill, as follows:

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the Secretary of the Treasury be, and he is hereby, authorized and directed to pay, out of any money in the Treasury not otherwise appropriated to Hyman Ginsberg, Birmingham, Ala., the sum of \$15,000. Such sum shall be in full settlement of all claims against the United States for damages sustained by the said Hyman Ginsberg as the result of being permanently disabled and wholly prevented from pursuing his occupation for the rest of his natural life from a collision involving the truck in which he was riding and a United States mail truck, the driver of which totally disregarded a "boulevard" sign driving the United States mail truck into the truck of Hyman Ginsberg: Provided, That no part of the amount appropriated in this act in excess of 10 percent thereof shall be paid or delivered to or received by any agent or agents, attorney or attorneys, on account of services rendered in connection with said claim. It shall be unlawful for any agent or agents, attorney or attorneys, to exact, collect, withhold, or receive any sum of the amount appropriated in this act in excess of 10 percent thereof on account of services rendered in connection with said claim, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding \$1,000.

With the following committee amendments:

With the following committee amendments:

With the following committee amendments:

Page 1, line 6, after the word "of", strike out "\$15,000. Such sum shall be" and insert "\$4,000."

Page 1, line 8, after the word "for", strike out the remainder of the line and down through the word "from", in line 11, and insert "personal injuries and property damage sustained in."

Page 2, line 1, after the word "truck", strike out the remainder of the bill and insert the following: "at the intersection of Twelfth Street South and Avenue H. Birmingham, Ala., on December 22, 1936: Provided, That no part of the amount appropriated in this act in excess of 10 percent thereof shall be paid or delivered to or received by any agent or attorney on account of services rendered in connection with this claim, and the same shall be unlawful, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding \$1,000."

The committee amendments were agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

JACK NELSON

The Clerk called the next bill, H. R. 1836, for the relief of Jack Nelson.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the Secretary of the Treasury is authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, to Jack Nelson, Greensburg, Pa., the sum of \$2,000. The payment of such sum shall be in full settlement of all claims against the United States for damages sustained by the said Jack Nelson as a result of personal injuries received on April 13, 1936, when he was struck at 3 o'clock p. m., on South Diamond Street, Mount Pleasant, Pa., by a Government motor vehicle (truck license No. U. S. 33-326 D. A.) operated by one Bruce McCleod, of the Department of Agriculture.

With the following committee amendments:

Page 1, line 5, strike out "Jack Nelson, Greensburg" and insert "the legal guardian of Jack Nelson, a minor, Mount Pleasant."
Page 1, line 7, strike out "\$2,000. The payment of such sum shall be" and insert "\$695."
Page 1, line 9, strike out all of line 9.
Page 1, line 11, strike out "at 3 o'clock p. m."

Page 1, line 11, strike out "at 3 o'clock p. m."

Page 2, line 1, after the word "a", strike out "Government motor vehicle (truck license No. U. S. 33-326 D. A.) operated by one Bruce McCleod, of the Department of Agriculture" and insert the following: "Department of Agriculture truck driven by an Emergency Conservation Work employee: Provided, That no part of the amount appropriated in this act in excess of 10 percent thereof shall be paid or delivered to or received by any agent or attorney on account of services rendered in connection with this claim, and the same shall be unlawful, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding \$1,000."

The committee amendments were agreed to.

The bill was ordered to be engrossed and read a third time. was read the third time, and passed, and a motion to reconsider was laid on the table.

The title was amended so as to read: "A bill for the relief of Jack Nelson, a minor."

NELL MULLEN

The Clerk called the next bill, H. R. 1857, for the relief of Nell Mullen.

Mr. HANCOCK and Mr. HALLECK objected, and, under the rule, the bill was recommitted to the Committee on Claims.

MRS LAWRENCE CHLERECK

The Clerk called the bill (H. R. 1907) for the relief of Mrs. Lawrence Chlebeck.

Mr. HANCOCK and Mr. COSTELLO objected, and, under the rule, the bill was recommitted to the Committee on Claims.

JOSEPH SCIORTINO

The Clerk called the next bill, H. R. 2086, for the relief of Joseph Sciortino.

Mr. MOTT and Mr. HANCOCK objected, and, under the rule, the bill was recommitted to the Committee on Claims.

KATHERINE PATTERSON

The Clerk called the next bill, H. R. 2098, for the relief of Katherine Patterson.

There being no objection, the Clerk read the bill, as

Be it enacted, etc., That the Secretary of the Treasury be, and he is hereby, authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, to Katherine Patterson, of Soperton, Ga., the sum of \$1,000 in full settlement of all claims against the Government of the United States for personal injuries suffered by her on July 3, 1935, at Civilian Conservation Corps Camp P-61 at Soperton, Ga., when struck by a baseball thrown by an enrollee of said camp while she was making an authorized business visit to the camp: Provided, That no part of the amount appropriated in this act in excess of 10 percent thereof shall be paid or delivered to or received by any agent or attorney on account of services rendered in connection with this claim, and the same shall be unlawful, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding \$1,000.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

S. UTTAL

The Clerk called the next bill, H. R. 2160, for the relief of S. Uttal.

Mr. HANCOCK and Mr. MOTT objected, and, under the rule, the bill was recommitted to the Committee on Claims.

RUSSELL ANDEREGG AND GEORGE W. ANDEREGG

The Clerk called the next bill, H. R. 2251, for the relief of Russell Anderegg, a minor, and George W. Anderegg.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the Secretary of the Treasury be, and he is hereby, authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, to the legal guardian of Russell Anderegg, a minor, of Pittsburgh, Pa., the sum of \$15,000, in full satisfaction of all claims against the United States for injuries sustained by him on August 25, 1936, when employees of the Works Progress Administration, while engaged on W. P. A. Project No. 65-23-7310, located at Grandview Park, Mount Washington, Pittsburgh, Pa., negligently rolled a large locust post down the side of a hill, the post striking said Russell Anderegg, and to George W. Anderegg, of Pittsburgh, Pa., father of said injured minor, the sum of \$2,071.34, in full satisfaction of all claims against the United States for all expenses incurred by him as a result of said injuries to his son: Provided, That no part of the amounts appropriated in this act in excess of 10 percent thereof shall be paid or delivered to or received by any agent or attorney on account of services rendered in connection with this claim, and the same shall be unlawful, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding \$1,000.

With the following committee amendment:

Page 1, line 7, strike out "\$15,000" and insert "\$5,000."

The committee amendment was agreed to.

The bill was ordered to be engrossed and read a third time. was read the third time, and passed, and a motion to reconsider was laid on the table.

INTERNATIONAL GRAIN CO., INC.

The Clerk called the next bill, H. R. 2356, for the relief of the International Grain Co., Inc.

Mr. HANCOCK, Mr. MOTT, and Mr. COSTELLO objected, and, under the rule, the bill was recommitted to the Committee on Claims.

FRANK GEDNEY

The Clerk called the next bill, H. R. 3082, for the relief of Frank Gedney.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the limitations of time in sections 15 to 20, both inclusive, of the act entitled "An act to provide compensation for employees of the United States suffering injuries while in the performance of their duties, and for other purposes," approved September 7, 1916, as amended, are hereby waived in favor of Frank Gedney, of Newburgh, N. Y., and the United States Employees' Compensation Commission is authorized to receive and consider his claim, under the remaining provisions of said act, for disability (powder poisoning) alleged to have been incurred by him between 1917 and 1920 while a civilian employee of the United States Naval Ammunition Depot, Iona Island, N. Y.: Provided, That claim hereunder shall be fined within 6 months after the approval of this act: Provided further, That no benefits shall accrue prior to the approval of this act.

Mr. COSTELLO. Mr. Speaker, I offer an amendment. The Clerk read as follows:

Amendment offered by Mr. Costello: On page 2, line 3, after the words "shall be", strike out the word "fined" and insert in lieu thereof the word "filed."

The amendment was agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

KURT WESSELY

The Clerk called the next bill, H. R. 2846, to record the lawful admission for permanent residence of Kurt Wessely.

Mr. COSTELLO and Mr. BARDEN objected, and, under the rule, the bill was recommitted to the Committee on Immigration and Naturalization.

MANUEL D. A. OTERO

The Clerk called the next bill, S. 218, for the relief of Manuel D. A. Otero, as administrator of the estate of Teresita S. Otero, deceased.

There being no objection, the Clerk read the bill, as follows:

There being no objection, the Clerk read the bill, as follows: Be it enacted, etc., That the Secretary of the Treasury be, and he is hereby, authorized and directed to pay to Manuel D. A. Otero, as administrator of the estate of Teresita S. Otero, deceased, out of any money in the Treasury allocated by the President for the maintenance and operation of the Civilian Conservation Corps the sum of \$255.44. Such sum shall be in full settlement of all claims against the United States on account of the death of the said Teresita S. Otero, resulting from personal injuries received on the 16th day of January 1935, on United States Highway No. 60, between Willard and Mountainair, N. Mex., while riding in an automobile which collided with an improperly parked Government truck, attached to Civilian Conservation Corps Camp F-35-N, located about 3 miles southwest from Manzano, in Torrance County, N. Mex.: Provided, That no part of the amount appropriated in this act in excess of 10 percent thereof shall be paid or delivered to or received by any agent or attorney on account of services rendered in connection with this claim, and the same shall be unlawful, any contract tion with this claim, and the same shall be unlawful, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding \$1,000.

With the following committee amendment:

Page 1, line 6, after the word "Treasury", strike out "allocated by the President for the maintenance and operation of the Civilian Conservation Corps" and insert "not otherwise appropriated."

The committee amendment was agreed to.

The bill was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

EMMA GOMEZ

The Clerk called the next bill, S. 219, for the relief of Emma Gomez.

There being no objection, the Clerk read the bill, as fol-

Be it enacted, etc., That the Secretary of the Treasury be, and Be it enacted, etc., That the Secretary of the Treasury be, and he is hereby, authorized and directed to pay to Emma Gomez, out of any money in the Treasury allocated by the President for the maintenance and operation of the Civilian Conservation Corps, the sum of \$500. Such sum shall be in full settlement of all claims against the United States on account of damages for personal injuries sustained by the said Emma Gomez on the 16th day of January 1935, on United States Highway No. 60, between Willard and Mountainair, N. Mex., while riding in an automobile which collided with an improperly parked Government truck, attached

to Civilian Conservation Corps Camp F-35-N, located about 3 miles southwest from Manzano, in Torrance County, N. Mex.: Provided, That no part of the amount appropriated in this act in excess of 10 percent thereof shall be paid or delivered to or received by any agent or attorney on account of services rendered in connection with this claim, and the same shall be unlawful, any contract to the contrary notwithstanding. Any person violating the provi-sions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding

With the following committee amendment:

Page 1, line 5, after the word "Treasury", strike out the remainder of line 5, all of line 6, and the word "Corps", in line 7, and insert "not otherwise appropriated."

The committee amendment was agreed to.

Mr. COSTELLO. Mr. Speaker, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. Costello: On page 1, in line 7, after the words "sum of", strike out "\$500" and insert "\$311.70."

The amendment was agreed to.

The bill was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

ALICE MINNICK

The Clerk called the next bill, S. 470, for the relief of Alice Minnick

Mr. HANCOCK and Mr. MOTT objected, and, under the rule, the bill was recommitted to the Committee on Claims.

MRS. GUY A. M'CONOHA

The Clerk called the next bill, S. 760, for the relief of Mrs. Guy A. McConoha.

Mr. COSTELLO and Mr. BARDEN objected, and, under the rule, the bill was recommitted to the Committee on Claims.

ROY D. COOK

The Clerk called the next bill, S. 1157, for the relief of the legal guardian of Roy D. Cook, a minor.

Mr. COSTELLO and Mr. HANCOCK objected, and, under the rule, the bill was recommitted to the Committee on

UNION IRON WORKS

The Clerk called the next bill, H. R. 1750, to carry out the findings of the Court of Claims in the case of the Union Iron

Mr. COSTELLO, Mr. HANCOCK, and Mr. BARDEN objected, and, under the rule, the bill was recommitted to the Committee on Claims.

K. E. PARKER CO.

The Clerk called the next bill, H. R. 2055, for the relief of the K. E. Parker Co.

Mr. HANCOCK and Mr. HALLECK objected, and, under the rule, the bill was recommitted to the Committee on Claims.

STANLEY MERCURI

The Clerk called the next bill, H. R. 2259, for the relief of Stanley Mercuri.

There being no objection, the Clerk read the bill, as

Be the enacted, etc., That the Secretary of the Treasury be, and he is hereby, authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, the sum of \$2,500 to Stanley Mercuri, in full settlement of all claims against the United States for personal injuries sustained by him as a result of a collision between the truck which he was driving, belonging to G. Fried & Sons, and a United States mail truck, said collision occurring on July 16, 1937, at Brooklyn, N. Y.: Provided, That no part of the amount appropriated in this act in excess of 10 percent thereof shall be paid or delivered to or received by any agent or attorney on account of services rendered in connection with this claim, and the same shall be unlawful, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding \$1,000.

With the following committee amendments:

Page 1, line 5, strike out "\$2,500" and insert "\$1,250."
Line 6, after "Mercuri", insert "of Brooklyn, N. Y."
Line 9, after the word "driving", strike out the remainder of
line 9 and "G. Fried & Sons, Inc.", in line 10.

Line 11, after "1937", strike out the remainder of line 11 on page 1 and the word "York" in line 1, on page 2, and insert "on the Manhattan Bridge, between New York City and Brooklyn, N. Y."

The committee amendments were agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

AWARD OF NATIONAL WAR LABOR BOARD OF APRIL 11, 1919

The Clerk called the next bill, H. R. 2355, to provide for the carrying out of the award of the National War Labor Board of April 11, 1919, and the decision of the Secretary of War of date November 30, 1920, in favor of certain employees of the Minneapolis Steel & Machinery Co., Minneapolis, Minn.; of the St. Paul Foundry Co., St. Paul, Minn.; of the American Hoist & Derrick Co., St. Paul, Minn.; and of the Twin City Forge & Foundry Co., Stillwater, Minn.

Mr. COSTELLO, Mr. HANCOCK, and Mr. BARDEN objected, and, under the rule, the bill was recommitted to the Committee on Claims.

ALFRED T. JOHNSTON

The Clerk called the next bill (H. R. 2461) for the relief of Alfred T. Johnston.

There being no objection, the Clerk read the bill, as

Be it enacted, etc., That the Secretary of the Treasury be, and he is hereby, authorized and directed to pay, out of any money in the Treasury not otherwise appropriated and in full settlement of all claims against the Government of the United States, to Alfred T. Johnston, of Lincoln, Calif., the sum of \$500, the same being in the form of a reward for services rendered as telegraph operator for the Southern Pacific Railroad Co. depot at Lincoln, Calif., in connection with the arrest and conviction of Fraest. F. Calif., in connection with the arrest and conviction of Ernest F. Smith for theft of mail matter from the Southern Pacific Railroad Smith for theft of mail matter from the Southern Pacific Railroad Co. depot at Lincoln, Calif., on February 8, 1930: Provided, That no part of the amount appropriated in this act in excess of 10 percent thereof shall be paid or delivered to or received by any agent or agents, attorney or attorneys, on account of services rendered in connection with said claim. It shall be unlawful for any agent or agents, attorney or attorneys, to exact, collect, withhold, or receive any sum of the amount appropriated in this act in excess of 10 percent thereof on account of services rendered in connection with said claim, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding \$1,000.

With the following committee amendments:

Page 1, line 8, strike out the figures "\$500" and insert "\$200."

Page 2, line 2, start with the word "Provided" and strike out the remainder of the bill and insert in lieu thereof the following: "Provided, That no part of the amount appropriated in this act in excess of 10 percent thereof shall be paid or delivered to or received by any agent or attorney on account of services rendered in connection with this claim, and the same shall be unlawful, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding \$1,000."

The committee amendments were agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

ALBERT W. WRIGHT

The Clerk called the next bill, H. R. 2586, for the relief of Albert W. Wright.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the Secretary of the Treasury is authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, to Albert W. Wright, of Richland, N. Y., the sum of \$304.33. Such sum represents payment to the Post Office Department by Albert W. Wright in the year 1921 to make up a deficit at the Richland (N. Y.) post office caused by the theft, the recovery of which is barred by the statute of limitations.

With the following committee amendments:

Line 6, strike out "\$304.33. Such sum represents" and insert "\$304.33, in full settlement of all claims against the United States for a."

Lines 9 and 10, strike out the words "theft, the recovery of which is barred by the statute of limitations" and insert "theft: Provided, That no part of the amount appropriated in this act in excess of 10 percent thereof shall be paid or delivered to or received by any agent or attorney on account of services rendered

in connection with this claim, and the same shall be unlawful, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding \$1,000."

Mr. COSTELLO. Mr. Speaker, I offer an amendment. The Clerk read as follows:

Amendment offered by Mr. Costello: On page 1, in line 6, after the words "sum of", strike out "\$304.33" and insert "\$197.33."

The amendment was agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

J. P. HARRIS

The Clerk called the next bill, H. R. 2842, for the relief of J. P. Harris.

There being no objection, the Clerk read the bill, as

Be it enacted, etc., That the Secretary of the Treasury be, and he is hereby, authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, to J. P. Harris, Mystic, Iowa, the sum of \$10,000, such sum to be in full settlement of all claims against the United States for damages sustained by the said J. P. Harris as the result of personal injuries received when struck by a Federal Civil Works Administration truck on December 20, 1933, in Mystic, Appanoose County, Iowa.

With the following committee amendment:

Line 6, strike out the figures "\$10,000" and insert "\$3,500."

At the end of the bill add: "Provided, That no part of the amount appropriated in this act in excess of 10 percent thereof shall be paid or delivered to or received by any agent or attorney on account of services rendered in connection with this claim, and the same shall be unlawful, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding \$1,000."

The committee amendments were agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

ANNA MATTIL AND OTHERS

The Clerk called the next bill, H. R. 2848, for the relief of Anna Mattil and others.

There being no objection, the Clerk read the bill, as follows:

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the Secretary of the Treasury be, and he is hereby, authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, to Anna Mattil, of Rochester, N. Y., the sum of \$20,000; to Mildred Reed, Coldwater, N. Y., the sum of \$10,000; to John A. Mattil, Rochester, N. Y., the sum of \$4,000: to John H. Mattil, Sr., Rochester, N. Y., the sum of \$1,500; to Edward Kolb, Rochester, N. Y., the sum of \$5,000; to Anna Fritz Starr, Rochester, N. Y., the sum of \$5,000; to Anna Fritz Starr, Rochester, N. Y., the sum of \$1,000; to Deloris Clow, Rochester, N. Y., the sum of \$5,000; to the legal guardian of Betty Jane Mosher, a minor, Rochester, N. Y., the sum of \$10,000; to the legal guardian of Mary Ann Thesing, a minor, Rochester, N. Y., the sum of \$20,000; to the legal guardian of George Mattil, a minor, Rochester, N. Y., the sum of \$20,000; and to the legal guardian of Susie Spier, a minor, Rochester, N. Y., the sum of \$20,000; and to the legal guardian of Susie Spier, a minor, Rochester, N. Y., the sum of \$5,000; to In Italian against the Government of the United States for personal injuries sustained by them as the result of an explosion and fire caused by agents of the Bureau of Prohibition during a raid in the city of Rochester, N. Y., July 7, 1933: Provided, That no part of the amounts appropriated in this act in excess of 10 percent thereof shall be paid or delivered to or received by any agent or agents, attorney or attorneys, on account of services rendered in connection with said claims. It shall be unlawful for any agent or agents, attorney or attorneys, to exact, collect, withhold, or receive any sum of the amounts appropriated in this act in excess of 10 percent thereof on account of services rendered in connection with said claims, any contract to the contrary notwithstanding. Any cent thereof on account of services rendered in connection with said claims, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guity of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding \$1,000.

With the following committee amendments:

Page 1, line 6, strike out the figures "\$20,000" and insert "\$1,250."
Page 1, line 7, strike out the figures "\$10,000" and insert "\$300."
Page 1, line 8, strike out the figures "\$4,000" and insert "\$300."
Page 1, line 9, strike out the figures "\$1,500" and insert "\$250."
Page 1, line 10, strike out the figures "\$5,000" and insert "\$300."
Page 1, line 11, strike out the words "to Anna" and insert "to Anna."
Page 1, line 12, strike out the figures "\$1,000" and insert "\$250."

Page 1, line 12, strike out the figures "\$1,000" and insert "\$300."
Page 2, line 1, strike out the figures "\$5,000" and insert "\$300."

Page 2, line 2, strike out the figures "\$3,000" and insert "\$100." Page 2, line 3, strike out the figures "\$10,000" and insert "\$750." Page 2, line 5, strike out the figures "\$5,000" and insert "\$500." Page 2, line 7, strike out the figures "\$20,000" and insert "\$1,500." Page 2, line 8, strike out the figures "\$20,000" and insert "\$1,500." Page 2, line 8, strike out the word "and."

Page 2, line 8, strike out the word "and."
Page 2, line 10, strike out the figures "\$5,000" and insert the figures and words "\$750; to the legal guardian of Richard Ormsby, a minor, Rochester, N. Y., the sum of \$1,500; and to Richard Smith, Rochester, N. Y., the sum of \$250,."
Page 2, line 14, strike out the colon after "1933" and all of the wording of the bill which follows and insert in lieu thereof ": Provided, That no part of the amount appropriated in this act in excess of 10 percent thereof shall be paid or delivered to or received by any agent or attorney on account of services rendered in connection with this claim, and the same shall be unlawful, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon coviction thereof shall be fined in any sum not exceeding \$1,000." \$1,000.

The committee amendments were agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

C. R. HENDERSON

The Clerk called the bill (H. R. 3090) for the relief of C. R. Henderson.

There being no objection, the Clerk read the bill as follows:

Be it enacted, etc., That the Secretary of the Treasury be, and he is hereby, authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, to C. R. Henderson, of Yazoo City, Miss., the sum of \$520.22, in full satisfaction of his claim against the United States for per diem work done and money paid out for telephone and telegrams and annual leave while an employee of the Resettlement Administration: Provided, That no part of the amount appropriated in this act in excess of 10 percent thereof shall be paid or delivered to or received by any agent or attorney on account of services rendered in connection with this claim, and the same shall be unlawful, any contract to the contrary notwithstanding. Any person violating the tract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceed-

With the following committee amendments:

With the following committee amendments:

Page 1, line 6, strike "\$520.22" and insert "\$416.93".

Line 8, page 1, strike out lines 8, 9, 10 and 11 and lines 1, 2, 3, 4, 5, 6, and 7 on page 2 and insert: "salary earned from December 12 through December 18, 1935; for subsistence expenses and per diem in lieu of subsistence incurred during December 1935, and January, February, March 1936, but not paid because of an erroneous designation of his official station; and for miscellaneous mileage, telephone, and per diem expenses incurred during April, May, June 1936, and administratively approved, all while an employee of the Farm Security and Resettlement Administrations, Department of Agriculture: Provided, That no part of the amount appropriated in this act in excess of 10 percent thereof shall be paid or delivered to or received by any agent or attorney on account of services rendered in connection with this claim, and the same shall be unlawful, any contract to the contrary notwithstanding.

Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding \$1,000."

The Committee amendments were agreed to, and the bill as amended was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider laid on the table.

CAPT. FRANCIS H. A. M'KEON

The Clerk called the bill (H. R. 3100) for the relief of Capt. Francis H. A. McKeon.

There being no objection, the Clerk read the bill, as

Be it enacted, etc., That the Secretary of the Treasury be, and he is hereby, authorized and directed to pay, out of any money in the Treasury not otherwise appropriated and in full settlement against the Government, the sum of \$291.46 to Francis H. A. Mc-Keon, captain, Twenty-ninth Regiment United States Infantry, being the amount stopped against his pay by reason of clerical failure to enter on the pay rolls of said regiment certain allotments of enlisted men, made against the pay of certain enlisted men, covering allotments made by them.

With the following committee amendments:

Lines 5 and 6, strike out the words "and in full settlement against

the Government."
Line 7, strike out the words "Twenty-ninth Regiment" and insert "Thirteenth Infantry."

Line 7, after the word "States", insert "Army, in full satisfaction of his claim against the United States for refund of."

Line 8, strike out the words "Infantry, being."

Lines 8 and 9, strike out the words "by reason of clerical failure to enter on the pay rolls of said regiment" and insert "on account of errors made by personnel in his office in failing to deduct."

Line 11, strike out the words "covering allotments made by them"; also, strike out the period at the end of the sentence and add: "while he was detailed as personnel adjutant, Twenty-ninth Infantry, United States Army, Fort Benning, Ga., during 1921 and 1922: Provided, That no part of the amount appropriated in this act in excess of 10 percent thereof shall be paid or delivered to or received by any agent or attorney on account of services rendered in connection with this claim, and the same shall be unlawful, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding \$1,000."

The committee amendments were agreed to; and the bill as amended was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider laid on the table.

CHARLES E. NAGHEL AND KAMMEYER & MEDACK

The Clerk called the bill (H. R. 2062) for the relief of Charles E. Naghel and Kammeyer & Medack.

The SPEAKER. Is there objection?

There was no objection.

The SPEAKER. The Chair calls attention to the fact that similar Senate bill (S. 539) is on the Speaker's table.

Mr. RAMSPECK. Mr. Speaker, I ask unanimous consent that the Senate bill may be substituted for the House bill.

The SPEAKER. Is there objection?

There was no objection.

The SPEAKER. The Clerk will report the Senate bill.

The Clerk read the Senate bill, as follows:

Be it enacted, etc., That the Comptroller General of the United Be it enacted, etc., That the Comptroller General of the United States be, and he is hereby, authorized and directed to allow credit in the amount of \$61.15 in the accounts of Charles E. Naghel, former special disbursing agent of the Department of the Interior, at Juneau, Alaska, and to remove charges raised against such officer and against the contractor, Kammeyer & Medack, in that amount, representing a part of the payment made May 8, 1933, on voucher No. 6800, for extra services performed and material furnished in connection with contract No. 1 Ind-5796, dated June 10, 1932, for the construction of an Indian Service hospital at Unalaska, Alaska.

The bill was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider laid on the table

A House bill (H. R. 2062) was laid on the table.

ALLEN L. ABSHIER AND OTHERS

The Clerk called the bill (H. R. 2064) for the relief of Allen L. Abshier, Verne G. Adams, Oliver D. Chattin, William K. Heath, and Harry B. Jennings.

There being no objection, the Clerk read the bill, as follows:

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the Secretary of the Treasury be, and he is hereby, authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, to Allen L. Abshier the sum of \$139.50, to Verne G. Adams the sum of \$402.24, to Oliver D. Chattin the sum of \$102.75, to William K. Heath the sum of \$26.73, and to Harry B. Jennings the sum of \$290, in all \$961.22, in full satisfaction of all their claims against the United States for damage to or loss of personal property resulting from a fire which occurred on May 8, 1938, in the officers' quarters of the administration building at Federal Prison Camp No. 11, Kooskia, Idaho, while such persons were employees of the Bureau of Prisons, Department of Justice: Provided, That no part of the amounts appropriated in this act in excess of 10 percent thereof shall be paid or delivered to or received by any agent or attorney on account of services rendered in connection with this claim, and the same shall be unlawful, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding \$1,000.

The bill was ordered to be engrossed and read a third time.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

ACCOUNTS OF CERTAIN FORMER DISBURSING OFFICERS, VETERANS' ADMINISTRATION

The Clerk called the bill (H. R. 2073) to allow credit in the accounts of certain former disbursing officers of the Veterans' Administration, and for other purposes.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the Comptroller General of the United States is hereby authorized and directed, in the settlement of the accounts of the following-named former disbursing officers of the Veterans' Administration, the Veterans' Bureau (now Veterans' Administration), and the present Chief Disbursing Officer, Treasury Department, to allow credit in the sums herein stated now standing as disallowances in the said accounts on the books of the General as disanowances in the said accounts on the books of the General as disanowances in the said account of the control of the count of a disbursing officer shall not be chargeable to any administrative officer or employee of the Veterans' Administration: Provided further, That this act shall not bar recovery of the amounts here here peed the provided from the persons to whom such amounts here peed the peed to be a peed t

amounts herein specified from the persons to whom such amounts have been paid.

1. J. B. Schommer, former disbursing officer, Veterans' Administration, Washington, D. C., in the sums of \$25 and \$95.25, which amounts were expended during the period from May 1933 to June 30, 1934 (symbols 11500 and 11532).

2. C. A. Wood, former disbursing officer, Veterans' Administration facility, Atlanta, Ga., in the sum of \$509.75, which amount was expended during the period from August 1932 to June 30, 1933 (symbol 11473).

was expended during the period from August 1932 to June 30, 1933 (symbol 11473).

3. Warren A. Minnis, former disbursing officer, Veterans' Administration Facility, Bay Pines, Fla., in the sum of \$97.66, which amount was expended during the period from May 1933 to May 1934 (symbol 11376).

4. H. B. Barrellaugh former dishuration of the period from May 1933 to May 1934 (symbol 11376).

- 4. H. R. Barraclough, former disbursing officer, Veterans' Administration, Boston, Mass., in the sum of \$47.63, which amount was expended during the period from May 1 to July 31, 1933 (sym-
- bol 11472).
 5. J. W. Reynar, former disbursing officer, Veterans' Administration, Charlotte, N. C., in the sum of \$13.80, which amount was expended during the period from May 1 to August 31, 1933 (symbol

6. James H. Jones, former disbursing officer at Veterans' Administration facility, Cheyenne, Wyo., in the sum of \$1, which amount was expended during the period from August 1 to 31, 1934 (symbol

11402).
7. Marsden V. Bates, former disbursing officer at Veterans' Administration, Detroit, Mich., in the sum of \$6.94, which amount was expended during the period from February 1 to 28, 1934 (symbol

11380).

8. E. J. Cooper, former disbursing officer at Veterans' Administration facility, Fort Harrison, Mont., in the sum of \$8, which amount was expended during the period from October 1 to 31, 1933 (symbol 11372).

(symbol 11372).

9. T. A. Dillon, former disbursing officer at Veterans' Administration facility, Indianapolis, Ind., in the sum of \$50.33, which amount was expended during the period from October 1, 1933, to May 31, 1934 (symbol 11512).

10. James J. Gallagher, former disbursing officer at Veterans' Administration facility, Lyons, N. J., in the sum of \$72.71, which amount was expended during the period from April 1 to April 30, 1924 (symbol 11324)

amount was expended during the period from April 1 to April 30, 1934 (symbol 11394).

11. Don Her, former disbursing officer at Veterans' Administration, New York, N. Y., in the sum of \$18, which amount was expended during the period from May 1 to 31, 1933 (symbol 11333).

12. D. B. Kennedy, former disbursing officer at Veterans' Administration facility, Palo Alto, Calif., in the sum of \$15, which amount was expended during the period from January 1 to March 31, 1934 (symbol 11307).

(symbol 11307).

13. P. J. Carney, former disbursing officer at Veterans' Administration, Philadelphiafi Pa., in the sum of \$2.95, which amount was expended during the period from July 1, 1933, to July 31, 1934

expended during the period from early 1, 2005, 65 (symbol 11253).

14. J. William Yates, Jr., former disbursing officer at Veterans' Administration facility, Tuscaloosa, Ala., in the sum of \$113, which amount was expended on May 9, 1929 (symbol 99104).

15. A. G. Ferguson, former disbursing officer at Veterans' Administration facility, Wadsworth, Kans., in the sum of \$134.90, which amount was expended during the period of July 1 to 31, 1932 (symbol 11536). 1933 (symbol 11536).

16. G. F. Allen, Chief Disbursing Officer, Treasury Department, in the sums of \$30, \$37.50, \$539, \$383.03, \$286.39, and \$384.71, which amounts were expended during the period from July 1, 1934, to March 31, 1937 (symbols 11578, 11568, 11561, 99287, 99291, and 99288), and for which certain employees in the Veterans' Administration are held financially liable.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider laid on the table.

CHARLES T. WISE

The Clerk called the bill (H. R. 2079) for the relief of Charles T. Wise.

There being no objection, the Clerk read the bill, as

Be it enacted, etc., That Charles T. Wise, former owner of three farms consisting of 304 acres of land, more or less, near Camp Knox in Hardin County, Ky., is, as such former owner, hereby authorized to bring such suit or suits as he may respectively desire to so do against the United States of America to recover damages, if any,

for loss or losses which he may have sustained or suffered, as such owner, by reason of establishment, construction, or maintenance of Camp Knox in the State of Kentucky. Jurisdiction is hereby conferred upon the District Court of the United States for the Western District of Kentucky to hear, consider, determine, and render judgments for the respective amounts of such damages, if any, as may be found to have been sustained or suffered by the said owner of said farms, with the same right of appeal as in other cases, and notwithstanding any lapse of time or statute of limitation: Provided, That such action will be brought within 1 year from the date that this act shall become effective.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider laid on the table.

WIDOW OF JAMES A. HENDERSON, DECEASED

The Clerk called the bill (H. R. 3358) for the relief of the widow and minor children of James A. Henderson, deceased. Mr. HANCOCK and Mr. COSTELLO objected, and the bill was recommitted to the Committee on Claims.

COMMANDER HENRY COYLE

The Clerk called House Joint Resolution 110, to authorize Commander Henry Coyle, United States Coast Guard, to accept the decoration and diploma of the Marine Medal of Class 1 (gold), conferred upon him by the Government of Greece.

There being no objection, the Clerk read the joint resolution, as follows:

Resolved, etc., That Commander Henry Coyle, United States Coast Guard, be authorized to accept the decoration and diploma of the Marine Medal of Class 1 (gold), conferred upon him by the Government of Greece in recognition of services rendered in the rescue of the crew of the Greek steamship Tzenny Chandris, which foundered on November 13, 1937, off the coast of Cape Hatteras; and that the Department of State be permitted to deliver such decoration and diploma to this officer.

The joint resolution was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

JOHN BARBU

The Clerk called the next bill, H. R. 4025, for the relief of John Barbu.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That in the administration of the immigration and naturalization laws the Secretary of Labor be, and he is hereby, authorized and directed to record the lawful admittance for permanent residence of John Barbu on December 24, 1921, and that he shall, for all purposes under the immigration and naturalization laws, be deemed to have been lawfully admitted to the United States as an immigrant for permanent residence.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

Mr. COSTELLO. Mr. Speaker, I ask unanimous consent to dispense with further proceedings under the call of the Private Calendar.

The SPEAKER. Is there objection to the request of the gentleman from California?

Mr. HALLECK. Mr. Speaker, reserving the right to object, I wish to address a question to the gentleman from California. Would it then be in order to ask unanimous consent to return to a bill that has already been called?

The SPEAKER. The Chair would be inclined to think it would be in order to submit that request at the conclusion of the call, if the remainder of the call is dispensed with.

Is there objection to the request of the gentleman from California?

There was no objection.

K. E. PARKER CO.

Mr. HALLECK. Mr. Speaker, I ask unanimous consent to return to Private Calendar, No. 36, H. R. 2055, for the relief of K. E. Parker Co., and to withdraw my objection to the consideration of that bill.

The Clerk read the title of the bill.

The SPEAKER. Is there objection to the request of the gentleman from Indiana?

Mr. HANCOCK. Mr. Speaker, I object to the request.

MESSAGE FROM THE SENATE

A message from the Senate, by Mr. St. Claire, one of its clerks, announced that the Senate agrees to the report of the committee of conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H. R. 2868) entitled "An act making appropriations to supply deficiencies in certain appropriations for the fiscal year ending June 30, 1939, to provide supplemental appropriations for the fiscal year ending June 30, 1939, and for other purposes.'

The message also announced that the Senate agrees to the amendment of the House to the amendment of the Senate No. 23 to the foregoing bill and also agrees to the amendment of the House on page 5, in line 2, to said engrossed bill.

The message also announced that the Senate agrees to the report of the committee of conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H. R. 3743) entitled "An act making appropriations for the Executive Office and sundry independent executive bureaus, boards, commissions, and offices, for the fiscal year ending June 30, 1940, and for other purposes."

The message also announced that the Senate recedes from its amendments Nos. 17 and 18 to the foregoing bill.

INVESTIGATION OF THE MILK INDUSTRY IN THE DISTRICT OF COLUMBIA

Mr. SMITH of Virginia. Mr. Speaker, I call up House Resolution 113.

The Clerk read as follows:

House Resolution 113

House Resolution 113

Resolved, That the House Committee on the District of Columbia, or a duly authorized subcommittee thereof, be, and is hereby, authorized and directed to make a full and complete investigation of (1) the sources and purity of the milk and cream supply of the District of Columbia; (2) of any violation of the law of the District of Columbia or regulations of the District Commissioners made pursuant thereto with respect to the importation of milk or cream into the District of Columbia or importation of unlicensed milk or cream into the District of Columbia and the method by which such violations are perpetrated; (3) the possible effect upon the health of the community by reason of the unlawful importation of unlicensed milk or cream into the District of Columbia; (4) whether and to what extent cream for ice-cream purposes, under section 4 of the 1925 Milk Act of the District of Columbia, is being diverted unlawfully to milk or cream for fluid consumption; (5) whether any conspiracy exists on the part of any distributor of any dairy products to violate the provisions of the 1925 District Milk Act or the regulations made pursuant thereto.

The said committee or any subcommittee thereof is hereby explorited for the purpose of the test of the precedure to subspace and

tions made pursuant thereto.

The said committee or any subcommittee thereof is hereby authorized for the purpose of this resolution to subpena and require the production of the books and records of any person, firm, or corporation licensed to import milk or cream into the District of Columbia or of any person, firm, or corporation which it has reason to believe is unlawfully importing milk or cream into the District of Columbia or unlawfully selling the same.

For the purposes of this resolution, the said committee or any subcommittee thereof is hereby authorized to sit and act at such times and places within the United States, whether the House is sitting or has recessed or has adjourned, to hold such hearings, to require the attendance of such witnesses, and the production of such books or papers or documents or vouchers by subpena or

sitting or has recessed or has adjourned, to hold such hearings, to require the attendance of such witnesses, and the production of such books or papers or documents or vouchers by subpena or otherwise, to take such testimony and records, and to employ such clerical and other assistants as it deems necessary. Subpenas shall be issued under the signature of the Speaker of the House at the request of the chairman of the committee and shall be served by the Sergeant at Arms of the House or by such person or persons as may be designated by him. The chairman of the committee or any member of the committee may administer oaths to witnesses. Every person who, having been summoned as a witness by authority of said special committee or any subcommittee thereof, or having been required to produce necessary books or papers or documents or vouchers by authority of said special committee or any subcommittee thereof, willfully makes default, or who, having appeared, refuses to answer any question pertinent to the study and investigation heretofore authorized, or who fails to produce such books or papers or documents or vouchers as required by subpenas, shall be held to the penalties provided in section 102 of the Revised Statutes of the United States (U. S. C., title 2, sec. 192), as amended.

That the committee or duly authorized subcommittee is authorized to call upon any agency of the District or Federal Government for the purpose of rendering assistance in carrying out the terms of this resolution.

That the said committee shall report to the House of Representatives at the earliest practicable date the result of its investication.

That the said committee shall report to the House of Representatives at the earliest practicable date the result of its investigation together with its recommendations for the enactment of desirable or necessary legislation or regulations.

Mr. SMITH of Virginia. Mr. Speaker, I yield 30 minutes to the gentleman from Michigan [Mr. Mapes] for the purpose of debate.

Does the gentleman desire to use some time at this time? Mr. MAPES. I would be glad to yield, but Members on this side would like to have the gentleman make an affirmative statement in behalf of the resolution before they speak.

Mr. SMITH of Virginia. I can state briefly the purposes of the resolution and will discuss it later, reserving the balance of my time.

The purpose of the resolution is set forth clearly in the first subdivision, beginning on page 1. The object of this investigation is to determine the source and purity of the milk supply of the District of Columbia, to determine what, if any, violations of the law governing the supply of milk to the District of Columbia are being perpetrated, and, if so, what effect it might have upon the health of the residents of the District of Columbia, and whether cream that can be lawfully brought into the District of Columbia for ice cream purposes is being unlawfully diverted into fluid or drinking milk channels. Also whether any conspiracy exists on the part of distributors of milk in Washington to violate the law.

Now, briefly, that is what the resolution is all about, that and nothing more. It is a mere investigation into the question of whether there is any criminal violation of the law and, if so, to what extent and what causes.

I feel sure, that being the sole and only purpose of this resolution, you gentlemen should promptly join in asking for its adoption. I am glad to give any further explanation that the gentleman may desire, if I can.

Mr. AUGUST H. ANDRESEN. Mr. Speaker, will the gentleman yield?

Mr. SMITH of Virginia. I yield.

Mr. AUGUST H. ANDRESEN. Will the gentleman explain to the House what is meant by "licensed cream or milk or unlicensed cream or milk"?

Mr. SMITH of Virginia. Licensed cream or milk means just what it says. A person producing fluid milk for the market in Washington, D. C., does so under a license issued by the health officer of the District of Columbia. If he does not have such a license, then he is prohibited, by law enacted by the Congress, from shipping milk into the District of Columbia.

Mr. AUGUST H. ANDRESEN. As I understand it, then, before any dairy farmer or producer in the United States may ship cream or milk into the District of Columbia he must first secure a license from the District Commissioners?

Mr. SMITH of Virginia. That is true, and I think that is true in every city in the United States.

Mr. AUGUST H. ANDRESEN. I beg the gentleman's pardon. It may be in some States.

Mr. SMITH of Virginia. If it is not, it ought to be.

Mr. AUGUST H. ANDRESEN. They have certain regulations and requirements for quality of both milk and cream in most communities.

Mr. SMITH of Virginia. I am not able to yield further at this time

Mr. DOWELL. Mr. Speaker, will the gentleman yield?

Mr. SMITH of Virginia. I yield.

Mr. DOWELL. Is the Health Department back of this bill and asking the passage of this bill?

Mr. SMITH of Virginia. I have never discussed it with the Health Department. I do not know about that.

Mr. HEALEY. Mr. Speaker, will the gentleman yield? Mr. SMITH of Virginia. I yield.

Mr. HEALEY. The source of supply for the District of Columbia is limited to the milkshed in contiguous territory, is it not?

Mr. SMITH of Virginia. Yes. It is not so very contiguous. I would say it runs in an area perhaps 100 miles or more surrounding Washington.

Mr. HEALEY. What territory does that take in?

Mr. SMITH of Virginia. It goes into West Virginia, Virginia, and Maryland, and I think into Pennsylvania and perhaps other nearby States.

Mr. HEALEY. And it is in violation of the present law to ship milk from any other milkshed in this country other than that contained in that particular territory?

Mr. SMITH of Virginia. That is true, unless they have a license.

Mr. HEALEY. Does the gentleman mean that with a license they may ship it from some other milkshed?

Mr. SMITH of Virginia. Oh, yes; if they have a license and get their barns inspected and comply with all the other requirements that the other fellows do.

Mr. HEALEY. Who issues the license?

Mr. SMITH of Virginia. The Health Officer of the District of Columbia.

I now yield to the gentleman from Michigan [Mr. Mapes].

Mr. Speaker, I yield 5 minutes to the gentleman from
Wisconsin [Mr. HULL].

Mr. MAPES. Mr. Speaker, I yield 5 minutes to the gentleman from Wisconsin [Mr. Hull].

Mr. HULL. Mr. Speaker, I am not in opposition to the purpose of the gentleman from Virginia in desiring to obtain an investigation as to the milk supply of the District of Columbia. I am not, however, in full accord with the scope of his resolution. I believe it is not possible for any committee of the District of Columbia, or of the House, to make any thorough investigation of the milk situation in the District of Columbia without having added to it further powers. I would like to offer to this amendment, were it possible, an amendment which would provide after the word "thereof," in line 8, of page 2, to add the following:

6. Whether any conspiracy exists on the part of the distributors of any dairy products to monopolize or control the supply of such products and the process thereof to the detriment of both producers or consumers, or either of them.

With this amendment added it might be possible for this committee to go into the subject and determine what is happening to the District of Columbia and the milk consumers of this city.

This is not a new subject. Out in Wisconsin we have surplus dairy products. Seventy-four percent of our dairy products in Wisconsin are shipped to market in processed form, in the way of butter, cheese, condensed milk, dried milk, or some other form.

We have also, however, a surplus of both milk and cream, for which we desire to find a market. Because of the fact that the markets of the larger cities of this country are under the monopolistic control of a few large dairy companies, we find ourselves utterly forbidden to ship the health-producing milk and cream into the city of Washington, for instance, and into many other cities of the country.

The restrictions which have been put upon the marketing of milk have come about very largely through the organization of large corporations for the purpose of controlling the milk supply of the large cities. According to statistics obtained recently by the Federal Trade Commission, in some cities as much as 75 percent of the milk supply is under the direct control of possibly a half dozen of these large corporations.

This movement was started in 1923 when these corporations commenced to float their stocks and bonds and used the proceeds to buy up the pasteurization and other dairy plants in the large centers and organize them under monopolistic control. One corporation, for instance, organized in 1923, then had an authorized capital and bonded debt of \$11,000,000. In the course of 9 years through the power of their organization and the monopolies which they acquired in the various centers of this country, they increased their assets to \$211,000,000. In these same 9 years they have paid their stockholders 63 percent in dividends.

This is only one of many instances of how the Wall Street and the other monopolistic interests have invaded the barnyards and the dairy yards of this country to the detriment of the dairy farmers and at the same time commenced to levy tribute upon the consumers of milk products in the large cities.

The situation which principally is responsible for this investigation resolution at this time has arisen because of the

demand of the milk producers of nearby sections to provide the city of Washington with all the cream that is used in the manufacture of ice cream. About a year ago the city health officer appointed a commission, which was organized to ascertain what could be done to add to the regulations of this city, to the end that the competition which these nearby producers suffered might be reduced. A recent statement by the president of the Milk Producers' Association is to the effect that the cooperation of the health department would give them a better opportunity and better prices for their product in this market.

There are many facts available for an investigation of this nature. In my brief time I cannot go much into detail on this question of the milk monopoly. I would, however, like to quote just briefly from a statement made by Mr. Frederick C. Howe, special representative of the Federal Trade Commission, before a committee of the Senate which is also investigating the question of monopoly. In the course of his testimony he said that the Washington area charges the highest price per quart to consumers in 12 urban areas. The Washington price was quoted at 14 cents against an average of 12½ cents. He goes on to relate the number of cities which permit milk to be sold over the counter at greatly reduced prices from those charged by these various monopolies. He stated further:

More ancient than the price survey, but of interest to Washington, was a chart showing that National Dairy controlled 56 percent of this city's milk distribution in 1930.

He goes on to say that about 15 years ago big business entered the dairy industry.

They want to permit only their own milk to reach the city. They try to keep all other milk out. They throw obstacles in the way of anyone else selling milk except on their terms and at their price.

Mr. AUGUST H. ANDRESEN. Mr. Speaker, will the gentleman yield?

Mr. HULL. I yield.

Mr. AUGUST H. ANDRESEN. Does the gentleman know whether the Commissioners in charge of enforcing the milk regulations here can arbitrarily refuse to grant a permit to some nonresident to ship milk in here provided the milk furnished meets the specifications laid down by the Commissioners?

Mr. HULL. That is not only the case here, but it is the case all over the country.

Mr. AUGUST H. ANDRESEN. In Minnesota it is just an arbitrary action?

Mr. HULL. They can refuse, and in some cities have declined unless the farmer himself will pay the cost of a city inspector going out to inspect his dairy and pay him \$8 a day, and expenses in addition.

Mr. HEALEY. Mr. Speaker, will the gentleman yield?

Mr. HULL. I yield.

Mr. HEALEY. Is the gentleman familiar with the milk situation in Washington, D. C.?

Mr. HULL. To a limited degree.

Mr. HEALEY. And does the gentleman charge that there is a monopoly in charge of the distribution of milk in Washington, controlling the distribution and price of milk and cream?

Mr. HULL. It is my charge, according to the statement of Mr. Howe, that at least 56 percent is dominated by one company alone.

Mr. HEALEY. I may say to the gentleman that in my opinion the amendment he desires to add to this resolution is very proper and I intend to support it.

Mr. HULL. I thank the gentleman. Dr. Howe further on said:

They want to permit only their own milk to reach the city. They throw obstacles in the way of anyone else selling milk except on their terms and at their price. In other words, they have succeeded in denying 3,000,000 farmers the right to their own business on the farm.

Mr. Speaker, I have not the time to go into this more deeply at the moment. I have read enough to indicate that there is a monopolistic control of the milk supply of this country, and there should be an investigation by the District of Columbia Committee. That investigation cannot be complete and satisfactory without broadening the power under this resolution, and it is that added power which is the purpose of my amendment

Mr. WALTER. Will the gentleman yield?

Mr. HULL. I yield to the gentleman from Pennsylvania.

Mr. WALTER. Does the gentleman feel that because of the situation he has described the prices of milk and cream are too high in the District of Columbia?

Mr. HULL. I think they are too high; and, furthermore, I believe if they would let the Wisconsin farmers ship here that good, healthy, well-regulated, and well-inspected product, of which we have a surplus in our State, we could not only get a higher price for the farmers who are ready to ship this milk and cream, but we could supply it to the consumers at a much less price than is reported at this time.

If I had the time, I would go further into the subject of what is happening in the city of Chicago, where they have 92 people, including the large dairy companies and their officials, together with the health officers of the city, under indictment for a similar monopolistic control of the milk supply.

The health regulations governing the conditions under which the milk and cream supplies of our cities and States are produced, processed, and distributed should have one simple purpose—that of protecting the health of consumers of these products. If the regulations accomplish more than that purpose, then they do too much. Occasionally, by accident, and quite often by design, such regulations are drawn and enforced so as to discriminate against the product of other States in the interest of either local producers or distributors. Regulations like that, in place of bringing a needed healthful quantity of milk and cream to the residents of such places, prevent consumption. They should be called antihealth regulations. If it is the purpose of any city or State to debar the healthful product of other States, then that purpose should not be accomplished under the guise of health regulations, but should be stated for what it is.

The health regulations of the District of Columbia serve to keep out of the District of Columbia the clean, healthful cream produced by farmers in the Western States.

The resolution before the House calls for an investigation into, first, the sources and purity of the milk and cream supply of the District of Columbia; second, of any violation of the law of the District of Columbia or regulations of the District Commissioners made pursuant thereto with respect to the importation of milk or cream into the District of Columbia or importation of unlicensed milk or cream into the District of Columbia and the method by which such violations are perpetrated; third, the possible effect upon the health of the community by reason of the unlawful importation of unlicensed milk or cream into the District of Columbia; fourth, whether and to what extent cream for icecream purposes, under section 4 of the 1925 Milk Act of the District of Columbia, is being diverted unlawfully to milk or cream for fluid consumption; and fifth, whether any conspiracy exists on the part of any distributor of any dairy products to violate the provisions of the 1925 District Milk Act or the regulations made pursuant thereto. Such an investigation is not broad enough in its scope. It can go into only one side of the question of public interest involved and not at all into the other. The question which will be answered will go to the sufficiency of enforcement of the law and the regulations. Perhaps violations will be shown, and perhaps not. I submit that another question should be asked and answered. I want to know whether the law and the regulations are being used to protect the health of the inhabitants of the District of Columbia or whether advantage is being taken of the law and the regulations thereunder to foment monoply and to provide a barrier to the interstate trade in which farmers in the Western States might engage to their advantage and to the advantage of local consumers.

There is evidence to support the belief that this may be the case. I have had complaints to this effect laid before me. I have made some investigation of the matter.

I read in a report issued by the Bureau of Agricultural Economics of the Department of Agriculture this statement:

Some areas have constantly raised their standards for the production of fluid milk. In any given case it would probably be impossible to tell in what degree this resulted from attempts to exclude outside milk or from a sincere desire to improve the quality of the product.

In this connection it is stated that regulations have caused milk prices in the District of Columbia to be 1 or 2 cents above prices in other nearby well-regulated cities.

No investigation will be worth while which does not go into the question of monopolistic control of the market.

There is evidence to indicate that it would be possible to tell how far advantage of the District of Columbia rules has been taken to rule out competition from outside producers and to control the competition of distributors within the District.

In the Washington Daily News on Thursday, March 9, I observed an article dealing with this situation, in which the local association head was quoted as saying that they have gone to the Health Department for assistance, so that "we might get a better price for our cream for ice-cream purposes." What does the Health Department in the District have to do with economic matters? I looked further into the question and found that the remarks came from the 1937 report of the association, in which the gentleman also said that "he hoped that it will not be necessary for the Health Department to give any permits outside of the present production area." Possibly pressure has been brought to bear on the Health Department in this matter, so as to keep out western cream.

In the hearings held in 1933 by the Senate District Committee pertaining to the sale and distribution of dairy products in the District of Columbia I find considerable material on the subject of activities of the Health Department and local interests to restrict this market. They are too numerous to quote in full, and are all much of the same character. On page 56 I read a question by the chairman:

Do you think from your observations that there was a sort of a plan—I will not use the word conspiracy—between the part of the association that Mr. McGill is connected with and the Health Department here to increase these improvements, difficulties, for the purpose of affecting disadvantageously some of the milk producers?

The witness, who was a milk producer, answered:

Absolutely. They stated so at the meetings.

[Here the gavel fell.]

Mr. MAPES. Mr. Speaker, I yield 10 minutes to the gentleman from Indiana [Mr. HALLECK].

Mr. HALLECK. Mr. Speaker, the gentleman from Virginia [Mr. SMITH] is always diligent in the interest of the people of his district, and I commend him for it. Being diligent himself, I take it he will not seriously object to some of the rest of us presenting those viewpoints and interests of our people which seem to us to be pertinent in this inquiry. Might I also suggest that the gentleman from Virginia is particularly solicitous about the health and the safety of the people of the District of Columbia. He is to be commended for that attitude, and I share with him that solicitude. I live here with my family, which includes a couple of youngsters, when the Congress is in session. They drink a lot of milk. I wish they would drink more. So I am sure he will agree with me that I have no desire in this controversy or in any controversy to do anything that might in any way adversely affect the health and safety of the people of the District of Columbia by reason of their consumption of dairy products-milk, cream, and ice cream-that may not be fit and proper for human consumption.

My original interest in this matter arose out of the fact that some days ago a capture or seizure of some alleged bootleg cream from my district that was brought into the city of Washington was made by the Health Department, or the Police Department, or both. Following this there was much contention pro and con about the whole milk and cream situation, and suggestions and intimations that the product which had been so seized was not just what it should be for

the health of the people. I recognize there was in that seizure, too, the matter of the law involved, and as to that I am not quarreling. Being interested in my district and having received telephone calls from farmers, from dairy interests, and from other people in the State of Indiana asking me to look into this matter and protect their interest to the end that any market which is properly available to them in the District of Columbia should not be taken from them. I became interested in this matter.

Mr. SMITH of Virginia. Will the gentleman yield?

Mr. HALLECK. I yield to the gentleman from Virginia.

Mr. SMITH of Virginia. The gentleman does not understand this resolution to be aimed at the proposition of taking away from his farmers the part of the market to which they may be entitled under the law; that is, the ice-cream market? May I set the gentleman at rest on that subject? This resolution has nothing whatsoever to do with any effort to take away from his people the right to sell cream here for ice-cream purposes, which is permitted under the law.

Mr. HALLECK. Mr. Speaker, I think it is obvious, when we consider the circumstances under which this whole controversy has arisen and when we read the terms of the resolution here offered today, that it is indicated that one of the purposes at least is to build higher around the District of Columbia the barrier which already exists against the amount of outside cream that may be brought into this area.

Mr. Speaker, I have here a clipping taken from the Washington Daily News of March 9, in which a statement made by Manager B. B. Derrick, of the Maryland-Virginia Milk Producers' Association, in 1937 is quoted. Here is what they quote him as saying, and I have not seen this denied:

Your association has been very active in attempting to have a set of cream regulations adopted that will improve the quality of outside cream being shipped into Washington for manufacturing purposes, which will, of course, enable us to sell more of our own cream in the local market at better prices. These regulations have a good chance of being adopted in 1939.

Mr. Speaker, it is significant that along with this controversy just at this time there is an emphasis being placed all over this country upon the matter of interstate trade barriers. A report under date of March 1939, entitled "Barriers to Internal Trade in Farm Products" has just been issued by the Department of Agriculture. This report is entitled "A Special Report to the Secretary of Agriculture by the Bureau of Agricultural Economics, United States Department of Agriculture."

Mr. Speaker, there is not any question but what this country was originally founded and started on its great economic development and our Constitution adopted, in the belief and in the firm knowledge that trade between the States would have to be carried on without unreasonable or undue restraint. The whole country has been founded upon this premise; yet in the last few years we have seen health regulations and other regulations and laws used to set up internal trade barriers. For instance, we observed a statute of the Legislature of the State of Indiana adopted some years ago which undertook to bring about in large measure an embargo against the importation of beer from other States into the State of Indiana. That provision has just been repealed by our legislature. The trend toward interstate trade barriers will inevitably divide this country into 48 separate countries if something is not done to stop it.

Mr. SMITH of Virginia. Mr. Speaker, will the gentleman yield?

Mr. HALLECK. I do not care to yield just now.

Mr. Wallace, in a foreword to the report to which I have just referred, says this:

We cannot easily reverse this trend toward interstate trade barriers, but it is encouraging to record that many of the States are now concerned about the situation and are apparently in the mood for remedial action. It is significant that this special report has been sponsored by the marketing committee of the National Association of Commissioners, Secretaries, and Directors of Agriculture.

What I am getting at is this: I have drafted some amendments to this resolution which I believe should be adopted. I have never had much confidence in investigations. This

whole business of the milk and cream situation in Washington and the monopoly said to exist was investigated by the Senate District Committee in 1933 and the committee made its report in 1934. I should like to go into some of the things the committee said, but I will not take the time now. In any event, no legislation followed the report. If we are to have an investigation, then I say the investigating committee should not be interested alone in doing what it can or seeing what can be done to raise the barriers higher, but rather should develop a dual investigation to find out whether or not, having due regard to the safety and health of the people of the District of Columbia, certain rules and regulations and licensing provisions may be adopted to the end that cream and milk and dairy products from sources other than the restricted area around the District of Columbia may be brought into the District.

As I understand, the only way an amendment can be made to this resolution is to vote down the previous question, and then the resolution will be open for amendment.

Mr. Speaker, there are five directions in this resolution. I should like to add these two additional ones as No. 6 and No. 7, and I crave the indulgence of the gentleman from Virginia in order that he may tell me at the conclusion of my statement what his attitude is with regard to the inclusion of this amendment in the resolution:

Page 2, line 7, after "thereto", strike out the period and insert:

"(6) The propriety and feasibility of licensing or otherwise permitting under proper regulation in such manner as to fairly protect the safety and health of consumers in the District of Columbia the entry into the District of Columbia of so-called western cream and milk, and cream and milk from any available sources in the United States for fluid, manufacturing, or other use in the District of Columbia and on the Washington market.

"(7) And whether the 1925 Milk Act and all other acts relating to

"(7) And whether the 1925 Milk Act and all other acts relating to the importation, distribution, and inspection of milk and dairy products require modification, alteration, or improvement in order to insure an adequate supply of milk and dairy products for the residents of the District of Columbia at reasonable and fair prices."

[Here the gavel fell.]

Mr. MAPES. Mr. Speaker, I yield 10 additional minutes to the gentleman from Indiana.

Mr. HALLECK. Mr. Speaker, I fail to see any valid reason for objecting to such amendments as these going into this resolution. If we are to have an investigation, let us have one. The city of Washington, D. C., is the city of the whole Nation. I recognize that the producers of milk and cream located close to the city of Washington have thereby certain natural advantages, certain monopolistic advantages, to which they are adequately and justly entitled. However, I am informed you do not get enough milk and cream from this area to supply the needs of the District. If this be true, Mr. Speaker, then why, under proper supervision, under proper regulation, under proper licensing, should not the milk and cream and dairy products of Indiana, of Wisconsin, or of any other State move into this area?

I wish now to quote just a little further from this report because I think this is significant. I believe the report holds up the District of Columbia as a horrible example of the erection of interstate trade barriers. This is what the committee said in its report, after having considered the matter carefully:

Some areas have constantly raised their standards for the production of fluid milk. In any given case it would probably be impossible to tell in what degree this resulted from attempts to exclude outside milk or from a sincere desire to improve the quality of the product. But, supposing the latter motive to be dominant, there is serious question from the social point of view as to how high these standards should be permitted to go. It is at least arguable that health protection beyond a certain degree may cost more than it is worth. Sanitary experts are loath to concede that there can be too much regulation in the interest of protecting health. Yet a common-sense view may hold otherwise on occasions. When it is found, for example, that refinements of regulatory procedure cause milk to sell regularly at 1 and 2 cents a quart more than in other nearby well-regulated cities (as is the case in the District of Columbia) the ordinary consumer may wonder if this additional item of protection is fully justified in terms of public health. Low-income families who can afford little and frequently no milk for their children might bear witness to the adverse public-health effects of an inspection program that helps to hold milk out of their reach.

Mr. Speaker, the persons who have written this report have called a meeting to be held in the city of Chicago to discuss the entire problem of interstate trade barriers. I hold in my hand a press release from the Department of Agriculture, under the date of March 9, in which this is stated:

The Bureau of Agricultural Economics was informed today that a national conference on interstate trade barriers has been called by the Council of State Governments to be held at Chicago April 5, 6, and 7, in an effort to halt the erection of tariff barriers among the several States. The council is composed of State Governors, commissioners, and legislators, who resolved in a general assembly at Washington in January that interstate trade barriers under whatever guise are detrimental to the economic welfare of the country. Forty-six of the forty-eight States were represented at the assembly here.

Now, getting back to the amendments that I offer to this investigation, Washington is a city of the whole country and if there is anything in the law or the regulations that sets up unreasonable interstate trade barriers that are not justified, we are the government of the District of Columbia and we ought to be finding out about it. We should set an example to all the States of the Union and the country itself. I do not know whether there are any trade barriers here or not. I do not know whether milk costs too much or not. I am intensely interested in seeing to it that the production of dairy products should be stabilized. That is essential. I am interested in seeing to it that the safety and health, not only of the people of the District, but of all States and all communities, are amply protected by the law and by the regulations.

I am also intensely interested in the preservation of free trade between the States and between the States and the District of Columbia, because I believe this is absolutely necessary, if this great country of ours is to continue its

economic development in the future.

I think these amendments should be adopted. I trust the gentleman from Virginia [Mr. Smith] will not object to them. I do not believe they ask for anything that is not proper, and in this light I ask you Members of the House, when the vote comes on the previous question, that that motion be voted down in order that these amendments may be offered and adopted. [Applause.]

Mr. SMITH of Virginia. Mr. Speaker, does the gentleman

from Michigan desire to yield some time?

Mr. MAPES. I have only one further speaker on this side.

Mr. SMITH of Virginia. Mr. Speaker, I yield such time as he may desire to the gentleman from West Virginia [Mr. RANDOLPH].

Mr. RANDOLPH. Mr. Speaker, in the event the resolution which is presented today by our colleague the gentleman from Virginia [Mr. Smith] passes and then funds are provided for the investigation, it will be the duty of the Committee on the District of Columbia of the House to conduct the investigation. Whether the resolution passes as presented or whether it is enacted the way that the gentleman from Indiana [Mr. Halleck] would desire, or whether amendments offered by other Members of this body prevail, I am not arguing as to that; but in the event the District of Columbia Committee is charged with conducting an investigation, as chairman of that committee, and speaking for its membership, with men upon that committee coming from all parts of the country, I can assure the Members of the House that the investigation will be thorough and will be conducted fairly.

In the event the District of Columbia Committee is charged with this responsibility, in the regular order and with appropriateness, I would perhaps designate the Subcommittee on Public Health, Hospitals, and Charities to make the investigation. Of course, I would discuss the matter with the com-

mittee as a whole on such an important matter.

Mr. HEALEY. Mr. Speaker, will the gentleman yield?

Mr. RANDOLPH. I yield.

Mr. HEALEY. And does not the gentleman think that the investigation should also cover the question as to whether or not a conspiracy exists to control the distribution and the price of milk and cream in the District of Columbia? Does

not the gentleman believe that should be within the purview of the resolution?

Mr. RANDOLPH. I am very pleased to answer the gentleman, and to say that, personally, I believe if an investigation is ordered it should be one which would go to the roots of this problem and view it from all angles. I can say that, as an individual who has the responsibility of representing a congressional district in West Virginia that embraces a part of this so-called milkshed from which the supply is distributed and sold to District of Columbia residents and to those who purchase milk in this city, that I trust the resolution will be brought to the attention of this House for final vote in a way that it can be supported by the gentleman from Wisconsin, the gentleman from Indiana, and others. It is not an easy task for the District of Columbia Committee to undertake; but if the resolution does pass, I assure the House that the investigation will be thorough and will be conducted in a fair manner. [Applause.]

Mr. MAPES. Mr. Speaker, since I stated there was only one other speaker on this side I have had a request from another Member for time, and I would like to inquire how much time there is remaining.

The SPEAKER pro tempore (Mr. Williams of Missouri).

The gentleman from Michigan has 8 minutes remaining.

Mr. MAPES. Mr. Speaker, I yield one-half of that time or 4 minutes to the gentleman from Michigan [Mr. Craw-FORD].

Mr. CRAWFORD. Mr. Speaker, I do not at all blame the gentleman from Virginia for introducing a resolution in behalf of the producers of milk and cream in this area, but I think one of the most vicious attacks on small business that can be made at any time, insofar as the nature of the attack is concerned, is covered in lines 8 to 15 on page 2 of this resolution.

Now, consider yourself a small dealer setting up a business in the District of Columbia under a license and attempting to buck a strongly entrenched and large operator, and knowing full well you have got to bring all your records, which means primarily all of your time, to this committee while your little affairs are under investigation.

I grew up on a farm and I know what it is to have milk and butter on the table, and I had 20 years of experience in the food industry in this country, dealing with those who are engaged in acquiring dominating control over the distribution of food commodities.

The evidence submitted to a Senate committee last week by Dr. Howe, of the Triple A, was not wild testimony, nor was it a dream. I could support it with some other facts, and I say this in spite of the fact that we see published in some big metropolitan dailies since he gave his testimony, that it is the old, old story, which can again be answered. I agree with the presentation of the gentleman from Indiana [Mr. Halleck]. The consumption of milk and butter is being decreased and is held down by reason of the rules and regulations which have no effect insofar as protecting the health of the country is concerned, but which are designed specifically to further bring within the hands of the two great milk concerns of the country a greater control over the distribution of milk and milk products.

I have been up against their machine; I know how they operate, and I can give you the names of scores of people who have been pushed out of the picture by their squeezing tactics. While I do not charge the gentleman whose name appears on this resolution with being a party to a movement of that kind, I do contend that the resolution is vicious, against the producers of milk and cream throughout the country as a whole, the Western States in particular, and against those operating in this district who would make it more possible for the poor people of this district to have milk and cream and butter on their tables, for their children to drink, to say nothing of adults. I shall vote against the resolution unless it is materially amended.

Mr. SCHAFER of Wisconsin. Mr. Speaker, will the gentleman yield?

Mr. CRAWFORD. Yes.

Mr. SCHAFER of Wisconsin. Is it not a fact that the milk monopoly has a stronger hold in the District of Columbia than in most of the States throughout the Union?

Mr. CRAWFORD. I have lived in some 11 cities in the United States, and this is the toughest proposition here that I have ever been up against. I think the facts will support that statement.

Mr. SMITH of Virginia. Mr. Speaker, I yield 5 minutes to the gentleman from Maryland [Mr. SASSCER].

Mr. SASSCER. Mr. Speaker, in this my initial appearance on the floor of the House I think it is possibly appropriate that the topic under discussion should be milk, as milk is the initial food with which we start out. I promise today to take only a few moments, and not to rise on the floor of the House in the future unless the subject matter is of a nature that I think is important.

In order that we may clearly get the background of the discussion here today, we should look back just a day or two, and there we find that a truckload of unlicensed cream. was seized en route to the District of Columbia for not having the necessary permit as required in the health regulations, as set up, under the milk regulations governing the milk shipped into the District of Columbia from the milk shed of the surrounding sections. I shall not go into any discussion of the merits of the milk supply in the District of Columbia other than to say that figures show that as to purity and quality it ranks among the very best in the country. In order to comply with the regulations now governing the shipment of milk into the District of Columbia, the producers of the District of Columbia milkshed, some 1,300 in number, spent approximately \$7,000,000 meeting the requirements of the present act relating to governing the shipment of milk here, so as to insure an adequate supply of pure milk of high quality.

Mr. SHAFER of Michigan. Mr. Speaker, will the gentleman yield?

Mr. SASSCER. Yes; with pleasure.

Mr. SHAFER of Michigan. It is not true that the milk shippers of Michigan, Wisconsin, Indiana, and other Midwestern States have done the same thing in meeting the requirements of the District of Columbia Health Board? They have spent thousands and thousands of dollars out there to meet those requirements.

Mr. SASSCER. In answer to the gentleman from Michigan, I say that no doubt the producers of those States have spent the money necessary to meet the requirements of the areas into which they ship, but we here in the District of Columbia have no way of checking what is going on, and what is being done in those particular sections. We do know that inspection of milk coming from the milkshed in the environments of the District of Columbia insures a product of high quality, and that it is pure and passes the necessary restrictions. We also know that within the past week a truckload of bootleg cream from somewhere in the United States was seized coming into Washington, with no permit, with no inspection, to be used in the District of Columbia. We do not know for what purpose it was to be used, possibly to go into the making of ice cream, or unlawfully to be thinned out with skim milk and used for liquid consumption. All this the resolution offered by my colleague from neighboring Virginia does is to ask an investigation as to the sources and purity of the milk and cream supply of the District of Columbia, as to the importation of unlicensed milk and cream and to determine whether the regulations of the Milk Act of the District of Columbia of 1925 are being complied with, and to protect the people of the District of Columbia.

The SPEAKER. The time of the gentleman from Maryland has expired.

Mr. MAPES. Mr. Speaker, I yield the balance of my time to the gentleman from Wisconsin [Mr. GRISWOLD].

Mr. GRISWOLD. Mr. Speaker, our Constitution provides there shall be no duties, imposts, or excises between States, except what is necessary for inspection laws. Under that little clause different sections and different States have chosen to build a fence around themselves and segregate themselves from the rest of the country. That has been done for one purpose, and one purpose only-to benefit the particular people that have been so segregated. In the District of Columbia, which is supposed to be a part of the United States, and in which we are all supposed to trade on a fairly equal basis, a fence has been built up, and it does not make any difference what kind of inspection we have, we cannot get into the District of Columbia.

There is another and more important thing in connection with this and that is the children of the District of Columbia. Should we make the price of milk so high that they cannot afford to drink milk? How much does milk mean to the average child, the average family? Are you, at their expense, going to build up this wall to benefit some particular class of producers, when out in my State you can buy inspected milk at 3 cents a quart? If you will open the door, I do not care how high the health requirements are, we can put some milk in here that will feed the children of the District of Columbia, and they can have what milk they want to drink, because the price will not be quite so high.

Mr. CRAWFORD. Mr. Speaker, will the gentleman yield?

Mr. GRISWOLD. I yield. Mr. CRAWFORD. Is it not also true that Mayor LaGuardia, of New York, has taken the bull by the horns and set up milk stations, where people can buy milk at 6 cents a quart, and the same thing should be done in the District of Columbia? [Applause.]

Mr. GRISWOLD. Absolutely. I have been in the milk business myself, and I know something about it. Every time you raise the price of milk you decrease the consumption.

Mr. HAWKS. Mr. Speaker, will the gentleman yield?

Mr. GRISWOLD. I yield.

Mr. HAWKS. Is this not the same situation they faced in Chicago in breaking down the milk racket which they had there, where every producer outside of a limited area was barred from shipping milk into the city?

Mr. GRISWOLD. Absolutely.

Mr. HAWKS. And what did they find out when they investigated it? It was full of graft and rotten to the core, was it not?

Mr. GRISWOLD. Yes. This, instead of being a health measure, is building up at the expense of the health of the District of Columbia a certain group.

Mr. HEALEY. Mr. Speaker, will the gentleman yield?

Mr. GRISWOLD. I yield.

Mr. HEALEY. The only way we can include in this resolution the power to determine whether a monopoly exists in the District of Columbia is by voting down the previous question now in order to permit the resolution to be amended for that purpose.

Mr. GRISWOLD. Absolutely.

Mr. HEALEY. And does the gentleman not think the investigation ought to take into consideration that angle, too, as well as the others that are mentioned in the resolution?

Mr. GRISWOLD. Absolutely. I would like to have the investigation wide open, so that we can really include the health of the people of the District of Columbia as well as the milk market.

Mr. McKEOUGH. Mr. Speaker, will the gentleman yield? Mr. GRISWOLD. I yield.

Mr. McKEOUGH. Is it not true there are shipments of milk from Wisconsin into the Chicago area?

Mr. GRISWOLD. I will answer the gentleman's question in this way: Yes; we can ship into Chicago from a certain section from the State of Wisconsin, provided it is inspected by their own inspectors.

Mr. McKEOUGH. Is the gentleman familiar with the fact that the regulations that prevail in that area are higher than the standard maintained in the District of Columbia?

Mr. GRISWOLD. Of course, when you talk about one city or another, each one claims it has a particular way of doing that is better than in any other city. So they are protecting their own people, and they would not trust any other board of health or any other doctor or any other body to pass on the requirements. They must pass on them themselves.

Mr. McKEOUGH. Does not the gentleman think that in Chicago we have good milk coming from Wisconsin?

Mr. GRISWOLD. You do have, certainly. [Applause.] [Here the gavel fell.]

Mr. SMITH of Virginia. Mr. Speaker, I yield 3 minutes to the gentleman from Massachusetts [Mr. Healey].

Mr. HEALEY. Mr. Speaker, I have asked for this time in order that the House may be familiar with the parliamentary situation that exists with relation to amending this resolution; in order that it may also include a provision for an investigation to determine whether or not a monopoly exists in the distribution and sale of milk in this city; and further, whether the alleged monopoly exercises control of the price of milk and cream in the city.

I understand the price of milk is 14 cents a quart here, which I am informed, from reliable sources, is much higher than it is in most other cities in this country. From the same source I am informed that cream is also sold at a much higher price than it is in any other large city in this country. If it is a fact that these conditions do exist, certainly when this committee is considering the other questions, in my judgment it also ought to be empowered by this resolution to investigate the matter of monopoly and price control.

I am informed that this shipment of cream which was seized came here from the State of Indiana. Whether or not it was shipped in violation of law I do not know, but I am also informed that after it was seized and an analysis was made by the District health authorities, and the test that was made showed a higher grade than that required by the present regulations of the District of Columbia.

I agree with the gentleman from Indiana that this market ought to be open to other milksheds than the narrow, restricted area which is now supplying all of the milk for this large city of over 600,000 people. Certainly we are building up trade barriers when such a condition exists.

So I hope the committee will vote down the previous question in order to permit an amendment to be made providing that the scope of the investigation may be broadened to include the question of whether or not a monopoly does in fact exist in the distribution and sale of milk in the District of Columbia. [Applause.]

[Here the gavel fell.]

Mr. SMITH of Virginia. Mr. Speaker, I am rather surprised at some of the gentlemen here on my left who certainly should be interested in the proper conduct of the dairy business. I am surprised that they should arise on this floor today for the purpose of opposing an investigation and an elimination of the known violation of the law with respect to the importation of milk into this district. I have listened to all this talk about a monopoly investigation. We all know that a special joint committee for the investigation of monopolies is already functioning, a committee which has had a large amount of money appropriated to it by the Government. This committee is now working on the subject. If you have followed its hearings you will remember that only last week they began a comprehensive investigation of milk monopolies. Perhaps that was what put these gentlemen onto the idea.

Now, all this idea about voting down the previous question and amending this bill to take care of monopolies is just drawing a red herring across this trail. I have no objection to the investigation of monopolies, and I will not voice any objection if these gentlemen bring it about in the proper way and at the proper time but I do not want this House to be diverted this morning, as the attempt is being made, from the sole question of whether or not these people are violating the law, and if they are violating the law, ought they not be stopped? But that is all there is to this question; it is not a question of anything else at all, it is not a question about investigating a monopoly. That is just drawing a red herring across the trail.

Mr. HULL. Mr. Speaker, will the gentleman yield? LXXXIV—169 Mr. SMITH of Virginia. I must decline to yield, because I have already yielded most of my time to others and I have many questions to answer.

This resolution has nothing to do with the investigation of monopoly. It is merely an investigation here in the District of Columbia about violations of the law. These violations have been going on for some time, if the gentleman wants to know, but I am not going to name any names and I do not want to name any States, and I do not want to draw any invidious comparisons here this morning, but you may draw some conclusions from the gentlemen who have risen in defense of this illegal business here today.

There is a well-known milkshed surrounding every city in the United States. There has to be if the city is to have a pure milk supply. Anybody who is within the area where the inspectors from this district can conveniently visit their places—and I know they go as much as 100 miles from Washington—any establishment that those inspectors can conveniently inspect, their dairy barns, and so forth, to know that they can give a pure supply of milk; any such person can get a license to ship milk into the District of Columbia. It is not confined to any little area; it is limited only by the practical question of how far an inspector can go from the city of Washington and give proper supervision to the barns.

Mr. HAWKS. Mr. Speaker, will the gentleman yield?

Mr. SMITH of Virginia. Briefly.

Mr. HAWKS. Then why cannot the District accept the regulations and the inspection of Wisconsin, Michigan, Illinois, Indiana, States whose regulations and inspections are just as good as, if not better than, what you have here in Washington?

Mr. SMITH of Virginia. As I say, I do not want to draw any invidious comparisons here today. The facts are that the people of Washington are getting the very highest quality of milk that can be gotten in the United States, and the reason for this is because the inspectors can go personally to these barns every day and see that conditions are right, or if they are wrong to point out what is wrong, to say to the farmer whose cows are so infected that they have mastitis, or that they have Bang's disease and must be eliminated. We get good milk here not only because of the regulations but because we have the inspection service.

The sole question here this morning is whether or not you are going to stand for violations of the law. If the law is wrong and these gentlemen from these Western States think that they ought to ship milk into Washington let them come in here and amend the law. This is not a matter of legislation, I am not offering a bill; I am offering a resolution to investigate criminal violation of the law with respect to the shipment of milk into the District of Columbia.

Mr. HEALEY. Mr. Speaker, will the gentleman yield?

Mr. SMITH of Virginia. Briefly.

Mr. HEALEY. Why should the gentleman object to the investigation's taking in the question of whether or not there does exist a monopoly in the distribution of milk here by arrangement, by interpretation of the law, or otherwise?

Mr. SMITH of Virginia. Because the gentleman knows perfectly well that if we should go into the investigation of the great big subject of monopoly which is already being investigated by a committee of the Senate and House that we would be diverted from this investigation and its purpose.

The sole purpose of this investigation is to stop violations of the law. Now if you want to ignore these violations of the law, if you want them to bring this unlicensed milk here in open violation of the law, in open violation of the law which you have made, in open violation of the regulations which you have required be placed upon the shipment of milk into this area in order that you may have a safe milk supply, that is all right; that is your privilege; but the only thing this resolution is for is the one purpose I have outlined. I hope the House will not permit itself to be diverted from the real purpose of the resolution.

Mr. HALLECK. Mr. Speaker, will the gentleman yield?

Mr. SMITH of Virginia. Briefly.

Mr. HALLECK. Of course the directions of the resolution would seem to indicate-

Mr. SMITH of Virginia. Mr. Speaker, I did not yield for a speech. I decline to yield further.

Mr. Speaker, I am not talking about the quality of the milk produced in the districts represented by the gentlemen who oppose this resolution. They talk about the terrifically high price of milk in the District of Columbia. Let me come directly to the point and quote some figures, comparative figures as to quality and price; but before I do that I want to call your attention to an incident that happened to me

just a couple of days ago.

A couple of days ago I ordered a glass of milk down here in the restaurant, which they brought me. I am not going to mention any names, but when I poured it out a skim of clotted, clabber-like substance rose to the top of the glass. If you know anything about milk you will realize what was the matter. If you want heavy cream brought in here from some distant point, if you want this cream mixed with a lot of skimmed milk that has been discarded by other dairies in Washington, if you want to drink it yourself, if you want the people of Washington to drink it, if you want your wives and children to drink it, that is all right and that is your privilege. However, if this is what is going on in Washington, and I believe it is, then I want the committee to investigate the matter and I do not want any red herring drawn across the trail in the form of talk about monopoly. I want to investigate the subject and find out what there is to it.

Mr. HOOK. Will the gentleman yield?

Mr. SMITH of Virginia. I yield to the gentleman from Michigan.

Mr. HOOK. What is the matter with the corporation counsel and the law-enforcement agencies of the District? Why do we have to make an investigation of the law?

Mr. SMITH of Virginia. I think that is a very proper question. I may say to the gentleman-I have not time to go into the matter fully at this time—but I will say that detectives from the police department were on this one case for a month to my certain knowledge, in order to get sufficient evidence to make one arrest. How many other violations occurred in the meantime we have no way of knowing.

[Here the gavel fell.]

Mr. SMITH of Virginia. Mr. Speaker, I move the previous question on the resolution.

The question was taken; and on a division (demanded by Mr. Smith of Virginia) there were-ayes 33, noes 83.

Mr. SMITH of Virginia. Mr. Speaker, I object to the vote on the ground that there is not a quorum present.

The SPEAKER pro tempore. Obviously there is not a quorum present.

The Doorkeeper will close the doors, the Sergeant at Arms will notify the absent Members, and the Clerk will call the roll.

The question was taken; and there were-yeas 113, nays 188, not voting 131, as follows:

[Roll No. 33]

Allen, Pa.	Cooper	Hare Hendricks	Mills, Ark. Mills, La.
Anderson, Mo.			
Arnold	Cummings	Hobbs	Moser
Ashbrook	D'Alesandro	Houston	Mouton
Bates, Ky.	Darden	Hunter	Murdock, Ariz
Bland	Delaney	Izac	Nelson
Boland	DeRouen	Jarman	Norrell
Brooks	Dickstein	Johnson, Ill.	O'Leary
Brown, Ga.	Doxey	Johnson, Luther A.O'Neal	
Bulwinkle	Dunn	Johnson, Lyndon	
Burgin	Edmiston	Johnson, Okla.	Pace
Byrns, Tenn.	Elliott	Jones, Tex.	Patton
Byron	Ellis	Kee	Peterson, Ga.
Caldwell	Faddis	Kennedy, Md.	Pierce, Oreg.
Cannon, Mo.	Fernandez	Kerr	Poage
Cartwright	Flannery	Kilday	Polk
Chapman	Folger	Kitchens	Ramspeck
Claypool	Ford, Miss.	Leavy	Randolph
Cochran	Fulmer	Lewis, Colo.	Rankin
Coffee, Wash.	Garrett	McMillan, John L. Rayburn	
Collins	Gibbs	McMillan, Thos. S.Richards	
Colmer	Gossett	Mahon	Rogers, Okla.
Cooley	Griffith	Maloney	Romjue

Sasscer Satterfield Scrugham Sheppard Smith, Va. Smith, W. Va. South Spence Steagall Sutphin Tarver Taylor, Colo.

Thomas, Tex. Wailgren Warren Whelchel NAYS-188

Whittington Williams, Mo. Zimmerman

Allen, Ill. Allen, La Andersen, H. Carl Andresen, A. H. Angell Rall Bates, Mass. Beam Boehne Bolles Boren Bradley, Mich. Bradley, Pa. Brewster Brown, Ohio Buck Buckler, Minn. Byrne, N. Y. Carlson Carter Case, S. Dak. Casey, Mass. Chandler Chiperfield Church Clason Cluett Coffee, Nebr. Cole, N. Y. Connery Crawford Crosser Crowe Crowther

Curtis

Darrow

Dowell

Elston

Dirksen

Dworshak

Eaton, Calif. Eberharter

Englebright Flaherty Gamble Gathings Gearhart Gerlach Gever, Calif. Gifford Gilchrist Gillie Gore Graham Green Gregory Griswold Guyer, Kans. Gwynne Hall Halleck Hancock Harness Harrington Harter, N. Y. Hawks Healey Heinke Hess Hill Hinshaw Holmes Hook Hope Horton Hull Jacobsen Jarrett Jeffries Jenkins, Ohio Jenks, N. H. Johns Johnson, Ind. Johnson, W. Va. Jones, Ohio Kean Doughton

Keefe Keller Rabaut Rabaut Reece, Tenn. Reed, Ill. Reed, N. Y. Rees, Kans. Risk Kelly Kinzer Knutson Kocialkowski Kunkel Landis Larrabee Lea LeCompte Lemke Lesinski Lewis, Ohio Lord Luce Ludlov McArdle McCormack McKeough McLaughlin McLeod Maciejewski Magnuson Mapes Marcantonio Martin, Colo. Martin, Ill. Martin, Iowa Martin, Mass. Mason Massingale Michener Monkiewicz Monroney Mott Mundt Murdock, Utah Murray O'Connor O'Day Oliver Patrick Pearson Pittenger NOT VOTING-131 Lanham McAndrews McDowell McGehee

Rodgers, Pa. Rogers, Mass. Routzohn Rutherford Ryan Sacks Sandager Schaefer, Ill. Schafer, Wis. Schiffler Schwert Secrest Shafer, Mich. Simpson Smith, Ohio Smith, Wash. Sparkman Springer Stefan Sumner, Ill. Taber Taylor, Tenn. Tenerowicz Thill Thomas, N. J. Thorkelson Tinkham Tolan Treadway Van Zandt Vincent, Ky. Vorys, Ohio Vreeland Wadsworth Walter Welch Wheat Woodruff, Mich.

Anderson, Calif. Andrews Arends Austin Barden Barry Barton Beckworth Bender Blackney Bloom Bolton Boykin Buckley, N. Y. Burch Burdick Cannon, Fla. Celler Clark

Cole, Md. Corbett Costello Creal Culkin Cullen Dempsey Dingell Disney Ditter

Douglas Drewry Duncan Durham Evans Fay Fenton Ferguson Fitzpatrick Flannagan Ford, Leland M. Ford, Thomas F. Fries Gartner Gavagan Gehrmann Goldsborough Grant, Ala. Gross Hart. Harter, Ohio Hartley Hennings Hoffman Kennedy, Martin Kennedy, Michael Keogh

Marshall May Merritt Miller Mitchell Myers Nichols Norton O'Brien Osmers O'Toole Parsons Peterson, Fla. Pfeifer Pierce, N. Y. Powers Rich Robertson Robinson, Utah Robsion, Ky. Rockefeller Schulte

McGranery

Mansfield

Maas

McReynolds

Shanley Shannon Short Sirovich Smith, Conn. Smith, Ill. Smith, Maine Snyder Somers, N. Y. Starnes, Ala. Stearns, N. H. Sullivan Sumners, Tex. Sweeney Terry Thomason Tibbott Vinson, Ga. Voorhis, Calif. West White, Idaho White, Ohio Wigglesworth Williams, Del. Winter Wolcott Wolfenden, Pa Wolverton, N. J. Wood Woodrum, Va. Youngdahl

So the previous question was not ordered. The Clerk announced the following pairs: On the vote:

Kirwan Kleberg Kramer

Mr. Dempsey (for) with Mr. Pierce of New York (against). Mr. Grant of Alabama (for) with Mr. Hoffman (against). Mr. Sabath (for) with Mr. Ditter (against).

Mr. Doughton with Mr. Anderson of California, Mr. McReynolds with Mr. Miller. Mr. Cullen with Mr. O'Brien. Mr. Drewry with Mr. Andrews,

Mr. Flannagan with Mr. Powers.
Mr. Robertson with Mr. Seger.
Mr. Gavagan with Mr. Wolverton of New Jersey.
Mr. Schulte with Mr. Fish.
Mr. Vinson of Georgia with Mr. Eaton of New Jersey.
Mr. Mansfield with Mr. Culkin.
Mr. West with Mr. Bolton.
Mr. Burch with Mr. Rich.
Mr. Woodrum of Virginia with Mr. Barton.
Mr. Dies with Mr. Dondero.
Mr. McAndrews with Mr. Stearns of New Hampshire.
Mr. Lanham with Mr. Short.
Mr. Keogh with Mr. Rockefeller.
Mr. Parsons with Mr. Bender.
Mr. Bell with Mr. Austin.
Mrs. Norton with Mr. Ahrends.
Mr. O'Toole with Mr. Orbett.
Mr. Pfelfer with Mr. Corbett.
Mr. Bloom with Mr. Smith of Maine.
Mr. Kramer with Mr. Witte of Ohio. Mr. Pfeifer with Mr. Corbett.
Mr. Bloom with Mr. Smith of Maine.
Mr. Kramer with Mr. Smith of Maine.
Mr. Kramer with Mr. Douglas.
Mr. Nichols with Mr. Blackney.
Mr. Celler with Mr. Seccombe.
Mr. Sumners of Texas with Mr. Robsion of Kentucky.
Mr. Martin J. Kennedy with Mr. Robsion of Kentucky.
Mr. Martin J. Kennedy with Mr. Tibbott.
Mr. Starnes of Alabama with Mr. Winter.
Mr. Stallivan with Mr. Leland M. Ford.
Mr. Patman with Mr. Gartner.
Mr. Fitzpatrick with Mr. Gross.
Mr. Clark with Mr. Wolcott.
Mr. Shannon with Mr. Youngdahl.
Mr. Costello with Mr. Hartley.
Mr. May with Mr. Maos.
Mr. Terry with Mr. McDowell.
Mr. Merritt with Mr. Wolfenden of Pennsylvania.
Mr. Boykin with Mr. Williams of Delaware.
Mr. Creal with Mr. Burdick.
Mr. Kleberg with Mr. Fenton.
Mr. Peterson of Florida with Mr. Marshall.
Mr. Hennings with Mr. Gehrmann.
Mr. Snyder with Mr. Voorhis of California.
Mr. Evans with Mr. Mitchell.
Mr. Ferguson with Mr. Thomas F. Ford.
Mr. Robinson of Utah with Mr. Beckworth.
Mr. Hart with Mr. Cannon of Florida.
Mr. Cole of Maryland with Mr. Harter of Ohio.
Mr. Sirovich with Mr. Smith of Connecticut.
Mr. Kirwin with Mr. Michael J. Kennedy.
Mr. Smith of Illinois with Mr. Curley.
Mr. Somers of New York with Mr. Dingell.
Mr. McGranery with Mr. Duncan.
Mr. Durham with Mr. Myers.
Mr. White of Idaho with Mr. Poppen and Mr. Boephy.
Mr. Lea, Mr. Hill, Mr. Monroney, Mr. Gath

Mr. Lea, Mr. Hill, Mr. Monroney, Mr. Gathings, Mr. CASEY of Massachusetts, Mr. Boren, and Mr. Boehne changed their votes from "yea" to "nay."

Mr. Izac changed his vote from "nay" to "yea."

The result of the vote was announced as above recorded.

The doors were opened.

The SPEAKER. Under the rules of procedure, the recognition passes to the gentleman from Michigan [Mr. Mapes], if he desires to claim it.

Mr. MAPES. Mr. Speaker, a parliamentary inquiry.

The SPEAKER. The gentleman will state it.

Mr. MAPES. Mr. Speaker, how much time have I?

The SPEAKER. The gentleman has 1 hour under the rule. Mr. MAPES. May I yield to the gentleman from Indiana for the purpose of offering an amendment, Mr. Speaker?

The SPEAKER. The gentleman may do so, but he loses control of the floor.

Mr. MAPES. That would give the time to the gentleman from Indiana?

The SPEAKER. It would.

Mr. MAPES. I yield to the gentleman from Indiana for that purpose, Mr. Speaker.

The SPEAKER. The gentleman from Indiana [Mr. Hal-LECK1 is recognized.

Mr. SMITH of Virginia. Mr. Speaker, a parliamentary inquiry.

The SPEAKER. The gentleman will state it.

Mr. SMITH of Virginia. Under those circumstances, what time, if any, is allotted to the opposition to the amendment? The SPEAKER. Such time as the gentleman from Indi-

ana may see fit to yield. Mr. SMITH of Virginia. A further parliamentary inquiry,

Mr. Speaker.

The SPEAKER. The gentleman will state it.

Mr. SMITH of Virginia. If it were left to the gentleman from Indiana, we would not get much time. Does not the other side of the proposition have an equal amount of time?

The SPEAKER. Under the rules and precedents, the gentleman from Indiana is entitled to the full hour, to yield as he may see fit.

Mr. SMITH of Virginia. And no debate is permissible by Members on this side of the aisle?

The SPEAKER. Not under the rules, as a matter of right. Mr. McCORMACK. Mr. Speaker, a parliamentary inquiry. The SPEAKER. The gentleman will state it.

Mr. McCORMACK. If the gentleman from Indiana desires to yield a portion of his time to the gentleman from Virginia, can that be done by unanimous consent?

The SPEAKER. It would not require unanimous consent. The gentleman from Indiana can yield to Members on the majority side if he sees fit to do so.

Mr. HALLECK. Mr. Speaker, a parliamentary inquiry. The SPEAKER. The gentleman will state it.
Mr. HALLECK. I shall, of course, yield to the gentleman

from Virginia whatever time he wishes, but may I then also yield to another gentleman who may wish to offer an amendment to this resolution?

The SPEAKER. Only one amendment to the resolution can be pending at a time.

Mr. HALLECK. Mr. Speaker, I offer an amendment to the resolution, which I send to the desk.

The Clerk read as follows:

The Clerk read as follows:

Amendment offered by Mr. Halleck: Page 2, line 7, after "thereto", strike out the period and insert:

"(6) the propriety and feasibility of licensing or otherwise permitting under proper regulation in such manner as to fairly protect the safety and health of consumers in the District of Columbia the entry into the District of Columbia of so-called western cream and milk, and cream and milk from any available sources in the United States for fluid, manufacturing, or other use in the District of Columbia and on the Washington market;

"(7) and whether the 1925 Milk Act, and all other acts relating to the importation, distribution, and inspection of milk and dairy products require modification, alteration, or improvement in order to insure an adequate supply of milk and dairy products for the residents of the District of Columbia at reasonable and fair prices."

Mr. SMITH of Virginia. Mr. Speaker, I make the point of order against the amendment that it is not germane to the resolution before the House.

The SPEAKER. Does the gentleman from Virginia desire to be heard on the point of order?

Mr. SMITH of Virginia. Briefly, Mr. Speaker.

Mr. Speaker, the resolution before the House has for its sole purpose the investigation of violations of the law with respect to the importation of milk into the District of Columbia. As I understand from listening to the reading of the amendment offered by the gentleman from Indiana, the gentleman desires to go into the question of a change in the basic existing law on the subject of importation of milk into the District, which is an entirely different subject. As the Chair will notice, the resolution of investigation is confined to a narrow scope, namely, its sole purpose is investiga-tion of law violations. The gentleman from Indiana desires to enter upon an investigation of whether the law as now existing is a good law or a bad law, or whether Congress ought to do something about it. It seems to me the amendment is clearly not germane to the resolution.

Mr. DOWELL. Mr. Speaker, will the gentleman yield?

Mr. SMITH of Virginia. I yield to the gentleman from Iowa.

Mr. DOWELL. What if it should be found as a result of this investigation that a conspiracy exists with regard to the price of milk in the District? Does not the gentleman believe that would constitute a violation of law and therefore should be a part of this investigation?

Mr. SMITH of Virginia. Perhaps the gentleman has not read the resolution, which does provide for investigation of whether or not a conspiracy to violate the law does exist.

Mr. DOWELL. Yes; and that question would come in on the price of milk.

Mr. SMITH of Virginia. I do not see that it has anything to do with it. Certainly the resolution has nothing to do with changing existing law.

Mr. MAPES rose.

The SPEAKER. Does the gentleman from Michigan desire to be heard?

Mr. MAPES. Mr. Speaker, the whole purpose of the resolution is to investigate whether or not there is any violation of the law in the importation and distribution of milk in the District of Columbia, and whether or not impure milk and cream or milk and cream that are detrimental to health are being imported into and distributed within the District

The amendment of the gentleman from Indiana simply goes one step further than the original resolution. It proposes to authorize the committee to inquire into the "propriety and feasibility of licensing or otherwise permitting under proper regulation in such manner as to fairly protect the safety and health of consumers in the District of Columbia" the distribution of milk. It seems to me that it is clearly germane to the general purpose of the resolution.

Mr. MARTIN of Massachusetts. Mr. Speaker, will the gen-

tleman yield?

Mr. MAPES. I yield to the gentleman from Massachusetts. Mr. MARTIN of Massachusetts. I may also call attention to the fact that it is set forth in the resolution that the committee is to be authorized and directed to make a full and complete investigation of the sources and purity of the milk and cream supply of the District of Columbia. That phrase is all-embracing and naturally would cover the amendment offered by the gentleman from Indiana.

Mr. MAPES. It seems to me the amendment offered by the gentleman from Indiana is clearly in line with the general purposes of the resolution and germane to it.

The SPEAKER. The Chair is prepared to rule.

The gentleman from Indiana [Mr. HALLECK] offers an amendment to the pending bill, which has been read by the Clerk and to which the Chair has given consideration.

It seems that the general purpose of the resolution now pending before the House is to authorize the House Committee on the District of Columbia, or a duly authorized subcommittee thereof, to make a complete investigation of, first, the sources and purity of the milk and cream supply of the District of Columbia, and then under five different subdivisions the resolution authorizes the committee or subcommittee to make investigations of other matters affecting the supply of milk and cream within the District of Columbia.

On page 3 of the resolution, beginning at line 21, is the following language:

That the said committee shall report to the House of Representatives at the earliest practicable date the result of its investigation, together with its recommendations for the enactment of desirable or necessary legislation or regulations.

So that as the matter is presented to the Chair, the committee is authorized to make investigations into a number of matters relating to the supply of milk and cream in the District of Columbia, involving possibly all phases of that subject. The gentleman from Indiana offers an amendment extending, as the Chair reads the amendment, the jurisdiction and the authority of the committee or subcommittee to investigate another phase of the importation of milk and cream.

There is a very well considered line of opinions and precedents holding that where a number of subjects are embraced in a bill, it is germane to add another subject of the same class thereto, and inasmuch as the committee is authorized to make recommendations affecting legislation to cure or change the situation with reference to the supply of milk or cream, the Chair is of the opinion that the amendment is in order and is germane to the resolution and overrules the point of order.

The gentleman from Indiana [Mr. Halleck] is recognized for 1 hour.

Mr. HALLECK. Mr. Speaker, first of all, I want to yield 30 minutes, or such time as he may want, to the gentleman from Virginia [Mr. Smith].

I do not care now to say anything at any great length about these amendments. They are simply the amendments that were read by me during the course of the debate leading up to the vote on the previous motion. They were discussed at that time. They are the amendments that were in contemplation at the time the previous vote was taken.

I would like to say just this one thing further: All of the original purposes of this investigation, included in the resolution as originally presented, are still included in the resolution, and whatever good may come of the investigation by the committee in compliance with those directions, will still be obtained. My amendments are offered solely for the purpose of broadening the extent of the inquiry. If the inquiry or investigation is to be had, then let us look at the problem as it affects the District of Columbia from both sides.

Mr. JENKINS of Ohio. Mr. Speaker, will the gentleman yield?

Mr. HALLECK. I yield to the gentleman.

Mr. JENKINS of Ohio. Is it the purpose of the gentleman again to review briefly what he told us a while ago? The reason I make this suggestion is because there are many Members here now who were not present when the gentleman made his very elucidating speech a while ago. If the gentleman will permit the suggestion, I think he would be doing a good service if he would outline now just what his amendment does.

Mr. HALLECK. In answer to the gentleman I may suggest that I believe the membership is thoroughly apprised of the issue that is involved and I do not see anything which would lead me to believe that any extensive discussion at this time is necessary. The House has indicated its intention with respect to this amendment. I believe the House has indicated it wants this investigation to be handled from both sides, and although I appreciate the suggestion and, maybe, it is well taken, I do not believe at this time I care to say anything further except that I shall reserve the balance of my time.

Mr. HULL. Mr. Speaker, I rise to submit a parliamentary inquiry.

The SPEAKER. The gentleman from Indiana [Mr. Halleck] has control of the time on his side.

Does the gentleman from Indiana yield to the gentleman from Wisconsin for a parliamentary inquiry?

Mr. HALLECK. Yes; I yield to the gentleman for a parliamentary inquiry.

Mr. HULL. Mr. Speaker, I would like to ask, if it is in order, with the consent of the gentleman from Indiana, to offer an amendment to his amendment.

The SPEAKER. It would be in order if the gentleman from Indiana desires to yield the floor.

Mr. HULL. Mr. Speaker, may I ask then if an amendment can be offered after his amendment is voted on?

The SPEAKER. If the amendment offered by the gentleman from Indiana should be defeated, then the gentleman, if recognized, would have a parliamentary right to propose another amendment to the resolution, provided in the meantime the previous question has not been ordered.

Mr. HALLECK. Mr. Speaker, a parliamentary inquiry.

The SPEAKER. The gentleman will state it.

Mr. HALLECK. I do not want to be in the position of defeating or shutting out an amendment sought to be offered by the gentleman from Wisconsin [Mr. Hull], but if I were to yield to him to offer an amendment to the amendment, would that supersede or eliminate the amendment that I have offered?

The SPEAKER. The Chair cannot anticipate the subject matter of the proposed amendment.

Mr. TABER. Mr. Speaker, will the gentleman from Indiana yield to me for a further parliamentary inquiry?

Mr. HALLECK. Yes.

Mr. TABER. Mr. Speaker, if the gentleman from Indiana should yield to the gentleman from Wisconsin to offer an amendment, the gentleman from Indiana yields control of the floor under the rule.

The SPEAKER. The Chair has already stated that.

Mr. TABER. And the right to move the previous question would vest in the gentleman from Wisconsin.

The SPEAKER. That is a correct interpretation of the rule.

Mr. MICHENER. Mr. Speaker, a parliamentary inquiry. The SPEAKER. The gentleman from Indiana has the floor.

Mr. HALLECK. Mr. Speaker, I yield to the gentleman from Michigan for a parliamentary inquiry.

Mr. MICHENER. Mr. Speaker, as I understand the situation, it is this: So far as the gentleman from Indiana is concerned in dealing with this resolution he stands exactly in the same position that the gentleman from Virginia [Mr. SMITH] stood before the previous question was voted down.

The SPEAKER. In a similar position.

Mr. DOWELL. Mr. Speaker, will the gentleman from Indiana yield to me for a parliamentary inquiry?

Mr. HALLECK. Yes.

Mr. DOWELL. May I inquire, Mr. Speaker, if the gentleman from Indiana has the right to accept the amendment of the gentleman from Wisconsin?

The SPEAKER. The gentleman cannot accept the amendment until it is offered from the Clerk's desk; and when the gentleman yields for the purpose of having the amendment offered, he loses control of the floor.

Mr. HALLECK. Mr. Speaker, a parliamentary inquiry.

The SPEAKER. The gentleman will state it.

Mr. HALLECK. Am I in such position at this time, without yielding the floor, that I could yield 10 minutes to a Member to speak on the amendment now pending?

The SPEAKER. The gentleman can yield time for debate.
Mr. HEALEY. Mr. Speaker, will the gentleman yield to
me for a parliamentary inquiry?

Mr. HALLECK. Yes.

Mr. HEALEY. Mr. Speaker, if the proposed amendment of the gentleman from Wisconsin [Mr. Hull] does not conflict with the amendment offered by the gentleman from Indiana [Mr. Halleck], but merely adds to the scope of the investigation, is it the opinion of the Chair that that would supplant the amendment offered by the gentleman from Indiana if it is adopted?

The SPEAKER. The Chair is not in position to answer that inquiry because the Chair is absolutely ignorant of the contents of the proposed amendment to the amendment.

Mr. HALLECK. Mr. Speaker, I yield 5 minutes to the gentleman from Illinois [Mr. Dirksen] for debate.

Mr. DIRKSEN. Mr. Speaker, before everybody has the parliamentary jitters I think the issue can be resolved and this tremendous matter disposed of in short order. By way of background, let me say that some weeks ago a shipment of cream and milk came from the State of Indiana to the District of Columbia, ostensibly under the 1925 Milk Act, which is a very involved act, dealing with health and distribution, sources of supply, and so forth. That milk was seized. There was a great hue and cry as to whether it contained the proper amount of butterfat and whether it was good for the people of the District of Columbia. The odd part of it is that after it had been examined by the health officer in the District of Columbia I am informed that the cream and butterfat content was higher than that of some of the products which are offered for sale and distribution in the District at the present time. Whether that incident is the inspiration for the resolution before us today I do not know, but the fact is that there is pending now a resolution offered by the gentleman from Virginia [Mr. SMITH] to authorize the Committee on the District of Columbia of the House of Representatives to investigate into alleged violations of the law. If Members will examine the resolution carefully, they will find that it covers the source of supply from the outside, it covers the purity of the content that comes in, it covers the question of importation of milk and cream, it covers the question of the method of importation, it covers the question of whether it might be injurious to the health of the District of Columbia citizens if certain products are imported from without.

Finally, it deals with the question of diverting milk that comes in under the 1925 Milk Act, ostensibly for ice-cream

purposes, to the use of fluid milk and cream, and, finally, whether or not a conspiracy exists to violate certain sections of the 1925 Milk Act. The gentleman from Indiana [Mr. HALLECK] has offered two additional provisions to this resolution simply enlarging the authority of the Committee on the District of Columbia. The purport of the amendment on the desk at the present time is nothing more than to go into an examination of whether or not there is an adequate supply of milk coming in, whether prices are fair and reasonable, and whether there are any monopolistic practices in the milkshed surrounding the District of Columbia. There is nothing partisan about that, and it occurs to me that everybody who pays 14 cents a quart for milk here, when it can be purchased back home for 10, 11, and 12 cents a quart, would be interested in enlarging the authority of the Committee on the District of Columbia to find out whether too much money is being paid for milk in the District of Columbia.

My personal belief is that it has become something of a racket in Washington, if you please, and you are not going to get at it within the terms of the resolution as introduced by the gentleman from Virginia [Mr. SMITH]. The gentleman stated frankly, in his closing argument, that that was not the purpose of his resolution. The general objective was only to investigate violations under the Milk Act of 1925, apparently as inspired by the instance of cream and milk coming in from the State of Indiana. I do not care where you live, whether it is in the District of Columbia or Pennsylvania or Illinois or Indiana or any other place, you have an interest in the welfare of the people here, whether they are suffering from a monopoly and whether milk is costing too much. If it is, that kind of a racket ought to be broken up. The gentleman from Virginia [Mr. SMITH] seeks to answer that by saying that the so-called temporary monopoly committee is going to investigate that matter. That is a committee that is addressing its attention to great, important monopolistic practices everywhere in the United States. It is too much to expect that they will take cognizance of a situation that exists in the United States Capital. If it is to be done at all it must be done by someone who is familiar with it. It must be done by those who are on the ground, and the Committee on the District of Columbia can do that job very well.

[Here the gavel fell.]

Mr. HALLECK. Mr. Speaker, I yield the gentleman from Illinois 2 additional minutes.

Mr. DIRKSEN. Here is the chairman of the Committee on the District of Columbia, Mr. JENNINGS RANDOLPH, of West Virginia, who has an abiding interest in the matter. Here is the gentleman from Oklahoma [Mr. Nichols] who has an abiding interest in the matter. I happen to be one of the humble members on the District of Columbia Committee, and I have often thought that this matter ought to be explored to the full, and if there is a monopoly existing here, then let us tear the cover off the ball; let us name names and find out who they are and expose them to the pitiless sunlight of publicity. That is all that is involved here. So you can dispel all jitters about the parliamentary situation. You can vote for the amendment that is pending on the desk. It is perfectly safe to do so. It simply enlarges the authority of the Committee on the District of Columbia, and I assure you that if I serve on that subcommittee and I find out there is something rotten in the District of Columbia with respect to a milk monopoly, the report that will come to this floor is not going to be couched in such elegancies of the English language as to obscure its meaning. We will go to the bottom of the matter and bring those people before the committee.

Mr. GORE. Mr. Speaker, will the gentleman yield?

Mr. DIRKSEN. I yield.

Mr. GORE. The gentleman does not oppose any phase of the resolution?

Mr. DIRKSEN. No, indeed. I simply say it is a very innocuous resolution. It has about as much teeth as a 2-dayold baby. You cannot do anything under that resolution. Extend the authority so that we will not have to waste the time of another subcommittee in the District of Columbia in order to get something done about this milk racket. That is the whole situation in a nutshell. [Applause.]

[Here the gavel fell.]

Mr. HALLECK. Mr. Speaker, I yield such time as he may desire, for purposes of debate, to the gentleman from Virginia [Mr. SMITH].

Mr. SMITH of Virginia. Mr. Speaker, I do not wish to prolong this debate to any great extent. I first want to express my deep appreciation to the distinguished gentleman from Indiana for his generosity in yielding to the majority side of the House a little time for debate, when he, for the first time, gets control of the floor.

I have been interested, however, particularly in what the gentleman from Illinois [Mr. Dirksen] has had to say on this subject. I spoke on the subject when the resolution was before the House in general debate. I am afraid many of you were not present. I am sorry that time does not permit me to go over those things again. However, the gentleman from Illinois has made some statements on the floor which do not conform entirely to the facts as they exist and as they have been shown. I do not want my Democratic col-leagues on this side of the aisle to be voting with the Republicans on the other side of the aisle under any misapprehension about the facts. Of course, I do not expect to impress anybody over there with anything that I may say on the subject, but I do want my colleagues on this side to know what they are voting about.

The sole and only purpose of this resolution is to investigate a criminal racket that is going on in the District of Columbia by reason of the importation into this city of cream, in violation of the law and in violation of the regulations. It has been well established and proved, and all the words and all the hullabaloo and all the boasts about what he is going to do on the District Committee by the gentleman from Illinois [Mr. DIRKSEN] cannot change those

It so happens that this particular load of cream came from the State of Indiana. I do not know whether any of it came from the State of Illinois or not. It may be that is the reason the gentleman from Illinois is so perturbed about this subject. But the fact is it was brought here in violation of the law. If you do not want that kind of law, it is your privilege to change it at any time, but as long as you have the law, it ought to be enforced so that you know when you go down to the House restaurant and buy a glass of milk you are going to get a glass of real, pure milk, and not the kind of a glass of milk I got down there last Friday and had to send back to the kitchen. The gentleman from Illinois undertook to say there was a racket here in Washington in the milk business. The gentleman from Illinois has just got the thing exactly backward. The racket is not here. The racket is out there where the gentleman comes from [laughter], and that racket is being carried on in such an extensive manner that it took the police department of the city of Washington 1 month to get enough evidence to make just one arrest.

Mr. LEAVY. Mr. Speaker, will the gentleman yield? Mr. SMITH of Virginia. In just a few minutes, if you will excuse me.

Now, the gentleman from Illinois says this racket he talks about in Washington is causing you to pay a great price for milk. I have some facts. All the gentleman from Illinois had was some words. I have some facts, and I want to read you something about comparative prices that you are paying for milk in Washington and the prices paid in some other cities.

In Boston the price of grade A milk is 16 cents. In New York it is 16% cents; in Philadelphia, 15 cents; Richmond, Va., in my own State, 15 cents; in San Francisco it is 15 cents; in St. Louis it is 16 cents; in Miami it is 17 cents; and in Washington it is 14 cents—less than it is in any of those other great cities. Now, that is for grade A milk. Grade A milk is the best quality. No milk is sold on the Washington market except grade A milk.

The gentleman from Illinois said a lot of things about grade B milk. I expect they sell a lot of grade B milk and grade B cream in his district. Grade B is distinct from grade A. Grade B just means that it is not as good a product; and I say I think the gentleman from Illinois and the gentleman from Indiana ought not to be permitted to bring that grade B product into the city of Washington to be served to you in the House restaurant or in the other restaurants of this city at a high price—to sell you an inferior product when you are paying your money for a grade A product and when the law which you enacted requires that you shall be served with a grade A product.

Mr. SCHAFER of Wisconsin. Mr. Speaker, will the gentleman yield?

Mr. SMITH of Virginia. Not at this time. Now, this talk about monopoly. The gentleman from Illinois, I imagine, missed some of my remarks when I spoke a while back; and I am sorry that he did, because I could have told him some things that perhaps he is not aware of.

Mr. Speaker, the gentleman from Illinois says that I said the monopoly investigation was going to conduct an investi-gation into the monopoly of milk. I did not say any such thing. I said that the monopoly investigating committee is now-is now-conducting an investigation and that they had a hearing on this very subject last week. Instead of waiting until the House does something about it, they are already proceeding to do it.

The question of a milk monopoly is not a local question in Washington; it is a national question and a question that needs investigation. I feel that there are great aggregations of milk distributors who are getting too much profit out of the farmer and who are getting too much profit out of the consumer. They ought to be investigated. I am sure they will be investigated. This condition ought to be corrected, but this Committee on the District of Columbia, dealing with a purely local proposition, ought not to be diverted from that proposition to go into a Nation-wide investigation of something that Congress has already set up a separate joint committee to investigate.

Mr. NICHOLS. Mr. Speaker, will the gentleman yield?

Mr. SMITH of Virginia. I yield.

Mr. NICHOLS. Will the gentleman point out in what respect, if he can, he objects to the amendment? I do not want to take any part in this debate, but if the gentleman is against the amendment will he tell us why?

Mr. SMITH of Virginia. I am against the gentleman's amendment because this resolution is drawn for the one purpose of investigating racketeering in the unlawful importation of milk into the District of Columbia and also to determine the standard of the milk coming into Washington. There is no other question involved.

Now, there is one other question. The gentleman from Illinois spoke-I am afraid his attention is again diverted from my remarks, but I do not want to bother him-spoke about this cream which came from another section and stated that its quality and butterfat content were just as high as that which is sold in the District of Columbia legally. I want to make just this statement and then I shall have completed what I have to say: That an analysis of that cream by an impartial laboratory disclosed that it contained something like 40,000 bacteria per cubic centimeter. The fact is that the average bacteria count in cream which you are served anywhere in Washington is around 3,000 per cubic centimeter—this as against 40,000 per cubic centimeter on the cream the gentleman from Illinois has just been boasting about.

Mr. LEAVY. Mr. Speaker, will the gentleman yield?

Mr. SMITH of Virginia. I yield.

Mr. LEAVY. I am curious to know the outcome in reference to that shipment of milk. It did create considerable excitement here. I understand it was investigated in Washington. Was it or was it not found to be pure milk?

Mr. SMITH of Virginia. It was analyzed, but I cannot say it was pure milk, for the issue has not yet been determined, the case has not been heard.

Mr. LEAVY. I thought a finding had been made on it.

Mr. SMITH of Virginia. I do not think so. Mr. HOOK. Mr. Speaker, will the gentleman yield?

Mr. SMITH of Virginia. I yield.

Mr. HOOK. As I understand the gentleman, then, it is his contention that it is all right to have class B milk distributed in the District of Columbia provided it is not

imported here; is that right?

Mr. SMITH of Virginia. The gentleman has very certainly misunderstood me. I said no class B milk is lawfully distributed in the city of Washington. There is only one class of milk advertised for sale here, which is class A, and that carries a butterfat content of something over 4 percent.

Mr. HOOK. Can class B milk be sold here under the law?

Mr. SMITH of Virginia. I am saying it is not. I do not know whether it can or not.

Mr. HOOK. Why not have the resolution extended to such point that the distribution of milk within the District of Columbia can be investigated as well as importations into the District?

Mr. SMITH of Virginia. That seems to be the purpose of the amendment.

Mr. CRAWFORD. Will the gentleman yield?

Mr. SMITH of Virginia. I yield to the gentleman from Michigan.

Mr. CRAWFORD. I wish to ask two or three questions for information.

Mr. SMITH of Virginia. I do not want to take up too much of the gentleman's time. He has been very generous in yielding to me.

Mr. CRAWFORD. First, I want to ask how many tests were made, to which the gentleman just referred in speaking of the 40,000 bacteria per cc.? How many tests were made? In the second place, what was the report on each test, or let us take three, four, or five tests. Could the gentleman give us those figures?

Mr. SMITH of Virginia. No. There was only one load of cream taken, and I assume there was only one test made. I do not know whether they make more than one test on one shipment or not.

Mr. CRAWFORD. Does the gentleman mean to say, so that we can accept it as a statement of fact, that there was only one test made on one load and that that test was something in the range of 40,000?

Mr. SMITH of Virginia. That is all the information I have on the subject. I have given what information I have.

Mr. CRAWFORD. May I ask another question with reference to the sale of milk in New York City. What did I understand the gentleman to say was the price in New York City on grades A, B, and C milk? Does the gentleman have those figures?

Mr. SMITH of Virginia. I have got it as 16% cents.

Mr. CRAWFORD. On grade A?

Mr. SMITH of Virginia. On grade A.

Mr. CRAWFORD. Does that apply to the bottled milk delivered to the consumer, or does it also apply to the special milk stations which have been created by Mayor LaGuardia so the poor people of New York City can get their milk cheaper?

Mr. SMITH of Virginia. It is the regular market for milk. Mr. CRAWFORD. The gentleman did not mean to say, then, that grade A milk can be bought in New York City for

only 16% cents per quart?

Mr. SMITH of Virginia. That is the price I have. I do not know what Mayor LaGuardia gives them. I understand

he is very generous.

Mr. CRAWFORD. Is that the prevailing price in New York City for grade A milk?

Mr. SMITH of Virginia. I understand that to be the prevailing price.

Mr. CRAWFORD. And it is the only price?

Mr. SMITH of Virginia. I did not say that was the only price; but I stated I do not know what Mayor LaGuardia does about that.

Mr. CRAWFORD. Does the gentleman know whether or not New York City now has milk stations which are selling grade A milk for as low as 8 or 9 cents per quart?

Mr. SMITH of Virginia. I do not.

Mr. DIRKSEN. Will the gentleman yield?

Mr. SMITH of Virginia. I yield to the gentleman from Illinois.

Mr. DIRKSEN. In order to keep the record straight, just recently the District bacteriologist stated that there were 5 tests made on the cream and that the count ranged from 4,000 to 30,000. According to the gentleman from Indiana [Mr. Gillie], who used to be a milk inspector in Fort Wayne, that is really high-grade cream.

Mr. SMITH of Virginia. My information is 40,000. I do not know who made the test.

Mr. RANDOLPH. Will the gentleman yield?

Mr. SMITH of Virginia. I yield to the gentleman from West Virginia.

Mr. RANDOLPH. I enter the debate at this point only to make an observation because I do not want to go into the merits of the pending amendment at this time except to say what I stated previously, that the District of Columbia Committee, I know, can be counted on to thoroughly investigate whatever work is brought to them in the form of a resolution passed by this House. May I make the further observation in connection with the so-called "bootleg" milk which was brought into the District of Columbia from some State in the Midwest, that I understand the Health Department officials have found that that milk met the requirements of the District of Columbia.

Mr. DIRKSEN. Will the gentleman yield?

Mr. SMITH of Virginia. I am going to yield the floor in a minute.

Mr. DIRKSEN. May I make this further observation and call attention to the fact this letter was signed by J. E. Noble, District bacteriologist, and shows that in all five counts the bacillus coli was zero.

Mr. PATRICK. Will the gentleman yield?

Mr. SMITH of Virginia. I yield to the gentleman from Alabama.

Mr. PATRICK. I have not gone into the detailed things that have been asked here; however, I think the majority of the Members listening to the debate would like to find out about one point before voting, and that is: What is it the gentleman from Virginia is objecting to so far as the amendment is concerned, unless it would curtail what is provided for and intended by the resolution as drawn by the gentleman? In other words, what is the gentleman from Virginia losing by the additional amendment being brought in here when it leaves intact everything in the original resolution?

Mr. SMITH of Virginia. I do not know that it does anything other than divert the resolution from its original purpose. I am frank to say to the gentleman I do not think it is a matter of very great importance. We can probably get along all right with the amendment added.

Mr. HALLECK. Mr. Speaker, I yield 3 minutes for the purpose of debate to the gentleman from Wisconsin [Mr. Hull].

Mr. HULL. Mr. Speaker, I will take the time only for the purpose of explaining the amendment which I have endeavored to get before the House, but have been prevented from so doing by the parliamentary situation. I read the amendment previously, but I will read it again. It is to add after the amendment offered by the gentleman from Indiana:

(6) Whether any conspiracy exists on the part of distributors of any dairy products to monopolize or control the supply of such products and the prices thereon to the detriment of both producers and consumers or either of them.

I call attention to the language on page 2, line 5, of the resolution, reading as follows:

Whether any conspiracy exists on the part of any distributor of any dairy products to violate the provisions of the 1925 District Milk Act or the regulations made pursuant thereto.

That language would restrict the monopoly feature or the conspiracy feature merely to the 1925 District Milk Act. It is my purpose and it is the object of my amendment to open up this subject here, just as it was opened up in Chicago by the Trade Commission, to find what the facts are, and, if

there is a monopoly existing here, if this racket is not a onesided matter but a two-sided matter in which the principal racket is perpetrated by the larger dairy companies, then the Department of Justice can move in and we shall have a grand-jury investigation supplementary to anything we do in the House.

Mr. Speaker, I am not familiar enough with the rules to know whether or not my request is in order; but if it is in order, I ask unanimous consent that my amendment may at this time be added to the amendment offered by the gentleman from Indiana [Mr. Halleck]. I submit the request in this form in order that the gentleman from Indiana may not lose control of the floor.

The SPEAKER. The gentleman from Wisconsin asks unanimous consent to offer the amendment he has read as an amendment to the amendment proposed by the gentleman from Indiana.

Mr. HULL. Mr. Speaker, may I correct the statement of the Chair in just one particular? I desire to have the amendment added to the original amendment offered by the gentleman from Indiana and not have it come as an amendment offered by me.

Mr. SMITH of Virginia. Reserving the right to object, Mr. Speaker, I should like to have a further explanation of the amendment proposed by the gentleman from Wisconsin.

The SPEAKER. As the Chair understood the unanimousconsent request of the gentleman from Wisconsin it is that his proposed amendment be added to the amendment offered by the gentleman from Indiana, and not offered as an independent amendment to the amendment.

Mr. SMITH of Virginia. Further reserving the right to object, Mr. Speaker, may I ask the gentleman if his amendment is not similar in purport to the amendment of the gentleman from Indiana? In other words, is it not a mere repetition of what the gentleman wishes to say?

Mr. HULL. No. In my opinion, the amendment of the gentleman from Indiana is confined very largely to the one subject of the 1925 milk law and the regulations thereunder. I am endeavoring to have the investigation made broad enough so the whole subject of monopoly can be entered into and, as far as that is concerned, so the features of the antitrust law may be invoked under this same investigation.

The SPEAKER. Is there objection to the request of the gentleman from Wisconsin?

Mr. SMITH of Virginia. I shall have to object, Mr. Speaker.

Mr. HALLECK. Mr. Speaker, I yield 3 minutes for the purpose of debate to the gentleman from Massachusetts [Mr. Healey]

Mr. HEALEY. Mr. Speaker, I take issue with my friend the gentleman from Virginia, who in a rather subtle manner has tried to convert this issue into a party question. Certainly, whether or not the investigation should be broadened so as to give the investigating committee power to inquire into the questions of whether or not there exists an arrangement whereby the supplying of milk to the city of Washington is restricted to one area, and whether a monopoly exists in its sale and distribution, are not partisan questions. I can very well conceive that the gentleman from Virginia may have a very special interest in this resolution, in that his constituents are perhaps affected more than others, but certainly that reasoning does not apply to other Members on the Democratic side. We have nothing but a broad interest and are anxious to know if there exists in the District a monopoly which restricts the supply and distribution of milk to the residents of the District; and, if so, whether that monopoly is actually controlling the price of milk and eliminating free competition. It has been alleged that the price of milk and cream in the District is higher than in any other populous center of the country. The gentleman from Virginia disputes this allegation, but certainly he should not have any objection to an investigating committee's inquiring into and determining the facts and bringing them to the House so we may take further action if we deem the facts as adduced by the committee warrant such further action.

The question comes down simply to whether or not we wish to broaden the scope and extent of this investigation to make this further inquiry. I hope some parliamentary arrangement can be arrived at whereby the gentleman from Wisconsin may have his amendment considered in addition to the amendments offered by the gentleman from Indiana, because the amendment of the gentleman from Wisconsin is clear and unequivocal. Under the language of his amendment the committee will be expressly instructed to determine the question of whether or not a monopoly does in fact exist governing and controlling the supply and distribution of milk in the District. [Applause.]

[Here the gavel fell.]

Mr. HALLECK. Mr. Speaker, I yield 3 minutes for the purpose of debate to the gentleman from Oklahoma [Mr. Nichols].

Mr. NICHOLS. Mr. Speaker, I am frank to say I did not know we have a milk racket in the District of Columbia, and I am frank to say I have been considerably enlightened this afternoon through this debate by gentlemen on both sides of the aisle as to a condition which seems to exist here. This situation has certainly reached sufficient importance that it has taken up the time of the great Committee on Rules in the consideration of this resolution, and is of enough importance that it is now taking up the time of this House in debate. I presume there is some cause for all this agitation. I agree with my friend the gentleman from Massachusetts [Mr. HEALEY] and am frank to say that I can see nothing partisan in this matter. If an inferior milk is being sold in the District of Columbia, it is as unhealthy for Democrats as it is for Republicans, and if a monopoly or a milk racket is being carried on in the District of Columbia, the ill effects from such monopoly affect us all alike and our politics do not enter into it at all.

I am a member of the Committee on the District of Columbia. If this resolution is passed that committee, of course, will have to carry out the mandate of the House. I am not interested in whether or not the resolution submitted by the gentleman from Virginia is right or whether the amendment offered by the gentleman from Indiana makes it better.

I am interested in this as a member of that committee. If you are going to give us a job to do in investigating this subject, then do not limit us. If you want us to do a good job, turn us loose and let us go into every phase of this racket, if it is a racket. If there is a monopoly, turn us loose so that we can, on the basis of this investigation, find it out if possible. I do not know whether there is one or not.

Mr. McCORMACK. Mr. Speaker, will the gentleman yield?

Mr. NICHOLS. I yield to the gentleman from Massa-chusetts.

Mr. McCORMACK. Of course, you will need some money. Mr. NICHOLS. I do not know; it is not my resolution.

Mr. McCORMACK. In order for the District of Columbia Committee to do the job assigned to it, with the power to summon witnesses, the committee ought to be given money to do the work.

Mr. NICHOLS. Of course my friend is exactly right, and I presume the House will be generous in that respect. [Laughter and applause.]

[Here the gavel fell.]

Mr. HALLECK. Mr. Speaker, just one word and then I shall move the previous question.

I believe the resolution as originally drafted, and as it will be amended if these amendments are adopted, will adequately meet the idea that the gentleman from Wisconsin [Mr. Hull] has in mind in his amendment. Beyond that, if I understand the procedure correctly, this committee will get into its job and I think from what has been said here this afternoon they will do a good job. If, after they get into their work of investigation, they see that they need further or wider authority, I am convinced the House will give it to them.

Mr. RANDOLPH. Mr. Speaker, will the gentleman yield?

Mr. HALLECK. I yield to the gentleman from West Virginia.

Mr. RANDOLPH. I think it only fair to follow up the observation made a moment ago by the gentleman from Massachusetts by saying that certainly the District of Columbia Committee would not and could not proceed without supporting funds, because it would be a task which could not be handled without proper clerical help as well as counsel and investigators.

Mr. KITCHENS. Mr. Speaker, will the gentleman yield? Mr. HALLECK. I yield for a question. Mr. KITCHENS. I take it the gentleman is familiar with this milk law. I am not familiar with it. Has the gentleman found anything in that law or anything in the rules or regulations issued under it that will prevent competition here in the District from any point outside of the District?

Mr. HALLECK. I think that is in the law and in the

regulations, by reason of the fact that there are requirements that the sources of supply be investigated by the agents of

the District of Columbia.

Mr. KITCHENS. But the law itself is all right, and there is no discrimination against certain sections by virtue of the law itself.

Mr. HALLECK. Personally I do not think the law at the present moment is all right, but I do not care at this late hour to go into a discussion of that, because we have been back and forth over a number of those things during the

Mr. McCORMACK. Mr. Speaker, will the gentleman yield for a brief question?

Mr. HALLECK. Yes; I yield.

Mr. McCORMACK. Personally I am going to vote for the amendment offered by the gentleman from Indiana, but I am sure the gentleman from Indiana has given this matter serious thought; and, of course, if we vote for this, we are passing it over to the District of Columbia Committee. Can the gentleman enlighten the House as to how much he thinks the House ought to appropriate so the District of Columbia Committee can do a proper job?

Mr. HALLECK. Of course, Mr. Speaker, the gentleman from Massachusetts knows I would not have a very definite idea about that. I did not introduce this resolution at the outset. I am not the author of the resolution. I simply have offered some amendments in the hope that if the in-

vestigation is made, some good will come from it.

Mr. McCORMACK. The gentleman does not want to leave the District of Columbia Committee holding the bag with a resolution and no money.

Mr. MARTIN of Massachusetts. Mr. Speaker, will the gentleman yield?

Mr. HALLECK. I yield.

Mr. MARTIN of Massachusetts. I may say to the gentleman from Massachusetts that the Committee on Accounts must give consideration to the question of money.

Mr. McCORMACK. That is true, but usually the House is advised beforehand as to what will be asked of the Committee on Accounts.

Mr. HALLECK. Mr. Speaker, I move the previous question on the resolution and the amendment thereto.

The previous question was ordered.

The amendment was agreed to.

The resolution, as amended, was agreed to, and a motion to reconsider was laid on the table.

Mr. SPARKMAN. Mr. Speaker, during the afternoon the House conferees on the national defense bill have been in session and therefore were not able to be present at the roll call previously had. The Members are Messrs. May, Thoma-SON, HARTER of Ohio, Andrews, and Short.

EXTENSION OF REMARKS

Mr. Jenkins of Ohio asked and was given permission to revise and extend his own remarks in the RECORD.

Mr. HARNESS. Mr. Speaker, I ask unanimous consent to extend my remarks in the RECORD and to include therein an editorial that appeared in this morning's Post by Roger W. Babson.

The SPEAKER. Is there objection to the request of the gentleman from Indiana?

There was no objection.

Mr. WELCH. Mr. Speaker, I ask unanimous consent to insert in the RECORD a telegram from the San Francisco Chamber of Commerce with reference to the naval national defense and my answer thereto.

The SPEAKER. Is there objection?

There was no objection.

Mr. COFFEE of Washington. Mr. Speaker, I ask unanimous consent to extend my remarks in the RECORD and to include therein a brief excerpt from Labor, the official organ of the Railroad Brotherhood.

The SPEAKER. Is there objection?

There was no objection.

Mr. HEALEY. Mr. Speaker, I ask unanimous consent to extend my own remarks in the RECORD.

The SPEAKER. Is there objection.

There was no objection.

Mr. HULL. Mr. Speaker, I ask unanimous consent to revise and extend the remarks I made this afternoon and to include certain tables relative to the price of milk in various

The SPEAKER. Is there objection?

There was no objection.

Mr. H. CARL ANDERSEN. Mr. Speaker, I ask unanimous consent to insert in the RECORD a memorial from the Legislature of the State of Minnesota which proposes an amendment to the Constitution of the United States preventing the issuance of tax-exempt securities.

The SPEAKER. Is there objection?

There was no objection.

Mr. KEAN. Mr. Speaker, I ask unanimous consent to extend my remarks in the RECORD upon the subject of the Newark Airport and to include therein an editorial from the New York Times and an excerpt from a Newark newspaper.

The SPEAKER. Is there objection?

There was no objection.

Mr. BRADLEY of Michigan. Mr. Speaker, I ask unanimous consent to speak for 1 minute and revise and extend my remarks in the RECORD and to include a letter received from the Chairman of the Board of Road Commissioners of Ontonagon County, Mich.

The SPEAKER. Is there objection?

There was no objection.

Mr. BRADLEY of Michigan. Mr. Speaker, I ask permission to address the House for 1 minute and permission to revise and extend my remarks at this point and to include therein a letter received by me from the Chairman of the Ontonagan County Road Commission and copy of his letter to Colonel Harrington, W. P. A. Administrator.

Mr. Speaker, one of the first acts of this session of Congress was the granting to the President of an appropriation of \$725,000,000 for the continuation of the W. P. A. During the course of the debate on that bill accusations were made of waste and inefficiency in the administration of this vital relief program. Charges were made that politics had been permitted to interfere with the administration of W. P. A. When this money was granted amendments were added to the measure which demanded that waste and inefficiency and political interference in the administration of W. P. A. must cease immediately.

Mr. Speaker, in this morning's mail I received communications from my home State of Michigan which indicate that there has been no improvement in the general situation, and I feel that the charges contained therein are serious enough to be called to the attention of this entire body, and consequently I include these letters in full in my remarks.

ONTONAGON, MICH., March 11, 1939.

Hon. Fred Bradley,

Congressman, Eleventh District of Michigan,

Washington, D. C.

My Dear Mr. Bradley: We are enclosing herewith copy of a letter which we have this day mailed to F. C. Harrington, Works Progress Administrator, which is self-explanatory.

We have had so much trouble and interference from the local Democratic committee that it has been virtually impossible for us

to carry out our duties as sponsors of the various W. P. A. road

projects in this county.

We have been forced to accept supervisory employees without regard to their experience or ability. The chairman of the Democratic committee has dictated the policy of carrying through our projects purely upon a political basis.

Our road commission is a nonpartisan board. We have made an almost superhuman effort to carry out our duties of sponsoring the spending of Federal money here in an efficient and businesslike way. We find it impossible to do this, however, because every supervisory officer of the W. P. A. in this district takes his orders from the local chairman, and we are powerless to do anything about it.

We believe that we are entitled to have politics divorced from the administration of the W. P. A. here, and we believe that our only remedy is to have an impartial investigation of the political maneuvering which is causing us so much interference.

will you please do what you can to help us correct this situation?
Respectfully,
BOARD OF ROAD COMMISSIONERS OF ONTONAGON COUNTY,
By CHAUNCEY L. MARLEY, Chairman.

ONTONAGON, MICH., March 10, 1939.

Ontonagon, Mich., March 10, 1939.

Mr. F. C. Harrington,

Administrator, Works Progress Administration,

1734 New York Avenue NW., Washington, D. C.

Dear Sir: We have been informed, through the press, of your desire to separate politics from the administration of the W. P. A. The purpose of this letter is to inform you that in this particular county (Ontonagon) a situation exists in this regard which should have your immediate attention. The board of county road commissioners of this county has sponsored projects wherein Federal funds have been spent of nearly \$1,000,000. The present project sponsored by this commission involves Government money to the extent of \$241,014. Our commission, which is nonpartisan, would like to see this money spent for the purpose for which it was like to see this money spent for the purpose for which it was intended. We have been considerably hampered in doing this by the interference and manipulation of the local Democratic committee. In this regard we give you a general survey of the situation and earnestly request that you send an impartial investigator to inquire into the correctness of our statement.

The local chairman of the Democratic Party, cooperating with the area engineer and project supervisors, is making it virtually impossible for us to carry out this project according to governmental regulations.

mental regulations.

We charge that area engineers, timekeepers, and project supervisors here have been forced, through political manipulation, to demote project foremen for no reason whatever except political affiliations. For example, they have forced the replacement of competent foremen who have been in service for 2 years or more by young, inexperienced men who have been in service 6 months or less on the basis only of political considerations. Carpenters not satisfactory to the county chairman have been reclassified and replaced by common laborers without any experience in the carpenter trade. At least seven of these carpenters in one particular township have been carried on the pay roll at carpenter rates for at least 2 months after all carpenter work was completed. We have particular reference on this to the home township of the chairman of the Democratic Party. Timekeepers also have been reclassified under a similar situation. The project timekeeper was chosen against the wishes of the area timekeeper. This particular timekeeper reported to work drunk and was on the job particular timekeeper reported to work drunk and was on the job drunk, to the knowledge of both the area timekeeper and the Democratic chairman. Notwithstanding this condition, it was impossible to have him removed until after several weeks of strenu-

ous complaint on our part.

We have positive proof that the project supervisor and time-keeper were requested by the area engineer to make collections for Congressman Hook's campaign fund last fall and we have sworn affidavits and signed receipts to prove this assertion. The project supervisor who refused to make the collection later lost his job.

Other items which we think should have your consideration are

Other items which we think should have your consideration are as follows:

Various project foremen have been forced by the county chairman to do additional work not included or approved in the project and against the wishes of the superior foremen on the same job. Clement Proulx, the project supervisor for this county, and selected by the Democratic committee, was and is entirely incompetent to do the work either by training or experience. This man is not an engineer and never had any previous experience in the construction of highways or the handling of men. He does not even deem it necessary to visit the various jobs oftener than once every 6 weeks. In conclusion we wish to advise that as sponsors of this project the Ontonagon County Road Commission has been completely divested of all its right and authority to supervise the operations as set up by the rules and regulations of the W. P. A. We have been superseded and are without any remedy except at your hands. We would not lament the interference on the part of the Democratic chairman or the members of his committee were it not for the fact that they have openly disregarded every concept of economy or efficiency in running this project. The county is suffering, the Federal Government is suffering, and the people who reside here and who are unfortunate enough to be upon W. P. A. are being victimized by the political racket that involves the whole set-up in this county.

We appreciate that we are but a small unit of an operation that extends throughout our Nation but, nevertheless, we feel that our particular situation demands your immediate attention and we hope that you will act with all possible promptness.

Respectfully yours,
BOARD OF COUNTY ROAD COMMISSIONERS OF ONTONAGON COUNTY,

By CHAUNCEY L. MARLEY, Chairman.

Copies to Senator Arthur H. Vandenberg and Congressman Fred

Mr. Speaker, the daily newspapers inform us that the President is going to immediately renew his demand on this body for an additional \$150,000,000 in order to continue this program to July 1, and I contend that if the instructions of this body had been carried out, this additional request would not have been necessary.

LEAVE OF ABSENCE

By unanimous consent, leave of absence was granted as follows:

To Mr. O'Toole, from March 13 to April 1, on account of illness necessitating an operation.

To Mr. Anderson of California, for an indefinite period, on account of illness.

To Mr. Lanham, for today, on account of illness.

To Mr. LELAND M. FORD, indefinitely, on account of illness.

THE LATE REPRESENTATIVE J. BURRWOOD DALY

Mr. BOLAND. Mr. Speaker, 2 years ago, in this Chamber, I listened to one of our colleagues from Massachusetts [Mr. McCormack] state, on a similar occasion to this, that it was the saddest moment in his 9 years of service in this body in announcing to the Congress the death of his beloved colleague the late William P. Connery, whom we all admired very deeply.

Today I can, in all sincerity, offer this same expression of sadness in announcing the death of my colleague from Pennsylvania, the Honorable J. Burrwood Daly. It would be presumptious on my part to adequately extol the virtues or to eulogize the character of Mr. Daly. He was a very lovable gentleman and a credit to his State. A devoted husband and the loving father of five children, his family will miss him very much, but will have the consolation of the many fond memories that he has lived as a legacy to them.

He was born and reared in the city of Philadelphia, graduated from La Salle College, and received his law degree from the University of Pennsylvania. He was a member of the Philadelphia Bar Association and was assistant city solicitor of Philadelphia for 12 years. He was elected to the Seventyfourth Congress; reelected to the Seventy-fifth and Seventysixth Congresses. I am personally grieved at his departure and can express the same feeling on behalf of our Pennsylvania delegation. His death is a loss to the Nation, the State, and the community in which he lived; a great loss to his family and relatives and an irreparable loss to his friends and colleagues in this body.

Mr. LUDLOW. Mr. Speaker, will the gentleman yield to me for a moment?

Mr. BOLAND. Mr. Speaker, I yield to the gentleman from Indiana.

Mr. LUDLOW. Mr. Speaker, as chairman of the Subcommittee on the Treasury and Post Office Appropriations, of which Burrwood Daly was a highly valued and much be-loved member, I wish to give expression to our feelings of loss and sorrow over the sad news of his death. He was a kind, considerate, sympathetic, understanding friend, learned and scholarly, a delightful companion and a sincere representative of the people. He was keenly alive to his responsibility, conscientious to the last degree, and was actuated by exalted ideals of public service.

We of the subcommittee have just passed through a grueling experience of drafting the appropriation measure committed to our charge. Mr. Daly was with us when we began our hearings on December 12, and he devoted all of his splendid talents far beyond his strength to the work at hand, until a few weeks ago, when it was apparent to us that the feeble flame of life was flickering and that the final parting could not be long delayed.

His intense application to the public interests, which flagged only when his physician ordered him to desist, may have hastened the untimely end.

He was a lovable character, and we shall miss him very much as we join his legion of friends in mourning the loss

of a good man.

The pain of parting is great, but in our simple Christian faith may we not indulge the hope that somewhere beyond the stars we may meet our friend and coworker again? May we not say of Burrwood, as our Hoosier poet, James Whitcomb Riley, said of another:

> I cannot say and I will not say that he is dead-He is just away. With a cheery smile and a wave of the hand He has wandered into an unknown land.

Mr. SACKS. Mr. Speaker, will the gentleman yield?

Mr. BOLAND. I yield.

Mr. SACKS. Mr. Speaker, it is with deep regret that I rise today. I cannot find words ample to describe the feelings of his colleagues from Philadelphia. We have known BURRWOOD DALY a long while. We in Philadelphia always believed him to be one of God's noblemen. He has fought hard for his fellow citizens while serving them in the city, and I know he did the same in this House. I just want to say that many times his colleagues from the city tried to get Burrwood to relax a little, and his only answer was that it was his duty to his people and to his Nation to continue on in the work.

I wish to express the feeling of his colleagues, and I am sure the feeling of the people, that Burrwood's loss is a great loss to the citizenry of Philadelphia, and we all pray in this hour that the good work he has started will be carried on by others and his friends in the House and his delegation both in the State and in the city.

May his family take solace and feel that Burrwood in his departure has left a great mark upon the history books

of his Nation, of his city, and his State.

Mr. EBERHARTER. Mr. Speaker, will the gentleman yield?

Mr. BOLAND. I yield.

Mr. EBERHARTER. Mr. Speaker, this is indeed a sad occasion for the Members of Congress. It is particularly sad for those Members who have had the privilege of being very closely associated with our dear departed friend, our colleague from Philadelphia.

Mr. Daly was possessed of all those qualifications which go to make up a true gentleman. He will be remembered by us as one who had wide, human sympathy; as one who was always willing to lend a helping hand to those who came to him for advice and help; and as being one of those men who also had a peculiar and remarkable faculty for getting to the depth of the problems that are confronting this Nation today.

He represented his native city of Philadelphia and the State of Pennsylvania in an exceedingly capable manner. He endeared himself to every Member of the House with whom he became personally acquainted. The Congress and the whole Nation suffers a great loss in the death of our colleague from Pennsylvania, Mr. Daly.

Mr. BOLAND. Mr. Speaker, I offer a resolution, which I send to the Speaker's desk.

The Clerk read as follows:

House Resolution 121

Resolved, That the House has heard with profound sorrow of the death of Hon. J. Burrwood Daly, a Representative from the State of Pennsylvania

Resolved, That a committee of four Members of the House with such Members of the Senate as may be joined be appointed to

Resolved, That the Sergeant at Arms of the House be authorized and directed to take such steps as may be necessary for carrying out the provisions of these resolutions and that the necessary expenses in connection therewith be paid out of the contingent fund of the House.

Resolved, That the Clerk communicate these resolutions to the Senate and transmit a copy thereof to the family of the deceased.

The SPEAKER. The question is on agreeing to the resolution.

The resolution was agreed to.

The SPEAKER. The Chair appoints the following Members on the part of the House to attend the funeral of Hon. J. BURRWOOD DALY: Mr. BRADLEY, of Pennsylvania; Mr. Mc-GRANERY, of Pennsylvania; Mr. Sacks, of Pennsylvania; and Mr. GARTNER, of Pennsylvania.

The Clerk will continue the reading of the resolution.

The Clerk read as follows:

Resolved, That as a further mark of respect the House do now adjourn.

The resolution was agreed to.

Accordingly (at 4 o'clock and 3 minutes p. m.) the House adjourned until tomorrow, March 14, 1939, at 12 o'clock noon.

COMMITTEE HEARINGS

COMMITTEE ON WAYS AND MEANS

Public hearings will continue Tuesday, March 14, 1939, at 10 a. m., on social-security legislation, in the Ways and Means Committee room in the New House Office Building.

COMMITTEE ON INTERSTATE AND FOREIGN COMMERCE

There will be a meeting of the Committee on Interstate and Foreign Commerce at 10 a. m., Tuesday, March 14, 1939. Business to be considered: Railroad legislation-H. R. 2531.

There will be a meeting of the wool subcommittee of the Committee on Interstate and Foreign Commerce at 2 p. m. Tuesday, March 14, 1939. Business to be considered: Opposition to wool-labeling bill-H. R. 944.

COMMITTEE ON RIVERS AND HARBORS

The Committee on Rivers and Harbors will meet Tuesday, March 14, 1939, at 10:30 a.m., to hold hearings on the project for the improvement of the Connecticut River between Hartford, Conn., and Holyoke, Mass.

COMMITTEE ON MERCHANT MARINE AND FISHERIES

The Committee on Merchant Marine and Fisheries will hold public hearings in room 219, House Office Building, Washington, D. C., at 10 a. m., on the bills and dates listed

Tuesday, March 14, 1939:

H. R. 180, H. R. 202, construction of a Nicaraguan Canal; H. R. 201, additional facilities for Panama Canal; H. R. 2667, construction of a Mexican Canal.

In listing the bills to be heard on March 14, 1939. House Joint Resolution 112 (TINKHAM), to create a commission to study and report on the feasibility of constructing the Mexican Canal, was inadvertently omitted from the notice.

This is to advise all interested parties that House Joint Resolution 112 will be considered at that time with the following bills: H. R. 180 (Izac), relative to the construction of a Nicaraguan Canal; H. R. 202 (BLAND), relative to the construction of a Nicaraguan Canal; H. R. 201 (BLAND), need for additional lock facilities at Panama; H. R. 2667 (TINKHAM), relative to the construction of a Mexican Canal.

Tuesday, March 21, 1939:

H. R. 137, H. R. 980, H. R. 1674, relating to annuities for Panama Canal construction force.

Thursday, March 23, 1939:

H. R. 141, H. R. 142, H. R. 1819, miscellaneous Panama Canal bills.

Tuesday, March 28, 1939:

H. R. 197, relating to the clearance of vessels; H. R. 199, relating to the allotment of wages by seamen; H. R. 200, relating to foreign towboats towing between American ports; H. R. 1780, relating to penalties on certain undocumented vessels and cargoes engaging in the coastwise trade or the fisheries; H. R. 1782, relating to change of masters of vessels.

Wednesday, March 29, 1939:

H. R. 198, relating to the measurement of vessels; and H. R. 132, authorizing the use of condemned Government vessels for breakwater purposes.

Tuesday, April 4, 1939:

H. R. 3209, making it a misdemeanor to stow away on vessels; H. R. 3398, regarding the down payment of construction of new vessels; H. R. 3935, relating to the discharge of seamen.

Wednesday, April 5, 1939:

H. R. 3052, uniform insignia for Naval Reserve radio operators; H. R. 1010, intercoastal subsidy bill (Welch).

Thursday, April 6, 1939:

H. R. 1011, acquisition of drydock facilities for United States Maritime Commission on San Francisco Bay (Welch); H. R. 2870, acquisition of drydock facilities for United States Maritime Commission at Los Angeles (Thomas F. Ford); H. R. 3040, acquisition of drydock facilities for United States Maritime Commission at Los Angeles (Geyer of California).

COMMITTEE ON INDIAN AFFAIRS

There will be a meeting of the Committee on Indian Affairs on Wednesday, March 15, 1939, at 10:30 a. m., for the consideration of H. R. 4679, H. R. 3699, and H. R. 2306.

COMMITTEE ON IMMIGRATION AND NATURALIZATION

The Committee on Immigration and Naturalization will meet on Wednesday, March 15, 1939, for the public consideration of H. R. 4185, H. R. 4823, and H. R. 4860. The meeting will be held at 10:30 a.m. in room 445, House Office Building.

COMMITTEE ON THE PUBLIC LANDS

There will be a meeting of the Committee on the Public Lands on Thursday, March 15, 1939, at 10 a.m., in room 328, House Office Building, to consider H. R. 3794, to establish John Muir-Kings Canyon National Park, Calif., to transfer thereto the lands now included in the General Grant National Park, and for other purposes.

There will be a meeting of the Committee on the Public Lands on Thursday, March 23, 1939, at 10 a.m., in room 328, House Office Building, to consider H. R. 3759, to authorize a National Mississippi River Parkway, and matters relating thereto.

COMMITTEE ON THE JUDICIARY

Beginning at 10 a. m. on Wednesday, March 22, 1939, there will be a hearing held before the subcommittee No. 4 of the Committee on the Judiciary on House Joint Resolution 176, declaring the conservation of petroleum deposits underlying submerged lands adjacent to and along the coast of California, below low-water mark and under the territorial waters of the United States of America, essential for national defense, maintenance of the Navy, and regulation and protection of interstate and foreign commerce; reserving the same as a naval petroleum reserve, subject to any superior vested right, title, or interest; and authorizing appropriate judicial proceedings to assert, ascertain, establish, and maintain the right and interest of the United States of America in such reserve and to eject trespassers.

EXECUTIVE COMMUNICATIONS, ETC.

Under clause 2 of rule XXIV, executive communications were taken from the Speaker's table and referred as follows:

518. A letter from the Secretary of the Treasury, transmitting a report of payments of salary, commission, bonus, or other compensation compiled from income returns filed for calendar year 1937; to the Committee on Ways and Means

519. A communication from the President of the United States transmitting a supplemental estimate of appropriation for the Department of the Interior for the fiscal year 1939, in the amount of \$10,000 (H. Doc. No. 203); to the Committee on Appropriations and ordered to be printed.

520. A communication from the President of the United States transmitting a supplemental estimate of appropriation for the Department of the Interior for the fiscal year 1940, in the amount of \$300,000 (H. Doc. No. 204); to the Committee on Appropriations and ordered to be printed.

521. A letter from the Attorney General, transmitting a draft of a proposed bill to place deputy United States marshals in the competitive classified civil service, and for other purposes; to the Committee on the Civil Service.

522. A letter from the Attorney General, transmitting a draft of a proposed bill to provide that no statute of limitations shall apply to offenses punishable by death; to the Committee on the Judiciary.

523. A letter from the Acting Postmaster General, transmitting a proposed draft of a bill to amend the act approved June 25, 1910, authorizing establishment of the Postal Savings System; to the Committee on the Post Office and Post Roads.

524. A letter from the Secretary of War, enclosing copy of a radiogram quoting the text of Resolution No. 10, adopted on March 3, 1939, by the National Assembly, Commonwealth of the Philippines, protesting against the reported proposals in the Congress to increase the excise tax on Philippine coconut oil; to the Committee on Ways and Means.

525. A letter from the Chairman, Securities and Exchange Commission, transmitting chapter VIII, which completes part 2 of the Commission's report on its study of investment trusts and investment companies made pursuant to section 30 of the Public Utility Holding Company Act of 1935 (H. Doc. No. 70); to the Committee on Interstate and Foreign Commerce and ordered to be printed.

526. A letter from the Acting Secretary of War, transmitting the draft of a proposed bill for the relief of Maria Enriquez and Cristanta, Anselmo, Agustin, and Irinea de los Reyes, Philippine Islands, which the War Department presents for the consideration of the Congress with a view to its enactment into law; to the Committee on Claims.

REPORTS OF COMMITTEES ON PUBLIC BILLS AND RESOLUTIONS

Under clause 2 of rule XIII,

Mr. DREWRY: Committee on Naval Affairs. H. R. 2878. A bill to authorize the Secretary of the Navy to proceed with the construction of certain public works, and for other purposes; with amendment (Rept. No. 192). Referred to the Committee of the Whole House on the state of the Union.

Mr. SCHAFER of Wisconsin: Committee on Indian Affairs. S. 1476. An act to authorize an appropriation to pay non-Indian claimants whose claims have been extinguished under the act of June 7, 1924, but who have been found entitled to awards under said act as supplemented by the act of May 31, 1933; with amendment (Rept. No. 193). Referred to the Committee of the Whole House on the state of the Union.

Mr. GEHRMANN: Committee on Indian Affairs. H. R. 3367. A bill to define the status of certain lands purchased for the Choctaw Indians, Mississippi; without amendment (Rept. No. 194). Referred to the Committee of the Whole House on the state of the Union.

Mr. O'CONNOR: Committee on Indian Affairs. H. R. 4535. A bill to add certain public-domain land in Montana to the Rocky Boy Indian Reservation; without amendment (Rept. No. 195). Referred to the Committee of the Whole House on the state of the Union.

Mr. FULMER: Committee on Agriculture. H. R. 3801. A bill to extend the time for retirement of cotton-pool participation trust certificates; without amendment (Rept. No. 196). Referred to the Committee of the Whole House on the state of the Union.

Mr. FULMER: Committee on Agriculture. H. R. 2378. A bill to prohibit the exportation of tobacco seed and plants, except for experimental purposes; without amendment (Rept. No. 197). Referred to the Committee of the Whole House on the state of the Union.

Mr. KRAMER: Committee on Immigration and Naturalization. H. R. 4646. A bill to provide means by which certain Filipinos can emigrate from the United States; without amendment (Rept. No. 198). Referred to the Committee of the Whole House on the state of the Union.

Mr. SCHULTE: Committee on Immigration and Naturalization. H. R. 4100. A bill to amend the naturalization laws in relation to an alien previously lawfully admitted into the United States for permanent residence and who is temporarily absent from the United States solely in his or her capacity as a regularly ordained clergyman or representative of a recognized religious denomination or organization existing in the United States; with amendment (Rept. No. 199). Referred to the House Calendar.

Mr. FLANNAGAN: Committee on Agriculture. H. R. 3955. A bill to amend section 335 (d) of the Agricultural

Adjustment Act of 1938; without amendment (Rept. No. 200). Referred to the Union Calendar.

Mr. FULMER: Committee on Agriculture. H. R. 57. A bill to provide for the use of net weights in interstate and foreign commerce transactions in cotton, to provide for the standardization of bale covering for cotton, and for other purposes; without amendment (Rept. No. 201). Referred to the Committee of the Whole House on the state of the Union.

CHANGE OF REFERENCE

Under clause 2 of rule XXII, the Committee on Pensions was discharged from the consideration of the bill (H. R. 4333) granting a pension to Samuel H. Fulk, and the same was referred to the Committee on Invalid Pensions.

PUBLIC BILLS AND RESOLUTIONS

Under clause 3 of rule XXII, public bills and resolutions were introduced and severally referred as follows:

By Mr. BARRY:

H. R. 4981. A bill relating to the importation of distilled spirits for consumption at the New York World's Fair, 1939, and the Golden Gate International Exposition of 1939, and to duties on certain articles to be exhibited at the New York World's Fair, 1939; to the Committee on Ways and Means.

By Mr. BLAND:

H. R. 4982. A bill to readjust the commissioned personnel of the Coast Guard, and for other purposes; to the Committee on Merchant Marine and Fisheries.

H. R. 4983. A bill to amend sections 712 and 902 of the Merchant Marine Act, 1936, as amended, relative to the requisitioning of vessels; to the Committee on Merchant Marine and Fisheries.

By Mr. BURDICK:

H. R. 4984. A bill to prohibit the private manufacture of munitions of war, defining the term "munitions," and designed to prevent any war except that of self-defense in the protection of the territory of the United States and the territory over which it now exercises a protectorate adhering to the principle of the Monroe Doctrine, eliminating all possibility of war profits, and for other purposes; to the Committee on Military Affairs.

By Mr. CALDWELL:

H.R. 4985. A bill to provide for a Fishery Educational Service in the Bureau of Fisheries; to the Committee on Merchant Marine and Fisheries.

By Mr. GARRETT:

H. R. 4986. A bill to forbid calling of loans and deductions from price-adjustment payments with respect to cotton on account of deficiencies in grade or staple if the warranty thereof was made in good faith; to the Committee on Agriculture.

By Mr. GEARHART:

H. R. 4987. A bill for the relief of Indian war veterans who were discharged from the Army because of minority or misrepresentation of age; to the Committee on Military Affairs.

By Mr. HEALEY:

H. R. 4988. A bill to amend an act entitled "An act relating to the liability of common carriers by railroad to their employees in certain cases," approved April 22, 1908 (U. S. C., title 45, sec. 51); to the Committee on the Judiciary.

H. R. 4989. A bill to amend an act entitled "An act relating to the liability of common carriers by railroads to their employees in certain cases," approved April 22, 1908, as amended (U. S. C., title 45, ch. 2); to the Committee on the Judiciary.

By Mr. HOFFMAN:

H.R. 4990. A bill to repeal the National Labor Relations Act and to diminish the causes of labor disputes burdening or obstructing interstate and foreign commerce, to create a National Labor Relations Board, and for other purposes; to the Committee on Labor.

By Mr. McCORMACK:

H. R. 4991. A bill to pension men who were enlisted in the military service of the United States during the period of

Indian wars and disturbances and the widows of such men, and for other purposes; to the Committee on Invalid Pensions.

By Mr. MOTT:

H. R. 4992. A bill for the relief of the port of Bay City, in Tillamook County, Oreg.; to the Committee on Claims.

By Mr. MURRAY:

H. R. 4993. A bill to amend section 40 of the act entitled "An act to provide compensation for employees of the United States suffering injuries while in the performance of their duties, and for other purposes," approved September 7, 1916, as amended; to the Committee on the Judiciary.

By Mr. O'CONNOR:

H. R. 4994. A bill to amend section 33 of the Bankhead-Jones Farm Tenant Act; to the Committee on Agriculture.

By Mr. ROGERS of Oklahoma:

H. R. 4995 (by departmental request). A bill to amend section 4 of the act of May 31, 1933, enacted to safeguard the interests and welfare of Indians of the Taos Pueblo, N. Mex., in certain lands within the Carson National Forest; to the Committee on Indian Affairs.

By Mr. TENEROWICZ:

H.R. 4996. A bill for the admission to citizenship of aliens who came into this country prior to January 1, 1930; to the Committee on Immigration and Naturalization.

By Mr. THOMASON:

H. R. 4997. A bill giving the consent and approval of Congress to the Rio Grande Compact signed at Santa Fe, N. Mex., on March 18, 1938; to the Committee on Irrigation and Reclamation.

By Mr. DUNCAN:

H. R. 4998. A bill to amend the Packers and Stockyards Act, 1921; to the Committee on Agriculture.

By Mr. LESINSKI:

H.R. 4999 (by request). A bill to increase the rates of pension in the case of soldiers who served 90 days or more in the Indian wars during the period from 1817 to 1898, and to grant pensions to widows of soldiers who so served in such wars; to the Committee on Invalid Pensions.

By Mr. McCORMACK:

H. R. 5000. A bill to prohibit statements and publications advocating overthrow of the Government by violence, and for other purposes; to the Committee on the Judiciary.

By Mrs. O'DAY:

H. R. 5001. A bill to provide \$275,000 for the Library of Congress, and for other purposes; to the Committee on the Library.

By Mr. ROGERS of Oklahoma:

H. R. 5002 (by departmental request). A bill to authorize the sale and conveyance of certain property of the estate of Jackson Barnett, deceased Creek Indian; to the Committee on Indian Affairs.

By Mr. SUTPHIN:

H. R. 5003. A bill to amend the Revenue Act of 1938 granting additional exemptions for salaries paid additional employees; to the Committee on Ways and Means.

By Mr. LEWIS of Ohio:

H. J. Res. 205. Joint resolution authorizing the submission of a proposed amendment to the Constitution of the United States providing for the taxation by the United States and by the several States of officers and employees of the other; to the Committee on the Judiciary.

By Mr. LUDLOW:

H. J. Res. 206. Joint resolution proposing an amendment to the Constitution of the United States for a referendum on conscription; to the Committee on the Judiciary.

By Mr. BLOOM:

H. J. Res. 207. Joint resolution to authorize the Secretaries of War and of the Navy to assist the Government of American Republics to increase their military and naval establishments, and for other purposes; to the Committee on Foreign Affairs.

By Mr. DITTER:

H. J. Res. 208. Joint resolution authorizing the Joint Committee on the Library to procure an oil portrait of former President Herbert Hoover; to the Committee on the Library.

By Mr. CANNON of Missouri:

H. Res. 122. Resolution to provide for a Select Committee on Barriers to Internal Trade in Farm Products; to the Committee on Rules.

MEMORIALS

Under clause 3 of rule XXII, memorials were presented and referred as follows:

By the SPEAKER: Memorial of the Legislature of the Territory of Alaska, memorializing the President and the Congress of the United States to consider their House Joint Memorial No. 18, with reference to House bill 883 to cover the entire situation involving the conflict of interests between the Asiatic countries and the United States; to the Committee on Merchant Marine and Fisheries.

Also, memorial of the Legislature of the Territory of Alaska, memorializing the President and the Congress of the United States to consider their House Joint Memorial No. 27 with reference to a Coast Guard station to be rebuilt at Nome, Alaska; to the Committee on Naval Affairs.

Also, memorial of the Legislature of the Territory of Alaska, memorializing the President and the Congress of the United States to consider their House Joint Memorial No. 31 affecting the enactment of House bill 3024, concerning the fishing industry; to the Committee on Merchant Marine and Fisheries.

Also, memorial of the Legislature of the Territory of Alaska, memorializing the President and the Congress of the United States to consider their House Joint Memorial No. 40, affecting halibut fishing industry of the Pacific coast; to the Committee on Ways and Means.

Also, memorial of the Legislature of the Territory of Alaska, memorializing the President and the Congress of the United States to consider their House Joint Memorial No. 36, affecting the passage of House bill 2411, Seventy-sixth Congress, concerning fisheries; to the Committee on Merchant Marine and Fisheries.

Also, memorial of the Legislature of the Territory of Alaska, memorializing the President and the Congress of the United States to consider their House Joint Memorial No. 28, affecting Alaska fisheries; to the Committee on Appropriations.

Also, memorial of the Legislature of the Territory of Alaska, memorializing the President and the Congress of the United States to consider their House Joint Memorial No. 1, affecting shipping of merchandise; to the Committee on Interstate and Foreign Commerce.

Also, memorial of the Legislature of the Territory of Alaska, memorializing the President and the Congress of the United States to consider their House Joint Memorial No. 20, affecting tolls on highways in Alaska; to the Committee on Interstate and Foreign Commerce.

Also, memorial of the Legislature of the Territory of Alaska, memorializing the President and the Congress of the United States to consider their House Joint Memorial No. 24, with reference to United States Code Annotated; to the Committee on Merchant Marine and Fisheries.

Also, memorial of the Legislature of the State of Oregon, memorializing the President and the Congress of the United States to consider their Senate Joint Memorial No. 7, with reference to House bill 4036, affecting agriculture; to the Committee on Agriculture.

Also, memorial of the Legislature of the State of North Dakota, memorializing the President and the Congress of the United States to consider their Senate Concurrent Resolutions Nos. 185, 271, 285, and 287, affecting unemployment; the distribution of food commodities by Federal relief agencies; to establish a national land policy; and the North Dakota relief situation; to the Committee on Appropriations.

Also, memorial of the Legislature of the State of Colorado, memorializing the President and the Congress of the United States to consider their Senate Joint Memorial No. 10, requesting funds to carry out the provisions of the Norris-Doxey Act; to the Committee on Appropriations.

Also, memorial of the Legislature of the State of North Dakota, memorializing the President and the Congress of the United States to consider their House Concurrent Resolutions Nos. 225, 248, 368, and 398, affecting Hayden-Cartwright Act; to enact into law the Frazier-Lemke Refinancing Act; payments of old-age assistance to Indians; and road program; to the Committee on Appropriations.

Also, memorial of the Legislature of the State of Idaho, memorializing the President and the Congress of the United States to consider their Senate Joint Memorials Nos. 9 and 10, affecting the white potatoes; and House bill No. 2, Seventy-sixth Congress, general welfare; to the Committee on Ways and Means.

Also, memorial of the Legislature of the State of Washington, memorializing the President and the Congress of the United States to consider Senate Joint Memorial No. 11, with reference to the Lewis and Clark Highway; to the Committee on Roads.

Also, memorial of the Legislature of the State of Washington, memorializing the President and the Congress of the United States to consider Senate Joint Memorial No. 1 with reference to agriculture; to the Committee on Agriculture.

Also, memorial of the Legislature of the State of Montana, memorializing the President and the Congress of the United States to consider their Senate Joint Memorials Nos. 6, 7, 13, and 19, affecting agricultural feed and seed loans; the creating of an air base at Fort Peck, Mont., and Senate bill 800, known as the Silver Purchase Act of 1934; to the Committee on Agriculture.

Also, memorial of the Legislature of the State of Montana, memorializing the President and the Congress of the United States to consider their House Joint Memorial No. 17, affecting social security; to the Committee on Ways and Means.

Also, memorial of the Legislature of the State of Minnesota, memorializing the President and the Congress of the United States to consider their Resolution No. 12, Senate File No. 176, with reference to a proposed amendment to the Constitution of the United States; to the Committee on the Judiciary.

PRIVATE BILLS AND RESOLUTIONS

Under clause 1 of rule XXII, private bills and resolutions were introduced and severally referred as follows:

By Mr. BARRY:

H. R. 5004. A bill for the relief of Edwin Fairfax Naulty and Leslie Fairfax Naulty; to the Committee on Claims.

By Mr. BLAND:

H. R. 5005. A bill for the relief of Thomas D. Fergusson; to the Committee on Claims.

By Mr. DARDEN:

H. R. 5006. A bill for the relief of Robert James Allen; to the Committee on Naval Affairs.

H. R. 5007. A bill granting a pension to John W. Swoveland; to the Committee on Pensions.

By Mr. FLANNAGAN:

H. R. 5008. A bill for the relief of Charles A. Rouse; to the Committee on Claims.

By Mr. GEARHART:

H. R. 5009. A bill for the relief of Dennis H. Sullivan; to the Committee on Military Affairs.

By Mr. JENKS of New Hampshire:

H. R. 5010. A bill relating to the military record of Paul Emory Tracy; to the Committee on Military Affairs.

By Mr. LANDIS:

H. R. 5011. A bill granting a pension to Harry C. B. Frets; to the Committee on Invalid Pensions.

By Mr. LEA:

H. R. 5012. A bill granting a pension to Harry Earnest Gibson; to the Committee on Pensions.

By Mr. MOTT:

H. R. 5013. A bill for the relief of Hazel M. Lewis; to the Committee on Claims.

By Mr. O'NEAL:

H. R. 5014. A bill for the relief of Isaac Rosenbaum & Sons, Inc., of Louisville, Ky.; to the Committee on Claims.

H. R. 5015. A bill granting a pension to Roy B. French; to the Committee on Invalid Pensions,

By Mr. SCHAFER of Wisconsin:

H. R. 5016. A bill for the relief of Anna Soucek; to the Committee on Immigration and Naturalization.

By Mr. SPRINGER:

H. R. 5017. A bill granting a pension to Peter Henry Eikenberry; to the Committee on Invalid Pensions.

By Mr. THILL:

H. R. 5018. A bill for the relief of Lillian Mikkelsen; to the Committee on Claims.

PETITIONS, ETC.

Under clause 1 of rule XXII, petitions and papers were laid on the Clerk's desk and referred as follows:

1697. By Mr. BALL: Petition of certain citizens of the Second Congressional District of Connecticut, protesting against traffic in war materials with Japan; to the Committee on Foreign Affairs.

1698. By Mr. BURDICK: House Concurrent Resolution No. 402, dated March 13, 1939; to the Committee on Agricul-

ture.

1699. Also, Senate Concurrent Resolution No. 25, dated March 13, 1939; to the Committee on Education.

1700. Also, Senate Concurrent Resolution No. 271, dated March 13, 1939; to the Committee on Agriculture.

1701. Also, Senate Concurrent Resolution No. 285, dated March 13, 1939; to the Committee on Agriculture.

1702. Also, Senate Concurrent Resolution No. 287, dated March 13, 1939; to the Committee on Ways and Means.

1703. Also, Senate Concurrent Resolution No. 185, dated

March 13, 1939; to the Committee on Agriculture. 1704. Also, House Concurrent Resolution No. 398, dated

March 13, 1939; to the Committee on Appropriations. 1705. Also, House Concurrent Resolution No. 368, dated

March 13, 1939; to the Committee on Ways and Means.

1706. Also, House Concurrent Resolution No. 248, dated March 13, 1939; to the Committee on Banking and Currency. 1707. Also, House Concurrent Resolution No. 225, dated March 13, 1939; to the Committee on Appropriations.

1708. By Mr. CURLEY: Letter of the New York State Waterways Association, opposing all legislation that may give the Federal Government title to submerged lands along the coast of the United States; to the Committee on the Public Lands.

1709. Also, telegram of Associated Industries of New York State, Inc., opposing the Barkley amendment to National Defense Act: to the Committee on Military Affairs.

1710. By Mr. DONDERO: Petition of the Oakland County Council, Veterans of Foreign Wars of the United States, of Oakland County, Mich., urging the passage of legislation making Armistice Day a legal holiday and compulsory observance thereof; to the Committee on the Judiciary.

1711. By Mr. ENGLEBRIGHT: Petition of certain citizens of Susanville, Lassen County, Calif., urging continuation of Dies committee and investigation of reasons for not deporting undesirable citizens; to the Committee on Immigration and Naturalization.

1712. By Mr. FULMER: Concurrent resolution submitted by James E. Hunter, Jr., clerk, house of representatives, Columbia, S. C., memorializing the Congress of the United States to make adequate provision for the Junior Reserve Officers' Training Corps; to the Committee on Appropriations.

1713. Also, concurrent resolution submitted by James H. Fowles, clerk, the senate, house of representatives, Columbia, S. C., memorializing the Congress of the United States and the proper departments of the Federal Government to make some provision to restore to the several counties of the State the income which it is losing annually by reason of the Federal Government taking over large bodies of land for reforestation and other development projects; to the Committee on Ways and Means.

1714. By Mr. LUTHER A. JOHNSON: Petition of A. R. Traylor, J. C. Landrum, Roy Cowan, C. W. Anderson, R. L. Taylor, George W. Brown, R. L. Wiginton, C. H. Sisserson, and Mrs. C. C. Gibson, of Itasca; R. L. Farris, of Hubbard; Stanley Murdock, W. S. Nash, and H. S. Brindley, of Waxa-

hachie, and W. B. Wooten & Sons, of Hillsboro, all of the State of Texas, favoring the Smith bill (S. 1303); to the Committee on Agriculture.

1715. By Mr. MARTIN J. KENNEDY: Petition of the United States Printing & Lithograph Co., Brooklyn, N. Y., expressing opposition to House bill 4361 (use of "United States" in trade names); to the Committee on the Judiciary.

1716. By Mr. KEOGH: Petition of Associated Industries of New York State, concerning the Barkley amendment to the National Defense Act; to the Committee on Military Affairs.

1717. Also, petition of A. H. Wright, Cornell University, Ithaca, N. Y., with reference to House bill 3648; to the Committee on the Judiciary.

1718. Also, petition of the Board of Education, District No. 170, Cook County, Ill., concerning Senate bill 1305; to the Committee on Education.

1719. Also, petition of the Rock Island public schools, Rock Island, Ill., concerning Senate bill 1305; to the Committee on Education.

1720. Also, petition of the New Ulm Public Schools, New Ulm, Minn., concerning Senate bill 1305; to the Committee on Education.

1721. Also, petition of the Uniformed Fireman's Association of Greater New York, Local Union No. 94, concerning House bills 1982 and 3314; to the Committee on the District of Columbia.

1722. Also, petition of the Christopher Columbus High School Teachers' Union Group, of New York City, concerning Federal-aid bill; to the Committee on Education.

1723. Also, petition of the Winnetka Public Schools, Winnetka, Ill., concerning Senate bill 1305; to the Committee on Education.

1724. Also, petition of the Montgomery Public Schools, Montgomery, Ala., concerning Senate bill 1305; to the Committee on Education.

1725. Also, petition of Laura E. Sheldon, supervisor of art, department of public schools, Utica, N. Y., concerning House bill 2319; to the Committee on Education.

1726. Also, petition of Edith L. Nichols, assistant director of fine arts, Board of Education of the city of New York, fine arts department, concerning House bill 2319; to the Committee on Education.

1727. Also, petition of the Kenmont Parent-Teacher Association, Joff, Ky., concerning Federal aid in education; to the Committee on Education.

1728. Also, petition of the Indiana University, Bloomington, Ind., regarding a hearing on House bill 3517, Federal aid bill; to the Committee on Education.

1729. Also, petition of W. D. Nicholls, secretary, Kentucky School Boards Association, concerning House bill 3517 and Senate bill 1305, Federal aid bills; to the Committee on Education.

1730. Also, petition of the Spokane Education Association, Spokane, Wash., concerning the Larrabee bill (H. R. 3517); to the Committee on Education.

1731. Also, petition of the United States Printing & Lithograph Co., Brooklyn, N. Y., concerning House bill 4361, use of the words "United States" in trade names; to the Committee on the Judiciary.

1732. By Mr. LECOMPTE: Petition of certain citizens of Allerton and Chariton, Iowa, in the interest of the cost-of-production bill; to the Committee on Agriculture.

1733. By Mr. LEWIS of Colorado: Senate Joint Memorial No. 12 of the Thirty-second General Assembly of the State of Colorado, requesting the establishment of Federal munitions and materials plant at Pueblo, Colo.; to the Committee on Military Affairs.

1734. By Mr. PFEIFER: Petition of the Uniformed Firemen's Association of Greater New York, urging support of House bills 1982 and 3314; to the Committee on the District of Columbia.

1735. Also, petition of A. H. Wright, Cornell University, Ithaca, N. Y., urging support of House bill 3648; to the Committee on the Public Lands.

1736. Also, petition of the Associated Industries of New York State, Inc., Albany, N. Y., concerning the Barkley

amendment to House bill 3791; to the Committee on Military Affairs.

1737. Also, petition of the Women's International League for Peace and Freedom, New York State Branch, New York City, concerning the Ludlow Resolution, No. 89; to the Committee on Rules.

1738. Also, petition of the United States Printing & Lithograph Co., Brooklyn, N. Y., concerning House bill 4361, the use of the words "United States" in trade names; to the Committee on the Judiciary.

1739. By Mr. REES of Kansas: Concurrent resolution of the Kansas State Legislature; to the Committee on Military Affairs.

1740. By Mr. RISK: Petition of the parishioners of Memorial Baptist Church, Pawtucket, R. I., protesting against the proposed legislation to include religious bodies under the Social Security Act; to the Committee on Ways and Means.

1741. By Mr. SCHIFFLER: Petition of Rev. Marcus B. Hitchcock, Christ Church, Fairmont, W. Va., urging that ministers be excluded from the provisions of the Social Security Act; to the Committee on Ways and Means.

1742. Also, petition of Rev. Lyman N. Lemmon, Warwood Presbyterian Church, Wheeling, W. Va., urging that ministers be excluded from the provisions of the Social Security Act; to the Committee on Ways and Means.

1743. By Mr. SPRINGER: Petition of certain citizens of the States of Ohio and Indiana, regarding the penalty of capital punishment; to the Committee on the Judiciary.

1744. By the SPEAKER: Petition of the Brotherhood of Locomotive Engineers, Kansas City, Kans., petitioning consideration of their resolution with reference to legislation having for its purpose the limitation of miles, or their equivalent in hours, of locomotive engineers; to the Committee on Interstate and Foreign Commerce.

1745. Also, petition of the American Progressive League, Inc., of Pennsylvania, petitioning consideration of their resolution with reference to the Works Progress Administration; to the Committee on Appropriations.

1746. Also, petition of the Sheepshead Bay Property Owners' Association, Brooklyn, N. Y., petitioning consideration of their resolution with reference to Senate bill 1317 concerning the Home Owners' Loan Corporation; to the Committee on Banking and Currency.

1747. Also, petition of the Business and Professional Women's Club, Inc., Fairhope, Ala., petitioning consideration of their resolution with reference to Senate Joint Resolution No. 7, proposing an amendment to the Constitution, on equality; to the Committee on the Judiciary.

1748. Also, petition of the Order of Railway Conductors of America, Lanier Division No. 185, Selma, Ala., petitioning consideration of their resolution with reference to mileage and wages; to the Committee on Interstate and Foreign Commerce.

1749. By Mr. HOUSTON: Resolution of the Senate of the State of Kansas (the house of representatives concurring therein) requesting the Secretary of War of the United States to investigate the possibilities of utilizing the Kansas airplane manufacturing plants, and that he establish, in addition to the work now done in the schools, a central training field for the aviation college of the United States in the State of Kansas; to the Committee on Military Affairs.

SENATE

TUESDAY, MARCH 14, 1939

(Legislative day of Monday, March 13, 1939)

The Senate met at 12 o'clock meridian, on the expiration of the recess.

The Chaplain, Rev. Z@Barney T. Phillips, D. D., offered the following prayer:

Blessed Christ, who on a cross of love didst turn the counsels of sin and hate into the healing of the world: Proclaim, we beseech Thee, to the people of every nation the things that belong to their peace. Reveal to them the truth

that in this our day it may be expedient that one should even suffer death to save the people from their faithless faith and crowns too lightly won. Remove from all international relations every root of bitterness, that, with singleness of purpose, we may forgive past wrong, and so usher in that perfect kingdom wherein no sword is ever drawn save the sword of righteousness and no strength prevails save only that of love. In Thy holy name we ask it. Amen.

THE JOURNAL

On request of Mr. BARKLEY, and by unanimous consent, the reading of the Journal of the proceedings of the calendar day, Monday, March 13, 1939, was dispensed with, and the Journal was approved.

MESSAGES FROM THE PRESIDENT

Messages in writing from the President of the United States were communicated to the Senate by Mr. Hess, one of his secretaries.

MESSAGE FROM THE HOUSE

A message from the House of Representatives, by Mr. Chaffee, one of its reading clerks, communicated to the Senate the intelligence of the death of Hon. J. Burrwood Daly, late a Representative from the State of Pennsylvania, and transmitted the resolutions of the House thereon; and announced also that, under the second resolution, the Speaker had appointed Mr. Bradley of Pennsylvania, Mr. McGranery, Mr. Sacks, and Mr. Gartner members of the committee, on the part of the House, to be joined with such Members of the Senate as may be appointed to attend the funeral of the deceased Representative.

The message also announced that the House had passed without amendment the bill (S. 539) for the relief of Charles E. Naghel, special disbursing agent, Department of the Interior, and Kammeyer & Medack, contractors, from disallowance of charges for additional work under a construction contract.

The message further announced that the House had passed the bill (S. 218) for the relief of Manuel D. A. Otero, as administrator of the estate of Teresita S. Otero, deceased, with an amendment, in which it requested the concurrence of the Senate.

The message also announced that the House had passed the bill (S. 219) for the relief of Emma Gomez, with amendments, in which it requested the concurrence of the Senate.

The message further announced that the House had passed the following bills and joint resolution, in which it requested the concurrence of the Senate:

H.R. 309. An act for the relief of the estate of Dr. David O. Clements, deceased;

H. R. 312. An act for the relief of Roland P. Winstead;

H. R. 534. An act for the relief of Hallie H. Woods;

H. R. 590. An act for the relief of Macey N. Bevan;

H. R. 727. An act for the relief of Charles Dancause and Virginia P. Rogers;

H. R. 743. An act for the relief of Eva C. Netzley, William G. Stuff, Lois Stuff, and Harry E. Ridley; and the estates of Clyde C. Netzley and Sarah C. Stuff;

H. R. 767. An act for the relief of Benjamin Weisenberg;

H. R. 1076. An act for the relief of Floyd Gatton; H. R. 1229. An act for the relief of Edwin L. Wade;

H. R. 1229. An act for the rener of Edwin L. Wade

H.R. 1363. An act for the relief of George Houston;

H.R. 1430. An act for the relief of Hyman Ginsberg;

H.R. 1836. An act for the relief of Jack Nelson, a minor; H.R. 1982. An act to amend the act entitled "An act to classify officers and members of the Fire Department of the

classify officers and members of the Fire Department of the District of Columbia, and for other purposes;

H. R. 2064. An act for the relief of Allen L. Abshier, Verne G. Adams, Oliver D. Chattin, William K. Heath, and Harry B. Jennings;

H.R. 2073. An act to allow credit in the accounts of certain former disbursing officers of the Veterans' Administration, and for other purposes;

H.R. 2079. An act for the relief of Charles T. Wise;

H.R. 2098. An act for the relief of Katherine Patterson;

H.R. 2251. An act for the relief of Russell Anderegg, a minor, and George W. Anderegg:

H. R. 2259. An act for the relief of Stanley Mercuri;

H. R. 2461. An act for the relief of Alfred T. Johnston;

H. R. 2586. An act for the relief of Albert W. Wright;

H. R. 2842. An act for the relief of J. P. Harris;

H. R. 2848. An act for the relief of Anna Mattil and others;

H. R. 3082. An act for the relief of Frank Gedney;

H.R. 3090. An act for the relief of C. R. Henderson;

H.R. 3100. An act for the relief of Capt. Francis H. A. McKeon;

H. R. 4025. An act for the relief of John Barbu; and

H. J. Res. 110. Joint resolution to authorize Commander Henry Coyle, United States Coast Guard, to accept the decoration and diploma of the Marine Medal of Class 1 (gold), conferred upon him by the Government of Greece.

CALL OF THE ROLL

Mr. LEWIS. I observe the absence of a quorum, and ask for a roll call so as to secure one.

The VICE PRESIDENT. The clerk will call the roll. The Chief Clerk called the roll, and the following Senators answered to their names:

Adams	Connally	Johnson, Colo.	Overton
Andrews	Danaher	King	Pittman
Ashurst	Davis	La Follette	Radcliffe
Austin	Donahev	Lee	Reed
Bailey	Downey	Lewis	Reynolds
Bankhead	Ellender	Lodge	Schwartz
Barbour	Frazier	Logan	Schwellenbach
Barkley	George	Lucas	Shipstead
Bilbo	Gerry	Lundeen	Smith
Bone	Gillette	McCarran	Stewart
Borah	Glass	McKellar	Taft
Brown	Guffey	McNary	Thomas, Okla.
Bu'ow	Gurney	Maloney	Thomas, Utah
Burke	Harrison	Mead	Townsend
Byrd	Hatch	Miller	Truman
Byrnes	Hayden	Minton	Tydings
Capper	Herring	Murray	Vandenberg
Caraway	Hill	Neely	Wagner
Chavez	Holman	Norris	Walsh
Clark, Idaho	Hughes	Nye	Wheeler
Clark, Mo.	Johnson, Calif.	O'Mahoney	Wiley

Mr. LEWIS. I announce that the Senator from West Virginia [Mr. Holf] is detained from the Senate because of

The Senator from Rhode Island [Mr. GREEN], the Senator from Florida [Mr. Pepper], and the Senator from Georgia [Mr. Russell] are absent on important public business.

The Senator from Texas [Mr. SHEPPARD], the Senator from New Jersey [Mr. SMATHERS], and the Senator from Indiana [Mr. Van Nuys] are unavoidably detained.

The VICE PRESIDENT. Eighty-four Senators have answered to their names. A quorum is present.

DIVISION OF JUDICIAL DISTRICT OF IDAHO

Mr. BORAH. Mr. President, there is on the calendar Senate bill 752, which pertains alone to the State I have the honor in part to represent. The bill proposes to divide the judicial district of Idaho into four divisions. Its passage will not involve any additional judgeship. I ask unanimous consent for the immediate consideration of the bill.

The VICE PRESIDENT. The Senator from Idaho asks unanimous consent for the present consideration of a bill, the title of which the clerk will report.

The CHIEF CLERK. A bill (S. 752) to amend section 78 of chapter 231, Thirty-sixth United States Statutes at Large (36 Stat. L., sec. 1109), relating to one judicial district to be known as the district of Idaho, and dividing it into four divisions, to be known as the northern, central, southern, and eastern divisions, defining the territory embraced in said divisions, fixing the terms of district court for said divisions, requiring the clerk of the court to maintain an office in charge of himself or deputy at Coeur d'Alene City, Idaho; Moscow, Idaho; Boise City, Idaho; and Pocatello, Idaho; and to authorize the United States District Court for the District of Idaho, by rule or order, to make such changes in the description or names to conform to such changes of description or names of counties in said divisions as the Legislature of Idaho may hereafter make.

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The VICE PRESIDENT. Is there objection to the immediate consideration of the bill?

Mr. McCARRAN. Mr. President, I wonder if we might have an explanation of the bill? I was not present when the Judiciary Committee considered the measure.

Mr. BORAH. Mr. President, the effect of the bill, if passed, will be to redistribute some of the counties in the judicial district now existing in Idaho; that is to say, it will subdivide the district upon a different basis than that which now exists. The bill will not create any additional district nor will it necessitate an additional judgeship. It will simply redistribute the territory within the district.

The VICE PRESIDENT. Is there objection to the present consideration of the bill?

There being no objection, the bill was read, considered, ordered to be engrossed for a third reading, read the third time, and passed, as follows:

Be it enacted, etc., That section 78 of chapter 231 of the United States Statutes at Large be amended so as to read as follows: "That the State of Idaho shall constitute one judicial district to be known as the district of Idaho. It is divided into four divito be known as the district of Idaho. It is divided into four divisions, to be known as the northern, central, southern, and eastern divisions. The territory embraced on the 1st day of February 1938, in the counties of Benewah, Bonner, Boundary, Kootenal, and Shoshone, shall constitute the northern division of said district; and the territory embraced on the date last mentioned in the counties of Clearwater, Idaho, Latah, Lewis, and Nez Perce shall constitute the central division of said district; and the territory embraced on the date last mentioned in the counties of Ada, Adams, Blaine, Boise, Camas, Canyon, Cassia, Elmore, Gem, Gooding, Jerome, Lincoln, Minidoka, Owyhee, Payette, Twin Falls, Valley, and Washington shall constitute the southern division of said Adams, Blaine, Boise, Camas, Canyon, Cassia, Elmore, Gem, Gooding, Jerome, Lincoln, Minidoka, Owyhee, Payette, Twin Falls, Valley, and Washington shall constitute the southern division of said district; and the territory embraced on the date last mentioned in the counties of Bannock, Bear Lake, Bingham, Bonneville, Butte, Caribou, Clark, Custer, Franklin, Fremont, Jefferson, Lemhi, Madison, Oneida, Power, and Teton shall constitute the eastern division of said district. Terms of the district court for the northern division of said district shall be held at Coeur d'Alene City on the fourth Monday in May and the third Monday in November; for the central division, at Moscow on the second Monday in May and the first Monday in November; for the southern division, at Boise City on the first Monday in February and the first Tuesday in September; and for the eastern division at Pocatello on the second Mondays in March and October. The clerk of the court shall maintain an office in charge of himself or a deputy at Coeur d'Alene City, at Moscow, at Boise City, and at Pocatello, which shall be open at all times for the transaction of the business of the court."

Sec. 2. That in the event the Legislature of the State of Idaho should hereafter at any time change the description or name of any of the counties embraced in the divisions hereinbefore referred to, then the District Court of the United States for the District of Idaho may by rule or order make such changes in the description or names of the counties in the said divisions to conform with any act of the Legislature of the State of Idaho.

CHOPAWAMSIC RECREATIONAL DEMONSTRATION PROJECT, VIRGINIA

The VICE PRESIDENT laid before the Senate a letter from the Acting Secretary of the Interior, transmitting a draft of proposed legislation to provide for the operation of recreational facilities within the Chopawamsic recreational demonstration project, near Dumfries, Va., by the Secretary of the Interior, through the National Park Service, and for other purposes, which, with the accompanying paper, was referred to the Committee on Public Lands and Surveys.

NATIONAL GALLERY OF ART

The VICE PRESIDENT laid before the Senate a letter from the secretary of the Smithsonian Institution, Washington, D. C., transmitting a draft of proposed legislation amending the joint resolution approved March 24, 1937, providing for the construction and maintenance of a National Gallery of Art, which, with the accompanying papers, was referred to the Committee on the Library.

PETITIONS AND MEMORIALS

The VICE PRESIDENT laid before the Senate the following joint memorial of the Legislature of Washington, which was referred to the Committee on Agriculture and Forestry:

Senate Joint Memorial 1

To the Honorable Franklin D. Roosevelt, President of the United States; Senate and House of Representatives of the United States of America in Congress assembled:

We, your memorialists, the Senate and House of Representatives of the State of Washington, in legislative session assembled, most

respectfully represent and petition Your Excellency and honorable

body as follows:

Whereas an area of approximately 40,000 acres of Stevens County, in the State of Washington, has been transferred by Executive order from the supervision of the forestry department of the Department of Agriculture of the United States to that of the Biological Survey of said Department, and the grazing of livestock would as result thereof be hereafter prohibited in said area; and

Whereas said area now and for many years past has been considered fine cattle range and is in excellent condition and is providing range for approximately 1,600 head of cattle; and

Whereas under the supervision of the forestry department there is no danger of overgrazing in this area; and

Whereas said range area is the only range directly and feasibly available to the county residents near or adjacent to the proposed area, and unless they are permitted to use said area as cattle range the aforesaid cattle must be forced to encreach upon the rights of other residents or their owners abandon their occupation and livelihood; and

Whereas said adjacent residents now and for many years past have produced crops which have supported and been used as feed

by much of the game in said area; and

Whereas the grazing of cattle in nowise injures or depletes the feed for game animals by reason of the fact that cattle feed prinrection game animals by reason of the fact that cattle feed principally upon the bunch grass in this area and game animals feed principally upon browse; and

Whereas a rescission of said order or the abolition of any restriction upon grazing in the afore-mentioned area is of paramount urgency and importance:

Now, therefore, we, your memorialists, the Senate and House of Representatives of the State of Washington, in legislative session assembled, pray that the Executive order above referred to be

The VICE PRESIDENT also laid before the Senate the following joint memorial of the Legislature of Washington, which was referred to the Committee on Post Offices and Post Roads:

Senate Joint Memorial 11

To the Honorable Franklin D. Roosevelt, President of the United States, and the honorable Senate and House of Representatives of the United States in Congress assembled:

We, your memorialists, the Senate and the House of Representa-tives of the State of Washington, in legislative session assembled, most respectfully represent and petition your excellency and hon-

most respectfully represent and petition your executory and corable bodies as follows:

Whereas the Lewis and Clark Highway would be a commercial and scenic artery of great benefit to the States of Washington, Oregon, Idaho, and Montana, facilitating the marketing of the products of these States; and

Whereas said highway has been completed with the exception of a 50-mile stretch lying wholly within the national forest in

the State of Idaho; and

whereas the State of Idaho comprises an area of some 53,000,000 acres, only 14,000,000 of which is taxable land, the balance being national forest, reserves, and State property, and for this reason it has been impossible for the State to finance a highway system in keeping with its development and public needs, only two main east-west highways having been built across the State, leaving a distance of 400 miles where no such highway exists; and

Whereas this highway would be of great value as a military road and would provide a direct route over the lowest mountain pass of the Bitterroot Mountain Range; and

Whereas appropriations for forest roads in national forests, which

pass of the Bitterroot Mountain Range; and
Whereas appropriations for forest roads in national forests, which
cover 34,000,000 acres in Idaho, are inadequate to provide for
completion of this highway; and
Whereas the Lewis and Clark Highway has been designated as

Now, therefore, we, the Senate and the House of Representatives of the State of Washington, do most respectfully memorialize and petition the President of the United States and the Congress of the United States to enact such legislation and provide such appropriations as will make possible completion of the 50-mile stretch of the Lewis and Clark Highway hereinbefore mentioned; and be it

Resolved, That copies of this memorial be immediately transmitted to the President of the United States and to the Senate and House of Representatives of the United States and to each Senator and Representative in Congress from the State of Wash-

ington.

The VICE PRESIDENT also laid before the Senate a joint memorial of the Legislature of Montana, favoring the enactment of the bill (S. 800) to amend the act entitled "An act to authorize the Secretary of the Treasury to purchase silver, issue silver certificates, and for other purposes," approved June 19, 1934, 9 p. m., known as the Silver Purchase Act of 1934, which was referred to the Committee on Agriculture and Forestry.

(See memorial printed in full when presented by Mr. Mur-RAY on the 13th instant, p. 3696, Congressional Record.)

The VICE PRESIDENT also laid before the Senate the following joint memorial of the Legislature of Montana, which was referred to the Committee on Agriculture and Forestry:

Senate Joint Memorial 6

Senate Joint Memorial 6
Resolution memorializing the Congress of the United States, endorsing the passage and approval of Senate Joint Resolution No. 20, introduced in the Senate of the United States on January 4, 1939, by the Honorable Burron K. WHEELER, United States Senator, providing for the cancelation of certain cropproduction and harvesting loans heretofore made by the United States Government, and for other purposes

States Government, and for other purposes

To the honorable Senate and House of Representatives of the
United States in Congress assembled:

Your memorialists, the members of the Twenty-sixth Legislative
Assembly of the State of Montana, the Senate and House concurring, respectfully represent as follows: That

Whereas there is before the Seventy-sixth Congress, first session, a Senate joint resolution, No. 20, providing for the cancelation of certain crop-production and harvesting loans heretofore
made by the United States Government and for other purposes:
that

Whereas there exists throughout the State of Montana and other States of the Union, a grave agricultural situation, due to several years of drought, hall, rust, grasshopper and cricket infestations, and the present low prices in agricultural products; and Whereas these conditions make it impossible for many farmers and ranchers to ever repay their feed and seed loans: Now, therefore he it.

fore, be it Resolved, That hereafter, no claim shall be made by the United States against any persons for the debt created by the furnishing of feed and seed, as hereinafter provided:

That the Governor of the Farm Credit Administration be authorized and directed to provide for the immediate cancelation of all loans which have been made to farmers in drought-stricken areas in the United States pursuant to the act of January 29, 1937 (Public Law No. 2, 75th Cong.), or the joint resolution of February 4, 1938 (Public Resolution No. 78, 75th Cong.), or pursuant to any other act or joint resolution approved subsequent to March 2, 1921, under the terms of which loans of a similar character were authorized to be made either by the Secretary of Agriculture or by the Governor of the Farm Credit Administration; and be it further it further

Resolved. That the Governor of the Farm Credit Administration be also authorized and directed to release all liens given to secure the loan or loans made to any such farmer pursuant to any such act or joint resolution and to notify each such farmer that no further payments of principal or interest shall be required after the date of enactment of Senate Joint Resolution No. 20 with respect to any loan so made to him; and be it further Resolved. That a copy of this memorial be transmitted by the secretary of state to the Secretary of Agriculture, the Governor of the Farm Credit Administration, the Secretary of the Interior, to the Senate and House of Representatives of Congress of the United States and to the Senators and Representatives in Congress from the State of Montana and that they and each of them be requested to use all honorable means within their power to bring about such legislation.

The VICE PRESIDENT also laid before the Senate the following joint memorial of the Legislature of Montana, which was referred to the Committee on Commerce:

Senate Joint Memorial 7

Joint memorial to the Congress of the United States requesting the enactment of appropriate legislation for the creation of an air base at Fort Peck Dam

the honorable Senate and House of Representatives of the

United States of America in Congress assembled:
Whereas the United States Government in its program of national defense is making provision for the rapid expansion and enlargement of aviation and is creating new Army and Navy

whereas the aviation program of the United States contemplates through the cooperation of the colleges, universities, and commercial schools, the training of some 20,000 air pilots annually;

Whereas there is no Army or Navy air base at, or near, Fort Peck, Mont., and on account of its location, isolation, climate, and distance from other air bases, it is a logical location for an air

whereas due to the engineering skill and efficiency of the Army engineers headed by General Schley, Colonels Moore, Larkin, Major Kittrell, and others, the great Fort Peck Dam, costing in excess of

Whereas the Fort Peck Dam, costing in excess of \$100,000,000, is nearing completion; and Whereas the Fort Peck Dam will create a large lake 187 miles long, 16 miles in maximum width, and have a shore line of 2,500 miles, and as such will be an important asset to an air base;

Whereas in the construction of the Fort Peck Dam, in order to properly safeguard the health and well-being of the workers, the Corps of Army Engineers found it necessary to build the town of Fort Peck, which is modern in every way. It includes an administration building, town hall, post office, hospital, cold-

storage plant, garage, commissary warehouse, laundry, recreation hall, theater, hotel, laboratory, and houses for technical and supervisory employees and barracks with mess hall, toilet, and bathing facilities for other workers. Then, there is a grade as well as a high school for the children. Fort Peck is provided with natural gas for heating and also has water, sewer, and electrical distribution systems, and also improved roads, alleys, and sidewalks.

and sidewalks.

In addition to the above, there is considerable property in the way of equipment, like a railroad running from Fort Peck to Wiota, a point on the Great Northern Railroad, large Government warehouses, great quantities of construction machinery and equipment, a great hydroelectric power plant in the process of construction, as well as much other property; and Whereas with the completion of the dam, the United States Government will have on hand this property, which cost many million dollars, and which will have to be sold at a great sacrifice, tables provision is made for its use at its present location. Now

unless provision is made for its use at its present location: Now,

unless provision is made for its use at its present location: Now, therefore, be it

Resolved by the senate (the house of representatives concurring). That the Congress of the United States of America be respectfully urged and petitioned to enact legislation creating an air base at Fort Peck, Mont., and to take all legal steps necessary to make available for such air base the town of Fort Peck and all other property and equipment belonging to the United States Government on the Fort Peck project that can be used for airbase purposes; be it further

Resolved That a conv of this joint memorial be submitted by

Resolved, That a copy of this joint memorial be submitted by the secretary of the State of Montana, to the President of the United States, to both Houses of the National Congress, to the Secretary of War and Chief of the Army Engineers, and each of the Senators and Representatives in Congress from the State of

The VICE PRESIDENT also laid before the Senate the following joint memorial of the Legislature of Montana, which was referred to the Committee on Finance:

House Joint Memorial 17

Resolution memorializing the Congress of the United States; requesting legislation amending the Social Security Act to include sufferers from occupational diseases and to match State appropriations by Federal aid

To the honorable Senate and House of Representatives of the United States in Congress assembled:

Whereas the commission authorized by the Twenty-fifth Legis Whereas the commission authorized by the Twenty-fifth Legislative Assembly of the State of Montana to study occupational diseases, particularly silicosis, has reported to the Twenty-sixth Legislative Assembly of the State of Montana, its finding that silicosis is a disease of slow and continuous development which takes from 5 to 20 years to develop, and therefore it is almost impossible to prove when the disease began, whether in the State and industry where the disease reached its final stages or in some other State or industry; and

Whereas upon all information available, science has not yet discovered a cure for silicosis and is still experimenting with the cure of said disease; and

Whereas the protection of workmen's compensation laws, except in a very few instances, does not include occupational diseases aris-ing out of conditions of employment; and

Whereas the recent extension of such compensation laws in a few States to include employees who might become afflicted with silicosis and other occupational diseases immediately resulted in the removal of large industries to neighboring State or States where employees are totally unprotected by such laws, except in the event of physical accident; and

Whereas the recent extension of such compensation laws to include such diseases further resulted in afflicted employees being thrown out of employment by the ruthless methods practiced by insurers requiring employees to pass rigid physical examination as a condition of employment; and

as a condition of employment; and
Whereas those who are afflicted with silicosis and in the late
stages of the disease are incapacitated and unable to secure employment and are therefore without means of subsistence and
without means to check the disease; and
Whereas States which recognize their responsibility to society
and to employees by affording humanitarian standards and honest
compensation for employees in hazardous occupations should be
given Federal assistance in order that employers within such States
who do fulfill their obligation to society and to their employees who do fulfill their obligation to society and to their employees shall not be penalized by migration of unconscionable competitors to other States which fall to afford decent standards of compensation to employees afflicted with occupational diseases, and in order that persons who contract said disease through no fault of their own should not suffer illness, want, and privation: Now, therefore,

Resolved, That the Congress of the United States be requested to pass an act to amend the Social Security Act to include sufferers from occupational diseases and to match by Federal aid the appropriations of States which include in their public welfare acts assistance to persons who are afflicted with silicosis and other occupational diseases; and be it further

Resolved, That copies of this memorial be sent by the secretary of state of the State of Montana to the President of the United States, to the President of the Senate and the Speaker of the

House of Representatives of the Congress of the United States, to Senator ROBERT WAGNER, and to each of the Senators and Representatives in Congress from the State of Mcntana.

The VICE PRESIDENT also laid before the Senate the following joint memorial of the Legislature of Montana, which was referred to the Committee on Military Affairs:

Senate Joint Memorial 13

Resolution memorializing the Congress of the United States for the passage of legislation making an allowance to all active mem-bers of the officers of the Reserve Corps of the Army of the United

To the honorable Senate and House of Representatives of the United

To the honorable Senate and House of Representatives of the United States in Congress assembled:
Whereas there are thousands of young men in the United States who qualify themselves as officers in the Army of the United States and receive respective commissions in said Reserve Corps in their respective branches; and
Whereas in order to keep these commissions and remain active these officers are required to do a lot of work on their own time and without compensation; they are further required to purchase uniforms and certain equipment from their own funds. This equipforms and certain equipment from their own funds. This equipment under regulations of the War Department must meet the standard of professional efficiency under such rules as the President may prescribe; and

Whereas equity demands that if these officers are to give their time without compensation in making themselves efficient the United States should bear the actual cost and not require these

United States should bear the actual cost and not require these officers to expend their own funds in order to equip themselves to meet the professional efficiency required: Now, therefore, be it Resolved by the Senate of the State of Montana (the house of representatives concurring), That we do hereby petition the Congress of the United States of America for the passage of legislation authorizing the payment and appropriations to pay said officers each a monetary allowance of \$10 per month during the period they qualify as such officers; be it further

Resolved, That a copy of this memorial be transmitted by the secretary of State of Montana to the Senate and the House of Representatives of the Congress of the United States and to the Senators and Representatives in Congress from the State of Montana, and they and each of them be requested to use all honorable means within their power to bring about the enactment of legislation to correct the present practice and to make the necessary money available as above indicated to active members of the respective corps of the Army of the United States so that these members will not suffer financial loss in equipping themselves to serve their country in the event of an emergency.

The VICE PRESIDENT also laid before the Senate a resolution adopted by a headquarters meeting of the Marine Cooks and Stewards Association of the Pacific Coast, San Francisco, Calif., favoring the enactment of legislation to prohibit the exportation of Douglas fir peeler logs and Port Orford cedar logs, which was referred to the Committee on Commerce.

He also laid before the Senate a resolution of Automobile Mechanics' Union, No. 1305, International Association of Machinists, San Francisco, Calif., protesting against changes in the National Labor Relations Act, which was referred to the Committee on Education and Labor.

He also laid before the Senate a letter in the nature of a memorial from the Jackson County (Wis.) Democratic Committee, signed by William Steinbring, treasurer, Hixton, Wis., remonstrating against the confirmation of the nomination of Vincent J. Dwyer for appointment as postmaster at Alma Center, Wis., and making a charge against Mr. Dwyer in the premises, which was referred to the Committee on Post Offices and Post Roads.

Mr. LODGE presented the memorial of members of the First Baptist Church of Mansfield, Mass., remonstrating against the inclusion of religious bodies under the operation of the social-security system, which was referred to the Committee on Finance.

Mr. CAPPER presented a petition of sundry citizens of Greeley and Garnett, Kans., praying that the United States adhere to a general policy of neutrality, which was referred to the Committee on Foreign Relations.

He also presented a petition of sundry citizens of Cunningham, Kingman, Spivey, and Zenda, all in the State of Kansas, praying that the United States adhere to the general policy of neutrality as enunciated in the act of August 31, 1935, and to retain on the statute books the further and corollary principle enunciated in the act of May 1, 1937, extending the original act to include civil as well as international conflicts, which was referred to the Committee on Foreign Relations.

He also presented the petition of members of the North Ottawa Baptist Church, of Ottawa, Kans., praying that the United States adhere to a policy of nonparticipation in aggression and take measures to discontinue the shipment of war supplies to Japan for use in operations in China, which was referred to the Committee on Foreign Relations.

Mr. WAGNER presented a resolution of the Erie County (N. Y.) Board of Supervisors, protesting against the passage of House bill 7, providing for the withdrawal of water from the Chicago Drainage Canal in excess of the amount established by decree of the United States Supreme Court, which was referred to the Committee on Commerce.

He also presented a resolution of Minnesota Chapter of the American Institute of Architects, Minneapolis, Minn., favoring an appropriation of \$800,000,000 to assure funds for housing and slum clearance for States that have not as yet participated in the housing program, which was referred to the Committee on Education and Labor.

He also presented a resolution of the Italian-American Civic Association of the Tarrytowns, Tarrytown, N. Y., protesting against the selling of war materials to foreign countries on a commercial basis, which was referred to the Committee on Foreign Relations.

He also presented a resolution of the taxation and legislation committee of the Business and Civic Association of the Tonawandas, North Tonawanda, N. Y., protesting against the enactment of Senate bill 158 and House bill 188, relative to freight-rate making, etc., which was referred to the Committee on Interstate Commerce.

He also presented a joint memorial of the Legislature of Montana, favoring the enactment of legislation to amend the Social Security Act so as to include sufferers from occupational diseases and to match State appropriations by Federal aid, which was referred to the Committee on Finance.

(See joint memorial printed in full when laid before the Senate by the Vice President today.)

REPORTS OF COMMITTEES

Mr. OVERTON, from the Committee on Commerce, to which was referred the bill (S. 461) to extend the time for commencing and completing bridges across Cross Bayou, Twelve Mile Bayou, and Caddo Lake, in Caddo Parish, La., reported it with amendments and submitted a report (No. 166) thereon.

He also, from the same committee, to which was referred the joint resolution (S. J. Res. 75) to authorize Commander Henry Coyle, United States Coast Guard, to accept the decoration and diploma of the Marine Medal of Class 1 (gold). conferred upon him by the Government of Greece, reported it without amendment and submitted a report (No. 168) thereon.

Mrs. CARAWAY, from the Committee on Commerce, to which was referred the bill (S. 964) creating the Arkansas-Mississippi Bridge Commission; defining the authority, power, and duties of said commission; and authorizing said commission and its successors and assigns to construct, maintain, and operate a bridge across the Mississippi River at or near Friar Point, Miss., and Helena, Ark., and for other purposes, reported it with amendments and submitted a report (No. 167) thereon.

Mr. BYRNES, from the Select Committee on Government Organization, to which was referred the bill (H. R. 4425) to provide for reorganizing agencies of the Government, and for other purposes, reported it with amendments and submitted a report (No. 169) thereon.

APPORTIONMENT OF SHARES OF SUGAR CROP, 1939 AND 1940-ADDITIONAL REPORT (REPT. 161, PT. 2)

Mr. SMITH. Mr. President, I submit and send to the desk a report in the form of a letter from the Secretary of Agriculture on the bill (S. 69) relating to the apportionment of shares of the sugar crop for 1939 and 1940, which is pending on the calendar. The bill was reported by the committee before this letter from the Secretary was received, and I think it is important to call it to the attention of the Senate. I ask that it be printed in the RECORD as a part of my remarks.

The VICE PRESIDENT. The additional report submitted by the Senator from South Carolina, to accompany Senate bill 69, heretofore reported from the Committee on Agriculture and Forestry, without amendment, will be received and printed and, without objection, printed in the RECORD.

The additional report is as follows:

MARCH 10, 1939.

Hon. E. D. SMITH,
Chairman, Committee on Agriculture and Forestry,
United States Senate.

DEAR SENATOR SMITH: Reference is made to your request for the views of this Department on S. R. 10 and S. 69, which were introduced in the Senate by Senator Ellenber, of Louisiana, on January

duced in the Senate by Senator Ellender, of Louisiana, on January 4, 1939. The proposed legislation, if enacted, would mean that producers of sugar beets and sugarcane in the continental United States would not be required to adjust their acreages from the 1938 level as a condition for payments under the Sugar Act of 1937.

Title III of the Sugar Act of 1937, to which the proposed legislation relates, was enacted by the Congress with the intent of effectuating, crop by crop, an approximate adjustment of the amount to be produced in the various sugar-producing areas supplying the United States market, to the marketing quotas established in title II of that act. With respect to the quotas in title II of the act, the Committee on Agriculture in its report with respect to the Sugar Act of 1937 stated in part as follows:

"The sugar-quota system is based upon the power of Congress

to the Sugar Act of 1937 stated in part as follows:

"The sugar-quota system is based upon the power of Congress to regulate interstate and foreign commerce in sugar. The quantities which respective areas may market have been arrived at after careful consideration of the history of the production in each area and its present and future capacity to market."

The proposed legislation, if carried into effect, would make it impossible to adjust supplies to quota requirements in the mainland

sugarcane area and in the sugar-beet area, as contemplated by the

Pursuant to title III of the act determinations of proportionate Pursuant to title III of the act determinations of proportionate shares for the 1939 and 1940 crops for farms in the mainland canesugar area have been issued and due notice thereof has been given to all interested parties. Copies of these determinations are attached. It will be noted from these determinations that no reduction in acreage is required for the family-size farms as a condition for payments under the act.

for payments under the act.

The proposed legislation does not make it clear that the establishment of proportionate shares for growers under the Sugar Act of 1937 is an obligation of this Department under the payment provisions of the act and is not an exercise of a regulatory power of the Department. The Secretary merely establishes the proportionate shares of growers as the amount upon which the Federal payments provided for in the act will be calculated, and section 301 (c) of the act makes compliance by growers with such proportionate shares a condition of payment. It should be understood, of course, that there is no restriction on the production of sugarcane by any grower who does not desire to apply for such Government payments. ment payments.

ment payments.

According to data recently obtained by this Department, by far the largest proportion of the sugarcane growers of Louisiana have sugarcane acreages averaging less than 10 acres. For such growers the proposed resolution would be of no benefit since, as already noted above, the proportionate share determination for the mainland cane area requires no reduction in most cases from the 1938 acreage for farms on which the sugarcane acreage is 10 acres or less. The resolution, however, would eliminate the obligation to adjust production, as a condition for receiving Federal payments for growers having more than 10 acres, including the large plantation companies in Louisiana, some of whom now receive relatively large payments. One large Louisiana plantation-producing corporation received as much as \$195,698 in the 1937 program. The proposed legislation, if implemented, would make it possible for such corporations to receive relatively large Federal funds without obligation to adjust production.

The clause in the resolution "proportionate share (expressed in

The clause in the resolution "proportionate share (expressed in terms of planted acreage)" for any farm would discriminate against the domestic areas of Hawaii and Puerto Rico, chiefly the latter area, where the proportionate shares are established in terms of ton-nages of sugar. Growers in these areas would be obliged to reduce nages of sugar. Growers in these areas would be obliged to reduce their acreage and production of sugarcane in accordance with the proportionate share limitations already announced and applicable to them, while in the case of the beet and cane areas of the mainland there would be no limitation on production below the 1938

Finally, the proposed legislation, if enacted, would involve an indefinite obligation on the part of the United States Treasury in excess of the amount provided for the sugar program in the 1940 Budget.

Budget.

For the reasons indicated in the foregoing, the Department of Agriculture is unable to recommend the passage of this legislation.

Upon reference of this matter to the Bureau of the Budget, as required by Budget Circular 344, the Acting Director thereof advised the Department of Agriculture under date of March 4, 1939, that there would be no objection on the part of that office to the submission to Congress of this proposed report.

Sincerely,

H. A. WALLACE, Secretary,

BILLS AND JOINT RESOLUTIONS INTRODUCED

Bills and joint resolutions were introduced, read the first time, and, by unanimous consent, the second time, and referred as follows:

By Mr. NORRIS:

S. 1796. A bill to amend the Tennessee Valley Authority Act of 1933; to the Committee on Agriculture and Forestry.

By Mr. LOGAN:

S. 1797. A bill for the relief of Charles B. Arrington; to the Committee on Military Affairs.

By Mr. LA FOLLETTE:

S. 1798. A bill for the relief of the Leila Y. Post Montgomery Hospital and the Fort Sheridan Station Hospital; to the Committee on Military Affairs.

By Mrs. CARAWAY:

S. 1799. An act to confer jurisdiction upon the Court of Claims to hear, determine, and render judgment upon the claim of Herbert M. Gregory; to the Committee on Claims.

S. 1800. An act to increase the Federal contribution to States for old-age assistance by amending section 3 of the Social Security Act approved August 14, 1935, and for other purposes; to the Committee on Finance.

By Mr. MALONEY:

S. 1801. A bill for the relief of Johannes Thorvald Siems; to the Committee on Immigration.

By Mr. WHEELER:

S. 1802. A bill authorizing construction of water conservation and utilization projects in the Great Plains and arid and semiarid areas of the United States; to the Committee on Irrigation and Reclamation.

By Mr. BULOW:

S. 1803. A bill granting a pension to James E. Rush; to the Committee on Pensions.

By Mr. KING:

S. 1804. A bill to amend an act entitled "An act to regulate proceedings in adoption in the District of Columbia," approved August 25, 1937; and

S. 1805. A bill to establish a lien for moneys due hospitals for services rendered in cases caused by negligence or fault of others and providing for the recording and enforcing of such liens; to the Committee on the District of Columbia.

By Mr. CLARK of Missouri:

S. 1806. A bill to provide for the construction and equipment of a building for the experiment station of the Bureau of Mines at Rolla, Mo.; to the Committee on Mines and

By Mr. GUFFEY:

S. 1807. A bill relating to additional clerical assistance to Senators; to the Committee on Appropriations.

By Mr. NYE:

S. J. Res. 92. Joint resolution declaring the conservation of petroleum deposits underlying submerged lands adjacent to and along the coast of California, below low-water mark and under the territorial waters of the United States of America, essential for national defense, maintenance of the Navy, and regulation and protection of interstate and foreign commerce; reserving the same as a naval petroleum reserve, subject to any superior vested right, title, or interest; and authorizing appropriate judicial proceedings to assert, ascertain, establish, and maintain the right and interest of the United States of America in such reserve, and to eject trespassers; to the Committee on Public Lands and Surveys.

(Mr. WILEY introduced Senate Joint Resolution 93, which was referred to the Committee on Banking and Currency, and appears under a separate heading.)

HOUSE BILLS AND JOINT RESOLUTION REFERRED

The following bills and joint resolution were severally read twice by their titles and referred as indicated below:

H.R. 1982. An act to amend the act entitled "An act to classify officers and members of the fire department of the District of Columbia, and for other purposes"; to the Committee on the District of Columbia.

H.R. 4025. An act for the relief of John Barbu; to the Committee on Immigration.

H.R. 534. An act for the relief of Hallie H. Woods; and

H. R. 590. An act for the relief of Macey N. Bevan; to the Committee on Foreign Relations.

H. R. 309. An act for the relief of the estate of Dr. David O. Clements, deceased;

H. R. 312. An act for the relief of Roland P. Winstead;

H.R. 727. An act for the relief of Charles Dancause and Virginia P. Rogers;

H. R. 743. An act for the relief of Eva C. Netzley, William G. Stuff, Lois Stuff, and Harry E. Ridley; and the estates of Clyde C. Netzley and Sarah C. Stuff;

H. R. 767. An act for the relief of Benjamin Weisenberg;

H.R. 1076. An act for the relief of Floyd Gatton;

H. R. 1229. An act for the relief of Edwin L. Wade;

H. R. 1363. An act for the relief of George Houston;

H.R. 1430. An act for the relief of Hyman Ginsberg;

H. R. 1836. An act for the relief of Jack Nelson, a minor;

H. R. 2064. An act for the relief of Allen L. Abshier, Verne G. Adams, Oliver D. Chattin, William K. Heath, and Harry B. Jennings:

H. R. 2073. An act to allow credit in the accounts of certain former disbursing officers of the Veterans' Administration, and for other purposes;

H. R. 2079. An act for the relief of Charles T. Wise;

H. R. 2098. An act for the relief of Katherine Patterson;

H.R. 2251. An act for the relief of Russell Anderegg, a minor, and George W. Anderegg;

H. R. 2259. An act for the relief of Stanley Mercuri;

H. R. 2461. An act for the relief of Alfred T. Johnston;

H.R. 2586. An act for the relief of Albert W. Wright;

H. R. 2842. An act for the relief of J. P. Harris;

H. R. 2848. An act for the relief of Anna Mattil and others;

H. R. 3082. An act for the relief of Frank Gedney;

H. R. 3090. An act for the relief of C. R. Henderson; and

H.R. 3100. An act for the relief of Capt. Francis H. A. McKeon; to the Committee on Claims.

H. J. Res. 110. Joint resolution to authorize Commander Henry Coyle, United States Coast Guard, to accept the decoration and diploma of the Marine Medal of Class 1 (gold), conferred upon him by the Government of Greece; to the Committee on Commerce.

AMENDMENT OF SOCIAL SECURITY ACT RELATIVE TO TAXES

Mr. VANDENBERG submitted an amendment intended to be proposed by him to the bill (H. R. 3790) relating to taxation of the compensation of public officers and employees, which was ordered to lie on the table and to be printed.

LOANS TO SMALL INDUSTRIES-ADDRESS BY SENATOR MEAD

[Mr. O'MAHONEY asked and obtained leave to have printed in the RECORD a radio address on the subject of Loans to Small Industries, delivered by Senator MEAD on March 13, 1939, which appears in the Appendix.]

SPEECH BY HON, JAMES A. FARLEY AT MIAMI, FLA.

[Mr. Andrews asked and obtained leave to have printed in the RECORD the address delivered by Hon. James A. Farley, chairman of the Democratic National Committee, at the Jackson Day celebration at Miami, Fla., on Saturday, February 18, 1939, which appears in the Appendix.]

PRESIDENT ROOSEVELT'S WORDS IN EUROPE

[Mr. Norris asked and obtained leave to have printed in the RECORD an article by Harold Callendar, published in the New York Times Magazine of March 12, 1939, entitled "Roosevelt's Words Re-echo in Europe," which appears in the Appendix.]

ADMISSION OF GERMAN REFUGEE CHILDREN—SPEECH BY ALEXANDER WOOLLCOTT

[Mr. Wagner asked and obtained leave to have printed in the RECORD a radio address by Alexander Woollcott on the subject of the admission of German refugee children, which appears in the Appendix.]

ADMISSION OF GERMAN REFUGEE CHILDREN

[Mr. Wagner asked and obtained leave to have printed in the RECORD an editorial from the Galveston (Tex.) News entitled "German Refugee Children," and three letters on the same subject, which appear in the Appendix.]

ECONOMIC DATA CONCERNING BRAZIL

IMr. REYNOLDS asked and obtained leave to have printed in the RECORD information and data concerning Brazil, which appear in the Appendix.]

TRADE AGREEMENT WITH BRAZIL

IMr. BARKLEY asked and obtained leave to have printed in the RECORD an article from the Washington Post of Tuesday, March 14, 1939, relating to the trade agreement with Brazil, which appears in the Appendix.1

IMPORTATION OF COMMODITIES PRODUCED IN AMERICA

[Mr. Johnson of Colorado asked and obtained leave to have printed in the RECORD an editorial published in the Holy Cross Trail, of Redcliff, Colo., on the subject of importations from foreign countries of commodities produced in the United States, which appears in the Appendix.]

A. F. OF L. AND C. I. O. PEACE NEGOTIATIONS

[Mr. Minton asked and obtained leave to have printed in the RECORD an editorial from the Washington Post of March 14, 1939, entitled "Peace Comes First," which appears in the Appendix.]

TREASURY AND POST OFFICE APPROPRIATIONS

The Senate resumed the consideration of the bill (H. R. 4492) making appropriations for the Treasury and Post Office Departments for the fiscal year ending June 30, 1940, and for other purposes.

The VICE PRESIDENT. The Senator from Virginia [Mr. GLASS who is in charge of the Treasury and Post Office appropriation bill, is on his feet. The Chair thinks he should recognize that Senator. Does the Senator from Virginia desire to have the committee amendments first considered?

Mr. GLASS. I do. I now ask unanimous consent that the formal reading of the bill be dispensed with; that it be read for amendment; and that the committee amendments be first considered.

The VICE PRESIDENT. Without objection, it is so ordered.

Mr. GLASS. Mr. President, I now desire to make a brief explanation of the bill. As the report indicates, the amount of the bill as passed by the House was \$1,700,591,354. The Senate committee reduced the amount by \$1,662,240. The bill as reported to the Senate carries \$1,698,929,114. amount of the regular estimates for 1940 was \$1,728,397,492. The amount of the appropriations for 1939 was \$1,503,442,-074. The bill as reported to the Senate exceeds the appropriations for 1939 by \$195,487,040, but is under the estimates for 1940 by \$29,468,378.

Mr. President, there are a few controversial questions in the Treasury portion of the bill, and none, I think, in the Post Office portion of the bill. The chief controversial question in the Treasury portion of the bill is the appropriation for the control of venereal diseases. I invite the attention of the Senator from Wisconsin [Mr. La Follette] to what I am saying. I said that the chief controversial question in the Treasury portion of the bill seems to be the appropriation for the control of venereal diseases. The House appropriated \$5,000,000 for the purpose. The Senate committee reduced that amount very materially; but it is fair to say that it did so by a closely divided vote, by a majority

In this connection I desire to put in the RECORD the following telegram from Dr. Hugh H. Young, of Johns Hopkins Hospital, addressed to me:

BALTIMORE, MD., March 12, 1939.

Senator Carter Glass,
Senate Office Building, Washington, D. C.:
Vitally important to restore appropriation for fight against venereal diseases to \$5,000,000 as provided by Congress last year.
The States have made appropriations based on five million Federal fund and a cut to three million would be a severe blow to this most important work of the Public Health Service. I will personally appreciate greatly if you will be on outlook for the proposed restoration to five million and actively assist in passing it.
Many thanks.

HUGH H. YOUNG, Johns Hopkins Hospital.

I have a similar letter from D. C. Smith, of the health department of the University of Virginia, which I ask to have printed in the RECORD without reading.

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

> University of Virginia Hospital, University, Va., March 13, 1939.

Hon. CARTER GLASS,

Hon. Carter Glass,

United States Senate, Washington, D. C.

Dear Senator Glass: It has just come to my attention that the Senate Appropriations Committee has recommended a decrease in the appropriation to the United States Public Health Service for the control of venereal diseases from \$5,000,000, passed by the House of Representatives, to \$3,000,000. I am writing to urge you to use your influence in restoring the larger amount in the appropriation.

You will recall that I wrote you on this subject on February 4, giving a number of details which I believe are sound reasons for this appropriation. I am saying this in spite of the fact that I am personally in favor of governmental economy, but I believe economy should be in the field of nonessentials rather than in a smaller appropriation in such an important field of public health as this embodies.

In addition to the general desirability for promoting the cam-paign against venereal diseases, we have under way in connection with this university, supported by funds from the Public Health Service, a special field study in syphilis, which will probably have to be discontinued unless the appropriation is restored to the larger amount mentioned above. Discontinuation of this study will not only interrupt an important public-health project but also discontinue a phase of teaching medical students here which is very important.

Any effort which you can make to restore this appropriation will be appreciated, not only by me personally but by the administration of this medical school and university.

Respectfully yours,

Mr. GLASS. I understand that the Senator from Wisconsin [Mr. La Follette] desires to discuss that particular item, and I yield to him for that purpose.

Mr. LA FOLLETTE. Mr. President, I wish to accommodate myself to the pleasure of the Senator from Virginia. I suggest, however, that it might be better to wait until the

amendment is pending.

Mr. GLASS. Yes; I think perhaps it would. Very well, Mr. President.

The VICE PRESIDENT. Has the Senator from Virginia concluded his general explanation?

Mr. GLASS. Yes; I have no further general explanation

The VICE PRESIDENT. The Chair asked the Senator that question for the reason that there is on the desk a message from the President which the Chair feels he should lay before the Senate at this time if the Senator has concluded his general explanation.

ADDITIONAL APPROPRIATION FOR RELIEF-MESSAGE FROM THE PRESIDENT

The VICE PRESIDENT laid before the Senate the following message from the President of the United States, which was read and referred to the Committee on Appropriations:

To the Congress of the United States:

At the opening of this session I advised the Congress of the number of needy unemployed persons who were able to perform useful work. The estimates, based on actual and estimated figures, showed that in the judgment of the executive branch of the Government 3,000,000 persons should continue to be employed during the winter months, followed by a reduction to 2,700,000 persons during the latter part of the 5 months' period ending on June 30, 1939. The amount of money required to supply these needs was estimated at \$875,000,000.

Early in February the Congress appropriated \$725,000,000, with directions that the number of persons on the relief rolls should not be decreased in number more than 5 percent during February and March, and, in effect, requesting me to recheck the new situation thus created and advise the Congress of the results.

On February 7 I reported to the Congress that the reduction in the appropriation in itself created an emergency; that the number of persons on the relief rolls and on the "waiting list" had not decreased in number since early January; that as a result the need of these people was as great as before; that by continuing their employment during February and March half of the entire appropriation would be expended, leaving only the other half of the appropriation for the maintenance of relief during April, May, and June; that the amount of money remaining after April 1 would make it necessary to discharge, between that date and June 30, nearly half of the numbers on relief; that this, in my judgment, would constitute a definite hardship; and that I was advising the Congress of this fact in order to give sufficient time to study the conditions which would result from the curtailment of funds.

April 1 is approaching; and in pursuance of the spirit of the request for further information, I feel impelled again to call the attention of the Congress to the very serious situation which exists. Within about 3 weeks the reduction of Works Progress Administration employment must begin, in order that the remainder of the appropriation may be apportioned over the months of April, May, and June, unless more money is appropriated quickly.

Since my messages of January and February, a careful check-up shows that there has been no substantial change in the conditions of unemployment. On the contrary, recent data have become available substantiating the real need for

an additional appropriation of \$150,000,000.

Partly because of seasonal conditions, the volume of employment has decreased since the end of December. This includes industrial and agricultural employment. Therefore, the need for unemployment relief has increased.

Due to the seasonal factors, Works Progress Administration employment was maintained in February at an average of 2,996,000 persons, and the average for March is being held at approximately the same figure.

Despite this fact, the number of persons now certified as being in need and eligible for employment is actually higher than it was a month ago. This so-called "waiting list" actually does not reflect the total needs, because in certain States certifications of eligibility are not given to the Federal authorities by the local public relief agencies until actual vacancies exist to which needy persons can be assigned.

It is my belief that improvement in business conditions between now and June will result in substantial increase in employment. However, based on the experience of the past, it cannot be expected that this increase will absorb more than 300,000 of those who are now on the Works Progress Administration rolls or who have been certified as in need and awaiting assignment.

That means that the present total of these two categories, 3,850,000 persons, would be reduced to 3,550,000.

In accordance with the requirements of the recent appropriation law, approximately 30,000 aliens have been removed from the rolls. The current investigation of the actual need of relief employees will shortly be completed in the field, but it is already clear from preliminary reports that the number who will be eliminated will not exceed 5 percent of the total and may be considerably less.

All possible economies in administration and operation are being sought and will be constantly checked, but here again the cold facts, which have been given insufficient emphasis, require restatement.

Out of every \$100 of Federal funds expended by the Works Progress Administration, only \$3.50 is for administrative overhead; \$10.50 is spent for materials, equipment, and supplies; \$86 is paid out directly in the form of wages. As a business proposition it occurs to me that some modicum of commendation is in order.

If no additional appropriation is made, the Works Progress Administration must of necessity issue instructions, within the next week, to reduce the number employed. The plan proposed by the Administrator is to effect a reduction of approximately 400,000 in the first week in April, and a further reduction of 600,000 in the first week in May. This will reduce the total employment to 2,000,000 persons.

However, even these drastic cuts will not be sufficient to make the available fund last through to June 30, and still comply with the requirements of the statutes. Therefore,

a still further reduction of more than 200,000 will have to be made early in June.

This plan has been recommended as being preferable to a program of week to week reductions because, under the latter, more persons would eventually lose their jobs.

Under the proposed plan, the number of persons who will be thrown out of employment in the near future is 1,000,000, growing to over 1,200,000 before June 30. The number of persons, including dependents, affected by this reduction will be 4,000,000 within the next few weeks and nearly a million more later on.

To these must be added the "waiting list" category—because it is obvious that while people now on the rolls are being discharged no people can be employed from the "waiting list."

I am of the opinion that States, counties, and municipalities are doing, in the overwhelming majority of cases, all that their finances will permit to meet the situation.

I further believe that, with few exceptions, those who are employed are actually in need and are not receiving more than they should in the form of Federal assistance.

It is the obvious duty of the Chief Executive to point out the need which exists and to give all possible factual information. This I have attempted to do in order that the legislative branch of the Government, in which the final decision and full responsibility necessarily rests, may act.

Because it has been alleged that I would be satisfied if no further appropriation were made for the coming 3 months, I feel that in justice to myself I must make it clear that I am not sending this message to the Congress merely for the pur-

pose of going through motions.

For more than 6 years it has been the definite policy of the President and the Congress that needy persons, out of work, should not be allowed to starve; that it was an obligation of the Federal Government to give work to those able to work and an obligation of State and local government and of private charities to take care of those needy persons who are unable to work.

That policy, I am more than ever confident, is right. It should not be abandoned now.

It is wholly within the right of any and all of us to study and work for the greater efficiency of government. For several years infinite study has been given to the problems of relief in all its forms; additional studies are proper.

But the Government of the United States is faced today with a condition and not a theory. The insufficiency of the money appropriated will compel the Administrator to discharge about a million and a quarter actual workers in the immediate future.

I cannot bring myself to believe that these discharged men and women will contribute to the prosperity of the United States, nor do I believe that the merchants and landlords they are now dealing with will become more prosperous when their trade ceases.

Therefore, the responsibility for the situation in which all of these people will find themselves during the coming 3 months rests of necessity within the decision of the Congress of the United States.

Franklin D. Roosevelt.

THE WHITE HOUSE, March 14, 1939.

TREASURY AND POST OFFICE DEPARTMENTS APPROPRIATIONS

The Senate resumed the consideration of the bill (H. R. 4492) making appropriations for the Treasury and Post Office Departments for the fiscal year ending June 30, 1940, and for other purposes, which had been reported from the Committee on Appropriations with amendments.

The PRESIDING OFFICER (Mr. BARKLEY in the chair). The clerk will proceed to state the committee amendments.

The first amendment of the Committee on Appropriations was, under the heading "Title I—Treasury Department—Office of the Secretary", on page 4, after line 23, to strike out:

Loan to Alley Dwelling Authority: To enable the Secretary of the Treasury to lend to the Alley Dwelling Authority not to exceed \$1,000,000, in accordance with the provisions of an act to amend the District of Columbia Alley Dwelling Act of June 12, 1934, approved June 25, 1938, \$500,000, to be immediately available and to remain available until expended.

The amendment was agreed to.

The next amendment was, on page 5, line 21, after the name "District of Columbia", to strike out "\$145,660" and insert "\$148,160", so as to read:

OFFICE OF CHIEF CLERK

Salaries: For the Chief Clerk and other personal services in the District of Columbia, \$148,160.

The amendment was agreed to.

The next amendment was, under the subhead "Custody of Treasury Buildings", on page 8, line 8, after the word "Printing", to strike out \$320,000" and insert "\$327,800", so as to read:

Salaries of operating force: For the Superintendent of Treasury Buildings and for other personal services in the District of Columbia, including the operating force of the Treasury Building, the Treasury Annex, the Liberty Loan Building, the Auditors' Building, and of other buildings under the control of the Treasury Department, except the buildings of the Bureau of Engraving and Printing 4327 800 Printing, \$327,800.

The amendment was agreed to.

The next amendment was, under the subhead "Bureau of Customs," on page 15, line 12, before the word "of", to strike out "\$21,153,000" and insert "\$21,402,600", so as to read:

Salaries and expenses: For collecting the revenue from customs. for the detection and prevention of frauds upon the customs revenue, and not to exceed \$100,000 for the securing of evidence of violations of the customs laws; for expenses of transportation and nue, and not to exceed \$100,000 for the securing of evidence of violations of the customs laws; for expenses of transportation and transfer of customs receipts from points where there are no Government depositories; not to exceed \$84,500 for allowances for living quarters, including heat, fuel, and light, as authorized by the act approved June 26, 1930 (5 U. S. C. 118a), but not to exceed \$1,700 for any one person; not to exceed \$500 for subscriptions to newspapers; not to exceed \$2,000 for improving, repairing, maintaining, or preserving buildings, inspection stations, office quarters, including living quarters for officers, sheds, and sites along the Canadian and Mexican borders acquired under authority of the act of June 26, 1930 (19 U. S. C. 68); and including the purchase (not to exceed \$87,500), exchange, maintenance, repair, and operation of motor-propelled passenger-carrying vehicles when necessary for official use in field work; \$21,204,600, of which such amount as may be necessary shall be available for the payment of extra compensation earned by customs officers or employees for overtime services, at the expense of the parties in interest, in accordance with the provisions of section 5 of the act approved February 13, 1911, as amended by the act approved February 7, 1920, and section 451 of the Tariff Act, 1930 (19 U. S. C. 261, 267, and 1451).

The amendment was agreed to.

The next amendment was, on page 16, line 14, after the word "countries", to strike out the colon and the following additional proviso:

Provided further, That the offices of the surveyor of customs at the port of New York and seven comptrollers of customs, with annual salaries aggregating \$51,600, are hereby abolished. The duties imposed by law and regulations upon the surveyor of customs at the port of New York and comptrollers of customs, their assistants and deputies, are hereby transferred to, imposed upon, and continued in positions now established in the Customs Service by or pursuant to law, as the Secretary of the Treasury by appropriate regulations shall specify; and he is further authorized to designate the titles by which such positions shall be officially known hereafter. The Secretary of the Treasury, in performing the duties imposed upon him by this paragraph, shall administer the same in such a manner that the transfer of duties provided hereby will not result in the establishment of any new positions in the Customs Service.

The amendment was agreed to.

The next amendment was, under the subhead "Office of Treasurer of the United States", on page 18, line 9, after the name "District of Columbia", to strike out "\$1,199,000" and insert "\$1,209,000", so as to read:

Salaries: For Treasurer of the United States, Assistant Treasurer, and for other personal services in the District of Columbia,

Mr. KING. Mr. President, I wish to inquire of the Senator from Virginia, with reference to the amendment on page -and I apologize for not having kept up with the clerk in his rapid reading of the amendments—the bill calls for the appropriation of \$21,204,600. I am not objecting to the amendment, but I rise seeking information. What recognition is made in this bill of the two or three hundred million dollars collected from tariffs on imports, and automatically consigned to the customs division, or to the Treasury

Department? I was wondering whether, in determining the amount which should be appropriated for the Treasury Department, this very large gratuity, or gift, was taken into consideration.

Mr. GLASS. No: the committee had no information on the subject.

Mr. KING. The Senator from Tennessee says in an aside that the Treasury has nothing to do with it.

Mr. McKELLAR. No, that the committee has nothing to do with this particular thing. That is a policy which Congress has already adopted.

Mr. KING. I am familiar with that, but I was wondering whether the committee, in taking into account the absolute needs of the Government, remembered the fact or ignored the fact that either the Treasury Department or the Customs Division obtains two or three hundred million dollars annually; in fact, all of the funds which are derived from import duties.

Mr. GLASS. We did not take note of that fact. The bill as it passed the House did not touch the matter, and we would not.

Mr. KING. Mr. President, of course I am not complaining because the committee did not take cognizance of it, but it does seem to me that the appropriations ought to be much less than they are, in view of the fact that the Treasury is receiving two or three hundred million dollars annually from the tariff duties which are collected and which go to this Department for expenditure.

Mr. GLASS. If the Senator from Utah can indicate to the Committee on Appropriations how to reduce any appropriation or prevent the increase of any appropriation, as chairman of the committee I shall be greatly indebted to him.

Mr. KING. If the able members of that committee find no avenues for reductions of expenditures. I am sure I would be a poor adviser. I do feel, however, that the expenditures of the Federal Government are greatly in excess of any legitimate needs. Only a few years ago we ran the entire Gov-ernment—the War Department, the Navy Department, and every other department-for a billion dollars. We have a bill now before us calling for the appropriation of a billion six or seven hundred million dollars for two departments only, and before Congress adjourns we will have appropriated perhaps nine or ten billion dollars, and authorized the appropriation of several billion in addition. I protest against the enormous expenditures of the Federal Government, and point to the fact that if we continue these expenditures we are bound to have inflation. We have almost reached the limit of taxation, and I understand an effort was contemplated a short time ago to have us increase the bonded indebtedness up to \$50,000,000,000; indeed, it was suggested, as I was advised, that we might have a bonded indebtedness of \$75,000,000,000. With this attitude, obviously inflation will follow and with inflation we will have destruction of our industrial and economic system.

I am not complaining because of the action of the committee with respect to the appropriation for the Treasury Department, but I was wondering whether or not, in making this appropriation, it was recognized that that Department has some two or three hundred million dollars in addition to that carried in the bill.

Mr. GLASS. As I have stated, we did not regard that, because it was not in the bill as it passed the House.

The PRESIDING OFFICER. The question is on agreeing to the amendment of the committee on page 18, line 9.

The amendment was agreed to.

The next amendment of the committee was, under the subhead "Bureau of Internal Revenue", on page 20, line 24, after the word "violation", to strike out the colon and the following additional proviso:

Provided further, That not to exceed \$942,000 of the total appropriated herein may be expended for personal services of the Intelligence Unit, of which not to exceed \$50,500 may be expended in the District of Columbia.

The amendment was agreed to.

The next amendment was, on page 24, line 19, after the word "expenses", to strike out "\$425,000" and insert "\$450,-000", so as to read:

FEDERAL ALCOHOL ADMINISTRATION

Salaries and expenses: For the purpose of administering the provisions of the "Federal Alcohol Administration Act", approved August 29, 1935 (27 U. S. C. 201), as amended, including personal and other services; supplies and materials; equipment; communication service; stationery; travel and subsistence expenses as authorized by law; maintenance, repair, and operation of automobiles; law books, books of reference, magazines, periodicals, and newspapers; contract stenographic reporting service; the securing of evidence of violations of the act; and miscellaneous and contingent expenses, \$450,000.

The amendment was agreed to.

The next amendment was, under the subhead "Coast Guard", on page 27, line 3, after the name "District of Columbia", to strike out "\$395,660" and insert "\$404,000", so

Office of the Commandant: For personal services in the District of Columbia, \$404,000: Provided, That no part of any appropriation contained in this act shall be used to pay any enlisted man of the Coast Guard while detailed for duty at Coast Guard headquarters if such detail increases the total number of enlisted men detailed on such duty at any time above 10.

The amendment was agreed to.

The next amendment was, on page 27, line 17, after the word "exceed", to strike out "\$10,000" and insert "\$30,000",

For every expenditure requisite for and incident to the authorized work of the Coast Guard, including the expense of maintenance, repair, and operation of vessels forfeited to the United States and delivered to the Treasury Department under the terms of the act approved March 3, 1925 (27 U. S. C. 41), maintenance, repair, exchange, and operation of motor-propelled passenger-carrying vehicles, to be used only for official purposes at headquarters and in the field, motion-picture equipment (not to exceed \$30,000) and material for official purposes, and the rental of quarters in the District of Columbia, as follows:

The amendment was agreed to.

The next amendment was, on page 28, line 19, after the word "exceed", to strike out "\$23,000" and insert "\$40,000", so as to read:

Pay and allowances: For pay and allowances prescribed by law for commissioned officers, cadets, warrant officers, petty officers, and other enlisted men, active and retired, temporary cooks, surfmen, substitute surfmen, and three civilian instructors, retired pay for certain members of the former Life Saving Service authorized by the act approved April 14, 1930 (14 U. S. C. 178a), and not exceeding \$8,000 for cash prizes for men for excellence in boatmanship, gunnery, target practice, and engineering competitions; for carrying out the provisions of the act of June 4, 1920 (34 U. S. C. 943); not to exceed \$7,500 for cost of special instruction, including maintenance of students; rations or commutation thereof for cadets, petty officers, and other enlisted men, mileage and expenses allowed by law for officers; and traveling expenses for other persons traveling on duty under orders from the Treasury Department, including transportation of cadets, enlisted men, and applicants for enlistment, with subsistence and transfers en route, or cash in lieu thereof; expenses of recruiting for the Coast Guard, rent of rendezvous, and expenses of maintaining the same; advertising for and obtaining men and apprentice seamen and applicants for appointment as cadets; transportation and packing allowances for baggage or household effects of commissioned officers, warrant officers, and enlisted men; and including not to exceed \$40,000 for the recreation, amusement, comfort, contentment, and health of the enlisted men of the Coast Guard, to be expended in the discretion of the Secretary of the Treasury, \$18,445,500.

The amendment was agreed to.

The next amendment was, on page 29, line 16, after the word "necessary", to strike out "\$265,000" and insert "\$275,000", so as to read:

Rebuilding and repairing stations: For rebuilding and repairing stations and houses of refuge, temporary leases, rent, and improvements of property for Coast Guard purposes, including use of additional land where necessary, \$275,000.

The amendment was agreed to.

The next amendment was, on page 29, line 19, after the word "service", to strike out "\$130,000" and insert "\$142,000", so as to read:

Communication lines: For coastal communication lines and facilities and their maintenance, and communication service, \$142,000.

The amendment was agreed to.

The next amendment was, on page 29, line 22, after the word "labor", to strike out "\$206,750" and insert "\$209,250",

Civilian employees: For compensation of civilian employees in the field, including clerks to district commanders and per diem labor, \$209,250.

The amendment was agreed to.

The next amendment was, on page 30, line 20, before the word "to", to strike out "\$300,000" and insert "\$654,000", so as to read:

Additional airplanes: For additional airplanes and their equipment, including radio equipment, spare parts, and accessories, to be constructed or purchased in the discretion of the Secretary of the Treasury, \$654,000, to remain available until June 30, 1941.

Mr. KING. Mr. President, I wish to inquire as to the necessity for such a large appropriation for airplanes for this particular organization. The appropriation carried by the House was \$300,000. The bill before us now increases this amount to \$654,000.

Mr. GLASS. Mr. President, I may say to the Senator that it is to cover two very expensive airplanes at two new stations, one on the Atlantic and one on the Pacific, which were provided for by law.

Mr. McKELLAR. They are rescue planes.

Mr. KING. Personally, I do not think there is any necessity for these large appropriations; but in view of the fact that Congress passed a law providing for the construction of the planes, obviously, the appropriation must be made, and the duty rests upon the Committee on Appropriations to carry out the provisions of the law.

Mr. McKELLAR. If the Senator will yield, let me say the committee considered the matter very carefully. One of the planes is to be used on the Atlantic Ocean at Elizabeth City, I believe, for rescue work and the other on the Pacific Ocean for rescue work. The Department made out a very excellent case. Besides that, there was the law, and we had to appropriate.

Mr. KING. Let me inquire of the Senator from Tennessee whether an airplane such as is provided for by this item will cost more than \$100,000?

Mr. McKELLAR. Yes; it will cost \$177,000, and the reason for the high cost is that the plane must be made large so as to accommodate as many people as possible in case of rescue

Mr. KING. I cannot make any further comment, in view of the fact that the committee was merely carrying out the

The PRESIDING OFFICER. The question is on agreeing to the amendment.

The amendment was agreed to.

The next amendment was, on page 31, line 16, after the word "Commandant," to strike out "\$24,607,550" and insert *\$24,986,050," so as to read:

Total, Coast Guard, exclusive of Office of the Commandant, \$24,986,050: Provided, That not more than a total of \$2,200,000 out of the appropriations contained in this act under the caption "Coast Guard" except the appropriations "Salaries, Office of the Commandant" and "Additional airplanes" may be expended for

The amendment was agreed to.

The next amendment was, under the subhead "Public Health Service," on page 39, line 10, before the word "including," to strike out "\$290,000" and insert "\$305,000," so as to

Prevention of epidemics: To enable the President, in case only Prevention of epidemics: To enable the President, in case only of threatened or actual epidemic of infectious or contagious disease, to aid State and local boards or otherwise in his discretion, in preventing and suppressing the spread of the same, and in such emergency in the execution of any quarantine laws which may be then in force, \$305,000, including the purchase of newspapers and clippings from newspapers containing information relating to the prevalence of disease and the public health.

The amendment was agreed to.

The next amendment was, on page 40, line 19, after the ord "station", to strike out "\$5,000,000" and insert '\$3,000,000", so as to read:

Division of Venereal Diseases: For the maintenance and expenses of the Division of Venereal Diseases, established by sections 3 and 4, chapter XV, of the act approved July 9, 1918 (42 U. S. C. 24, 25), and for the purpose of carrying out the provisions of the act of May 24, 1938 (52 Stat. 439-440), including rent and personnel and other services in the District of Columbia and elsewhere; items otherwise properly chargeable to the appropriations for printing and binding, stationery, and miscellaneous and contingent expenses for the Treasury Department; purchase of reports, documents, and other material for publication and of reprints from State, city, and private publications; purchase (not to exceed \$1,500), maintenance, repair, and operation of passenger-carrying automobiles for official use in field work; transportation; traveling expenses, including attendance at public meetings when directed by the Surgeon General; and the packing, crating, drayage, and transportation of personal effects of commissioned officers, scientific personnel, pharmacists, administrative assistants, aides, dietitians, and nurses of the Public Health Service upon permanent change of station, \$3,000,000.

The PRESIDING OFFICER. The question is on agreeing to the amendment which has just been stated.

Mr. LA FOLLETTE. Mr. President, at the outset I wish to express my appreciation of the statement made by the Senator from Virginia [Mr. GLASS], in charge of the bill, concerning this item.

It is only within a relatively short period of time that it has become possible publicly to discuss venereal diseases. I think the chief credit for having broken down the taboo against the discussion of these menaces to the health of men, women, and children in the United States must be accorded to the distinguished Surgeon General of the Public Health Service, Dr. Parran.

I wish, first of all, and very briefly, to discuss the menace of syphilis in the United States. It has been all through the centuries a scourge of mankind. It is today one of the greatest killers in the United States. Syphilis is twice as prevalent as tuberculosis, it is 4 times as prevalent as diphtheria, and 60 times as prevalent as typhoid fever.

Thirty years ago medical science had inadequate weapons to deal with syphilis, but, because of the heroic efforts which have been made in research and in medical science, the medical profession is prepared today with weapons against syphilis which are equally as effective as those against any other serious disease.

Mr. MINTON. Mr. President, will the Senator yield? Mr. LA FOLLETTE. I yield.

Mr. MINTON. It might be of interest to the Senator from Wisconsin to know that on yesterday I talked with the director of the Public Health Bureau of the State of Indiana, and he advised me that it is costing the State of Indiana at the present time \$500,000 a year to take care of the syphilitics in the institutions in Indiana.

Mr. LA FOLLETTE. Mr. President, I very much appreciate the Senator's suggestion and contribution to the discussion and consideration of this subject. I intended to refer in a few moments to the terrific costs of caring for what might be termed the end results of this terrible disease.

During the war Congress for the first time recognized the menace of venereal diseases, and created under the Chamberlain-Kahn Act a Division of Venereal Diseases in the Public Health Service. Senators who served in the Army, and those who are familiar with the situation, know that for the first time in history it had happened that the United States accepted into its armed forces men who were afflicted with venereal disease, and utilized the modern techniques for its treatment and cure, and thus enabled those who were victims of venereal disease to serve their country during the war.

As a result of the Kahn-Chamberlain Act there sprang up all over the United States activities on the part of the States and local governments in dealing with this problem; but, unfortunately, after the war was over the interest in this question died out, and the whole problem was shielded and shrouded in secrecy. It was not discussed. We did not carry on an effective campaign against venereal diseases, gonorrhea and syphilis, in the 1920's. The programs then inaugurated met the inevitable result of an economy drive and failed. But I contend, Mr. President, that it is clearly subject of proof that it was false economy, for today various institutions of the States and municipalities and counties of the United States are forced to care for those who contracted these diseases during the 1920's.

Syphilis runs a long course. It shows up in later years, 10, 15, or 20 years, after the initial infection, in insanity, heart disease, and locomotor ataxia.

I do not know whether or not Senators are aware of the fact that syphilis alone is responsible for 15 percent of the blindness in the United States today. It is responsible for one-eighth of the deaths resulting from heart disease in the United States. It is responsible for 10 percent of the insanity in the United States. It is estimated that there are 8,000 persons each year admitted to the private and public institutions for the care of insane, whose insanity can be traced to the disease of syphilis. Forty-three thousand beds in public and private institutions are occupied by patients who owe their insanity to syphilis. If we make only a very conservative estimate of the cost of this care as being \$2 per bed, it runs to the staggering sum of \$31,400,000 annually.

The blind in these institutions and on relief are a drain on the taxpayer. As the result of its studies it is estimated by the Social Security Board that the cost of the care of those who have become blind as the result of venereal disease is \$10,000,000 a year to the various units of government in the United States.

Every year in the United States 60,000 babies are born with syphilis. Yet medical science is prepared today to prevent this shocking result if we will but encourage this unified program of attack and control upon the disease. From the day they are born with this terrible scourge and infection these 60,000 babies are candidates for institutions of a penal, a corrective, or of a hospital character.

Forty thousand people in the United States every year die from heart disease caused by syphilis. There are 160,000 persons in the United States with heart disease due to syphilis who are partially incapacitated.

Mr. President, I would not be appealing for the rejection of the committee amendment if the effort on the part of our country to deal with venereal disease were merely a theoretical experiment, but other countries have undertaken such programs of control and eradication. For a long period of time such a program has been going forward in the Scandinavian countries. In Sweden, for example, the campaign has been so effective that it is now becoming a rare disease, and last year only 273 cases of syphilis were reported in Sweden.

Mr. LOGAN. Mr. President, will the Senator yield? Mr. LA FOLLETTE. I yield.

Mr. LOGAN. As the Senator may know, my State of Kentucky has for years had one of the best public health services in the United States.

Mr. LA FOLLETTE. I have the pleasure of knowing the head of the Kentucky Public Health Service, and I share the Senator's admiration for him.

Mr. LOGAN. The head of the Kentucky Public Health Service told me that it was found, after a most exhaustive examination, that year before last there was an increase of 10,000 cases of syphilis in Kentucky, but if this program were continued with sufficient money, he could eradicate the disease from the State of Kentucky in the next few years. So I join with the Senator from Wisconsin in hoping that the amendment may be rejected.

Mr. LA FOLLETTE. I appreciate the contribution of the Senator from Kentucky.

I wish to say further, Mr. President, that in Great Britain, where a similar program has been inaugurated and carried forward, they have reduced the incidence of syphilis in their population by 60 percent.

There are 1,000,000 cases of gonorrhea each year in this country. Encouraging results are being obtained in new treatment for this disease which hold out hope that a more effective method may be soon available for the treatment of this serious disease.

At the last session of Congress a bill was passed—I had the honor of being the coauthor of the measure—which set up a comprehensive program for carrying on this activity against syphilis and gonorrhea in the United States. The bill then passed provided an authorization of \$3,000,000 for the first year and \$5,000,000 for the second year. The Bureau of the

Budget recommended \$3,000,000 for this year; but the House Subcommittee on Appropriations held very long and exhaustive hearings on the subject, and, after careful consideration, decided to recommend to the full committee and to the House of Representatives the entire authorization of \$5,000,000.

I should like to quote briefly from the remarks of the chairman of the House Subcommittee on Appropriations, a man known to many Senators, a distinguished Member of the House, Representative Ludlow. On page 1856 of the RECORD of February 24, 1939, he had this to say in part:

We devoted an entire forenoon to a hearing on this subject when the room was filled with eminent medical authorities and social workers from all over the country. The viewpoint of women was expressed with clarity and fine vision by Mrs. Saidle Orr Dunbar, of Oregon, president of the General Federation of Women's Clubs, who represented 14,453 clubs, with a combined membership of 2,000,000 women. One of the most impressive aspects of the whole situation, as it was made clear in the testimony of the numerous speakers, was the disappearance of prudery in dealing with these social diseases and a recognition that they must be grappled with in a realistic way.

Mr. President, great credit for the support of this movement to combat venereal disease is also due to the American Social Hygiene Association, the conference of State and Territorial health officers, the American Legion, the Junior Chamber of Commerce, and many other organizations and public-spirited individuals all over the United States.

I quote further from Representative Luplow:

Are the States doing their part in combating venereal diseases? This is a proper and pertinent question, for a State that is not conscious of the problem within its gates and willing and anxious to do its part should not expect too large a share of the Federal Government's beneficence. The testimony shows that the States are alive to their responsibilities. On page 1307 of the printed hearings is a table showing what the States are doing in the fiscal year 1939 and what they promise to do during the fiscal year 1940. As against a total of \$2,937,878 of Federal funds expected to be expended in the fiscal year 1939 under the La Follette-Bulwinkle Act, the States and local governmental units are providing \$4,342,-329, and this does not include expenditures of nonofficial agencies. As against a Federal appropriation of \$5,000,000 for the fiscal year 1940, the States and local units are committed to raise \$5,000,000, matching the Federal money dollar for dollar. matching the Federal money dollar for dollar

The plans that have been set up by the States for a campaign on all fronts against venereal diseases furnished one of the impelling reasons that prompted our subcommittee in allowing the full amount of the authorization.

I will read one paragraph more from his speech, to be found on page 1856 of the RECORD:

Our subcommittee, always scrupulously careful in spending the Our subcommittee, always scrupulously careful in spending the people's money, believes that the States are far enough advanced in their preparations to be able to use \$5,000,000 of Federal funds advantageously in a cooperative onslaught on this plague. With the States' own contribution of \$5,000,000, a war chest of \$10,000,000 will thus be made available to attack this insidious enemy, and very definite progress should be made in this important work during the next fiscal year.

Mr. President, I do not wish to burden the Senate with a long discussion of this matter, but I should like to say that there appear in the House hearings statements by publichealth officers of 40 or 42 of the 48 States. A perusal of them will demonstrate that each one of the health officers reporting for their various States felt there was urgent necessity that Congress should appropriate the full amount authorized for the second year of this campaign. They urge this action in order that the States may receive the help from the Federal Government which they are counting on, namely, \$5.000.000.

I read briefly from General Pershing's speech to the American Social Hygiene Association. He said:

The ravages of syphilis in this country are so alarming that we can no longer shy at it, but must speak plainly and bring that we into the open so that all may understand, if we ever expect to stamp it out. It is appalling to think that nearly 7,000,000 of our people have syphilis—many of them innocent victims.

I interpolate at this point, Mr. President, that it is estimated that one-half of the syphilitic infections in this country are innocent infections.

Over 500,000 new cases come under treatement by physicians each year, besides the hundreds of thousands that never receive medical care.

Mark this:

If the entire population of the city of New York had this disease, the whole country would rise up as one man and demand that something be done about it. Why not rise up as one man and demand treatment for that number scattered throughout the

Mr. President, I wish also to point out briefly that some of the States have done excellent work, proceeding on their own initiative and by themselves. I may be pardoned, I think, if I say with a certain amount of pride that the State which I have the honor in part to represent in this body has carried on a program against these diseases since 1920. In 1920, when the program was authorized, 13 percent of the admissions to one of the hospitals for the insane in the State of Wisconsin were due to syphilitic infections. The State program has reduced those infections to 4 percent at the present time. The State has gone about as far as a single State can go. Because of the mobile character of our population, and because people are moving to and fro across this slice of a continent which is the United States of America, we cannot hope effectively to curb and control venereal diseases unless we fight the battle on 48 fronts. It can be fought on 48 fronts only under the leadership of the Federal Government.

Mr. President, in the name of the 60,000 babies who will be born with syphilis in the United States during the coming year; in the name of the youth of America, its young men and young women in the age group in which the highest incidence of venereal disease infection occurs; in the name, if you please, of national defense, I appeal for the rejection of the committee amendment, and urge that the program go forward until the battle shall have been won.

Mr. REYNOLDS and Mr. LOGAN addressed the Chair. The PRESIDING OFFICER. The Senator from North Carolina

Mr. REYNOLDS. Mr. President, I beg to state initially that I shall unhesitatingly and with much pleasure support the contentions of the able Senator from Wisconsin [Mr. LA FOLLETTE]. I was deeply interested in what he had to say. I wish to remark in the beginning that I, for one, am happy that we are no longer the hypocrites and people without courage that we once were.

Today upon the floor of the United States Senate I listened to an unsually able Member of this body unhesitatingly, unafraid, and unblushingly employ the words "gonorrhea," "syphilis," and "the venereal scourge." Speaking of false modesty and hypocrisy, the probabilities are that if 30 years ago a Senator had employed those words upon the floor of the Senate in the presence of the public, he would have been ostracised from society. I am glad that at last the American people have had the courage to lift from their faces the veil of hypocrisy and bring into the open this subject, which is deserving of discussion and which long ago should have been discussed openly and aboveboard with the public of the United States of America. If 30 years ago the able Senator's father, with the same courage, had made the same speech upon the floor of this Chamber, we should not have at this hour, in this day, millions upon millions of persons who unfortunately are afflicted with this deadly disease.

I am reminded-and I am sure the Members of this body will be interested in this observation—that 30 years ago there lived in the city of New York a young man of fine physical proportions. He set out in life with the avowed objective of warning the boys and girls of America against the deadliness of venereal diseases. That man's name is Bernarr Macfadden. I may add, if I may be pardoned a personal reflection, that I shall always be indebted to Bernarr Macfadden, because through his publications I derived some very beneficial inspirations.

Thirty years ago Bernarr Macfadden, being desirous of warning the boys and girls of America against the deadliness of the venereal scourge, employed a writer to prepare a magazine article bringing to the attention of his readers, particularly the boys and girls of America, the danger they were facing on every hand. In that article he had to say virtually the same things, in a sense, that the Senator today

had brought to the attention of the American public. As a result of his courage and his desire to protect the youth of America, he was rewarded by this, your Government and my Government, with a fine of \$2,000 and a sentence to prison for a period of 2 years. I may add that a bill is now pending in this body which would erase the disgrace which was shoved upon his shoulders 30 years ago, when he was endeavoring to warn the youth of America against the scourge of venereal disease.

Mr. President, I shall support the efforts of the Senator to restore the House figures, and to make an appropriation of \$5,000,000 instead of \$3,000,000.

A late report informs us that the assets of the Navy of the United States of America are now \$3,500,000,000, and that within a short time, with the completion of our present naval program, the Navy will have assets to the extent of \$4,000,000,000. Those who lend me their ears at this time will recall that we have appropriated millions upon millions of dollars at this session of Congress for the purpose of providing armament to be utilized in the preparation of an adequate national defense, for defense purposes only, as I

interpret the action. I ask the Members of this body, of what avail are the assets of the Navy of \$3,500,000,000 unless we have strong, healthy, wholesome, muscular bodies to bring about the operation of the instruments of defense? By the appropriation of millions of dollars we are preparing all sorts of armaments; but I ask, of what avail are the millions upon millions of dollars' worth of armaments, totaling more than \$7,000,-000,000, unless we have healthy, fine, muscular specimens of

manhood to operate the instruments of national defense? For that reason, Mr. President, and being interested, as are all the Members of this body, in the preservation of the youth of our land, both boys and girls, it is with pleasure that I support the position of the Senator from Wisconsin.

In conclusion, Mr. President, I desire to bring to the attention of this body a statement in a sense parallel to the statement made by the able Senator a moment ago in his interesting remarks. I refer to an article which was published on the editorial page of the Stillwater (Minn.) Gazette. This article is from the pen of Bernarr Macfadden:

AN UNPARALLELED TRAGEDY-FAILURE TO PROTECT OUR YOUTH

For generations the English-speaking countries suffered beyond the power of tongue or pen to fittingly describe, because of the

the power of tongue or pen to fittingly describe, because of the then prevailing prudery.

The prurient conception of our bodily functions gave us an obscene outlook upon life generally.

The body was vile and unholy, and we were introduced to the mysteries of life with an unclean attitude toward everything associated with our physiological functions.

Yet the Good Book tells us to "glorify God in your body"; that

"unto the pure all things are pure; but unto them that are defiled

and unbelieving is nothing pure."

It is plain, therefore, that we are out of harmony with theological teachings in assuming such an attitude toward our bodily structure.

And what has been the disastrous result of this mystery with which we have allowed our youth to grow up to adult life? They learn little or nothing of the physiological laws of sex * the information they acquire is usually of a filthy nature, from companions who have an unclean idea of what should be the most divine relations of human life.

The very source of life itself is made contemptible and abominable.

Until recently even our literature could never speak of pregnancy, and a newborn babe in a family was brought by the stork or found under a raspberry bush. Think of the vile results of such an attitude.

And it is only recently that our youth has had the faintest opportunity to learn anything about the most deadly of all diseases * * the venereal scourge. He had to acquire the devastating disease before he could learn anything about it.

And until very recent years the treatment for this disease was worse than the disease itself. The treatment of the disease brought on paresis, locomotor ataxia, and many other complaints that made life but little more than a satanic inferno. * * *

life but little more than a satanic inferno.

And when I look back—

Says this eminent publisher, who 30 years ago began to warn the boys and girls, the youth of America. He continues:

And when I look back at my publishing career during the period when I was solely a propagandist with one idea only—and that to help the youth of the land build up a fine physique—

and recall the experience that I had in trying to warn them against syphilis and other allied complaints * * * I remember poignsyphilis and other allied complaints * * *. I remember antly the thousands of letters that came to metragedies—hundreds of them. I remember poign-

A number came as a last sacrament, damning the environments in which they grew to manhood, with the statement to the effect that they expected to get out of it all through suicide.

And with all this evidence before me a story was written by a well-known author for the one purpose of warning youth against these degenerating diseases. I was 35 years ahead of my time—

Says Mr. Macfadden

but my efforts at that time were rewarded with a 2-year sentence in the penitentiary and a \$2,000 fine.

President Taft canceled the sentence, and I am still hoping that the Congress of these United States will apologize to me and return the \$2,000 fine I had to pay on that occasion.

Merely because he undertook to warn and to save the youth of America, as today eminent Senators in this Chamber are endeavoring to do.

I bow in reverent thankfulness to President Roosevelt for taking the lid off this sewer that has descrated human life to such a tragic extent.

Although throughout the entire country there is publicity which is accomplishing untold good, there is entirely too much commercialism about it. Many people are being driven into unnecessary medical examinations; they are made unnecessarily fearful; and

there is by no means the educational procedure necessary to protect our young people against this disease through antiseptic measures. Let us hope, now that this subject has opened up, that an educational procedure will be carried on which will give every youth the information essential to guarantee protection against this fearful scourge.—Bernarr Macfadden.

I conclude, Mr. President, by stating again that I shall with pleasure support the recommendations and desires of the Senator from Wisconsin [Mr. LA FOLLETTE].

Mr. LOGAN. Mr. President, I have only a few remarks to make. I share the views of those who believe that the United States Government should reduce its expenditures, but I believe that if we should look through all the expenditures which are made we could not find a single one that should not be reduced in preference to the appropriation for this particular purpose.

The reason for appropriation has been made plain by the Senator from Wisconsin [Mr. La Follette] and the Senator from North Carolina [Mr. REYNOLDS], but there is one other thought I desire to express. Last year when the Senator from Wisconsin secured the legislation to which he has referred there was an authorization for an appropriation of \$3,000,000 the first year and \$5,000,000 the second year.

I speak now of my own State, assuming that many of the other States followed the same policy.

We have a very able man at the head of our public health service in Kentucky. He mapped out a program and at once commenced his work with one object in view, and that was to make Kentucky, if possible, the first State to eradicate this terrible plague which has been referred to. He made his pattern; he is ready to go forward; but now the Congress of the United States that told him to go forward and to do this very thing says, "No; we are going to stop you; we are not going to make the appropriation which we advised you we would make next year."

So I very sincerely hope that the amendment reported by the Senate committee will be rejected for the reasons which have been given.

Mr. DANAHER. Mr. President, I wish to speak in opposition to the amendment recommended and reported by the Committee on Appropriations. The State department of health in Connecticut, following the program which has been so well explained by the Senator from Kentucky [Mr. Logan], extended a program throughout all the Connecticut cities, relying as they then did upon the authorization contained in the existing Federal legislation. The success of that program, Mr. President, can be appreciated when it is stated that in a State of nearly 1,700,000 people last year there were only 24 new cases of syphilis and only 1,300 new cases of gonorrhea. These diseases have been practically eradicated. Enormous forward-looking steps have been taken. A reduction of 40 percent in this particular allotment at this particular time will work very great hardship upon the furtherance and development of the plan.

I do not share with the Senator from North Carolina [Mr. REYNOLDS] any sense of obligation to Mr. Macfadden. I do recognize that we here are undertaking to eradicate grasshoppers, chinch bugs, pink boll weevil worms, Dutch elm disease, and I even find an amendment on our desks which seeks to eradicate some unnamed new disease attacking elms in the State of Ohio alone, apparently.

Mr. President, if there is any one worth-while sanitation move to which the Congress can properly be committed it is the eradication of the scourge which has been so well described in the Senate this morning. I speak, therefore, in support of the position of the Senator from Wisconsin [Mr. LA FOLLETTE], who has so ably presented the situation, and I ask that the committee amendment be rejected.

Mr. GLASS. Mr. President, at the outset of my statement on this bill I told the Senate that there was a pretty even division of opinion in the committee, since which time there have been so many representations by high medical authority that I am not disposed especially to insist upon the pending amendment. In justice to the committee, however, I wish to say that the committee conformed to the Budget estimate. The House, in a surprising way, exceeded the Budget estimate by \$2,000,000. We accepted the Budget estimate in order that the matter might go to conference and be considered deliberately and not in a whirl of oratory. But the Senate can do as it pleases about the matter.

The PRESIDING OFFICER. The question is on agreeing to the amendment reported by the committee on page 40, line 19.

The amendment was rejected.

The PRESIDING OFFICER. The next amendment reported by the committee will be stated.

The next amendment was, under the subhead "Bureau of the Mint-Office of Director of the Mint," on page 44, after line 20, to insert:

Medals to Mrs. Richard Aldrich and posthumously to Anna Bouligny: For carrying out the provisions of the act entitled "An act authorizing the President to present gold medals to Mrs. Richard Aldrich and posthumously to Anna Bouligny," approved June 20, 1938 (Private, No. 644, 75th Cong., 3d sess.), \$1,200.

The amendment was agreed to.

The next amendment was, under the heading "Title II-Post Office Department-Salaries in Bureaus and Offices," on page 57, line 14, to increase the appropriation under the office of the First Assistant Postmaster General from \$387,000 to \$390,000.

The amendment was agreed to.

The next amendment was, on page 57, line 16, to increase the appropriation under the office of the Second Assistant Postmaster General from \$578,000 to \$580,520.

The amendment was agreed to.

The next amendment was, on page 57, line 18, to increase the appropriation under the office of the Third Assistant Postmaster General from \$792,000 to \$798,560.

The amendment was agreed to.

The next amendment was, on page 57, line 22, to increase the appropriation under the office of the Solicitor for the Post Office Department from \$90,000 to \$95,000.

The amendment was agreed to.

The next amendment was, on page 57, at the end of line 24, to increase the appropriation under the office of the purchasing agent from \$46,500 to \$47,240.

The amendment was agreed to.

Mr. WALSH. Mr. President, while I was absent from the Chamber a Senate committee amendment, on page 4, relating to the Alley Dwelling Authority was adopted, I believe without discussion. I should like to make some inquiries of the Senator from Virginia in reference to that item. I wish to say first of all that the Alley Dwelling Authority expending money for housing is the only governmental activity of which I know that is doing away with slums and at the same time is not providing subsidies for the tenants who occupy the houses constructed by the Authority.

Personally, I have felt that in view of our large expenditures for housing, in connection with which subsidies are to be paid for 60 years, it was a very healthy situation to have

carried on here in the District of Columbia this experiment. which appears to have made good progress, of buying dilapidated and broken-down and unsanitary houses and converting them into modern homes for slum dwellers and renting them or selling them to private owners without a subsidy.

Personally, I have felt that carrying on the Government's two housing activities has been most wholesome. I refer to this one, which, so far as I have been able to learn up to date, has been most successful in providing low rentals without subsidies, and the other plan, under the United States Housing Authority, in connection with which we are committed to subsidies on all our housing activities.

I should like to inquire from the Senator from Virginia the reason for the elimination of this appropriation.

Mr. GLASS. The reason was that the committee regarded the activities of this agency as purely speculative. They have not built any houses.

Mr. WALSH. Have they not remodeled houses?

Mr. GLASS. No; and, besides that, they had \$8,000,000 from other sources, and we did not think they ought to have this additional sum.

Mr. WALSH. I should like to inquire of the Senator from Utah [Mr. KING], who is a member of the District Committee, if the Alley Dwelling Authority has not been remodeling and building houses for some time. When the housing bill was before us I displayed on the walls of the Senate Chamber a large number of photographs of houses that the Alley Dwelling Authority had remodeled. Mind you, I do not care whether or not we go into this housing project in the District, so far as my argument is concerned; but it seems to me a housing activity which does not ask for a subsidy or require a subsidy, by which the money is borrowed and returned to the Public Treasury, ought to be encouraged as against one for which subsidies are provided.

Mr. GLASS. As a matter of fact, the Alley Dwelling Authority clears out slums and improves adjoining properties; and they are now proposing to build hotels and garages, and

not dwellings at all.

Mr. McKELLAR. Mr. President, besides that, the Alley Dwelling Authority has already secured a loan of \$6,600,000 from the United States Housing Authority and are negotiating for a loan of \$8,400,000 more. They are going ahead.

Mr. WALSH. Does the Senator from Tennessee state on this floor that I have been entirely misinformed by the Director of this organization? I want him driven out of office if he has lied and falsified. I want to know if they have failed to do anything with the money they have borrowed.

Mr. McKELLAR. I think the Senator has been misinformed; and if he will read the hearings as they appear on pages 17, 18, 19, 20, 21, 22, and 23, I think he will come to the same conclusion.

Mr. WALSH. They have already had \$6,000,000?

Mr. McKELLAR. Six million six hundred thousand dollars.

Mr. WALSH. Have they remodeled any houses?

Mr. McKELLAR. Yes; they have remodeled houses and built some houses with the \$6,600,000, and they expect to do more remodeling and more building with the loan of \$8,400,-000 when they get it from the United States Housing Authority.

Mr. WALSH. Do they claim that their assets in property held today are in excess of their loans?

Mr. McKELLAR. I do not think they do. I will read briefly from the hearings:

Senator TAFT. What, specifically, would you use this \$1,000,000 for?
Mr. IHLDER. We have here a schedule. Before we get to that,
to answer the question asked previously, here is one of the areas
where we are putting these people of small incomes [indicating].
Senator McKellar. Before you get to that, when was your last

report?
Mr. IHLDER. It is for the year ending June 30, 1938.

Then Mr. Ihlder says he will send the report to the committee, but I do not think it is in this hearing.

Senator McKellar. What do you do with the money when you

sell a piece of property?

Mr. IHLDER. It is added to our capital and used again; but each year whatever balance we have is reappropriated by Congress. That goes into our balance and is reappropriated each year.

Senator TAFT. Reappropriated here or somewhere else?

Mr. IHLDER. Reappropriated by Congress.
Senator TAFT. Is it reappropriated here or somewhere else?
Mr. IHLDER. In the independent offices bill.

Senator TAFT. How much of an appropriation have you in that bill?

Mr. IHLDER What does that amount to this year, Mr. Ring?

Mr. Ring. I think it is about \$60,000. Of this \$11,000 is unexpended balance as of June 30, 1939, after payment of all expenses; \$50,000 is anticipated receipts from present properties during 1940.

Mr. WALSH. I desire to go on record as in favor of encouraging doing away with slums through loaning public funds that are repaid. I should like to see the experiment carried on, in contrast with the policy we have adopted of spending large sums of money in the way of grants and gifts, and giving subsidies for 60 years.

Mr. KING. Mr. President, I am inclined to think-and I am sure the Senator from Tennessee will forgive me if I make an inaccurate statement—that the Senator from Tennessee was in error in stating that the Alley Dwelling Authority has received or expended \$5,000,000, or any sum in excess of substantially \$800,000.

My recollection is that a number of years ago Congress appropriated substantially \$800,000 for the purpose of slum clearance and getting rid of some of the alleys in which crime was regnant, and which are provocative of disease. My understanding is that that entire amount has been expended in the purchase of a number of properties containing alley dwellings that were infested, and in places that were very offensive to the residents of surrounding parts of the city. My understanding is that the Alley Dwelling Authority obtained an authorization for a loan from the Housing Authority, but they have not yet secured the loan, so that the only money expended to date was \$800,000.

Mr. McKELLAR. No; if the Senator will permit me, the Alley Dwelling Authority have already secured one loan of \$6,600,000 and have applied for a second loan of \$8,000,000.

If the Senator will look at the hearings on pages 23 and 24, he will see what progress they are making:

In our two lowest-rent housing projects, containing in all 41 dwellings, 13 families are now receiving assistance from public or private agencies. Two families formerly receiving relief are now self-supporting. All but one of these families were receiving assistance when we accepted them as tenants, for in these lowest-rent projects the Alley Dwelling Authority has no bottom income limit, only an upper limit. The exception is the tenant who is receiving an old-age pension, which she was not receiving when accepted as

On page 24 the Senator will find a list of the houses that have been rented out to relief tenants. So I take it that when the statement is made that certain families are selfsupporting, it merely means that the Government pays this money to the tenants, and the tenants repay it to the Government in the form of rent.

Mr. WALSH. Mr. President, my information confirms what the Senator from Utah says, that the capital of the Alley Dwelling Authority is \$865,000; and they report to me that-

The Authority has reclaimed 14 squares, taking only as much as is necessary in each case. In the course of this reclamation, it demolished 220 substandard houses in alleys and on adjacent lots. On 5 sites it has built 112 good dwellings in place of hovels—

That, in the face of what has been said here, is astounding to me-

in 4 squares storage garages and workshops, in keeping with neighborhood character and needs. Two sites have been sold at a profit of \$11,555 after slum dwellings were removed. The Authority has developed another site as a parking lot, leased to a private operator, pending final action by Congress as to the location of a Federal department building. This site could have been sold at a profit of 45 percent after slum buildings were razed and the lots assembled into a usable parcel, but in that case the site would have been developed by buildings whose purchase and demolition would have been costly to the Government. Two small vacant alley sites are on the market. alley sites are on the market.

The Authority has done this work on a cost basis, its operation paying all expenses.

I ask that this memorandum from the Director of the Alley Dwelling Authority be printed in the RECORD in connection with what I have said.

There being no objection, the memorandum was ordered to be printed in the RECORD, as follows:

MEMORANDUM ON LOAN TO THE ALLEY DWELLING AUTHORITY

1. Authorization for loans of \$1,000,000 a year for 5 years is contained in the amendments to the Alley Dwelling Act, approved

June 25, 1938, less than 1 year ago.

These loans are to bear interest at the going Federal rate. There

is no subsidy.

2. Budget Bureau approved a \$1,000,000 item for the first loan. It was included in estimates for the Treasury Department, fiscal year 1940.

3. The House approved half of the requested amount—that is,

\$500,000.

4. The Senate Appropriations Committee cut out the whole

amount, saying:
"It is the feeling of the committee that ample funds will be available to the Authority to enable them to demonstrate what they can accomplish without an additional loan of \$500,000."

This reference to a source of funds relates to a loan secured from

the United States Housing Authority for \$6,600,000 to build low-rent houses. An additional \$8,400,000 is earmarked. These amounts, however, can be used only on low-cost sites and for the construction of low-rent houses on those sites. They are not available for reclamation of the worst slums in congested areas.

5. Congress has provided two methods of financing the Alley Dwelling Authority's work in order that it may be done effectively. One provides for carrying out the instructions that Congress gave to the Alley Dwelling Authority specifically—that is, to rid Washington of its inhabited alley slums. The other enables the Alley Dwelling Authority to borrow from the United States Housing Authority for low-rent housing on cheap sites. These two methods supplement each other. The second does not take the place of the first. the first.

The first is the more difficult. It is for this that the present an is asked. The two methods are:

(a) Self-liquidating slum reclamation projects financed by interest-bearing loans.

(b) Housing for low-income families financed by loans and subsidies from the United States Housing Authority.

It must be emphasized that the self-liquidating projects cannot be undertaken except by the means provided by Congress; namely, the interest-bearing loans. Only these loans can be used to reclaim the worst slum areas, many of which moreover are unsuitable for housing development. housing development.

housing development.

Until these slums are cleared away no real progress has been made.
6. Consequently it will not be possible, to quote the committee's report, for the Alley Dwelling Authority to show what it can accomplish in one phase of its work by use of money that is restricted to another phase. Both phases must be carried on if Washington is to be cleared of its slums.
7. Activities of the Alley Dwelling Authority: With its capital of \$865.000 the Authority has reclaimed 14 squares, taking only as much as is necessary in each case. In the course of this reclamation it demolished 220 substandard houses in alleys and on adjacent lots.

On 5 sites it has built 112 good dwellings in place of howels: in 4

on 5 sites it has built 112 good dwellings in place of hovels; in 4 squares storage garages and workshops in keeping with neighborhood character and needs. Two sites have been sold at a profit of \$11,555 after slum dwellings were removed. The Authority has developed another site as a parking lot, leased to a private operator pending final action by Congress as to the location of a Federal department building. This site could have been sold at a profit of 45 percent after slum buildings were razed and the lots assembled into a usable parcel, but, in that case the site would have been into a usable parcel, but in that case the site would have been developed by buildings whose purchase and demolition would have been costly to the Government. Two small vacant alley sites are on the market.

8. The Authority has done this work on a cost basis, its operation

paying all expenses. It has received:

Initial appropriation (1934) __ Later allocations (from Emergency Relief Act of 1935) ____ 365, 000

It has had no additional capital since 1937.

9. Dwellings built by the Authority fit their neighborhoods. Its lowest-rent dwellings cost for construction \$3,400; lowest rents in two groups are \$24.50 and \$25 for a two-story brick house with four two groups are \$24.50 and \$25 for a two-story brick house with four rooms and bath. Other dwellings, with more rooms or with apartment services, have higher rents. All rents cover total costs, the rent basis including interest on total capital investment at 3 percent, amortization of buildings, replacements, maintenance, operation, general administration, and full city taxes.

10. Families of the lowest income are among the tenants of the lowest-rent dwellings. In two projects, containing 41 houses, are 13 families who receive assistance from public or private agencies—public relief, aid to the blind, old-age pension, W. P. A., Family Service Society, American Red Cross, private social settlement, and a church.

The Alley Dwelling Authority therefore reaches the lowest-income groups. The tenants who pay their rents from public or private relief funds occupy these houses because no other decent dwellings

are available at lower rents.

11. From the beginning the Alley Dwelling Authority has maintained that rent should be based upon cost. This means automatic pressure to keep costs down so rents may be kept down. In accord-

ance with this policy, it agreed with the United States Housing Authority that rents in dwellings constructed with U. S. H. A. loans should be on a cost basis, and that the subsidies should be used to reduce rents in terms of individual family needs as these needs are demonstrated. In this, as in the other phase of its work, the Alley Dwelling Authority is following a sound, constructive policy in which Congress may take pride. MARCH 14, 1939.

Mr. McKELLAR. Mr. President, will the Senator from Utah yield to me?

Mr. WALSH. Let me say—and then I am going to stopthat I suggest that somebody look into this activity and see if it is what it is represented to be, because, I repeat, that if we are able to continue this work and get rid of subsidies we ought to give consideration to it, instead of increasing our appropriations by \$100,000,000 a year in subsidies,

Mr. GLASS. We do not exactly get rid of subsidies, because when the Alley Dwelling Authority has built a few houses it has rented them to persons on relief.

Mr. McKELLAR. And the Government is paying the rentals, adding just that much to the subsidy.

Mr. WALSH. Can it be said it is a subsidy because persons on relief have happened to be the tenants? I think they are the classes of persons who ought to be in the remodeled buildings instead of policemen and firemen and school teachers, who are getting subsidies.

Mr. McKELLAR. If they were paying rent, it would be a paying transaction; but as it is, we are furnishing the houses and paying the rent.

Now, let us look at page 19 of the report of the hearings:

How much have you invested? Mr. IHLDER. At the present time we have \$865,000.

That is besides the amount they are getting from the Housing Authority.

Did Congress put up all of that? Mr. IHLDER. The whole \$865,000. Senator Bankhead. Out of the Treasury? Mr. IHLDER. It has come from various sources.

I wish to say to the Senator from Utah that if he will look at the hearings he will find that we made a very thorough investigation into this subject, and I came to the conclusion that this was a real-estate proposition, and that we should

not appropriate this money at this time.

Mr. KING. Mr. President, not being a member of the Committee on Appropriations, I am not familiar with the testimony given before the committee and just a few moments ago I received a copy of the hearings. An examination of the same does not show that the \$6,500,000, or any part thereof, was received by the Alley Dwelling Authority, nor have any expenditures been made by the Authority based upon the expectation of receiving the amount referred to. Reference has been made to the \$17,000,000 which was to be obtained from the National Housing Administration. Obviously, no part of that has been paid to the Alley Dwelling Authority and no commitments have been made by it based upon the expectation of receiving such sum. My understanding is that \$865,000 was appropriated several years ago for the purpose of getting rid of some of the slums of Washington. Mr. Ihlder, in charge of the Alley Dwelling Authority, as I am advised, has expended this sum, and, so far as I know, the results have been satisfactory. My information is that an application was made by the Authority for a loan of \$6,500,000, but I am not familiar with the terms under which the loan was to be received and the purposes for which it was to be expended.

With respect to the \$865,000, my information is that a number of houses have been constructed and rented-some to persons in the employ of the Government; that some of the property acquired by the Authority has not been used for residential purposes but it is in the hands of the Authority and it has a value somewhat in excess of the amount which was paid for the same.

With my present views, I am in favor of the appropriation asked for, which was carried in the House bill.

The PRESIDING OFFICER. The clerk will state the next amendment of the Committee on Appropriations.

The next amendment was, on page 62, line 23, to increase the appropriation for compensation of assistant postmasters from \$6,950,000 to \$7,000,000.

The amendment was agreed to.

The next amendment was, on page 63, line 11, after the word "services", to strike out "\$7,700,000" and insert "\$7,-750,000", so as to read:

Clerks, third-class post offices: For allowances to third-class post offices to cover the cost of clerical services, \$7,750,000.

The amendment was agreed to.

The next amendment was, on page 63, line 24, after the word "carfare", to strike out "\$1,340,000" and insert "\$1,350,-000", so as to read:

Carfare and bicycle allowance: For carfare and bicycle allowance, including special-delivery carfare, \$1,350,000.

The amendment was agreed to.

The next amendment was, on page 64, line 7, after the word "exceed", to strike out "\$39,000" and insert "\$50,300", and in line 9, after the word "exceed", to strike out "\$53,000" and insert "\$60,000", so as to read:

Domestic Air Mail Service: For the inland transportation of mail by aircraft, as authorized by law, and for the incidental expenses thereof, including not to exceed \$50,300 for supervisory officials and clerks at air-mail transfer points, travel expenses, and not to exceed \$60,000 for personal services in the District of Columbia, \$17,930,000.

The amendment was agreed to.

The next amendment was, on page 65, line 7, after the words "sum of", to strike out "\$31,500" and insert "\$33,050", so as to read:

Railroad transportation and mail messenger service: For inland transportation by railroad routes and for mail messenger service, \$101,990,000: Provided, That separate accounts be kept of the amount expended for mail passenger service: Provided further, That there may be expended from this appropriation for personal services in the District of Columbia not exceeding the sum of \$23,000 to carry out the provisions of section 5 of the act of July 28, 1916 (39 U. S. C. 562) (the space basis act), and not exceeding the sum of \$33,050 to carry out the provisions of section 214 of the act of February 28, 1925 (39 U. S. C. 826) (cost ascertainment).

The amendment was agreed to.

The next amendment was, on page 66, line 12, after the word "offices", to strike out "\$450,000" and insert "\$460,000". so as to read:

Railway Mail Service, miscellaneous expenses: For rent, light, heat, fuel, telegraph, miscellaneous and office expenses, telephone service, badges for railway postal clerks, rental of space for terminal railway post offices for the distribution of mails when the furnishing of space for such distribution cannot, under the Postal Laws and Regulations, properly be required of railroad companies without additional compensation, and for equipment and miscellaneous items necessary to terminal railway post offices, \$460,000.

The amendment was agreed to.

The next amendment was, under the subhead "Office of the Third Assistant Postmaster General", on page 67, line 19, after the word "exceed", to strike out "\$2,000" and insert "\$3,000"; and, at the top of page 68, to insert "to be expended in the discretion of the Postmaster General and accounted for on his certificate notwithstanding the provisions of any other law", so as to read:

Manufacture and distribution of stamps and stamped paper: For manufacture of adhesive postage stamps, special-delivery stamps, books of stamps, stamped envelopes, newspaper wrappers, postal cards, and for coiling of stamps, and including not to exceed \$22,500 for pay of agent and assistants to examine and distribute stamped envelopes and newspaper wrappers, and for expenses of agency, \$4,599,000: Provided, That not to exceed \$3,000 of this appropriation may be available for expenses, including the cost of preparing an appropriate display frame of United States postage stamps for exhibition purposes, of delegates designated from the Post Office Department by the Postmaster General to attend the British Philatelic Congress to be held in London, England, during the fiscal year 1940, to be expended in the discretion of the Postmaster General and accounted for on his certificate notwithstanding the provisions of any other law.

The amendment was agreed to.

The next amendment was, under the subhead "Office of the Fourth Assistant Postmaster General," on page 71, line 16, after the word "offices", to strike out "\$10,400,000" and insert "\$10,600,000", so as to read:

Rent, light, fuel, and water: For rent, light, fuel, and water, for first-, second-, and third-class post offices, and the cost of advertising for lease proposals for such offices, \$10,600,000.

The amendment was agreed to.

The PRESIDING OFFICER. All the committee amendments have been acted on. The bill is before the Senate and open to further amendment.

Mr. O'MAHONEY. Mr. President, on behalf of the committee I have been instructed to present the amendment which lies on the desk with respect to the transportation of so-called penalty mail. I ask that the amendment be stated.

The PRESIDING OFFICER. The clerk will state the amendment.

The CHIEF CLERK. It is proposed to insert in the proper place the following provision:

SEC. 6. On and after July 1, 1939, no executive department or inde-pendent establishment of the Government shall transmit through pendent establishment of the Government shall transmit through the mail, free of postage, any book, report, periodical, bulletin, pamphlet, list, or other article or document, except official correspondence, unless a request therefor has been previously received by such department or independent establishment or such transmission is required by law. For each quarter, beginning with the quarter commencing July 1, 1939, the head of each independent establishment and executive department (other than the Post Office Department) shall submit to the Postmaster General an estimate of the number of pieces and the weight of the mail matter that the independent shall submit to the Postmaster General an estimate of the number of pieces and the weight of the mail matter that the independent establishment or department will be required to transmit free of postage during such quarter, and he shall also certify to the Postmaster General at the end of each such quarter that nothing was transmitted through the mail free of postage by the independent establishment or department in violation of the provisions of this paragraph: Provided, That nothing herein shall be construed to prohibit the mailing free of postage of lists of agricultural bulletins or of lists of public documents which are offered for sale by the Superintendent of Documents.

Mr. O'MAHONEY. Mr. President, in explanation of the amendment I may say that the transportation in the mails free of charge of the communications which are sent out by the various departments, by Members of Congress, by newspapers, and by those persons who are interested in the education of the blind, has always been a matter of dispute and discussion from the time the Post Office Department was first established. There is a common impression, which is altogether erroneous, that the franking privilege of Members of Congress has been the chief cause of the financial burden upon the Post Office Department; but, as the executive agencies and departments have grown during the past 25 or 30 years, there has been a constant increase in the amount of printed and mimeographed matter which has been carried free through the mails.

Mr. McKELLAR. Mr. President, will the Senator yield?

Mr. O'MAHONEY. I yield. Mr. McKELLAR. Will the Senator at this time state the figures as to how much is carried free of charge for the legislative branch of the Government, Representatives and Senators, and how much is carried for the various departments?

Mr. O'MAHONEY. I shall be very glad to do that.

Mr. McKELLAR. I think it would be very appropriate at

Mr. BONE. Mr. President, will the Senator yield?

Mr. O'MAHONEY. I yield.

Mr. BONE. I should be glad to have the Senator, while he is supplying the figures to which the Senator from Tennessee has referred, also indicate the amount of mail carried free for newspapers for which no postage whatever is paid, weekly newspapers, which are transported free of charge.

Mr. O'MAHONEY. I shall place the figures in the RECORD. Perhaps the best way to do that would be to refer to pages 4 to 7 of the hearings before the House Committee on Appropriations on the Post Office appropriation bill at the present session of Congress.

On page 4 it is shown that in 1928 the estimated loss to the Government through the transportation free of charge through the mails of materials sent into the mails by the Government executive departments was \$8,537,730. Ten years later, in 1938, that figure had increased to \$35,690,807.

While the loss to the Government on the transportation of executive mail had increased from eight and a half million to thirty-five and a half million, the loss to the Government on the transportation of congressional mail had decreased. The estimated figure for 1928 was \$909,864 for the congressional franks. In 1938 it had dropped to \$779,369.

In the meantime it should be borne in mind—and this is in answer to the inquiry of the Senator from Washington-that newspapers have been carried free in the mails in the counties in which they have been published. The estimated cost of that transportation in 1928 was \$745,451. In 1938, 10 years later, the estimated cost was \$637,150.

Mr. BARKLEY. Mr. President, will the Senator yield?

Mr. O'MAHONEY. I yield.

Mr. BARKLEY. That is a loss on newspapers which pay no postage within the counties in which they are published? Mr. O'MAHONEY. That is correct.

Mr. BARKLEY. What is the loss, if any, on newspapers which do pay postage outside of the counties?

Mr. O'MAHONEY. In that connection it may be interesting to state an incident in our early history: When the Post Office Department was created in the original Colonies, Benjamin Franklin, the publisher of a newspaper in Philadelphia, was made the colonial Postmaster General, and from that time on newspapers have been subsidized, as it were, by the Government, so far as transportation in the mails has been concerned. The argument advanced was that it is a perfectly proper public policy to make information available to the public, and with that argument I quite agree. The second-rate mail charge, according to the Division of Cost Ascertainment in the Post Office Department, is very much less than the cost of transportation. The actual figures I do not have at hand.

Mr. McKELLAR. Mr. President, has the Senator the figures as to the loss on second-class mail? If he would take the figures as to the loss on that class of mail and deduct the \$35,000,000 carried for the departments and for the Congress he would arrive at about the figure representing the loss entailed by the carriage of newspapers and books and other classes of second-class mail.

Mr. O'MAHONEY. The Senator is quite right. Of course, it should be pointed out that newspapers and books which are transported at the second-class rate are ordinarily sent in response to requests.

Mr. McKELLAR. At less than cost.

Mr. O'MAHONEY. Yes; they are carried at less than cost. The Post Office Department owes a service to the public, and the Government does not begin to charge what the service costs. It should be borne in mind, however, considering the amount of the subsidy which is given to the public at large in the transportation of the mails, that it is necessary for the Congress to appropriate large sums to employ the clerks and the carriers to handle this mail, and by every ton of waste material which is transported through the mail the cost to the Government is increased, and at the same time, of course, the cost is increased not only in the Post Office Department but in the various departments which prepare

Mr. HAYDEN. Mr. President, will the Senator yield? Mr. O'MAHONEY. I yield.

Mr. HAYDEN. About 2 years ago the Senate Committee on Appropriations had a hearing relative to the cost of conducting the operations of the Post Office Department. I have some figures from the hearings which took place at that time, which are approximately correct at the present time, showing a total loss on second-class mail matter of \$90,000,000 a year. The first loss recorded in the hearings is about \$16,000,000 a year on carrying magazines. The Senator from Kentucky [Mr. Barkley] will remember that when we were in the House of Representatives together, Mr. Burleson, the then Postmaster General, pointed out to Congress that there was a loss of over \$30,000,000 in carrying magazines through the mails. I think the subsidy to the Curtis Publishing Co. at that time alone was over \$1,000,000 a year. We sought to correct the situation by

requiring a charge, not for the reading matter in the magazine, but for its advertising pages, and as a result of the reform enacted at that time about one-half of the \$30,000,000

The figures I have before me show that the loss for 1936 in carrying magazines was \$16,000,000. It is probably a

The zone rate loss on carrying daily newspapers in 1936 was \$30,000,000. For carrying newspapers other than daily newspapers throughout the country the loss was \$12,000,000. On the free list in county publications the loss was \$8,-000,000. That is a service which has been rendered, as the Senator from Wyoming states, from the beginning, and in the beginning it was sound public policy. I do not think Benjamin Franklin should be criticized for creating that service. At that time a great portion of the population was illiterate. We were establishing a new democratic form of government. To assure a well-informed electorate was worth the money expended.

Today, with widespread popular education and the other avenues for conveying intelligence, a very different situation exists. So the subsidy can now hardly be justified.

When we include all other publications, aside from newspapers and magazines, that cause a loss of \$23,000,000 a year, the loss or subsidy involved in carrying second-class mail matter totals about \$90,000,000 a year.

Mr. O'MAHONEY. Mr. President, I may add to what the Senator from Arizona has so pertinently said, that at a time when we are continuing the 3-cent rate upon first-class mail paid by the ordinary citizen in the transportation of ordinary correspondence it is particularly out of line to continue these subsidies if we can reasonably avoid them.

Mr. BARKLEY. Mr. President, will the Senator yield?

Mr. O'MAHONEY. I yield.

Mr. BARKLEY. I understand the amendment does not in any way touch subsidies. The subsidies referred to by the Senator from Arizona [Mr. HAYDEN] are subsidies enjoyed by private publications and magazines or newspapers, whatever they may be. So long as those subsidies are being continued, I wonder whether on the floor of the Senate we ought to cut off the right of the Government to send out its own publications? I realize there are probably many departmental bulletins and publications-

Mr. O'MAHONEY. Mr. President, let me interrupt the Senator at that point. My amendment does not propose to cut off the transportation through the mails of any legitimate item of public information. The proposed amendment, which has been unanimously endorsed by the committee, was drafted in such a manner as to protect that right. I should be the last person who would urge a deprivation of the public of full information which they are entitled to receive from their various departments. But every Member of Congress, every newspaper publisher, and, I should say, if I were to restrain myself from exaggeration, practically one-third of the population knows that a constant and increasing stream of printed and mimeographed matter proceeding from the city of Washington and issuing from Government offices, which is carried through the mails, handled by the clerks, handled by the letter carriers, when received is promptly deposited, without opening, in the wastebaskets of those to whom it is sent.

Mr. BARKLEY. That may be true in many cases. Of course, if we are not to send out these publications, we ought to quit printing them. Their printing has been authorized by the Congress.

Mr. O'MAHONEY. I may say to the Senator that the President has endeavored to obtain that very result, and last October he issued an Executive order by which there was created the Interdepartmental Committee on Printing and Processing, the object of which was to contribute toward the same objective as that for which the committee is proposing the pending amendment. I shall ask that that Executive order may be printed in the RECORD at this point.

The PRESIDING OFFICER (Mr. Walsh in the chair). Without objection, it is so ordered.

The Executive order is as follows:

EXECUTIVE ORDER

ESTABLISHING THE INTERDEPARTMENTAL COMMITTEE ON PRINTING AND PROCESSING

By virtue of the authority vested in me as President of the United States, it is ordered as follows:

1. There is hereby established the Interdepartmental Committee on Printing and Processing, to be composed of representatives of each of the following-named departments and agencies, and such other departments or agencies as the committee itself may des-

Bureau of the Budget. Government Printing Office. Department of Agriculture. Department of the Interior. Treasury Department. Department of Commerce. Social Security Board. United States Tariff Commission. Post Office Department.

Each department or agency represented on the committee shall have one representative, who shall be designated by the head

3. Pending selection of a permanent chairman by the committee, the representative of the Bureau of the Budget shall serve as its temporary chairman.

4. The members of the committee shall be officers or employees of the department, independent establishment, or agency which they represent and shall serve without additional compensation.

5. The committee shall promulgate rules and regulations relating to the establishment, coordination, and maintenance of uniform policies and procedures, consistent with law, for the efficient and economical utilization of printing and processing in the executive branch of the Government. branch of the Government.

FRANKLIN D. ROOSEVELT.

THE WHITE HOUSE, October 29, 1938.

Mr. GLASS. Mr. President, the Senator knows that the departments are now printing books in halftones and colors, and the expenditure for such books on the part of the Government has gotten to be preposterous. The proposed amendment is not intended to cut off any legitimate departmental publication, but to stop the foolishness of printing in colora most expensive form of printing-stuff 90 percent of which is consigned to the wastebasket when it is received.

Mr. BARKLEY. Mr. President, the point I am making is that the amendment does not affect the publication of any of these documents. It only prevents them being mailed free of postage.

Mr. GLASS. If the Post Office Department would not send them free the departments would stop publishing them.

Mr. BARKLEY. I am not one of those who believe that the only intelligent matter that is printed by the Government of the United States emanates from the two branches of Congress. The amendment does not in any way restrict our sending out franked matter, whether it is requested or not. Recently we have heard discussion about restriction of the franking privilege. The amendment does not restrict that privilege. There are many documents printed by Government departments aside from highly colored and illustrated ones, that are of benefit to the people. The people generally do not happen to know what those documents are. Many of those who receive lists of the documents for sale by the Superintendent of Documents in the Government Printing Office may not be able to purchase them. There is an exemption of farmers' bulletins.

Mr. O'MAHONEY. Mr. President, the amendment provides for exemption of farmers' bulletins?

Mr. BARKLEY. Yes. Lists of books which are for sale by the Superintendent of Documents in the Government Printing Office are sent out. But what I have in mind is the mass of people who do not know anything about those lists and probably cannot purchase the books at the price asked by the Printing Office. Many of the publications would be serviceable if persons desiring them could obtain them. I am not in favor of any Government department loading a mass of documents on people whether they want them or not. I imagine they have lists of institutions, or perhaps persons, to whom they send bulletins and magazines, whatever it is they issue. The only reservation made in the amendment offered by the Senator is that lists of Farmers' Bulletins and lists of books and pamphlets for sale by the Government Printing Office may be exempted.

I have prepared an amendment which I should like to read, and see if the Senator from Wyoming is not willing to accept it. Personally I think that it would have been better if a joint committee had made a survey of the whole matter; and brought in a report and a recommendation, rather than to attempt to deal with the matter on the floor of the Senate in the haste of passing an appropriation bill, but, inasmuch as the amendment is offered, and we have to deal with it, I have prepared a perfecting amendment which I should like to have added at the end of the Senator's amendment to the committee amendment, if the Senator will accept it. My perfecting amendment is as follows, to be added at the end of the amendment of the Senator from Wyoming:

Provided further, That this prohibition shall not apply to the transmission of such books, reports, periodicals, bulletins, pamphlets, lists, articles, or documents to educational institutions or public libraries or to Federal, State, or other public authorities.

Mr. O'MAHONEY. I am sure there could be no reason for objecting to that perfecting amendment. On behalf of the committee, I accept it.

The PRESIDING OFFICER. Does the Senator from Wyoming accept the qualifying amendment offered by the Senator from Kentucky?

Mr. O'MAHONEY. Yes; I do.

Mr. HAYDEN. Mr. President, will the Senator yield?

Mr. O'MAHONEY. I yield.

Mr. HAYDEN. The whole point that the Committee on Appropriations had in mind was to make an effort to reduce the tremendous increase in expense in carrying the mail from the departments, which, as the Senator from Wyoming has said, has increased tremendously during the last 10 years.

I have before me the figures. For 1933 the total cost was \$14,000,000 and this year it is \$35,000,000. That is out of all reason. The Senator from Kentucky [Mr. Barkley] mentioned action to be taken otherwise by the committee. I may state that the Joint Committee on Printing has been studying the problem of trying to cut off the publications at their source. As a result of the action taken by that committee, the President last October issued an Executive order creating an interdepartmental committee to try to stop the publications in the beginning.

There are two ways of reaching the problem. One is by preventing the original writing and publication of the documents. The other is to slow them down in getting through the mails. I think we should approach the problem from both angles. I assure the Senator that the Joint Committee on Printing will seriously follow up the action already taken to check the continued expansion in the issuing of publications and other documents by the departments.

Mr. GLASS. Mr. President, I venture to say that I think the Senator from Wyoming [Mr. O'MAHONEY] should accept the modification proposed by the Senator from Kentucky [Mr. BARKLEY].

Mr. O'MAHONEY. Mr. President, I have already done so. The PRESIDING OFFICER. The question is on agreeing to the modified amendment offered by the Senator from Wyoming.

The amendment, as modified, was agreed to.

ORDER FOR CONSIDERATION OF CALENDAR BILLS

Mr. GEORGE obtained the floor.

Mr. BARKLEY. Mr. President, will the Senator yield to me for another matter? I am compelled to leave the Chamber for a moment.

Mr. GEORGE. I yield.

Mr. BARKLEY. I ask unanimous consent that at the conclusion of the consideration of the appropriation bill the Senate proceed to the consideration of unobjected-to bills on the calendar.

The PRESIDING OFFICER. Is there objection to the request of the Senator from Kentucky? The Chair hears none, and it is so ordered.

TREASURY AND POST-OFFICE APPROPRIATIONS

The Senate resumed consideration of the bill (H. R. 4492) making appropriations for the Treasury and Post Office De-

partments for the fiscal year ending June 30, 1940, and for other purposes.

Mr. GEORGE. Mr. President, I offer an amendment, which I send to the desk and ask to have stated.

The PRESIDING OFFICER (Mr. King in the chair). The amendment will be stated,

The CHIEF CLERK. On page 69, line 25, after the word "devices", it is proposed to add the following in parentheses: "(not more than one-half of the funds herein appropriated for the purchase of twine shall be expended in the purchase of twine manufactured from materials or commodities produced outside the United States)."

Mr. GEORGE. Mr. President, I very much hope the chairman of the committee will accept the amendment, for the reason that due to some intervening cause the Representative in Congress from my district was prevented from presenting the amendment to the House committee. After the bill was received in the Senate, I requested the distinguished senior Senator from Tennessee [Mr. McKellar], who, I understood, was the chairman of the subcommittee considering the bill, to permit the Representative from my district to appear before the subcommittee. The matter was inadvertently overlooked by the chairman of the subcommittee.

Mr. McKELLAR. Mr. President, I was not the chairman of the subcommittee. The Senator from Virginia [Mr. Glass], who is the chairman of the full committee, acted also as chairman of the subcommittee. The Senator from Georgia did speak to me about the matter, and I told him that I knew the committee would be glad to hear the Representative from his State. I overlooked the matter. Under the circumstances, so far as I am concerned, I hope the chairman will accept the amendment.

Mr. GLASS. Unless there is objection from some member of the committee, I am willing to accept the amendment and let it go to conference.

Mr. GEORGE. I very much hope that may be done, Mr. President, because the facts could be stated to the conferees and the merits or demerits of the amendment weighed.

Mr. HAYDEN. Mr. President, I have no objection to the amendment going to conference. I wish to say, however, that in considering this matter the committee relied very heavily upon representations made by the officials of the Post Office Department to the effect that as yet a cotton twine has not been devised which can be handled by the employees in such a way as not to cut their fingers. Jute twine can be readily broken when the employees are tying up packages. The tightly woven cotton twine which has been used heretofore is difficult to break, and frequently causes injury to the fingers of the employees. That fact was the major consideration.

Mr. O'MAHONEY. Mr. President, will the Senator yield? Mr. HAYDEN. I yield.

Mr. O'MAHONEY. Not only is the fact as stated, but the cotton twine is so much superior as a binding force, because it is harder to break, that it slows up operations in the post office. That is one of the primary reasons why the Post Office Department desires twine which will merely hold the bundles together, with the least trouble to the clerks who are using it.

Did the Senator point out that it was testified before the committee that a test is now being made at the Bureau of Standards, in cooperation with the Department of Agriculture, to see if cotton twine cannot be so treated as to lessen its tensile strength before it is purchased? If that were done, the Post Office Department would be perfectly willing to use cotton twine.

Mr. HAYDEN. I was just about to point out the fact mentioned by the Senator. The Department is more than anxious to use an American product in preference to something which is imported, if it can be used in practical operation. An experiment is being conducted by the Bureau of Standards at this time. Some indication was given that the Department appeared to be quite hopeful that a way of making cotton twine could be devised so that for all practical purposes it would be just as useful as jute twine,

Mr. GLASS. It was indicated before the committee that the difficulties had been overcome.

Mr. GEORGE. I do not think there is any doubt about it. The amendment simply provides that one-half of the money to be used for the purchase of twine shall be used to purchase twine made from a fiber grown in the United States.

Mr. GLASS. Let the amendment go to conference.

Mr. GEORGE. I am perfectly willing to have the matter go to conference without going into it in detail at this time, because I think the question can be properly weighed by the conferees.

Mr. WALSH. Mr. President, I do not wish to have the matter disposed of without entering a protest, and without

stating that I am opposed to the amendment.

This amendment, or a similar amendment, has been offered year after year. Protracted debate and discussion have taken place on the floor. Senators have had no opportunity to have the benefit of discussion today. The report of the Post Office Department against these amendments, and its judgment in this matter, have been before the Senate on other occasions. I understand that the Appropriations Committee and the Department have repeatedly protested against this form of amendment.

I, for one, feel that it is my duty to protest against such hasty and sudden action in the closing hours of the discussion of the bill with a mere handful of Senators on the

floor.

My information is that while the post office uses enormous quantities of cotton generally—1938, 2,416,000 yards cotton duck; 1939, 3,023,000 yards—and purchases considerable quantities of cotton twine where it can be used, it purchases a particular jute twine for tying letter mail. It has done so for several decades at great savings in cost. The jute twine is the only practical twine for this purpose. This amendment is proposed to substitute cotton for jute twine.

In the House a somewhat similar amendment to the bill, requiring one-half of the appropriation to be used for cotton twine exclusively, was offered and defeated on the floor—Congressional Record, February 28, 1939, pages 2040–2042.

In the hearings before the Senate subcommittee on Wednesday, March 8, 1939, the proposed amendment was considered. The Post Office Department officials testified as to the vast savings, indicating that cotton twine would have cost \$79,000 additional in the last fiscal year and possibly much more in the fiscal year 1940 if it alone could be used: that cotton twine was not feasible for tieing purposes because it stretched and cut the fingers of postal employees; that the Agriculture Department was experimenting in an effort to remedy these obvious difficulties and that the Post Office was cooperating with this experiment, but that at present jute alone could be used and cotton was not only unsatisfactory but vastly more expensive. It was also pointed out that the jute twine in question is an American manufacture and is made in Massachusetts, Pennsylvania, Delaware, New York, and occasionally a few other points. The manufacture of this twine affords work for a considerable number of American employees.

Mr. LODGE. Mr. President, this matter was brought up in the subcommittee and was defeated by a vote of 6 to 1.

I should like to say that if cotton were developed to the point where it could perform the work in a satisfactory manner, I should have a great deal of sympathy with the idea of using it. However, the testimony of the officials as given in the hearings is conclusive to me that at the present time cotton would not do the work in a satisfactory manner. Tests are being conducted, and it may be that next year so much progress will have been made that cotton can be used in that way. However, at the present time, both from the standpoint of the price of the material insofar as the taxpayer is concerned and the way in which the function is performed, I believe cotton is not as satisfactory as jute.

I hope, therefore, that the amendment will be rejected.

Mr. GEORGE. Mr. President, I am somewhat disappointed that the distinguished Senators from Massachusetts are objecting to the amendment going to conference under the circumstances I stated, to wit, that we had appealed to the

subcommittee for a hearing, and that a member of the subcommittee, the Senator from Tennessee [Mr. McKellar], who I thought was the chairman of the subcommittee, had agreed to give us a hearing, and inadvertently overlooked it.

I do not care to go into a full discussion of this matter. However, if the amendment is not going to conference without a controversy, I say flatly that the whole trouble is with the specifications made by the Post Office Department. That is all there is to it. There is nothing wrong with cotton twine. The twine used is no longer broken by the fingers. Everyone in the Postal Service, from the remotest post office up to the Washington headquarters, has a service knife. The whole trouble is in the specifications. The specifications call for twine on a poundage basis rather than on a yardage basis. When the specifications applicable to jute are examined—and there, Mr. President, is where the shoe pinches—it is found that they provide:

The breaking strength of the twine must average not less than 20 pounds.

When we come to the breaking strength of cotton twine we find this:

Not less than 16 pounds nor more than 20 pounds.

Jute twine must have an average breaking strength of 20 pounds.

Mr. President, there are in the specifications other provisions which virtually exclude cotton; I make the statement deliberately that they virtually exclude cotton. They must have been designedly drawn. It is as if the specifications for automobiles should apply only to a Chevrolet or to a Buick, which, certainly, no other cars could meet. The breaking strength required in the case of jute is only an average, whereas in the case of cotton it is specified at not less than 16 or more than 20. The diameter of the twine is fixed exactly for cotton and so fixed as to make it possible for jute only to qualify.

The Government of the United States has today invested over \$600,000,000 in cotton, and it is annually appropriating money to discover new uses for cotton, but the very same department which is endeavoring to discover new uses for cotton is using a foreign product, jute, which can be substituted for cotton.

Mr. LEE. Mr. President, will the Senator yield there? Mr. GEORGE. I yield to the Senator from Oklahoma.

Mr. LEE. Is it not also true that in the Government departments paper napkins and paper towels are being used? Does the Senator enjoy drying his face on a paper towel?

Mr. GEORGE. No, I do not; but I do not now desire to get into a discussion of that question.

Experiments have been conducted and are now being conducted—I am not authorized to divulge all the information I have in my hand and I do not want to do so—which, I am satisfied, have already demonstrated that cotton twine can be used for most of the purposes of the Post Office Department which are now filled by jute twine.

Mr. President, I have very frankly stated that I wished the matter to go to conference, so that the conferees could have the advantage of all the present available facts, and then, if the amendment should be found to be meritorious, that it be retained in the bill. The amendment does not exclude jute; it simply provides that a portion of the money appropriated for the purchase of twine shall be used to purchase some kind of twine made from some fiber produced in the United States. That, it seems to me, is a very reasonable request, and the amendment appears to me to be a very reasonable one, especially when the demonstrations recently made and now in progress indicate that cotton twine may be used for most of the purposes required by the Post Office Department.

Now I wish to call attention to the fact that in the last purchase of twine, when the Post Office Department bought 2,200,000 pounds, there were but two bidders. One of them was a concern interested in jute. There was but one cotton bid submitted, and that bid was the combined bid of three textile mills in New England.

I wish to say in my place here that, although nearly all the cotton twine made in the United States is made in the

Tydings

Wagner Walsh

Wheeler

Vandenberg

South, and much of it is made in Georgia, the mills there operating have long since declined to submit bids to the Post Office Department for twine. Why? Because they have learned from experience that the specifications are handmade to fit only one product, and for that reason they know it is useless to submit bids. Responsible manufacturers have from year to year so advised me.

Ninety percent of all the cotton twine used in the manufacture of automobile tires is made by one mill and its associated mills, as I recall the figures, in my State. These responsible manufacturers tell me that there is not one single scintilla of virtue in the objections urged against cotton twine. I believe their statements. I know the men who make them; I know how responsible they are. They tell me that the only reason why they do not submit bids and do not meet the specifications is that it is simply impossible to do so. I think that statement is true.

The Post Office Department from year to year has taken the position that a fiber produced in the United States cannot be used to tie mail; that it cannot be used in the mail service. The main objection, they used to say, was that cotton twine would stretch. The manufacturers met that objection and demonstrated that a cotton twine could be made that would not stretch. Then it was said that cotton twine would cut the hands. Of course, some of it will cut the hands, as will some of the jute twine; but knives are used in the Department, and there is no occasion to use the hands in breaking the twine. Demonstration after demonstration has shown that packages of mail shipped across the continent are 90 percent well preserved when tied with cotton twine, and only about 50 percent well preserved under ordinary handling when tied with jute.

Then it was claimed that jute was cheaper. What are the facts on that point? The specifications call for one-half pound balls of twine by the pound. The fact is that a pound of jute will measure in yardage about 850 yards, whereas in the very specifications of the Department it is said that a pound of cotton must measure 1,000 yards. Right there appears a discrimination of 25 percent against cotton. The Bureau of Standards will tell you today, Mr. President, that, as a matter of fact, a pound of cotton will make, when prepared suitably for the Post Office Department, approximately 1,350 yards as against 850 yards for jute, or 500 yards more. The Post Office Department does not care anything about how much it weighs. They are buying yardage and yardage only. Yet their specifications confine the bidder to a poundage bid.

Mr. President, it seems to me that there are sufficient facts here that the conferees might well weigh. I am asking that the Senate adopt the amendment, at least for the purpose of having it well considered in the light of the inquiries and tests that have been made recently and that are now in progress and that the information available be brought before the conference committee before the amendment shall be finally disposed of by the conferees.

The PRESIDING OFFICER. The question is on agreeing to the amendment offered by the Senator from Georgia.

The amendment was agreed to.

Mr. BONE obtained the floor.

Mr. O'MAHONEY. I suggest the absence of a quorum.

The PRESIDING OFFICER. The Secretary will call the roll.

The Chief Clerk called the roll, and the following Senators answered to their names:

Adams	Byrnes	Gillette	Lee
Andrews	Capper	Glass	Lewis
Ashurst	Caraway	Guffey	Lodge
Austin	Chavez	Gurney	Logan
Bailey	Clark, Idaho	Harrison	Lucas
Bankhead	Clark, Mo.	Hatch	Lundeen
Barbour	Connally	Hayden	McCarran
Barkley.	Danaher	Herring	McKellar
Bilbo	Davis	Hill	McNary
Bone	Donahey	Holman	Maloney
Borah	Downey	Hughes	Mead
Brown	Ellender	Johnson, Calif.	Miller
Bulow	Frazier	Johnson, Colo.	Minton
Burke	George	King	Murray
Byrd	Gerry	La Follette	Neely

Norris	Reed	Stewart	. !
Nye	Reynolds	Taft	
O'Mahoney	Schwartz	Thomas, Okla.	
Overton	Schwellenbach	Thomas, Utah	
Pittman	Shipstead	Townsend	
Radcliffe	Smith	Truman	-

The PRESIDING OFFICER (Mr. Adams in the chair). Eighty-four Senators have answered to their names. A quorum is present.

Mr. BONE. Mr. President, I have presented an amendment to the pending bill.

Mr. McKELLAR. I do not think the Senator has had the amendment read from the desk. I suggest that he have that done

Mr. BONE. I ask at this point that the amendment be

The PRESIDING OFFICER. As the Chair understands, the Senator from Tennessee is correct. The amendment has not been formally offered. It was offered, and allowed to lie on the table.

Mr. BONE. That is correct. I now tender the amendment and ask to have it stated.

The PRESIDING OFFICER. The amendment will be stated.

The CHIEF CLERK. On page 42, line 26, it is proposed to strike out "\$440,000" and in lieu thereof to insert "\$700,000."

Mr. BONE. Mr. President, let me briefly state that the purpose of this amendment is to provide additional funds for the completion and operation of the National Cancer Institute.

The National Cancer Institute Act, "An act to provide for, foster, and aid in coordinating research relating to cancer; to establish the National Cancer Institute; and for other purposes," was approved on August 5, 1937.

This act directs the United States Public Health Service to undertake a comprehensive scientific attack on the cause, prevention, diagnosis, and treatment of cancer. This dread disease is killing every year about 140,000 persons in this country. Therefore, cancer is one of the major public health problems.

The law broadly provides for two kinds of activities: First, experimental research; and, second, what may be called cancer control.

CANCER RESEARCH

Considerable progress has been made in cancer research during the past 40 years, much more than in all preceding time. The outlook for the future is even more promising.

In order to summarize present knowledge concerning the fundamental aspects of cancer, and to suggest meritorious lines for future study, Surgeon General Parran appointed a committee of leading scientists. The report of this committee, published last December, recognized three main lines of attack that have yielded our present knowledge of the disease:

First. The study of experimental animal cancers, which are readily transferable from one animal to another of the same species.

Second. The experimental production of cancers by the use of various chemicals and certain hormones manufactured by the animal and human body.

Third. The part played by genetic and hereditary factors in the development of cancer.

In addition to a continuation of investigations along these lines, the committee felt that the National Cancer Institute should foster especially research into cell physiology and the conditions which bring about that capacity of cells for uncontrolled growth, which is cancer. This is the core of the problem.

In line with this report, the Public Health Service for a number of years before the passage of the National Cancer Institute Act had pursued research on a small scale; one small group of scientists working at the National Institute of Health in Washington, and another small group working at the Harvard Medical School, and now in a building belonging to the Harvard department of chemistry. The main results of this work carried out during the past fiscal year are summarized in the annual report of the Surgeon General.

These activities will be brought to the central institute, for which the Seventy-fifth Congress appropriated funds for the erection of a suitable building at Bethesda, Md. Mrs. Luke Wilson generously donated the land. Careful plans were worked out so as to provide the necessary physical facilities for a first-class cancer research center. Building operations were started early in October of last year, and it is anticipated that the building will be ready for occupancy in the coming

RESEARCH FELLOWS

Complying with the provision under the law, steps were taken to appoint additional scientific and technical personnel. Fifteen research fellowships have been granted for work on projects that fit in with the general plan of attack. Some of these fellows are already recognized as leaders in cancer research, while others give promise of developing into capable investigators. There is great need for increasing the number of research fellows, not only to complete the staff of the National Cancer Institute at Bethesda, but also to promote cancer research in private institutions. In view of the magnitude and complexities of the problem, a total of 30 research fellowships at any one time would not be excessive. Many universities and research institutes are anxious to secure the services of such fellows for training in cancer research, and are very glad to provide the necessary facilities at their expense. Additional funds are needed to carry out these plans.

cost of operation of institute

There is one question which has caused considerable concern, and that is adequate funds for the efficient operation of the National Cancer Institute at Bethesda. Apart from the salaries of personnel and the cost for ordinary maintenanceheating, lighting, and so forth—the work of the institute is such as to require rather expensive scientific instruments, and facilities for the care and study of many thousands of experimental animals, chiefly mice and rats. As an illustration, it would be very desirable to have a diagnostic X-ray machine for the early recognition of internal cancers in laboratory animals. The ordinary machines used on patients are not adapted for use on small animals because of the rapid breathing and heart action, which causes fogging of the photographic plate. A suitable machine with short and intense exposure is needed, and this item alone would cost \$7,000. Then there is the essential need for hygienic animal cages. which permit the housing of the tens of thousands of mice for periods of 1 to 2 years. This item involves a cost of approximately \$15,000.

The cost of cancer research is much higher than many other kinds of research, because in animals, as in humans, natural cancer is a disease which has a very long "incubation" period. The animals must, therefore, receive the best of care by a large number of competent caretakers, in order that the results of the experiments shall not be lost due to intercurrent disease.

If additional funds are not provided, the only alternative would be gradually to assemble the necessary scientific supplies over a number of years, and to employ only a skeleton professional and technical staff for the institute. It is questionable that such a plan would meet the intent of Congress in establishing the National Cancer Institute.

GRANTS-IN-AID

The National Advisory Cancer Council has held 8 meetings and considered 82 applications for grants-in-aid for the support of cancer research in various private institutions in the country. These applications have totaled more than \$1,000,000. The council has recommended, and the Surgeon General has awarded, only 16 grants-in-aid, totaling about \$116,000. If adequate funds were available, these research activities could be extended.

CLINICAL RESEARCH CENTER

In order to provide facilities for certain research on cancer patients, plans have been made, and work is under way, for the establishment of a small cancer clinic at the United States Marine Hospital in Baltimore, Md. The activities of this research clinic will be coordinated, as far as possible, with the institute at Bethesda.

COORDINATION OF RESEARCH

The law provides for coordination of all the cancer research in the country. The most effective way to carry out this provision is by personal contact, through visits to research institutions, conferences of small groups of scientists, and attendance at meetings of scientific societies. It is believed that this activity is very valuable indeed, and in the best interest of increasing scientific knowledge relating to cancer. A limited number of visits have been made to cancer research laboratories in this country. Last summer the Chief of the National Cancer Institute made an official survey of various cancer-research centers in France, Belgium, England, and Scotland. He established personal contact with a great many scientists and attended two international scientific congresses.

This year the Third International Cancer Congress will meet in this country. If the necessary funds for travel were available, it would be very advantageous to have every staff member of the National Cancer Institute attend this Congress. Furthermore, it would be very desirable to bring to Washington at Government expense at intervals small groups of scientists for the purpose of special scientific meetings in certain fields of cancer research. The moderately paid scientist can ill-afford to carry the expense of attendance at many such meetings no matter how great his interest may be.

AIMS OF CANCER RESEARCH

It has been estimated that the ideal application of all now available knowledge would reduce the cancer mortality by about 25 percent; that is, about 35,000 persons could be saved yearly. The other 105,000 would be doomed to death. The only hope of decreasing this vast amount of human misery is through fundamental and clinical cancer research. Many competent men and women are only too willing to devote their lives to such work if they can find a modest livelihood and suitable facilities.

There is another side to fundamental cancer research which has not been mentioned. Cancer is essentially a biological problem; and therefore fundamental cancer research, besides promoting knowledge relating to cancer, is contributing to general biological knowledge which may become of value for a better understanding of some fundamental questions underlying the maintenance of health. This may seem visionary, but it is the truth.

CANCER CONTROL—SUPPORT OF STATE-CONTROL PROGRAMS

Although at the present time the care of indigent cancer cases is the ultimate responsibility of the States, under the National Cancer Institute Act it is the responsibility of the Federal Government to cooperate with the State health agencies in cancer-control programs, and to coordinate and standardize these activities.

The States look to the National Cancer Institute for leadership and guidance in formulating their program. Only six States-New Hampshire, Massachusetts, Connecticut, New York, Georgia, and Missouri—have legally enacted cancer-control programs. An analysis has been made of the laws in these States, and the institute is already being of service to other States that are becoming interested in cancer legislation. At the last meeting of the State and Territorial health officers with the Public Health Service, a resolution was passed urging the United States Public Health Service to establish an office of States' relations within the cancer institute, and to draw up a model State cancer law. In order for such an office to function properly, additional personnel and funds will be needed. Up to the present time very little has been done in this field. It is planned that this office will standardize cancer case records, and encourage the States to keep uniform statistical records and follow-up systems in order to evaluate the final outcome of treated cases of cancer. No cancer patient can be called cured until at least 5 years have elapsed from the date of the last treatment.

EDUCATION OF THE PUBLIC

The National Cancer Institute Act specifically calls for the collection of information upon studies which are being carried on in the United States or any other country as to the cause, prevention, and methods of diagnosis and treatment of cancer, and to make such information available to institutions, public and private, to physicians, and to the general public, through appropriate channels. Although public-health education is one of the most effective weapons we have in the control of disease, the National Cancer Institute has not yet organized a comprehensive educational campaign on a national scale. Until additional funds become available, educational activities will remain limited for the most part to cooperation with nonofficial organizations, such as the American Society for the Control of Cancer, and the American College of Surgeons.

TRAINING OF PHYSICIANS

Under section 4 (b) it is the duty of the National Cancer Institute to provide training and instruction in technical matters relating to the diagnosis and treatment of cancer.

Twenty trainees have been carefully selected and are now on duty at approved training centers throughout the country. These young men have declared their intention of devoting their lives to the diagnosis and treatment of cancer as a career. There is a great demand throughout the country from young men who have received special training in surgery, irradiation, and tumor pathology. The Cancer Institute has more than 40 applications over and above those now in training. Lack of funds prevents an extension of this service, which is recognized as one of the most urgent needs in the cancer field.

GENERAL CONCLUSIONS

It is quite obvious that the control of cancer by comprehensive research, and by the effective application of existing knowledge, represents one of the most difficult problems in public health. An annual appropriation of \$400,000, if contined in the coming fiscal years, would permit only slow progress quite out of all proportion with the importance of cancer as a medical, social, and economic problem. The passage of the National Cancer Institute Act was an important event, since the Federal Government for the first time undertook to attack a neglected problem which in the course of years has brought, and will bring, untold misery and death to hundreds of thousands of citizens.

For the period of planning and organization, following the enactment of the law, the United States Public Health Service felt that not more than about \$400,000 could be profitably spent. Now, however, the full authorization under the law of \$700,000 for each year is urgently needed.

I have explained the purpose of my amendment to the Chairman of the Appropriations Committee, who is advised of my interest, and my reason for offering the amendment. I take it that everyone is vitally interested in the subject of cancer, because it has become one of the greatest killers of all time. Nearly every year, three times as many human beings are killed by cancer as died in the World War; and the work of the cancer institute is known to almost everyone.

I sincerely hope the chairman of the committee will accept the amendment.

Mr. GLASS. Mr. President, the amount called for by the amendment being the amount of the original authorization, I shall accept the amendment and let it go to conference.

The PRESIDING OFFICER. Without objection, the amendment is agreed to.

The bill is still before the Senate and open to further amendment. If no further amendment be proposed, the question is on the engrossing of the amendments and the third reading of the bill.

The amendments were ordered to be engrossed and the bill to be read a third time.

The bill was read the third time, and passed.

Mr. GLASS. I move that the Senate insist upon its amendments and ask for a conference with the House of Representatives thereon, and that the Chair appoint the conferees on the part of the Senate.

The motion was agreed to; and the Presiding Officer appointed Mr. Glass, Mr. McKellar, Mr. Typings, Mr. McCarran, Mr. Balley, Mr. Bridges, and Mr. Lodge conferees on the part of the Senate.

ORDER OF BUSINESS

Mr. McKELLAR. Mr. President, at the request of our leader, the Senator from Kentucky [Mr. Barkley], I ask unanimous consent that the Senate now proceed to the consideration of unobjected-to bills on the calendar.

The PRESIDING OFFICER. The Chair will state to the Senator from Tennessee that he understands that order has already been entered. The consideration of unobjected-to bills is now in order.

STAY OF FORECLOSURE PROCEEDINGS UPON REAL-ESTATE MORT-GAGES TO THE UNITED STATES

Mr. WILEY. Mr. President, at this time I ask unanimous consent of the Senate to introduce a joint resolution which, if adopted, will authorize the courts of the land to stay fore-closure proceedings upon real-estate mortgages to the United States.

This joint resolution, if agreed to, will not create an arbitrary moratorium. What it purports to do is to give the courts the power to stay proceedings upon such terms and conditions as the courts, by their orders, may prescribe for the purpose of protecting the interest of the mortgagors and the mortgagees.

The Supreme Court of the United States some time ago held, in substance, that legislation could not be passed depriving one person or one class of people of their property rights for the benefit of another class. What the court held was that when any person, or any group of persons, in a great emergency become destitute or in need, such a situation calls for aid and assistance from the entire public, or from the Government.

We now have such a situation in the case of the so-called Government mortgages which are being foreclosed by the thousands upon farms from which the farmers cannot get sufficient to live, not because in a majority of cases they have not worked hard, but because market conditions of the product they produce have made it impossible for them to exchange that product for a sufficient number of dollars to make a living.

In my own State, where it costs the farmers from \$1.80 to \$2.60 a hundred to produce milk, they are selling that milk in the majority of cases for 70 cents to a dollar a hundred. They are not to blame for that situation. They have worked hard. They are producing the product. Now, the taxes and insurance and interest on Government obligations require payment, and they cannot meet "the bill." So the Government forecloses.

In the county immediately north of my county in Wisconsin there are 400 foreclosures. This is one of the greatest dairy counties in America. I am informed that in five counties surrounding my county there are 1,500 foreclosures by Government agencies.

The resolution I am offering intends to authorize the staying by the court of such foreclosure proceedings for a term up to 2 years on such terms as the court may prescribe. In other words, the court, acting as an equity judge, sees the interest of the Government with its money invested in the farms, it sees the interest of the farmer, who, through no fault of his own, finds himself unable to meet the demands created by taxes and interest. The court sees the larger interest of the need of maintaining and retaining the Nation's most vital industry—the farming industry. The court weighs all the circumstances in each individual case and then determines the terms and conditions by his order.

All through the farm belt there is an immediate need for legislation of this kind. I ask unanimous consent for immediate consideration of the joint resolution.

Mr. McKELLAR. The joint resolution has not yet been printed?

Mr. WILEY. It has not.

The PRESIDING OFFICER. The clerk will read the joint resolution

The legislative clerk read the joint resolution (S. J. Res. 93) authorizing the courts to stay proceedings brought for the

purpose of foreclosing upon real property mortgaged to the United States, and for other purposes, as follows:

Whereas the mortgages held by the United States and its agencies are the property of the Nation; and
Whereas due to present economic conditions, foreclosure proceedings have been instituted or will be instituted upon many of such mortgages; and

Whereas the foreclosure of such mortgages would have the effect of depriving many citizens of their homes and farms; and Whereas the problems of unemployment and relief would be in-

tensified as a result of such foreclosures; and Whereas it is in the interests of the Nation that foreclosures should be stayed in anticipation of improved economic conditions;

Whereas the courts in which foreclosure proceedings are instituted are capable of determining the conditions peculiar to each case involving the foreclosure of any such mortgage: Therefore

case involving the foreclosure of any such mortgage: Therefore be it

Resolved, etc., That any court having jurisdiction of any proceedings brought by the United States or any agency of the United States for the purpose of foreclosing upon any real property mortgaged to the United States or such agency shall have power to stay such foreclosure proceedings for a period of time expiring not later than 2 years after the date of enactment of this joint resolution. Any such stay of proceedings shall be granted subject to such terms and conditions as the court, by its order, may prescribe for the purpose of protecting the respective interests of the mortgage and the mortgagee in the mortgaged property.

SEC. 2. Notwithstanding any other provision of law, the Federal Farm Mortgage Corporation shall not exchange its bonds for the bonds of any Federal land bank or lend any funds to any Federal land, bank, if such Federal land bank has refused to consent to the entry; by any court having jurisdiction of any proceedings brought by such bank to foreclose upon real property mortgaged to such bank, of an order staying such foreclosure proceedings (1) for a period expiring not later than 2 years after the date of enactment of this joint resolution and (2) upon such terms and conditions as the court may prescribe for the purpose of protecting the respective rights of such bank and the mortgagor in the mortgaged property.

SEC. 3. The rate of interest on any loan made upon the security of a mortgage on real property with respect to which any foreclosure proceedings have been stayed pursuant to the provisions of this joint resolution shall not, for the period of effectiveness of such stay, be in excess of the interest rate which would be applicable to such loan if the borrower were not in default.

SEC. 4. (a) As used in this joint resolution—

(1) The term "foreclosure proceedings" includes any judicial pro-

plicable to such loan if the borrower were not in default.

SEC. 4. (a) As used in this joint resolution—

(1) The term "foreclosure proceedings" includes any judicial proceedings by which a mortgagor or his successor in interest is divested of legal title (whether or not subject to a right of redemption) to any real property by reason of the breach of any condition or covenant of the mortgage on such property or the credit instruments secured thereby.

ments secured thereby.

(2) The term "agency of the United States" means any executive department, independent establishment, or agency of the United States and any corporation all of the capital stock of which is owned directly or indirectly by the United States.

(b) A stay of foreclosure proceedings may be granted under the provisions of this joint resolution at any stage of such proceedings prior to the order of the court confirming the foreclosure sale of the mortgaged property

The PRESIDING OFFICER. Is there objection to the immediate consideration of the joint resolution?

Mr. BARKLEY. Mr. President, I did not hear all the resolution, but I heard sufficient to know that it should not be considered at this time. It goes into the whole question of loans and interest, and it ought to be referred to the Committee on Banking and Currency in order that the committee may consider it. Has the Senator any objection to its going to the committee? We have before that committee for consideration questions similar to the ones raised in the resolution, and related questions.

Mr. WILEY. I have no objection to the joint resolution going to the committee.

The PRESIDING OFFICER. The joint resolution will be referred to the Committee on Banking and Currency.

THE CALENDAR

Mr. REYNOLDS. Mr. President, yesterday we were discussing in the Senate Chamber the question of trade rela-

Mr. VANDENBERG. Mr. President, a point of order.

The PRESIDING OFFICER. The Senator will state the

Mr. VANDENBERG. I have been faithfully observing the agreement made that the calendar was to be called following the disposition of the appropriation bill under consideration earlier in the day.

The PRESIDING OFFICER. The Senator is correct. There is nothing before the Senate at this time.

Mr. BARKLEY. Mr. President, I secured a unanimousconsent agreement awhile ago that immediately upon the conclusion of the consideration of the appropriation bill the calendar of unobjected-to bills would be considered.

Mr. VANDENBERG. I do not intend to sit here any longer and listen to something else.

Mr. REYNOLDS. Mr. President-

The PRESIDING OFFICER. The clerk will state the first order of business on the calendar.

The bill (S. 326) for the payment of awards and appraisals heretofore made in favor of citizens of the United States in claims presented under the General Claims Convention of September 8, 1923, United States and Mexico, was announced as first in order.

Mr. VANDENBERG. Over.

The PRESIDING OFFICER. The bill will be passed over. ECONOMIC DATA CONCERNING BRAZIL

Mr. REYNOLDS. Mr. President, I had consent of the majority leader merely to ask unanimous consent for the publication in the Appendix of the Record of some data which relate to the economic situation in Brazil today and likewise to the geographic potentialities of that section. I ask that the data be published in the Appendix of the RECORD.

The PRESIDING OFFICER. Is there objection? Chair hears none, and it is so ordered.

(The data appear in the Appendix under the heading "Economic Data Concerning Brazil.")

Mr. BARKLEY. Mr. President, in that connection I ask unanimous consent that an article in the Washington Post this morning by Walter Lippmann, on the same subject, be printed in the Appendix of the RECORD.

The PRESIDING OFFICER. Is there objection? Chair hears none, and it is so ordered.

(The article referred to appears in the Appendix under the heading "Trade Agreement With Brazil.")

RESOLUTIONS, BILL, AND JOINT RESOLUTION PASSED OVER

The resolution (S. Res. 58) providing that a calendar day's notice shall suffice in connection with suspension of a rule was announced as next in order.

Mr. McNARY. Let the resolution go over.

The PRESIDING OFFICER. The resolution will be passed

The resolution (S. Res. 74) providing for a Committee on Civil Aviation was announced as next in order.

Mr. VANDENBERG. Let the resolution go over.

The PRESIDING OFFICER. The resolution will be passed over.

The bill (S. 685) to create a Division of Water Pollution Control in the United States Public Health Service, and for other purposes, was announced as next in order.

SEVERAL SENATORS. Over.

The PRESIDING OFFICER. The bill will be passed over. The joint resolution (S. J. Res. 45) to amend the act of July 3, 1926, entitled "An act conferring jurisdiction upon the Court of Claims to hear, examine, adjudicate, and render judgment in claims which the Crow Tribe of Indians may have against the United States, and for other purposes" was announced as next in order.

Mr. KING. Over.

The PRESIDING OFFICER. The joint resolution will be passed over.

BILLS RELATING TO INDIAN AFFAIRS PASSED OVER

The bill (S. 863) to provide for the payment of attorneys' fees from Osage tribal funds was announced as next in order.

Mr. KING. Mr. President, during consideration of the calendar a few days ago I called attention to the fact that there were on the calendar several bills dealing with Indian claims, providing for sending a number of such claims to the Court of Claims. I stated that an investigation was being made, and I asked that those bills go over until the investigation had been completed and the information furnished; and that was understood. The chairman of the Committee on Indian Affairs, the Senator from Oklahoma [Mr. Thomas], did not dissent from that view. So I ask that those bills, when they are reached, be passed over.

The PRESIDING OFFICER. Is there objection to the request of the Senator from Utah? The Chair hears none, and all orders of business from No. 88 to No. 116, inclusive, will be passed over.

The following bills ordered to be passed over are as follows: The bill (S. 863) to provide for the payment of attorneys'

fees from Osage tribal funds.

The bill (S. 783) to amend the act, as amended, entitled "An act to refer the claims of the Delaware Indians to the Court of Claims, with the right of appeal to the Supreme Court of the United States," approved February 7, 1925.

The bill (S. 784) for the relief of certain Indians of the

Winnebago Agency, Nebr.

The bill (8, 790) conferring jurisdiction upon the Court of Claims to hear and determine the claims of the Prairie Band or Tribe of Pottawatomie Indians of Kansas and Wisconsin against the United States.

The bill (S. 1222) authorizing an appropriation for payment to the Osage Tribe of Indians on account of lands sold by the

United States.

The bill (S. 767) conferring jurisdiction on the Court of Claims to hear, examine, adjudicate, and enter judgment in any claims which the Assiniboine Indians may have against the United States, and for other purposes.

The bill (S. 864) authorizing the Arapahoe and Cheyenne Indians to submit claims to the Court of Claims, and for other

purposes.

The bill (S. 962) to define the status of certain lands pur-

chased for the Choctaw Indians, Mississippi.

The bill (S. 498) authorizing an appropriation to carry out the provisions of section 26 of the agreement with the Muskogee or Creek Tribe of Indians, approved March 1, 1901.

BILLS PASSED OVER

The bill (H. R. 3790) relating to the taxation of the compensation of public officers and employees was announced as next in order.

Mr. KING. Let that bill go over.

The PRESIDING OFFICER. The bill will be passed over. The bill (S. 572) to provide for the common defense by acquiring stocks of strategic and critical raw materials, concentrates, and alloys essential to the needs of industry for the manufacture of supplies for the armed forces and the civilian population in time of a national emergency, and for other purposes, was announced as next in order.

Mr. VANDENBERG. Let the bill go over.

The PRESIDING OFFICER. The bill will be passed over. The bill (S. 1582) to authorize the President to bestow a Meritorious Service Medal upon civil-service officers and employees of the United States, and for other purposes, was announced as next in order.

Mr. KING. Let that bill go over.

The PRESIDING OFFICER. The bill will be passed over.

AMENDMENT OF CIVIL SERVICE RETIREMENT ACT

The bill (S. 281) to amend further the Civil Service Retirement Act, approved May 29, 1930, was announced as next in order.

Mr. KING. Let that bill go over.

The PRESIDING OFFICER. The bill will be passed over. Mr. NEELY subsequently said: Mr. President, what happened to Order of Business No. 127?

The PRESIDING OFFICER. It was passed over.

Mr. NEELY. On whose objection?

The PRESIDING OFFICER. On the objection of the senior Senator from Utah [Mr. King].

Mr. NEELY. I thought I had an understanding with the senior Senator from Utah last week. Of course, if he does not concur in what I am about to say I shall be certain that I was laboring under a false impression. I understood the Senator to say, when the bill was called last week, that he would not object to consideration when it was reached at the next call of the calendar.

Mr. KING. Mr. President, I shall not object to consideration except under the 5-minute rule. There will be some debate. The Senator will recall that he suggested that he would move to have the bill taken up, and if he moves that the bill be taken up, so that we may have ample time for debate, I shall join with him.

Mr. NEELY. Mr. President, I shall not interrupt the calling of the calendar now, but later in the day I purpose to move to proceed to the consideration of the bill.

Mr. KING. I shall not object.

BILLS AND JOINT RESOLUTION PASSED OVER

The bill (S. 1464) to extend the facilities of the United States Public Health Service to active officers of the Foreign Service of the United States was announced as next in order.

Mr. KING. Let that bill go over.

The PRESIDING OFFICER. The bill will be passed over. The bill (S. 902) to amend the act entitled "An act authorizing the temporary detail of United States employees, possessing special qualifications, to governments of American republics and the Philippines, and for other purposes," approved May 25, 1938, was announced as next in order.

Mr. KING. Let that bill go over.

The PRESIDING OFFICER. The bill will be passed over. The joint resolution (S. J. Res. 46) authorizing appropriation for expenses of a representative of the United States and of his assistants, and for one-half of the joint expenses of this Government and the Government of Mexico, in giving effect to the agreement of November 9–12, 1938, between the two Governments providing for the settlement of American claims for damages resulting from expropriations of agrarian properties since August 30, 1927, was announced as next in order.

Mr. McCARRAN. Let the joint resolution go over.

The PRESIDING OFFICER. The joint resolution will be passed over.

The bill (S. 95) to amend the Civil Service Retirement Act of May 22, 1920, as amended, to extend retirement to certain employees of certain Indian schools was announced as next in order.

Mr. KING. Let the bill go over.

The PRESIDING OFFICER. The bill will be passed over. The bill (S. 840) to amend and clarify the provisions of the act of June 15, 1936 (49 Stat. 1507), and for other purposes, was announced as next in order.

Mr. CLARK of Missouri. Mr. President, the senior Senator from Texas [Mr. Sheppard] does not seem to be on the floor. I wonder whether there is anyone on the floor who can make an explanation of the bill. If not, I ask that the bill go over.

The PRESIDING OFFICER. The bill will be passed over.

ERNEST S. FRAZIER

The Senate proceeded to consider the bill (S. 454) for the relief of Ernest S. Frazier, which had been reported from the Committee on Military Affairs with amendments, on page 1, line 4, after the word "words", to strike out "'illiterate and degenerate'" and to insert "'illiterate' and 'degenerate'"; and on line 8, after the word "words", to strike out "'illiterate and degenerate'" and to insert "'illiterate' and 'degenerate'", so as to make the bill read:

Be it enacted, etc., That the War Department is hereby authorized and directed to eliminate the words "illiterate" and "degenerate" from the record of said Ernest S. Frazier wherever the said words occur in such records.

said words occur in such records.

SEC. 2. That the Veterans' Administration is also hereby authorized and directed to eliminate the words "illiterate" and "degenerate" from the record of Ernest S. Frazier whenever said words occur in such records.

The amendments were agreed to.

The bill was ordered to be engrossed for a third reading, read the third time, and passed.

The preamble was amended so as to read: "Whereas the War Department has itself eliminated from the discharge certificate of Ernest S. Frazier, late of the Texas National Guard in Federal service, the word 'undesirable': Therefore be it."

BILLS AND JOINT RESOLUTION PASSED OVER

The bill (S. 339) for the relief of Benjamin H. Southern was announced as next in order.

Mr. KING. Let that bill go over.

The PRESIDING OFFICER. The bill will be passed over. The bill (S. 1706) to provide for reorganizing agencies of the Government, and for other purposes, was announced as next in order.

SEVERAL SENATORS. Over.

The PRESIDING OFFICER. The bill will be passed over. The bill (H. R. 3537) to extend the facilities of the United States Public Health Service to active officers of the Foreign Service of the United States, was announced as next in order.

The PRESIDING OFFICER. This bill was objected to

heretofore, and will be passed over.

The joint resolution (S. J. Res. 70) providing for the participation of the United States in the celebration of the twenty-fifth anniversary of the opening of the Panama Canal was announced as next in order.

Mr. McKELLAR. Over.

The PRESIDING OFFICER. The joint resolution will be passed over.

RETIREMENT OF EMPLOYEES IN THE CANAL ZONE

The Senate proceeded to consider the bill (S. 1215) to amend the Canal Zone Code, which was read, as follows:

Be it enacted, etc., That the first paragraph of subsection (b) of section 94 of title 2, Canal Zone Code, as amended by section 2 of the act of June 24, 1936 (49 Stat. 1904), is amended to read as follows:

as follows:

"(b) Any employee to whom this article applies who shall have served for a total period of not less than 5 years, and who, before becoming eligible for retirement under the conditions defined in section 92 of this title, shall have become totally disabled for useful and efficient service in the grade or class of position occupied by the employee, by reason of disease or injury not due to vicious habits, intemperance, or willful misconduct on the part of the employee, shall upon his own application or upon request or order of the Governor of the Panama Canal, be retired on an annuity computed in accordance with the provisions of section 96 of this title: Provided, That proof of freedom from vicious habits, intemperance, or willful misconduct for a period of more than 5 years next prior to becoming so disabled for useful and efficient service, shall not be required in any case; and the claim of any employee which was or would have been disallowed under this section by reason of the requirement of such proof with respect to a longer period than 5 years, shall upon request of the applicant be reinstated, and shall thereupon be redetermined under the provisions of the section as herein amended: Provided further, That such claim is now on file with the Civil Service Commission or is executed within 6 months from the enactment of this act."

Mr. McKellar. Mr. President, may we have a statement about this bill?

Mr. CLARK of Missouri. Mr. President, this is a measure which is very strongly recommended by the War Department. It makes a minor change in the Canal Zone Code so as to correct an injustice which is at present being done by that code to two individual employees of the Canal Zone. In other words, there is a very unusual situation, which is set out in full in the letter of the Secretary of War. The Governor of the Canal Zone and the War Department both feel that under the present terms of the act an injustice is done to two old employees of the Canal Zone. The amount involved is very small, and the committee felt that this injustice should be cured.

Mr. McKELLAR. It applies to only two employees?

Mr. CLARK of Missouri. It applies to only two employees in the Canal Zone.

Mr. McKELLAR. I have no objection.

The PRESIDING OFFICER. The question is on the engrossment and third reading of the bill.

The bill was ordered to be engrossed for a third reading, read the third time, and passed.

BILLS PASSED OVER

The bill (H. R. 950) to exempt all vessels of the United States of less than 200 tons gross registered tonnage from the provisions of the Officers' Competency Certificates Convention, 1936 (being International Labor Conference Treaty, Convention No. 53, adopted by the International Labor Conference at Geneva in 1936), was announced as next in order.

Mr. McKELLAR. Mr. President, may we have an explanation of the bill? If not, let it be passed over.

The PRESIDING OFFICER. The bill will be passed over.

The bill (S. 1162) to provide for the recognition of the services of the civilian officials and employees, citizens of the United States, engaged in and about the construction of the Panama Canal was announced as next in order.

Mr. McNARY. I should like to have an explanation of that bill. If not, I ask that it be passed over.

The PRESIDING OFFICER. The bill will be passed over.

ANTHONY CONIGLIO

The Senate proceeded to consider the bill (S. 221) for the relief of Anthony Coniglio, which was read, as follows:

Be it enacted, etc., That the Secretary of the Treasury is authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, to Anthony Coniglio, of Lincoln, Nebr., the sum of \$750 in full satisfaction of all his claims against the United States for compensation for an injury sustained by him, causing the loss of hearing in one ear, while an inmate of the United States prison camp at Kooskia, Idaho, as the result of an explosion of dynamite when he was working with a crew on a road near Kooskia, Idaho, on October 5, 1937: Provided, That no part of the amount appropriated in this act in excess of 10 percent thereof shall be paid or delivered to or received by any agent or agents, attorney or attorneys, on account of services rendered in connection with such claim. It shall be unlawful for any agent or agents, attorney or attorneys, to exact, collect, withhold, or receive any sum of the amount appropriated in this act in excess of 10 percent thereof on account of services rendered in connection with such claim, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding \$1,000.

Mr. McKELLAR. Mr. President, may we have an explanation of that bill?

Mr. BURKE. I did not report the bill, but I shall be glad to explain it. While a citizen of Nebraska was in a Federal prison in some Western State—I believe in the State of Idaho—an explosion of dynamite occurred, through no negligence of his, but through the negligence of someone else, which destroyed his ear drums. The Department recommended that he be allowed \$700. That was the amount of the medical bill.

Mr. McKELLAR. I have no objection.

The PRESIDING OFFICER. The question is on the engrossment and third reading of the bill.

The bill was ordered to be engrossed for a third reading, read the third time, and passed.

EARL J. REED AND GILES J. GENTRY

The Senate proceeded to consider the bill (S. 1429) for the relief of Earl J. Reed and Giles J. Gentry, which had been reported from the Committee on Claims with an amendment, on page 1, line 7, after the words "sum of", to strike out "\$3,000" and to insert "\$1,500", so as to make the bill read:

"\$3,000" and to insert "\$1,500", so as to make the bill read:

Be it enacted, etc., That the Secretary of the Treasury be, and he is hereby, authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, to Earl J. Reed and Giles J. Gentry, jointly, of West Palm Beach, Fla., the sum of \$1,500, in full settlement of their claim against the United States for the loss sustained by them on account of the estreature on April 23, 1936, to the United States of their cash-appearance bond deposited by them and conditioned upon the delivery in the United States District Court for the Southern District of Florida, in Miami, Fla., in criminal case numbered 4816-M, of one Alva Slayton O'Dell, by reason of the nonappearance of said Alva Slayton O'Dell in said court, although said Alva Slayton O'Dell was subsequently apprehended on information furnished by said Earl J. Reed and Giles J. Gentry: Provided, That no part of the amount appropriated in this act in excess of 10 percent thereof shall be paid or delivered to or received by any agent or agents, attorney or attorneys, on account of services rendered in connection with said claim. It shall be unlawful for any agent or agents, attorney or attorneys, to exact, collect, withhold, or receive any sum of the amount appropriated in this act in excess of 10 percent thereof on account of services rendered in connection with said claim, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding \$1,000.

The amendment was agreed to.

The bill was ordered to be engrossed for a third reading, read the third time, and passed.

L. M. BELL AND M. M. BELL

The Senate proceeded to consider the bill (S. 1038) for the relief of L. M. Bell and M. M. Bell, which had been reported from the Committee on Claims with an amendment, on page

1, line 6, after the words "sum of", to strike out "\$1,886.66" and to insert "\$943.33", so as to make the bill read:

Be it enacted, etc., That the Secretary of the Treasury is authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, to L. M. Bell and M. M. Bell, of Portland, Oreg., the sum of \$943.33, in full satisfaction of their claims against the United States for payment of rental of three trucks, under contract No. ER-Tps-94-1789, dated July 16, 1936, from November 17, 1936, to the time each such truck was returned in as good condition as when received, ordinary wear and tear excepted: Provided, That no part of the amount appropriated in this act in excess of 10 percent thereof shall be paid or delivered to or received by any agent or agents, attorney or attorneys, on account of services rendered in connection with said claims. It shall be unlawful for any agent or agents, attorney or attorneys, to exact, collect, withhold, or receive any sum of the amount appropriated in this act in excess of 10 percent thereof on account of services rendered in connection with said claims, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding \$1,000.

The amendment was agreed to.

The bill was ordered to be engrossed for a third reading, read the third time, and passed.

RELIEF OF INDIAN SERVICE DISBURSING AGENTS AND EMPLOYEES

The bill (S. 1415) for the relief of certain disbursing agents and employees of the Indian Service was considered, ordered to be engrossed for a third reading, read the third time, and passed, as follows:

Be it enacted, etc., That the Comptroller General of the United States is hereby authorized and directed to allow credit to employees of the Indian Service and in the accounts of J. E. Balmer, S. F. Stacher, and J. W. Elliott, disbursing agents of the Indian Service, for payments made during the period November 1933 to April 1934, to certain employees for the use of their personally owned automobiles as provided in the act of February 14, 1931 (46 Stat. 1103), to the extent that payments have been disallowed solely because the oil and gas used in such automobiles were purchased from Government supplies.

SEC. 2. Refunds are hereby authorized to be made out of any money in the Treasury not otherwise appropriated to any employees from whom collections have been made and deposited into the Treasury pursuant to disallowances on account of mileage payments made by the disbursing agents named in section 1 hereof.

JOINT RESOLUTION PASSED OVER

The joint resolution (S. J. Res. 86) for the relief of International Manufacturers' Sales Co. of America, Inc., A. S. Postnikoff, trustee, was announced as next in order.

Mr. McKellar. Mr. President, may we have an explana-

Mr. McKELLAR. Mr. President, may we have an explanation of that joint resolution? If not, let it go over.

The PRESIDING OFFICER. The joint resolution will be passed over.

ERECTION OF MEMORIAL TO BUILDERS OF PANAMA CANAL

The Senate proceeded to consider the bill (S. 43) to authorize the erection within the Canal Zone of a suitable memorial to the builders of the Panama Canal and others whose distinguished services merit recognition by the Congress, which had been reported from the Committee on Military Affairs, with amendments.

The PRESIDING OFFICER. The clerk will state the first committee amendment.

The CHIEF CLERK. The first committee amendment was, on page 2, line 2, after the word "shall", to strike out "contain a" and to insert "contain—".

The amendment was agreed to.

Mr. KING. Mr. President, may we have an explanation of the bill? I understand the proposal would cost nearly a million dollars.

Mr. JOHNSON of Colorado. Mr. President, the purpose of the measure is to build a memorial to the men who built the Panama Canal, and others whose distinguished services merit recognition by the Congress, a memorial of such a nature that the men who are now working upon and operating the Canal may use it. In other words, the proposal is to build an auditorium. For a long time an agitation has gone on in this country to commemorate the thousands of men who sacrificed their lives in the great undertaking of building the Panama Canal. Those who built it were obliged to combat disease and a great many difficulties. It is now proposed to build a memorial to those who gave their lives in that undertaking.

Mr. CLARK of Missouri. Mr. President, I ask that the bill be passed over.

The PRESIDING OFFICER. The bill will be passed over.

MILITARY SECRETARY TO THE GENERAL OF THE ARMIES

The Senate proceeded to consider the bill (S. 1301) to create the office of Military Secretary to the General of the Armies of the United States of America, with the rank of colonel, and for other purposes, which had been reported from the Committee on Military Affairs with an amendment, on page 1, line 7, after the words "grade of", to strike out "colonel, retired list" and to insert "colonel", so as to make the bill read:

Be it enacted, etc., That the office of Military Secretary to the General of the Armies of the United States of America, with the rank of colonel, is hereby created, and the President is hereby authorized, in his discretion, and by and with the advice and consent of the Senate, to promote to the grade of colonel an officer of the Army who has served as military secretary to the General of the Armies continuously since that office was revived by act of Congress approved September 3, 1919: Provided, That not more than one appointment to office shall be made under the terms of this act.

Mr. McKELLAR. Mr. President, I should like to have an explanation of this bill. If no explanation is made, I ask that the bill be passed over.

The PRESIDING OFFICER. The junior Senator from Kentucky [Mr. Logan] is not in the Chamber at the moment.

Mr. MINTON. Mr. President, will the Senator from Tennessee withhold his request for a moment?

Mr. McKELLAR. I withhold my request.

Mr. MINTON. The measure is a very simple one. General Pershing, as Senators recall, is the only General of the Armies left today. He has a secretary, who has been his secretary for many years. That man now has the rank of captain. It is desired to make him a colonel. When General Pershing dies, of course, the rank of General of the Armies will no longer exist, and his secretary will no longer have any active status, but under the provisions of the bill will simply be retired with the grade of colonel, as secretary to the General of the Armies.

Mr. McKELLAR. Does General Pershing desire it?

Mr. MINTON. General Pershing desires it. Mr. McKELLAR. I withdraw my objection.

The PRESIDING OFFICER. The question is on agreeing to the committee amendment.

The amendment was agreed to.

The bill was ordered to be engrossed for a third reading, read the third time, and passed.

CATHERINE HUMLER

The bill (S. 556) for the relief of Catherine Humler was considered, ordered to be engrossed for a third reading, read the third time, and passed, as follows:

Be it enacted, etc., That, notwithstanding any other provision of law, the Administrator of Veterans' Affairs be, and he is hereby, authorized and directed to pay to Catherine Humler, mother of Joe M. Humler, late a private, Ninety-seventh Company, Sixth Regiment United States Marine Corps, 240 equal monthly installments of \$57.50 each, commencing July 20, 1918, in full satisfaction of her claim against the United States for payment of yearly renewable term insurance on account of the death of said Joe M. Humler, who was killed in action while in the performance of his duty and before completing arrangements for a contract of such insurance: Provided, That the Administrator of Veterans' Affairs is hereby authorized and directed to deduct from the payment of insurance herein authorized the sum of \$68, representing premiums based upon application of October 20, 1917.

BILLS PASSED OVER

The bill (S. 1155) to provide for probationary appointments of officers in the Regular Army was announced as next in order.

Mr. McKELLAR. Mr. President, I ask for an explanation of that bill. If not, let the bill be passed over.

The PRESIDING OFFICER. The bill will be passed over. The bill (S. 69) relating to the apportionment of shares of the sugar crop for 1939 and 1940 was announced as next in order.

Mr. VANDENBERG. I ask that the bill be passed over. The PRESIDING OFFICER. The bill will be passed over.

LOUISIANA NATIONAL BANK AND HIBERNIA BANK & TRUST CO.

The Senate proceeded to consider the bill (S. 1515) for the relief of the Louisiana National Bank, of Baton Rouge, and the Hibernia Bank & Trust Co., of New Orleans, which had been reported from the Committee on Claims with an amendment, on page 1, line 6, after the words "sum of", to strike out "\$609.36" and to insert "\$400", so as to make the bill read:

Be it enacted, etc., That the Secretary of the Treasury is authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, to the Louisiana National Bank, of Baton Rouge, La., the sum of \$400 in full satisfaction of its claim against otherwise appropriated, to the Louisiana National Bank, of Baton Rouge, La., the sum of \$400 in full satisfaction of its claim against the United States for refund of the amount of a judgment paid to the United States based upon four fraudulent United States postal money orders issued on December 23, 1932, by Harry G. Peek, a former postmaster at Sondheimer, La.: Provided, That no part of the amount appropriated in this act in excess of 10 percent thereof shall be paid or delivered to or received by any agent or agents, attorney or attorneys, on account of services rendered in connection with such claim. It shall be unlawful for any agent or agents, attorney or attorneys, to exact, collect, withhold, or receive any sum of the amount appropriated in this act in excess of 10 percent thereof on account of services rendered in connection with such claim, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding \$1,000.

SEC. 2. The judgment against the Hibernia Bank & Trust Co., of New Orleans, La., in the amount of \$1,100, based upon certain fraudulent United States postal money orders issued by the said Harry G. Peek, is hereby canceled.

SEC. 3. Nothing in this act shall be construed to prevent the recovery by the United States of funds embezzled by the said Harry G. Peek, is hereby canceled.

The amendment was agreed to.

The amendment was agreed to.

The bill was ordered to be engrossed for a third reading, read the third time, and passed.

CANVAS DECOY CO.

The bill (S. 1629) for the relief of the Canvas Decoy Co. was considered, ordered to be engrossed for a third reading, read the third time, and passed, as follows:

read the third time, and passed, as follows:

Be it enacted, etc., That the Secretary of the Treasury is authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, to the Canvas Decoy Co., of Union City, Tenn., the sum of \$14,571.94, in full satisfaction of the claim of such company against the United States for remission of liquidated damages assessed against such company under the provisions of two contracts numbered W-669-ECF-563 and W-669-qm-ECF-717, entered into by such company with the War Department under dates of February 25, 1935, and March 29, 1935, respectively, for the manufacture and delivery of a quantity of raincoats to the War Department: Provided, That no part of the amount appropriated in this act in excess of 10 percent thereof shall be paid or delivered to or received by any agent or agents, amount appropriated in this act in excess of 10 percent thereof shall be paid or delivered to or received by any agent or agents, attorney or attorneys, on account of services rendered in connection with such claim. It shall be unlawful for any agent or agents, attorney or attorneys, to exact, collect, withhold, or receive any sum of the amount appropriated in this act in excess of 10 percent thereof on account of services rendered in connection with such claim, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding \$1,000.

BILLS PASSED OVER

The bill (S. 1303) to amend the Agricultural Adjustment Act of 1938, as amended, with respect to cotton was announced as next in order.

Mr. KING. I ask that the bill be passed over.

The PRESIDING OFFICER. The bill will be passed over. The bill (S. 1209) to extend the time for retirement of cotton pool participation trust certificates was announced as next in order.

I ask that the bill be passed over. Mr. McNARY.

The PRESIDING OFFICER. The bill will be passed over.

BENJAMIN H. SOUTHERN

Mrs. CARAWAY. Mr. President, I ask unanmious consent to recur to Senate bill 339, for the relief of Benjamin

The PRESIDING OFFICER. Does the Senator from Arkansas wish to make a statement regarding the measure? Mrs. CARAWAY. No. I simply desire to have the bill considered. If consent is given to consider it, I think the bill will pass.

The PRESIDING OFFICER. Is there objection?

There being no objection, the bill (S. 339) for the relief of Benjamin H. Southern was considered, ordered to be engrossed for a third reading, read the third time, and passed, as follows:

Be it enacted, etc., That in the administration of any laws conferring rights, privileges, and benefits upon persons honorably discharged from the United States Army Benjamin H. Southern shall be held and considered to have been honorably discharged from the United States Army on the 31st day of March 1919: Provided, That no bounty, back pay, pension, or allowance shall be held to have accrued prior to the passage of this act.

The PRESIDING OFFICER. That completes the calen-

AMENDMENT OF CIVIL SERVICE RETIREMENT ACT

Mr. VANDENBERG. Mr. President, is the Senator from Kentucky about to move that the Senate conclude its ses-

Mr. BARKLEY. I was about to make such a motion, but the Senator from West Virginia [Mr. NEELY] desires to have considered very briefly a bill which is on the calendar. Consideration of the measure was objected to when it was reached on the call of the calendar.

Mr. VANDENBERG. Before the Senate adjourns, if I may, I wish to present an amendment to another bill, and to make a brief statement respecting it, so it will be on the record when the time comes to consider it.

Mr. BARKLEY. The Senator from Michigan will be af-

forded the opportunity to do so.

Mr. NEELY. Mr. President, I move that the Senate proceed to the consideration of Senate bill 281, to amend further the Civil Service Retirement Act, approved May 29, 1930. The calendar number is 127. This bill is almost identical with a measure that was passed by the Senate a year ago, with only one dissenting vote. It has the approval of practically everyone who will be affected by it if it becomes a law.

The PRESIDING OFFICER. The question is on the motion of the Senator from West Virginia.

The motion was agreed to; and the Senate proceeded to consider the bill (S. 281) to amend further the Civil Service Retirement Act, approved May 29, 1930, which had been reported from the Committee on Civil Service with an amend-

Mr. KING. Mr. President, I think the Senator should make an explanation of the changes made by the measure in the existing law, the necessity for such changes, and what the additional costs to the Government will be.

The PRESIDING OFFICER. The clerk will state the com-

mittee amendment.

The amendment was, on page 4, after line 23, to strike out:

The amendment was, on page 4, after line 23, to strike out:

Any employee at his option and under such regulations as may be prescribed by the Civil Service Commission may deposit additional sums in multiples of 1 percent per annum of his annual basic salary, pay, or compensation, but not to exceed 10 percent per annum of his annual basic salary, pay, or compensation, which amount, together with interest thereon at 3 percent per annum compounded as of June 30 of each year, shall, at the date of his retirement, be available to purchase, as he shall elect and in accordance with such rules and regulations as may be prescribed by the Civil Service Commission, with the approval of the Board of Actuaries, in addition to the annuity provided by this act, an annuity according to the experience of the civil-service retirement and disability fund as may from time to time be set forth in the tables of annuity values by the Board of Actuaries based on an interest rate of 4 percent. In the event of the death or separation from the service of such employee before becoming eligible for retirement on annuity the amount so deposited, with interest at 3 percent compounded on June 30 of each year, shall be refunded in accordance with the provisions of section 12 of this act.

And to insert in lieu thereof the following:

And to insert in lieu thereof the following:

Any employee may at his option and under such regulations as may be prescribed by the Civil Service Commission deposit additional sums in multiples of \$25 but not to exceed 10 percent per tional sums in multiples of \$25 but not to exceed 10 percent per annum of his annual basic salary, pay, or compensation, and for services rendered prior to the effective date of this act not to exceed the amount of the rate of basic salary, pay, or compensation received by the employee for the year immediately preceding the effective date of the act, which amount, together with interest thereon at 3 percent per annum compounded as of June 30 of each year, shall, at the date of his retirement, be available to purchase, as he shall elect and in accordance with such rules and regulations as may be prescribed by the Civil Service Commission with the approval of the Board of Actuaries, in addition to the annuity and/or other benefits provided by this act, an annuity according to the experience of the civil-service retirement and disability fund as may from time to time be set forth in tables of annuity values by the Board of Actuaries based on an interest rate of 4 percent. In the event of death or separation from the service of such employee before becoming eligible for retirement on annuity, the amount so deposited, with interest at 3 percent per annum compounded on June 30 of each year, shall be refunded in accordance with the provisions of section 12 of this act.

So as to make the bill read:

Be it enacted, etc., That the last paragraph of section 1 of the Civil Service Retirement Act, approved May 29, 1930, as amended, is amended by striking out "sixty-eight years, sixty-three years, and sixty years" and inserting in lieu thereof the following: "sixty-four years, sixty years, and fifty-eight years."

SEC. 2. Strike out all of the first paragraph of section 2 of the act May 29, 1930, and insert in light thereof, the following: "Flech

of May 29, 1930, and insert in lieu thereof the following: "Each employee to whom this act applies shall, on arriving at retirement age as defined in the preceding section, and having rendered 15 years of service, be automatically separated from the service and all salary, pay, or compensation shall cease from that date, and it shall be the duty of the head of seek department. years of service, be automatically separated from the service and all salary, pay, or compensation shall cease from that date, and it shall be the duty of the head of each department, branch, or independent office of the Government to notify such employee under his direction of the date of such separation from the service at least 60 days in advance thereof: Provided, That notwithstanding any provisions of section 204 of the act of June 30, 1932, to the contrary, if the head of such department, branch, or independent office of the Government certifies to the Civil Service Commission that by reason of his efficiency and willingness to remain in the service of the United States the continuance of such employee therein would be advantageous to the public service such employee may be retained for a period of 1 year upon the approval and certification of the Civil Service Commission and by similar certification and approval he may be continued for another year, and so on: Provided, however, That after the effective date of this act no employee shall be continued in the service beyond the age of retirement for more than 3 years, unless so continued by Executive order when in the judgment of the President the public interest so requires: And provided further, That the provisions for automatic separation from the service as contained herein shall not apply to those employees of the legislative and judicial services as mentioned in the act of July 13, 1937."

SEC. 3. That after the first paragraph of section 4 of the act of May 29, 1930, as amended, the following paragraph is added:

"Any employee retiring under the provisions of section 1 of this act may at the time of his retirement elect to receive in lieu of the "Any employee retiring under the provisions of section 1 of this act may at the time of his retirement elect to receive in lieu of the life annuity described herein a reduced annuity payable to him during his life, and an annuity after his death payable to his beneficiary, duly designated in writing and filed with the Commission at the time of his retirement, during the life of such beneficiary (a) equal to or (b) 50 percent of such reduced annuity and upon the death of such surviving beneficiary all payments shall cease and no further annuity shall be due or payable. The amounts of the two annuities shall be such that their combined actuarial value on the date of retirement as determined by the Civil Service Commission shall be the same as the actuarial value of the single life increased annuity with forfeiture provided by this section: Provided, That no election in lieu of the life annuity provided herein shall become effective in case an employee dies within 30 days after the effective date of retirement, and in the event of such death within this period, such death shall be considered as a death in active service."

SEC. 4. The second paragraph of section 6 of such act of May 29, 1930, as amended, is amended by striking out the words "90 days from the date of the medical examination showing such recovery" and inserting in lieu thereof the following: "1 year from the date of the medical examination showing such recovery."

SEC. 5. That in section 9 of the act of May 29, 1930, as amended, after the words "200 days of the baste selection of the baste selection payers.

of the medical examination showing such recovery."

SEC. 5. That in section 9 of the act of May 29, 1930, as amended, after the words "and also 3½ percent of the basic salary, pay, or compensation for services rendered from and after July 1, 1936" insert the following: "and prior to July 1, 1938, and also 4 percent of such basic pay, salary, or compensation for services rendered on and after July 1, 1938."

SEC. 6. Add to the first sentence of section 10 of the act of May 29, 1930, as amended, the following: "Provided, That after June 30, 1938, there shall be deducted and withheld from the basic salary, pay, or compensation of any employee to whom this act applies a sum equal to 4 percent of such employee's basic salary, pay, or compensation."

SEC. 7. The following paragraph shall be inserted after the first

SEC. 7. The following paragraph shall be inserted after the first paragraph of section 10 of the act of May 29, 1930, as amended:

paragraph of section 10 of the act of May 29, 1930, as amended:

"Any employee may at his option and under such regulations as may be prescribed by the Civil Service Commission deposit additional sums in multiples of \$25 but not to exceed 10 percent per annum of his annual basic salary, pay, or compensation, and for service rendered prior to the effective date of this act not to exceed the amount of the rate of basic salary, pay, or compensation received by the employee for the year immediately preceding the effective date of the act, which amount together with interest thereon at 3 percent per annum compounded as of June 30 of each year, shall, at the date of his retirement, be available to purchase, as he shall elect and in accordance with such rules and regulations as may be prescribed by the Civil Service Commission with the approval of the Board of Actuaries, in addition to the annuity and/or other benefits provided by this act, an annuity according

to the experience of the civil-service retirement and disability fund as may from time to time be set forth in tables of annuity values by the Board of Actuaries based on an interest rate of 4 percent. In the event of death or separation from the service of such employee before becoming eligible for retirement on annuity, the amount so deposited with interest at 3 percent per annum compounded on June 30 of each year shall be refunded in accordance with the provisions of section 12 of this act."

SEC. 8. Strike out paragraph (b) of section 12 of the act of May 29, 1930, as amended, and insert in lieu thereof the following: "In the case of any employee to whom this act applies who shall be transferred to a position not within the purview of this act or who shall become absolutely separated from the service before becoming eligible for retirement on an annuity, the amount of deductions from his basic salary, pay, or compensation credited to his individual account, together with interest at 4 percent compounded on June 30 of each year to June 30, 1938, and 3 percent compounded on June 30 of each year thereafter shall be returned to such employee: Provided, That when an employee becomes involuntarily separated from the service, not by removal for cause on charges of misconduct or delinquency, the total amount of deductions from his basic salary, pay, or compensation with interest at 4 percent compounded on June 30 of each year shall be returned to such employee: And provided further, That all deductions from basic salary, pay, or compensation so returned to an employee must, upon reinstatement, retransfer, or reappointment to a position coming within the purview of this act be redeposited with interest at 4 percent compounded on June 30 of each year before such employee may derive any benefits under this act, except as provided in this section, but interest shall not be required covering such employee may derive any benefits under this act, except as provided in this section, but interest shall not be required covering any period of separation from the service.'

Mr. NEELY. Mr. President, I move that the amendment be adopted.

Mr. KING. Mr. President, in order that some of us who are not as well advised as the Civil Service Commission are, may I ask the Senator what are the benefits that are derived by the civil-service employees, the date and period of retirement, what they annually repay into the fund, and what the Federal Government pays into the fund, and the amount which the Federal Government up to this date has paid into the retirement fund?

I ask the latter question because frequently it is said that the Federal employees pay all the amounts which ultimately come to them upon their retirement; that the Federal Government pays nothing, but the employees themselves pay the entire amount of the fund of which they are the beneficiaries.

Mr. NEELY. Mr. President, the bill is designed to amend existing law as follows:

Section 1 reduces the ages at which employees may retire, after 30 years of service, from 68, 63, and 60 years to 64, 60, and 58 years respectively. In other words the 68-year limit is reduced to 64 years; the 63-year limit is reduced to 60: and the 60-year limit is reduced to 58. This is the only provision of the bill which the Civil Service Commission has not approved.

If the bill becomes a law it will benefit more than 507,000 deserving employees. The increase in cost to the Government will be only \$604,000 a year.

Mr. ADAMS. Mr. President, will the Senator yield? Mr. NEELY. I yield to the Senator from Colorado. Mr. ADAMS. I wish to make an inquiry as to what classifications of the service are covered by the reduction of the retirement age to 58 years.

Mr. NEELY. Railway mail clerks and mechanics and laborers and helpers in navy yards and naval stations.

Mr. ADAMS. This point probably has been explained, but it occurred to me that 58 years is rather a young retirement What are the other requirements?

Mr. NEELY. There is no change in the law respecting the classification to which the Senator refers excepting the reduction of the age limit from 60 to 58 years.

Mr. ADAMS. Except to reduce the retirement age 2 years.

Mr. NEELY. That is correct. Mr. ADAMS. I was thinking of the lower limit, which it is proposed to reduce to 58 years, which seems to be a rather young age for retirement.

Mr. NEELY. Not after 30 years of continuous strenuous service. The Civil Service Commission favors optional retirement for all Federal employees at the age of 60. The average age of retirement under the pending bill would be considerably more than 60.

Mr. ADAMS. I have the utmost respect for the Civil Service Commission, and yet I should not regard their recommendation as binding upon the Congress. I think we should have some regard for the increased cost which will inevitably be imposed upon the Government at a very unfortunate time.

Mr. NEELY. The proposed amendments to the law, if adopted, will cost the Government \$604,000 a year.

Mr. KING. Mr. President, the Senator will recall that I propounded an inquiry as to the amount which the civilservice employees now pay annually and the amount which the Government is required to pay annually under existing

As I stated a moment ago, I am asking these questions because frequently I am told, sometimes by persons within the employ of the Government and sometimes by those outside, that the beneficiaries of the Civil Service Retirement Act pay all the costs and that the Government is not required to pay a single penny toward the retirement fund. So, I should like some information in regard to that subject. On the other hand, I have been told that under the present civil-service law the Government will be required to pay several million dollars annually, and in increasing amounts as the years go by. Can the Senator give us enlightenment on that question?

Mr. NEELY. The Government pays \$86,329,509 a year under existing law.

Mr. NEELY. That is correct. But the increase proposed

in this bill will not exceed \$604,000 a year.

Mr. KING. I stated that the contention is made by some that the Federal Government pays nothing, whereas, as I understand the facts, the Government is called upon to pay many millions of dollars each year.

Mr. NEELY. Of course, the Federal Government contributes to the retirement fund.

Mr. KING. When the retirement bill was under consideration a number of years ago, the late Senator from Vermont, Mr. Dale, whose untimely death we so much deplored, stated, as I recall, that the retirement bill would cost the Government very little each year, and that the employees themselves would pay the entire fund. Now we are told by the able Senator from West Virginia that the cost to the Government is \$86,000,000 per annum. Obviously as the years go by the cost will be increased. So we are now saddled with a perpetual obligation, increasing as the years go by.

Mr. ADAMS. Mr. President, I gather from a reading of the report that the Civil Service Commission does not ap-

prove section 1 of the bill.

I read from page 3 of the report:

Following is a report of the Civil Service Commission on this gislation. It will be noted that the Commission favors all of the bill excepting section 1.

Section 1 is the section which reduces the age limits. So I gather that section 1 does not have the support of the Civil Service Commission.

Mr. NEELY. It does not, and I stated that fact before the Senator from Colorado entered the Chamber.

The PRESIDING OFFICER (Mr. MILLER in the chair). The question is on agreeing to the amendment reported by the committee.

The amendment was agreed to.

Mr. NEELY. Mr. President, I move to amend the bill by striking out the year 1938 wherever it appears and inserting in lieu thereof the year 1939.

The PRESIDING OFFICER. The amendment offered by the Senator from West Virginia will be stated.

The CHIEF CLERK. Wherever the numerals "1938" appear in the bill it is proposed to substitute "1939."

The amendment was agreed to.

The PRESIDING OFFICER. The question is on the engrossment and third reading of the bill.

Mr. KING. Mr. President, before the bill under consideration is passed I desire to submit a few observations. I am greatly concerned over the mounting costs of the Federal Government. The demands for Federal appropriations are increasing, and unfortunately there is a growing sentiment that the Federal Government shall widen the field of its operations and multiply its expenditures. Scores of departments and Federal agencies, manned by hundreds of thousands of persons, are clamoring for larger appropriations. An examination of the hearings before the various committees dealing with appropriations, reveals the fact that substantially all the witnesses were employees of the Government and hold key or other important positions in the Government. It means, therefore, that the hearings present only one side of the picture; they are largely ex parte—the witnesses mainly are those who are urging appropriations and who, in many instances, would be the beneficiaries, directly or indirectly, of the grants made by the Federal Government.

Moreover, as I have indicated, the people are insisting upon the Federal Government expanding its operations into many fields of private endeavor. The Federal Government is urged to take over many of the duties and responsibilities which belong to individuals and the States and their political subdivisions. The spirit of independence is being undermined and the people are being taught that the Federal Government must assume the part of a benignant father if not a benevolent despot. Our dual form of government is being undermined and there is a subsidence of that fine spirit of individualism so essential to the maintenance of our form of government.

As indicated, from all parts of our country, demands for appropriations are increasing, and there is but little resistance to the policy which calls for the intrusion of the Federal Government into private activities and the assumption of responsibilities which are beyond the rightful authority of the Federal Government. There was a time when economy was a virtue; when public spending was deplored; when criticism and indeed condemnation awaited those who laid heavy taxes upon the people and incurred State, municipal, or national indebtedness. The philosophy of Benjamin Franklin concerning thrift and savings was approved and the spendthrift and the debtor were looked upon with disapproval. Political parties pledged themselves to economy in the administration of public affairs; and in those better days counties, States, and municipalities vied with each other in maintaining their governments free from indebtedness.

We recall when not many years ago Congress appropriated for the 2 years \$1,000,000,000. The Nation was shocked, and the party in power was criticized for its unprecedented act. But the virtues of those early days seem to be forgotten, and thrift and savings are not regarded as proper attributes of individuals, States, or the National Government.

Congress, in my opinion, has been derelict in its duty in acceding to the demands which are being made for increased governmental activities, and of course increased appropriations. The fact is that the sovereignty of the States is being destroyed in the mad rush from all parts of the Union. to confer upon the Federal Government the crown and jewel of States' rights and individual liberty. The States and their political subdivisions and the Federal Government are putting on chains of bondage-bondage to debt-and individuals, corporations, and partnerships are likewise bonding themselves with fetters.

During the past 5 or 6 years we have increased the expenditures of the Federal Government by from 800 to 1,000 percent, and we have increased the public debt by billions, until it is now approximately \$40,000,000,000. I have protested repeatedly against this waste and extravagance.

The platform of the Democratic Party in 1932 severely criticized the Republican Party because of its extravagance and waste. I was a member of the platform committee at the Democratic convention that drafted the platform, which, as I have stated, condemned the Republican Party for its

The Democratic Party pledged itself to economies, to reforms and a reduction of the expenses of government. I regret to say that the pledges made by the Democratic Party in the 1932 platform have not been kept. Both taxes and

appropriations have been increased. Scores of new Federal agencies have been created, and the personnel of the Federal Government has been greatly increased. My recollection is that there are now nearly 1,000,000 persons in the executive, legislative, judicial, and administrative departments. There are also more than 335,000 persons connected with national defense. There are nearly 900,000 persons upon the rolls of the Civilian Conservation Corps and the National Youth Administration organizations, and more than 3,200,000 connected with the Works Progress Administration.

The deficits from 1931 to 1939 inclusive will approximate \$24,000,000,000; and while I do not have the figures before me of the public debt, it will, at the end of this fiscal year, exceed \$42,000,000,000.

Notwithstanding this rather dark picture, demands for Federal appropriations, as I have indicated, are multiplying, and some officials are insisting that the debt limit be increased beyond \$50,000,000,000. Personally, I am opposed to increasing the debt limit. We should address ourselves, as I have indicated, to reducing expenses. Scores of executive agencies should be abolished, and drastic cuts made in the appropriations which are pouring in upon Congress.

Earlier in the day we passed a bill carrying more than \$1,600,000,000 for but two of the agencies of the Government. It is now impossible to determine what the aggregate of appropriations will receive the approval of Congress during this session; but, as I have indicated, in my opinion, they will exceed \$10,000,000,000. And we must not forget that there are four or five billions of dollars of obligations which are guaranteed by the Government of the United States. These should be taken into account in an endeavor to ascertain the financial standing of the Federal Government. May I suggest that the confidence of the people in the Democratic Party may be impaired by these enormous appropriations which are violative of platform pledges.

We know what deficits mean in private business, in individual and cooperative business activities. Individuals and corporations who habitually spend more than their income ultimately end in the bankrupt court. A few years ago, when I was in Germany, I discovered that the expenditures of the Ebert government were so large and the deficits so enormous that inflation followed, and that was followed by national and individual bankruptcy.

A few days ago there was some intimation that taxes were not to be increased. That information gave some assurance to individuals and to business enterprises, that if we could adopt a policy and carry it into execution that limited appropriations, to the revenues of the Government, there would be a renaissance in business and in every branch of industry. But if we increase the borrowings of the Government, it means increased taxes and increased appropriations with a certainty if such a course is continued that the credit of the Government will be impaired.

We hear some intimations that there will be a revaluation of gold. Such a policy, in my opinion, cannot be justified. If that were done, demands might be made to revalue and thus increase the nominal value of the gold above and beyond the \$35-per-ounce limit.

Mr. President, I repeat when I state that the Democratic Party, which is in power in the Nation, should set its face toward proper monetary reform, toward a reduction in taxes and a reduction in Federal expenses. It is believed by some that a different course is being pursued, which will mean, if persisted in, unfortunate results. The time has come for economy, for a return to genuine democracy, to policies which protect the rights of individuals and defend rights of the States, and which withdraw the hand of the Federal Government and its army of employees and bureaus from the lives, conduct, and activities of individuals. May I say in conclusion that the time has also come for our Government to take the lead in a movement to reduce the military armaments of the world.

The PRESIDING OFFICER. The question is on the engrossment and third reading of the bill.

Mr. GEORGE. Mr. President, before the vote is taken on the bill now pending before the Senate, Senate bill 281, to amend further the Civil Service Retirement Act of May 20, 1930, permit me to say that I served as a subcommittee of the Civil Service Committee charged with the study of the bill in the last Congress. At that time the bill was before us substantially in its present form and was passed by the Senate. Likewise I served as a member of the Civil Service Committee during the present Congress. I have had occasion to consider the bill. I supported it in the committee and I favor the bill now. The bill, if enacted, will not greatly add to the cost of government. There will be a slight addition but no material or substantial addition to the cost of government, and I think that it will do some things with respect to the civil-service employees that should now be done by the Congress.

Mr. NEELY. Mr. President, let me add a word of deep appreciation of the unusually effective services which the Senator from Georgia [Mr. George], the chairman of the committee [Mr. Bulow], and the Senator from Vermont [Mr. Gibson], have rendered the civil-service employees in diligently helping to perfect the bill and vigorously supporting it both in the committee and in the Senate.

The PRESIDING OFFICER. The question is on the engrossment and third reading of the bill.

The bill was ordered to be engrossed for a third reading, read the third time, and passed.

ORDER FOR RECESS—AUTHORIZATION FOR REPORTING, SIGNING OF BILLS, ETC.

Mr. BARKLEY. Mr. President, as I must leave to attend a committee meeting I ask unanimous consent at this time that when the Senate concludes its business today it adjourn until 12 o'clock noon on Thursday next; that in the meantime all committees may be permitted to report bills, resolutions, and nominations; that the Vice President may be authorized to sign any bills that may become ready for his signature; and that the Secretary of the Senate may be authorized to receive messages from the House of Representatives.

The PRESIDING OFFICER. Is there objection? The Chair hears none, and it is so ordered.

TAXES UNDER SOCIAL SECURITY ACT

Mr. VANDENBERG. Mr. President, when House bill 3790 comes before the Senate it will open to our constitutional reach the entire question of taxation. I intend to offer a rather fundamentally important amendment in that connection, and, therefore, I thought it was fair that I should present the amendment in advance to be printed and lie on the table and that I should make a very brief statement respecting it, because I am very anxious to have the subject fully explored.

Mr. President, I am proposing an amendment which will "freeze" the pay-roll taxes under title II of the Social Security Act for old-age pensions at the existing 2-percent level, instead of permitting the increase of 50 percent in this tax in

I desire to make a brief statement in respect to this problem. We are hearing constantly of the necessity for what is called "business appeasement"; we are hearing constantly of the necessity for tax reform, which brings some small degree of relief and advantage to business. Of all the taxes thave been levied during the last few years that have fallen with heaviest burden upon small business in the United States, the pay-roll taxes under the Social Security Act may be regarded as foremost. These pay-roll taxes at their present level are an almost insurmountable obstacle to business success for thousands upon thousands of small business enterprises in the United States. If the pay-roll tax automatically increases 50 percent next New Year's, the burden which it will represent will be almost fatal in respect to an infinity of small business throughout the country.

I call the attention of the Senate to the fact that automatically, under title II of the Social Security Act, the existing pay-roll taxes will not only increase 50 percent next year but they will increase 200 percent by 1948.

Mr. LUNDEEN. Mr. President-

Mr. VANDENBERG. If the Senator will allow me to finish my statement, then I will yield to him.

Mr. LUNDEEN. Very well.

Mr. VANDENBERG. They will increase 200 percent by 1948, and all the increase is totally unnecessary so far as the social-security fund is concerned. Not one penny of this increased taxation is necessary for the integrity of the old-age pensions. All this increase goes into what is called a full-reserve system upon which the present old pension system of the Government is built.

Mr. President, every life-insurance president of this country agrees that a tax-supported pension system does not need a full reserve. The advisory council which was named by the Finance Committee to study the details of this problem a year and a half ago has unanimously reported that the full reserve is not necessary. A full reserve definitely is not necessary, and so the tax increase which is contemplated next year

is solely for the benefit of the full reserve.

I desire to call the attention of the Senate to just two sets of figures because they are so challenging. We have collected in pay-roll taxes—and I ask the Senate to mark my words—under title II, and we will have collected up to June 30, 1940, \$1,826,000,000. That amount is taken out of the business of the country on the one hand and out of 40,000,000 workers on the other hand.

Remember, we shall have collected \$1,826,000,000. How much do you think we shall have paid out in pension benefits? We shall have paid out just \$60,000,000 out of \$1,826,000,000. In other words, out of these pay-roll-tax collections up to June 30, 1940, we shall have put 3 cents in benefit payments, and 97 cents in the full reserve.

What will happen in the decade from 1941 to 1950, when these additional pay-roll taxes are to come into force? This is what will happen: The reserve will have taken \$11,500,000,000 out of a total pay-roll tax collection of \$13,750,000,000, and pensions will have had \$2,000,000,000—\$11,500,000,000 to the reserve, and \$2,000,000,000 to pensions.

Mr. President, everybody concedes that a contingent reserve is desirable. A contingent reserve is necessary. A totally adequate contingent reserve is provided by the existing 2-percent pay-roll tax. Any increase in the pay-roll tax is simply and solely a contribution to the full reserve. The full reserve has no purpose in the world to serve except to help the Treasury Department of the United States to

cushion its deficit spending.

What will happen when the reserve fund pours into the Treasury? The same thing will happen that has already happened in respect to the billion dollars already collected. The Treasury issues special bonds to the Social Security Board, and spends the cash proceeds of the tax collection. In other words, the reserve represents nothing but a set of I O U's, and the excess tax collection represents nothing except a convenient vehicle to help the Secretary of the Treasury pay the general bills of the Government.

Mr. John T. Flynn, discussing this subject recently in Harper's Magazine for February, called it a swindle. I do not use that word; it is too harsh; but I do assert that the collection of the full reserve which is involved in the tax increase next January, against which I complain, is unnecessary for social-security purposes, is not needed for the integrity of social-security pension funds, and is solely and simply a device to help cushion deficit spending.

I return to my original proposition: Congress should freeze the pay-roll taxes where they are this year, and stop the 50 percent pay-roll tax increase which otherwise will automatically become effective next New Year's Day.

I present the amendment which I send to the desk, which is intended to be offered when House bill 3790 is before the Senate. I ask that it be printed and lie upon the table.

The PRESIDING OFFICER. The amendment will be printed and lie on the table.

Mr. VANDENBERG. I shall be glad now to yield to the Senator from Minnesota [Mr. Lundeen].

Mr. LUNDEEN. Mr. President, in this connection I should like to say that there is much truth in the statement of the able Senator from Michigan.

SOCIAL INSECURITY

The act to which the Senator has referred is not a social security act. It is a social insecurity act. It does not provide

social security. The whole act ought to be repealed and scrapped. We now hear nothing but proposals for amendments to the act. As a Member of the House of Representatives, I opposed the passage of that act, and in the last session of Congress I proposed and introduced a real social-security measure, S. 6. I introduced that bill in the House of Representatives as H. R. 2827 in the Seventy-fourth Congress and H. R. 7598 in the Seventy-third Congress.

The present act is not founded on fundamentally correct principles. It cannot be made to work. It may well be, as the Senator from Michigan has stated, that the act will be such a handicap upon business as to actually retard recovery. If there is to be any recovery, there must be a reexamination of the whole subject. Some smart boy wrote that act and put it over on the American Congress. We had better get rid of it, or change it fundamentally, before it is

too late and involves us in chaos and disaster.

Mr. VANDENBERG. Mr. President, it was a smart gentleman who put in the law the full reserve, the thing against which I am complaining, for when title II of the Social Security Act was written by the President's own advisers it did not include the full reserve, and the President's advisers did not want the full reserve; and when the consideration of the Social Security Act was finally concluded in the Ways and Means Committee of the House, it did not include the full reserve. It was only upon the final day, when the House committee was ready to report the bill, that the distinguished Secretary of the Treasury, Mr. Morgenthau, came to the committee and frankly said he wanted the full reserve, not for any social-security purpose but for the assistance it would give him in financing his problem. That is the way in which the full reserve got into the law. Congress ought to take it out

Mr. DAVIS. Mr. President-

Mr. VANDENBERG. I yield to the Senator from Pennsylvania.

Mr. DAVIS. If we continue to collect the full amount, in 1980 we shall have a reserve amounting to \$47,000,000,000.

Mr. VANDENBERG. That is correct; and inasmuch as the public has to make a general tax contribution through paying annually the interest on the I O U's that are in the full reserve, we might just as well eliminate the reserve and the necessity for paying the interest, and make the payment in a direct contribution to social security and accomplish the same result.

I desire to conclude by pointing out for the Record what the Advisory Council on Social Security has said upon this subject in the past few weeks. I remind the Senate that the Advisory Council was created on the motion of the Senate Finance Committee, and that it was constituted of 24 of the best nonpartisan expert minds we could find in the country to deal with this subject.

I quote just two paragraphs from the report:

With the changes in the benefit structure here recommended and with the introduction of a definite program of governmental contributions to the system, the council believes that the size of the old-age insurance fund will be kept within much lower limits than are involved in the present act.

Listen

Under social-insurance programs it is not necessary to maintain a full invested reserve, such as is required in private insurance, provided definite provision is made for governmental support of the system.

Listen

The only invested fund then necessary would be a reasonable contingency fund as outlined above.

Mr. President, we can stop the pay-roll taxes where they are, we can save American business from the prospective 50-percent increase in its tax load at this point, and still we can hasten and increase immediate benefit payments, if we proceed in the fashion indicated.

Supporting the specific proposal I am submitting—namely, that pay-roll taxes shall be held where they are—I quote the following paragraph, and then I shall have concluded:

Several members of the council feel that the increase of 50 percent in the tax rate, from 2 percent to 3 percent, now provided by the law to be made in 1940, should be reconsidered—

I repeat it-

should be reconsidered. Unless the cost of the benefits payable in 1940 and 1941 shall exceed current income from the present 2-percent pay-roll tax, and in view of the probable size of the contingency fund on January 1, 1940—

The size of the contingency fund will be nearly \$2,000,-000,000 without any increase in the pay-roll tax—

they feel that the increase in the tax rate should not take place before the study herein recommended to be made in 1941 shall have been completed. They believe that under the present conditions it would be better policy to allow the sum involved in the increase in the tax rate to remain in the hands of employees and employers than to use it to increase the contingency fund.

Mr. President, when the appropriate time comes, I shall urge the adoption of this amendment to the tax law, so that business may be given, at least in this one tangible and concrete instance, something besides lip service in respect to a little emancipation and salvation.

TRADE WITH CENTRAL AND SOUTH AMERICA

Mr. REYNOLDS. Mr. President, in view of the fact that it is necessary to provide our people with employment, and provide our industries with business and commerce, in order that they may pay the taxes which we have heard so ably discussed here this afternoon, I rise to say that as a result thereof we are fundamentally interested in providing employment for American citizens, and increasing the business and the trade of American industry.

I know that the Senate has at last taken the advice of our honorable colleague the senior Senator from the State of Illinois [Mr. Lewis] in turning its eyes and its ears southward toward Mexico, Central and South America, and the West Indies, realizing at last, as we do, that south of the Rio Grande there reside about 140,000,000 people who, as a matter of fact, are in a position, if they so desire, to provide this country with more trade than they are providing at the present time. In view of the fact that the senior Senator from the State of Illinois has devoted a great deal of his time to an endeavor to direct our attention to trade opportunities in Central and South America, I think thanks are due to the Senator from Illinois from this body and from the American people.

I recall that yesterday we discussed at some length trade relations with the South American countries. By the way, this morning I picked up the Washington newspapers and I observed in the columns thereof that our colleague from Nevada the distinguished chairman of the Committee on Foreign Relations [Mr. Pittman] has suggested that we invite the 20 republics to the south of us to have constructed in this country such ships as they might need, both for war and for commerce, and that by his resolution we further invite them to have constructed here in our arsenals such materials as we may be able to manufacture for them.

In that connection, I wish to say that only a moment ago when I was looking over the pages of the New York Times I read therein printed a statement by our eminent leader of the majority the Senator from Kentucky [Mr. Barkley] commenting upon the resolution and statement of the Senator from Nevada and expressing the opinion that he could see no serious objection to it inasmuch as, according to my recollection—and that is but vague, since I glanced over the article rapidly—it might help business in this country.

On page 6 of the New York Times of the issue of March 14, 1939, under the date line "Washington, March 13," I read:

The Pittman resolution proposing to bolster the defenses of Latin American countries by permitting them to obtain arms and munitions manufactured in United States Government plants was endorsed tonight by Senator Barkley.

Of the resolution Mr. BARKLEY said:

"There should be no serious objection to it. It merely would tend to aid industry and give employment in this country, and it should serve to improve relations with the Latin American republics."

The Senator remarked further upon the resolution of my distinguished colleague, the Senator from Nevada [Mr. Pittman], but as to his additional remarks I shall take the opportunity to discuss them at length at a later date. I merely

wish to bring to the attention of Members of this body his statement when he said:

There should be no serious objection to it. It merely would tend to aid industry and give employment in this country.

And that is what we are anxious to do. I am in thorough accord with the Senator to that extent, because, as a matter of fact, all of us are desirous of aiding industry and thereby solving one of the greatest problems, perhaps the greatest, with which this country is confronted today.

In order to be able to start the wheels of industry revolving again and to give impetus, I may say to industry, in order that we may thereby absorb twelve or thirteen million people who are unemployed, we must of necessity find a market for the commodities of our land which are produced by our agricultural element, and we must of necessity, as we all know, find a market for our manufactured goods.

We agree, as I mentioned a moment ago, that we have turned our eyes southward with a view to considering the potential opportunities offered at the present time by the republics to the south of us. In the consideration of those republics let us take this one item for a moment.

Great Britain and France have recognized the Nationalist conquest of Spain, which conquest has brought about, more than ever before, peace and order and law in Spain, wherein reside anywhere from 24,000,000 to 28,000,000 people.

Unfortunately, since July 1936, a civil strife, revolution, has raged in historic Spain; but I believe that today the world is happy that the difficulties have at last been ended, and I personally am of the opinion that within the next month all the disorder will have been settled in Spain, because unquestionably by that time General Franco will have been successful in extending his sphere of influence over all of Spain.

As my well-informed colleagues know, during the revolution—that is, the greater portion thereof—General Franco exercised jurisdiction over approximately 10,000,000 people, while the so-called loyalists, the liberals, exercised authority over a larger portion of the population, about 14,000,000 people. In the Catalonian territory, the capital of which was Barcelona, which in later years really became the capital of the loyalists, were found all the great textile plants and manufacturing concerns in that section of Spain.

Mr. President, we must remember that Spain is the mother country of all of the countries to the south of us in the Western Hemisphere, outside of the West Indies. Spain is the mother country of all of those republics. As the mother country of all those republics, Spain, until the date of the revolution in July 1936, exercised a great deal of influence over those countries and the inhabitants thereof. Therefore, I am ready to assume that after peace has been brought out of chaos by General Franco, and Spain has thereafter assumed her proper position in the sphere of influence exercised by the larger nations of the world, she will reassume her former influence over our sister republics to the south. We must not lose sight of that, particularly in view of the fact that we are at this time making strenuous efforts to create more trade and find more customers in Central and South American countries. That is point No. 1, and I restate today that, in my opinion, we should recognize the Franco government in Spain. I have high hope that our administration during the present week, before next Sunday, will extend recognition to the duly qualified and constituted government of Spain.

The difficulty at the present time, as most of us know, is that some of the military leaders of one faction in Spain today unfortunately are holding off the date of surrender. They are perfectly willing to postpone that day, an evil day for them, because in their selfishness they would rather sacrifice the lives of innocent children and women and men who want an honorable surrender now than bring about peace and order. But I assume that just so soon as the armies of General Franco have taken the positions they desire to take, the untaken portions of Spain will be added to that portion already under the supervision of Franco, and, as a result, the millions of people in the territory now

under those opposing him will be provided with the peace and the opportunities for prosperity which they enjoyed prior to the unfortunate beginning of civil strife in July 1936

Mr. President, as I stated a moment ago Great Britain and France have already recognized the Franco government. France was very eager to bring about an early recognition because France found herself between the devil and the deep blue sea, or I should say more properly that France was anxious to bring about recognition of the Franco government because she found herself between the devil and the dark blue English Channel, because to the right of her was Mussolini, to the north was Hitler, and to the left of her was the English Channel, and the only place she had to go was into the English Channel if she became involved in a controversy in Europe at this time. We all know that the French Government during the civil strife has rendered a great deal of assistance to Loyalist Spain, which is attributable to the influence which was brought to bear by the communistic element in France, a statement which would be confirmed by word of mouth by almost any Frenchman if perchance one should visit the Republic of France. If perchance, Mr. President, you had visited some of the warring sections of Spain, you would have observed with your own eyes hundreds upon hundreds, totalling into the thousands, of trucks that have been moving constantly from Spain to the left of the little Republic of Andorra, particularly into the Catalonian section, en route to Barcelona and Valencia, the two cities that were held by the loyalists during the closing days of the recent controversy in that section of Spain.

France was anxious to recognize the Franco government, first, because she wanted to make friends with that government, which is going to direct authority over the more than 24,000,000 people in Spain.

As for Great Britain, of course, she played hide-and-seek during all the years of the controversy in Spain, and no one could tell where in the world Great Britain stood. She was here one day and there the next, and I doubt if anyone ever knew where she really stood. Of course, if the Loyalists had won, I dare say she would have been just as ready to recognize that government as she was to recognize the government of Franco. The British have had so many years of experience in the diplomatic field that they play no favorites; but the British always play the winner. Furthermore, the British were anxious to get on the good side of General Franco, because they knew that when he won and had supervision over Spain Gibraltar could be made impotent; and, of course, Great Britain further recognized the fact that during these trying, unfortunate years, in which more than a million people were killed, the sympathies of the little Republic of Andorra have been with General Franco.

Besides that, the British recognize that during these trying years the influence of Portugal has been with Franco. If we stand upon that portion of the European Continent facing south we find that Portugal is just to the right of Spain. Portugal is along the Atlantic coast. Its capital, as we know, is Lisbon. Portugal and its capital, Lisbon, have been more prominently brought to our attention in the last 3 weeks than ever before, because in the trans-Atlantic flight by the American planes the first stop will be the Azores, and according to a franchise and arrangement we have with the Portuguese Government, the second stop must be made at Lisbon, Portugal. Although Portugal derives about 90 percent of all her revenue from Great Britain as the result of her sale to Great Britain of dried fish, sardines, cork, and Portuguese wine, the sympathies and the influence of the Portuguese people have been with the Franco side. Franco is now in a position to make Gibraltar impotent, and the British are aware of the fact that the position of Portugal in reference to Spain on the Atlantic will work to their great disadvantage unless they are friendly with the Franco government.

Mr. President, I wish to say that I am interested, as are all other Senators, in bringing about the early recognition by our country of Spain. We might just as well put it in our pipes and smoke it that Spain is going to be under the direction of General Franco. As to what sort of government he is going to set up in Spain I do not know. I repeat, it is none of our business what kind of government the 24,000,000 out of the 28,000,000 people of Spain want. It is none of our business what kind of government the people of any nation in the world choose to live under. The point I am trying to make, Mr. President, is that we are worrying ourselves in an earnest endeavor to solve the unemployment problem, and the best way to solve it is to start the wheels of industry turning, which will of necessity absorb the unemployed we have in our country at the present time.

While we are looking southward on our continent to the 140,000,000 people who live there to gain more trade for the industries of the United States, abiding by the suggestion so ably made by that beloved and eminent statesman from Illinois [Mr. Lewis], I say that we should now turn leftward, looking across the Atlantic, and focus our interest for the time being upon Spain, with a view to getting the trade, or at least our portion thereof, of the 24,000,000 to 28,000,000 people inhabiting Spain.

Mr. LUNDEEN. Mr. President, will the Senator yield?

Mr. REYNOLDS. I yield to the Senator from Minnesota. Mr. LUNDEEN. I understood the able Senator to say that we are much concerned with the unemployment problem. I am glad to hear that, because from the debates I have been listening to in the Senate for some time it has seemed to me that many of us were more interested in saving the world than saving the situation for the unemployed in our own country. I am glad to hear the Senator say that we are now interested in saving the situation of the unemployed here in our own country.

Mr. REYNOLDS. I thank the Senator, and I wish to state, in answer to what he has said, that we are all greatly interested, more so than ever before, in saving the United States of America; and I have arrived at the point where I believe the only way we can save America is to absorb the unemployed. That is the thing we must do. I believe the only way we can possibly absorb the unemployed is to encourage industry; start the wheels of industry turning. It was suggested a day or two ago that we could get rid of a great many unemployed in our country by shipping them to Brazil. I mentioned on the floor of the Senate, I think it was yesterday, that a gentleman from Brazil, Mr. Aranha, was in this country and had talked a couple of times with the President; and according to the newspaper reports this benevolent gentleman from Brazil, who came here to get \$120,000,000, which sum is alleged to be for the purpose of paying debts of Brazil due to other countries, offered to help us solve our unemployment question by suggesting that we send a great many of our W. P. A. workers to Brazil to develop the territory of Brazil, and that we pay their transportation and pay their monthly

Mr. LUNDEEN. Mr. President, will the Senator yield? Mr. REYNOLDS. I yield.

Mr. LUNDEEN. Is that not in line with the policy of world saving in which we have been engaged? I am sure the Senator does not believe, now when we see Czechoslovakia breaking up into separate units, that we ought to go over and save the integrity of the Czechoslovakia nation? We were so very excited about Munich awhile ago, and about Austria before that, and about world saving and world policing. Are we finally turning our backs on this world-saving business; are we thinking of America once again, our own country? Does the Senator think we are adopting a new trend of policy? I hope so. Let us turn back to the old landmarks, the foreign policy of Washington, Jefferson, Jackson, and Lincoln. That foreign policy is good enough for me. It is the north star of our foreign affairs, our eternal guide given us by our founders and fathers of this great Republic.

Mr. REYNOLDS. I will say to the Senator that I do not see any need whatsoever of our becoming greatly excited or disturbed about what is going on in Europe, because the same thing is going on in Europe today that has been going on for a thousand years. If Senators will turn back the pages of history, they will find that the same thing is happening now that

has happened heretofore. By the way, at that point I recall that a year or two ago I read the reprint of an editorial which appeared in one of the early published magazines of this country. The editorial of which I read the reprint was

published about 50 years ago.

It has been a long time since I have read that editorial; but my recollection of it is that the editorial writer was lamenting the fact that Russia was hanging over Europe like a great cloud, and that there were disorders and uprisings among the Hindus in India, and that the British were experiencing great trouble in keeping down the uprisings. The article went on to say that the political situation in France was distressful, that it looked as though the Government was going to be overthrown, and that it was too bad that millions upon millions of persons were then out of employment in the United States.

Virtually the same thing is happening today, except that Russia hangs over the whole world. There are perhaps more uprisings and more rioting in India today among the people who are seeking liberty than ever before. I think Gandhi

went on strike the other day.

Mr. LUNDEEN. Mr. President, will the distinguished Senator from North Carolina yield?

Mr. REYNOLDS. Certainly.
Mr. LUNDEEN. I understand that India is incorporated in a great democracy—the so-called British democracywith all the wonderful tenets of government that any democracy has. We are told that the Government of Great Britain is a benevolent and kindly democracy, and that it is a splendid thing that Britain rules over India and other nations-nations enslaved and put down by the sword, probably for Christianizing and benevolent purposes.

Mr. REYNOLDS. I dare say the Senator knows the history of India. I dare say every Member of this body is familiar with the conquest of India, and how Great Britain finally was able to obtain control of that vast country, which today has a population of more than 355,000,000. Great Britain is a so-called democracy. Two million Irishmen near her shores have been trying to throw off the yoke of oppression since the year 1717, when, according to history, Great Britain first started her aggressions; but they have not been able to do so.

Mr. LUNDEEN. Mr. President, will the Senator again vield?

Mr. REYNOLDS. I yield.

Mr. LUNDEEN. How about the benevolent British rule over South Africa—the Transvaal, and so forth?

Mr. REYNOLDS. The Senator is familiar with the cases of Northern Rhodesia, Southern Rhodesia, the Transvaal, and Uganda. As a matter of fact, all of Great Britain's territory in South Africa is conquered territory. The Senator is thoroughly familiar with the strife in the Boer country and the Transvaal, from Cape Town away beyond Johannesburg, for

Mr. LUNDEEN. The British did not know that gold and diamonds existed in South Africa until after they had conquered it, did they? [Laughter.]

Mr. REYNOLDS. No; they did not know that.

Mr. LUNDEEN. They just heard about it after they had conquered it. [Laughter.]

Mr. REYNOLDS. That point brings on further argument. The British always become more interested as soon as they learn that valuables are to be found in mother earth. The Senator will recall that Great Britain now owns British Guiana. In 1895 gold was discovered in southern Venezuela and norther Guiana. At that time the British began to encroach northward upon the territory of Venezuela. Venezuela lifted up her hands to the conscience of the world and called upon Uncle Sam to save her. The British were going to devour her. At that time Cleveland was President of the United States, and he was about to issue an ultimatum of war. If the Senator will look into the volume by Professor Dennis, of Yale, on the diplomatic relations of the United States, he will find that President Cleveland forced the British to cease their aggressions at that time.

In that connection, let me say that the same thing is happening today. We talk about being the "big brother" of the countries to the south of us, and giving one country \$120,000,000 for favors and trade. Almost at our door is the little republic of Guatemala. It is a lovely section of the world. There is no more attractive city for tourists than Guatemala City. Just the other day the Guatemalans lifted their hands to high heaven and cried out in despair to the world to come to their rescue. They said then, and they say now, that Great Britain is trying to devour some of their land. They wanted to arbitrate the question, and Great Britain refused to arbitrate it. What happened? Guatemalans suggested that our own beloved President. Franklin D. Roosevelt, the fine man we have in the White House today, who is interested in the people to the south of us, be selected as an arbitrator. What did the British say? They are unappreciative. They said, "No; we will not have President Roosevelt as arbitrator. We want you to send this case to the World Court at The Hague, in Holland."

The Guatemalans did not do it, and they will not do it. I will tell the Senator why they will not do it. If the Senator were a Guatemalan, he would not agree to it. A burned child fears the fire. In the first place, as the Senator knows, the World Court is the back door to the League of Nations. In the second place, the Senator knows that the World Court is owned by Great Britain. In the third place, only one case has ever been appealed to The Hague from any of the countries of South America. That was a case which was appealed to The Hague by the Republic of Brazil in 1929. The party on the other side was the Republic of France. The case was decided in favor of the Republic of France. Why? I shall not say why; but I will say to the Senator that one of the judges was formerly the legal adviser of the Republic of France.

Getting back to Spain-

Mr. LUNDEEN. Mr. President, will the able Senator

Mr. REYNOLDS. I yield.

Mr. LUNDEEN. Before the Senator enters upon that discussion I desire to observe that it would be well for America if we adopted toward our people and Government the British methods and their disposition toward their own people and Government. They are good, patriotic Englishmen, who are always looking after old England and the British Empire, while we are engaged in world-saving. We ought to take a page from the British book of diplomacy and conduct and be concerned about our own affairs, our own development, and our own prosperity. That is exactly what the British are doing. That is what we ought to do in America.

Mr. REYNOLDS. John Bull is looking after his nephews and his nieces. Let me tell the Senator what happened. I do not like to get away from the subject of Spain, because, frankly, I am interested in selling North Carolina cotton to the Franco government. I am interested in North Carolina cotton, just as the Senator from Texas [Mr. Connally], who honors me with his presence today, is interested in Texas cotton. Texas produces more cotton than any other State in the Union. Why is the Senator from Texas present today? He is interested in selling cotton. According to the latest reports, we have millions of bales of cotton.

Mr. LUCAS. Mr. President, will the Senator yield?

Mr. REYNOLDS. I shall be glad to yield.

Mr. LUCAS. Before the Senator returns to the discussion of the problems of Spain, I should like to call his attention to a subject which he started to discuss a few moments ago, when his attention was diverted by a question from the Senator from Minnesota [Mr. Lundeen]. The Senator did not finish his discussion. He started to discuss Gandhi in India, and he said only a few words when he yielded to the Senator from Minnesota for a question.

I think the world in general is interested in Gandhi. I know the Senator from Illinois has been watching him very closely during the past few weeks. I should like to have some further information from the Senator from North

Carolina upon that great character.

Mr. REYNOLDS. I shall be glad to give whatever information I possess.

Mr. BARKLEY. Mr. President, will the Senator yield?

Mr. REYNOLDS. I yield.

Mr. BARKLEY. In connection with Gandhi, does the Senator hope to sell much cotton from North Carolina or

elsewhere to Gandhi? [Laughter.]

Mr. REYNOLDS. I will say to the Senator that if North Carolina expected to sell only the amount of cotton necessary to make a cotton robe for Gandhi, it would not get very far, because Gandhi, on account of the oppressions of John Bull, is so thoroughly emaciated that today he weighs only about 78 pounds.

Speaking about John Bull, I will say to the Senator-Mr. LUCAS. I take it the Senator will later return to

Gandhi.

Mr. REYNOLDS. I shall try to return to Gandhi in a moment.

John Bull is looking after his people. He has always done so. If Uncle Sam would pay more attention to his nieces and nephews in the United States, he would not be in the position he occupies today.

Mr. President, I say that I am interested in cotton.

Mr. MINTON. Mr. President, will the Senator yield?

Mr. REYNOLDS. I shall be glad to yield.

Mr. MINTON. Who buys more cotton from the United States, in which the Senator is so much interested, Franco or Great Britain?

Mr. REYNOLDS. I am surprised that the Senator should ask such a question. I have always considered and now consider the junior Senator from Indiana as one of the bestinformed Members of the Senate. Why I should be called upon to answer an elementary question of that sort is beyond my comprehension.

Mr. MINTON. The thing that disturbed me was the Senator's great concern for Franco at the expense of Great Britain. The Senator placed all of the discussion on a cotton basis. I could not understand his doing so when everybody, even the schoolboys of North Carolina, knows that Great Britain buys much more cotton from North Carolina than Franco buys or ever will buy.

Mr. REYNOLDS. Certainly.

Mr. MINTON. Why the Senator should be shedding crocodile tears about Franco buying cotton is something I do not quite understand. I think there must be something besides that element.

Mr. REYNOLDS. In the first place, Franco has never had an opportunity to make any purchases from North Carolina. Everybody knows, even the school children in Indiana in the primary grades or in the kindergarten, that Great Britain has always been a large purchaser of cotton from the United States, which means cotton from North Carolina and Texas, among other States.

The greatest industrialization that we can remember, insofar as Texas is concerned, began in Great Britain. They have plants at Lancaster and Manchester and Birmingham. Great Britain has always been a great consumer of our cotton, but in regard to the consumption of cotton I very frankly state to the Senator that Japan has been the greatest consumer of the cotton of the South. As recently as 1935, if it is desired to go into that matter, Japan herself bought \$115,-000,000 worth of cotton from the Southern States, and of that cotton which she manufactured into textiles she only sent back into this country \$15,000,000 worth of textiles. In other words, for every \$115 that she paid to the people of the South for cotton, all the people of the United States gave back to Japan only \$15.

Mr. President, I am interested in increasing the sale of the cotton of the South. We are confronted with a serious problem there. As the junior Senator from Texas knows, every cotton producer of the South is worried. Why? Because our competitors are increasing their production all the time while we are seeking markets for our cotton.

Let us see about that. I read the following from a newspaper article:

With the United States Government holding 11,000,000 bales of surplus cotton off the market, both the American cotton export trade and the British cotton industry in Lancashire are passing

through the worst in a long series of lean years.

So far this crop year, exports of American cotton have slumped 42.5 percent as compared with last year. At the current rate, the present cotton year promises to be the worst year for exports since

present cotton year promises to be the worst year for exports since the turn of the century.

In Lancashire spinning production is running 53 percent of capacity compared with 88 percent a year ago. Imports of raw cotton are the smallest since 1931. Exports of cotton yarn and piece goods have established new post-war low records.

American export trade in cotton is affected directly by the Government-loan policy. In effect, the Government stands ready to make a semi-permanent loan against cotton delivered to it by the American grower the American grower-

And so forth. This article contains some enlightening statistics, and I should like to have it embodied in the RECORD as a part of my observations.

The PRESIDING OFFICER. Without objection, the article will be printed in the RECORD.

The article referred to is as follows:

UNITED STATES HOLDS COTTON

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American export trade in cotton is affected directly by the Government-loan policy. In effect, the Government stands ready to make a semipermanent loan against cotton delivered to it by the American grower. Rate at which it will loan is well above a market price depressed by a huge surplus of cotton. Cotton growers have followed the natural course and turned their crop into loan cotton which is then blocked off the market. Result has been a growing tightness in spot cotton which affects not only the American export trade but the domestic textile trade as well. With 11,000,000 bales of surplus cotton stored away, it is difficult even for domestic mills to obtain requirements of desirable grades, because growers are not disposed to repay their loans and redem cotton which would have to be sold at a lower price in the open market.

Lancashire's difficulties as reflected by the 73.4-percent drop in exports of American cotton to Great Britain are in large part caused exports of American cotton to Great Britain are in large part caused by the American-loan program. There is plenty of American cotton available for export, as well as for domestic use, but it is of inferior grade. Bulk of the cotton that is suitable for Lancashire mills has gone into the loan and it is impossible to convert mill machinery easily to handle other grades. This is the difficulty to which the Master Cotton Spinners' Federation referred in England yesterday when their resolution stated that Lancashire cotton spinners are funding it increasingly difficult to obtain adequate supplies of suit. finding it increasingly difficult to obtain adequate supplies of suitable American cotton.

This difficulty is a body blow to the long-suffering Lancashire area in England which British economic reports are now beginning to term one of the "special" or distressed areas. In addition to the difficulty of supplies, Lancashire has had to face the long-term trend of restricted foreign markets.

COTTON EXPORT FIGURES

Washington.—Exports of United States cotton the last half of the current season are expected by the Farm Administration to be considerably higher relative to a year earlier than during the first half of this season. The Bureau of Argicultural Economics based its forecast, in part, on the fact that midseason stocks of American cotton in foreign countries were more than one-fourth smaller than a year earlier, whereas foreign consumption of American cotton is now running about one-eighth less than at the same time last

January cotton exports, reported at 290,000 running bales, were 55 percent less than the comparatively small exports in January 1938 and were the smallest for the month since 1872, the B. A. E. said.

Department of Agriculture officials last night refused to comment on action of the Lancashire cotton industry in adopting a resolution yesterday blaming the Government's cotton-loan program for the reduced American exports. They pointed out, however, that the cotton now held under loan was available to any purchaser who wished to pay the price for it. In response to the suggestion that Secretary Wallace had been giving his urgent attention to the matter for some time. They added further that any release

of the loan stocks to private trade channels would have to be

authorized by Congress.

authorized by Congress.

Representative Fulmer (Democrat, South Carolina), a member of the House Agriculture Committee, commenting on the action of the British group, said that the situation described in that statement does not coincide with his understanding of the cotton situation abroad and said he believed it was made "in the interest of speculation." Secretary Wallace, Mr. Fulmer said, recently informed a congressional committee that the cotton situation in England was largely the same as our domestic problem, having more cotton on hand than they can use.

Mr. REYNOLDS. Mr. President, likewise I desire to bring to the attention of the Senate the fact that the other nations of the world are turning their eyes and attention toward Spain, with a view to getting trade there. That is what we are interested in. In pursuance of that subject I bring to the attention of the Senate a dispatch in the New York Times from Buenos Aires, the capital of the Argentine Republic, dated March 3, 1939, entitled "Argentine Grain to Spain. Export of 7,346,000 bushels of wheat to be subsidized." I should like to have that dispatch embodied in the RECORD as a part of my remarks showing that every country of the world is looking to getting business in Spain. I say that we should do likewise.

The PRESIDING OFFICER. Without objection, the newspaper dispatch will be printed in the RECORD.

The dispatch referred to is as follows:

ARGENTINE GRAIN TO SPAIN-EXPORT OF 7,346,000 BUSHELS OF WHEAT TO BE SUBSIDIZED

Buenos Aires, Argentina, March 3.—The Argentina Government has subsidized the shipment of 7,346,000 bushels of wheat to Spain, to be paid for within 2 years. Simultaneously, the exchange-control board was instructed to issue import permits for Spanish merchandise at the official rate of exchange.

The deal also includes the shipment of 1,035,000 bushels of oats

The deal also includes the simplicit of 1,050,000 bushels of versions and 585,000 bushels of rye.

The Central Bank has opened a 2-year credit with the Hispano-Americano Bank, which figures as the purchaser of the grain, most of which is now held by the Argentine Grain Board. The grain will be shipped at the market price on the day of shipment on the

basis f. o. b. at the Argentine port of shipment.

The newspapers give much prominence to the arrangement as the reopening of trade relations with Spain, which have been practically paralyzed during the Spanish war.

Mr. REYNOLDS. Mr. President, in conclusion, let me say that I happened to observe in a newspaper recently issued-I have forgotten the name of the newspaper, as I make many clippings from time to time, but I think it is from the New York Evening Sun—a letter under the heading "Spain's Future—An Argument in Behalf of the Franco Establishment." I submit that article in reference to my suggestion as to the recognition of the Franco form of government. The letter is signed by Mr. Joseph Larocque and is dated New York, February 25, 1939.

The PRESIDING OFFICER. Without objection, the letter will be printed in the RECORD.

The letter referred to is as follows:

SPAIN'S FUTURE—AN ARGUMENT IN BEHALF OF THE FRANCO ESTABLISHMENT

To the EDITOR OF THE SUN.

SIR: In this country the success of the Spanish Nationalists has Sir. In this country the success of the Spanish Nationalists has been proclaimed as a major defeat for democracy and as a triumph for nazi-fascism. Proloyalist sympathy has been aroused by capitalizing hatred of Hitler and Mussolini and by disseminating fear that a Nationalist victory would mean the creation of an additional totalitarian state. While the merits of the local conflict, as such, have been wholly ignored, the attention of the public has been constantly directed to the possible international implications of a loyalist defeat and they have been led to believe that the revolt in Spain was instigated, and has been carried through, by Fascist Italy, using Franco merely as her tool, for the purpose of destroying a republic administered by the duly elected representatives of the people, and setting up in its place a dictatorship wholly subservient to Mussolini. The leaders in this campaign of misinformation have selzed the word "democracy" as their slogan and have so tortured its meaning that it is now well-nigh unrecognizable.

How can it be seriously contended that the Communists, anarchists, and syndicalists who were fighting for the loyalist cause were truly interested in democracy as we have hitherto understood the meaning of the word?

The true history of the Spanish civil war can readily be obtained

from available sources. Long prior to the revolution Spain was swarming with Russian agents, spreading Communist propaganda. The present loyalist government came into power through fraud and intimidation, and in fact Azaña's government was illegal in

its inception, as the Cortes had not been dissolved prior to his taking office. It is a historical fact that on February 17, 1936, there was a general jail delivery, during which all prisoners were released, including those charged with murder and other felonies, and that at about the same time churches were burned and shops and private homes located by more corruing red face displaying

and that at about the same time churches were burned and shops and private homes looted by mobs carrying red flags displaying the hammer and sickle. For years Barcelona had been a hotbed of anarchy, and early in the rebellion the anarchists, by their excesses, including the murder of thousands of priests and nuns, should have earned the opprobrium of the civilized world. For months a war ranged within a war between anarchists and Communists for control of the loyalist government.

Vincent Sheean, a loyalist sympathizer, who has just arrived from Spain, is reported to have said in a recent interview that Franco has in his possession a list of 800,000 anarchists and 300,000 Communists, all of whom, we may assume, have been fighting for the cause of what their American friends call "democracy." The progressive stages of the Russian revolution have found a close parallel in Spain, the chief point of difference being that Russia lacked a Franco to check the atrocities of Lenin, Trotsky, and Stalin, and of their horde of lesser butchers. The truth is that Franco, far from being a mere tool of Fascist Italy, is a patriot who has fought to relieve his country of intolerable conditions and to has fought to relieve his country of intolerable conditions and to restore order out of chaos. At the present time his success seems restore order out of chaos. At the present time his success seems assured and instead of characterizing the result of his self-sacrificing labors as a tragic defeat for democracy, it should be hailed as an important achievement in the preservation of civilization. In captured territory Franco has done a marvelous work of reconstruction, and the fear expressed in many quarters that he would indulge in cruel reprisals has proved to be false. In Barcelona the streets have been the scene of delirious joy when Franco's troops marched in marched in.

marched in.

It is, of course, vital to the interests of Italy, as it would be to the interests of a democracy (in the true sense of the word), that neither communism nor anarchy should flourish in an adjoining country; but that a permanent dictatorship will be established, either under the suzerainty of Italy or otherwise, is improbable; this would be inconsistent with Spanish individualism.

These facts have been wholly disregarded, and it is curious that those who have been most insistent upon creating a dictatorship in this country by surrendering all powers of government to the President have, with few exceptions, been those who have been most vehement in their denunciation of Hitler, Mussolini, and Franco. We have extended the hand of friendship to Soviet Russia and Communist Mexico, but we still hesitate to recognize the Spanish nationalist government, in spite of the fact that self-interest requires us to establish commercial relations with her as early as possible.

early as possible.

During the excitement about dictators the Communists in this country have been playing a clever part. No longer are all Communists found within the Communist Party, but, boring from within, they are constantly seeking to corrupt both our major within, they are constantly seeking to corrupt both our major political parties and to destroy the foundations of our Government. So distorted has become public opinion that it is now accepted by many as a truism that the sole qualification for membership in the brotherhood of democracy is the hatred of foreign dictators, and we find gathered together under the banner of democracy those of all shades of political opinion, from conservatives to the most extreme radicals. Without doubt, politics makes strange bed-fellows. By extension of the meaning of "democracy," Communists have been automatically transferred to the democratic class and have been covered with a cloak of respectability which they are now wearing with easy assurance. They can now relax and permit the more respectable haters of dictators to pull their chestnuts out of the fire. As Moscow directs Communist activities here, the of the fire. As Moscow directs Communist activities here, the Soviets are for obvious reasons excluded from the category of

Soviets are for obvious reasons excluded from the category of dictatorships.

President Wilson said that we entered the last war "to make the world safe for democracy." Shall we be forced into the next war to make democracy safe for the world? In our fear of a possible future and indirect danger from nazi-fascism abroad, must we close our eyes to the present and very real danger of communism at home? at home?

JOSEPH LAROCQUE.

NEW YORK, February 25.

CONFIRMATION OF NOMINATION OF C. B. ALLEN

Mr. BARKLEY. Mr. President, there is only one nomination on the Executive Calendar. I ask unanimous consent that, as in executive session, the Senate proceed to the consideration of that nomination.

The PRESIDING OFFICER. Is there objection? Chair hears none, and the clerk will state the nomination.

The legislative clerk read the nomination of C. B. Allen, of West Virginia, to be member of the Air Safety Board

within the Civil Aeronautics Authority.

Mr. NEELY. Mr. President, I ask unanimous consent to have printed in the RECORD a short biographical sketch of Mr. Allen, who is a native of West Virginia and a most competent and deserving man. I further request that an article which appeared in the United States Air Services of the issue of March 1939 be inserted in the RECORD.

The PRESIDING OFFICER. Without objection, the matters referred to by the Senator from West Virginia will be printed in the RECORD.

The matters referred to are as follows:

BIOGRAPHICAL DATA ON C. B. ALLEN

Born: Moorefield, W. Va., July 18, 1896. Education: Moorefield Public School; West Virginia Preparatory School, Keyser, W. Va.; University of West Virginia, Morgantown,

School, Keyser, W. Va.; University of West Virginia, Morgantown, 2 years.

Business: Left college, enlisted aviation section, Signal Corps, United States Army, December 1917. Served as flying cadet and second lieutenant until January 1918. Since the war has maintained status as active fiyer in the Air Corps Reserve with present rank of captain; 1921–23, reporter and assistant city editor, Cincinnati Commercial Tribune; general reporter and aviation editor on New York World and New York World-Telegram, 1923–34; aviation editor, New York Herald Tribune, 1934–38.

Licenses: Commercial certificate (transport) C. A. A.; airplane pilot, United States Army (Reserve).

General: Covered principal aviation events in the United States since the Army's round-the-world flight of 1924, with resultant wide acquaintanceship in all branches of the aviation industry; contributed aviation articles to the Nation, Vanity Fair, Aero Digest, the Saturday Evening Post, the Outlook, and the New Outlook, and other magazines; coauthor of Clarence Chamberlin's book, Record Flights, Frank Hawk's Speed, and the Wonder Book of the Air (with Lauren D. Lyman, New York Times); has flown many different types of military and civil airplanes incident to service in the Army and coverage of aeronautical news; one of five newspapermen who made the first trans-Pacific passenger flight.

ALLEN THIRD MEMBER OF C. A. A. SAFETY BOARD

ALLEN THIRD MEMBER OF C. A. A. SAFETY BOARD

Appointment of C. B. Allen, until recently acting in charge of the C. A. A.'s Information and Statistical Division since September 1938, to be third member of the Air Safety Board of C. A. A. was announced on February 9. At the time Allen's first post was to be filled it was known that C. A. A. had set an unusual combination of qualifications as prerequisite for anyone to be considered; what the organization wanted was an experienced newspaperman who at the same time was an aviator. There are aviators who write, but relatively few working newspaper reporters are aviators. Allen comes under both classifications.

Interrupting studies at the University of West Virginia in mid-course, he entered the Aviation Section of the Army Signal Corps when the United States went to war with Germany. Gaining his commission too late to go overseas, he nevertheless has maintained an active status as a captain in the Army Air Corps Reserve. Besides being a military pilot, he is licensed as a transport pilot. Furthermore, from 1921 to the date of his joining the C. A. A. staff he was an active newspaperman. After some years of general reporting and service as editor on papers in Cincinnati and New York, he became aviation editor of the New York Herald Tribune—was on leave of absence from that paper when nominated by the President for his new office.

C. B. is a native of Moorefield, W. Va., born in 1896. He is honest, fearless tireless and extremely intelligent.

C. B. is a native of Moorefield, W. Va., born in 1896. He is honest, fearless, tireless, and extremely intelligent.

If these characteristics are still valued in a rapidly changing world, our young friend should go far.

Mr. NEELY. Mr. President, I now move that the Senate advise and consent to Mr. Allen's nomination.

The PRESIDING OFFICER. The question is on the motion of the Senator from West Virginia.

The motion was agreed to.

Mr. NEELY. Mr. President, I move that the President be notified of the action of the Senate in confirming Mr. Allen's nomination.

The PRESIDING OFFICER. The question is on the motion of the Senator from West Virginia.

The motion was agreed to.

EXECUTIVE MESSAGE REFERRED

The PRESIDING OFFICER (Mr. MILLER in the chair), as in executive session, laid before the Senate a message from the President of the United States submitting sundry nominations of officers in the Foreign Service, which was referred to the Committee on Foreign Relations.

(For nominations this day received, see the end of Senate proceedings.)

EXECUTIVE REPORTS OF COMMITTEES

As in executive session,

Mr. McKELLAR, from the Committee on Post Offices and Post Roads, reported favorably the nominations of sundry

Mr. CLARK of Missouri, from the Committee on Commerce, reported favorably the nomination of William Rude Jackson,

of Maryland, to be aide (with relative rank of ensign in the Navy), Coast and Geodetic Survey, Department of Commerce, by promotion from deck officer, vice C. R. Reed, promoted.

He also, from the same committee, reported favorably the nominations of several officers for promotion in the Coast Guard, to rank as such from March 1, 1939.

The PRESIDING OFFICER. The reports will be placed on the Executive Calendar.

DEATH OF REPRESENTATIVE DALY OF PENNSYLVANIA

The PRESIDING OFFICER laid before the Senate a message from the House of Representatives, which was read, as follows:

In the House of Representatives, U. S., March 13, 1939.

Resolved, That the House has heard with profound sorrow of the death of Hon. J. Burrwood Daly, a Representative from the State of Pennsylvania.

Resolved, That a committee of four Members of the House with such Members of the Senate as may be joined be appointed to attend the funeral.

Resolved, That the Sergeant at Arms of the House be authorized and directed to take such steps as may be necessary for carrying out the provision of these resolutions and that the necessary expenses in connection therewith be paid out of the contingent fund of the House.

Resolved, That the Clerk communicate these resolutions to the Senate and transmit a copy thereof to the family of the deceased.

Resolved, That as a further mark of respect the House do now

adtourn.

Mr. DAVIS. Mr. President, I offer the resolution which send to the desk and ask for its immediate consideration. The resolution (S. Res. 104) was read, considered by unanimous consent, and unanimously agreed to, as follows:

Resolved, That the Senate has heard with profound sorrow the announcement of the death of Hon. J. Burrwoon Daly, late a Representative from the State of Pennsylvania.

Resolved, That a committee of two Senators be appointed by the Vice President to join the committee appointed on the part of the House of Representatives to attend the funeral of the deceased

Representative.

Representatives to attend the Inneral of the deceased Representative.

Resolved, That the Secretary communicate these resolutions to the House of Representatives and transmit a copy thereof to the family of the deceased Representative.

Mr. DAVIS. As a further mark of respect to the memory of the deceased Representative, I move that the Senate do now adjourn until Thursday next.

The motion was agreed to; and (at 4 o'clock and 7 minutes p. m.) the Senate adjourned until Thursday, March 16, 1939, at 12 o'clock meridian.

NOMINATIONS

Executive nominations received in the Senate March 14 (legislative day of March 13), 1939

> DIPLOMATIC AND FOREIGN SERVICE PROMOTIONS IN THE FOREIGN SERVICE

From Foreign Service officer, unclassified, to Foreign Service officer of class 8, effective March 16, 1939

Theodore C. Achilles, of the District of Columbia. Daniel V. Anderson, of Delaware. Jacob D. Beam, of New Jersey John Willard Carrigan, of California. Merritt N. Cootes, of Virginia. Earl T. Crain, of Illinois. John Davies, Jr., of Ohio. Walter C. Dowling, of Georgia. Daniel Gaudin, Jr., of Pennsylvania.

Allen Haden, of Tennessee. Miss Constance R. Harvey, of New York. James E. Henderson, of California.

Fred W. Jandrey, of Wisconsin. Douglas Jenkins, Jr., of South Carolina.

Foy D. Kohler, of Ohio. Henry P. Leverich, of New Jersey.

Raymond P. Ludden, of Massachusetts.

Edward P. Maffitt, of Missouri. Patrick Mallon, of Ohio. Ernest deW. Mayer, of New York. Shiras Morris, Jr., of Connecticut.
George W. Renchard, of Michigan.
Paul J. Reveley, of Connecticut.
W. Garland Richardson, of Virginia.
Halleck L. Rose, of Nebraska.
Livingston Satterthwaite, of Pennsylvania.
Francis Bowden Stevens, of New York.
Tyler Thompson, of New York.
Robert F. Woodward, of Minnesota.

CONFIRMATION

Executive nomination confirmed by the Senate March 14 (legislative day of March 13), 1939

CIVIL AERONAUTICS AUTHORITY

C. B. Allen to be a member of the Air Safety Board within the Civil Aeronautics Authority.

HOUSE OF REPRESENTATIVES

TUESDAY, MARCH 14, 1939

The House met at 12 o'clock noon.

Bishop Edwin Holt Hughes, senior bishop of the Methodist Episcopal Church in the United States, Washington, D. C., offered the following prayer:

God, be merciful unto us, and bless us; and cause his face to shine upon us, that Thy way may be known upon earth, Thy saving health among all nations. Let the people praise Thee, O God; let all the people praise Thee. Then shall the earth yield her increase; and God, even our own God, shall bless us. God shall bless us; and all the ends of the earth shall fear him.

O Lord, make our country a blessing to itself, a blessing to all the men and women and children that dwell within its borders, a blessing to men everywhere, so that the statue called Liberty Enlightening the World may be not only a symbol but a glorious fact. Make our Jerusalem to be "the joy of the whole earth." To this end and to all the purposes that meet Thy holy will, bless Thou these lawmakers on this day. Through Jesus Christ our Lord. Amen.

The Journal of the proceedings of yesterday was read and approved.

MESSAGE FROM THE PRESIDENT

A message in writing from the President of the United States was communicated to the House by Mr. Hess, one of his secretaries.

MESSAGE FROM THE SENATE

A message from the Senate, by Mr. Frazier, its legislative clerk, announced that the Senate had passed with amendments, in which the concurrence of the House is requested, a bill of the House of the following title:

H. R. 4218. An act making appropriations for the legislative branch of the Government for the fiscal year ending June 30, 1940, and for other purposes.

The message also announced that the Senate insists upon its amendments to the foregoing bill, requests a conference with the House on the disagreeing votes of the two Houses thereon, and appoints Mr. Tydings, Mr. Byrnes, Mr. Adams, Mr. Overton, Mr. Truman, Mr. Hale, and Mr. Bridges to be the conferees on the part of the Senate.

Mr. RANKIN. Mr. Speaker, I make the point of order that a quorum is not present.

The SPEAKER. Will the gentleman withhold the point of order for the moment to enable the Chair to dispose of some preliminary matters?

Mr. RANKIN. Certainly, Mr. Speaker.

The SPEAKER. The Chair recognizes the gentleman from Georgia [Mr. WHELCHEL].

STAR-ROUTE CONTRACTS

Mr. WHELCHEL. Mr. Speaker, by direction of the Committee on the Post Office and Post Roads, I ask unanimous consent for the immediate consideration of Senate Joint Reso-

lution 76, to authorize the Postmaster General to withhold the awarding of star-route contracts for a period of 45 days.

I may say that the Committee on the Post Office and Post Roads have had this under consideration and are unanimous in their conclusion.

The SPEAKER. The Chair is informed that this joint resolution is somewhat in the nature of an emergency matter.

Mr. WHELCHEL. It is, Mr. Speaker.

The SPEAKER. The Clerk will report the joint resolution. The Clerk read as follows:

Senate Joint Resolution 76

Resolved, etc., That the Postmaster General is authorized and directed to withhold the awarding of star-route contracts for which bids have been received in the third contract section for a period of 45 days after March 7, 1939.

Mr. MASON. Mr. Speaker, reserving the right to object, and I shall not, because I was in the committee when the bill was ordered out, will not the gentleman give us a brief explanation of what constitutes the emergency?

Mr. WHELCHEL. I shall be glad to.

Mr. Speaker, in 1937 a bill was presented to the Congress permitting the Post Office Department at its discretion to continue star-route contracts beyond the period of their termination. This bill passed both Houses of Congress in 1937, but I believe it was vetoed by the President. This same question again presents itself. As appears from the face of the resolution the time on these contracts has expired.

This resolution simply directs that 45 days be granted for the purpose of going into this question and giving it proper consideration.

A similar House resolution calls for 60 days. The Senate resolution calls for 45 days. I ask that the Senate resolution be substituted for the House resolution and that it be adopted.

The SPEAKER. Is there objection to the request of the gentleman from Georgia for the immediate consideration of the Senate resolution?

There was no objection.

The joint resolution was read a third time and passed, and a motion to reconsider and a similar House resolution (H. J. Res. 184) were laid on the table.

EXTENSION OF REMARKS

Mr. PETERSON of Georgia. Mr. Speaker, I ask unanimous consent to extend my own remarks in the Record and to include therein an article on the cotton problem prepared by Hon. H. W. Nalley, of Alamo, Ga.

The SPEAKER. Is there objection to the request of the gentleman from Georgia?

There was no objection.

MONETARY SYSTEM

The SPEAKER. In view of the fact that a point of no quorum is pending, the Chair cannot recognize Members except to submit unanimous-consent requests.

Mr. VOORHIS of California. Mr. Speaker, I ask unanimous consent to address the House for 1 minute.

The SPEAKER. Is there objection to the request of the gentleman from California?

There was no objection.

Mr. VOORHIS of California. Mr. Speaker, the recent statement by the Federal Reserve Board will hardly be encouraging to those who look to the Board for constructive leadership in finding a way out of our present economic difficulties. I hardly expected from the Board an endorsement of forward-looking measures for monetary control and improvement of our present inadequate system. But neither did I expect a statement so barren and sterile as the one we got. The Board has pointed out that since the Nation depends on loans of bank credit for the creation of its medium of exchange and since the Board can neither compel the people to borrow or banks to lend, therefore it is impossible for the Board to exert effective control over the volume of money in circulation. The Board is substantially correct in this. But the disappointing thing is that not one constructive suggestion is made for correcting this situation and the implication is left that we should not even attempt to correct it, because, forsooth, even if we eliminated the monetary factors making for booms and depressions, other problems would still remain. Thus the Board disclaims responsibility for our present economic plight and tells us, in effect, that the Federal Reserve System cannot be expected to do the things which I am sure 90 percent of all the American people expected of it in its inception. It happens that I agree with the Board in its evaluation of our present machinery for monetary control, but it is dismaying, to say the least, to find in the Board's statement not one paragraph suggesting a method whereby we can seek improvement. On the other hand, no critic of our present system of the private creation of our money in the form of bank credit could have delivered a more devastating account of the helplessness of the American Nation so long as that system continues.

To say that monetary measures alone cannot solve our problem unless supplemented by appropriate tax policy and programs of wise and effective governmental expenditure is to state the obvious. But surely this is not to conclude that because other things need doing too, therefore we should leave what the Board itself demonstrates to be an uncontrollable monetary system in its present unsatisfactory condition.

The statement of the Federal Reserve Board that it is powerless to control either the volume or flow of money in the United States is a truism. The significant thing is that the Board fails to suggest that it be given power to exercise effective control over the creation and destruction of demand bank deposits. Demand deposits, not currency, as the Board points out, are by far the most important part of our circulating medium.

Neither the Federal Reserve Board nor any other agency could possibly control the volume or flow of America's money so long as a system of the private manufacture of flat credit on the basis of fractional reserves behind demand bank deposits is in effect. This is the reason for proposing, as my bill, H. R. 4931, does, to establish a system of 100 percent reserves behind demand bank deposits, and to vest in a Government monetary agency, instead of the private banking system, the function of bringing money or credit into circulation.

The Board states that it cannot force banks to lend or people to borrow. Evidently this is true and the Board's statement in this respect is convincing proof, if any is needed, of the economic helplessness of a nation which depends upon a monetary system wherein its money is created solely through the borrowing of bank credit.

And the real point here is that so long as the Nation depends for an adequate supply of the medium of exchange on the private contraction of debt it will have an uncontrollable and, in a highly industrial age, positively dangerous monetary system.

What is needed is power in a Government monetary agency, not to control all prices, but to put in circulation a volume of money corresponding to the growth of the Nation's population and business life—thus maintaining a reasonable stability in the buying power of the dollar itself.

And as the Board infers, though without directly stating it, such expansion cannot be achieved merely by increasing bank reserves. Therefore such expansion must be achieved in much more direct fashion by having the governmental monetary agent put into circulation either by the purchase of Government bonds from the public or the payment of a portion of governmental expenses from such additional volume of money as may be required to make possible increased prosperity. Merely to increase the amount of excess reserves is likely indeed, as the Board says, to be ineffectual. To pay old-age pensions or reduce the outstanding debt by purchasing bonds from the public would on the other hand actually achieve the expansion we need.

To say, as the Board does, that there was in 1938 as much money—in the form of demand deposits plus currency—as there was in 1929, means very little unless two other factors are considered. First, the mere existence of demand deposits or reserves for the potential creation of such deposits means nothing unless those deposits are in active circulation; second, the country needed, in 1938, not merely as much money

as in 1929 but considerably more, on account of growth in population and productive capacity which had taken place in the 10-year period.

The Board says that the people are more concerned with the relationship between prices of things they buy and things they produce than they are with maintenance of general stability. This is merely to say that even with the achievement of a stability in the value of the dollar and the elimination of the dislocations resulting from violent fluctuation in that value, other problems would remain to be solved. This is true, but it hardly seems to me that we need to trouble the Federal Reserve Board to point out a thing so obvious, and neither does it seem to me that the Board's statement is in any way a refutation of the basic importance of attempting with all the power at our command to achieve "a dollar whose purchasing and debt-paying power will remain substantially constant."

No one, I hope, would be so foolish as to claim that merely by stabilizing the buying power of the dollar or by monetary measures alone can prosperity be assured. But the Board's statement will give added conviction to those people who believe that monetary measures can accomplish far more under a scientific system of control than is possible at present, and that without a dependable medium of exchange the effectiveness of other measures looking toward recovery is bound, at best, to be very transitory indeed.

The Board's statement of the weakness of its position under our present system of fractional reserves and private creation of money is, to me, at least, the most convincing proof that could be offered of the need for legislation to give the Nation effective control over the issue, volume, and flow of its money supply, including, of course, demand bank deposits.

EXTENSION OF REMARKS

Mr. Ludlow asked and was given permission to revise and extend his own remarks in the Record.

Mr. Nelson and Mr. Schiffler asked and were given permission to extend their own remarks in the Record.

CALL OF THE HOUSE

Mr. RANKIN. Mr. Speaker, I renew my point of order that there is not a quorum present.

The SPEAKER. The Chair will count. [After counting.] One hundred and twenty-seven Members are present, not a quorum.

Mr. JOHNSON of Oklahoma. Mr. Speaker, I move a call of the House.

A call of the House was ordered.

The Clerk called the roll, and the following Members failed to answer to their names:

[Roll No. 34]

Anderson, Calif. Fries Magnuson Mitchell Shannon Bell Blackney Goldsborough Grant, Ala. Monroney Simpson
Smith, Conn.
Smith, Iil.
Smith, Maine
Smith, Wash.
Somers, N. Y.
Starnes, Ala.
Stearns, N. H.
Sullivan Simpson Boykin Buckley, N. Y. Byrne, N. Y. Harrington Nichols Hart O'Connor Osmers Cannon, Fla. Hennings O'Toole Hoffman Creal Patman Jacobsen Kennedy, Md. Kennedy, Martin Curley Pfeifer Pierce, N. Y. Darden Dies Disney Ramspeck Kennedy, Michael Rayburn Kramer Sabath Lanham Sasscer Sumners, Tex. Vinson, Ga. Doughton Wigglesworth Durham Eaton, N. J. McCormack McGehee McKeough Schulte Schwert Scrugham Woodruff, Mich. Evans McReynolds Maas Seger Shafer, Mich. Ferguson Ford, Leland M.

The SPEAKER. Three hundred and fifty-nine Members have answered to their names. A quorum is present.

On motion of Mr. Johnson of Oklahoma, further proceedings under the call were dispensed with.

PERMISSION TO ADDRESS THE HOUSE

Mr. COX. Mr. Speaker, I ask unanimous consent to proceed for 2 minutes.

The SPEAKER. Is there objection to the request of the gentleman from Georgia [Mr. Cox1?

There was no objection.

Mr. COX. Mr. Speaker, during the day I shall offer a resolution to broaden the powers of the Appropriations Committee of the House so as to make possible a full investigation of the W. P. A. by this committee.

The resolution does not arise out of prejudice against anything or anybody but is intended to be used as the means for the development of facts.

There are those who believe the record of the W. P. A. to be good, others who believe it to be altogether bad. Some think that it is a racket, other a well-behaved agency of the Government. Some say that it puts too much emphasis on boondoggling; others, too little. Some contend that it has spent the billions of public moneys put into its hands in a wise, economical, and fruitful manner; others, that it has consciously used these billions to undermine the morale of the people, to destroy public confidence in constitutional government, and to prepare the way for transition into some form of state collectivism—certainly, to some it smells good and to others very bad. I take it that all would like to know what it is, fish or fowl, good or bad.

The Appropriations Committee has been selected to do this work because it is well established in the confidence of the House and the country and has the facilities for making a good job of the undertaking. [Applause.]

[Here the gavel fell.]

EXTENSION OF REMARKS

Mr. CELLER. Mr. Speaker, I ask unanimous consent to extend my own remarks in the Record and to include therein a radio address by myself and the gentleman from Massachusetts [Mr. McCormack], and I also ask unanimous consent to extend my remarks to include a radio address of myself and Dr. Winkler, of City College.

The SPEAKER. Is there objection to the request of the gentleman from New York [Mr. Celler]?

There was no objection.

MESSAGE FROM THE PRESIDENT—ADDITIONAL APPROPRIATION FOR RELIEF (H. DOC. NO. 205)

The SPEAKER laid before the House the following message from the President of the United States, which was read and referred to the Committee on Appropriations and ordered to be printed:

To the Congress of the United States:

At the opening of this session I advised the Congress of the number of needy unemployed persons who were able to perform useful work. The estimates, based on actual and estimated figures, showed that in the judgment of the executive branch of the Government 3,000,000 persons should continue to be employed during the winter months, followed by a reduction to 2,700,000 persons during the latter part of the 5-month period ending on June 30, 1939. The amount of money required to supply these needs was estimated at \$875,000,000.

Early in February the Congress appropriated \$725,000,000, with directions that the number of persons on the relief rolls should not be decreased in number more than 5 percent during February and March and, in effect, requesting me to recheck the new situation thus created and advise the Congress of the result.

On February 7, I reported to the Congress that the reduction in the appropriation in itself created an emergency; that the number of persons on the relief rolls and on the "waiting list" had not decreased in number since early January; that as a result the need of these people was as great as before; that by continuing their employment during February and March half of the entire appropriation would be expended, leaving only the other half of the appropriation for the maintenance of relief during April, May, and June; that the amount of money remaining after April 1 would make it necessary to discharge, between that date and June 30, nearly half of the numbers on relief: that this, in my judgment, would constitute a definite hardship; and that I was advising the Congress of this fact in order to give sufficient time to study the conditions which would result from the curtailment of funds.

April 1 is approaching; and in pursuance of the spirit of the request for further information, I feel impelled again to call the attention of the Congress to the very serious situation which exists. Within about 3 weeks the reduction of Works Progress Administration employment must begin in order that the remainder of the appropriation may be apportioned over the months of April, May, and June, unless more money is appropriated quickly.

Since my messages of January and February, a careful checkup shows that there has been no substantial change in the conditions of unemployment. On the contrary, recent data have become available substantiating the real need for an additional appropriation of \$150,000,000.

Partly because of seasonal conditions, the volume of employment has decreased since the end of December. This includes industrial and agricultural employment. Therefore, the need for unemployment relief has increased.

Due to the seasonal factors, Works Progress Administration employment was maintained in February at an average of 2,996,000 persons, and the average for March is being held at approximately the same figure.

Despite this fact, the number of persons now certified as being in need and eligible for employment is actually higher than it was a month ago. This so-called "waiting list" actually does not reflect the total needs, because in certain States certifications of eligibility are not given to the Federal authorities by the local public relief agencies until actual vacancies exist to which needy persons can be assigned.

It is my belief that improvement in business conditions between now and June will result in substantial increase in employment. However, based on the experience of the past, it cannot be expected that this increase will absorb more than 300,000 of those who are now on the Works Progress Administration rolls or who have been certified as in need and awaiting assignment.

That means that the present total of these two categories, 3,850,000 persons, would be reduced to 3,550,000.

In accordance with the requirements of the recent appropriation law, approximately 30,000 aliens have been removed from the rolls. The current investigation of the actual need of relief employees will shortly be completed in the field, but it is already clear from preliminary reports that the number who will be eliminated will not exceed 5 percent of the total and may be considerably less.

All possible economies in administration and operation are being sought and will be constantly checked, but here again the cold facts, which have been given insufficient emphasis, require restatement.

Out of every \$100 of Federal funds expended by the Works Progress Administration, only \$3.50 is for administrative overhead; \$10.50 is spent for materials, equipment, and supplies; \$86 is paid out directly in the form of wages. As a business proposition, it occurs to me that some modicum of commendation is in order.

If no additional appropriation is made, the Works Progress Administration must of necessity issue instructions, within the next week, to reduce the number employed. The plan proposed by the Administrator is to effect a reduction of approximately four hundred thousand in the first week in April and a further reduction of six hundred thousand in the first week in May. This will reduce the total employment to 2,000,000 persons.

However, even these drastic cuts will not be sufficient to make the available fund last through to June 30 and still comply with the requirements of the statutes. Therefore, a still further reduction of more than two hundred thousand will have to be made early in June.

This plan has been recommended as being preferable to a program of week-to-week reductions, because under the latter more persons would eventually lose their jobs.

Under the proposed plan, the number of persons who will be thrown out of employment in the near future is 1,000,000—growing to over 1,200,000 before June 30. The number of persons, including dependents, affected by this reduction will be 4,000,000 within the next few weeks and nearly a million more later on.

To these must be added the "waiting list" category, because it is obvious that while people now on the rolls are being discharged no people can be employed from the "waiting list."

I am of the opinion that States, counties, and municipalities are doing, in the overwhelming majority of cases, all that their finances will permit to meet the situation.

I further believe that, with few exceptions, those who are employed are actually in need and are not receiving more than they should in the form of Federal assistance.

It is the obvious duty of the Chief Executive to point out the need which exists and to give all possible factual information. This I have attempted to do in order that the legislative branch of the Government, in which the final decision and full responsibility necessarily rests, may act.

Because it has been alleged that I would be satisfied if no further appropriation were made for the coming 3 months, I feel that, in justice to myself, I must make it clear that I am not sending this message to the Congress merely for the

purpose of going through motions.

For more than 6 years it has been the definite policy of the President and the Congress that needy persons, out of work, should not be allowed to starve; that it was an obligation of the Federal Government to give work to those able to work and an obligation of State and local government and of private charities to take care of those needy persons who are unable to work.

That policy, I am more than ever confident, is right. It should not be abandoned now.

It is wholly within the right of any and all of us to study and work for the greater efficiency of government. For several years infinite study has been given to the problems of relief in all its forms; additional studies are proper.

But the Government of the United States is faced today with a condition and not a theory. The insufficiency of the money appropriated will compel the Administrator to discharge about a million and a quarter actual workers in the immediate future.

I cannot bring myself to believe that these discharged men and women will contribute to the prosperity of the United States, nor do I believe that the merchants and landlords they are now dealing with will become more prosperous when their trade ceases.

Therefore, the responsibility for the situation in which all of these people will find themselves during the coming 3 months rests of necessity within the decision of the Congress of the United States.

FRANKLIN D. ROOSEVELT.

THE WHITE HOUSE, March 14, 1939.

EXTENSION OF REMARKS

Mr. CARTWRIGHT. Mr. Speaker, I ask unanimous consent to extend my own remarks in the Record and include therein a short quotation relative to the Philippines.

The SPEAKER. Is there objection to the request of the gentleman from Oklahoma?

There was no objection.

Mr. COFFEE of Washington. Mr. Speaker, I ask unanimous consent to extend my own remarks in the Record and include therein a letter from a resident of my State and my reply thereto.

The SPEAKER. Is there objection to the request of the

gentleman from Washington?

There was no objection.

INTERIOR DEPARTMENT APPROPRIATION BILL, 1940

Mr. JOHNSON of Oklahoma. Mr. Speaker, I move that the House resolve itself into the Committee of the Whole House on the state of the Union for the further consideration of the bill (H. R. 4852), making appropriations for the Department of the Interior for the fiscal year ending June 30, 1940, and for other purposes.

The motion was agreed to.

Accordingly, the House resolved itself into the Committee of the Whole House on the state of the Union for the further consideration of the bill H. R. 4852, with Mr. Buck in the chair.

The Clerk read the title of the bill.

Mr. RICH. Mr. Chairman, a parliamentary inquiry. The CHAIRMAN. The gentleman will state it.

Mr. RICH. The first paragraph of the bill has been read, Mr. Chairman. My inquiry is, Is it permissible now to strike out the last word of the first paragraph?

The CHAIRMAN. The gentleman may make such a motion if he desires.

Mr. RICH. Mr. Chairman, I move to strike out the last word.

Mr. Chairman, this is the first paragraph of the Interior Department appropriation bill for the year 1940. You have just heard the message of the President of the United States stating there are more people on the unemployment list today than there were sometime ago, and that the list is gradually growing longer. An admission of his inability to cope with the unemployment situation after 6 years of his administration and going in debt \$20,000,000,000. This morning's paper revealed the fact that the administration will not ask to increase the national debt limit—a wise decision at this time. This statement as being made yesterday by Secretary Morgenthau in discussing the question of increasing the national debt "ceiling":

It should be increased, he said, but Congress will have to take the initiative if it is done. He remarked, incidentally, that the way to economize—if Congress is bent on economy—is to cut appropriations instead of voting huge sums and then refusing to give the Treasury authority to spend the money.

We are now starting the consideration of the Interior Department appropriation bill for 1940 for the fiscal year beginning July 1 next. If the responsibility, as was stated by the Secretary of the Treasury, belongs to the Congress, then it is time for Congress to act. The President says the responsibility belongs to you. We have for the past 5 years increased practically every appropriation above what it was the year before. We are increasing this bill \$15,000,000 over what it was last year. This cannot go on. Something must be done. The responsibility is yours, and what are you going to do about it? There are many provisions in this bill to which we are going to offer amendments to strike out and cut down. If you are going to assume your responsibility, you will help us cut this bill at least \$40,000,000. The other day the gentleman from Virginia [Mr. WOODRUM] said, "What are you going to do with the Interior appropriation bill?" I say to you, I tried my best to cut this bill down below what it now is before it came into the Committee, but without success. We are here before you as the Congress today. We are going to ask you to assume your responsibility. We are going to ask you to help us to cut this bill down. Can we expect your assistance?

May I say I am not any more interested in cutting down the Interior appropriation bill than any other appropriation bill. I am interested in cutting down every appropriation bill. Do not get me wrong on that. There is not a bill that comes before the Congress in connection with which we have the responsibility of making an appropriation, as was stated by the Secretary of the Treasury, on which we should not have the red blood in our veins and the backbone to say we are going to operate the Federal Government on a good, sound, and sensible business basis. That is your responsibility, and that is my responsibility. Are we going to rise to the occasion? It is up to you, and it is up to me. I am going to stay here and do my work and try to do my duty. If you will do this yourselves, I feel sure we will not have to increase the national debt above \$45,000,000,000 but can hold it there, and we will take care of the people on relief just as soon as we give confidence to the people back home so the business interests of this country will be able to start the wheels of industry turning and will be able to have confidence that there is still opportunity ahead in America. The boys and girls who are going to school and trying to get an education want the same opportunities you have had; the same opportunities our forefathers had. Are we going to continue to give these opportunities to them, or are we going to put a millstone around their necks in the form of a national debt they will be unable ever to meet because we ourselves are unable to meet it? It will show that we as Congressmen are

not able to meet the situation if we continue to increase each appropriation bill and the national debt. [Applause.] [Here the gavel fell.]

EXPAND THE CURRENCY AND RESTORE PROSPERITY

Mr. RANKIN. Mr. Chairman, I rise in opposition to the pro forma amendment.

I believe it is about time that Congress began to understand that we never can balance the Budget by economy. We have long since passed that day. When this depression began in 1929, on the floor of this House I begged the Congress to do the one thing by which we could recover, to put on a reasonable, controlled expansion of the currency, which would raise commodity prices to their normal levels, start business moving, and restore prosperity to the American farmers, all without engaging in a great campaign of Federal expenditures.

I know, and every other well-informed man knows that we never can restore prosperity or balance the Budget by borrowing from the rich and giving to the poor money which the masses of the American people, the middle classes, the toiling masses, if you please, the farmers, the laborers, and the small-business men, will have to pay back with interest.

Let us not deceive ourselves. We cannot balance the Budget by economy, nor can we restore prosperity by cutting down Government expenses now.

We are being crucified on a cross of gold. We are now in a money panic. Our circulating medium is insufficient to restore commodity prices. Two things are necessary to maintain price levels; one of them is a sufficient volume of the Nation's currency, or circulating medium. The other is a sufficient velocity of its circulation. Our volume is down and the velocity of our circulation is almost at a standstill. Why? Because in the first place we are stymied behind a tariff wall. The very map of the world has become a barbed-wire entanglement of tariff barriers behind which international trade has long been stagnant and international commerce has become paralyzed.

We expanded the currency during the World War to get money with which to fight the war, and while we were engaged in that cause there was a rise in farm prices and in other prices, and our farmers and businessmen got in debt. They created obligations and regulated their business affairs as well as their standard of living on those price levels.

Then they brought on a depression, contracted the currency through the Federal Reserve System, which has been responsible during its existence for more depression than any other one thing in the history of this Republic for the time it has been in existence.

They then started in and collected the gold supply of the world, and what did they do with it? They buried it in the ground like the foolish man of Biblical times.

We cut the gold content of the dollar—and I helped to do it—with the understanding that we were going to thereby reduce, if you please, or depreciate the value of the dollar and in that way raise commodity prices so as to restore prosperity to our business; but instead of that, the men who are now advising us—and I am not talking about the President—took this gold, or advised him to take this gold, and bury it in the ground. We have more than \$10,000,000,000—probably \$15.000.000,000—buried in the ground in Kentucky.

Now, the thing to do is to bring that gold back and issue currency against it—American money, if you please—based on a 40-percent gold coverage, as the law requires, until we raise commodity prices back to where the American people can live and pay their debts and then stabilize them.

You cannot do this by quibbling around here like a tempest in a teapot, talking about cutting down this appropriation and that appropriation, nor can you restore prosperity by spending public money.

On the present price levels, with the present volume of your circulating medium and its present velocity of circulation you cannot balance this Budget in 100 years, nor can you restore prosperity; and you might as well forget it. We are going to have to change the system. [Applause.]

[Here the gavel fell.]

Mr. CRAWFORD. Mr. Chairman, due to the prolific nature of the New Deal, our Government has become like the old woman who lived in the shoe. We have so many children we know not what to do.

Consequently we go out and take over apartment buildings constructed to carry the weight of chairs, tables, beds, and other household goods, and tear out partitions right and left and then install heavy tabulating machinery and other equipment.

Is it any wonder Government employees labor under the shadow of fear for their lives when they are transferred to some of these remodeled buildings?

I particularly refer at this time to the recently acquired Government building formerly known as the Corcoran Courts, at Twenty-third and D Streets NW.

The Bureau of the Census has admitted to me that it turned down this building for its office quarters because the structure would not bear the load of heavy tabulating machines and other machinery used by that division. The office of the Surgeon General, which has been assigned to the first four floors of the building, has informed me it has been warned that the floors will not carry the weight of the complete battery of files used by that section, and that either more floor space must be obtained or some of the files stored in another part of the city. I am advised all of these files are used from time to time, and it hardly makes for efficiency to have them scattered about.

This Corcoran structure is an eight-story apartment building, and many partitions have been removed to provide large rooms. Surely this will have a tendency to lessen the supports of the structure.

I am advised that tons and tons of machinery used in the office of the Chief of Finance are to be shifted to the top floor of this building. The top four floors will be used by the Finance Section of the War Department. I am not an engineer, but it appears folly to me to place this enormous load on the very top of the building.

Federal employees about to be shifted to this building are greatly concerned. The matter of their safety in the building is common talk among them. Some of them have called my office. Apparently nothing is being done by responsible officials in charge to set at rest these reports.

Of course, the War Department employees have heard stories about the Ford Theater disaster in 1893, when many War Department employees were hurt, some permanently, in the collapse of the floors of that building, which was remodeled to house the records and pension section of the Department.

If the Corcoran Building is deemed safe from an engineering standpoint, these employees are entitled to know it. In view of the fact they have appealed to Congress, then we, too, are entitled to know and have it as a matter of record. These employees should not have their minds distracted day and night by these rumors—and that is what is happening. Such a feeling is hard on the morale and efficiency of these Federal agencies.

To obtain something definite on this matter I have today presented a resolution asking the Secretary of the Interior to furnish us with this information. If the fears of these employees are without foundation, then let us give them the facts relative to the sound construction of the building. [Applause.]

Mr. BURDICK. Mr. Chairman, I rise in opposition to the pro forma amendment.

Mr. Chairman, I want to take occasion at this time to discuss the matter of the Indian legislation in this bill because I notice my friend from Missouri is present. I think this House has been "ghosted" for the last 4 years on Indian legislation by the gentleman from Missouri, and I want to give you the facts about what has happened in reference to Indian legislation in the last 87 years.

The Court of Claims was established 87 years ago, and during those 87 years claims to the amount of \$2,187,000,000 have been presented to the Court of Claims. The total recovery on Indian claims in these years is less than the amount

of money the gentleman from Missouri wanted for the Jefferson Memorial in St. Louis.

Mr. COCHRAN. Mr. Chairman, will the gentleman vield?

Mr. BURDICK. I will yield to the gentleman any time.
Mr. COCHRAN. Will the gentleman show me in any part
of the Record of this House or in the Government files where
I asked for one dollar for the Jefferson Memorial?

Mr. BURDICK. Yes; I will. Mr. COCHRAN. Where?

Mr. BURDICK. On January 3, 1934, in the House, House Resolution 213.

Mr. COCHRAN. Introduced by request and withdrawn by me.

Mr. BURDICK. I do not care whose request it was; the gentleman introduced it.

Mr. COCHRAN. It was withdrawn. Read my speeches in the RECORD and the gentleman will find I am on record in reference to that.

Mr. BURDICK. I will answer anything the gentleman asks. I do not care what the gentleman subsequently did. I said the gentleman introduced that resolution, and the Record of this House shows it.

Now, in the entire 87 years the Indians have recovered \$20,595,000, or about one-fourth of the cost of a battleship well equipped.

Yet when the Indian bill comes in here the gentleman from Missouri [Mr. Cochran] says the Indians are going to bankrupt this Government, and a lot of you believe it. Let me tell you that in percentage the amount recovered on Indian claims in 87 years has been a little over 1 percent of what they have asked for, and remember also when a jurisdistional bill comes in here the Indians do not ask for a dollar. The only thing they ask for is an opportunity to present their claims to the Court of Claims, if they have anything, and yet we refuse to let them do it. No Member of this Congress can justify that stand. If the Indians have a just claim against this Government, we ought not to refuse them an opportunity of being heard upon it, and if the claim is baseless, then let it be thrown out. A lot of gentlemen on my side of the House object to these bills, because we have inserted a clause that the Indians have a right to appeal to the Supreme Court of the United States. We put that in, because if you do not do that, the case goes up under a certiorari, and anyone here who is a lawyer-and most of those who object to these bills are lawyers-knows that a writ of certiorari does not review the competency of the evidence, that all it does is to certify that on the outside the appearance of the record is correct, but you cannot inquire into the merits of the case at all; so it is meaningless, and since there is only 1 percent actual recovery on Indian claims, is there anything to be feared about letting these Indians present their claims to the Court of Claims? Nothing in the world. How you gentlemen can follow this kind of advice, especially from the gentleman from Missouri, when the cost of that memorial to Jefferson in St. Louis will be \$10,000,000 more than the amount we have paid all of the Indians in the United States in the last 87 years, is more than I can understand. I will give this House the actual figures on Indian legislation prepared by the Court of Claims itself up to March 31, 1936.

The Court of Claims was established in 1855, and since that time only 192 Indian claims had been presented to this court in this whole period of 87 years.

The total claims made by the Indians in these 87 years was \$2,187,799,859.90, and the total recovery was \$20,595,666.67; and taking all Indian claims from the beginning to 1936 the recovery did not exceed 2.34 percent. During this period only 27 cases were decided favorably to the Indians.

The average time consumed in the trial and decision of an Indian claim in the Court of Claims is 4 years and 11 months; the longest case 9 years and 11 months, and the shortest case $6\frac{1}{2}$ months.

Nearly all of these cases require audits to determine offsets, and the average length of time for an audit in an Indian case is 3 years, the shortest time 8 months, and the longest case 8 years and 11 months.

I will insert in the Record what Indian cases have been before the Court of Claims since March 31, 1936, just as soon as I receive this information from the court.

Please remember, also, that these Indians are the wards of this Government and we are their guardians. The Indians had no voice in creating this relationship, and hence the utmost good faith is required of this Government as a matter of law. The utmost justice should be shown them—more than to an ordinary citizen who is free to act for himself. For that reason an appeal to the Supreme Court of the United States from a decision of the Court of Claims is the only method by and through which we can offer them this degree of justice and equity to which we must respond because of our fiduciary capacity. To say they are entitled to no more right on appeal than an ordinary citizen is to completely forget this relationship which we have ourselves created without the consent of the Indians. [Applause.]

The CHAIRMAN. The time of the gentleman from North Dakota has expired.

Mr. COCHRAN. Mr. Chairman, I move to strike out the last three words. I compliment the gentleman from North Dakota [Mr. Burdick] for his defense of the Indians. He was raised in the same country with a great tribe of Indians and he can talk their language. He should know more about the Indians than any other Member of this House, and probably does, but he does not entirely understand my position, judging from his many speeches on this subject.

I do not know how much the Indians have recovered in their suits in the Court of Claims, but I do know in the last Congress that we appropriated nearly \$10,000,000—appropriated—in the last deficiency appropriation bill. I justified my opposition to the pending Indian bills last week. My speech is in the Record. The gentleman says that there have been \$2,100,000,000 in claims filed since the Court of Claims was established. The Department of Justice tells me that at the present time there is more than that amount pending, and the figures are in the Record. Who is correct? I accept the Department of Justice figures. As far as this bill is concerned, you can search the Record for the last 12 years and no one will find where I ever made a motion of any character against any Indian appropriation in the Department of the Interior appropriation bill.

I am willing that the Indians go before the Court of Claims. I am willing that the cases that are pending now shall be heard if Members of Congress will leave the cases as they are and not try and change the jurisdictional laws which allowed them to sue the Government. I insist the Government have the opportunity of presenting its side of the case, a proper defense, but the gentleman is not satisfied with that. The gentleman wants to amend the original jurisdictional act, so as to take away from the Government this right of defense. That is what he wants and that is what I am opposed to.

Mr. CASE of South Dakota. Mr. Chairman, will the gentleman yield?

Mr. COCHRAN. Not now. Please let me complete my statement. Congress changed the jurisdictional acts in the two cases that were decided against the Government and it cost the taxpayers of today nearly \$10,000,000, which you will find appropriated in the last deficiency bill in the last session. You cannot dispute that statement. Let the cases that are in the Court of Claims now that have been certified remain there, and let them be tried. I repeat, I am only opposed to putting the Government at a disadvantage.

Mr. CASE of South Dakota. Mr. Chairman, will the gentleman yield there?

Mr. COCHRAN. Not for the moment. I have another matter to talk about.

In regard to the Jefferson Memorial, I am one public official in the city of St. Louis who has voiced his opposition to a memorial building on the river front in St. Louis, and I did so on the floor of this House. Read my speech in the Record. At the request of the city officials of St. Louis and the committee, which was comprised of residents of almost all the

States covered by the Louisiana Purchase, I introduced a resolution, and on the day I introduced it I gave a statement to the newspapers that there was not one chance in a million for Congress to appropriate the money. After that I introduced another resolution which did not provide for any money but for the appointment of a commission, and at the time it was considered I made a speech on the floor of this House. I said then, and I repeat it now, that the time would never come when I would ask this Congress for money for that purpose, and I propose to keep my word. I never have and never will.

Mr. BURDICK. Mr. Chairman, will the gentleman yield? Mr. COCHRAN. Yes; I yield to the gentleman who brought the subject up.

Mr. BURDICK. But the fact is that the Government has already spent \$6,750,000 for this purpose in St. Louis, is it not? Mr. COCHRAN. The Government made an award to the city of St. Louis from the P. W. A.

Mr. BURDICK. Yes. Mr. COCHRAN. It likewise provided money from the W. P. A. to hire relief labor to clear the site and do the landscape work and the city of St. Louis put up a certain amount of money. They have not yet turned a spade; they have not even bought the property. They do not know whether or not they will have sufficient money to buy the property, and until they do the project cannot proceed. That is the status of it

After the site is purchased, the land cleared, and the landscape work completed, then will come the question of a memorial building if the original plans are to be carried out. St. Louis cannot use any money set aside unless the Government advances money; so you see if there is ever to be a building, they will have to come to Congress.

Mr. BURDICK. Mr. Chairman, will the gentleman yield further?

Mr. COCHRAN. I yield. Mr. BURDICK. As a matter of fact, is there any difference whether the money comes from the P. W. A. or from any other source, as long as it is Government money?

Mr. COCHRAN. The city of St. Louis is entitled to P. W. A. money and W. P. A. money as well as the gentleman's own State.

Mr. BURDICK. But you say they have not spent any of this \$6,000,000.

Mr. COCHRAN. The project originally was to cost \$33,-000,000. It is down now to about \$9,000,000. The city of St. Louis is paying part of the cost. I do feel we are entitled to P. W. A. and W. P. A. money the same as any other city. am not going to help get any money from Congress for a building because I promised I would not.

Mr. Chairman, no Member of this House need feel he can embarrass me by talking about the Jefferson Memorial in St. Louis. The people of my city know my position, and Members of Congress should know it because I have made numerous speeches on the subject. I am not talking one way and acting another. To tear down 40 blocks of buildings, some nearly a hundred years old, and create a river-front park undoubtedly will be of benefit to St. Louis. It is a proper site for a memorial commemorating the Louisiana Purchase. If the park is ever created, then I would advocate a great granite shaft to be erected in the center; but I never have, and never will, urge the construction of a \$20,000,000 memorial building. This correctly states my position, and I think the language is plain enough for anyone to understand it.

The CHAIRMAN. The time of the gentleman from Missouri has expired.

ADVANTAGES TAKEN OF THE INDIAN

Mr. CASE of South Dakota. Mr. Chairman, I rise in opposition to the pro forma amendment.

Mr. Chairman, the gentleman from Missouri [Mr. CocH-RAN] is the able chairman of the Committee on Expenditures in the Executive Departments. The particular executive department that seems to arouse and attract most of his activity is that which has to deal with expenditures for the

Indians. In his remarks just concluded he said he had no objection to the prosecution of claims that were before the courts, but that what he was objecting to was the amendment of the jurisdictional acts. I would like to call the attention of the Members of the Congress to the fact that the gentleman from Missouri [Mr. Cochran] has repeatedly objected to bills which would only restore to the Indians rights that were guaranteed to them in the original jurisdictional acts.

The right of appeal to the Supreme Court on the merits of a case was granted in many Indian-claim bills, but was taken away from them purely by interpretation of the Judicial Code that was adopted in 1925. By retroactive decision, so to speak, the right of appeal to the Supreme Court was reduced to that of applying for a writ of certiorari. Many bills which the gentleman has killed by parliamentary objection did not seek to amend the original jurisdictional acts; they only sought to restore and preserve a right recognized in the original acts-a hearing before the Supreme Court on the merits of the claim.

The gentleman said in his remarks to which he referred, those which he placed in the RECORD last week, that he would use every parliamentary means at his command to defeat consideration of bills of that character. That is exactly true; he would, does, and has. He boasted last week that in 1935 he attached a rider to an appropriation bill that would require the courts to charge against treaty claims every dollar spent for Indian affairs, regardless of whether the expenditure met treaty guaranties or not, and regardless of whether similar expenditures for white citizens was charged against them or not. I was not here in 1935. But I am told that 1935 rider was attached to an appropriation bill that came to the floor under a special rule to prevent its being taken out by a normal point of order.

The gentleman is honest and frank. By his own words he demands for himself every parliamentary weapon; he takes from Mr. Indian even normal parliamentary protection. He knows the tricks. He, armed, insists that the Indian shall be disarmed.

That is exactly what has happened in the entire history of this Government's treatment of the Indians. It has taken advantage of every parliamentary procedure; it has taken advantage of its skilled, technical knowledge of the law and language to whip into submission and take advantage of the illiterate and untrained Indians. That is what has been the cause of the shame and dishonor this country has had in its treatment of the American Indian.

The gentleman referred to the figures which he placed in the Record last week with respect to the amount of claims pending in various cases before the courts at the present time. The gentleman did not offer the figures during his speech. Those were inserted later under his permission to revise and extend. If the gentleman wants to rely upon figures placed in the RECORD and wants an accurate picture placed before the Congress, he should ask permission to correct the figures he placed in the RECORD last week, because in instance after instance those figures are in error.

I am not saying the gentleman made the error. He did not. He only submitted a list that was furnished him by the Attorney General. In several instances interest amounting to millions and millions of dollars was figured in and listed in cases where no interest is claimed, and in cases where no interest is ever given by the courts. In other instances interest was figured at 6 percent, whereas under the procedure of the courts and the recognized rights in those cases. only 5 percent could be charged. I do not know why the Attorney General furnished the gentleman with those misleading figures. I would not accuse the Attorney General of trying to terrorize the Congress, but certainly this must take the aspect of some special pleading to prejudice Congress against proper consideration of Indian legislation.

The Indian is not asking for any treatment in these jurisdictional bills other than that which he would accord to the Government, and the gentleman, in his concern for the Treasury of the United States, might well consider what will happen in some of those cases if a verdict is given to the Indians in

the Court of Claims and the Government itself has lost its right to have the merits of the case reviewed by the Supreme Court. If the Government is also restricted to appealing merely on a writ of certiorari, he may find that he has let the Government in for some very large judgments and lost for the Government also the protection he took from the Indians

The Indian is willing that those cases should go before the courts upon their merits, both in the Court of Claims and before the United States Supreme Court. When the gentleman asks for some special parliamentary means to defeat consideration of a case upon its merits, it is a confession of weakness in the Government's case, a confession that he is afraid to submit the Government's case to even-handed justice. Personally I believe that this fair-minded Congress wants to have the Indian cases heard and considered on their merits. [Applause.]

The CHAIRMAN. The time of the gentleman from South Dakota [Mr. CASE] has expired.

Mr. JOHNSON of Oklahoma. Mr. Chairman, I ask that all debate on this paragraph close in 5 minutes. We have had two days of general debate, and I believe it is not unreasonable to ask that debate on this paragraph close in 5 minutes

The CHAIRMAN. Is the gentleman submitting a unanimous-consent request?

Mr. JOHNSON of Oklahoma. I make that unanimousconsent request, Mr. Chairman.

The CHAIRMAN. Is there objection to the request of the gentleman from Oklahoma?

Mr. SCHAFER of Wisconsin. Mr. Chairman, I object.

Mr. JOHNSON of Oklahoma. Then, Mr. Chairman, move that all debate on this paragraph and all amendments thereto close in 5 minutes.

Mr. SCHAFER of Wisconsin. Mr. Chairman, I raise the point of order that there is not a quorum present.

The CHAIRMAN. The Chair will count. Mr. SCHAFER of Wisconsin. Mr. Chairman, in order to expedite action on the bill, I withdraw the point of order.

The CHAIRMAN. The question is on the motion of the gentleman from California that all debate on this section and all amendments thereto close in 5 minutes.

The motion was agreed to.

Mr. SCHAFER of Wisconsin. Mr. Chairman, I move to strike out the last three words.

Mr. Chairman, with a great deal of interest I listened today to the confessions of New Deal leaders admitting the failure of several of their administration measures. First, the gentleman from Mississippi [Mr. RANKIN] admitted the complete failure of and indicted the monetary policies inaugurated under the New Deal. Then the gentleman from Missouri [Mr. Cochran], the chairman of the great Committee on Expenditures in the Executive Departments, which does not perform the investigating duties with which it is charged under the rules of the House, admitted unjustifiable raids on the Treasury under Indian legislation sponsored and enacted by the New Deal within the past few years.

I hope my Republican colleague the gentleman from North Dakota [Mr. Burdick] will not continue to chide the distinguished gentleman from Missouri [Mr. Cochran] because he supported the appropriation of many millions of dollars for a Jefferson Memorial. The New Deal has strayed far from the fundamental principles and policies of government expounded and practiced by Thomas Jefferson. Our New Deal friends, no doubt, ease their consciences by spending millions of dollars to erect a great memorial in honor of the man whose principles and policies they have repudiated. The New Deal has embraced the socialistic, communistic ideas of a regimented soviet bureaucracy imported direct from Moscow, the original land of planned economy.

Under New Deal monetary legislation and policies, which were denounced today by your own New Deal leader, the gentleman from Mississippi [Mr. RANKIN], our American citizens were forced to turn in their gold to the Treasury for \$20.67 an ounce or go to the Federal penitentiary for 5 years. The New Deal then imported more than \$8,000,000,000 worth

of gold at \$35 an ounce, from foreign countries, mostly from France and England, which owe the taxpayers' Treasury more than \$10,000,000,000. I submit that if the gentleman from Missouri wants to practice economy in a big way, he should not be devoting so much of his great ability and energy to saving a few millions at the expense of our American Indians. He should devote his great ability and energy to saving many billions of dollars at the expense of foreign gold producers. importers, and speculators, who have been waxing fat under the New Deal monetary program.

As a new member of the Committee on Indian Affairs, I

shall give very careful consideration to the Indian questions which the gentleman from Missouri [Mr. Cochran] has brought to the floor of the House. I sincerely hope, however, that our New Deal Commissioner of Indian Affairs, Mr. John Collier, will practice what he preached before the advent of the New Deal with reference to the administration of Indian affairs. [Applause.]

The Clerk read as follows:

OFFICE OF THE SECRETARY

Salaries: For the Secretary of the Interior, Under Secretary, First Assistant Secretary, Assistant Secretary, and other personal services in the District of Columbia, \$554,720: Provided, That in expending appropriations or portions of appropriations contained in this act for the payment for personal services in the District of Columbia in accordance with the Classification Act of 1923, as amended, with the exception of the First Assistant Secretary and the Assistant Secretary, the average of the salaries of the total number of persons under any grade in any bureau, office, or other appropriation unit retary, the average of the salaries of the total number of persons under any grade in any bureau, office, or other appropriation unit shall not at any time exceed the average of the compensation rates specified for the grade by such act, as amended, and in grades in which only one position is allocated the salary of such position shall not exceed the average of the compensation rates for the grade, and the compensation rates for the grade of the compensation rates for the grade. not exceed the average of the compensation rates for the grade, except that in unusually meritorious cases of one position in a grade advances may be made to rates higher than the average of the compensation rates of the grade but not more often than once in any fiscal year, and then only to the next higher rate: Provided, That this restriction shall not apply (1) to grades 1, 2, 3, and 4 of the clerical-mechanical service, or (2) to require the reduction in salary of any person whose compensation was fixed as of July 1, 1924, in accordance with the rules of section 6 of such act; (3) to require the reduction in salary of any person who is transferred from one position to another position in the same or different grade in the same or a different bureau, office, or other appropriation unit; (4) to prevent the payment of a salary under any grade at a rate higher than the maximum rate of the grade when such higher rate is permitted by the Classification Act of 1923, as amended, and is specifically authorized by other law; or (5) to reduce the compensation of any person in a grade in which only one position is allocated.

Mr. WHITTE of Chica Mr.

Mr. WHITE of Ohio. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. White of Ohio: Page 2, line 6, at the beginning of the line strike out "\$554,720" and insert in lieu thereof

Mr. WHITE of Ohio. Mr. Chairman, this amendment is offered for the purpose of holding the publicity expense of the Department of the Interior, office of the Secretary, to its present limit. There is a tendency in practically every branch of government constantly to expand, everlastingly to enlarge the operation of these propaganda divisions. It seems a great many of them are trying to take a page out of Goebbels' book of propaganda.

On this particular item the testimony in the hearings shows \$50,000 was allowed last year to cover the expense of legitimate but sometimes unnecessary press relations activities, or propaganda work. They propose now to add 21 additional positions in this office, and the Secretary of the Interior says it will add a cost of \$36,740. You will note the reduction I have suggested merely cuts out the proposed increase.

The amendment is submitted to the Committee on the basis of the contention that they already have enough people in this Department handling press relations. I think each and every one of us knows that the time of these people is spent in preparing press hand-outs that usually are superfluous and not very useful. I happen to be in the newspaper business myself, and I dare say there is not a reporter in the House gallery who would not tell you that the propaganda machinery is overmanned in most all of the departments and a lot of that work is silly and useless. A good reporter gets the

real news without the propaganda gristmill. I think this is not a necessary function, and I think they can take care of the work that should be done along this line by their present force and at an expense not exceeding \$50,000, the amount that will remain in this bill if my amendment is adopted.

The testimony of the Secretary before the committee called attention to the fact that they have a motion-picture division and also a radio division down there; in other words, they are building up a gigantic organization to produce a steady stream of publicity or propaganda. In this particular case Mr. Ickes called attention to the fact that they had a very lovely entertainment not very long ago in the form of a radio broadcast dramatizing the annual report of the Secretary of the Interior to the President of the United States. I do not know whether they paid for the broadcasting time or not, but they certainly had to pay the cost of preparing the broadcast scrip. This, I think, is an example of exceeding the necessary boundaries of proper press relations work.

I therefore ask the Committee to give their support to the passage and adoption of this amendment.

Mr. LEAVY. Mr. Chairman, I rise in opposition to the amendment offered by the gentleman from Ohio [Mr. WHITE].

Mr. Chairman, it is impossible in a matter as far reaching and as complex as is the office of the Secretary of the Interior or any of the great Government departments to either propose things that ought to be done by such departments or to object to things that are proposed in the brief time of 5 minutes.

The committee did make a cut of \$10,000, as the gentleman from Ohio [Mr. WHITE] will recall, which was for the purpose of bringing about this economy that we believed could be safely brought about. In fairness to the Department of the Interior, may I say that the Congress itself has placed into that department, in the last 4 or 5 years a great number of new activities which require added expense for administrative purposes. These activities are all of tremendous magnitude. You cannot charge the Department with that. We must take the blame ourselves for all these new activities, if it were an unwise thing to do. This year we gave them the Federal Housing Authority, a Nation-wide

activity. We gave them last year the Bituminous Coal Commission, another great activity. We have brought into that Department many things of that nature and to say now that we should arbitrarily eliminate from this bill, without regard to the effect it might have on governmental activities, this particular item, or any item unless good cause exists, it seems to me, is unsound and I think the amendment offered by the gentleman from Ohio [Mr. WHITE] should not be agreed to.

Mr. WHITE of Ohio. Will the gentleman yield?

Mr. LEAVY. I yield to the gentleman from Ohio.

Mr. WHITE of Ohio. Is it not true that two or three additions have been made since a year ago, at which time they had \$50,000 in the bill for this particular purpose and that the added departments also have items for this same

Mr. LEAVY. I would not agree to the last statement that they have items for the same purpose.

Mr. WHITE of Ohio. The United States Housing Authority does.

Mr. LEAVY. It has some money for that purpose.

[Here the gavel fell.] The CHAIRMAN. The question is on the amendment

offered by the gentleman from Ohio [Mr. WHITE]. The question was taken; and on a division (demanded by

Mr. White of Ohio) there were—ayes 53, noes 51.

Mr. JOHNSON of Oklahoma. Mr. Chairman, I demand

Tellers were ordered, and the Chair appointed Mr. Johnson of Oklahoma and Mr. WHITE of Ohio to act as tellers.

The Committee again divided; and the tellers reported there were—ayes 92 and noes 89.

So the amendment was agreed to.

The Clerk read as follows:

DIVISION OF TERRITORIES AND ISLAND POSSESSIONS For personal services in the District of Columbia, \$57,000.

Mr. GERLACH. Mr. Chairman, I move to strike out the last word.

Mr. Speaker, as this is my first appearance before this honorable body, and this my maiden speech, permit me to introduce myself and to tell you briefly about the district which it is my honor and privilege to represent.

Two counties, comprising the Ninth Congressional District, lie in southeastern Pennsylvania and constitute one of the richest industrial and agricultural sections of our great Keystone State. More than 90 percent of my constituents are native-born whites, substantial, God-fearing people, people who believe in the Ten Commandments, the Bill of Rights, and the opportunity to work and rear their families according to their abilities, and without any paternalism on the part of their Government. Their forebears came with William Penn and were doing their part in establishing our great State when it was still known as Penn's woods. Bucks County, one-half of my district, was one of the three counties into which Pennsylvania was divided by Penn in 1682. He named the county Bucks and its second county seat Bristol. after a county and town of the same names in England. Penn himself resided in the county for a number of years. Bucks County, too, is replete with Revolutionary War history. It was into this county that Washington crossed the Delaware on Sunday, December 8, 1776, after the Battle of Trenton, and the dwelling in which he established his headquarters. and which is on the site once considered by Congress for the Capital of the United States, is still standing and in a fine state of preservation. It was in this house that George Clymer, a signer of the Declaration of Independence, lived and died

My home county of Lehigh, while not so old as Bucks, is not without its historic background. Lehigh County was a part of Northampton and was settled by the Moravians, a religious people, in some respects like Penn's Quakers, but of Germanic stock. They were the result of that early outburst of the Reformation and were a pious, thrifty, industrious, and self-sufficient people. The Moravians were opposed to war, but, like the Quakers, often made exceptions. They had no objections, of course, to caring for the sick and wounded. On the contrary, they were glad to do it. During the Revolution their women prepared a beautiful silk flag, which they presented to General Pulaski's regiment, an event celebrated and immortalized in Longfellow's well-known poem. In Allentown, our county seat, one of the great cities of the Commonwealth, stands Zion Reformed Church, in which the Liberty Bell and bells of Old Christ Church, Philadelphia, were hidden in 1777. This church is now an historic shrine. Allentown, too, is the seat of Muhlenberg College, notable for its association with the Muhlenbergs of Revolutionary fame.

Industrially we are the largest silk-producing district in the State and the center of the cement industry. Our chief products, both in Lehigh and Bucks, are cement, silk, textiles, metal products, auto trucks, machinery, chemicals, clothing, cigars, furniture, limestone, and agricultural crops, especially fruit and potatoes. We also manufacture airplanes, carpets, worsted, woolen and leather goods, and have several shipbuilding plants. For the lover of wildlife Lehigh County can boast one of the few remaining buffalo herds in the United States. For this we are indebted to the late Gen. Harry C. Trexler, who, many years before his death, established on his vast estate a 2,000-acre game preserve in which, in addition to the buffalo, are hundreds of elk and deer. This preserve is now one of Lehigh County's prized possessions and is a constant attraction to thousands of tourists.

With this brief recital of some of my district's highlights, and of the character of my constituents, I believe you will agree with me that they are pure, unadulterated Americans, and that their creed is what we all like to call the great American system; and under this American system it is well to remember that our people have been able to secure for themselves benefits far beyond those enjoyed generally by any other people in world history. Under this system, our spiritual advantages carry the priceless content of liberty, common sense, and the dignity of man. The history of civilization proves that free people are secure only if they continue to make their government a servant rather than a master; that to achieve and maintain free government is the business of all the people; that responsibilities alone make rights and liberties possible, and that true liberalism can best be achieved along principles established by reason and based on experience.

We are liberal, but we do not propose to get away from the sound practical way of doing things. Sound thinking men and women of this Congress, irrespective of political affiliations, must conclude that many of the policies of the present administration, however well intended, are carrying us toward certain disaster.

Mr. JOHNSON of Oklahoma. Mr. Chairman, a point of order.

The CHAIRMAN. The gentleman will state it.

Mr. JOHNSON of Oklahoma. Mr. Chairman, I make the point of order the gentleman is not speaking to the bill. We want to get through some time. I am perfectly willing to run along here a couple of minutes if the Members will speak on the bill.

Mr. CASE of South Dakota. Will the gentleman yield?
Mr. JOHNSON of Oklahoma. I yield to the gentleman from South Dakota.

Mr. CASE of South Dakota. The gentleman from Pennsylvania [Mr. Gerlach] had permission to address the House yesterday, but his time was eliminated due to a death of one of the Members. He is asking for this 5 minutes to get these remarks in the Record.

Mr. JOHNSON of Oklahoma. I will not object at this time, but I shall object hereafter.

The CHAIRMAN. Does the gentleman from Oklahoma [Mr. Johnson] withdraw his point of order?

Mr. JOHNSON of Oklahoma. Mr. Chairman, I withdraw the point of order.

The CHAIRMAN. The gentleman from Pennsylvania [Mr. Genlach] will proceed.

Mr. GERLACH. Mr. Chairman, to my way of thinking we will make a great deal more progress in solving our problems when we begin squarely to face the facts; and, if they are bad, recognize the fact that they are bad; and, if they are tough, recognize the fact that they are tough, and decide to act accordingly. Political parties under our system of government are the vehicles for the transmission of the will of the people, but our approach to the fundamental problems of the Nation should be above mere partisanship. America is greater than political parties and, above all, we are Americans; and, like the Apostle Paul, "citizens of no mean country." My friends, let me repeat, America is greater than political parties and above all, we are Americans. It was Thomas Jefferson who said:

We are to guard ourselves, not against ourselves as we are, but as we may be, for who can imagine what we may be under circumstances not now imaginable.

The wisdom of those who guided the destinies of our country and laid the foundations of our system of government is unquestioned. The astounding fact, as revealed after a lapse of 150 years, is the uncanny gift of prophesy which they possessed, and how well they anticipated the problems faced by this generation. Jefferson dreaded a time to come when the Government could not be stopped from wasting the labor of the people under the pretense of taking care of them. That time has come.

Therefore, I am going to offer to this honorable body 10 suggestions, which, I believe, if enacted into law, would bring about economic recovery in this the greatest country in the world.

NO. 1. INDUSTRY

This Seventy-sixth Congress encouraged industry and business when it showed independence and courage on a number of important bills, but that is not enough. We must go still further. We must relieve industry of excessive taxation by repealing the undivided-profits tax and other unfair levies on business, and by amending the Social Security Act to meet the needs of the people and not carry large surpluses. [Applause.] Instead of the Government competing with industry it should lend industry a helping hand. By doing this it would be possible to reduce the tax burden, and the added confidence given to industry would induce it to start operations at once and put men to work in gainful employment. Plants and factories should be operated for at least 4 months on a full-time basis, even though they may not have immediate orders for all commodities produced. Any surpluses could be carried in stock, as was done years ago, thus enabling the plants to operate on full time, as indicated, instead of running intermittently as orders are received. If industry will give to the workingman, immediately, continuous employment for at least 4 months, at full pay, he will in turn spend this money which he receives. because he is now down to the point where he needs practically everything necessary to maintain himself and his family, thus keeping the money in circulation. This automatically will bring recovery to the businessman and to the farmer and to everybody generally. The plan to establish laboratories so that new uses may be found for farm products is noteworthy and will lead to the greater consumption of these products. There is also pending in Congress a bill providing for a laboratory through which new uses for coal may be found and that sick industry rehabilitated.

NO. 2. RETAIL BUSINESS

Retail businessmen, both large and small, always had their shelves well stocked before this depression. When business conditions were normal and they had confidence in their Government, they bought in large quantities; but during the past 8 years they have reversed that practice, merely supplying their requirements from day to day. With added confidence and relief from burdensome taxes, they would again stock their shelves, thereby helping to move the wheels of industry and fulfilling their part in the recovery program. Business needs only to be unhampered to go ahead.

NO. 3. LABOR

The laboring man has the right to bargain collectively. and we need laws that are workable to protect those rights; laws that will give him a square deal, because the interests of the employee and the employer are identical. Attempts to divide these two essential units of national well-being into hostile camps is a step toward national suicide. Representatives of industry have received many hard knocks. They are anxious and willing to join with the workers in any reasonable plan to save the business principles which have guided and benefited our country from the beginning of our national life. The paramount objective of labor is real jobs in productive enterprise. [Applause.] There are only two employers in our country: the Government and private industry. If all the people worked for the Government, where would the Government get the money to meet its pay roll? The answer to the problem of balancing the National Budget and decreasing unemployment is for the Government to stimulate business by every means at its command. Otherwise increasing deficits and more unemployment are inevitable. What we need is a Nation-wide reaffirmation of our faith in the American system of government. It is well to remember that under the American system our people have been able to secure for themselves benefits and advantages beyond those enjoyed generally by any other people in world history.

NO. 4. THE FARMERS

The farms are the dynamic factories in the business machinery of the Nation. There can be no disagreement with the fact that the farmer is entitled to a fair share of the wealth of our country. We pay and compel the farmer to produce less while, at the same time, we permit injurious foreign competition in our domestic market, which market, by every right, belongs to the American farmer. We help the farmer to grow more and better crops through soil conservation—and the basic principles of soil conservation

are sound—but at the same time it is proposed to restrict acreage, control marketing, and produce less. Furthermore, taxes are absorbing more and more of the consumers' dollars, leaving less and less for the farmer. One of the biggest and most essential aids to agriculture would be the restoration of activity in business and industry. Above all things, the American farmer, to be secure in the possession of his birthright, should be the boss of his own farm and the captain of his own soil.

NO. 5. BANKERS

The local banks throughout the country claim that the restrictions surrounding the administration's banking policies are hampering them in loaning money to retail businessmen so that the latter may buy merchandise in large quantities. Moreover, a downward trend in interest rates both in shortand long-term money would be a real help to business. In my home county of Lehigh, the county commissioners borrowed money from New York banks on long-term notes at 2 percent, and on short-term notes at less than one-half of 1 percent. In the last session of the Seventy-fifth Congress the Federal farm-loan law was enacted, giving the farmer the opportunity of borrowing money at 31/2 percent. Why was not this same opportunity extended to the workingman who may have a H. O. L. C. or a F. H. A. loan on his home? He should be given the same interest rate as the farmer, and, last but not least, there are 2,000,000 medium- and smallbusiness men in the United States who should also enjoy the privilege of borrowing money at these lower rates. After all, supply and demand help to fix the prices of merchandise, and the money market is no different. Our banks are loaded with billions of dollars of idle money which is not earning them a penny. If this were put to work, I believe every businessman would employ an average of three additional persons. A total of 6,000,000 people would thus be taken off relief and the W. P. A. rolls, thereby considerably relieving the country of the heavy burden of relief. The worker would earn enough to buy his family the things that industry must sell to keep it in a prosperous condition, and, as I have said before, every workingman is now in need of practically everything necessary to adequately and completely maintain himself and his family.

NO. 6. SOCIAL SECURITY

Social security must be made really secure. It is regarded as the outstanding contribution of the present generation. Its humanitarian objectives are commendable and its benefits are undeniable. This act has made a genuine contribution toward helping our aged, and our blind and dependent children, through that partnership of the State and the Federal Governments which has long been a part of our American system. One group of our people, however, has been neglected by the present Social Security Act, a group that has been denied the full benefits of the act, because of the age limit, which is no fault of theirs. This group is composed of those who are past the age limit of 65 years. In my judgment, they should receive the same benefits per month as are enjoyed by others who now come within the provisions of the act. If this were done, their buying power would increase and substantial and permanent recovery be hastened. The unworkable program of proposed legislation presented to the Seventy-sixth Congress should be discarded immediately if this group is to be given the same benefits. I am told the reason this tax money is paid into the General Treasury is because the administration claims it would be unconstitutional to do otherwise; and if this be true, let us have an amendment to the Constitution so that this money can be kept in a separate fund to be used for the purpose for which it was intended. Let us also amend the act so that there will not be large accumulated surpluses.

NO. 7. RECIPROCAL-TRADE AGREEMENTS

Our present administration has inaugurated reciprocaltrade agreements with foreign countries, stating that they make for a "good-neighbor policy." Most of these same foreign countries owe us billions of dollars in unpaid loans, on which they refuse even to pay the interest. Why should we sacrifice to this "good-neighbor policy" our home markets, allowing the importation of commodities which could be manufactured by our own people working millions of manhours? As an illustration, let us take one commodity, cement. Cement is now being imported into this country and sold at 20 cents a barrel less than we can manufacture it. This is a very good example of one of the many commodities on which the tariff has been reduced to a point where our manufacturers cannot compete with the foreign product. Cement and all other commodities imported into this country should carry a tax or tariff sufficient to balance the cost of production here and abroad.

Permit me to call your attention to the silk industry, which is a major industry in my district. This industry is at the lowest ebb in the history of the business. There are two reasons for this condition: For years a small group of men have imported the raw silk from Japan and Italy. This group now controls the silk, beginning with the importation of the raw product down to the time that its manufactures are sold to the retail trade. In other words, the mill owners no longer sell their product but are merely commission merchants for this small group of importers. A thorough investigation, I am sure, would help solve a large part of the trouble in this industry. In addition, the low import tax on both finished and unfinished silk, due to our reciprocal-trade agreements with Japan and Italy, is a real detriment to the silk industry.

NO. 8. RAILROADS

There is a widespread desire throughout the country to consider ways and means of rehabilitating the Nation's \$26,-000,000,000 railroad industry. The rapid and largely unregulated development of transportation facilities in the United States has produced a national problem without a national transportation policy. Much favoritism now exists, and to a pronounced degree, in the important matters of regulation, taxation, and subsidies. While substantial relief should come with improvement in general business the removal of all favoritism and inequalities is essential to the healthful functioning of the transportation industry. Certain temporary measures are necessary and should be adopted, but the only way by which anything of lasting benefit can be accomplished is by equalizing all modes of transportation with respect to the three important matters mentioned.

The records show further that in recent years substantial increases have been made in the already high salaries of railroad presidents and vice presidents. This practice cannot be justified in these hard times. In short, three factors must be considered in dealing with our transportation problem—the public interest, the employees, and the investors.

NO. 9. BUSINESS WITH LATIN-AMERICAN COUNTRIES

The Government, through the Department of Domestic and Foreign Commerce, should establish a sales force, if you please, that would cooperate and develop business with foreign countries, namely, the 20 countries in South America, as well as other countries that are friendly with our Nation. It is a fact that due to our high standards of living and higher wages, our manufacturers cannot compete with foreign manufacturers who pay starvation wages and whose employees' living standards are, necessarily, on a much lower level. I suggest after proper investigation by the Government into manufacturing costs that we meet this competition of foreign manufacturers by having the Government pay our own manufacturers the difference between what it costs to manufacture the same articles here and abroad.

As an illustration, it has come to my attention that within the past year the Chilean Government asked American shipbuilders for a price on three battleships costing approximately \$90,000,000 and that not one shipbuilder from this country bid on the contract because he could not meet the foreign competitive prices. As a result, the contracts went to foreign countries.

Now, would it not have been better to have adjusted the prices between the Chilean Government and our own shipbuilders, thereby giving the latter an opportunity to hire our men, take them off W. P. A. and the relief rolls, and reinstate them in industry?

NO. 10. MERCHANT MARINE

For many years foreign shipowners transported much of our finished products all over the world, and the reasons therefor were that our exporters could ship cheaper in foreign vessels, due to operating costs and lower wages. But when the World War started and our Army and Navy needed merchant ships, such ships were not available. We had only a few of our own, and the foreign vessels had been called home and pressed into service there. Since then, the Government has been urging private shipowners to build a merchant marine second to none. Upon investigation, however, the industry was found to be in such financial difficulties that private bankers did not care to carry the enormous risk of loaning it the necessary funds. Congress therefore came to the aid of this important industry. It enacted the 1936 ship subsidy law, providing for a merchant marine. Under this act the Government agreed to furnish 75 percent of the cost of these new ships at 31/2-percent interest and with an amortization plan allowing them 20 years to pay. Notwithstanding this help, many shipowners were unable to raise their 25 percent of the cost.

I believe there are two good reasons why the Government should go ahead and build a merchant marine if the private shipowners cannot see their way clear to do so: My first reason is, that our merchant marine is certainly an adjunct to our national defense, and if we depend upon foreign service to carry our world trade we will be left high and dry when the foreign ships are called home at the first hint of an emergency; secondly, it will reduce the number of unemployed now on relief rolls by giving additional men work in building, as well as in operating these ships; and it will not be amiss to bear in mind that 90 percent of our American travelers who visit Europe now travel on floating palaces built and operated by Britain, France, Germany, and Italy.

We must establish our foreign shipping facilities on a sound basis. To neglect them will prove costly in an emergency. An adequate merchant marine in an emergency will operate as the supply train of our Navy, and we should lose no time in providing for it.

May I say in closing that you cannot solve great economic problems by miracles. You cannot solve them with anything but sound and appropriate policies based on economic experience, economic principles, and economic facts. We have had the longest and worst depression in history and are still in the midst of it, because year after year economic experience, economic principles, and economic facts have been ignored while we have watched and prayed for economic miracles. But none has yet been performed. None ever was. None ever will be. Government, in short, must balance its Budget. Business in general must be allowed to balance its budget and begin making profits instead of losses if this depression is ever to end and prosperity be restored. This depression would long since have ended as previous depressions have, and prosperity and employment in private business would have been fully restored had we used the good common sense employed by our forefathers in other depressions and not indulged in unfair and stupid economic policies which already had been discredited by all previous human experience. [Applause.]

The Clerk read as follows:

DIVISION OF INVESTIGATION

For investigating official matters under the control of the Department of the Interior; for protecting timber on the public lands, and for the more efficient execution of the law and rules relating to the cutting thereof; for protecting public lands from illegal and fraudulent entry or appropriation; for adjusting claims for swamplands and indemnity for swamplands; and for traveling and other expenses of persons employed hereunder, \$548,000, including not exceeding \$39,240 for personal services in the District of Columbia; not exceeding \$52,000 for the purchase, exchange, operation, and mainexceeding \$52,000 for the purchase, exchange, operation, and maintenance of motor-propelled passenger-carrying vehicles and motor-boats for the use of agents and others employed in the field service. The Secretary of the Interior shall include in his annual report a full statement of all expenditures made under authority of this paragraph.

Mr. TABER. Mr. Chairman, a point of order. The CHAIRMAN. The gentleman will state it. LXXXIV---173

Mr. TABER. Mr. Chairman, I make a point of order against the paragraph that it is not authorized by law. There is no authority in the law, as I understand it, for the maintenance of this division. It went out on a point of order last year, and, as I remember the situation, there has been no change in the law since. I believe that is all that needs to be said on the subject at this time.

The CHAIRMAN. Does the gentleman make a point of order to the entire paragraph?

Mr. TABER. To the entire paragraph; yes.

The CHAIRMAN. Does the gentleman from Oklahoma [Mr. Johnson] desire to be heard?

Mr. JOHNSON of Oklahoma. Mr. Chairman, the objectionable provisions to which the gentleman from New York [Mr. TABER] refers have, I feel sure, been stricken from the bill. In fact, those provisions were stricken from the bill

Mr. TABER. What I am contending is that these provisions were largely put back in the bill. The bill contained only the nonobjectionable items, but the objectionable items were put

Mr. JOHNSON of Oklahoma. Mr. Chairman, the provision to which the gentleman refers is, we think, authorized under title 16, chapter 4 of the code, title 5, sections 43 and 485. and title 43, section 981.

The CHAIRMAN. The Chair is ready to rule.

The Chair believes the last sentence in the paragraph as it now stands, reading, "The Secretary of the Interior shall include in his annual report a full statement of all expenditures made under authority of this paragraph," is clearly legislation and is subject to a point of order. If the gentleman from New York insists upon his point of order going against the entire section, the Chair will necessarily be forced to sustain it. The Chair does sustain the point of order.

Mr. JOHNSON of Oklahoma. Mr. Chairman, I offer an amendment, which I send to the desk.

The Clerk read as follows:

Amendment offered by Mr. Johnson of Oklahoma: Page 3, line

Amendment offered by Mr. Johnson of Oklahoma: Page 3, line 19, insert the following:

"For investigating official matters under the control of the Department of the Interior; for protecting timber on the public lands, and for the more efficient execution of the law and rules relating to the cutting thereof; for protecting public lands from illegal and fraudulent entry or appropriation; for adjusting claims for swamplands and indemnity for swamplands; and for travelling and other expenses of persons employed hereunder, \$548,000, including not exceeding \$39,240 for personal services in the District of Columbia; not exceeding \$52,000 for the purchase, exchange, operation, and maintenance of motor-propelled passenger-carrying vehicles and motorboats for the use of agents and others employed in the field service."

Mr. TABER. Mr. Chairman, I make the point of order against the amendment that it is not authorized by law.

The CHAIRMAN. Does the gentleman from Oklahoma desire to be heard on the point of order?

Mr. JOHNSON of Oklahoma. I have just given the citations authorizing this provision. I will repeat them if the gentleman from New York desires me to do so.

Mr. TABER. No; it is not necessary.

The CHAIRMAN. The Chair is ready to rule.

The language of the amendment offered by the gentleman from Oklahoma follows very closely the language adopted by the Committee of the Whole in the 1939 Interior appropriation bill. At that time the gentleman from New York made a point of order against the language then offered and the Chairman in his ruling, by which the present occupant of the chair feels himself bound, stated the following:

The language embodied in the amendment proper is clearly authorized by existing law for protecting timber, and so forth. It seems clear that incidental to such authority the power to conduct the investigation in the handling of that and to properly handle it, would be entirely in order.

The Chair, therefore, overrules the point of order.

Mr. TABER. Mr. Chairman, I offer an amendment to the amendment.

The Clerk read as follows:

Amendment offered by Mr. Taber to the committee amendment offered by Mr. Johnson of Oklahoma: Strike out "\$548,000" and insert in lieu thereof "\$440,000."

Mr. TABER. Mr. Chairman, this appropriation represents an increase of \$108,000 over the last year's appropriation, an increase of 25 percent. It seems absolutely ridiculous that we should be asked to provide \$108,000 more for detective service in the Department of the Interior than we did last year. This is getting to be an octopus. It started a few years ago with \$30,000 or \$40,000 and has now grown tenfold. The activities this outfit is required to look after have not increased one whit. Almost every item of investigation they have today that is of importance, with the exception of one item which came in at the close of the year and therefore created a small build-up in their cases outstanding, shows a decrease. We should not permit such an increase as this.

I hope the Members of this House will show some spirit of economy and cut out this item of \$108,000 increase for detective service in the Interior Department. There is no excuse, if we are ever going to balance the Budget in this country, for permitting increases when there is no possible excuse for them. I hope the House will make a beginning in the direction of economy at this item. [Applause.]

Mr. JOHNSON of Oklahoma. Mr. Chairman, if the Members will turn to page 53 of the hearings before the committee they will find an itemized statement of the number of investigations that have been made by the Department. It will be found that the Department is running far behind in these investigations. It is a fact that at this time the Department is more than 11,000 cases behind, as will be shown by the letter in the record from the First Assistant Secretary of the Interior. The number of such cases is constantly increasing. I read just one paragraph from his letter. It is as follows:

As of June 30, 1938, there were 11,914 uninvestigated cases pending before the Division. This number exceeds the total number of cases handled during the fiscal year 1938, hence the Division is not only a full year behind in its work, but the number of pending cases is constantly increasing. It is essential that investigations be made promptly if the Government's interests in matters under cases is constantly increasing. It is essential that investigations be made promptly if the Government's interests in matters under the jurisdiction of the Department are to be protected and if services such as the issuance of leases, grazing permits, etc., are to be rendered to the public without undue delay. These matters include timber and coal trespass cases often involving considerable damage and the loss of property for which damages should be collected, homestead entries, appraisals of land, investigations of applications for leases and permits, and numerous other matters affecting practically every activity of the Department.

Mr. COCHRAN. Mr. Chairman, will the gentleman yield? Mr. JOHNSON of Oklahoma. I yield to the gentleman from Missouri.

Mr. COCHRAN. If we do not have these investigators, there is no telling how much fraud will go on that will never be discovered. This is to stop frauds against the Government in part.

Mr. JOHNSON of Oklahoma. The gentleman is correct. Mr. TABER. Mr. Chairman, will the gentleman yield for a question?

Mr. JOHNSON of Oklahoma. I yield.

Mr. TABER. Of the 2,000 increase in cases pending-

Mr. JOHNSON of Oklahoma. But the gentleman understands there are 11,000 cases pending. Is that not correct?

Mr. TABER. There is a 2,000 increase in cases pending, or a 2,017 increase.

Mr. JOHNSON of Oklahoma. Yes; 2,017 increase; but 11,914 cases actually pending. The gentleman will admit, I am sure, that the figures I have presented are correct.

Mr. TABER. Of those, however, upward of 3,000 are in the Central Valley, and they are temporary items which involve just going over some points in connection with the large project involved there. They are not things that should justify a permanent increase, which is what this is.

Mr. RICH. Mr. Chairman, will the gentleman from New York yield to me?

Mr. TABER. I have not the floor.

Mr. RICH. Does the gentleman know that \$52,000 was spent for automobiles in this division?

Mr. TABER. Yes.

The CHAIRMAN. The question is on the amendment to the amendment offered by the gentleman from New York [Mr. TABER].

The question was taken; and on a division (demanded by Mr. Taber) there were-ayes 94, noes 105.

So the amendment to the amendment was rejected.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Oklahoma [Mr. Johnson].

The amendment was agreed to.

The Clerk read as follows:

DIVISION OF GRAZING

For carrying out the provisions of the act entitled "An act to stop injury to the public grazing lands by preventing overgrazing and soil deterioration, to provide for their orderly use, improvement, and development, to stabilize the livestock industry dependent upon the public range, and for other purposes," approved June 28, 1934 (48 Stat. 1269), and as amended by the act of June 26, 1936 (49 Stat. 1976), including examination and classification of lands with respect to grazing or agricultural utility, preparation of land classification maps and reports, traveling and other necessary expenses, payments for the cost of packing, crating, and transportation (including drayage) of personal effects of employees upon permanent change of station, under regulations to be prescribed by the Secretary of the Interior, not to exceed \$62,700 for personal services in the District of Columbia, not to exceed \$30,000 for the purchase, exchange, operation, and maintenance of motor-propelled passenger-carrying vehicles, and not to exceed \$1,000 for expenses of attendance at meetings concerned with the work of the Division of Grazing when authorized by the Secretary of the Interior, \$650,000; for payment of a salary of \$5 per diem while actually employed and for the payment of necessary travel expenses, exclusive of subsistence, of members of advisory committees of local stockmen, \$100,000; in all, \$750,000.

Mr. RICH. Mr. Chairman, I offer an amendment.

Mr. RICH. Mr. Chairman, I offer an amendment. The Clerk read as follows:

Amendment offered by Mr. Rich: On page 5, line 5, after the word "Interior", strike out "\$650,000" and insert "\$500,000."

Mr. RICH. Mr. Chairman, I want the Democratic Members of the House to bear with me for a few moments on this matter, in view of the fact that you have passed a reorganization bill in the House. You are giving power to the President to reorganize the Government. We have two separate and distinct bureaus of grazing in the Government, one in the Department of Agriculture under the Forest Service and the other in the Department of the Interior, an exact duplication, at great expense to our Government.

Secretary Ickes has said that he is opposed to duplication and Secretary Wallace has said that he is opposed to duplication. The President of the United States has said that he is opposed to duplication. Let me read you a question asked by the gentleman from Nevada [Mr. Scrugham] in his examination of Secretary Ickes:

Mr. Scrugham. Mr. Secretary, is there any valid reason, in your opinion, for maintaining the jurisdiction of the grazing area partly in the Interior Department and partly in the Department of Agriculture?

Secretary ICKES. No: I have never seen any reason for it.

The chairman of our Appropriations Committee, Mr. Tay-LOR of Colorado, says there is no reason for it. There is not a man on the Appropriations Committee who believes there is any reason for it, and yet we come in here with this appropriation bill and you are now asked to increase the appropriation \$100,000. Why do you do it? A waste in duplication.

I may tell the Members of the House that we have 49 divisions of grazing in the Interior Department. They look after the cattle and the sheep with respect to grazing interests in the wintertime and in the summertime all the cattle and the sheep go into the mountains and then they are under the supervision of the Department of Agriculture. Is not that just ridiculous? Of course it is. Think of the duplication we have set up in this way. It is absolutely criminal. No sense for such procedure.

Now what are we doing? If you pass the reorganization bill, the President of the United States, Secretary Ickes, and Secretary Wallace have all said they ought to be consolidated, yet in this bill for 1940 you want to increase the appropriation by \$100,000. All I am asking you to do is to maintain what they have established and in the meantime they can consolidate and reorganize this Government service and in this way save setting up additional increased staffs.

This is the only sensible and the only wise thing to do. It is the only fair thing for the taxpayers of America and there cannot be one good reason advanced why we should increase the appropriation at this particular time.

Mr. PIERCE of Oregon. Mr. Chairman, will the gentleman yield?

Mr. RICH. I yield to the gentleman from Oregon.

Mr. PIERCE of Oregon. Are not both departments more than paying their own way in revenue to the Government?

Mr. RICH. No; they are not. The receipts last year from the grazing were \$817,499.04 and of the receipts we spent 50 percent in giving that amount of the total back to the grazing districts. A great amount of it goes to the territory in the gentleman's State of Oregon. Twenty-five percent of the receipts goes for improving the range. This would mean that we have spent \$613,125 and the Government gets back \$204,000. It cost them last year \$650,000, which we appropriated and therefore we were in the red \$455,000, which came out of the National Treasury. How does that pay the bill?

Mr. PIERCE of Oregon. Is not that money we gave them for making water holes and developing and building fences and improving the range, and that will not have to be spent

again?

Mr. RICH. We paid \$204,000 and spent the most of it in the gentleman's State, and he ought to be satisfied. Why come in here and ask for duplication?

Mr. BULWINKLE rose.

Mr. RICH. Mr. Chairman, I do not yield any further to the gentleman from Oregon. I yield to the gentleman from North Carolina.

Mr. BULWINKLE. Mr. Chairman, the gentleman from Pennsylvania was speaking of the reorganization bill passed last week, and of wanting these departments put together. Did the gentleman vote for it?

Mr. RICH. I did not; because I had not any faith that you would accomplish it. Now, I want to see you do it, and I am showing you the way; and if you fellows are interested in economy let us see some of you Democrats vote for economy. Where is the gentleman from Virginia [Mr. WOODRUM]? Let him stay in here and vote for it. Help us cut down this appropriation bill.

The CHAIRMAN. The time of the gentleman from Pennsylvania has expired.

Mr. SCRUGHAM. Mr. Chairman, I rise in opposition to the amendment. The gentleman from Pennsylvania and myself have discussed this subject a number of times, and we are in accord on a great many points. A few days ago when the reorganization bill was brought up in the House an item was presented whereby the Forestry Service, which has control of the grazing of the national forests, was to be eliminated from the agencies to be reorganized. At that time I spoke briefly to the point of consolidating the grazing agencies and said I considered such reorganization to be desirable. But the gentleman from Pennsylvania [Mr. Rich] did not raise his voice with any word of encouragement. I have told him repeatedly in committee meetings that some efficient consolidation could be worked out, and his cooperation would be appreciated. The problem cannot be solved by blindly cutting off part of an appropriation. Reading from the testimony of Mr. Terrett, the Acting Director of the Grazing Division, as to the amount of fees paid by the grazing areas by the men concerned as owners of the various animals grazed on the area, in the first year there was no fee paid. In the second year the amount was \$48,271; in the third year, \$415,254; in the fourth year, \$800,075; and the estimate for 1939 was \$1,000,000-all to be paid into the Treasury of the United States from fees collected as the result of the operation of this act. If you are going to improve the range-and that is the object of the law-some money must be spent for the purpose. It is a wise investment, because the greater the improvement of the range the greater the carrying capacity and the greater the revenue paid in fees. I submit to you that this proposed amendment is no matter of economy at all; it saves nothing to the Government in the long run.

Mr. RICH. Mr. Chairman, will the gentleman yield?

Mr. SCRUGHAM. Yes.

Mr. RICH. Does the gentleman from Nevada think we ought to maintain the department of grazing in the Interior Department for the wintertime grazing and in the summertime the one in the Agricultural Department? Does the gentleman think we ought to maintain these duplicates?

Mr. SCRUGHAM. I expressed myself somewhat fully at the time the reorganization bill was under consideration a few days ago and I voted to make it possible for a consolidation of the grazing agencies. If I recollect correctly, the gentleman from Pennsylvania voted against authority for such consolidation.

Mr. RICH. The reason I was against it was because I had no faith it would be carried out, but now let us try to carry it out. Another thing, of the amount of money received from grazing 50 percent goes back to the State.

Mr. SCRUGHAM. Not necessarily. Half of the amount goes to improve the range in order that the carrying capacity can be increased, and for the increase of revenue that is to be brought into the Treasury of the United States.

Mr. RICH. The Treasury of the United States has not received any money. The money it receives is paid out to the States.

Mr. SCRUGHAM. Wait a minute. The money received is certainly not all paid to the States of origin. The gentleman should be fair.

Mr. RICH. That is what I am trying to be. The Government paid out to the States 50 percent of the money that it received, and paid out for improvements of the range 25 percent. Therefore it received less—

Mr. SCRUGHAM. Mr. Chairman, I did not yield for a speech, but I shall endeavor to answer the question. The public domain of the West involves a very large acreage; and, like everything else, in order to be improved requires the expenditure of time, money, and effort. Every domestic animal using that grazing area will pay a fee commensurate to the service rendered. According to reliable estimate those fees for the coming year will amount to approximately \$1,000,000. Last year the fees amounted to over \$800,000. Unless the range is continuously improved it will deteriorate. This proposition is elementary conservation. It involves a prudent management of the range to make it self-sustaining.

The CHAIRMAN. The time of the gentleman from Nevada

has expired.

Mr. PIERCE of Oregon. Mr. Chairman, I move to strike out the last two words. I particularly want to address my remarks to the gentleman from Pennsylvania [Mr. Rich]. There is very little money to be saved by the consolidation of the activities under the Taylor Grazing Act and the Forest Service. There will be some, but not a great amount. They are entirely different activities. Grazing under the Forest Service is a minor activity; under the Taylor Act it is the sole activity. The Taylor Grazing Act takes charge of the public domain, and rents it out to the stockmen who use it or are entitled to use it under the act. Fees for use of the range are paid into the Treasury. When we passed the act the public domain of 170,000,000 acres was fast becoming a desert. By reason of putting it under the Government control, the grazing was limited and ranges were saved and protected. A considerable amount of money was appropriated to improve the range. In the State of Oregon, where there has been spent many dollars, many water holes were dug so as to afford water for the cattle and sheep that were grazing on the public domain. Fences were built. That was a permanent investment. It does not have to be made every year. Eventually fees collected will far more than cover these outlays. The stock that goes onto the range under the Forest Service pays a fee which exceeds the administrative expense. The great work of the Forest Service is to preserve and perpetuate the forests and to show us how we can use the forests and not wipe them out as we have been doing in years past. They are adopting sustained yield programs which will make forests of permanent value. work is that of scientific forestry. If the two departments of the Government are thrown together there will be very, very little saving. The men who look after the range in the forests in the summertime are employed for that part of the year only. The men working under the Taylor Grazing Act are some of them employed by the year and some of them for the grazing season. There is not much money to be saved by throwing them together. I think it was a wonderful act of conservation when the Congress passed the Taylor Grazing Act.

I hope the amendment will not pass.

Mr. WHITE of Idaho. Mr. Chairman, will the gentleman vield?

Mr. PIERCE of Oregon. I yield.

Mr. WHITE of Idaho. The gentleman speaks of digging wells. Grazing land is useless without water for the stock,

Mr. PIERCE of Oregon. Yes; land without water is useless. A large amount of water has been provided in Oregon, to my knowledge.

Mr. WHITE of Idaho. And by the digging of these wells they have increased the value of the grazing land?

Mr. PIERCE of Oregon. Yes; and many lakes have been built where water was reservoired.

Mr. RICH. Mr. Chairman, will the gentleman yield?

Mr. PIERCE of Oregon. I yield.

Mr. RICH. Does not the gentleman think that if we give them the same amount of money we gave them last year, \$650,000, and if there is consolidation, why build up your organization when you have to change it? If you are going to consolidate it, you will certainly do it next year, will you not?

Mr. PIERCE of Oregon. You will have to employ practically as many men, as they must cover a large territory doing different types of work.

Mr. RICH. No; not at all.

Mr. PIERCE of Oregon. I will say to my colleague from Pennsylvania there is nothing to be saved.

Mr. RICH. When you ran the State of Oregon as Governor you tried to economize. You should take that position here the same as you were when you were Governor of the State of Oregon and try to protect the taxpayers of your State. Now you are interested in getting everything you can out there. Give us a break for the rest of this country.

Mr. PIERCE of Oregon. Certainly I am interested in the welfare of my section, which adds to the general wealth of our country. I am interested in preserving forest grazing and I am interested in preserving the public domain which today we are administering under the Taylor Grazing Act, and also to protect the integrity of the Treasury. [Applause.]

[Here the gavel fell.]

The pro forma amendment was withdrawn.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Pennsylvania [Mr. Rich].

The question was taken; and on a division (demanded by Mr. Rich) there were ayes 83 and noes 107.

So the amendment was rejected.

The Clerk read as follows:

PRINTING AND BINDING

For printing and binding for the Department of the Interior, \$275,970, of which \$66,840 shall be for the National Park Service, \$85,290 for the Bureau of Mines, and \$54,500 for the Office of Education, no part of which shall be available for correspondence

Mr. CARTER. Mr. Chairman, I offer an amendment. The Clerk read as follows:

Amendment offered by Mr. CARTER: On page 8, line 22, strike out "\$275,970" and insert in lieu thereof "\$265,970."

Mr. CARTER. Mr. Chairman, this amendment has the effect of cutting down the appropriation for printing and binding in the Department of the Interior by \$10,000. There are a great many of these bureaus and departments that are doing unnecessary printing. They are sending out all kinds of pamphlets, and I hold in my hand one that was recently sent out under this caption: "United States Department of the Interior, National Park Service, Washington, D. C." I thought the National Park Service was created for the purpose of administering the parks. I want to say that I support them in doing that work. I am a supporter of the national-park system of this country. I believe the national-

park management is doing a very good job of administering the national parks, but here they have sent a memorandum to the editors throughout the country, a printed communication consisting of seven pages notifying the editors that pictures are available and advocating the establishment of an additional park in the United States; and, by the way, in my own State. I am not saying we would not like to have another park in the State of California, but I do believe that the National Park Service should not be using the taxpayers' money to send out communications of this kind and should not be using the franking privilege of the Government of the United States to send out a communication that advocates giving them an additional area to administer.

Mr. JOHNSON of Oklahoma. Mr. Chairman, will the gentleman yield?

Mr. CARTER. I yield.

Mr. JOHNSON of Oklahoma. Did the Park Service send out a memorandum asking that Crystal Cave park be established, in which the gentleman himself was terribly interested

just a few months ago?

Mr. CARTER. In the first place, there is no Crystal Cave park. The gentleman is entirely in error; and I never sent out anything with reference to the improvement of that cave or anything else. What I did do was this-I decline to yield further until I have answered the gentleman. In the Sequoia National Park in my State there is quite a wonderful cave that will bring in considerable revenue to the Government of the United States, and I did advocate and receive an appropriation of \$25,000 for the purpose of developing that cave, and the Park Service proposes to charge an entrance fee of 25 cents, and it is estimated they will receive an annual revenue of \$10,000 from that cave. Those are the facts in relation to that matter.

However, I want to say there is a great deal of unnecessary matter of this kind sent out through the country and that we must cut this down some. I do not propose to cut out an amount that will hamper or entirely cripple this Department, but I do believe it will stand a cut of \$10,000 which I have proposed, and it will be a warning to those bureaus in the Department to attend to their own business rather than to be sending out propaganda throughout the United States when they should be giving their time to administering the affairs of the national parks.

The CHAIRMAN. The time of the gentleman from Cali-

fornia [Mr. CARTER] has expired.

Mr. JOHNSON of Oklahoma. Mr. Chairman, I rise in opposition to the amendment.

Mr. Chairman, I have profound respect for the gentleman from California, a very valuable member of the committee, but I did ask him a question, not intending to embarrass him, but it did sound a little peculiar if not absolutely funny-

Mr. CARTER. Mr. Chairman, will the gentleman yield? Mr. JOHNSON of Oklahoma. In just a moment. It is sig-

nificant that the gentleman would so criticize the National Park Service for advocating an additional national park when the gentleman, as a member of the committee, was successful in securing, without a Budget estimate last year, an appropriation for the establishment of Crystal Cave. It all seems to depend upon whose ox is gored, and by that I mean on whether or not a particular project happens to be in the district of the gentleman from California as to whether or not it is advisable. People who live in glass houses should not throw too many stones.

Mr. CARTER. Will the gentleman now yield? Mr. JOHNSON of Oklahoma. I yield.

Mr. CARTER. In the first place, I tried to explain to the gentleman that it was not for the establishment of a national park. That national park has been established for 40 years.

Mr. JOHNSON of Oklahoma. That, I submit, is beside the issue. The gentleman was not only willing but anxious to make the appropriation for Crystal Cave, which happens to be in the gentleman's district, without a sign of a Budget estimate.

Mr. CARTER. In the second place, I do not like to have the gentleman flatter himself to the extent that he thinks he could embarrass me on anything.

Mr. JOHNSON of Oklahoma. I thank the gentleman for his extreme politeness as well as his generosity. Certainly I meant no offense to the gentleman in the suggestion I made.

Mr. RICH. Mr. Chairman, will the gentleman yield? Mr. JOHNSON of Oklahoma. I shall be glad to yield to the

gentleman from Pennsylvania even if he-

Mr. RICH. I am not pleading for any appropriation for anybody that is not good sound business, and I do not want any reflections of that kind cast, because if I were not running true to form here and if you could get something on me, you would try to burn me up, but that cannot be done. [Applause.]

Mr. JOHNSON of Oklahoma. Since the gentleman has made that statement, should a committee amendment be offered at the suggestion of the gentleman from Pennsylvania, will the gentleman vote for it or vote against it?

Mr. RICH. There will be no amendment offered by the gentleman from Pennsylvania that is not based on a sound business basis. My advice to the membership is that if they think anything offered here is not on a sound basis they should not vote for it. That is what I say to the membership.

Mr. JOHNSON of Oklahoma. What is the gentleman's question? Does the gentleman desire to ask a question or

to make a speech?

Mr. RICH. If the gentleman would keep away from personalities he would get further. I assure him of that. Now

let me ask the gentleman this question-

Mr. JOHNSON of Oklahoma. The gentleman from Pennsylvania seems to be interested in making a speech. I am not casting any reflections on the gentleman, I am complimenting Members on trying to get additional appropriations for their districts.

Mr. RICH. Thanks a lot for any compliments as well as stones.

The Department spends a great deal of money for printing these beautiful illustrated booklets of the parks that it passes out free. When an automobile comes to the park bearing five people, they all want one of these free booklets, but if a small charge was made for these beautiful park booklets not only would the Department receive some remuneration and repayment of the cost of printing them, but in all likelihood not more than one booklet would be asked for by the people in that car, instead of five, thus a great saving.

Mr. JOHNSON of Oklahoma. The gentleman is making a speech. I thought he wanted to ask a question. What is the gentleman's question?

Mr. RICH. Would it not be advisable to have a charge made for these booklets? Would not this save considerable expense and waste of printed matter?

Mr. JOHNSON of Oklahoma. I may say to the gentleman from Pennsylvania that we have already made such a suggestion to the Park Service. Because of that insistence we have every reason to hope that in the future a small charge will be made for such pamphlets. If the gentleman will take the time to read the committee report, he will find that the committee this year recommended that in future a reasonable charge be made for these pamphlets when more than one is supplied to an automobile carrying visitors.

Mr. RICH. I agree that statement was put in the report, but would we not more greatly impress upon the Department the desire of Congress that they do this if we cut the appropriations and sent that to the Department as our insistence that this is necessary? Could we do it in any better way than by cutting \$10,000 from this appropriation?

[Here the gavel fell.]

The CHAIRMAN. The question is on the amendment offered by the gentleman from California.

The question was taken; and on a division (demanded by Mr. Carter) there were—ayes 101, noes 111.

So the amendment was rejected.

The Clerk read as follows:

Total, Commission of Fine Arts, \$10,000.

Mr. TREADWAY. Mr. Chairman, I move to strike out the last word.

Mr. Chairman, one of the outstanding differences that has occurred in this House over a comparatively small matter during the last 5 years has had to do with the construction of the Thomas Jefferson Memorial in Tidal Basin. Many of us felt that the Tidal Basin site was not the proper place to put any sort of memorial, particularly because it destroyed the conformity of the land there and removed numerous beautiful trees. But that question seems to have gone by. The Congress saw fit to locate the Jefferson Memorial in Tidal Basin and those of you who come to the Capitol by that route can now see what destruction is taking place in connection with the preparation of the foundation.

The Commission of Fine Arts is definitely opposed not only to the location but to the style or type of architecture. We will pass over the location matter, because that point has already been decided. The Commission of Fine Arts is a body consisting of unpaid people of outstanding merit, and it has to do with the question of beautification in the city of Washington as well as elsewhere. Certainly we ought to go a long way in being guided by its advice. Unfortunately the architect selected by the Commission died before the final plans were approved. He approved what is known as the Greek Pantheon style of architecture, which others believe entirely wrong for that particular location.

Mr. Chairman, the Commission of Fine Arts has recently sent a report to Congress, which I have in my hand, condemning the architectural design. It seems to me we should go slow in approving a design which the Commission of Fine Arts does not approve. They say very definitely at the bottom of page 2 of this report:

Finally, but only after public announcement of the plans, the Jefferson Memorial Commission decided to present the design for the memorial to the Commission of Fine Arts and the National Capital Park and Planning Commission. The Commission met jointly to consider Mr. Pope's scheme on March 20, 1937, and, to quote from the minutes of this meeting, "the design submitted by Mr. Pope, which called for a Pantheon type of memorial, was not approved."

There is the definite judgment of this Commission which is set up for the purpose of passing upon the merits of architectural designs and fine arts, particularly in the city of Washington. I commend this report to the consideration of all the Members of the House. It is stated also in this report that in spite of the wrong location, the foundations for which structure the sum of \$500,000 has been appropriated and contracted for, these very foundations may be used now for the building of a colonnade style of memorial, which would be much more appropriate and a better monument to Thomas Jefferson than the Pantheon design.

Mr. Chairman, it seems to me that the Commission on the Jefferson Memorial ought to heed the advice of the Commission of Fine Arts and consider rejection of the Pantheon design and the adoption of the colonnade design. Everyone should carefully peruse this document which the Commission of Fine Arts has issued as a report to the Senate and House of Representatives concerning the Thomas Jefferson Memorial. If the Members of the House will read this document carefully, I am certain the advice of the Commission of Fine Arts will be accepted and the colonnade style of architecture will be adopted instead of the Greek Pantheon style.

Mr. CULKIN. Will the gentleman yield?

Mr. TREADWAY. I yield to the gentleman from New York, a member of the Commission.

Mr. CULKIN. I will have to ask the gentleman a pretty long question.

Mr. TREADWAY. Why not take time later on? My time is about up.

Mr. CULKIN. I will not ask the gentleman to yield, then. [Here the gavel fell.]

Mr. KELLER. Mr. Chairman, I rise in opposition to the pro forma amendment.

Mr. Chairman, I want to call the attention of the Members of the House to what my colleague on the Committee on

the Library has said. During the present week bids for the building of the Pantheon style will be opened by the Commission. As pointed out in this document, if we are to finish the Thomas Jefferson Memorial within the \$3,000,000 provided for this monument, we will have to cheapen the whole structure. We will make it a matter of disgrace to us and I call the attention of the Members to that fact. If we do cheapen it to that extent, we ought to be ashamed to build it at all.

Mr. Chairman, we ought to be willing to build a great memorial to a great man, as Jefferson was, but we should listen to the Commission of Fine Arts that has been created for this special purpose. Our failure to do so will reflect on the intelligence and courage of this House.

I am speaking today with the object in view of serving notice on the Commission that if it attempts to carry out a plan which will require another million dollars, when it can have a much more beautiful and more appropriate monument built to Jefferson than the present one now under consideration, I shall oppose it in every way I know how.

Mr. TREADWAY. Will the gentleman yield?

Mr. KELLER. I yield to the gentleman from Massachusetts.

Mr. TREADWAY. Was it not distinctly understood in the hearings held before the Library Committee that the total cost to the Federal Government for the erection of the Jefferson Memorial would not exceed \$3,000,000?

Mr. KELLER. It was.

Mr. TREADWAY. The Commission states now it is impossible to carry out the plan which they are adopting and keep within the limit of \$3,000,000?

Mr. KELLER. That is true.

Mr. Chairman, I propose that we call the attention of the Commission in such a way that they cannot misunderstand the feeling of the House on this subject. We are not going to stand for a cheapened memorial and we are not going to stand for another million dollars either, because neither is necessary. We can build on the present foundation already contracted for a columnar form of structure, which is more beautiful and which was endorsed by the Fine Arts Commission as being the most appropriate. That is exactly what we ought to do. If the Commission is going to go along with this thing, I am going to offer a resolution in the House directing them in this matter. I want every Member of the House to understand exactly the reasons for this.

Mr. Chairman, if the Members have not read this report of the Commission of Fine Arts, I hope they will look over it sufficiently to get a complete understanding of the subject, because it is one in which the House is interested and for which it is responsible. We should not appropriate the extra million dollars, and we should not permit the cheapening of the present memorial. This memorial they propose to build down there is a duplicate, viewed from either side, of the front part of the National Gallery of Art now being erected. I called attention to that fact before the Committee on Appropriations a year ago before the money was appropriated for the building of the foundation. I regret that any appropriation was made until an agreement had been arrived at that would provide a worthy memorial to this great man, one acceptable to the Fine Arts Commission and to this House.

[Here the gavel fell.]

Mr. JOHNSON of Oklahoma. Mr. Chairman, I ask unanimous consent that all debate on this paragraph and all amendments thereto close in 10 minutes.

The CHAIRMAN. Is there objection to the request of the gentleman from Oklahoma?

There was no objection.

Mr. CULKIN. Mr. Chairman, I move to strike out the last two words.

Mr. Chairman, we are beginning to see the land after a long voyage on a stormy sea in the matter of the Jefferson Memorial. The distinguished gentleman from Massachusetts and the distinguished gentleman from Illinois for the first

time in my hearing have conceded that a memorial is either desirable or necessary.

May I give you a brief history of this memorial? I am a member, unhappily perhaps, of the Thomas Jefferson Memorial Commission. The late John Boylan, a very distinguished, kindly, and splendid Member of the House, was chairman. The present chairman is Stuart Gibboney, the man who saved Monticello to the American people. Another member of the Commission is Fiske Kimball, the leading American authority on Jefferson in architecture. The many-sided Jefferson was one of the first great architects in the history of America. At the suggestion of the Fine Arts Commission, in which the present Chairman of that body concurred, we selected John Russell Pope, now dead, to design the plan for this memorial. Before he died he completed the design, making it an exquisite and dignified composite of Jefferson's ideas in architecture. This plan had the unanimous approval of the Jefferson Commission; it had the approval of the President of the United States; and it had the approval of everyone, including the Fine Arts Commission, at one time; even the present Chairman of the Commission, whose only claim to fame is that he is a good landscape gardener.

John Russell Pope, to my mind, was probably the best architect not only in the history of America but in the history of the world. His fame was known in every capital in Europe. At the time of his death he was doing classical structures in London, in Rome, and in Paris. Fully mindful of and knowing full well the Jefferson tradition in architecture as exemplified by Monticello, he has made this monument a composite of all that Jefferson stood for in architecture.

The opposition to this proposition, to both the site and the type of monument selected, is capricious and without just foundation.

Mr. KELLER. Mr. Chairman, will the gentleman yield for a question?

Mr. CULKIN. I cannot yield now.

I said before that the Chairman of the Fine Arts Commission, who, as I say, is probably a good landscape gardener, seems to have the notion he must have his way on what shall be the particular design. He runs true to his trade, for what he wants is a row of encircling colonnades, which is typical of what goes in front of the average realestate development. We have caused Jefferson to be reborn again in Pope's brilliant, daring, and splendid architecture. We rest the case on that and we stand squarely on that ground, every member of this Commission. The Commission is composed not of modest men like myself, with no particular technical equipment, but men who know Jefferson in architecture and who know his place in the history of America. On the Commission is Gibboney, a Virginian of Virginians, who rescued Monticello from destruction. What service, may I ask, except lip service, did the gentleman from Illinois [Mr. Keller] ever render Jefferson's memory. On that Commission, I repeat, we have Fiske Kimball, the leading authority on Jefferson in architecture, the man who wrote a book on Jefferson in architecture, and is at present director of the Philadelphia Museum of Fine Arts.

The secretary of the Commission is the gentleman from Virginia, the Honorable Howard W. Smith, who represents the Mount Vernon district. The cultured gentleman from Texas, the Honorable Fritz G. Lanham is a member of the Commission. The Senate is represented on the Commission by Senator Thomas of Utah, Senator McNary, of Oregon. and Senator Andrews, of Florida. The President's appointments to the Commission include Thomas J. Coolidge, former Under Secretary of the Treasury, a lineal descendant of Jefferson, and for a long time president of the Museum of Fine Arts of Boston, Mass.; also that deep student of Jefferson, the former secretary to President Wilson, the Honorable Joseph P. Tumulty, and Brig. Gen. Jefferson Randolph Kean, a lineal descendant of Jefferson. We are honored also by having as an associate member that great educator, Dr. George J. Ryan, president of the Board of Education of New York City. We have had our differences, but every conclusion of the Commission has been unanimous.

This is the Commission that the House has charged with the responsibility of the erection of this memorial. The House well knows that the whole question is being approached with reverence and care, and it need not be concerned by the idle vaporing of a landscape gardener with a Bob Moses complex. The House will be kept advised of every step that the Commission takes, and can be assured that Jefferson will live again in the glorious memorial now proposed. [Applause.]

[Here the gavel fell.]

Mr. KELLER rose.

The CHAIRMAN. For what purpose does the gentleman from Illinois rise?

Mr. KELLER. For the purpose of suggesting that since my name has been mentioned and my acts challenged, I have a perfect right to answer, and demand the time to do it.

The CHAIRMAN. The Committee, by unanimous consent, has ordered that all debate shall cease in 5 minutes from this moment. By inference, this time was assigned to the gentleman from Virginia [Mr. SMITH], who is recognized for 5 minutes.

Mr. SMITH of Virginia. Mr. Chairman, I happen to represent the congressional district within which is the home of Thomas Jefferson. For that reason I assume I was made a member of the Thomas Jefferson Memorial Commission, and we on that Commission have served for something like 3 or 4 years.

I think it unfortunate that whenever anything is done about erecting a memorial to that great statesman, of whom all political parties today love to boast, some incident should arise in the matter of criticism of the conduct of the Commission. None of us sought this duty. We are all trying to do our duty in the best way possible.

I wish at this time to make only a brief statement on the subject of this controversy. I may say the gentleman from Massachusetts and my good friend from Illinois have both attacked this memorial on numerous occasions on the floor. On two separate occasions, at least, the House by substantial majorities has voted its will that a memorial to Thomas Jefferson in the National Capital should be erected, and that ought to settle the controversy. I hope it will not be futilely continued. The question of dispute between the Fine Arts Commission and the Thomas Jefferson Memorial Commission is also settled. The act that created this Commission directed the Commission, if it saw fit in its discretion, to ask the advice—that is the language of the act—of the Fine Arts Commission.

I may say that we have constantly asked the advice of the Fine Arts Commission, and in many, many instances have taken the advice of the Fine Arts Commission, and until there was a change in the chairmanship of the Fine Arts Commission never a ripple of controversy arose between the Jefferson Memorial Commission and the Fine Arts Commission. Apparently the gentleman who is now Chairman of the Fine Arts Commission has misconstrued his function in connection with the Thomas Jefferson Memorial. His function is to advise, but by no stretch of the imagination is he given the authority to dictate to the Thomas Jefferson Memorial Commission, which is the creature of this Congress. [Applause.]

We went into this subject quite thoroughly with that gentleman and with his predecessor and with his Commission, and we have tried in every way we could to meet their wishes. When the time came that certain complications arose, which I shall not go into at this time, that Commission, after the most studious debate and consideration of the matter, came to the conclusion that the type of memorial we selected was the one that should be built. We acted upon this conclusion, but we did not act upon it until after the Chairman of the Memorial Commission had gone to the White House and consulted with the President and the matter met with his approval.

I may say further, in conclusion, that we hope in a short time to submit to the Congress a report of the actions of the Thomas Jefferson Memorial Commission, which I trust and believe will be entirely satisfactory to every unprejudiced Member of this body. I do not expect it to be satisfactory to those who are prejudiced and have fought the project tooth and nail since its inception, but I hope the Members who are unprejudiced in the matter will reserve their judgment until this Commission has an opportunity to submit to you its report and its reasons for the action which it has taken. [Applause.]

[Here the gavel fell.]
The Clerk read as follows:

NATIONAL BITUMINOUS COAL COMMISSION

Salaries and expenses: For all necessary expenditures of the National Bituminous Coal Commission in performing the duties imposed upon said Commission by the Bituminous Coal Act of 1937, approved April 26, 1937 (50 Stat. 72), including personal services and rent in the District of Columbia and elsewhere; traveling expenses, including expenses of attendance at meetings which, in the discretion of the Commission, are necessary for the efficient discharge of its responsibilities; contract stenographic reporting services; stationery and office supplies; purchase, rental, exchange, operation, maintenance, and repair of reproducing, photographing, and other such equipment, typewriters, calculating machines, mechanical tabulating equipment, and other office appliances and labor-saving devices; printing and binding; witness fees and fees and mileage in accordance with section 8 of the Bituminous Coal Act of 1937; not to exceed \$12,500 for purchase, exchange, hire, maintenance, operation, and repair of motor-propelled passenger-carrying vehicles, including one for use in the District of Columbia; garage rentals; miscellaneous items, including those for public instruction and information deemed necessary by the Commission; and not to exceed \$6,000 for purchase and exchange of newspapers, law books, reference books, and periodicals, \$2,900,000: Provided, That expenditures during the fiscal year 1940 under this head and under the head "Salaries and expenses, Office of Consumers' Counsel, National Bituminous Coal Commission," shall not exceed an amount equal to the aggregate receipts covered into the Treasury during the period July 1, 1937, to June 30, 1940, under the provisions of section 3 of the Bituminous Coal Act of 1937, after deducting therefrom the total expenditures under these heads for the period July 1, 1937, to June 30, 1940, under these

Mr. TABER. Mr. Chairman, a point of order. The CHAIRMAN. The gentleman will state it.

Mr. TABER. I make a point of order against the paragraph on the ground it delegates additional power and discretion to the Commission, and I call particular attention to lines 23, 24, and 25 of page 9, which also contain the words "in the discretion of the Commission."

It seems to me this makes an appropriation and leaves the amount of the appropriation which shall be spent to the discretion of the Commission or gives the Commission power to determine whether the appropriation should be made. It is the same thing as delegating authority to the Commission to make an appropriation, and is clearly legislation.

Mr. JOHNSON of Oklahoma. Mr. Chairman, I desire to be heard in opposition to the point of order.

If the distinguished gentleman from New York will read title V, section 83, he will find full and ample authority for the language to which he objects.

Mr. DOWELL rose.

The CHAIRMAN. The Chair will hear the gentleman from Iowa on the point of order later.

Mr. JOHNSON of Oklahoma. This is a general provision of the code, title 5, section 83, which provides that no money appropriated by any act shall be expended for membership fees or dues of any officer or employee of the United States in the District of Columbia in any society or association or for expenses of attendance of any such persons at any meeting unless specifically appropriated by Congress. The provision in the bill grants this specific authority, as required by title 5, section 83, of the United States Code, to which I have just referred.

The CHAIRMAN. The Chair would like to inquire of the gentleman from Oklahoma what his interpretation of the word "meetings" is. Does that include outside meetings or meetings of the Commission, or just what is his interpretation of that word?

Mr. JOHNSON of Oklahoma. I think it might be held to include meetings other than meetings of the Commission.

The CHAIRMAN. Does the gentleman from Iowa desire to be beard?

Mr. DOWELL. For just a moment, Mr. Chairman.

I simply want to add that the proviso is clearly a limitation to the statute that was passed in 1937 and that this provision cannot go beyond what was provided by law.

The CHAIRMAN. The Chair is ready to rule. The Chair rules that the inclusion of the words "in the discretion of the Commission" is probably covered by the citation given by the gentleman from Oklahoma [Mr. Johnson]. Title V, section 83, of the United States Code provides:

That no money appropriated by any act shall be expended for membership fees or dues of any officer or employee of the United States in any society or association, etc., or for the expenses or attendance of any person at any meeting or convention of members of any society or association unless such fees, dues, or expenses are authorized to be paid by specific appropriations for such purpose and are provided for in express terms in some general appropriation.

The language in the paragraph under consideration seems to comply with that provision, and the point of order is overruled.

Mr. ALLEN of Pennsylvania. Mr. Chairman, I offer the following amendment which I send to the desk.

The Clerk read as follows:

Amendment offered by Mr. ALLEN of Pennsylvania: Page 10, line 15, after the word "periodicals", strike out "\$2,900,000" and insert "\$2,000,000."

Mr. ALLEN of Pennsylvania. Mr. Chairman, 4 years ago Congress passed what is known as the first Guffey Coal Act. That act, having been operative for nearly a year, was outlawed in 1936. During its active life, enormous cost was placed on the bituminous coal industry and absolutely no benefits whatever were received by that industry. Two years ago in April the second Guffey Coal Act was passed. The purpose of the act was to establish minimum prices, to eliminate unfair trade competition and to bring order out of chaos. In considering this appropriation this afternoon, in all fairness, we must realize that we have been experimenting for 4 years with this kind of legislation, and that during this whole period not one single effective minimum price has been established. The so-called cutthroat, destructive competition has not been eliminated. It is as rampant today as it was 4 years ago, and instead of bringing order, we have brought greater chaos to what can now be considered a comparatively orderly industry. Conditions, if anything, have grown steadily worse. At this point I want it understood that I do not blame the chaotic condition of the bituminous coal industry at the present time on the Commission altogether. but I do say that in spite of the millions of dollars that have been expended during the past 4 years, it has failed to correct the evils which obtain in the industry, and has failed to check the downward spiral in that industry. In 1936 the bituminous coal industry lost six and a half million dollars; in 1937 they lost \$30,000,000; and in 1938, \$68,000,000. All this shows that during the period in which this act has been in force the conditions have grown steadily worse, and no corrective measure or step has been taken.

More mines that were hitherto profitable are facing bankruptcy today than ever before. More mines are closed down today than ever before, and there are more miners out of work than there were before the act was passed. You are going to be asked to give this Commission another chance. You are going to be told that because of litigation and misunderstanding their work has been hindered, but I believe that 4 years and the expenditure of some \$23,700,000 is long enough to experiment with any legislation of this kind. I do not believe we should be called upon today to give this Commission further opportunity to waste more money, for that is what it amounts to. At the present time we are exactly where we were when we started, as far as legislation and enforcement are concerned, except that conditions in the industry are far worse than before, and there is absolutely no light ahead. During the past 4 years, as I have said, we taxed this already sick industry \$23,700,000, a sum of money which it cannot afford to lose. We are told that in May perhaps the first minimum prices are going to be fixed, and on the other hand we are told that fuel oil and other coal substitutes are eating into the bituminous-coal industry.

Gentlemen, what is going to happen when we raise coal prices? Are not coal substitutes going to be used in still greater quantities? Will not the consumption of coal be less and will not more miners be thrown out of work? It does not do any good to receive high prices for coal if you cannot sell your product. It does no good to give high wages if miners do not get a chance to work for those wages.

Mr. BOLAND. Mr. Chairman, will the gentleman yield? Mr. ALLEN of Pennsylvania. In just a moment.

The CHAIRMAN. The time of the gentleman from Pennsylvania [Mr. Allen] has expired.

Mr. ALLEN of Pennsylvania. Mr. Chairman, I ask unanimous consent to proceed for 5 additional minutes.

The CHAIRMAN. Is there objection to the request of the gentleman from Pennsylvania?

There was no objection.

Mr. ALLEN of Pennsylvania. In reality we have handed the Bituminous Coal Commission a piece of legislation which I believe is absolutely impracticable. Do you realize that in the Appalachian area alone we are asking this Commission to establish something like 500,000 different individual minimum prices, each price changing according to the slight difference in freight rates or the difference in the ash content of the different coals or the sulphur content of the different coals? I maintain that there is no commission on earth that can enforce or regulate 500,000 different prices.

Mr. BOLAND. Mr. Chairman, will the gentleman yield? Mr. ALLEN of Pennsylvania. In just a moment I will.

The time has come for us to be fair and honest with the coal operators and with the miners. My district is a large bituminous-coal district. If this act had helped the operators, if it had helped the miners themselves, if those men were working today, if the industry was prosperous or at least breaking even, I would be down here defending that Commission with all the energy I have. It has absolutely failed, however, and it will continue to fail until this act is clarified and amended, and until the contradictory features are stricken out or the irreconcilable provisions corrected. Until the Commission can justify its existence, or until we can help them to function efficiently and satisfactorily, it is our duty this afternoon to save this industry, which is sick and facing destruction, this \$900,000. The time has come for the Coal Commission to prove by actual facts and accomplishments that they can justify their existence. We must cease trusting in their everlasting promises that something constructive is going to be done. I hope my amendment will be upheld.

Mr. BOLAND. Mr. Chairman, will the gentleman yield now?

Mr. ALLEN of Pennsylvania. I yield to my colleague.

Mr. BOLAND. Is it not a fact and does not the gentleman know that the only way to stabilize the bituminous coal industry is with a minimum wage and minimum price for coal? Is it not a fact and does not the gentleman know it to be a fact that 80 percent of the bituminous coal operators want this legislation, and is it not a fact that 95 percent of the workers in the bituminous coal fields want this legislation and this appropriation?

Mr. ALLEN of Pennsylvania. My answer is that if there is any operator in my district who wants this legislation he has been silent and I have not heard from him, and every single letter which I have in my files from my own district and other districts protest the continuation of this act.

Mr. BOLAND. I can inform the gentleman from Pennsylvania that 80 percent of the operators of the bituminous coal fields want this legislation.

Mr. ALLEN of Pennsylvania. I can only answer the gentleman as I already have, that no operator has told me that he favors the act, and all the letters I have received are opposed to this legislation in its present form.

Mr. HOOK. Mr. Chairman, will the gentleman yield?

Mr. ALLEN of Pennsylvania. I yield.

Mr. HOOK. Will the gentleman tell me how he is going to make this Commission operate more efficiently by cutting off \$900,000? Why not cut out the other \$2,000,000 if it is all waste?

Mr. ALLEN of Pennsylvania. I will say to the gentleman that during the 4 years this Commission has been in existence they have gathered all necessary data together and have all the information they need to establish minimum prices. If they are going to do anything, they can do it now with no further need for the huge force which they have employed to gather this information in the past. That is my answer to that.

Mr. EBERHARTER. Mr. Chairman, will the gentleman yield?

Mr. ALLEN of Pennsylvania. I yield.

Mr. EBERHARTER. Does the gentleman know whether the United Mine Workers in his district have, as a body, taken a stand in favor of giving the National Bituminous Coal Commission the entire appropriation mentioned in this bill?

Mr. ALLEN of Pennsylvania. I believe they have. That is, the leaders. The rank and file of the miners do not know what is facing them today. They do know that they are unemployed, thousands of them. At a labor meeting last Saturday night I challenged any representative of the mine workers who had benefited by this act to stand on his feet, and not a single one of them arose,

Mr. WHITE of Ohio. Mr. Chairman, will the gentleman

Mr. ALLEN of Pennsylvania. I yield.

Mr. WHITE of Ohio. I want to call the gentleman's attention to the hearings, wherein the members of the Bituminous Coal Commission themselves, as well as the representative of the consumers' counsel, said they could not successfully establish minimum prices and administer the Bituminous Coal Act for the coal industry unless and until a similar regulation was applied to competing fuels.

Mr. ALLEN of Pennsylvania. That is correct.

The CHAIRMAN. The time of the gentleman from Pennsylvania has again expired.

Mr. SCRUGHAM. The Bituminous Coal Act of 1937, approved April 26, 1937, declares that-

Regulation of the sale and distribution in interstate commerce of bituminous coal is imperative for the protection of such commerce; that there exists practices and methods of distribution and marketing of such coal that waste the coal resources of the Nation and disorganize, burden, and obstruct interstate commerce in bituminous coal, with the result that regulation of the prices thereof and of unfair methods of competition therein is necessary to promote interstate commerce in bituminous coal and to remove burdens and obstructions therefrom.

For that reason the Coal Commission was created. It has been operating approximately only 2 years instead of 4. The reasons for the delay of price fixing are given on page 585 of the hearings. I inquired of Mr. Tetlow:

Mr. Scrugham. What was the basic reason for the failure of the first price code set up?

first price code set up?

Mr. Tetlow. A question of the procedure, sir, under which the Commission established minimum prices on December 16, 1937.

The interpretation of the act was such that it was quite difficult for an administrative body to decide what the law provided and what it should consider to be due process in dealing with the rights of consumers or producers, and in having fair hearings out of which minimum prices could be established.

This act provides for the establishment of prices, and it also provides that any producer, State, political subdivision, or other party at interest had a right to file a petition for modification of any price schedule.

any price schedule.

The Commission felt that it had complied with the requirements of the act, but, unfortunately, the courts decided otherwise. The Commission, out of the interpretations and decisions of the court, is now better informed. Certainly, we now have a better understanding of the requirements of the law. At that time on account of the invalidation of certain prices established by the Commission for railroads and other large consumers of coal, the Commission was compelled to suspend the prices in effect because of the unfiltered of enforcing these prices on these who had not been the unfairness of enforcing these prices on those who had not been given relief.

It would have meant a continual attack on these prices in the

courts, because of the procedure followed.

Due process, of course, is a requirement that administrative bodies must meet, and they must conduct themselves so that all parties of interest will have a fair hearing. Out of that comes the necessity of establishing the facts in a public record that is reviewable in the courts, and the administrative body is required to make its findings and its decisions upon such a record.

The amendment just offered proposes to cut the appropriation from \$2,900,000 to \$2,000,000. The effect of this would be to seriously hamstring the Commission in the issuance of its price findings and justification thereof. If this Commission is authorized-if it is desirable to regulate the bituminous coal industry, give them a chance. Your Appropriations Committee decided that the appropriation of \$2,-900,000 for the Commission and of \$285,000 for the consumers' counsel was a sufficient and proper sum of money to enable them to continue in the manner indicated by the

Let me again repeat that if this amendment is adopted to reduce the item to \$2,000,000, you might as well, in my opinion, cut off the appropriation entirely.

Mr. CARTER. Mr. Chairman, will the gentleman yield?

Mr. SCRUGHAM. I yield.

Mr. CARTER. If this item is cut to \$2,000,000 we would just be wasting the \$2,000,000, would we not? Is it not a fact that the Coal Commission is just about to put these rates into effect? In fact they will be in effect within the next few months, and in less than a year it can be determined whether or not this work is going to be effective.

Mr. SCRUGHAM. In my opinion, yes. The increased amount over and above the amount the gentleman from Pennsylvania suggested in his amendment is necessary because there has to be a certain flexibility in fixing these prices on coal. The very reason mentioned by the gentleman from Pennsylvania [Mr. Allen], namely, there are competitive fuels, there are competitive substitutes, and as the price of the substitute fluctuates the price of coal has to be adjusted accordingly. The Coal Commission has to maintain a force adequate to deal with these variable factors.

Mr. RICH. Mr. Chairman, will the gentleman yield?

Mr. SCRUGHAM. I yield.

Mr. RICH. Is it not a fact that we have spent \$8,150,000 and the Commission itself admitted that they had not accomplished anything?

Mr. SCRUGHAM. That is not exactly correct. On page 614 of the hearings appears a table of the tax collections. It will be noticed that the money is raised on the basis of a tax of 1 cent a ton. This money does not come entirely out of the Treasury of the United States as money that is not reimbursable. If the gentleman is interested in cumulative figures the gentleman will see that the estimated total at the end of the fiscal year 1940, of tax collections, is \$10,-097,399 whereas the total expenditures to that same date will be \$10,713,373 less \$615,000, the reduction made by the committee. In the judgment of the committee the cumulative appropriations and the cumulative collections should be approximately the same.

The point I wanted to make was that after Mr. RICH. having spent \$8,500,000, whether the money came from the Federal Treasury or from the coal companies, they should have accomplished something long, long before this.

Mr. FADDIS. Mr. Chairman, I rise in opposition to the amendment.

Mr. Chairman, anyone who has known the bituminouscoal industry all his life is bound to realize that throughout the entire history of its existence it has been in the most chaotic state of any industry in the United States; and as the years go by in this industry, which employs so many men, conditions become worse with each year. The only solution I can possibly see for this problem is for them to be subject to the regulation of some commission such as this. The gentleman from Pennsylvania [Mr. Allen] in his statement of losses of from twenty to sixty million dollars per year in this industry furnishes a good and sufficient reason for the continuance of the present appropriation for this Commission. Surely an industry cannot be expected to continue operating at a loss.

I think it will be interesting to the membership of this Committee this afternoon to know why this industry is so demoralized. About 40 years ago when practically the only fuel used for steel making in the United States was coke, made from bituminous coal, and bituminous coal was the modern streamlined fuel for railroads, ships, all steam plants, and for heating purposes, various industries expended vast sums of money buying coal in the ground. They bought vast acreages of coal all over the United States and tied up a great deal of money. Later on other fuels came into competition with bituminous coal, but because of the great amount of money which had been expended initially to buy up coal fields, many of these various companies found themselves in the position of having white elephants on their hands. Interest and taxes go on and they are forced to operate. Overhead in the mines opened goes on whether the mines work or not. These conditions were intensified as a result of the expansion during the World War. In consequence we have today an industry in which cutthroat operations are inevitable unless some regulation is in force. In this cutthroat competition both the operators and the miners suffer. The bituminous-coal mining industry in the United States employs about 600,000 individuals. They are for the most part men who are the least fitted of any men in the Nation to turn their hands to some other occupation when unemployed in the coal mines. Many of these men were brought here from Europe years ago for the express purpose of working in these mines. As conditions in the coal fields have caused increasing unemployment amongst this class of people they have had to be taken care of, but they are the hardest class of people in the United States to take care of.

The amendment offered by the gentleman from Pennsylvania [Mr. Allen], if agreed to, will strike from the appropriation to be made to the Bituminous Coal Commission the sum of \$900,000. May I call the attention of the members of the Committee this afternoon to the fact that this Commission is the only commission or board in this appropriation bill which pays its own way. As a matter of fact, the gentleman from Oklahoma [Mr. Johnson] intimated to the committee in his opening statement that if that committee had known there was a million dollars coming to this Commission which had not yet been collected, that committee would not have cut the \$600,000 which was originally cut from the Bituminous Coal Commission. I wish it distinctly understood that the Commission has paid its own way to the full extent of the \$2,900,000 already appropriated and is a million dollars to the good. The money has been turned into the Treasury of the United States. This is the only commission included in the pending bill that is paying its own way, the only one that is self-supporting, yet here is a move to cut its appropriation.

Mr. Chairman, if the gentleman from Pennsylvania has so little faith in this Commission, as he appears to have, why should his motion not include striking out the entire amount for this Commission? After all we are led to suspect this must be a sort of private feud the gentleman is carrying on to hamstring this Commission by cutting off \$900,000 of its appropriation. If it is in such bad repute with the gentleman, why did he not offer a motion to do away with the whole appropriation and thereby eliminate the entire Commission?

Mr. MAY. Will the gentleman yield?

Mr. FADDIS. I yield to the gentleman from Kentucky.

Mr. MAY. I suspect the gentleman had an idea if he did that it would meet with the same fate that an amendment proposing to abolish the Labor Relations Board by withdrawing its appropriation met when there were only 15 votes cast in favor of the amendment.

Mr. FADDIS. Very likely, and therefore seeks only to hamstring the Commission. Here is another thought I would like to leave with the Committee. There were 600,000 individuals engaged in this industry last year and 40,000 of these men have been replaced by loading machinery. The conditions in respect to the miners are bad enough at the best, so, in the name of simple justice, give this Board a chance. [Applause.]

[Here the gavel fell.]

Mr. CARTER. Mr. Chairman, I move to strike out the last two words.

Mr. Chairman, may I say that the members of the subcommittee gave deliberate consideration to this particular item

having to do with the Coal Commission. Hearings of considerable length were held and we did reduce the amount of the appropriation asked for by \$600,000. I think I am stating the matter correctly when I say it was the opinion of the members of this subcommittee that the Commission should be permitted to continue with the work presently before it, that these rates which they hope to put into effect this spring, perhaps in May or June, should be put into effect and the result obtained from the establishment of those rates noted and studied by the Congress.

Mr. Chairman, I stated a while ago that the result of this motion will be to waste \$2,000,000 and would place the Bituminous Coal Commission in a position where they cannot do anything. I agree with the gentleman from Pennsylvania [Mr. Faddis] that it would be far better business to cut out the whole thing than to leave the Commission in a position where it could spend \$2,000,000 and still be unable to achieve its objective. I am sure it is the sentiment of the coal industry, the coal miners, and the sentiment of the overwhelming majority of the people of this country that these rates should be put into effect and a fair, square chance given the Coal Commission to see whether or not it can produce beneficial results.

Mr. Chairman, I ask the Committee to vote down the pending amendment.

[Here the gavel fell.]

Mr. EDMISTON. Mr. Chairman, I rise in opposition to the pro forma amendment.

Mr. Chairman, I represent one of the largest coal-mining districts in this country, and my district is certainly not in accord with the views expressed by the gentleman from Pennsylvania [Mr. Allen] who has offered the pending amendment. I would say that 95 percent of the miners in my district are in favor of the legislation and 80 percent of the operators are also in favor of the legislation.

The gentleman from Pennsylvania [Mr. Allen] has said in his remarks that the Commission had done nothing and that the industry is in a worse condition now than it ever was. I challenge that statement. There is at least peace in the coal industry of this country today, which was practically unknown until legislation of this sort was put on the statute books. The miners are getting a living wage for their day's work. They are not working for starvation wages. The industry is peaceful and the men are working. When the Coal Commission has finished its job, which is about 80 to 90 percent completed, there are many of us who believe that the chaotic condition which for years has existed in the industry will be remedied.

During the past 23 years the Congress of the United States has made some 19 investigations of the bituminous-coal industry, and out of those hearings and studies has come the Guffey coal bill. Many of us are disappointed that it is not functioning at the present time. We would like to have it do so. However, many difficulties were encountered in trying to do the job.

There are some 15,000 operating bituminous coal mines in this country, and every one of them has to have its own conditions met and its own price fixed. On account of that fact alone, it has been a big job which this Commission has been called upon to do. So let us give them a chance to see if it cannot get to functioning properly and enjoy prosperity.

I want to emphasize that the \$2,900,000 which the committee has recommended is not costing the taxpayers of this country one thin dime. It is being put up by the industry itself at the rate of 1-cent-a-ton tax on bituminous coal.

Mr. ALLEN of Pennsylvania. Will the gentleman yield?
Mr. EDMISTON. I yield to the gentleman from Pennsylvania.

Mr. ALLEN of Pennsylvania. Does the gentleman feel that the bituminous coal industry today can afford to pay this 1-cent tax? And further, why should it be called upon to pay a tax when no other industry receiving benefits of any kind from the Government is called upon to pay a tax?

Mr. EDMISTON. I will answer the gentleman's question.

Mr. ALLEN of Pennsylvania. Does the gentlemen believe we should put this tax on the bituminous coal industry alone?

Mr. EDMISTON. Any coal operator who cannot operate because they put a 1-cent-a-ton tax on him ought to get out of the business anyway. When he is averaging, as he does in my country, better than \$2 a ton for his coal, the 1-cent-a-ton tax is not going to bother him. And he is paying his miners a living wage, a minimum of \$5.10 per day for 7 hours' work. The object of this act is to give the operator a fair profit and the miner a living wage.

Not since the World War until the N. R. A., when the coal industry was under Government regulation, has the industry made any money. The operators were in bankruptcy and the miners were starving. Let us give the Commission a chance to do its job, and I believe the money spent will be the best investment the industry has ever made.

Mr. MAY. Mr. Chairman, will the gentleman yield?

Mr. EDMISTON. I yield to the gentleman from Kentucky. Mr. MAY. I hope the gentleman will discuss also the vital importance of the coal industry to the railroad industry, and the fact that the men who work in the railroad industry and the coal industry are paid by the mine operators and the railroad owners the highest wages of any industries in the country.

Mr. EDMISTON. That is true. I thank the gentleman for

his contribution.

Mr. WALTER. Mr. Chairman, will the gentleman yield? Mr. EDMISTON. I yield to the gentleman from Pennsylvania.

Mr. WALTER. Does the gentleman believe it would be fair to interfere with the operation of this agency just at a time when it is ready to proceed with the sort of work it was set up to accomplish?

Mr. EDMISTON. I just pointed out that their job is 80 to 90 percent done. Let us give them a chance to see if they cannot do what many of us believe it is possible to accomplish

Mr. SCHAFER of Wisconsin. Mr. Chairman, will the gentleman yield?

Mr. EDMISTON. I yield to the gentleman from Wisconsin.

Mr. SCHAFER of Wisconsin. If we subsidize the expansion of hydroelectric power development much further there will be no place for the bituminous coal industry.

Mr. EDMISTON. If the gentleman will look up my record he will find I vote against it consistently, for that very reason.

[Here the gavel fell.]

Mr. ROBSION of Kentucky. Mr. Chairman, I move to strike out the last three words.

Mr. Chairman, I have not used any time on this bill and have information here that, as a friend of this legislation, I should like to give to the Committee, so I ask unanimous consent that I may proceed for 5 additional minutes. I shall not ask any other time.

The CHAIRMAN. The gentleman from Kentucky asks unanimous consent to proceed for 10 minutes. Is there objection?

Mr. JOHNSON of Oklahoma. Mr. Chairman, reserving the right to object, and I shall not object, I wonder if we cannot agree on some limitation of debate at this time. I ask unanimous consent that all debate on this paragraph and all amendments thereto be concluded in 50 minutes.

Mr. JENKINS of Ohio. Reserving the right to object, Mr. Chairman, has the gentleman counted the Members on their feet, so we can each have 5 minutes?

Mr. JOHNSON of Oklahoma. That was my thought. Ten Members were on their feet.

Mr. DOWELL. Reserving the right to object, may I have 5 minutes of that time?

Mr. JOHNSON of Oklahoma. That is my understanding, I may say to the gentleman.

The CHAIRMAN. The Chair will divide the time equally among the gentlemen who were on their feet at the time the request was made. The Chair may say to the gentleman from Oklahoma that the request of the gentleman from Ken-

tucky was that he be permitted to proceed for 10 minutes. Is the request of the gentleman from Oklahoma that debate be limited to 50 minutes, in addition to the 10 minutes to be allotted to the gentleman from Kentucky?

Mr. JOHNSON of Oklahoma. That is correct.

The CHAIRMAN. Is there objection to the request of the gentleman from Oklahoma?

There was no objection.

The CHAIRMAN. Is there objection to the request of the gentleman from Kentucky that he be permitted to proceed for 10 minutes?

There was no objection.

Mr. ROBSION of Kentucky. Mr. Chairman, ladies, and gentlemen, the coal industry is one of the great necessary key industries of the Nation, both in peace and in war. Next to the railroads it furnished more work for more men than any other industry. It pays the highest wages of any industry, even higher than the wages paid to railroad workers. It provides 20 percent of all of the freight loadings of the country, and that is double the amount provided by any other industry. More than \$4,000,000,000 are invested in the soft-coal industry.

A distinguished committee of mining engineers appointed by the United States Coal Commission estimates that we have bituminous-coal and lignite-coal reserves amounting to 1,625,050,000,000 tons. Kentucky alone has 62,290,000,000, Pennsylvania has 34,920,000,000, Illinois has 53,920,000,000, Indiana has 26,640,000,000 tons, and West Virginia has 66,540,000,000 tons of soft coal.

When the Nation is reasonably prosperous, there should be produced and consumed in the neighborhood of 500,000,000 tons of soft coal annually and provide employment for more than 450,000 miners. It can and does provide much of the light and power for industry, the homes, the schools, the churches, and cities. It is frightful to contemplate what would happen if the supply of coal of the Nation should be suddenly cut off. It can be seen at once how important this industry is to the welfare of industry, labor, agriculture, and commerce.

HAS IT HELPED OR HURT PRODUCERS AND MINERS?

What I have to say is not for the purpose of cutting down the appropriation for the Commission, or for the purpose of criticizing the Commission. There was a great deal of politics in the set-up of the Commission, and a lot of confusion. The President had to take a hand and did partially straighten these matters out. I really do not think any of the appropriation the Commission has asked for in this bill should be denied to it. I want this act and this Commission to have a full and fair test. If we should reduce the appropriation now when the Commission insists they will submit a code of minimum prices in May 1939, and then the Commission should continue to fail to bring about better times in the soft-coal industry, the Congress would be blamed. I do not want the Commission to have any alibi if the plan does fail. Let us give the act and the Commission full opportunity to prove or discredit itself. However, I think the Congress and the country ought to know if any benefits up to this time have been derived from this act or the Commission, and on the other hand if the coal industry and miners have been helped or hurt.

In 1937 there were produced 442,455,000 tons of bituminous coal. In 1938 there were produced only 342,308,000 tons. It will be seen that there were 100,048,000 less tons produced in 1938 than there were in 1937. In 1929 there were produced 539,989,000 tons. That was 192,582,000 more tons that were produced in 1938, after we had the Guffey Coal Act and the Bituminous Coal Commission for nearly 2 years.

What the miners desired was more jobs, not less jobs. What the operators desired who favored the Guffey Coal Act was an increase of production, not loss.

The United States Bituminous Coal Commission estimates that the bituminous-coal industry lost \$37,000,000 in 1937. This industry, it is estimated, lost somewhere between \$60,000,000 and \$100,000,000 in 1938. The results are just the opposite to what the operators and miners desired, and what the Congress had hoped for when the Guffey Coal Act was

passed and the Bituminous Coal Commission was appointed and took charge of the coal industry.

I must confess that I have been greatly disappointed. My district produces a large tonnage of the highest grade of bituminous coal. I have been very anxious at all times to speak and support measures that would, in the opinion of the coal operators as well as the miners, create greater production and provide more jobs. The results of the Guffey Coal Act and the efforts of the Bituminous Coal Commission are most disappointing to me.

The bill before us is an appropriation bill. No amendment to the Guffey Coal Act would be in order here. The Ways and Means Committee would have to submit a bill to repeal or amend the Guffey Coal Act. One of the provisions in this bill merely makes appropriation for the Bituminous Coal Commission.

GUFFEY COAL ACT

The miners and the coal operators generally, and the people of the Nation, as well as the Congress, felt that some action was necessary to stabilize this industry and stabilize the price of coal. Perhaps coal operators representing 80 percent of the tonnage of soft coal and most of the miners urged the adoption of the Guffey Coal Act. Congress passed this act in 1935, but the Supreme Court held that act to be unconstitutional. A new Guffey Coal Act was passed and became effective in April 1937. The constitutionality of this last act appears to have the approval of the courts.

The Bituminous Coal Commission was appointed. It set up an elaborate and expensive organization and set about to stabilize the industry and prices of soft coal. It did fix minimum prices for the coal generally. Because the Commission had failed to observe the law and hold hearings and give the producers and consumers of soft coal an opportunity to be heard the courts set aside the order of the Commission fixing these prices, and for a year or more the Commission has been holding hearings and gathering data to fix a new code of minimum prices. The Commission has let it be known that this new order will be made in May.

WHAT ARE THE RESULTS?

It is quite clear from the letters and telegrams I have received from all parties interested in this great industry—the producers as well as the miners—that they, too, have been disappointed and there is not that overwhelming sentiment for the Guffey Coal Act that there was when it was passed.

I read from the following letters that will give the Congress and the country some impression as to their attitude now. Here is a letter of February 24, 1939:

We are appealing to you to help have the Guffey Coal Act amended so that the 30-day clause, the tax, and the market provision will be eliminated. This law has completely demoralized the coal business, and unless some relief is given through amendment of this law, many coal companies will be forced to the wall.

Here is another letter dated February 25, 1939:

At the end of almost 2 years, the Guffey Coal Act has accomplished nothing for the coal industry. On the other hand, it has cost approximately \$20,000,000 in taxes and District Board expenses and direct cash out-of-pocket expenses to producers (coal operators). Due to the restriction on the sales contracts and the uncertainty of this law hanging over the industry, it has, in my opinion, cost the industry an additional \$50,000,000 to \$75,000,000 in losses.

These are reliable coal people who were friendly to and urged the passage of the act.

Mr. MAY. Mr. Chairman, will the gentleman yield?

Mr. ROBSION of Kentucky. I yield to the gentleman from Kentucky.

Mr. MAY. I wonder if the gentleman will not agree with me that the reasons there were so many coal miners unemployed during the period to which he refers were through the competition of hydroelectricity, the competition of fuel oil shipped into this country, and the competition of natural gas. None of these is a labor-employing industry.

Mr. ROBSION of Kentucky. They are contributing factors.

One trouble about the Guffey Coal Act is that no coal company under that act and the orders of the Commission can make a contract to furnish coal to any concern or individual for a period beyond 30 days. They must run their business on a hand-to-mouth basis. A coal mine cannot run and do any good that way.

Furthermore, under the Guffey Coal Act the coal producers themselves must pay not only their social-security tax and other taxes, but they must pay 1½ cents a ton to carry on certain activities of the Coal Commission and other activities in the enforcement of the act; and then there is such a restriction on sales contracts as we are advised greatly hampers the production and sale of coal. Another producer of coal writes:

To the Guffey Coal Act is mainly attributable the demoralized condition of the coal business at this time, with a resulting hardship on the employees (miners) who make their living that way. An amendment should be made so that the tax, the 30-day clause, and the marketing provisions will be eliminated.

Mr. MAY. Mr. Chairman, will the gentleman yield?

Mr. ROBSION of Kentucky. Just as soon as I read one or two more of these letters.

Here is one dated March 9, 1939:

The Coal Act of 1937 has been an experiment costly to the industry in extra taxes, extra expenses, and loss of realization. Its continuation will benefit none. It has hurt the coal business and at the same time has thrown tens of thousands of miners out of work. The 30-day limitation on contracts is particularly harmful.

Here is another letter dated February 22, 1939:

The coal industry is in a terrible shape and we think the Guffey Coal Act is responsible. We have no hopes of a price ever being established that will ever be fair to all or anyway near to all.

Then another letter dated February 28, 1939:

There is no question but what it has had a very ruinous effect on the industry. For over 2 years the Bitminous Coal Commission has been trying to find a way to make it work, and I say to you frankly that it is the opinion of nearly all of the operators that it is impossible to make it work.

I am not unfriendly to this or any other measure that has for its purpose to help the coal industry and the miners. I strongly favor measures that will help the coal industry and help the coal miners. The coal industry cannot continue to lose these large sums of money and neither can the coal miners continue to be without work with their families suffering from hunger and cold. [Applause.]

Mr. ALLEN of Pennsylvania and Mr. MAY rose.

Mr. ROBSION of Kentucky. I yield first to the gentleman from Pennsylvania.

Mr. ALLEN of Pennsylvania. I want it understood that I feel exactly the same way about that, and I agree with what the gentleman has said about the condition of the coal industry; but does not the gentleman believe also that if the minimum prices are established, which will be higher than the prices which they are receiving today, this will drive the consumer more and more to the use of coal substitutes, especially when the fact is considered that the producers of the substitutes can contract for a year if they want to, as against 30 days in the coal industry?

IS THE GUFFEY COAL ACT WORKABLE?

Mr. ROBSION of Kentucky. I thank the gentleman. I am wondering if the Congress has not handed to the Commission an impossible task. There are tens of thousands of coal mines in the Nation with difference in the thicknesses of the seams of coal, the quality of the coal, the distance from the market, and many other material factors that enter into the cost of production and value of the coal. Is it reasonably possible for this Commission to fix prices that will not greatly favor one coal mine or one section of the country as against another coal mine in another section of the country with different thickness of seam, quality of coal, and location to the consuming markets? Will it not be necessary for them to fix thousands of prices and then, with changing conditions in industry and agriculture, can the Commission from day to day or from month to month change these prices to meet these changing conditions? Under this act the Commission has virtually taken over the coal-mining industry in this country. How can a commission and its assistants here in Washington determine with

any degree of fairness and accuracy all of these many, many questions?

There is another complication that enters into this problem that is outside of the power of the Commission. As we increase the price of coal it increases the use of crude oil, natural gas, and hydroelectric power. The Commission here can only regulate and fix prices on one of the four chief fuels of the Nation. It can put the halter on coal, but it can do nothing about oil, gas, or electrical power. If this matter can be handled at all by the Government, the Commission must have jurisdiction to control these four fuels.

The administration refuses to put a protective tariff on the hundreds of millions of barrels of fuel oil that have been shipped into this country in competition and used in competition with coal. The Government has taken the tax money of the coal producers, as well as the coal miners, and developed hydroelectric power. This has operated heavily against the producers of coal and the miners in Kentucky, Tennessee, Virginia, West Virginia, Alabama, and other States. The coal mines and miners furnished the coal to run the shops, factories, and mills, heat the homes, and light the cities and towns. Now they are getting power subsidized by the Government, and this has taken away hundreds of millions of tons of coal business and the work of hundreds of thousands of miners. This administration is doing that to the soft-coal industry and to the coal miners of the Nation.

Great pipe lines have been and are being put in to pipe natural gas for long distances. For instance, there are pipe lines leading from Texas into and through coal fields in Kentucky, and there are pipe lines leading from West Virginia and other States into and through coal fields in Kentucky.

There is no restriction put on these three fuels, but coal is taxed and haltered, and that industry and the miners are suffering tremendously; and, as pointed out, there are 100,000 less miners at work today than there were in 1937, and in 1938 we produced over 100,000,000 tons of coal less than in 1937; and the coal business lost \$37,000,000 in 1937 and from \$60,000,000 to \$100,000,000 in 1938, and it is not getting any better.

It is little wonder that the coal industry and the miners who favored this legislation in the beginning are losing faith in the act and in the Commission and are losing faith in the administration's pledge to put this industry on its feet and put the miners to work. The administration should give the industry and miners protection against the low-priced crude oil that is being shipped into this country from Mexico, South America, and other countries. It should give them protection against unfair competition on account of hydroelectric power. It is unfair to require the taxpayers of the Nation as a whole to give a bounty to the users of hydroelectric power in competition with coal, and it is likewise unfair to have no restrictions on natural gas and place such heavy restrictions on coal and the miners.

THE COMMISSION ATTEMPTS TOO MUCH

Congress is limited in its powers to the regulation of interstate commerce and intrastate commerce where it is in such quantities as to depress and retard interstate commerce. This Commission has declared that all soft-coal mines in Kentucky and many other States are engaged in interstate commerce and come within the Guffey Coal Act. In my district as well as in others, a great many of the farms have a little coal bank on them to provide coal for the farmer and his family, and some of these sell a small quantity of coal in the neighborhood. While at home this summer, quite a number of farmers came to see me and complained time and again that persons representing the Coal Commission had called upon them and were trying to force them to adopt the coal code and place themselves under the Guffey Coal Act and were attempting to collect 191/2 percent a ton tax from these little local producers of coal. One man pointed out to me that he had sold but one load of coal in a year to his farmer neighbor, yet he was hounded about the coal code and the Guffey Coal Act and 191/2-percent tax.

We were assured by the author of the bill on the floor of the House when it was passed that these little local strictly intrastate mines would not come within the law, and in my honest opinion they do not come within the law and the Commission is exceeding the authority given it by Congress and the powers granted it by Congress under the Constitution to interfere with these little local mines. For instance, in my home county there is not a ton of coal shipped into the county from any part of Kentucky or any other State. There are several of these little local truck or wagon mines. They are all warned to join the coal code and they are presented from time to time with claims for taxes of 19½ percent of the market price of the coal. That means about 39 cents on the ton.

The great trouble with the N. R. A. and its administration was that they tried to make it apply to restaurants and pressing shops and strictly local businesses. The good effects were destroyed because the N. R. A. attempted too much. The Coal Commission has put in force the 30-day provision that no coal company can make any contract to furnish any coal for a longer period than 30 days. It has put into effect the heavy taxing provisions and other provisions greatly handicapping the coal industry, and places the coal industry at such a very great disadvantage that unless something is done oil, hydroelectric power, and natural gas will cripple this great coal industry beyond the means of recovery and will add to the great army of 100,000 or more unemployed miners.

I sincerely hope that the Commission will demonstrate its ability under the Guffey Act to help the soft-coal industry and the coal miners. It has had nearly 2 years, and unless substantial results do show in the near future there will be a real effort to repeal or modify this act and do away with this expensive Commission.

Mr. JENKINS of Ohio. Mr. Chairman, a great many people in the United States-I dare say practically 90 percent of them-have never seen a coal mine. I dare say that 75 percent of the people of the United States have never seen a coal miner. Unfortunately, there has always been a prejudice in the minds of many people against the coal industry and the men who mine coal. Do you not know that the coal miners have contributed more than the membership of all the other unions of all kinds to the uplift of the laboring man in the world for the past 50 years? There is no question about that. I cannot give you this as an exact fact, but I think the second largest number of people employed in any industry in the United States are the coal miners. In the last week we have seen in this House a psychology that is very unfavorable to the Guffey Coal Act. Why? It is largely because the poor old coal miner and the coal industry have once more been compelled to bear the burdens of other industries. Just last week someone rose here in this House and, by amendment to the reorganization bill, took out of its purview those who come within the scope of this Bituminous Coal Commission's activities. They took them out with apparent satisfaction and nobody stood up for them or the Commission, because the time was not appropriate. But the time is appropriate now to stand up for this organization and these miners and coal producers and defend them. Certainly the Commission has made mistakes, and its greatest mistake has been its unfortunate name—the Guffey Coal Act. Probably no public man was quite so much deserving of the spanking he received in last year's elections as this man Guffey. He and his political manipulations are more responsible for the unfavorable attitude that many people show toward the Commission and its work than any other one thing. Clean his influence out of this situation and you have gone a long way in restoring the confidence of the people in the Commission and its purposes. Certainly there was politics in the activities of the Commission. There has been entirely too much; but for you Democrats, let me ask, Who cleaned it up? That is to the credit of the President. He cleaned it up to some extent. It was high time that it should have been cleaned. It was stinking to high heaven.

It was improperly controlled and damaged, but because it was weighted down by politics, you Democrats cannot find fault with what I say, because the President himself called the Commission, or some members of it, down before him and gave them a spanking. This straightened it out to some extent, although it is not entirely straightened out yet. He or Congress or someone else in authority must stamp out the crooked politics that has throttled the honest and conscientious efforts of those on the Commission who were honestly attempting to do a good, honest job.

The Bituminous Coal Commission has gone through one of the hardest legal tests ever put up to any department of this kind, and why do I say that? I say that the burden it took upon itself to revitalize, to rehabilitate this industry, was a new kind of a burden. It had no direct legal precedents by which it could be guided. It had to take it up in new fields and in new directions. It had to proceed as a pioneer. There were no well-defined signboards by which the Commission could travel. When the Commission in its hurry threw together the first price schedule it was no great wonder that it ran counter to the courts.

Many good lawyers had taken positions for and against practically every feature of the act. Many had prophesied that it would run into rough going as it proceeded on its way through the courts. I prophesied the same thing. I say that not with the spirit of "I told you so," but it did run counter to the courts, and the courts said that the rate schedule would not stand. The rate schedule had been established without full compliance with all those requirements that must be met before any such schedule can be enforced in law. What did the Commission do and what did those in charge of this program do? They did not cry or threaten about it. They recognized the power of the courts, and they tried to set their house in order. Since then they have done the best they could. It is a gigantic job, a big job. It is a big job to pioneer a new field and do something that nobody else has ever done before. I think it is generally considered that for the last 6 or 8 months this Commission has been assiduous. I think it can be said that it has been sincere in its efforts to make this law effective.

No doubt that they have been a little slow, because their task is a great one. It is a gigantic task. They want to do right, and they tell me by the 1st of June that they are going to be able to publish a new price schedule. Will it stand the test of the courts? I do not know whether it will or not, but suppose it is stricken down again, if they can by the simple experiment of trial and error, if they can by honesty and sincerity of purpose, provide a legislative plan and program that will rehabilitate one of the greatest industries of this country, why not have patience with them? The Bureau of the Budget, which is in effect the President's mouthpiece, allowed this Bureau about \$700,000 more than is here recommended by the Appropriations Committee. This amendment seeks to cut off another \$900,000. If this Commission is entitled to be continued, it should be provided with a reasonable budget so that it can operate reasonably. There is no use to permit our judgments to be warped by our prejudices founded upon a psychology created by untoward conditions for which the miners or the industry are not responsible. This is the time to act like statesmen and not as those who have no understanding. If this task of stabilizing this great but unfortunate industry cannot be done, let it be thus determined after a fair trial and only after a fair trial. I bespeak your intelligent consideration. [Applause.]

The CHAIRMAN. The time of the gentleman from Ohio has expired.

Mr. KELLER. Mr. Chairman, I cannot forget—and I am sure those who were here at the time have not forgotten—the very able and excellent address delivered before this body by Hon. David J. Lewis on this subject. Mr. Lewis was a man who grew up in the mines himself and whose forebears were miners also. He had gone to Britain and to Germany to study the subject before the consideration of this bill came on this floor. We also ought to remember, as I do, the man who really pioneered in this work, the man who gathered together the facts in relation to it and presented it in the form of a bill, the man who had the very great respect of this body, not only as a man of great ability but as a student who went to the bottom of things, the man who wrote this bill. That is none other than Fred Vinson. [Applause.]

He knew what the requirements were. He formulated this law. It is well formulated. I want to call your attention, therefore, to the fact that we are not shooting into the air, but we are doing what we ought to do for this great industry. We ought to remember also that any business that is compelled to go on producing at less than cost of production hurts every other business. We ought to look at the facts about the German cartel. The same thing occurred in that country that has occurred later in our country—that is, that the coal industry was destroying itself. It was a competition of destruction, not of development. The same thing then ensued in England. The same thing ensued there. England was compelled also to follow along the line of the German cartel.

What happened? Was it a success or not? It has been and is a success in both countries. If this Commission is permitted to do its work as it should, without being hamstrung, it should bring out the same results here in our own country. I repeat to you that a business of the extent of the soft-coal industry in this country, which is compelled or permitted to go on producing at less than cost, is destroying all other business as well. We ought to consider the great number of miners who are interested. They are for this almost to a man. They want a fair chance. That is all I ask, and that is all you ask. If when we try it out and find out the short-comings of the law, if there are any, and correct those, and then try again as we should do, if it finally fails, I will be the first man to admit its failure.

But unless and until we give it the full measure of our support we ought not criticize; we ought not overlook the fact that there are 36 of the large producers, some of them in the immediate vicinity of the district represented by the gentleman who introduced this amendment. As pointed out by the gentleman from Ohio [Mr. Jenkins], because of their ability financially, they will be able to choke to death the smaller ones unless restrained by law. The question is, Are we going to permit them to do it? I doubt that this body will consider any such thing as that.

We ought to support this Commission. We ought to give it every dollar it asks for because we ought not to hamstring it after we put it up. It is our Commission. This body created it. We ought to be loyal to our own ideals. We ought to be loyal to those men who have committed it to our care. There ought not be a single vote against the continuation of this Commission. It ought to be encouraged. It ought to be helped. It ought to be directed in every way we can to make it a success, because if we make it a success it will solve the problems of other businesses as well as the coal business. It will help every other business in America. [Applause.]

[Here the gavel fell.]

Mr. DOWELL. Mr. Chairman, the Bituminous Coal Act which was passed 2 years ago had for its purpose the stabilizing of the coal industry and the stabilizing of employment in the coal industry. For reasons which have been many times stated here the Bituminous Coal Commission for the past year has been making a real effort to accomplish this purpose throughout the entire country. As has been made clear to you today this is a big job. The Bituminous Coal Commission has devoted as much time and as much energy to carrying out this program as it is possible to do within that time. Testimony before the committee shows that 80 percent of this work has already been accomplished. It can be completed within a short time if this Commission is permitted to continue the work it has been doing the past year. I hope every Member of this House will vote against this amendment, because if the amendment is adopted the Bituminous Coal Commission might just as well quit their work. They cannot complete the work they have set out to accomplish.

The Appropriations Committee has already reduced the Budget estimate, and in my opinion this should not have been done. Every reduction made in this appropriation will extend the time of the Commission for completing its work and will delay the coal industry as well as the many thousands of employees of this industry from the benefits of the Bituminous

There are today from twelve to thirteen million men and women walking the streets looking for work. As has been stated, the coal industry supplies employment to the greatest number of employees of any single industry in the United States. The testimony before the Appropriations Committee shows 60 percent of the price of a ton of coal is paid to labor.

If the amendment before the House should be adopted, which I sincerely hope it will not be, it would do a great in-

justice to the many laboring people of the country.

If the Bituminous Coal Commission can stabilize this industry and if it can stabilize the labor engaged in this industry, it will furnish employment to six or seven hundred thousand men in the United States. We should vote down this amendment and give the Coal Commission the opportunity to complete its work.

The stabilization of employment in the coal industry will do away with the haphazard intermittent employment. I mean employment for a few days or a few weeks, and then being laid off for several weeks or several months. Congress

should make every effort to bring this about.

Now, I want to go to the question which was asked some time ago, and I want to read some of the testimony. been stated here that unless some provision is made for the competitors of coal, nothing can be done by this Commission. That is not the testimony before the committee. On page 605 of the hearings I read as follows:

Mr. O'Neal. My point is this: Can you get the proper control of heat producers unless we take them all instead of one? I mean by that, gas, oil, and coal. Do you think this law can be effective unless we bring in all the competitors?

Mr. Tetlow. I think it would be helpful.

Mr. O'Neal. You do think it can operate without regulating the

other two successfully?

Mr. Terlow. Yes. I think it would operate more successfully, but I think it can operate as it is and bring relief.

Under existing conditions the Congress of the United States should do all in its power to assist in the employment of labor, and it is my hope that through the Bituminous Coal Commission the coal industry can be stabilized and these 600,000 or 700,000 employees in the coal industry can be given regular employment.

[Here the gavel fell.]

The CHAIRMAN. The gentleman from Michigan [Mr.

Hook] is recognized for 3 minutes.

Mr. HOOK. Mr. Chairman, I think it is rather important here to bring out some of the facts. I have heard the statement made that the action of this Commission was going to increase the price of coal to a great degree. I understand that after a very extensive study the average increase will be about 11 cents per ton, and this 11 cents additional will go toward the protection of the grades of coal. This Coal Commission has certainly done a very wonderful job when you stop to think that they have gone into freight rates in about 150,000 destination points in the United States and about 12,000 in Canada. It is the first time it was ever attempted. It has involved the ascertaining of more than 1,000,000 individual rate quotations.

Let me read you a letter of a coal operator in answer to the Committee for the Amendment of the Coal Act in which

the writer states:

ROCKY MOUNTAIN FUEL Co., Denver, Colo., February 27, 1939.

Mr. JOHN A. HOWE, Chairman, Committee for Amendment of the Coal Act,

Washington, D. C Dear Mr. Howe: Replying to your letters of February 10 and February 18 received, this company does not care to be associated with your committee and is decidedly opposed to your proposal to amend the National Bituminous Coal Act.

We believe that the act should be given a chance to function. Our position in this respect is not based on "fond hope and misleading information" as you characterize in your letter the belief of contracters helding circular views to your corn.

of operators holding similar views to our own. We have closely and continuously followed all legal and administrative efforts and developments of recent years seeking to work out an obviously necessary program of Federal regulation of the coal industry. To

the best of our ability we have cooperated with such efforts.

We are fully familiar also with previous attempts to prevent the functioning of the act through attacks on its constitutionality. We note with interest that you do not now question the constitutionality of the act but consider it "unworkable, uneconomic, and tremendously costly." We are of the opinion that the delays,

obstacles, and expenses you complain of are due in a large measure to the attitude and actions of those members of the coal industry who have obstructed procedure and cooperated in the attacks on the act made by strongly organized industrial consumers seeking to continue their old-time privilege of paying less than production cost for their coal cost for their coal.

cost for their coal.

Your letter of February 18 states, "Demoralized prices caused by the provisions of this act are causing losses variously estimated at from \$7,000,000 to \$10,000,000 a month." Inasmuch as the provisions of the act have been prevented from becoming operative, the statement that these provisions have caused demoralized prices seems to me extremely inaccurate and misleading. The industry was in the "red" before the act was passed, and you propose no remedy for the deplorable conditions which dominated the industry when there was no Federal regulation.

Our own experience shows conclusively that even the brief periods during which prices have been subject to Federal regulation

our own experience shows conclusively that even the brief periods during which prices have been subject to Federal regulation in recent years have brought distinct benefits and stabilization. Certainly the experience of the industry has proved that without Federal regulation, chaos and loss prevail. We intend, therefore, to cooperate fully in restoring stabilization through Federal regulation. Very truly yours,

President and General Manager.

That letter came from the Rocky Mountain Fuel Co., of Denver, Colo.

I think someone is getting personally ambitious and hopes to use this amendment for such a purpose. I hope that the Members will go along with the committee and allow this Commission to function properly. Do not stab the organization in the back. Lend it a helping hand, and I know that the operators, the laborers, and business will rejoice in the fact that this organization will stabilize the coal industry.

Vote down this amendment.

[Here the gavel fell.]

The CHAIRMAN. The gentleman from Pennsylvania [Mr.

Walter] is recognized for 2 minutes.

Mr. WALTER. Mr. Chairman, the decision of the Supreme Court on the 26th of May 1935 in the Schechter case seems to have been a signal for the beginning of a pricecutting war that might have known no end. The one industry that felt this situation most was an industry that for many years had indeed been very sick. In order to meet the situation we found ourselves in at that time an attempt was made to point the way for this particular industry to get on its feet and an effort should be made to solve the many problems with which it was confronted. Under N. R. A. a great step toward the stabilization of this industry had been taken. Now, step by step, it has been demonstrated that this act ultimately will bring at least a semblance of order into this chaotic industry. It seems to me that it would indeed be unfair after all of the preliminary work that has been done, after all of the steps that have been taken that should bring about better conditions to hamstring this agency right at the point when they are able to go ahead and accomplish real results.

It seems to me that cutting this amount off the appropriation can mean only one thing; that is, the curtailment of a program that the administration of the agency feels is necessary in order to bring about the results that we felt would be accomplished when the Guffey Coal Act was passed. It is indeed a foolish thing at this time to seriously interfere with the operation of this Commission after all the preliminary steps have been taken.

[Here the gavel fell.]

The CHAIRMAN. The gentleman from Illinois [Mr. DIRKSEN] is recognized for 5 minutes.

Mr. DIRKSEN. Mr. Chairman, it is probably nothing new in legislative history that what was designed to be meat turned out to be poison, and this appears to be the case with respect to the regulation of the coal industry. With high hope I was one of those who supported the Coal Conservation Act of 1935 and the act of 1937. It appeared that some regulation was absolutely necessary to bring order out of chaos and place the bituminous coal industry on a profitable basis. Now it appears that the Bituminous Coal Commission, which was designed to nurse the industry back to health, turns out to be the lord high executioner. This was virtually admitted by Chairman Tetlow, of the Coal Commission, in the course of the hearings when he stated that unless competitive fuels are regulated there may ultimately be nothing to regulate.

Nor is this the fault of the Bituminous Coal Commission. It was created by Congress to regulate only the coal industry and to establish a structure of minimum prices. It has no authority over competitive fuels. The result is that the Coal Commission finds itself in the position of holding the dog while competitive fuels cut off the tail a portion at a time. Thus the Commission is mandated by law to establish minimum prices in the hope of placing the coal industry on a paying basis only to discover that the market for coal is being usurped by electrical energy, oil, and natural gas, none of which are subject to rate and price regulation and all of which can play at will in progressively destroying the market for coal. Truly it is a grim and ghastly business. A brief examination will make the picture quite clear.

In the field of electrical energy the Bonneville Dam, the Grand Coulee Dam, the Boulder Canyon Dam, and the Tennessee Valley Authority will spend nearly a billion dollars of public funds for the creation of an electrical giant which will displace millions upon millions of tons of coal. Every one of these agencies is so created that it can establish its own rates without regard to competitive fuels and take away the coal market. Meanwhile coal is to be forced into a strait jacket of minimum prices, and in addition thereto, can get its product into these markets only at the price fixed by the Bituminous Coal Commission and at freight rates set by the Interstate Commerce Commission. It is a beautiful job of execution.

In the petroleum field there is but the mildest pretense of regulation. To be sure, there is a feeble kind of regulation of pipe lines in interstate commerce and an even feebler regulation by the petroleum conservation division in the pending bill, which is designed to effectuate uniform laws among States for the conservation of petroleum resources. But, aside from that, fuel oil is in position to usurp and make inroads upon the market once enjoyed by the coal industry, and that industry can only grin and bear it as it struggles under the restrictions of minimum prices. It is another beautiful job of execution.

In the natural-gas field the condition is even more aggravated and indefensible. In theory the Natural Gas Act of 1938 confers upon the Federal Power Commission the authority to regulate the natural-gas industry in commerce. But what about the joker that slipped into that act, which provides that the Federal Power Commission shall be without authority to suspend rates, charges, and classifications with respect to natural gas which is used only for industrial purposes? Under the operations of that act, natural gas has been offered to a Denver industry for 31/2 cents per thousand cubic feet when the domestic rate is \$1.90 per thousand cubic feet. This means that the domestic rate is 54 times higher than the rate offered on industrial natural gas. In Illinois and Missouri 76,000,000,000 cubic feet of natural gas were sold in 1937 at an average rate of 18.4 cents per thousand cubic feet, whereas in Iowa 26,000,000,000 cubic feet were sold at an average rate of 14.4 cents. This odd situation prevails in spite of the fact that the natural gas used in Iowa must be piped from Texas, while Missouri has at least 140 gasproducing wells of its own. All this obtains with a free and untrammeled hand, displacing the market for coal, while the coal industry languishes in the toils of rigid freight rates made by one Government agency and in the toils of a minimum-price structure to be established by another Government agency. It is a beautiful job of execution.

In Chicago, under the terms of the so-called forbearance agreement, a contract was made to supply natural gas to an industry at 7½ cents per thousand cubic feet as against a domestic rate of \$1.84. If this same ratio applied to coal, it would mean that industrial coal would sell for \$1.57 per ton, whereas the domestic consumer would pay \$36.80 per ton. Truly, it is an amazing situation. Not even the Acting Chairman of the Federal Power Commission could tell when questioned by me in the course of the hearings on the independent offices appropriation bill on December 12, 1938, just how that joker crept into the law. On page 174 of the hearings you will find this answer from Mr. Seavey in response to my question about it:

Mr. Seavey. My opinion in that matter is that the restriction on our control over industrial rates was made because in the southern fields they have very low industrial rates in order to promote the use of gas for industrial purposes, and there is just a possibility that those rates being so low would become a burden upon other users of gas, and the only way I can figure it out is that the interests in Congress believed that there should be no dampening effect upon the promotion of the use of gas for industrial purposes.

The statement speaks for itself, but I am curious to know "what interests in Congress believed there should be no dampening effect upon the promotion of the use of natural gas for industrial purposes." It is another beautiful job of execution on the coal industry, and that industry can only labor in the toils of rigid freight rates and minimum prices and watch its markets disappear under the impact of competitive fuel.

Nor does the coal industry find much comfort in the State Department or in the Committee for Reciprocity Information. There is pending at this moment a proposed reciprocal trade agreement with Venezuela under which the present negligible duty on fuel oil and crude oil may be frozen at its present level or even lowered. The present duty is one-half cent per gallon, or 21 cents per barrel, as compared with the British duty of \$1.26 per barrel. In 1937, 23,186,916 barrels of crude oil were imported from Venezuela alone, and total imports from all sources were more than 57,000,000 barrels a year. This imported oil displaces millions of tons of coal and means a loss of millions in miners' wages and in freight revenues to the railroads. Meanwhile, bituminous coal can only wriggle in its strait jacket and watch the progressive execution take place.

If the proposed seven regional T. V. A.'s are ever authorized by Congress, it will mean the creation of other compettors for coal with full authority to torpedo and destroy the coal industry at will.

It is all so unfair and indefensible to hog-tie the coal industry with freight rates and price restrictions and permit competitive fuels, subsidized by public funds to roam at will in search of markets, and at rates which are not subject to competitive regulation.

There must be a remedy for all this. There is a remedy. It is high time to recognize this competition in fuels, not only from the standpoint of competition and conservation of our resources but from the standpoint of equity as well. The answer seems to lie in the creation of a national fuel and power commission, with a board of directors sufficiently large to give representation to every competitive fuel and to the labor interests involved. Such a commission could well take over the complete regulation and direction of all types of fuel and power and place the matter on an equitable basis. It could and should take over all Government ventures in the power field, including Bonneville, T. V. A., Grand Coulee, Fort Peck, Boulder Canyon Dam, and any other power developments by the United States. Into such a commission could be merged the activities of Rural Electrification Administration, the Federal Power Commission, the National Power Policy Commission, and the activities in this field of the National Resources Committee. Such a commission could absorb the activities of the Petroleum Conservation Division. It should and could take over the administration of the Natural Gas Act of 1938. It could take over the duties of the Bituminous Coal Commission. The existing enactments which such a commission would be called upon to administer should be amended and improved so that fuels might be recognized on a competitive basis and each one dealt with fairly and equitably. As the situation stands today, the coal industry is faced with progressive annihilation, and this fact is fully realized by the present Bituminous Coal Commission. As one step in this direction, I shall introduce a bill this week which amends the Natural Gas Act of 1938 so as to give to the coal industry as a matter of right, the opportunity to intervene in all rate hearings before the Federal Power Commission as an interested party in order to protect the interests of the industry in the face of growing competition.

[Here the gavel fell.]

The CHAIRMAN. The Chair recognizes the gentleman from West Virginia [Mr. RANDOLPH].

Mr. RANDOLPH. Mr. Chairman, the remarks of my colleague from Pennsylvania [Mr. Allen] are not without merit. The statements of those who favor his amendment and those who would defeat it are based largely on logic. I trust no partisanship enters into this debate.

The comments just made by the gentleman from Illinois [Mr. Dirksen] were certainly thought provoking when he discussed the displacement of coal by competing fuels. We cannot, also, overlook the problem arising by labor-saving devices being installed at the mines, thus displacing the workers. He spoke of the pending trade agreement with Venezuela, and the importation of crude petroleum and fuel oil to the United States from that country. In that connection I desire, for purposes of the Record, to state that on August 15, 1938, I personally appeared before the Committee for Reciprocity Information and contended:

The ½-cent import duty now imposed is certainly not sufficient to prevent the importation of fuel oil nor to slow down its importation in any manner whatsoever. I find that there were in 1937 approximately 23,187,000 barrels of crude oil imported into the United States from Venezuela. It is my further understanding that almost 50 percent of all such crude petroleum and fuel oil imported into this Nation originates from the country of Venezuela.

I further pointed out that-

We believe—I mean those miners and operators, and all those in West Virginia who are vitally interested in this subject—that 6,000,000 tons of bituminous coal, as estimated in heat value, were displaced in 1937 by oil imported from Venezuela. I call your attention to what I believe to be a fact, although we cannot put our finger definitely upon it, that a portion at least of the fuel oil that comes from the Netherland West Indies and other sections actually has its origination in Venezuela, and I know that your honorable body will look into that statement.

I close by saying that I believe that at the present time there is an unfair competition with the bituminous-coal output of this country by the importation of fuel oil largely from the country of Venezuela. I believe also that there is a displacement of bituminous coal by the importation of crude petroleum and fuel oil which is working at the present hour to the detriment of the bituminous coal industry, with the resultant bad effect upon the public welfare of the Nation. I believe that any increase in the importations of crude petroleum and fuel oil from Venezuela would simply add to that very picture, that very dark picture, which exists today in the bituminous-coal industry of the United States, not only accentuating the financial distress of the operator, not only adding to the unemployment of the miner, but also adding materially to the relief rolls and thereby bringing about an added burden to Federal and to State governments. The bituminous-coal industry is attempting itself, with the aid of the Government, through an agency created by Congress, to work out as far as possible its problems at the present time without the added unfair competitive struggle which would ensue by the increased imports of crude petroleum and fuel oil from the country of Venezuela.

I represent a congressional district in West Virginia composed of 15 counties, 9 of which are bituminous-coal-producing areas. I know of no measure for which I worked more diligently at its inception than the legislation that created the Bituminous Coal Commission. I am certain the records of this Commission clearly disclose that my correspondence with it, and personal conferences over a long period, indicate that no Member of this body has been more energetic in attempting to impress the members of the Commission itself with the dire distress and the chaotic conditions which exist and have existed in the coal industry.

In this connection may I read portions of the correspondence had during the last 6 months. Under date of August 31, 1938, I addressed the following telegram to Mr. Tetlow, of the Bituminous Coal Commission:

Am deeply distressed at plight of bituminous coal industry. Many operators in my district are actually faced with bankruptcy. Unemployment among miners is rapidly increasing. Can you now wire me approximate date when prices will be set? These people need encouraging information. It may cause them to be able to hold their properties together until aid comes.

Under date of September 3 I received a letter from Mr. Tetlow, in which he made the following statement:

The problem is a very complicated one and the Commission is making certain that every step is in accordance with the provisions of the Bituminous Coal Act of 1937, and will accord to everyone the protection which is guaranteed by our Constitution.

I can assure you, however, that prices will be established as soon as possible consistent with strict legal requirements.

I addressed a further letter to him, dated September 13, 1938, which was in answer to his letter of September 3, in which I again prodded the Commission, and among other assertions, I stated:

There is a growing unrest and discouragement among operators and miners with the seeming lack of progress which is being made in the establishment of minimum prices for the bituminous coal industry. As one of those who spoke and voted for the measure which created the National Bituminous Coal Commission, I have felt that the benefits of the legislation should be forthcoming in view of the fact of assessments and taxes which are being collected from the industry with no resulting assistance.

I received a reply from him under date of September 30, 1938, and I quote a part of that communication:

Although we are cognizant of the appalling conditions existing in the various coal-producing areas of the country, we feel it would be utter folly to short-cut legal requirements and establish a schedule of minimum prices which ultimately could be destroyed by interests inimical to this law and to the industry. The chaos which would result to the producers and employees if such an event occurred would surely be much worse than that which now prevails.

Mr. Chairman, in 1937 it is said the bituminous coal industry showed a loss of approximately \$37,000,000. In 1938 the industry is reputed to have sustained a loss of approximately \$78,000,000. Today an operator in northern West Virginia pays a tax on coal mined of about 12 cents a ton in various forms to Federal and State Governments. Only 1 cent of this tax goes to the Coal Commission and one-half cent to the district board. Of course, even these two payments, plus other taxes, places a heavy burden on the operators. I sympathize with their plight, and they know of my efforts to be helpful, even to the extent of White House conferences, in the hope that the burden might be eased.

Without any disparagement on my colleague from Pennsylvania, or those who join with him, I think it would be absolutely and obviously wrong at this late date, when the Commission is about ready to set prices, thereby giving this law an opportunity to succeed, for the Congress of the United States to take any action which would deny the agency the necessary funds to carry forward the work of the Commission in establishing minimum prices so benefits may accrue to the operators, employment may be increased, and some degree of stabilization take place.

Mr. ALLEN of Pennsylvania. Will the gentleman yield?
Mr. RANDOLPH. I yield to the gentleman from Pennsylvania.

Mr. ALLEN of Pennsylvania. Does the gentleman honestly believe, in his considered opinion, that any human commission can administer 500,000 different individual prices in just one area?

Mr. RANDOLPH. I say to the gentleman I am ready to give this final opportunity to the Commission to put the prices into effect and see if the law will actually work. [Applause.] I want no act of mine to be construed as hindering the coal industry as it tries to come back in the ring after being down for the count of nine. It may be that the act will not function. It was written into the law of the land. We are responsible, and we must not stop at this point.

It is my fervent hope that when prices are set and the act functions that resultant benefits will justify my judgment. If failure ensues, then I shall unhesitatingly join those persons who will stop what we are now attempting and follow another course. [Applause.]

Mr. RICH. Mr. Chairman, being from Pennsylvania, where probably our greatest opportunity to give men work has been in the bituminous and the anthracite mines of our State, where a few years ago we employed 800,000 miners and today employ less than 400,000 men in the mines, and knowing that what is most vital to our American happiness and contentment is jobs, I may say that if the \$900,000 we are spending on this Commission would increase the number of jobs for miners or aid or assist the miners in any way, I certainly would not want to do anything that would interfere with the Commission, but I believe the amendment offered by the gentleman from Pennsylvania bears out the fact that it is at least \$900,000 just wasted.

Let us see the amount of money we have spent on this Commission. It is over \$8,150,000. We certainly should have accomplished something in 3 years with this amount of money, but when the representatives of the Commission before our committee admitted that the Commission did not and has not been able to accomplish anything for the benefit of the bituminous coal industry, then I believe it is about time Congress wakes up. I feel confident we can cut \$900,-000 from the appropriation for this Commission without interfering one iota with its operation because the Bituminous Coal Commission has been made a dumping ground for political job holders. There are more political job holders in the Bituminous Coal Commission than in any other one body in Washington, based on the amount of money expended. This is absolutely so. The Commission can get rid of these political hangers-on and still continue to do its work.

As was stated by the gentleman from Illinois, it is up to you as Members of Congress to try in some manner to aid the coal industry, and you are not going to do it when you permit this Commission to handle only bituminous coal.

Let me show you how much oil has been imported in the last 11 months of 1938, and I quote from page 611 of the hearings, this information being given by the Bituminous Coal Commission:

The import statistics for 1938 at present available cover the 11 months ending in November. During that period there were imported under bond for refining and export or for supplies of vessels a total of 3,135,000 barrels of crude and 16,656,000 barrels of fuel oil. In terms of heating value, this is equivalent to 719,000 and 3,820,000 net tons of coal, respectively. The extent to which such imports under bond are competitive with coal is not known.

During the same period the dutiable imports not under bond amounted to 20,239,000 barrels of crude oil and 6,440,000 barrels of

During the same period the dutiable imports not under bond amounted to 20,239,000 barrels of crude oil and 6,440,000 barrels of fuel oil. In terms of heating value, this is equivalent to 4,642,000 and 1,477,000 net tons of coal, respectively. It should be noted, however, that not all of these imports are directly competitive with coal.

Imports during 1938 appear to show an increase over 1937 for the item of crude petroleum under bond and a decrease for other items. Statistics are shown below.

If you want to help the miners of this country, and I may say the larger part of the money spent in the production of coal goes to the miners, then it seems to me we ought to protect our shores from importations of oil from foreign countries. We will create more opportunity for labor per dollar expended in that way than in any other way I know of by the Commission.

Mr. SCHAFER of Wisconsin. Mr. Chairman, will the gentleman yield?

Mr. RICH. I yield to the gentleman from Wisconsin.

Mr. SCHAFER of Wisconsin. Would it not also help the miners and help relieve distress in the bituminous-coal industry if we could get the New Deal out of subsidizing the hydroelectric business?

Mr. RICH. I will admit that the increasing rate at which we are going into hydroelectric power will put thousands and thousands of men out of jobs; there is no mistake about that. It is a New Deal hobby, and a job-wrecking procedure, and a Government-in-business New Deal philosophy.

Mr. SCHAFER of Wisconsin. Is it not unfair to the coal miners, who contributed \$500,000 through Lewis to the New Deal, to have the New Deal lower the tariff on imported and competing oil and also put the Government in the electrical business, thus destroying the coal miners' jobs forever and ever?

Mr. RICH. I believe the gentleman is about right. [Applause.]

[Here the gavel fell.]

Mr. VAN ZANDT. Mr. Chairman, coming as I do from central Pennsylvania, where we have bituminous-coal fields, I would consider myself guilty of neglect if I did not stand here and convey to my fellow Members the fact that we in central Pennsylvania depend upon bituminous coal for a living. During the past year the coal miners of my district have felt the effect of Government subsidies and substitutes for coal as fuel. As a result, thousands of miners are unemployed, to such an extent that 40 percent of the popula-

tion of one of the counties in my district have been forced to go on relief.

We in the Twenty-third District look upon the Bituminous Coal Commission as an agency of the Government which is studying this whole question with a view to eliminating cutthroat competition, to stabilize the coal industry and put it back on its feet so jobs may be restored to the unemployed miners. We believe the Bituminous Coal Commission should be given an opportunity to complete its study. At the conclusion of its effort, after a report has been submitted to Congress, then will be the time to decide whether or not the Bituminous Coal Commission shall continue to function.

Mr. HAWKS. Mr. Chairman, will the gentleman yield? Mr. VAN ZANDT. I yield to the gentleman from

Mr. HAWKS. Has not the Congress already enough information to know that all these Government-subsidized outfits are ruining the industry? The Commission does not have to tell us.

Mr. VAN ZANDT. That is true. The coal industry is suffering as a consequence of Government-subsidized competition. Now, however, the Government has an opportunity to aid the coal industry through this study of the Bituminous Coal Commission. Opinion among the miners, producers, and consumers is divided as to whether the findings of the Commission actually will aid the coal industry, but the Commission certainly should be allowed to complete its efforts in that direction.

If Congress should lop off \$900,000 from the \$2,900,000 provided for the Commission, it would cripple the Commission and probably nullify the effectiveness of its final efforts. That is false economy, not real economy.

After the Bituminous Coal Commission has made its report, which is scheduled for June 1, we then can judge the value of this agency. The Commission already has been hampered in its work by a series of Supreme Court decisions and we should not place more obstacles in its way.

The condition of the coal miners of my district is desperate and if this Commission offers a possibility of helping them, I believe we should give it every opportunity to do so. I stand before you today to plead the cause of the miners in my district and to ask for the full appropriation for the Coal Commission. A vote against the pending amendment is a vote for something that may help the coal miners. I say they are entitled to any aid we can give them.

Mr. Chairman, I yield back the balance of my time.

Mr. NORRELL. Mr. Chairman, I cannot let this opportunity pass by without getting the record straight with reference to my stand upon this amendment.

The Congress, whether it knew it or not, when it passed this bill, did follow in the footsteps of every coal-producing country on the earth. Practically all coal-producing countries have had to pass some similar legislation. You did this in trying to solve the problem of the coal industry at a time when that industry was prostrate.

Now, Mr. Chairman, with these things in mind, may I say that the Coal Commission has not acted because of the fact it has not had an opportunity to act. The decision that removed the last obstacle placed in its path was rendered by the Supreme Court of the United States in January of this year. The last obstacle has been removed and the Commission is now ready to proceed, and I predict that if you permit it to proceed, you will find it is going to do the job.

Mr. Chairman, it will expire automatically soon enough. I say to you that the people who are opposing this Commission are not opposing it because the law is unworkable, they are opposing it because the law is workable, and they know that now there is no other obstacle that can be put in the path of the Commission.

Mr. Chairman, I may not have contributed anything to the cause, but I say to you that if you are going to adopt this amendment, you ought to abolish the Commission. You ought to give it a chance to do something or you simply ought to be statesmen enough to come in here and pass a bill abolishing the Commission.

Mr. RICH. Mr. Chairman, will the gentleman yield?

Mr. NORRELL. With the very greatest pleasure, sir.

Mr. RICH. Do you know that we have now over 1,337 employees in the Bituminous Coal Commission and one of them is a German who is not naturalized? We have too many employees up there now.

Mr. NORRELL. That question is not germane to the issue. [Here the gavel fell.]

Mr. LEWIS of Ohio. Mr. Chairman, I am opposed to this amendment because it will tie the hands of the National Bituminous Coal Commission and prevent the Commission from accomplishing the purpose for which it was createdthat is, the salvation of the coal industry. It is generally admitted that the fixing of prices for coal is one of the chief means by which it is hoped this salvation will be accomplished. Millions have been spent by the Commission in exhaustive investigations in preparation for a general fixing of coal prices. The Commission will very shortly announce the schedule of prices. If its hands are tied now by this amendment, not only will the millions that have been heretofore appropriated for and spent by the Commission be lost, but the chance to relieve the distress of this great industry, to revive it, and to give steady employment to the tens of thousands of coal miners will be lost. I ask you to vote against the amendment.

Mr. LEAVY. Mr. Chairman, in concluding this argument, I may say that I approach this subject absolutely openminded and absolutely free from any personal interest. My congressional district and my section of the State of Washington produce not a single pound of coal. We do have hydroelectric energy in prospect and some in production. I am not going to be distracted by getting into a controversy between coal and hydroelectric energy, but I do think we should look at this impartially and decide it squarely upon the case as it is made here. The committee gave it the best consideration it could, considering the limited time at our disposal, and I am frank to say to you had the Coal Commission appeared before our committee that had this matter up for consideration a week later, or had the decision of the Supreme Court been rendered a week earlier, the full amount of \$3,500,000 would have been in this bill, because they would have made out a complete justification.

The facts are that the Coal Commission, whatever its faults may be-and I grant that their staff was far from perfect—is a new creature. It is not for us here to attempt to say that the creation of the Coal Commission was wise or foolish, the fact remains that this Congress brought it into being. The coal people apparently wanted it, and soon after it came into existence it issued an order fixing coal prices in various sections of the United States. This order was taken to the Supreme Court of the United States and the entire work of the Commission was undone on a question of procedure. Then attempting to proceed in conformity with the ruling of the Supreme Court, they again have gathered statistics and other material facts, and in so doing sent an order to every coal producer in America, 15,000 of them, with instructions to give cost production. The coal producers gave them this information. Then they took into consideration the second problem they have, which is the cost in a particular community and the type and character of coal there produced. This was a colossal undertaking. This work has been accomplished.

Then they started on the third step, and that is where they are now in their activities. This work is that of actually fixing prices after public hearings; but when they announced they would hold public hearings in order to conform with adjudicated procedure coal producers, several in number—and this is the litigation I want to refer to, decided on the 30th of January of this year—announced they would not permit the Commission to allow the confidential information they gave them on cost-production to be used in any public hearings. These producers brought injunction proceedings, went through every one of the courts, and finally the Supreme Court held, on January 30 of this year, that the injunction was ill-advised and that the Commission can now proceed for the first time in the matter of fixing prices.

You are now in this position: Either say—and do not say it in an appropriation measure, but say it boldly, as we should under the Constitution in a legislative measure—that we are going to strike this piece of legislation off the statute books, but do not take the unfair and what seems to munjust position of cutting appropriations so that you starve the Commission with their work now almost completed. Allow them money to proceed. [Applause.]

Mr. SNYDER. Mr. Chairman, will the gentleman yield? Mr. LEAVY. Yes; I yield to the distinguished gentleman from Pennsylvania.

Mr. SNYDER. Is it not true that for 50 years the cutthroat business in the coal industry, bituminous as well as anthracite, almost ruined not only the operators but the miners as well, and now is the most inopportune time of all to refuse to give this Commission an opportunity to function.

Mr. LEAVY. I think it would be a calamity to try to starve them to death. Whatever the troubles in the great coal industry may be, certainly we would only add to that grief were we now to vote to deprive this great agency from at least being permitted to carry through with its gigantic efforts of 2 years, since it came into being. It appears that at least 95 percent of the operators and miners have faith that this Commission will help them. The Supreme Court of the United States has upheld the work of Congress in enacting this law, and we are just on the threshhold of proving what can be done.

Even though some Members of the coal regions have been severe and unreasonable about hydroelectric power that means so much in my region, I would not stoop to the level where my judgment rested upon either partisanship or personality

Mr. RICH. If we had given them \$500,000 each year for the last 3 years, we would have accomplished a great deal more for the coal industry than by having spent \$9,000,000.

Mr. LEAVY. Oh, last year was the first time we had them before us. We gave them \$3,250,000. Now that all of the underbrush has been cleared out of the way and procedure made plain to them and the industry with its 15,000 operators waiting for the green signal, why try to starve them to death? [Applause.]

The CHAIRMAN. The time of the gentleman from Washington has expired. All time has expired. The question is on the amendment offered by the gentleman from Pennsylvania.

The question was taken; and on a division (demanded by Mr. Allen of Pennsylvania) there were—ayes 80, noes 99.

So the amendment was rejected.

The Clerk read through the item for the Bonneville project.

Mr. JOHNSON of Oklahoma rose.

The CHAIRMAN. For what purpose does the gentleman rise?

Mr. JOHNSON of Oklahoma. Mr. Chairman, I rise for the purpose of submitting a unanimous-consent request: That the next two items—that is, the Bonneville project and the United States Housing Authority—go over until tomorrow, so that we might proceed tonight with one or two other items.

The CHAIRMAN. Does the gentleman from Oklahoma intend to include the paragraph on the United States Housing Authority?

Mr. JOHNSON of Oklahoma. Yes. I suggest, however, that it be read.

Mr. MARTIN of Massachusetts. Mr. Chairman, I reserve the right to object. What is the purpose? How long will we run tonight?

Mr. JOHNSON of Oklahoma. Not much longer. Just until about 5 o'clock.

Mr. TABER. Mr. Chairman, I reserve the right to object. If we read these other paragraphs, would it not be possible to prevent separate consideration for amendment tomorrow under the 5-minute rule? I would be willing to let them go on along and be read, provided we can be protected in that respect so that the paragraphs may be considered separately tomorrow under the 5-minute rule.

Mr. JOHNSON of Oklahoma. Very well.

The CHAIRMAN. The Chair will state the modified request, as he understands it. The gentleman from Oklahoma asks unanimous consent that the paragraphs relating to the Bonneville project and the United States Housing Authority be passed over at this time, and that the Clerk read, beginning with the item under "The General Land Office," and that we return to these paragraphs tomorrow for debate under the 5-minute rule.

Mr. JOHNSON of Oklahoma. That is correct.

The CHAIRMAN. Is there objection?

There was no objection.

The Clerk read as follows:

Binding records: For personal services in the District of Columbia, purchase and maintenance of equipment, and all other expenses requisite for and incidental to the establishment, operation, and maintenance of a branch of the Government Printing Office in the Interior Building, to bind, rebind, and repair books of record in the General Land Office, to be expended under the supervision of the Public Printer, \$10,000.

Mr. RICH. Mr. Chairman, I move to strike out the last word. I do this to inform the Committee of the cost of binding the records for the departments. The enormous cost of it was brought out before the committee, and the complaint made by the various departments of the Government when they go to the Printing Office and ask for prices for rebinding. It seems to me that the Government Printing Office-and I am a member of the Joint Committee on Printing-should take some recognition of the fact that the various departments of the Government complain of their enormous costs, and I hope the Joint Committee on Printing and the Government Printing Office will see wherein they are not in line in price with other printing and binding submitted by printing plants throughout the country. The enormous cost has come to be a burden to the departments, so far as the Printing Office is concerned, and there seems to be something rotten in Denmark, and we ought to try to correct it. Whose fault is it? It seems to me that an investigation of costs should be analyzed by the Joint Committee on Printing to see why the departments of the Government so strenuously object to high cost of the Government Printing Office.

The Clerk read as follows:

Surveying public lands: For surveys and resurveys of public lands, examination of surveys heretofore made and reported to be defective or fraudulent, inspecting mineral deposits, coal fields, and timber districts, making fragmentary surveys, and such other surveys or examinations as may be required for identification of lands for purposes of evidence in any suit or proceeding in behalf of the United States, under the supervision of the Commissioner of the General Land Office and direction of the Secretary of the Interior, \$1,000,000, including not to exceed \$5,000 for the purchase, exchange, operation, and maintenance of motor-propelled passenger-carrying vehicles: Provided, That not to exceed \$5,000 of this appropriation may be expended for salaries of employees of the field surveying service temporarily detailed to the General Land Office: Provided further, That not to exceed \$10,000 of this appropriation may be used for the survey, classification, and sale of the lands and timber of the so-called Oregon & California Raliroad lands and the Coos Bay Wagon Road lands: Provided further, That this appropriation may be expended for surveys made under the supervision of the Commissioner of the General Land Office, but when expended for surveys that would not otherwise be chargeable hereto it shall be reimbursed from the applicable appropriation, fund, or special deposit.

Mr. DITTER. Mr. Chairman, I make a point of order Surveying public lands: For surveys and resurveys of public

Mr. DITTER. Mr. Chairman, I make a point of order against the paragraph.

The CHAIRMAN. The gentleman will state his point of order.

Mr. DITTER. I direct the attention of the Chair to such part of the paragraph on page 17, beginning in line 11, reading as follows:

Provided further, That not to exceed \$10,000 of this appropriation may be used for the survey, classification, and sale of the lands and timber of the so-called Oregon & California Railroad lands and the Coos Bay Wagon Road lands.

I make the point of order that that is legislation on an appropriation bill, and therefore I make a point of order against the entire paragraph.

The CHAIRMAN. Does the gentleman from Oklahoma desire to be heard on the point of order?

Mr. JOHNSON of Oklahoma. Mr. Chairman, this appropriation is undoubtedly authorized under title 43, paragraph 2. which I shall read:

The Commissioner of the General Land Office shall perform, under the direction of the Secretary of the Interior, all executive duties appertaining to the surveying and sale of public lands of the United States, or in any wise respecting such public lands, and also such as relate to private claims of land and the issuing of patents for all grants under the authority of the Government-

And so forth. I submit this provision simply limits the amount that may be used for this purpose.

Mr. MOTT. Mr. Chairman, will the gentleman yield?

Mr. JOHNSON of Oklahoma. I yield.

Mr. MOTT. I call the attention of the gentleman from Oklahoma and also the attention of the gentleman from Pennsylvania [Mr. DITTER] to the fact that the language contained in this appropriation bill is the same language that is contained in the Oregon and California land-grant bill of the Seventy-fifth Congress, and that the appropriation could be written in no other way.

The CHAIRMAN. The Chair is ready to rule.

Mr. DITTER. Mr. Chairman, I withdraw the point of

The CHAIRMAN. The point of order is withdrawn.

Mr. RICH. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. Rich: On page 17, line 6, strike out "\$1,000,000" and insert "\$500,000."

Mr. RICH. Mr. Chairman, we are spending a million dollars a year for the surveying of public lands. Heretofore \$500,000 was a great sum for that purpose. Five hundred thousand dollars today is a great sum for the purpose of

surveying public lands. If you will look over the records of lands that have been surveyed, you will find that 2 or 3 years afterwards the markers that have been placed have been changed and the lands had to be resurveyed. Now we are going to find ourselves in the condition, in about 4 or 5 years, after the expenditure of a million dollars a year for surveying public lands, we will have to do the work over again that were previously surveyed. The markers will be disturbed and the lands will be required by the Department to have additional surveys made. A waste of public funds.

I think we are going too fast on this project and we ought to save \$500,000 a year in the surveying of public lands. No one will lose and all will profit.

Mr. FITZPATRICK. Will the gentleman yield?

Mr. RICH. I yield to my colleague from New York. Mr. FITZPATRICK. Is it not a fact that the Land Department is one department of the Government that turns more money into the United States than they spend?

Mr. RICH. All I have heard today from that side of the aisle is about money that this department and that department is returning to the Treasury because of the work they have been doing. If they have been spending at the rate of \$2,000,000,000 a year faster than they are getting it in, Mr. Chairman, I ask you where in the name of common sense is the money coming from that these men on that side of the aisle have been talking about?

Mr. Chairman, tell me where and why we are \$20,000,-000,000 in the red? Why, it is just the most ridiculous and absurd thing that I could imagine to make such statements. All they talk about is receiving money into the Treasury. Show me where it is. I have been looking for it for 6 years of New Deal spending—it is not in the Federal Treasury.

Mr. FITZPATRICK. In the hearings did not Commis-

sioner Johnson so testify, that they turned in so many hundred thousand dollars to the Treasury of the United States from the land office, and the gentleman from Pennsylvania complimented him on turning in that money.

Mr. RICH. I could not help complimenting anybody that turns in any money to the Federal Treasury, Mr. Chairman. [Laughter and applause.] But when I look at this sad-looking statement of the Federal Treasury, and I see where they have gone \$2,396,000,000 in the red since the first of July, it

causes me to weep. How those Members on that side can get up and say we are getting in money when we have gone in the red in the last 6 years \$20,000,000,000 is beyond me. It is a shame. It is a bad, bad shame that we have to resort to such tactics, as to say we are getting money to balance the Budget when we are wrecking the Treasury. Mr. Chairman, some of these days they will all be sad over there. Their children and their children's children will be sad, and we will be the ones who are ruined, because we were trying to ruin this Nation. Let us try to economize to the tune of \$500,000. [Applause.]

Mr. DITTER. Mr. Chairman, will the gentleman yield?

Mr. RICH. I yield.

Mr. DITTER. Does the gentleman feel that the interest of the Interior Department would best be served if the Committee do rise at this time?

Mr. RICH. I think the best interest of the Interior Department, the best interest of the Government, and the best interest of everything would be served if we would go home at once. [Laughter and applause.]

[Here the gavel fell.]

Mr. JOHNSON of Oklahoma. Mr. Chairman, in order that the gentleman from Pennsylvania may not have to weep too much on our shoulders, and in keeping with the previous agreement, I now move that the Committee rise.

The motion was agreed to.

Accordingly the Committee rose; and the Speaker having resumed the chair, Mr. Buck, Chairman of the Committee of the Whole House on the state of the Union, reported that that Committee, having had under consideration the bill H. R. 4852, the Interior Department appropriation bill, 1940, had come to no resolution thereon.

EXTENSION OF REMARKS

Mr. Bender asked and was given permission to extend his own remarks in the RECORD.

Mr. SECCOMBE. Mr. Speaker, I ask unanimous consent to extend my own remarks in the RECORD and to include therein an address by the Honorable Felix Hinkle, of Canton, Ohio.

The SPEAKER. Is there objection to the request of the gentleman from Ohio?

There was no objection.

Mr. WELCH. Mr. Speaker, I ask unanimous consent to revise and extend my own remarks wherein I quote from statements made by ranking naval officers.

The SPEAKER. Without objection, it is so ordered.

There was no objection.

Mr. Risk asked and was given permission to revise and extend his own remarks.

LEAVE OF ABSENCE

By unanimous consent, leave of absence was granted as

To Mr. STARNES of Alabama (at the request of Mr. SPARK-MAN), for yesterday, today, and tomorrow, on account of important business in his district.

To Mr. Magnuson, for Tuesday, March 14, 1939, on account of official business.

ORDER OF BUSINESS

Mr. TABER. Mr. Speaker, I ask unanimous consent to address the House for 1 minute.

The SPEAKER. Without objection, it is so ordered.

There was no objection.

Mr. TABER. I ask the gentleman from Oklahoma [Mr. JOHNSON] if it is the intention of the majority to proceed with the Interior bill tomorrow, or do we have something else?

Mr. JOHNSON of Oklahoma. I may say to the gentleman from New York that after Calendar Wednesday business has been disposed of-and I understand there is just one bill from the Committee on the Judiciary to be considered-we will continue with the Interior Department appropriation bill.

Mr. MARTIN of Massachusetts. Mr. Speaker, if the gentle-man from New York will yield, does the gentleman from Oklahoma know what the judiciary bill is?

Mr. JOHNSON of Oklahoma. I have not that information. I understand, however, it will not take very long.

The SPEAKER. The Chair is advised, for the information of the gentleman from Massachusetts, that it is the so-called pocket-veto bill.

INTERIOR DEPARTMENT APPROPRIATION BILL, 1940

Mr. JOHNSON of Oklahoma. Mr. Speaker, I ask unanimous consent that all Members who have spoken on the Interior Department bill may have 5 legislative days within which to revise and extend their own remarks.

The SPEAKER. Is there objection to the request of the gentleman from Oklahoma?

There was no objection.

ENROLLED BILLS SIGNED

Mr. PARSONS, from the Committee on Enrolled Bills, reported that that committee had examined and found truly enrolled bills of the House of the following titles, which were thereupon signed by the Speaker:

H. R. 2868. An act making appropriations to supply deficiencies in certain appropriations for the fiscal year ending June 30, 1939, to provide supplemental appropriations for the fiscal year ending June 30, 1939, and for other purposes;

H. R. 3743. An act making appropriations for the Executive Office and sundry independent executive bureaus, boards. commissions, and offices, for the fiscal year ending June 30, 1940, and for other purposes.

The SPEAKER also announced his signature to an en-

rolled bill of the Senate of the following title:

S. 539. An act for the relief of Charles E. Naghel, special disbursing agent, Department of the Interior, and Kammeyer & Medack, contractors, from disallowance of charges for additional work under a construction contract.

ADJOURNMENT

Mr. JOHNSON of Oklahoma. Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to; accordingly (at 5 o'clock and 5 minutes p. m.) the House adjourned until tomorrow, Wednesday, March 15, 1939, at 12 o'clock noon.

COMMITTEE HEARINGS

COMMITTEE ON WAYS AND MEANS

Public hearings will continue Wednesday morning, March 15, 1939, at 10 a.m., on social-security legislation, in the Ways and Means Committee room in the New House Office Building.

COMMITTEE ON INTERSTATE AND FOREIGN COMMERCE

There will be a meeting of the Committee on Interstate and Foreign Commerce at 10 a. m. Wednesday, March 15, 1939. Business to be considered: Railroad legislation-H. R. 2531.

There will be a meeting of the wool subcommittee of the Committee on Interstate and Foreign Commerce at 2 p. m. Wednesday, March 15, 1939. Business to be considered: Wool-labeling bill-H. R. 944.

COMMITTEE ON MERCHANT MARINE AND FISHERIES

The Committee on Merchant Marine and Fisheries will hold public hearings in room 219, House Office Building, Washington, D. C., at 10 a. m., on the bills and dates listed below:

Wednesday, March 15, 1939:

H. R. 180, H. R. 202, construction of a Nicaraguan Canal: H. R. 201, additional facilities for Panama Canal; H. R. 2667, construction of a Mexican Canal.

In listing the bills to be heard on March 15, 1939, House Joint Resolution 112 (TINKHAM), to create a commission to study and report on the feasibility of constructing the Mexican Canal, was inadvertently omitted from the notice.

This is to advise all interested parties that House Joint Resolution 112 will be considered at that time with the following bills: H. R. 180 (Izac), relative to the construction of a Nicaraguan Canal; H. R. 202 (BLAND), relative to the construction of a Nicaraguan Canal; H. R. 201 (BLAND), need for additional lock facilities at Panama; H. R. 2667 (TINKHAM), relative to the construction of a Mexican Canal.

Tuesday, March 21, 1939:

H. R. 137, H. R. 980, H. R. 1674, relating to annuities for Panama Canal construction force.

Thursday, March 23, 1939:

H. R. 141, H. R. 142, H. R. 1819, miscellaneous Panama Canal bills.

Tuesday, March 28, 1939:

H. R. 197, relating to the clearance of vessels; H. R. 199, relating to the allotment of wages by seamen; H. R. 200, relating to foreign towboats towing between American ports;
H. R. 1780, relating to penalties on certain undocumented vessels and cargoes engaging in the coastwise trade or the fisheries; H. R. 1782, relating to change of masters of vessels. Wednesday, March 29, 1939:

H. R. 198, relating to the measurement of vessels; and H. R. 132, authorizing the use of condemned Government vessels for breakwater purposes.

Tuesday, April 4, 1939:

H. R. 3209, making it a misdemeanor to stow away on vessels; H. R. 3398, regarding the down payment of construction of new vessels; H. R. 3935, relating to the discharge of seamen.

Wednesday, April 5, 1939:

H. R. 3052, uniform insignia for Naval Reserve radio operators; H. R. 1010, intercoastal subsidy bill (Welch).

Thursday, April 6, 1939:

H. R. 1011, acquisition of drydock facilities for United States Maritime Commission on San Francisco Bay (Welch); H. R. 2870, acquisition of drydock facilities for United States Maritime Commission at Los Angeles (Thomas F. Ford); H. R. 3040, acquisition of drydock facilities for United States Maritime Commission at Los Angeles (Geyer of California).

COMMITTEE ON INDIAN AFFAIRS

There will be a meeting of the Committee on Indian Affairs on Wednesday, March 15, 1939, at 10:30 a. m., for the consideration of H. R. 4679, H. R. 3699, and H. R. 2306.

COMMITTEE ON IMMIGRATION AND NATURALIZATION

The Committee on Immigration and Naturalization will meet on Wednesday, March 15, 1939, for the public consideration of H. R. 4185, H. R. 4823, and H. R. 4860. The meeting will be held at 10:30 a.m. in room 445, House Office

COMMITTEE ON THE PUBLIC LANDS

There will be a meeting of the Committee on the Public Lands on Wednesday, March 15, 1939, at 10 a. m., in room 328, House Office Building, to consider H. R. 3794, to establish John Muir-Kings Canyon National Park, Calif., to transfer thereto the lands now included in the General Grant National Park, and for other purposes.

There will be a meeting of the Committee on the Public Lands on Thursday, March 23, 1939, at 10 a.m., in room 328, House Office Building, to consider H. R. 3759, to authorize a National Mississippi River Parkway, and matters relating thereto.

COMMITTEE ON RIVERS AND HARBORS

The Committee on Rivers and Harbors will meet Thursday, March 16, 1939, at 10:30 a.m., to continue hearings on H. R. 3222 and H. R. 3223, bills for the completion of the construction of the Atlantic-Gulf Ship Canal across Florida.

COMMITTEE ON THE JUDICIARY

Beginning at 10 a. m. on Wednesday, March 22, 1939, there will be a hearing held before the subcommittee No. 4 of the Committee on the Judiciary on House Joint Resolution 176, declaring the conservation of petroleum deposits underlying submerged lands adjacent to and along the coast of California, below low-water mark and under the territorial waters of the United States of America, essential for national defense, maintenance of the Navy, and regulation and protection of interstate and foreign commerce; reserving the same as a naval petroleum reserve, subject to any superior vested right, title, or interest; and authorizing appropriate judicial proceedings to assert, ascertain, establish, and maintain the right and interest of the United States of America in such reserve and to eject trespassers.

EXECUTIVE COMMUNICATIONS, ETC.

Under clause 2 of rule XXIV, executive communications were taken from the Speaker's table and referred as follows:

527. A communication from the President of the United States, transmitting an estimate of appropriation for the Panama Canal, for "maintenance and operation," amounting to \$14,700,000 as supplemental, and, in addition, to the amount contained under the same head in the Budget for the fiscal year 1940 (H. Doc. No. 206); to the Committee on Appropriations and ordered to be printed.

528. A letter from the president, Board of Commissioners, District of Columbia, transmitting the draft of a proposed bill to regulate proceedings in adoption in the District of Columbia: to the Committee on the District of Columbia.

529. A letter from the president, Board of Commissioners, District of Columbia, transmitting the draft of a proposed bill to establish a lien for moneys due hospitals for services rendered in cases caused by negligence or fault of others and providing for the recording and the enforcing of such liens; to the Committee on the District of Columbia.

530. A letter from the Acting Secretary of the Interior, transmitting the draft of a proposed bill to provide for the operation of the recreational facilities within the Chopawamsic recreational demonstration project; to the Committee on the Public Lands.

531. A letter from the Secretary of the Smithsonian Institution, transmitting the draft of legislation to authorize the appropriation of funds for the upkeep of the National Gallery of Art; to the Committee on the Library.

REPORTS OF COMMITTEES ON PUBLIC BILLS AND RESOLUTIONS

Under clause 2 of rule XIII,

Mr. BLAND: Committee on Merchant Marine and Fisheries. House Joint Resolution 163. Joint resolution providing for the participation of the United States in the celebration of the twenty-fifth anniversary of the opening of the Panama Canal; without amendment (Rept. No. 202). Referred to the Committee of the Whole House on the state of the Union.

REPORTS OF COMMITTEES ON PRIVATE BILLS AND RESOLUTIONS

Under clause 2 of rule XIII,

Mr. KRAMER: Committee on Immigration and Naturalization. H. R. 358. A bill for the relief of Mario Sigismondo Nascinovich and his wife, Vittoria Nascinovich; without amendment (Rept. No. 203). Referred to the Committee of the Whole House.

Mr. LESINSKI: Committee on Immigration and Naturalization. H. R. 592. A bill for the relief of Sol Silver; without amendment (Rept. No. 204). Referred to the Committee of the Whole House.

Mrs. O'DAY: Committee on Immigration and Naturalization. H. R. 593. A bill for the relief of Rose Hausman Weidman (nee Reisla Hausman); without amendment (Rept. No. 205). Referred to the Committee of the Whole House.

Mr. LESINSKI: Committee on Immigration and Naturalization. H. R. 744. A bill for the relief of Stanislaw Pasko and Ksavery Frances Pasko (nee Fyalowna); without amendment (Rept. No. 206). Referred to the Committee of the Whole House.

Mr. MASON: Committee on Immigration and Naturalization. H. R. 745. A bill for the relief of Soterios G. Stamoulis; without amendment (Rept. No. 207). Referred to the Committee of the Whole House.

Mr. LESINSKI: Committee on Immigration and Naturalization. H. R. 780. A bill for the relief of Agatha Milauskas Yakavonis (nee Agatha Milauskas); without amendment (Rept. No. 208). Referred to the Committee of the Whole House.

Mrs. O'DAY: Committee on Immigration and Naturalization. H. R. 818. A bill for the relief of Ettore Cordovado; without amendment (Rept. No. 209). Referred to the Committee of the Whole House.

Mr. KRAMER: Committee on Immigration and Naturalization. H. R. 1162. A bill for the relief of Francesco Sapienza; without amendment (Rept. No. 210). Referred to the Committee of the Whole House.

Mr. KRAMER: Committee on Immigration and Naturalization. H. R. 1163. A bill for the relief of Jacob Labovitz; without amendment (Rept. No. 211). Referred to the Committee of the Whole House.

Mrs. O'DAY: Committee on Immigration and Naturalization. H. R. 1227. A bill for the relief of Nazzareno Candeloro; without amendment (Rept. No. 212). Referred to the Committee of the Whole House.

Mr. KRAMER: Committee on Immigration and Naturalization. H. R. 1281. A bill for the relief of Brajna Migdal; without amendment (Rept. No. 213). Referred to the Committee of the Whole House.

Mr. SCHULTE: Committee on Immigration and Naturalization. H. R. 1303. A bill for the relief of Jona Sheftel Bloch; without amendment (Rept. No. 214). Referred to the Committee of the Whole House.

Mrs. O'DAY: Committee on Immigration and Naturalization. H. R. 1304. A bill for the relief of Sarah Antokoletz Weintraub; without amendment (Rept. No. 215). Referred to the Committee of the Whole House.

Mr. SCHULTE: Committee on Immigration and Naturalization. H. R. 1306. A bill for the relief of Mrs. Peter (Maria) Koutumas; without amendment (Rept. No. 216). Referred to the Committee of the Whole House.

Mr. LESINSKI: Committee on Immigration and Naturalization. H. R. 1374. A bill for the relief of Isaac Limonsky; without amendment (Rept. No. 217). Referred to the Committee of the Whole House.

Mr. LESINSKI: Committee on Immigration and Naturalization. H. R. 1375. A bill for the relief of Lazer Limonsky, alias Louis Meerowitz; without amendment (Rept. No. 218). Referred to the Committee of the Whole House.

Mr. LESINSKI: Committee on Immigration and Naturalization. H. R. 1376. A bill for the relief of David Limonsky, alias David Binder; without amendment (Rept. No. 219). Referred to the Committee of the Whole House.

Mr. KRAMER: Committee on Immigration and Naturalization. H. R. 1631. A bill for the relief of Max Weinrib; without amendment (Rept. No. 220). Referred to the Committee of the Whole House.

Mr. MACIEJEWSKI: Committee on Immigration and Naturalization. H. R. 1837. A bill for the relief of Victoria Maghee; without amendment (Rept. No. 221). Referred to the Committee of the Whole House.

Mr. MASON: Committee on Immigration and Naturalization. H. R. 1880. A bill for the relief of Mato, Miljenko, Bozo, and Augustin Cibilic, or Zibilich; without amendment (Rept. No. 222). Referred to the Committee of the Whole House.

Mr. LESINSKI: Committee on Immigration and Naturalization. H. R. 1932. A bill to authorize the cancelation of deportation proceedings in the case of Jacob Tabah, wife Esther, and daughters Bertha, Dora, Rosa, and Angela; without amendment (Rept. No. 223). Referred to the Committee of the Whole House.

Mr. LESINSKI: Committee on Immigration and Naturalization. H. R. 2037. A bill for the relief of Giovanni Raffa; without amendment (Rept. No. 224). Referred to the Committee of the Whole House.

CHANGE OF REFERENCE

Under clause 2 of rule XXII, committees were discharged from the consideration of the following bills, which were referred as follows:

A bill (H. R. 2934) granting a pension to Jacob J. Short; Committee on Pensions discharged, and referred to the Committee on Invalid Pensions.

A bill (H. R. 4617) for the relief of Capt. Robert E. Coughlin; Committee on Claims discharged, and referred to the Committee on Military Affairs.

PUBLIC BILLS AND RESOLUTIONS

Under clause 3 of rule XXII, public bills and resolutions were introduced and severally referred as follows:

By Mr. CURLEY:

H.R. 5019. A bill to provide additional home-mortgage relief by providing for (1) a moratorium on foreclosures permitting appropriate legislation to provide further emergency relief to home-mortgage indebtedness; (2) to further refinance home mortgages; (3) to reduce the rate of interest and extend payment and amortization of mortgages; (4) to eliminate personal and deficiency judgments in foreclosures; and for other purposes; to the Committee on Banking and Currency.

By Mr. IZAC:

H. R. 5020. A bill to correct inequalities in rank and pay of certain officers now on the retired list of the Navy; to the Committee on Naval Affairs.

By Mr. SCHIFFLER:

H. R. 5021. A bill to provide for State-wide uniformity in compensation for similar work under the Works Progress Administration; to the Committee on Appropriations.

By Mr. SPARKMAN:

H. R. 5022. A bill to provide just compensation for certain losses in the value of real property resulting from the flooding of lands by the Tennessee Valley Authority; to the Committee on Military Affairs.

By Mr. KINZER:

H. R. 5023. A bill increasing the limit of cost and for the completion of the tablet or marker at Lititz, Pa., to commemorate the burial place of 110 American soldiers who were wounded in the Battle of Brandywine and died in the military hospital at said place; to the Committee on the Library.

By Mr. KELLER:

H.R. 5024. A bill to authorize the Archivist of the United States to cause to be collected, edited, and prepared for printing the contemporary matter relative to the ratification of the Constitution of the United States, and for other purposes; to the Committee on the Library.

By Mr. BLAND:

H. R. 5025. A bill to authorize the purchase and distribution of products of the fishing industry; to the Committee on Merchant Marine and Fisheries.

By Mr. REECE of Tennessee:

H. R. 5026. A bill for the relief of the soldiers who served on the Mexican border; to the Committee on World War Vetterans' Legislation.

H. R. 5027. A bill for the relief of veterans who served honorably during the World War and who were later discharged from the service; to the Committee on World War Veterans' Legislation.

By Mr. TENEROWICZ:

H.R. 5028. A bill to designate the channel in the Detroit River west of Grosse Ile Bridge Bradley Channel; to the Committee on Rivers and Harbors.

By Mr. THOMAS of Texas:

H. R. 5029. A bill to exempt joint-stock land banks from assessment for examination; to the Committee on Agriculture. By Mr. DELANEY:

H. R. 5030. A bill to amend section 4 of the act of June 29, 1906, entitled "An act to establish a Bureau of Immigration and Naturalization and to provide for a uniform rule for the naturalization of aliens throughout the United States"; to the Committee on Immigration and Naturalization.

By Mr. BLOOM:

H. R. 5031. A bill for the relief of the sufferers from the earthquake in Chile; to the Committee on Foreign Affairs.

By Mr. JONES of Texas:

H. R. 5032. A bill to authorize the Secretary of Agriculture to delegate to officers and employees of the Department of Agriculture certain regulatory functions; to the Committee on Agriculture.

H. R. 5033. A bill to aid the States and Territories in making provisions for the retirement of employees of the land-grant colleges; to the Committee on Agriculture.

By Mr. SIROVICH:

H. R. 5034. A bill to amend the civil-service law to permit certain employees of the legislative branch of the Government to be transferred to positions under the competitive classified civil service; to the Committee on the Civil Service.

By Mr. GEHRMANN:

H.R. 5035. A bill providing for payment to the State of Wisconsin for its swamplands within all Indian reservations in that State; to the Committee on the Judiciary.

By Mr. LEMKE:

H. R. 5036. A bill authorizing the State Highway Departments of North Dakota and Minnesota and the counties of Grand Forks of North Dakota and Polk of Minnesota to construct, maintain, and operate a free highway bridge across the Red River near Thompson, N. Dak., and Crookston, Minn.; to the Committee on Interstate and Foreign Commerce.

By Mr. MANSFIELD:

H. R. 5037. A bill to convey certain property to the city of El Campo, Tex.; to the Committee on Public Buildings and Grounds.

By Mr. TERRY:

H. R. 5038. A bill to amend the Social Security Act so as to assure more assistance to the needy aged, the needy dependent children, and the needy blind, and to make like provisions for the needy incapacitated individuals; to the Committee on Ways and Means.

By Mr. TAYLOR of Colorado:

H. J. Res. 209. Joint resolution making a further additional appropriation for work relief and relief for the fiscal year ending June 30, 1939; to the Committee on Appropriations.

By Mr. DIMOND:

H. J. Res. 210. Joint resolution authorizing a preliminary examination and survey of Gastineau Channel, Alaska; to the Committee on Rivers and Harbors.

By Mr. COFFEE of Washington:

H. J. Res. 211. Joint resolution to change the name of the Mud Mountain Dam and Reservoir; to the Committee on Flood Control:

By Mr. SCHWERT:

H. J. Res. 212. Joint resolution authorizing the President of the United States of America to proclaim October 11, 1939, General Pulaski's Memorial Day, for the observance and commemoration of the death of Brig. Gen. Casimir Pulaski; to the Committee on the Judiciary.

By Mr. SUMNERS of Texas:

H. J. Res. 213. Joint resolution to amend the joint resolution approved June 16, 1938, entitled "Joint resolution to create a Temporary National Economic Committee"; to the Committee on the Judiciary.

By Mr. STEAGALL:

H. J. Res. 214. Joint resolution to create a congressional Monetary Committee; to the Committee on Rules.

By Mr. WADSWORTH:

H. J. Res. 215. Joint resolution to permit any two or more States and the District of Columbia to enter into agreements or compacts for cooperative effort and mutual assistance in the prevention of duplication and evasion of State tax laws based on domicile and in the enforcement of such laws; to the Committee on the Judiciary.

By Mr. CONNERY:

H. Res. 123. Resolution making H. R. 2656 a special order of business; to the Committee on Rules.

By Mr. CRAWFORD:

H. Res. 124. Resolution requesting the Secretary of the Interior to furnish information as to the safety of Corcoran Courts Building; to the Committee on Public Buildings and Grounds.

By Mr. LEWIS of Ohio:

H. Res. 125. Resolution directing the United States Tariff Commission to make investigations and reports under the authority of section 336 of the Tariff Act of 1930; to the Committee on Ways and Means.

MEMORIALS

Under clause 3 of rule XXII, memorials were presented and referred as follows:

By the SPEAKER: Memorial of the Legislature of the State of Michigan, memorializing the President and the Congress of the United States to consider their House Concurrent Resolution No. 8, with reference to tax on land held by the Federal Government; to the Committee on Ways and Means.

Also, memorial of the Legislature of the State of Arizona, memorializing the President and the Congress of the United States to consider their House Concurrent Memorial No. 1, relating to the proposed Petrified Forest National Park; also Senate Concurrent Memorial No. 2, requesting additional buildings and equipment for the Veterans' Administration facility at Tucson; to the Committee on World War Veterans' Legislation.

Also, memorial of the Legislature of the State of New Mexico, memorializing the President and the Congress of the United States to consider their House Joint Memorial No. 2, with reference to the National Labor Relations Board; to the Committee on Appropriations.

PRIVATE BILLS AND RESOLUTIONS

Under clause 1 of rule XXII, private bills and resolutions were introduced and severally referred as follows:

By Mr. BUCKLEY of New York:

H. R. 5039. A bill authorizing the Secretary of War to bestow the Silver Star upon Michael J. Quinn; to the Committee on Military Affairs.

By Mr. CARTER:

H. R. 5040. A bill for the relief of John J. Reiber, Ada Bell Reiber, his wife, and Arthur Joseph Reiber, their minor son; to the Committee on Claims.

By Mr. CASE of South Dakota:

H.R. 5041. A bill for the relief of Charles R. Wicker; to the Committee on Pensions.

By Mr. CONNERY:

H. R. 5042. A bill for the relief of Harry I. Winchester; to the Committee on Claims.

By Mr. DARROW:

H. R. 5043. A bill for the relief of the Automatic Temperature Control Co., Inc.; to the Committee on Claims.

By Mr. HARNESS:

H. R. 5044. A bill granting an increase of pension to Ruth E. Spurgeon; to the Committee on Invalid Pensions.

By Mr. JOHNSON of West Virginia:

H. R. 5045. A bill to authorize and direct the Commissioners of the District of Columbia to set aside the trial-board conviction of Policeman Clarence D. Cunningham and his resultant dismissal, and to reinstate Clarence D. Cunningham to his former position as a member of the Metropolitan Police Department; to the Committee on the District of Columbia.

By Mr. JONES of Ohio:

H. R. 5046. A bill to confer citizenship on Fanny Elizabeth Onyons; to the Committee on Immigration and Naturaliza-

By Mr. KEEFE:

H. R. 5047. A bill for the relief of Charles R. Wood; to the Committee on Claims.

By Mr. KRAMER:

H. R. 5048. A bill for the relief of Bascha Pocsemak; to the Committee on Immigration and Naturalization.

By Mr. LANDIS:

H. R. 5049. A bill granting a pension to Orville Hunter; to the Committee on Invalid Pensions.

H. R. 5050. A bill granting a pension to Florence Jones; to the Committee on Invalid Pensions.

By Mr. LESINSKI:

H.R. 5051. A bill for the relief of Thomas P. O'Reilly, James T. O'Reilly, Joseph A. O'Reilly, Mary M. O'Reilly, John B. O'Reilly, and Gertrude Alice O'Reilly; to the Committee on Immigration and Naturalization.

H. R. 5052. A bill for the relief of Dionis Moldowan; to the Committee on Immigration and Naturalization.

By Mr. LEWIS of Ohio:

H. R. 5053 (by request). A bill for the relief of Fred Walter; to the Committee on Claims.

H. R. 5054. A bill for the relief of Verdie Barker; to the Committee on Claims.

By Mr. McANDREWS:

H. R. 5055. A bill for the relief of William Theodore Herbert; to the Committee on Naval Affairs.

By Mr. McLEOD:

H.R. 5056. A bill for the relief of Nicholas Contopoulos; to the Committee on Immigration and Naturalization.

By Mr. MAHON:

H. R. 5057. A bill to relieve R. J. Murray, of Dallas, Tex., of all liability for the balance due on a claim of the United States against him arising from a contract for the lease of post-office quarters at Slaton, Tex.; to the Committee on Claims.

By Mr. MUNDT:

H. R. 5058. A bill granting an increase of pension to Mary J. Loveland; to the Committee on Invalid Pensions.

By Mr. OSMERS:

H. R. 5059. A bill to authorize the presentation to Harry H. Weiss of a Distinguished Service Cross; to the Committee on Military Affairs.

By Mr. SCHAFER of Wisconsin:

H. R. 5060. A bill granting a pension to Jane A. Baker; to the Committee on Invalid Pensions.

By Mr. THILL:

H. R. 5061. A bill for the relief of August H. Krueger; to the Committee on Military Affairs.

By Mr. THOMAS of Texas:

H. R. 5062. A bill for the relief of R. M. Derby; to the Committee on Claims.

PETITIONS, ETC.

Under clause 1 of rule XXII, petitions and papers were laid on the Clerk's desk and referred as follows:

1750. By Mr. ALLEN of Louisiana: Petition of numerous citizens of Winn Parish, La., urging the passage of House bill 1816, providing a direct Federal old-age pension of \$30 per month, beginning at the age of 60; to the Committee on Ways and Means.

1751. By Mr. CONNERY: Petition of sundry citizens of Wakefield, Mass., urging that everything possible be done to bring to an end the war sustaining traffic between the United States and Japan, a traffic which is making the United States a partner of Japan in the far eastern conflict and which is so wantonly destroying the lives and property of the Chinese people; to the Committee on Foreign Affairs.

1752. By Mr. CRAWFORD: Petition of Mildred Brookins and other residents, of Ovid, asking for the passage of the Ludlow peace amendment; to the Committee on the

Judiciary.

1753. Also, petition of the tricounty granges comprised of Gratiot, Clinton, and Montcalm Counties, Mich., grange organizations, asking that all welfare laws passed since 1930 be repealed and that welfare administration be returned to the counties; to the Committee on Ways and Means.

1754. By Mr. KEEFE: Letter dated February 24, 1939, from John N. Reddin, of Manitowoc, Wis., setting forth a plan for the observance of Manitowoc County Citizenship

Day; to the Committee on the Judiciary.

1755. By Mr. MARTIN J. KENNEDY: Petition of Alexander Smith & Sons Carpet Co., concerning Senate bill 162, entitled "Wool Products Labeling Act of 1939," expressing opposition in connection with the manufacture of carpets and rugs; to the Committee on Interstate and Foreign Commerce.

1756. Also, petition of the Nye-Wait Co., Inc., New York, expressing opposition to Senate bill 162, entitled "Wool Products Labeling Act of 1939," as applied to the manufacturers of carpets and rugs; to the Committee on Interstate and Foreign Commerce.

1757. By Mr. KEOGH: Petition of the National Association of Manufacturers, New York City, with reference to the Barkley amendment to House bill 3791; to the Committee on Ways and Means.

1758. Also, petition of the Yakima County Education Association, Yakima, Wash., concerning the Harrison-Thomas-

Larrabee bill; to the Committee on Education.

1759. By Mr. KRAMER: Resolution of the Board of Playground and Recreation Commissioners of the City of Los Angeles, relating to a proposition which, if enacted, would grant Reeves Field, now owned by the city of Los Angeles, to the United States Navy, etc.; to the Committee on the Public Lands.

1760. Also, resolution of the Los Angeles Central Labor Council, relating to the suspension of Dr. Towne Nylander from duty; to the Committee on Labor.

1761. Also, resolution of the District Council of Painters, No. 36, of Los Angeles, relating to appropriations for construction to be brought under the Public Works Administration, etc.; to the Committee on Appropriations.

1762. By Mr. LAMBERTSON: Petition of P. A. Walters and 174 other farmers, of Leavenworth County, Kans., urging that the 1938 Farm Act be repealed; to the Committee on

Agriculture.

1763. By Mr. LANDIS: Resolution of the Senate General Assembly of the State of Indiana, memorializing the Congress of the United States to enact suitable legislation providing for the general welfare of the Nation, as set out in House bill 2, now pending before the Congress of the United States; to the Committee on Ways and Means.

1764. By Mr. MOTT: Petition signed by Amelia Wiseman and 13 other citizens, of Clackamas County, Oreg., urging the enactment of legislation which will diminish the advertising of alcoholic beverages by newspapers, magazines, billboards, and radio; to the Committee on Interstate and Foreign Commerce.

1765. By Mr. POLK: Petition signed by 69 citizens of Clermont County, members of the Bethel (Ohio) Church of Christ, petitioning against the repeal of that part of the original Social Security Act which exempts employees of religious organizations not for profit; to the Committee on Ways and Means.

1766. By Mr. SCHAEFER of Illinois: Petition of Alton (Ill.) Lodge, No. 294, Bakery and Confectionery Workers' Union, Richard Bishop, secretary, urging Congress to amend the Wagner Labor Relations Act as suggested by the American Federation of Labor; to the Committee on Labor.

1767. By Mr. SCHIFFLER: Petition of Rev. Jesse J. Mc-Keny, pastor of the First Baptist Church, Wellsburg, W. Va., urging that ministers be excluded from social security; to

the Committee on Ways and Means.

1768. By Mr. SMITH of West Virginia: Resolution adopted by Monarch Local Union, No. 2197, United Mine Workers of America, Cedar Grove, W. Va., opposing any changes in the National Labor Relations Act; to the Committee on Labor.

1769. By Mr. THILL: Petition of Josephine N. Woolfolk, chairman of the government and foreign policy department, Milwaukee County League of Women Voters, relating to neutrality legislation; to the Committee on Foreign Affairs.

1770. By the SPEAKER: Petition of Bessie Sachs, of Brooklyn, N. Y., and others, urging consideration of their resolution with reference to the Wagner Labor Relations Act;

to the Committee on Labor.

HOUSE OF REPRESENTATIVES

WEDNESDAY, MARCH 15, 1939

The House met at 12 o'clock noon.

The Chaplain, Rev. James Shera Montgomery, D. D., offered the following prayer:

Lord God of heaven and earth, we praise Thee for Him who revealed the divine fatherhood of man. As we remember that He is the humanized heart of the Infinite One, may we banish fear, defeat, and despair. We pray that we may be

tireless in leading others to be more courageous, more hopeful, and more joyous; may we know that the great failure of life is self-surrender. As Thou dost require us to be true and faithful, clothe us with the vestments of justice and consecrated activity. Heavenly Father, in a world of partial glimpses and broken lights, guard us against the blind forces that would destroy the foundations of democracy. May we be inspired with the radiant visions of the ideal in government and with zealous yearning for all that is fair, lovely, and of good report. We pray for our President, our Speaker, and the Congress that the affairs of state may be administered wisely and that the bonds of peace and cooperation may grow stronger between us and the peoples of all lands. Through Christ our Saviour. Amen.

The Journal of the proceedings of yesterday was read and approved.

MESSAGE FROM THE SENATE

A message from the Senate, by Mr. Frazier, its legislative clerk, announced that the Senate had passed with amendments, in which the concurrence of the House is requested, a bill of the House of the following title:

H. R. 4492. An act making appropriations for the Treasury and Post Office Departments for the fiscal year ending June

30, 1940, and for other purposes.

The message also announced that the Senate insists upon its amendments to the foregoing bill, requests a conference with the House on the disagreeing votes of the two Houses thereon, and appoints Mr. Glass, Mr. McKellar, Mr. Ty-DINGS, Mr. McCarran, Mr. Bailey, Mr. Bridges, and Mr. Lodge to be the conferees on the part of the Senate.

The message also announced that the Senate had passed bills of the following titles, in which the concurrence of the

House is requested:

S. 221. An act for the relief of Anthony Coniglio;

S. 281. An act to amend further the Civil Service Retirement Act, approved May 29, 1930;

S. 339. An act for the relief of Benjamin H. Southern;

S. 454. An act for the relief of Ernest S. Frazier;

S. 556. An act for the relief of Catherine Humler:

S. 752. An act to amend section 78 of chapter 231, Thirtysixth United States Statutes at Large (36 Stat. L., sec. 1109), relating to one judicial district to be known as the district of Idaho, and dividing it into four divisions to be known as the northern, central, southern, and eastern divisions, defining the territory embraced in said divisions, fixing the terms of district court for said divisions, requiring the clerk of the court to maintain an office in charge of himself or deputy at Coeur d'Alene City, Idaho; Moscow, Idaho; Boise City, Idaho; and Pocatello, Idaho; and to authorize the United States District Court for the District of Idaho, by rule or order, to make such changes in the description or names to conform to such changes of description or names of counties in said divisions as the Legislature of Idaho may hereafter make;

S. 1038. An act for the relief of L. M. Bell and M. M. Bell:

S. 1215. An act to amend the Canal Zone Code;

S. 1301. An act to create the office of Military Secretary to the General of the Armies of the United States of America, with the rank of colonel, and for other purposes;

S. 1415. An act for the relief of certain disbursing agents

and employees of the Indian Service;

S. 1429. An act for the relief of Earl J. Reed and Giles J.

S. 1515. An act for the relief of the Louisiana National Bank, of Baton Rouge, and the Hibernia Bank & Trust Co., of New Orleans; and

S. 1629. An act for the relief of the Canvas Decoy Co.

The message also announced that the Senate had passed the following resolution March 14 (legislative day, March 13),

Senate Resolution 104

Resolved, That the Senate has heard with profound sorrow the

announcement of the death of Hon. J. Burrawood Daly, late a Representative from the State of Pennsylvania.

Resolved, That a committee of two Senators be appointed by the Vice President to join the committee appointed on the part of the House of Representatives to attend the funeral of the deceased Representative.

Resolved, That the Secretary communicate these resolutions to the House of Representatives and transmit a copy thereof to the

family of the deceased.

Resolved, That as a further mark of respect to the memory of the deceased Representative the Senate do now adjourn.

EXTENSION OF REMARKS

Mr. SHANLEY. Mr. Speaker, I ask unanimous consent to extend my own remarks in the RECORD on the bill H. R. 3840. and to include a speech of the president of the Army and Navy Bandmasters' Association, and the resolution thereon.

The SPEAKER. Is there objection to the request of the

gentleman from Connecticut [Mr. SHANLEY]?

There was no objection.

Mr. EATON of New Jersey. Mr. Speaker, I ask unanimous consent to proceed for 1 minute and to revise and extend my own remarks by inserting at this point a brief statement by the faculty of the Southern Baptist Theological Seminary.

The SPEAKER. Is there objection to the request of the

gentleman from New Jersey [Mr. EATON]?

Mr. RANKIN. Mr. Speaker, reserving the right to object. let me say to the gentleman from New Jersey that I have already inserted that statement in the RECORD.

Mr. EATON of New Jersey. Is it in the Appendix?

Mr. RANKIN. It is a statement made by Dr. Sampey?

Mr. EATON of New Jersey. Yes. Mr. RANKIN. It went in the body of the RECORD.

Mr. EATON of New Jersey. I am delighted to know that. I am in sympathy with the gentleman from Mississippi in his effort to try to keep the United States Government from interfering with religious liberty in this country.

Mr. RANKIN. That is exactly what I am trying to do.

Religious liberty in this country must be preserved.

The SPEAKER. Does the gentleman from Mississippi [Mr. RANKIN] object to the request?

Mr. RANKIN. No. I was explaining to the gentleman from New Jersey that I had already inserted the statement in the RECORD.

Mr. EATON of New Jersey. Mr. Speaker, I think it would be a good thing to put it in again as coming from New Jersey.

Mr. RICH. Mr. Speaker, if it is in there once, I am going to object. Once is enough.

Mr. EATON of New Jersey. Mr. Speaker, I am sorry the gentleman objects, because I would like to have a doublebarrelled shot at this attempt to have the Government interfere with the churches of the country.

Mr. RANKIN. I wonder if the gentleman from Pennsyl-

vania has read the statement?

Mr. RICH. Anything that has been put in the RECORD once during the last 2 or 3 weeks is enough, and I object.

Mr. VREELAND. Mr. Speaker, I ask unanimous consent to extend my own remarks in the RECORD and to include a resolution by the Assembly of the State of New Jersey.

The SPEAKER. Is there objection to the request of the gentleman from New Jersey [Mr. VREELAND]?

There was no objection.

PERMISSION TO ADDRESS THE HOUSE

Mrs. ROGERS of Massachusetts. Mr. Speaker, I ask unanimous consent to proceed for 1 minute.

The SPEAKER. Is there objection to the request of the gentlewoman from Massachusetts [Mrs. Rogers]?

There was no objection.

Mrs. ROGERS of Massachusetts. Mr. Speaker, 20 years ago today, on March 15, 1919, in the Cirque de Paris, in Paris, France, a caucus of veterans of the World War was held and the American Legion was born.

I feel that it is most fitting that we should take note of this anniversary and pay our tribute to this great organization made up as it is of nearly 1,000,000 American veterans of the World War.

Since that caucus of 20 years ago the American Legion has become a bulwark of strength in every endeavor toward a better and stronger America. As was natural, the Legion's first concern was the care of the disabled and the rehabilitation of the demobilized war veterans. From the start every form of service was given to the veterans by the Legion through a National Service Bureau, which operated through a system of State service bureaus and down to the workers in the individual posts. Thousands of men today owe their present stability to the care given their cases by the American Legion in the early days after the war. As an organization it has always been foremost in the fight to obtain justice for disabled veterans, in securing adequate hospital care, and the proper adjudication of their claims.

As a member of the Committee on World War Veterans' Legislation since 1925, and long before that while working at Walter Reed Hospital and other hospitals of the country, I have had an opportunity to see the constructive suggestions and accomplishments of the Legion Legislative Bureau. Every member of that committee knows how thorough and how conscientious are the American Legion representatives in presenting facts in support of legislation. Col. John Thomas Taylor and Capt. Watson Miller have devoted all of their time since the armistice to this important work. It has been most helpful in working out our program for the relief of World War veterans.

It has also been my good fortune to have been in a position to observe and appreciate the fine work the American Legion representatives have done in presenting the claims of individual veterans to the Veterans' Administration. Some idea of the magnitude of this task—which is done without a cent of cost to the veterans—may be gained from figures taken from the report to the 1938 Los Angeles convention. It shows receipt of 102,617 letters; preparation and distribution of 138,488 letters; interviews with more than 24,793 persons; review of more than 32,172 claims; presentation of thousands of appeal cases; 615 visits to hospitals for conferences; securing for veterans and their dependents the sum of \$3,032,919.05 in recoveries of various types.

One of the first committees set up by the American Legion was its Americanism commission. This organization has been most active in combating anti-American tendencies, the education and Americanization of newly created citizens, and in spreading the ideals of true Americanism. Every one of us know of the great success attained along these lines.

In speaking of the accomplishments of the American Legion in its 20 years of existence, great credit should be given to the American Legion Auxiliary. At the present time this auxiliary has almost a half million members. It has been especially active in the fields of child welfare, rehabilitation of disabled veterans, community service, disaster relief activities, national defense, and world peace. It has made a most notable contribution to accident prevention and safety on our highways.

In the troubled times through which the world is now passing it is most reassuring to realize that we have an organization of this kind, an organization with the highest of American ideals, standing ready to throw its weight behind any effort for the well-being and maintenance of our country. To any person in this country who has aspirations to be a dictator, or who leans toward communism or has any subversive tendency, I commend a careful reading and close study of the preamble of the Constitution of the American Legion. For so long a time as 1,000,000 American World War veterans subscribe to the ideals contained in that preamble, our country is safe. I would like to read it here. It so typifies what the American Legion means and will continue to mean in the future to all of us:

For God and country we associate ourselves together for the following purposes: To uphold and defend the Constitution of the United States of America; to maintain law and order; to foster and perpetuate a 100-percent Americanism; to preserve the memories and incidents of our association in the Great War; to inculcate a sense of individual obligation to the community, State, and Nation; to combat the autocracy of both the classes and the masses; to make right the master of might; to promote peace and good will on earth; to safeguard and transmit to posterity the principles of justice, freedom, and democracy; to consecrate and sanctify our comradeship by our devotion to mutual helpfulness.

[Applause.]

CALENDAR WEDNESDAY

The SPEAKER. Today is Calendar Wednesday. The Clerk will call the committees,

REPEAL CERTAIN ACTS OF CONGRESS

Mr. SUMNERS of Texas (when the Committee on the Judiciary was called). Mr. Speaker, by direction of the Committee on the Judiciary, I call up the bill (H. R. 3233) to repeal certain acts of Congress. I wonder if we may have some arrangement by which we could save some time by considering the bill in the Committee of the Whole instead of in the House? I would not feel justified in asking the Members to pass this bill with an explanation of, say, 5 minutes, but if I could have 15 minutes by unanimous consent I think it would be sufficient.

The SPEAKER. The gentleman from Texas asks unanimous consent that the bill he calls up shall be considered in the House as in Committee of the Whole. The gentleman under that agreement asks unanimous consent to proceed for 15 minutes. Is there objection?

ceed for 15 minutes. Is there objection?

Mr. MARTIN of Massachusetts. Reserving the right to object, Mr. Speaker, I do not see the members of the Judiciary Committee present. I wonder if the gentleman would not go ahead with his 15-minute address, and by that time the ranking Republican will be on the floor. I presume there will be no objection to the gentleman's request. There is no objection as far as I know.

Mr. SUMNERS of Texas. I may say I should be very pleased to do that. At the moment the committee is engaged in a rather important matter. The members will be here in a very few minutes, I assume. This bill has the unanimous support of the committee and there is no objection to it. I am just trying to save the time of the House, that is all.

Mr. MARTIN of Massachusetts. I am not trying to avoid that, but I should like to have my ranking Member here if I can.

Mr. SUMNERS of Texas. I would, too. We do business that way.

Mr. MARTIN of Massachusetts. I would suggest the gentleman make his address and submit his request later.

The SPEAKER. The gentleman from Texas asks unanimous consent to proceed for 15 minutes on the bill he has called up. Is there objection?

There was no objection.

Mr. SUMNERS of Texas. Mr. Speaker, this is an unusual bill. It will take only a moment to read the bill, so I shall read it:

That all laws which resulted from bills and joint resolutions which, prior to the beginning of the Seventy-sixth Congress, were presented to the President less than 10 calendar days (Sundays excepted) prior to an adjournment (other than a final adjournment at the end of a Congress) of the House of Congress in which the same originated, and were pocket vetoed by him, are hereby repealed as of the date of their enactment.

The purpose of this bill is to get out of the picture and out of question all pocket-vetoed bills. There is a difference of opinion among lawyers, and a difference of opinion, I believe I may say, among members of the Supreme Court, with reference to at least some aspects of the pocket-veto power which has been exercised by the President of the United States since the organization of the Government.

The Committee on the Judiciary, may I say with all respect, has never believed this power obtains. I do not mean to say they have never believed it, but certainly not since our examination of the question.

The matter was considered in the Supreme Court in 1929 in what is known as the Pocket Veto case. A representative of the Committee on the Judiciary appeared as a friend of the Court and insisted that there could be constructive delivery of a pocket-vetoed bill at any time prior to the termination of the last session of a Congress. The Court did not agree with our views. Last year, in the Wright case (302 U. S. 583), the Court held there could be constructive delivery of a pocket-vetoed bill during a session of the Congress while the House of origin was not in session.

May I make this explanation—and it is a very interesting one—to you who have been studying the development of our system of government. The practice of the pocket veto grew, curiously enough, out of a failure on the part of the early

Congresses to distinguish the constitutiona! difference between the Parliament, called into existence by the summons of the King and dissolved by being prorogued by the King, and a Congress called into existence by our Constitution and dissolved at the limit of its existence as fixed in the Constitution. There were many members of the Constitutional Convention in these first Congresses. This is one of many facts which tend to establish that that Convention did not create the Constitution. It was the product of the centuries. The constitution on the other side was as much our Constitution as it was the constitution of the people on that side of the ocean, so when we wrote our Constitution, in the main we wrote into the written Constitution the provisions of our old Constitution, the provisions around which the battles of the Revolution were fought. We did not revolt and fight to get a constitution. We territorially seceded and fought to keep a constitution. I do not mean to go too far back. However, if you will examine it you will find it a matter of not only very curious interest but important interest.

At any rate, during the first 29 years of our congressional operation we reintroduced all our undisposed-of bills at the beginning of the second session under the belief that the termination of the first session terminated the bills. This was true in Great Britain for the reason I have stated. It was not true in this country for the reason I have stated.

After we had been operating about 29 years evidently Members of Congress began to inquire into the matter, and they arrived at the conclusion that we did not have to introduce our bills at the beginning of the second session because neither the adjournment or intervening time between the first and second sessions did anything to pending legislation. It was not until about 1848, however, that the arrangement was completed under which we now operate, namely, that everything remains in statu quo between the sessions except those bills not opposed by the President and therefore requiring a second consideration by the Houses of Congress.

During the period of our governmental operation up to 1929 there were 119 pocket-vetoed bills which, in many, at least, would be affected by the proposed legislation. One of the difficulties encountered in submitting this question to the Supreme Court in 1929 was these 119 bills as laws, whichever they were, which a determination favorable to our position in theory, at least, would vitalize. There was also the further embarrassment that neither the House nor the Senate had designated an agent to receive those objected-to bills.

The last decision, to which I have referred, the one last year, presents a very interesting situation, or rather, develops an interesting situation, because Mr. Chief Justice Hughes, in writing the majority opinion, held clearly that there can be constructive delivery to the House of origin when that House is not in session either at the time of delivery to the agent of that House or at any time prior to the expiration of the 10 days allowed the President in which to return objected-to bills. I shall state the facts in that case as briefly as I can.

Instead of being returned to the Senate in session the bill was returned by messenger from the President to the Secretary of the Senate and was not delivered by the Secretary of the Senate to the Senate until the expiration of the 10 days provided in the Constitution for the return of bills. The Chief Justice and a majority of the Court held that to be constitutional delivery. So that is the picture. I have not attempted, as you readily will appreciate, to give all the details that make up the picture, but you can fill them in.

The Committee on the Judiciary, as I say, has never believed there is any constitutional reason why unfinished business of the legislative branches of the Government which is unfinished merely because of the necessity to take a second vote, which arises out of the fact the President has submitted objections to the legislation, should not remain in status quo as all other unfinished business does. In other words, it is our position—and I say this with all respect to the Court—that these bills are merely unfinished business retain the same vitality that all other unfinished business retains until the end of the Congress which initiates it. We realize we did not do our full duty in removing unnecessary questions

of public policy and dangers of confusion before the 1929 adjudication. We do not presume to guess whether the Supreme Court will ever consider this pocket-veto matter again or not, but this bill will clarify the situation if there should be another consideration.

We know that when we come back at the beginning of a second session we find everything to have remained exactly in status quo except these pocket-vetoed bills, which only require a second vote. The interim between the two sessions of Congress does not at all affect the vitality or the status of any unfinished legislation. No human being looking in upon the first day of a second session, insofar as our relationship toward legislation is concerned, could discover anything to indicate we had been in adjournment more than the intervening night between 2 days. The Supreme Court has now held that there can be constructive delivery during a session. Anyway, we would like to get the question of what would happen if the Supreme Court should continue in the direction in which it has started and should remove this one single exception to the fact that unfinished legislation remains exactly in status quo until the end of the Congress. We would like to get these bills out of the way, and the bill I have just read to you we are certain would get those pocketvetoed bills out of the way and would remove any complica-

This is about all I want to say about the bill; but as a matter of interest to those of you who are students of government and of the facts with regard to our own Government, it may be interesting, and it is certainly instructive, to note that during this same period to which I have referred, the first year of our independent Government, when we were following the British precedents, having none of our own, the practice of considering, under the American constitutional system, that an impeachment is a criminal prosecution also grew up. I take some little pride in the fact that the Committee on the Judiciary, during the period I have been connected with it, have finally convinced, I believe, the Members of Congress and the bar and, I believe, the bench, that under the American constitutional system impeachment is an ouster suit and not a criminal action. Thus we have two important governmental practices which may be definitely traced to the following, in the first instance, of British precedents which, because of fundamental differences, were without rational applicability. Now, unless someone would like to ask me some questions-

Mr. RANKIN. Mr. Speaker, will the gentleman yield? Mr. SUMNERS of Texas. Yes.

Mr. RANKIN. I agree with the gentleman thoroughly on his proposition to clarify the situation by the passage of a measure of this kind, but I am wondering whether or not the passage of this measure would in any way commit us to the proposition that the President has a right to pocket-veto a bill at the adjournment of a midterm session.

Mr. SUMNERS of Texas. We think not. If my friend will read the provisions of the bill—

Mr. RANKIN. I have not read the bill, I will say to the gentleman, frankly.

Mr. SUMNERS of Texas. What we do is this: We just say we do not believe there are any, but if there are any we are getting rid of them.

Mr. RANKIN. I agree with the gentleman that the matter ought to be clarified, because I can understand the confusion it would bring about if the Supreme Court were to decide that these vetoes are invalid, which I think they are; but I do not want to be committed to the proposition that the President has a right to pocket-veto a bill on the adjournment of a midterm session so long as the same Congress is still alive. For instance, in the Seventy-sixth Congress, if we were to adjourn today with a bill on the President's desk, I do not believe the President would have a right to pocket-veto that bill so we could not vote on the veto when we come back at the next session of the same Congress.

Mr. SUMNERS of Texas. May I say to the gentleman, in order to make it perfectly clear, this is a part of the position which the Committee on the Judiciary has held for 15 years

at least, and has no relationship to the present political

Mr. RANKIN. This question never did arise until within the last 15 or 20 years.

Mr. SUMNERS of Texas. Yes, it did; but not in as direct a

situation as we have it now.

Mr. RANKIN. The first time this question arose that I remember anything about, I think, was during President Coolidge's administration, when a bill was pocket-vetoed at a midterm adjournment. I took the position then he did not have the right to do it, and I think if the Supreme Court were to pass on it now it would probably hold that the bill became a law.

Mr. MOTT. Mr. Speaker, will the gentleman yield?

Mr. SUMNERS of Texas. Yes.

Mr. MOTT. Is it the purpose of the gentleman's bill to raise a constitutional question which the Court may decide,

or merely to get rid of these pocket-vetoed bills?

Mr. SUMNERS of Texas. The purpose of this bill is to eliminate any embarrassment which might result from the possibility of reviving bills which have long since been considered as dead, and to make it possible for the Court to consider the issue de novo, I may say, without any embarrassment as to contingent consequences.

Mr. MOTT. Is the question now before the Court in a suit? Mr. SUMNERS of Texas. No; we are trying to clear the

way if it comes back up there.

Mr. MOTT. Is this bill a part of the program of the gentleman's committee to get this question before the courts at some future time?

Mr. SUMNERS of Texas. I would not like to say that, but it is part of our program that if the question does come up the Court will be able to face it without the embarrassment I have referred to. I think it is a duty that the House of Representatives owes to clear the slate before the question reaches the Court again.

Mr. MOTT. And the gentleman thinks the repeal of these bills would be advantageous to the contention of the committee that the President had no right to pocket-veto a bill.

Mr. SUMNERS of Texas. I would not like to state that we introduced this bill to try to influence a decision of the Court. We have introduced this bill for the purpose of clearing the slate. Here we have 114 bills that have been pocketvetoed. We owe it to the Court, if we believe that that power could never have been constitutionally exercised, and we owe it to the country to remove any possible confusion if the Court should decide the other way.

Mr. MOTT. I know the gentleman has made great study of the matter, but could not that be better presented and could not our position be made even more clear if we would take one of these pocket-vetoed bills and proceed to pass it over the President's veto?

Mr. SUMNERS of Texas. No.

Mr. MOTT. Would not that bring the matter into better light?

Mr. SUMNERS of Texas. No.

Mr. RANKIN. It is too late now, because another Congress has intervened.

The SPEAKER. The time of the gentleman from Texas has expired. Is there objection to the request of the gentleman from Texas that the bill be considered in the House as in Committee of the Whole? [After a pause.] The Chair hears none, and the Clerk will report the bill.

The Clerk read the bill, as follows:

Be it enacted, etc., That all laws which resulted from bills and joint resolutions which, prior to the beginning of the Seventy-sixth Congress, were presented to the President less than 10 calendar days (Sundays excepted) prior to an adjournment (other than a final adjournment at the end of a Congress) of the House of Congress in which the same originated, and were pocket-vetoed by him, are hereby repealed as of the date of their enactment.

The SPEAKER. The question is on the engrossment and third reading of the bill.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

CALL OF THE HOUSE

Mr. RANKIN. Mr. Speaker, I make the point of order that there is no quorum present.

The SPEAKER. The gentleman from Mississippi makes the point of order that there is no quorum present. The Chair will count. [After counting.] One hundred and thirty-seven Members present, not a quorum.

Mr. BULWINKLE. Mr. Speaker, I move a call of the

House.

The motion was agreed to.

The SPEAKER. The Doorkeeper will close the doors, the Sergeant at Arms will notify absentees, and the Clerk will call the roll.

The Clerk called the roll, and the following Members failed to answer to their names:

[Roll No. 35]

Blackney	Fulmer	Marshall	Shafer, Mich.
Buckley, N. Y.	Goldsborough	Mitchell	Short
Cannon, Fla.	Grant, Ala.	Monroney	Smith, Conn.
Creal	Harrington	Myers	Smith, Maine
Crowther	Hoffman	Osmers	Starnes, Ala.
Culkin	Hook	O'Toole	Stearns, N. H.
Curley	Johnson, Lyndon	Pierce, N. Y.	Vinson, Ga.
Dies	Kirwan	Rayburn	Wadsworth
Disney	Kramer	Risk	Wigglesworth
Doughton	Lemke	Sabath	Wood
Evans	McGehee	Sacks	Woodruff, Mich.
Fay	McReynolds	Sasscer	,, ,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,
Ford, Leland M.	Maloney	Seger	

The SPEAKER. Three hundred and eighty Members have answered to their names, a quorum.

Mr. JOHNSON of Oklahoma. Mr. Speaker, I move to dispense with further proceedings under the call.

The motion was agreed to.

POST OFFICE AND TREASURY DEPARTMENTS APPROPRIATION BILL, 1940

Mr. LUDLOW. Mr. Speaker, I ask unanimous consent to take from the Speaker's table the bill (H. R. 4492) making appropriations for the Post Office and Treasury Departments for the fiscal year 1940, with Senate amendments thereto, disagree to the Senate amendments, and agree to the conference asked by the Senate.

The SPEAKER. Is there objection to the request of the gentleman from Indiana?

There was no objection.

The Chair appointed the following conferees: Mr. Ludlow, Mr. O'NEAL, Mr. JOHNSON of West Virginia, Mr. MAHON, Mr. TABER, and Mr. McLEOD.

LEGISLATIVE APPROPRIATION BILL, 1940

Mr. RABAUT. Mr. Speaker, I ask unanimous consent to take from the Speaker's table the bill (H. R. 4218) making appropriations for the legislative branch of the Government for the fiscal year 1940, with Senate amendments thereto, disagree to the Senate amendments, and agree to the conference asked by the Senate.

The SPEAKER. Is there objection to the request of the gentleman from Michigan?

There was no objection.

The Chair appointed the following conferees: Mr. RABAUT, Mr. Fernandez, Mr. McAndrews, and Mr. Stefan.

ELECTION CONTEST-SMITH VERSUS POLK

The SPEAKER laid before the House the following communication from the Clerk, which was read:

HOUSE OF REPRESENTATIVES,

March 15, 1939.

The SPEAKER

The SPEAKER,
House of Representatives, Washington, D. C.
SR: I have the honor to inform the House of Representatives that in the Sixth Congressional District of the State of Ohio at the election held November 8, 1938, Hon. James G. Polk was certified as having been duly elected as Representative in the Seventy-sixth Congress and his certificate of election in due form of law was called in the effect. sixth Congress and his certificate of election in due form of law was filed in this office. His right to the seat was questioned by another candidate, Hon. Emory F. Smith, who served notice upon the returned Member of his purpose to contest the election. During the time allowed by law for the taking of testimony, the Clerk of the House received a letter dated March 4, 1939, by the contestant, Emory F. Smith, withdrawing the contest and asking that it be dismissed. This notice of withdrawal will be transmitted to the Committee on Elections to which this case shall be referred.

Yours respectfully,

South Trimble,

Clerk of the House of Representatives.

The SPEAKER. The communication, together with the accompanying papers, is referred to the Committee on Elections No. 3, and ordered to be printed.

NATIONAL DEFENSE

Mr. BENDER. Mr. Speaker, I ask unanimous consent to address the House for 1 minute.

The SPEAKER. Is there objection?

There was no objection.

Mr. BENDER. Mr. Speaker, if anything were still needed to emphasize the wisdom of our defense program, yesterday's events in Europe more than supplied us. Whether we like it or not, it is obvious that we are living in a world tempo-

rarily gone mad. I say "temporarily" hopefully.

I for one cannot look upon what has happened to Czechoslovakia without wishing that it were otherwise. No matter what the objective historians of the future may tell us, those of us who live today know that we are engaged in a struggle in which ideals of freedom, of free press, of free church, and free people are challenged as they have never been challenged in any generation.

Here in America it is our duty to do everything we can to defend the principles for which Czechoslovakia has been destroyed. If the Hitler march toward the east is to reestablish the doctrine that might makes right, we in America must work harder than ever to prove that only justice and

tolerance can be the saviors of mankind.

This Congress has taken steps to prepare our Nation for physical resistance to every possible threat which may attack our shores, but there is still another danger against which it is our task also to arm our people-the danger of propaganda. It is our job in the next few years to show the world that a free people can solve its economic problems without surrendering its liberty. It is our job to show the world that we can use the tremendous forces at our disposal to rebuild our American society on a strong and fair basis.

I call upon our Government and this Congress to join in the effort to combat propaganda from every foreign source, be it Nazi, Fascist, or Communist. I call upon the national administration to meet the challenge of dictatorship by reversing its policies and doing everything it can to restore the economic safety of our people by stimulating business confidence through acts as well as words. [Applause.]

EXTENSION OF REMARKS

Mr. KING. Mr. Speaker, I ask unanimous consent to extend my own remarks by including a portion of a speech I made recently at the departmental auditorium in Washington, part of a program fostered by the National Forest Service of the Department of the Interior, on the subject of the Territory of Hawaii.

The SPEAKER. Is there objection to the request of the Delegate from Hawaii?

There was no objection.

Mr. GEYER of California. Mr. Speaker, I ask unanimous consent to extend my own remarks by including an editorial from the Philadelphia Record.

The SPEAKER. Is there objection?

There was no objection.

Mr. McLEAN. Mr. Speaker, I ask unanimous consent to revise and extend my own remarks.

The SPEAKER. Is there objection?

There was no objection.

Mr. BULWINKLE. Mr. Speaker, I ask unanimous consent that further business in order under Calendar Wednesday be dispensed with.

The SPEAKER. Without objection, it is so ordered. There was no objection.

INTERIOR DEPARTMENT APPROPRIATION BILL, 1940

Mr. JOHNSON of Oklahoma. Mr. Speaker, I move that the House resolve itself into the Committee of the Whole House on the state of the Union for the further consideration of the bill (H. R. 4852) making appropriations for the Department of the Interior for the fiscal year ending June 30, 1940, and for other purposes.

The SPEAKER. The question is on the motion of the gentleman from Oklahoma.

The motion was agreed to.

Accordingly the House resolved itself into the Committee of the Whole House on the state of the Union for the further consideration of the bill H. R. 4852, with Mr. Buck in the chair.

The Clerk read the title of the bill.

The CHAIRMAN. When the Committee rose yesterday there was pending an amendment offered by the gentleman from Pennsylvania, which the Clerk will report for the information of the Committee.

The Clerk read as follows:

Amendment offered by Mr. Rich: On page 17, line 6, strike out "\$1,000,000" and insert "\$500,000."

The CHAIRMAN. The question is on the amendment offered by the gentleman from Pennsylvania [Mr. RICH].

The amendment was rejected.

Mr. SCRUGHAM. Mr. Chairman, after consultation and, I believe, agreement with the gentleman from Ohio-

Mr. WHITE of Ohio. Will the gentleman withhold that for a moment?

Mr. Chairman, a parliamentary inquiry. The CHAIRMAN. The gentleman will state it.

Mr. WHITE of Ohio. Upon completion of the General Land Office provision, which has just been taken care of, it was my understanding that the Committee was then to return to the question of amendments of the Bonneville Dam

Mr. JOHNSON of Oklahoma. That is correct.

Mr. WHITE of Ohio. If the gentleman will withhold that for just a moment, I will make a statement, following which that amendment can be presented. Is that agreeable?

Mr. SCRUGHAM. That is agreeable.

Mr. WHITE of Ohio. Mr. Chairman, it is my understanding that, rather than continue reading the bill, we are now to act upon the provisions of the bill covering the Bonneville proposition, which were read last night, but held over for amendment today under the 5-minute rule, following which the next order of business is to be the same consideration for the United States Housing Authority.

The CHAIRMAN. It is the understanding of the Chair. and the Chair thinks this is in the interest of orderly procedure, that we will read through the subdivision headed "General Land Office," and then return to the Bonneville project.

Mr. WHITE of Ohio. That is entirely agreeable.

The Clerk read as follows:

The Clerk read as follows:

Revested Oregon & California Railroad and reconveyed Coos Bay Wagon Road grant lands, Oregon: For carrying out the provisions of title I of the act entitled "An act relating to the revested Oregon & California Railroad and reconveyed Coos Bay Wagon Road grant lands situated in the State of Oregon," approved August 28, 1937 (50 Stat. 874), including fire protection and patrol on these and adjacent and intermingled public lands, through cooperative agreements with Federal, State, and county agencies, or otherwise, and including travel and other necessary expenses, and including not to exceed \$5,000 for personal services in the District of Columbia, and not to exceed \$2,000 for the purchase, exchange, operation, and maintenance of motor-propelled passenger-carrying vehicles, \$150,000: Provided, That such expenditures shall be reimbursed from the 25 percent referred to in section c, title II, of the act approved August 28, 1937, of the special fund designated the "Oregon & California land-grant fund."

Mr. RICH. Mr. Chairman, I offer an amendment. The Clerk read as follows:

Amendment offered by Mr. Rich: On page 20, line 3, after the ord "vehicle", strike out "\$150,000" and insert "\$75,000."

Mr. RICH. Mr. Chairman, we are now considering cutting out \$75,000 for the Coos Bay Wagon Road grant lands in Oregon and for the purpose of motor-propelled passengercarrying vehicles and lumbering in Oregon and Washington.

I want to say to the Congress that this \$75,000 could be very interesting and essential to the Members of the House of Representatives who want to save any money for the Federal Government. I cannot help but call your attention to the fact that since July 1 you have gone in the red \$2,406,-197,675. That means \$9,473,219 each day. That means \$394,717 each hour. That means \$6,578.61 a minute since

Now, if you men cannot see where we are headed for by giving you these figures, let me call your attention to this: There are 435 Members of the House and 96 Senators. The total salaries that they receive is \$533,000. You are going in the red \$6,578.61 a minute. Every 82 minutes you go in the red as much as it costs to pay for the salaries of every Member of Congress, and that includes both the Members of the House and the Senate—a deplorable situation for a lot of men who are running this Government. Every 82 minutes you are going in the red as much as it costs the taxpayers of this country to pay your salaries.

Let me present it in another way; let me go one step further: The President of the United States receives a salary of \$75,000 a year. Every 11 minutes and 43 seconds you go in the red as much as it costs to pay his salary for a year

If you think what the Congress is doing in the matter of spending money is wise handling of public moneys, you continue in this policy on your own responsibility, for your actions will be weighed and considered by your constituents back home at the next election. I care not whether you be a Republican or a Democrat, do not say I did not warn you, and my warnings are not uttered in any spirit of disparagement or with any feelings of enmity or jealousy; but, Mr. Chairman, just as surely as the sun will rise tomorrow morning we shall have to account to the people back home, and rightfully so, for this extravagance. If you love that American flag, if you love the Constitution of our country, if you have any sense of respect at all for yourselves or for our Nation, then for God's sake do your duty. You cannot continue this way. The day of reckoning will come only too soon, and then you will be held responsible. What are you going to do? Are you going to permit these exorbitant expenses of government to go on, or are you going to begin to economize? I warn you now; do your duty. [Applause.]

Mr. MOTT. Mr. Chairman, I rise in opposition to the amendment.

Mr. Chairman, the item to which the amendment offered by the gentleman from Pennsylvania is directed appears upon the top of page 18 and the bottom of page 17 of the bill. It is an appropriation out of the Oregon and California landgrant fund, and not out of the Treasury of the United States. The purpose of this item is to protect 2,500,000 acres of Government-owned timber, comprising the Oregon and California land grants, from fire; and from this appropriation there is also provided the money for the entire administration of those lands, including surveys, reclassifications, and everything else which is required under existing law for the administration of this great Federal forest upon a sustained-

Mr. Chairman, I am sometimes at a loss to know just how to take my friend, the gentleman from Pennsylvania [Mr. RICH]. Under all usual and ordinary circumstances he is one of the finest, friendliest, most intelligent, and altogether delightful men I know. When he takes his place on the floor of the House and talks on a subject about which he knows something no Member makes a more intelligent, more informative, or more effective speech than the distinguished Member who has just left the floor. If the gentleman from Pennsylvania would confine his remarks to those things which he has really studied, with which he is actually familiar and in connection with which he has acquired some knowledge, no Member would be more effective in debate than he. In fact, upon those subjects I rank him among the foremost debaters

The gentleman from Pennsylvania, unfortunately, however, does not always confine his remarks to those subjects, but instead he sometimes wanders far afield and insists upon talking about something in which he has no real interest, with which he has no familiarity, of which he has made no study, and upon which, consequently, he has no knowledge. Unfortunately this subject is one of them. Upon this subject the gentleman has simply neglected to inform himself.

In the last Congress an act was passed putting the vast Oregon and California timber area, one of the most extensive and valuable in the United States, upon a sustained-yield basis under the direction of the Department of the Interior. Under this bill the forest must be self-sustaining. Not one cent of the cost of its administration and operation comes out of the General Treasury of the United States as a Federal contribution to that cost. Under the act setting up this sustained-yield management system the Department of the Interior is allowed 25 percent of the revenues from the sale of the timber for administration purposes, including fire protection. The revenues from the forest must pay all of the administrative expenses, including fire protection. Before the passage of the new Oregon and California Grant Land Act last session, putting this area upon a sustained-yield basis, the Forest Service did the work of fire protection. They were allowed as an actual contribution from the Treasury each year \$80,000 for this purpose alone, and under the former law they had the right to go as much above that figure as might be necessary properly to protect this area from fire.

This great forest, belonging to the people and bringing in an annual revenue to the people, must be properly protected from fire or the people will lose it. Last year, out of a total appropriation or allotment of \$125,000 for the administration of these lands, about \$80,000 was used for fire protection. It was found that this was not enough, because it is not as much as was spent under the former regime by the Forest Service for fire protection. When Mr. Johnson, the Commissioner of Public Lands, appeared before the committee he gave it as his opinion that \$175,000 should be set aside for the Department to use for administrative purposes, including fire protection. The committee cut this amount by \$25,000 and the item before us is \$150,000.

It will require this much or more properly to administer these lands and to protect them from fire for the next fiscal year. Let me repeat that none of this money so appropriated is really taken from the Treasury. It is appropriated, of course, but it is chargeable to the 25-percent revenue which comes to the Interior Department from the sale of timber, and this entire appropriation is reimbursable from that timbersale fund, so not a single cent comes out of the general tax revenues of the United States. [Applause.]

[Here the gavel fell.]

The CHAIRMAN. The question is on the amendment offered by the gentleman from Pennsylvania.

The amendment was rejected. The Clerk read as follows:

Range improvements on public lands outside of grazing districts tange improvements on public lands outside of grazing districts (receipt limitation): For construction, purchase, and maintenance of range improvements on the public lands subject to grazing leases under the provisions of section 15 and pursuant to the provisions of section 10 of the act of June 28, 1934 (48 Stat. 1269), as amended by the act of June 26, 1936 (49 Stat. 1976), \$60,000: Provided, That expenditures hereunder shall not exceed 25 percent of all moneys received under the provisions of section 15 of said act during the fiscal years 1939 and 1940.

Mr. RICH. Mr. Chairman, I move to strike out the last word.

Mr. Chairman, may I say to the members of the Committee that I have the very highest respect for the gentleman from Oregon [Mr. Mott], but may I say to him that there is duplication in this \$150,000 by having the Interior Department set up an organization in that Department for forestry work, which places the Oregon-Washington timberlands under the jurisdiction of that Department so far as having the timber harvested, and so forth, when there is a Forest Service already set up in the Department of Agriculture. It seems to me most ridiculous to have duplication of effort in these two Departments. The gentleman from Oregon made the statement that I did not know what I was talking about. May I say to him the only way you can ever get some of these things changed in these Government departments is get up here and point out the duplication of Government operation and waste. I am giving the Members of Congress information in an effort to have segregated the duties and do away with duplications in the Government. I want these

brought into one body, under one supervision, and under one overhead, so that it can be handled on a sound, economical, and good basis.

Mr. COCHRAN. Will the gentleman yield?

Mr. RICH. I yield to the gentleman from Missouri.

Mr. COCHRAN. I want to compliment the gentleman for his statement and to say to him that is exactly what we wanted to do last week when we were considering the reorganization bill. It will give the President the opportunity to put 14 agencies handling public lands under control of one. How much did the gentleman help us in that effort?

Mr. RICH. May I say to the gentleman from Missouri the reason I did not vote for that bill was because it was put in the hands of the President. You will never accomplish anything by putting this power in his hands. If you had put the word "Vice" ahead of the word "President," so that it would have read "Vice President," something might have been accomplished. But I guarantee you new dealers that the New Deal head is not going to do anything. He had the power for 2 years to consolidate departments and did nothing but make more departments. He will do the same thing this time, I am afraid. If after 2 years he did not accomplish anything, he will never do anything. He did not do anything, and 2 years is long enough. That is the reason I do not want to give him any more power. [Applause.]

Mr. COCHRAN. The gentleman found out a minute ago

that the Congress will not do anything.

Mr. BULWINKLE. Mr. Chairman, I move to strike out the last two words.

Mr. Chairman, I like the gentleman from Pennsylvania [Mr. Rich] very much, but the trouble is he lacks consistency. He said last week he was afraid to put this power in the hands of the President. What is he trying to do now? I ask him that question.

Mr. RICH. The gentleman is asking me?

Mr. BULWINKLE. Yes.

Mr. RICH. I will tell the gentleman. The Democratic platform of 1932 advocated a drastic cut in Government expenditures.

Mr. BULWINKLE. Will the gentleman answer the question?

Mr. RICH. Yes.

Mr. BULWINKLE. What is the gentleman trying to do this week?

Mr. RICH. I am trying to cut down Government expenses. Mr. BULWINKLE. All right.

Mr. RICH. I want the new dealers on that side to realize that they cannot go on and wreck this Nation, which they are trying to do.

Mr. BULWINKLE. The gentleman has not as yet answered the question.

Mr. RICH. If you do not do something, we are going to be wrecked. You on that side will wreck this Nation, and nothing under heaven can stop it.

Mr. BULWINKLE. Is the gentleman through?

Mr. RICH. I am trying to do my duty.

Mr. BULWINKLE. Now, sit down and let me talk a while. Mr. RICH. The gentleman asked me a question.

Mr. BULWINKLE. And the gentleman has not answered the question. He is doing like he always does. He never answers the question.

Mr. RICH. Yes; but you never do anything on that side. The gentleman has voted for everything since he has been here. He has not tried to economize one dollar.

Mr. BULWINKLE. Mr. Chairman, I do not yield any further. The gentleman shows again he does not know what he is talking about, because when he makes a statement like that it clearly shows he does not know.

The gentleman realizes that last week he had an opportunity to aid in cutting down Government expenses, but the gentleman then saw fit, on account of partisanship, to vote against that proposition. He is now attempting on this bill in a feeble way to embarrass the administration, which he cannot do.

[Here the gavel fell.]

Mr. JOHNSON of Oklahoma. Mr. Chairman, I move that all debate on this paragraph and all amendments thereto close in 5 minutes.

The motion was agreed to.

Mr. RANKIN. Mr. Chairman, I move to strike out the last three words.

I want to give the House some information with reference to the history of consolidation. I remember very distinctly many years ago when this same question rose, the then Secretary of the Interior came before the Committee on Territories, of which I was a member, and asked to have these forests transferred to the Department of the Interior. That gentleman's name was Albert B. Fall. Do you remember him? He did not get the national forests, but unfortunately he finally got Teapot Dome. You will remember that also.

I am not raising this question to irritate the gentleman from Pennsylvania, who represents the leadership on the Republican side. I am very fond of him. There is not a man in this House for whose integrity I have a higher regard, although we do not agree on economic questions. Let me tell you where the Republican side is falling down. You have not offered anything in the world of a constructive nature since you have been here. I mean that; I am not criticizing you, you have probably done the best you could. But what is your program? You say we are in bad shape.

The gentleman from Pennsylvania [Mr. Rich], I believe, has offered his only solution, and that is to reduce expenses, when he knows we could not possibly balance the Budget on the present price levels. If you were to force a cut in Government expenses now to where the present revenues would meet expenses, you would almost bring about a revolution in this country.

But there is a remedy; I pointed it out to the gentleman on yesterday and I will point it out to him again today. The remedy is a reasonable controlled expansion of the currency, not through the Federal Reserve System but through the Treasury Department, done by the Congress and the President, as the Constitution provides, so these international bankers who now control the Federal Reserve System cannot have the money retired and bring on another depression.

Mr. BOLLES. Mr. Chairman, will the gentleman yield? Mr. RANKIN. I am sorry, I have only 5 minutes.

You are either going to do that or you are going to keep on until you break into a wild and uncontrolled inflation, such as they had in Germany and such as they had in several other European countries. So I appeal to you Members of Congress, whether you be Democrats or Republicans, to think seriously of this proposition of expanding the currency against the gold reserve we now have to raise commodity prices to their normal level and start business moving, and at the same time enable us to build up the national income to where we can balance the Budget and keep it balanced.

If you have another remedy, I should like to know it. I am looking for one. I am going to be frank with you; I am disturbed, just as every honest American is disturbed today. This is the one remedy I can find, and the only one, in my opinion, that has been suggested that will balance the Budget and restore prosperity to the American people.

Mr. SCHAFER of Wisconsin. Mr. Chairman, will the gentleman yield?

Mr. RANKIN. I cannot yield.

I repeat what I said on yesterday, you cannot balance the Budget and restore prosperity by cutting down expenses now. We have passed that point. Neither can you restore the prosperity of the American people by borrowing money from the rich and giving it to the poor, for the great masses of the people to pay back with interest in years to come. I appeal to my distinguished friend to concentrate his mental faculties on the question of a reasonable way out of our difficulties. That is what the American people want. They do not care so much whether the Democrats or the Republicans are running this country as they do whether or not prosperity is restored.

Mr. RICH. Mr. Chairman, will the gentleman yield? Mr. RANKIN. I yield to the gentleman from Pennsylvania.

Mr. RICH. Does not the gentleman believe it would be a wise thing for America to preserve the American market for the American farmers, the American laborers, and the American businessmen, since it is the best market in all the world?

Mr. RANKIN. The gentleman now is advocating a high protective tariff, the very thing that brought on all this trouble. A protective tariff is nothing in God's world but a tax on one man for the benefit of another. You robbed the American people during the palmy days when you were in power during the twenties. The tariff took from the American people \$4,000,000,000 a year over and above the benefits they derived from it.

Mr. HOLMES. Mr. Chairman, will the gentleman yield? Mr. RANKIN. No; I decline to yield.

What did you do with it? You poured it into the pockets of the beneficiaries of that law, made the rich richer and the poor poorer until the country almost collapsed.

The Clerk read down to and including line 4 on page 21 of the bill.

The CHAIRMAN. Under the unanimous-consent agreement entered into on yesterday we now return to page 12.

Mr. WHITE of Ohio. Mr. Chairman, a parliamentary inquiry.

The CHAIRMAN. The gentleman will state it.

Mr. WHITE of Ohio. Are we going to the Bonneville provision now?

The CHAIRMAN. The Chair has so stated.

Mr. WHITE of Ohio. I have an amendment to offer to that paragraph.

The Clerk read as follows:

BONNEVILLE PROJECT

Bonneville Project

For operation and maintenance of the Bonneville project, Oregon, in accordance with the provisions of an act entitled "An act to authorize the completion, maintenance, and operation of the Bonneville project, for navigation, and for other purposes," approved August 20, 1937, including maintenance and operation of transmission lines, communicating systems, and substations, purchase and exchange, maintenance and operation of automobiles, purchase of stationery and office supplies, purchase of equipment and other supplies, rent, traveling expenses, telegraph and telephone expenses, printing and binding, and all other necessary expenses, and including not to exceed \$8,200 for personal services in the District of Columbia, \$400,000.

For construction, purchase, and improvement of transmission lines, substations, and facilities and structures appurtenant thereto, and the purchase of easements and rights-of-way and improvements thereon, including personal services incident to the foregoing, in carrying out the provisions of an act entitled "An act to authorize the completion, maintenance, and operation of the Bonneville project, for navigation, and for other purposes," approved August 20, 1937, to be immediately available, \$13,000,000.

Mr. WHITE of Ohio. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. Whrre of Ohio: On page 12, line 25, after the word "available", strike out "\$13,000,000" and insert "\$6,000,000."

Mr. WHITE of Ohio. Mr. Chairman, for the purpose of making a correction on another section of the bill, I ask unanimous consent to proceed for 5 additional minutes.

Mr. WHITE of Idaho. Reserving the right to object, Mr. Chairman, I want to know if the gentleman is going to yield for a question or two?

Mr. WHITE of Ohio. I will yield if I have time.

Mr. JOHNSON of Oklahoma. Mr. Chairman, will the gentleman yield for a unanimous-consent request?

Mr. WHITE of Ohio. I yield.

Mr. JOHNSON of Oklahoma. I wonder if we could not agree on 30 minutes of debate on this one item?

The CHAIRMAN. We must first dispose of the unanimous-consent request submitted by the gentleman from Ohio to proceed for 5 additional minutes.

Mr. WHITE of Idaho. Reserving the right to object, Mr. Chairman, I want to know if the gentleman is going to submit to a question?

Mr. WHITE of Ohio. If I have time in my second 5 minutes, I will yield. I shall use the first 5 minutes to correct a situation in which the majority members of the committee are very much interested.

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The CHAIRMAN. Is there objection to the request of the gentleman from Ohio?

There was no objection.

Mr. JOHNSON of Oklahoma. Mr. Chairman, I ask unanimous consent that all debate on this paragraph and all amendments thereto close in 30 minutes.

Mr. SCHAFER of Wisconsin. I object, Mr. Chairman. Mr. JOHNSON of Oklahoma. Mr. Chairman, I modify my

request and ask that 40 minutes be allowed.

Mr. RICH. Reserving the right to object, Mr. Chairman, 14 Members are standing.

Mr. JOHNSON of Oklahoma. I should think all of them would not want 5 minutes apiece.

Mr. RICH. How do we know?

Mr. JOHNSON of Oklahoma. Then, Mr. Chairman, I again modify my request and ask that 50 minutes be allowed.

The CHAIRMAN. The gentleman from Oklahoma asks unanimous consent that all debate on the paragraph relating to the Bonneville project and all amendments thereto close in 50 minutes. Is there objection?

Mr. MOTT. Reserving the right to object, Mr. Chairman, I should like to know how many Members want time to speak on this subject, and also whether in the 50 minutes there will be time to give each Member who wants to speak at least 5 minutes. This question is a very important one to many of us.

Mr. JOHNSON of Oklahoma. May I ascertain from the Chair how many Members rose? Does the Chair have the names of all Members who rose?

The CHAIRMAN. The Parliamentarian informs me he has the names of 11 Members who rose, including one member of the committee.

Mr. RICH. Reserving the right to object-and I shall object—let us go on for a few moments. Every Member who is standing is one who is interested in this project.

Mr. JOHNSON of Oklahoma. Then, Mr. Chairman, I move that all debate on this paragraph and all amendments thereto be concluded in 1 hour.

The motion was agreed to.

Mr. WHITE of Ohio. Mr. Chairman, on yesterday I introduced an amendment to the first paragraph of this bill, on page 2, which eliminated an item of expense amounting to \$36,740 in the office of the Secretary of the Interior for their Division of Information.

This motion was offered on the basis of the testimony presented in the hearings. I would like to call your attention to page 22 of the hearings on this bill, where it is stated:

Mr. White. How many people are there engaged in that publicity

work?

Mr. Burlew. We asked last year for 21 people, many of whom were already in the Interior Department. There was \$14,000 in salaries transferred from the regular Interior items to help make out the total which we asked for. That would be \$14,000 transferred for seven positions from the Department of the Interior and \$36,740 in new positions. That would make a total of 21 positions.

Mr. White. Thirty-six thousand seven hundred and forty dollars transferred.

for new positions?

Mr. Burlew. That is correct. Of course, that includes a supervisor of illustrations; several photographers, in fact, clerks and stenographers and messengers—

And so forth

Then, a little bit further down on the same page you will find where I asked him the question: "A total of how many are engaged in that work now?" And Mr. Burlew said, "21," and then I asked him: "At an expense of approximately \$50,000?" And he said: "Yes." And I said: "With a new item of expense of \$36,740?" And Mr. Burlew said: "That is right."

So you can see from that testimony that my amendment was based upon the testimony exactly as presented in the

Mr. MOTT. Mr. Chairman, will the gentleman yield?

Mr. WHITE of Ohio. Not just now; let me complete my statement.

Yesterday afternoon, after the members of this committee saw fit to go along and adopt that amendment, Mr. Burlew called me to say, with commendable frankness, that he had made a mistake. Even though it is not my error, I do not want, if I can help it, the Members of this House to find it

necessary to proceed on the basis of incorrect information, no matter who is responsible for it. [Applause.]

I feel that I would not be giving proper recognition to my obligations to you if I did not cite the fact that this error does exist. I would rather have your confidence than any temporary advantage for my amendment under these circumstances. In contrast to the testimony appearing in the hearings, here are the facts: The new appropriation does not call for any new expense in the publicity division of the Department of the Interior. In other words, the expense last year was \$50,900, and exactly the same amount is included in the bill this year. Mr. Burlew merely misspoke. Even so, I think some of their publicity activities are excessive. However, that would not justify me in letting you believe that the \$36,740 cut out by my amendment was new expense, as was stated by the Department in the hearings, when the corrected information reveals that no new expense was involved.

Now, I have two purposes in mind. One is to correct the testimony of the hearings by stating that the appropriation for the publicity division last year was \$50,900 and the same amount was sought in the pending bill. The other purpose is to work out a reasonable reduction based upon the corrected information. I have consulted with the majority members of the Appropriations Committee. We have agreed upon a cut of 10 percent. This amounts to a saving of \$5,090 as compared with the amount they actually received last year.

Mr. SCRUGHAM. Mr. Chairman, will the gentleman vield?

Mr. WHITE of Ohio. I yield.

Mr. SCRUGHAM. Mr. Chairman, I ask unanimous consent to proceed out of order for 1 minute.

The CHAIRMAN. Is there objection to the request of the gentleman from Utah?

There was no objection.

Mr. SCRUGHAM. Mr. Chairman, in the matter of the amendment offered by the gentleman from Ohio [Mr. WHITE], on page 2, line 6, of the bill, I ask unanimous consent that the amount inserted by said amendment be stricken out and the sum of \$549,630 be inserted in lieu thereof.

This is in line with our understanding, I think.

Mr. RICH. I think any time we make a mistake, we ought

The CHAIRMAN. The gentleman from Nevada asks unanimous consent that the amount inserted yesterday as an amendment, on page 2, line 6, be stricken out and the amount of \$549,630 be inserted in lieu thereof. Is there objection?

There was no objection.

Mr. SIROVICH. Mr. Chairman, will the gentleman yield?

Mr. WHITE of Ohio. I yield.

Mr. SIROVICH. The gentleman has made a very sincere statement to correct an error. I would like to make this observation: Mr. E. K. Burlew is a distinguished career man who has worked his way from the humblest position up to First Assistant Secretary of the Interior. He is one of the most conscientious, trustworthy, lovable, and indefatigable workers, not only in the Department of the Interior but one of the finest workers that can be found in any agency of the Government of the United States.

Mr. WHITE of Ohio. I have been struck very favorably by his conscientious manner in acknowledging this mistake and bringing it to my attention.

Now, Mr. Chairman, we come to the matter of the amendment which has been offered for a cut of \$7,000,000 on the project at Bonneville.

I want to discuss this proposal without the tinge of partisanship that is so much in evidence. Secondly, let me repeat my statement of last Friday to the effect that I am not raising the question of whether or not Bonneville and Grand Coulee are wise enterprises. Those projects are already created by law and now it is merely a matter of what appropriations they will receive this year. I am solely raising the question of whether Congress is providing too much money and too fast for its proper use on a sound, economic basis, which takes into consideration the immediate needs of the Bonneville and Grand Coulee area and also the national needs for less Government expense, for reemployment, and for real recovery. If you will join me in the spirit by which I am trying to approach this problem I will try to prove the case I am presenting to you.

It is based on three contentions. First, these projects do duplicate existing lines, notwithstanding everything that has been said on that point. I ask you to merely refer to the maps in the hearings, beginning on page 43. Compare the existing lines with the lines proposed for Bonneville and Grand Coulee when they are completed and judge for yourself.

Second, aside from the matter of duplication, are they getting money too fast for its economical, sound, commonsense use? Here again I ask for your unbiased judgment on the basis of the facts which show that they received \$17,000,000 last year. How does that compare with the amount the Bonneville administrators told Congress they needed last year? They asked Congress for \$6,000,000. After every consideration Congress concluded that their request was too high. Congress reduced the amount to \$3,500,-000. Just the same they threw the opinion of Congress out the window, and likewise their own request for six millions. and they went to P. W. A. and W. P. A., where they got about 14 million more for the year than they told Congress they required. And yet they are back here again this year asking for \$13,000,000 more.

In this same connection there is another very important factor. When June 30, 1939, arrives Bonneville will still have an unexpended balance on hand amounting to \$3,100,-000-money from the extra windfall last year that has not yet been used. On the same date the unexpended balance for Grand Coulee will amount to \$7,000,000. The Department of the Interior is the authority for these figures.

The CHAIRMAN. The time of the gentleman from Ohio has expired.

Mr. WHITE of Ohio. Mr. Chairman, I ask unanimous consent to proceed for 5 minutes more.

Mr. PIERCE of Oregon. O Mr. Chairman, if that is granted I think the same privilege should be granted to others on the other side. I object. I could talk for an hour. I want to reply and I want time.

The CHAIRMAN. The time has been fixed at 1 hour, additional to the time allotted to the gentleman from Ohio. and that time is supposed to be divided between gentlemen on their feet at the time the vote was taken.

Mr. WHITE of Ohio. Mr. Chairman, I think I am the victim of my own fault in yielding so much time when I began. I would like to discuss the matter for 3 minutes.

The CHAIRMAN. The gentleman may make a request for unanimous consent, if he so desires.

Mr. SCRUGHAM. Mr. Chairman, I ask unanimous consent that the gentleman from Ohio may be granted 3 additional minutes, not to be taken out of the hour previously allotted.

The CHAIRMAN. Is there objection?

There was no objection.

Mr. WHITE of Ohio. I thank the distinguished gentleman from Nevada, who is one of the most able Members of this Congress, for his kindness. I appreciate it very much.

My final point is a comparison between the T. V. A. area and the combined Bonneville and Grand Coulee area. The completed T. V. A. project is designed to produce about 1,400,000 kilowatts of "juice." The population of the area served by T. V. A. is in excess of 13,000,000 people. That gives you an idea of the potentialities of that field for consumption. In contrast, the population of the Bonneville-Grand Coulee area is approximately 2,000,000; and yet these projects call for the production of 1,600,000 kilowatts. By this comparison you can see that Bonneville and Grand Coulee have only one-sixth as much population, and yet they ask enough money under the entire program to furnish a greater amount of power.

The CHAIRMAN. The time of the gentleman from Ohio has again expired.

Mr. SCHAFER of Wisconsin. Mr. Chairman, I rise in favor of the amendment.

Mr. Chairman, yesterday members of both political parties in this House took the floor and admitted that the bituminous-coal industry was in a very bad condition. The pending amendment, if adopted and incorporated into law, will be pretty good medicine to help revive this sick bituminous-coal industry. I call upon you Democratic and Republican Members from coal-producing districts to support the pending amendment. Now is the time to act. The people in your districts expect and are entitled to something besides mere talk and weeping and wailing about the serious condition of the bituminous-coal industry. You cannot serve two masters. You must choose between serving the bituminous-coal interests and Government hydroelectric interests.

Mr. Chairman, I am particularly pleased to find that one of the great New Deal leaders in this House has again confessed this afternoon. The gentleman from Mississippi [Mr. Rankin] told us a few moments ago that the international bankers now control the Federal Reserve System. I agree with the gentleman. I ask him to join with us in breaking the strangle hold of the international bankers, who not only control the Federal Reserve System but control the administrative branch of the Federal Government. The New Deal administration is responsible for this control.

Mr. RANKIN. Mr. Chairman, will the gentleman yield?

Mr. SCHAFER of Wisconsin. Yes; I yield.

Mr. RANKIN. The international bankers have controlled

the Federal Reserve System from the beginning.

Mr. SCHAFER of Wisconsin. Well, I am talking about the present. I am not talking about past history. The gentleman confessed that the international bankers control the Federal Reserve System. A majority of the Federal Reserve Board members are New Deal appointees. So do not try to blame the Republicans for this international bankers control.

I want to call upon the gentleman from Mississippi [Mr. RANKIN]. I observe that he is now sitting on the Republican side of the House. I hope he stays with us and joins with us in breaking the New Deal international banker control of the Federal Reserve System. I also call upon him to help us break the international bankers' control of the administrative branch of the Federal Government, which is headed by none other than an ex-international banker, your New Deal President, President Roosevelt. Mr. Roosevelt, a former director of the International Germanic Trust Co., a former president of the United European Investors, Ltd., a Canadian corporation speculating in German marks during the German inflation, who, with Sir Robert Rowland Appleby, president of the British Empire Chamber of Commerce, was also associated in international banking activities. Mr. Roosevelt was chairman of the organization committee of the Federal International Banking Co., a corporation organized for the selling of foreign securities and bonds to the American people. Sir Robert Rowland Appleby was also a big shot in this corporation. Your Treasury is also controlled by an international banker-minded new dealer, Secretary Morgenthau, who is the son of an international banker, and who married the favorite niece of Lehman brothers, who are among the most prominent international bankers in America.

Barney Baruch, your New Deal unofficial president, is also

an international banker.

I welcome the gentleman's presence on the Republican side today, and I hope that he and other Jeffersonian Democrats will join with us and drive the international money changers from the citadels of government in Washington.

Let us have more action and less talk. Let us drive the money changers from the temple of our Government and not into it. [Applause.]

The CHAIRMAN. The gentleman from Wisconsin yields back 1 minute.

Mr. PIERCE of Oregon. Mr. Chairman, you have read in the morning paper of the passing of Bonneville Administrator J. D. Ross, and may, in voting this money, well ask into whose hands this great project may fall. We of the Northwest confidently expect that Mr. Ross' successor will be a competent engineer, experienced in public power development and control. We have within transmission distance of the Bonneville project the two most successful power plants in America, publicly developed and publicly owned. They have been so successfully operated and financed that they have paid off indebtedness rapidly while giving the lowest electric rates in the country. I refer to the plants at Tacoma, Wash., and Eugene, Oreg. Some one of the engineers responsible for such remarkably successful managerial and engineering operations might be willing to serve the country at Bonneville.

Do not for a moment think that Bonneville project will become a political football nor an experiment insofar as administrators are concerned.

J. D. Ross was an ardent, effective, and sincere advocate of public ownership and control of the essential public utilities. As such he made a real contribution to our social welfare.

In reply to our colleague from Ohio, I want to inform him that in the Northwest today we have over 4,000,000 people, instead of 2,000,000, within the boundaries of the Bonneville transmission, the fastest growing section of the United States. There is no question about the power being taken up and the market for it. As I have repeatedly stated in this House, the use of electric power depends upon the price. With the price at seventeen and one-half dollars per kilowatt-year, as fixed by the Bonneville administration, that power will all be taken up as quickly as we can deliver it to the distributors. Is it sensible to build a dam and put in the electrical facilities for generating power and then not build the transmission lines to take the power to market?

The total amount of income from that property when we are able to develop all of it will bring to the Treasury of the United States \$7,500,000 a year. The facilities now installed will bring \$1,300,000. We cannot sell the electric energy until we build the lines to where the market is.

The whole attempt to defeat this appropriation is in the interests of the private utilities that want to control that market. Will there be duplication of lines? No. There is scarcely a mile of duplication in that line which we are now building, the 220,000-volt lines and the 110,000-volt lines, within the Bonneville district. There is a little high voltage between Seattle and Skagit, but nowhere that Bonneville can use it. Even day before yesterday the Bonneville administration bought a line with steel towers, 66,000 volts, and they found they could use it by stepping up the voltage to 110 and rebuilding a part of the line. The Bonneville administration purchased the line from a private utility.

Do not cripple our project by cutting the appropriation at this time. The statement is made that all we wanted last year was \$3,500,000. We asked for \$6,000,000, but we knew we needed double that amount.

Mr. WHITE of Ohio rose.

Mr. PIERCE of Oregon. I do not yield to the gentleman, not for a word. The gentleman spoke a few days ago and made so many incorrect statements about the Northwest I know he cannot at this time make any contribution of value. I invite the gentleman to come to Oregon and Washington and be my guest so we can show him what we have in the Northwest. I ask unanimous consent to insert as part of my remarks a table of figures on Bonneville costs.

Cost of Bonneville power project, 504,000-kilowatt capacity
Cost of plant facilities used for power only \$29,448,000
Cost of dam and fishways, joint costs, \$39,179,000 (32.5
percent allocated to power) 12,733,000

42, 181, 000

Cost of Bonneville power project, 504,000-kilowatt capacity—Con.

TRANSMISSION LINES	
Appropriated, 75th Cong	\$3,500,000
P. W. A. appropriation	10, 750, 000
W. P. A. approximate 1	2,000,000
Included in 1940 appropriation act	13,000,000
- Detailed the second second second second second	29, 250, 000
Estimated to complete, excluding Coulee	10,000,000
Total transmission costs	39, 250, 000
Total power costs, generation and transmission.	81, 431, 000
NAVIGATION FEATURES	THE OWNER OF

5, 517, 600 26, 446, 000 31, 963, 600

¹Report shows \$2,843,946 for W. P. A. allotment. This item will be reduced because of reduction of clearing through acquisition of interurban right-of-way in Oregon.

[Here the gavel fell.]

Joint facilities

Mr. PIERCE of Oregon. I ask unanimous consent to include in my remarks figures furnished yesterday by one of the engineers of the Bonneville plant showing its cost.

The CHAIRMAN. The gentleman will have to obtain permission in the House for the insertion of any extraneous material.

The Chair recognizes the gentleman from Oregon [Mr. Morr] for 5 minutes.

Mr. MOTT. Mr. Chairman, my friend, the gentleman from Ohio, has spoken with sincere conviction and, apparently, after such study of this subject as he thought it properly required. The fact is, nevertheless, that we find him in a situation very much like that of the gentleman from Pennsylvania, in that in offering an amendment to cut the appropriation for Bonneville in two he has been talking today upon a subject with which he is not sufficiently familiar.

Mr. WHITE of Ohio. Mr. Chairman, will the gentleman yield?

Mr. MOTT. I yield to my able friend from Ohio.

Mr. WHITE of Ohio. Does the gentleman contend that after sitting in hearings day in and day out, and studying those hearings, listening to all the testimony, that such a person does not know what he is talking about?

Mr. MOTT. I was about to answer that, judging from my friend's remarks in debate, I was sorry to say that that was my opinion. But I will not say that. I have too great respect for the gentleman's sincerity and his ability. But I will repeat that, in my opinion, and in spite of what study he has made, the gentleman has not sufficiently informed himself upon this subject to warrant his assuming responsibility for an amendment such as he has offered—an amendment which, if adopted, would be disastrous to the Bonneville program and policy, which has already been given the overwhelming approval of the Congress.

Mr. WHITE of Ohio. Will the gentleman point out any misstatement I made in debate?

Mr. MOTT. I will certainly try to. That is the purpose for which I have taken the floor.

The fact is, Mr. Chairman, that the Bonneville project is unlike any other project in the United States or in the world. It is essentially a navigation project and one of the greatest navigation projects in the world. At Bonneville we have a dam 80 feet high, 150 miles from the sea, on the Columbia River. The bottom of the dam, although 150 miles from the sea, is at tidewater.

There are ocean-ship locks in that dam. Oceangoing vessels from all parts of the world not only ascend the Columbia River in a 35-foot channel to Bonneville Dam, but they go through the Bonneville locks and proceed for 80 miles farther into eastern Oregon, up into the heart of the wheat and the wool and the cattle country; beyond and through one of the greatest ranges of mountains in the United States, the Cascades.

It is, as I say, a navigation project. On account of the great height of the dam, however, and on account of the fact that this dam is built in a river which in volume of water is the second largest on this continent, it was deemed by the

Congress to be wise and proper to install at the dam a power plant, which naturally produces a great deal of hydroelectric energy; and so as an incident to this navigation project the power was harnessed and is being distributed under one of the most sensible, best-considered, and businesslike programs that has ever been put into effect. We were fortunate enough from the beginning to have as the head of the Bonneville authority Mr. J. D. Ross, a man beloved by everyone in the Pacific Northwest and one of its greatest hydroelectric engineers. Unfortunately he died at the Rochester hospital yesterday. In his death we have suffered a great loss. The work he has done, however, and the policy he created for Bonneville will continue to endure.

The power generated at this dam must, of course, be distributed to the markets where the power is to be sold. Otherwise the entire investment in the power project will be wasted. The program provides that the rates shall be fixed so that they will return to the Government of the United States 3½ percent per annum upon its power investment, and that the entire cost of the Bonneville power project, as distinguished from the navigation project, will be amortized within a period of 40 years.

The Government for reasons you already know has made a large investment in the Bonneville power project, with the understanding that the cost would include sufficient money to build the transmission lines which were comprehended in the original scheme, and to extend them out into the great markets that are already waiting and which are anxious to take this power. Until we can begin selling the power to the customers who are waiting for it, the Government, of course, will not get any reimbursement; and the longer we delay completing the transmission end of our program the longer it will be before the Government begins to be reimbursed. Could we have gotten the transmission and sale of power under way last year-which was impossible because it was too big a project and because sufficient money was not available—the Government now would be receiving its regular 31/2 percent per year upon its investment. To make this possible is the purpose, and the only purpose, of this appropriation.

Let us proceed to complete the Bonneville project so that the Government may begin receiving its returns upon this sound business investment, and so that this great project may serve the interests of the people as it was intended to serve them. [Applause.]

[Here the gavel fell.]

The CHAIRMAN. The Chair recognizes the gentleman from Mississippi [Mr. Rankin] for 3 minutes.

Mr. RANKIN. Mr. Chairman, I join the distinguished gentleman from Oregon [Mr. Pierce] in paying tribute to my friend, J. D. Ross, who passed away on yesterday. His name will live long in the hearts of the people of the Pacific Northwest. I know of no man who has passed away in recent years whose loss will be more greatly felt.

I want to answer one or two questions on this proposition of power lines for Bonneville. In the first place, as to this talk of duplication, there is not a really high-powered line in that territory except in three places: There is a high-power line from Skagit down to Seattle, one from Cushman down to Tacoma, and there is one to the west from Spokane.

Outside of that there are no lines that can be used for the purpose of transmitting this vast amount of Bonneville power to the points of delivery.

Mr. RICH. Will the gentleman yield?

Mr. RANKIN. I cannot yield now. If that map shows to the contrary it is wrong. The gentleman should not read a red map. [Laughter.] Get a real map. He talks about the market for power. I am surprised at the gentleman from Ohio [Mr. White] saying that there are only two and a half million people within the distribution radius of this plant. The radius for Bonneville power will not be limited to 150 or 200 miles. In the last conversation Mr. Ross had with me in my office a few weeks ago, he said it would only be a short time until they would be able to transmit the power for 500 or 1,000 miles to reach all of you people in that great northwestern country, where it is so badly needed.

The gentleman talks about surplus power. It was stated here that they use 1,600,000 horsepower now, and that this would be doubled. If you were using the power you ought to use now you could absorb all the power generated at Bonneville, to say nothing of the necessity for this line from Bonneville up to Grand Coulee.

The consumption in the States of Oregon and Washington is boosted on account of the low prices at Tacoma, Seattle, and Eugene. The average consumption there is about 100 kilowatt-hours per month. However, outside of that immediate area, in Idaho and adjoining territory, it is only about 50 kilowatt-hours per month, while last month in my home town of Tupelo, Miss., where we are using electricity for the purposes for which it was created, we used 215 kilowatt-hours per month on an average. When you people out in that country get to using power for the purpose for which it was created you will absorb this load, and the people in the States to the west will get the benefit of Bonneville and Grand Coulee for all time to come. [Applause.]

[Here the gavel fell.]

The CHAIRMAN. The Chair recognizes the gentleman from Oregon [Mr. ANGELL] for 5 minutes.

Mr. ANGELL. Mr. Chairman, Bonneville happens to be in my congressional district, and therefore I am quite familiar with it. In fact, I was born not a great distance from the Columbia River. I have been familiar with the situation existing there during all of my life.

As has been stated before, Bonneville is not just an ordinary project so far as the production of power is concerned. Power is purely incidental to the main project itself.

An examination of the hearings held by the committee will show that of the total costs expended—joint purposes—for power and other developments on the river in connection with this project—that is, navigation and flood control—only 32½ percent was allocated to the power portion of the project. Less than \$12,000,000 out of a total expenditure of \$53,000,000 was allocated to power development. Of course, the cost of the transmission lines themselves is an item in addition to that, but this was all charged to the power development.

Under the law passed by the Congress, the cost of the project, together with interest at the rate of $3\frac{1}{2}$ percent per annum, will be repaid to the Federal Government in the course of 40 years. I may say also that interest has been computed on the money spent during the course of the construction of this project. Therefore, Mr. Chairman, this is really a self-supporting project, insofar as power is concerned, and the money so expended will be returned to the Treasury of the United States.

The question arises with reference to the amount we will spend for the transmission lines, which is really the only point at issue today. When the project was completed, unfortunately no provision had been made for transmission lines.

The plant is located a considerable distance from the field in which this energy will be used. Portland is some 40 miles away, but that city is only one of many places in this great territory. There is territory some 300 miles surrounding the project in all directions which will ultimately consume the energy.

In my opinion, the Congress was not farsighted because of its failure to provide the necessary revenue for the transmission lines to be completed by the time the project was completed. Mr. Ross, who was selected as administrator of the project, was a man of great experience, covering many years with this type of work. He requested that additional funds be provided by the Congress for the building of these transmission lines, but the request was denied.

Last year there was an appropriation made by the Congress, and then an additional allotment was made through the good offices of the President of the United States of \$10,750,000 from W. P. A. for this item. The gentleman from Ohio has stated that a considerable portion of that money remains unexpended; however, if he will examine the record, he will find this money is all earmarked and has been set aside for various contracts, many of which have

been let. One was let yesterday. These contracts, when finally let, will take up every single dollar of the funds already appropriated for building a portion of this chain of transmission lines.

An additional sum of \$13,000,000, included in this appropriation bill, will be necessary, if we are to extend those lines so that the users in my district and the other districts surrounding the project may have an opportunity to have electrical energy. It would certainly seem useless to build a project of this sort, then provide no funds for the transmission of the product so that it may be sold. Considerable criticism was made in the hearings that none of this power is now being sold. That is practically true. None of it is being sold, except a very small portion, because there are no transmission lines connecting this plant with the trade area in which it could be sold. That is why this money is needed.

If you want to lock up this plant and put a "for sale" sign on it, then vote down the appropriation and give it no money; but, on the other hand, if you want the money already expended to be returned to the Federal Treasury with interest, if you want to create a sound investment which will pay interest at the rate of $3\frac{1}{2}$ percent, then vote for the appropriation.

Mr. Chairman, the Bonneville project will not compete with private industry, because the law passed by the Congress provides that the power must be sold at wholesale. It is sold at wholesale, and the private utilities have an equal right with any other user to buy this product, except public bodies have a preferential right to buy 50 percent of the energy until 1941.

Mr. Chairman, in considering the appropriations for the Bonneville project carried in H. R. 4852, Union Calendar No. 58, as reported by the Committee on Appropriations, it is pertinent to consider briefly a history of this development.

In 1914 the Reclamation Bureau of the Department of the Interior investigated the possibilities of developing the Columbia River. Two years later the State engineer of Oregon urged the development of the Bonneville site as a national-defense measure. He pointed out that this development would not only be effective in times of war in the manufacture of nitrates, but during peacetimes it could be devoted to the manufacture of fertilizers greatly needed in the agricultural areas of the Northwest. In addition it would make possible the development of this great waterway, the Columbia River, for navigation and would also provide the flood control of the waters pouring down through the Columbia gorge from the great Columbia River watershed.

The Bonneville Dam is situated in the heart of the Cascade Range, where the Columbia River cuts through these mountains, being some 40 miles east of Portland. The Rivers and Harbors Act of 1925-Public Law No. 585, Sixty-eighth Congress, approved March 3, 1925-directed the Secretary of War, through the Corps of Engineers, United States Army, to investigate and report to the Congress the cost and feasibility of power developments on the navigable streams and their tributaries, with the purpose in view of preparing plans for the improvement of these waterways for navigation, flood control, irrigation, and economic development of water power. Pursuant to this authorization, the Secretary of War, on April 12, 1926, submitted to the Congress his report—House Document 308, first session, Sixty-ninth Congress. The report, among others, covered the Columbia River and its principal tributaries.

The Rivers and Harbors Act of 1927—Public Law No. 560, Sixty-ninth Congress, approved January 21, 1927—directed the Secretary of War to make the necessary surveys in accordance with the recommendations of House Document 308 of the Sixty-ninth Congress. Pursuant to this authorization, the Secretary of War, through the Corps of Engineers, United States Army, proceeded to make requisite surveys, examinations, and investigations to formulate—

The general plans for the most effective improvement of the Columbia River for the purpose of navigation, and the prosecution of such improvement in combination with the most efficient development of the potential water power, the control of floods, and the needs of irrigation.

This report of the Secretary of War was submitted to the House on March 29, 1932—House Document 103, first session, Seventy-third Congress. The conclusions of the Corps of Engineers were that the Columbia River and its tributaries were capable of being developed into the greatest system of low-cost hydroelectric power in the United States in connection with the development of these harbors for navigation, flood control, and irrigation.

As a result of these investigations, and pursuant to the recommendations of the Secretary of War, as set forth in House Document 103, Seventy-third Congress, first session, the construction of the first dam by the United States Government on the Columbia River at Bonneville was initiated September 30, 1933, under the direction and supervision of the Corps of Engineers, United States Army, and was designated "Public Works Project No. 28." The entire project, consisting of the dam at Bonneville, the ship locks, fishways, and power plant, were designed and constructed under the direction and supervision of the Corps of Engineers of the United States Army, being formally authorized by Congress in the Rivers and Harbors Act of 1935, Public, No. 409, Seventy-fourth Congress, approved August 30, 1935. Later, in the Seventy-fifth Congress, an act, Public, 329, was approved August 20, 1937, providing for the completion of the Bonneville project. The act, among other things, provided:

That for the purpose of improving navigation on the Columbia River, and for other purposes incidental thereto, the dam, locks, power plant, and appurtenant works now under construction at Bonneville, Oreg., and North Bonneville, Wash. (hereinafter called Bonneville project); shall be completed, maintained, and operated under the direction of the Secretary of War and the supervision of the Chief of Engineers, subject to the provisions of this act relating to the powers and duties of the Bonneville power administrator * * *

The administrative act of the Bonneville project (Public, 329, 75th Cong., H. R. 7642, approved August 20, 1937) contains the following policy provisions:

(1) Section 2A: The administrator shall make all arrangements for the sale and disposition of surplus energy generated at Bonneville.

(2) Section 2B: The administrator is directed to provide, construct, operate, and improve electric transmission lines, substations, facilities, and structures appurtenant thereto, for the purpose of transmitting electric energy to potential markets, and for the purpose of interchange and interconnection with other Federal projects and publicly owned systems. These lines are to be built to encourage the widest possible use of surplus power and to provide reasonable outlets for this power.

(3) Section 4A: The Bonneville project shall be operated for the benefit of the general public, particularly domestic and rural customers.

(4) Section 4D: Public bodies and cooperatives shall be given preferential status.

(5) Section 5A: Subject to the provisions of the act and approved rate schedules, the administrator shall negotiate and contract for the wholesale disposition of surplus energy, either for resale or direct consumption to public bodies, cooperatives, and private agencies or persons. This section authorizes the Administrator to sell either to public or private agencies. Under this provision, the matter of distribution rests entirely with the people served.

(6) Section 5B: The administrator is authorized to contract with public or private agencies for the mutual exchange of power and for providing emergency or break-down service. Contracts shall contain stipulations covering resale rates, to insure that such rates are reasonable and non-discriminatory, and effectuate the purposes of the act.

(7) Section 6: Rates shall be subject to confirmation by the Power Commission and shall be fixed with a view to encouraging the widest possible diversified use of electric energy at reasonable and nondiscriminatory rates.

(8) Section 7: Rate schedules shall be drawn to recover for the Federal Treasury the full cost of producing and transmitting such energy, including interest, and the amortization of the capital investment, over a reasonable period of years. The administrator has set the amortization period

as 40 years and the interest rate of 3½ percent. This interest rate is approximately 1 percent higher than the long-time average interest rate, and about 1 percent higher than the private utilities are paying to R. E. A. for loans covering rural line extensions.

(9) Section 9A: The administrator shall keep complete and accurate accounts of all operations in line with the requirements of the Federal Water Power Act.

(10) Section 9C: The administrator, in December of each year, shall file with the Congress a financial statement and a complete report, covering the transmission and sale of electric energy during the preceding governmental fiscal year.

In line with the requirements of the Federal Water Power Act of 1920, the appropriation request of the Bonneville project has been divided between operation and construction. The operation budget for the fiscal year 1940 is \$400,000, and is detailed on page 91 of the hearings before the subcommittee of the Committee on Appropriations covering the Interior Department, Seventy-sixth Congress, January 1939.

The construction projects approved by the Bureau of the Budget for the fiscal year 1940 are detailed on page 93 of the Interior hearings, and amount to \$14,000,000. The following items apply to Oregon:

 Substation completion at Oregon City, Salem, Pasco, Pendleton, Albany, Eugene, and Portland.

(2) Feeder lines from existing and proposed substations to take the marketing load from the substations to the bulk points of use at Oregon City, Salem, Albany, Eugene, Umatilla, Pendleton, Bonneville, The Dalles, St. Johns, and Portland.

(3) New transmission and transformation facilities into the Umatilla and Pendleton area, the Dalles area, and a transmission line from Vancouver, Wash., to St. Johns, Oreg. Also included is a transmission line from in and around Portland to Astoria. This line will reach the recently authorized naval station at Tongue Point. None of these items, the administrator states, represents any duplicating or displacement of facilities. He states that the existing facilities of the private companies do not have any reserve capacity, and are far short of the capacity required to take the Bonneville load to its market.

The Federal Power Commission has surveyed the existing capacities of the Northwest and finds that the Portland area will be deficient in capacity under any pick-up of conditions. The national power survey of the Federal Power Commission shows that in the Northwest there is about 260,000 kilowatts of present nondependable capacity, which amounts to 20 percent or 25 percent of the existing installed capacity. This survey lists the age and condition of the existing installations. Applying to such lists the commonly accepted rules applicable to the business, it can be seen that by the time the Bonneville plant can be completed, around 1945, 400,000 kilowatts of installed capacity, or about 80 percent of the ultimate Bonneville installation, will fall into the nondependable classification. There is not sufficient generating capacity in the Northwest to handle any normal load increases or to take care of load increases necessary for the national defense.

The construction appropriation requested for the fiscal year 1940 represents nothing new. What is set out in the appropriation request has all been authorized by the Administrative Act of 1937. To defeat such an appropriation would put the project in the position where it could not earn a return to the Federal Treasury on funds already expended on the project. Critics of the appropriation do not take into account this eventuality.

Under the administrative act the people have the right to choose how they will be served. A large part of the State of Washington has elected to be served by public power. In the State of Oregon, to date both public and private plants have applied for Bonneville energy. The public plant at Eugene, which has the lowest rates in America and perhaps the best and cleanest financial structure, has applied for Bonneville current and will shortly execute a contract. The Northwestern Electric Co., serving a part of Portland, is now taking up to the capacity limits of its transmission line, 5,000

to 12,000 kilowatts of current. The Portland General Electric Co. has applied for 20,000 kilowatts of prime power and 80,000 kilowatts of secondary power, which amount should be greatly increased by the time the Bonneville plant can be

completed to its full capacity.

As I have stated, the hydroelectric plant in connection with the Bonneville project is a part only of the entire development. Navigation and flood control, it is obvious, constitute the major part of the project. Under the provisions of the law authorizing the construction of these works it was provided that the costs should be segregated and that portion properly chargeable to power development should be allocated to such development. In making this allocation of costs the Federal Power Commission, among other things, said in its report of February 8, 1938:

report of February 8, 1938:

The Bonneville project on the Columbia River, Oreg.-Wash., including the dam, ship lock, power plant, and appurtenant works, for the purpose of improving navigation on said river and for other purposes incidental thereto, is now substantially completed; and said power plant, hereinafter called the initial power development, will be ready for commercial operation on or about June 30, 1938, and will produce surplus electric energy as a byproduct of said navigation improvement, which will give the Federal Government opportunities to promote the public welfare by increasing the benefits derived from works for navigation through provision of a dependable supply of electric energy to potential consumers.

The actual cost incurred by the United States to and including October 31, 1937, for the construction of said Bonneville project was \$44,130,859.93, exclusive of interest during the construction period; and on the basis of said actual cost and of estimates of costs necessary to complete said project, including said initial power development with installed capacity of 86,400 killowatts, the aggregate cost of said project, exclusive of interest during the construction period, when said initial power development is completed on or about June 30, 1938, will be approximately \$51,892,000.

The cost to the United States for the use of money during the 50-month period from November 1, 1933, to December 31, 1937, representing the principal period of construction, was 1.54271 percent, this being the weighted average rate of interest paid on all money borrowed by the United States during said 50-month period, including both long- and short-term financing.

Including interest at 1.54271 percent during the construction

borrowed by the United States during said 50-month period, including both long- and short-term financing.

Including interest at 1.54271 percent during the construction period, the cost of Bonneville project facilities to June 30, 1938, will be approximately as follows: Facilities solely for navigation purposes, \$5,517,600; facilities solely for power purposes, \$9,180,500; facilities having joint value for the purposes of navigation and power development, including fishways, which are a joint responsibility, \$38,490,700; the estimated total cost of all Bonneville project facilities to June 30, 1938, including interest during construction, being \$53,188,800. being \$53,188,800

Having fixed the costs of the entire project as of June 30, 1938, at \$53,188,800, which includes interest on the funds used during the construction period, as shown by the quotation from the Federal Power Commission, it was determined that \$5,517,600 of this aggregate total represents facilities used solely for navigation purposes. Initial facilities useful solely for power purposes were fixed at \$9,180,500, which was allocated to the power development. The costs allocated to the dam, fishways, and appurtenant works were fixed at \$38,490,700, which it was determined covered values useful for both navigation, flood control, and power production. In apportioning the costs provided by the statute the Federal Power Commission fixed 32.5 percent of the total cost of these facilities having joint value to power development. At the present time 2 of the 10 generators included in the project plans have been completed and installed, constituting onefifth of the total possible power development under the project. By reason of this, the Commission allocated one-fifth of the power-development costs to the project as now completed, or the sum of \$2,501,900. This sum, together with the amount determined to be the cost of the facilities used solely for power, namely, \$9,180,500, makes a total of \$11,682,400, which the Commission allocated as the total cost for the initial power development.

It is patent, however, that as future units are added to the power development there will be allocated to the costs of the power development the proper proportion of the facilities jointly used for power and other purposes. These findings of the Federal Power Commission provide the formula for the ascertaining and allocating these costs to the power project as the additional units of the 10 contemplated are added from time to time.

It was the intent of Congress that the rate structure for electric energy should be based upon these costs properly chargeable and allocated to power development, and should be fixed for such amounts that the Government will be reimbursed within a reasonable time for the cost of the project. including costs for transmitting and sale of surplus energy produced at Bonneville, including interest. These rate schedules have now been made and promulgated for the sale of power at wholesale only, and so designed to repay this in 40 years, together with interest at 31/2 percent per annum, which is 1 percent greater than the present average cost of money which the Government borrows. The rates were fixed only after public hearings were held in various places in Oregon, Washington, and Idaho and conferences with groups of citizens and public officials interested in this matter. Representatives of private utilities, municipalities, power districts, civic, commercial, and farm groups presented their views. The administrator states that over 30,000 questionnaires were sent to officials and organizations throughout the Northwest. The administrator also states in his first annual report, dated December 31 1938:

The great majority of citizens appearing at the hearings favored a uniform wholesale rate for electricity throughout the entire transmission area. Four out of five replies to the questionnaires favored such a rate policy. By a 2-to-1 ratio, Northwest residents expressed approval of the authority vested in the Administrator to control by contract the resale rates for Bonneville power.

As a result of these investigations, studies, and hearings, it was determined that power from Bonneville Dam should be sold at wholesale in a new measuring unit, namely, the kilowatt-year, the base rate being for primary power \$17.50 for the kilowatt-year—that is, the right to use continuously through 1 complete calendar year 1 kilowatt. There being 8,760 hours in a year, a kilowatt-year would mean 8,760 kilowatts pursuant to this rate schedule. The desirability of such a rate from the standpoint both of the Government producing the power and the users is apparent. The Columbia River is fed by waters from the whole watershed of the Columbia River Basin, and is a continuous flow throughout the year, increased somewhat during flood periods. The productive capacity, with the exception of some diminution during flood periods, is practically uniform, and it will at once be observed that if the Government can develop a continuous use of the power larger revenues will be received by the Government, even though the rate is greatly reduced. By fixing such a rate, it is believed, as shown by experiences in other districts, the public will be encouraged to and will very much augment its use of electric energy. By taking advantage of this low rate, it will be economical for users to avail themselves of power throughout the 24-hour period of the day and night for various farm and domestic and power uses, such as irrigation, refrigeration, cooking, water heating, mechanical electrical contrivances, house heating, and various other uses which are rapidly being developed by new electrical utilities.

The following is a summary of the wholesale rates established:

Transmission system:		*** **
Primary power		
Secondary power		
Optional rate	kilowatt-hour	1/2 cent
(Special development rate for 2-year customers whose demands are less than	period for small	
At site rates:		
Primary power	_kilowatt-year	\$14.50
Secondary power (At site power is available to pure	hasers building	\$9.50
their own lines for use within 15 mile	s of the dam.)	

Mr. Ross, in his testimony, also detailed these rates, both wholesale and the objective rate, for homes and farms serviced by public-utility districts—page 98, part I, of the hearings before the committee.

A simple computation discloses that this rate of \$17.50 per kilowatt-year for continuous use gives a fixed rate of 2 mills per kilowatt. If the energy is used only one-half a day, or 12 hours, the rate would be 4 mills; and if used only 8 hours of the 24-hour period, the rate would be 6 mills. As stated, these are wholesale rates. The power is to be disposed of by the Government at wholesale, either to public bodies or private utilities, with preference and priority, however, as provided by the act, to public bodies and cooperatives. In order to preserve this preferential status, 50 percent of the available energy is reserved until January 1, 1941, for such groups. Pending their availing themselves of this preference, however, power will be disposed of temporarily to other applicants.

Section 5, paragraph A, of Public, 329, Seventy-fifth Congress, approved August 30, 1937, provides:

Contracts entered into with any utility engaged in the sale of electric energy to the general public shall contain such terms and conditions, including among other things stipulations concerning resale, and resale rates by any such utility as the Administrator may deem necessary, desirable, or appropriate to effectuate the purposes of this act and to insure that resale by such utility to the ultimate consumer shall be at rates which are reasonable and nondiscriminatory.

The Commission is continuing its studies for the determination of resale rates which it will approve through contracts in order to comply with the provisions of the Bonneville Act. These studies have not been completed, but the administrator states in his first annual report:

This objective rate which, it is believed, will not only be met but will be exceeded, is as follows:

Cents per kilowatt-hour

First 50 kilowatt-hours a month	21/2
Next 150 kilowatt-hours a month	2
Next 100 kilowatt-hours a month	1
Next 1,700 kilowatt-hours a month	1/2
Next 1,700 kilowatt-hours a month Excess above 2,000 kilowatt-hours a month Minimum monthly bill. 50 cents per meter.	3/4

The administrator confirmed these rates in his testimony in the hearings before the subcommittee of the Committee on Appropriations, his testimony being set forth on page 97 of part I of the report of these hearings.

As I have shown, the development of power in connection with the Bonneville project is a byproduct and is a minor accomplishment in connection with the whole development. This is disclosed by the Federal Power Commission in its allocation of costs where only 32.5 of the costs of joint facilities are allocated to power; the remainder, over two-thirds, being chargeable to navigation, flood control, and other facilities.

It was not the intent or purpose of the Congress and is not the plan of the administrator, that this power development shall put out of business other utility projects now being maintained by private or public utilities. The Government determined that power should not be sold at retail, but only at wholesale, and although preference was given under the terms of the act to public bodies and cooperatives, private utilities as well were encouraged to make use of this power. The rates charged are the same both to the public and to private utilities. The costs, as shown by the rates fixed by the administrator, are such that the utility companies can afford to take Bonneville power rather than generate it themselves, particularly with respect to power needed by them that cannot be produced under their existing facilities.

Mr. Ross, at the hearing, testified as follows—part I, pages 95 and 96 of the hearings:

Mr. Fitzpatrick. After the whole thing is completed, will you have a market then for all of the electric power that you can make?

Mr. Ross. Yes; I think as fast as we can get it to market there will be a demand for more than the installation.

Will be a demand for more than the installation.

Mr. Fitzpatrick. Without putting other independent lines out of

Mr. Ross. Yes, sir. We are not counting on putting out other lines. What we do want is the increase in use, and there is not a single plant being projected in the region there, so that every-body—companies, districts, everybody—looks toward the Bonneville as the source of their power.

Confirmation of this policy of the administrator was disclosed by a news item appearing in the Portland Oregonian on March 7, 1939, which I quote:

WOODBURN, March 6.—City Recorder George Beach said Monday a Bonneville representative who conferred with him over the week end advised that the city of Woodburn should acquire facilities here of the Portland General Electric Co. if Bonneville power were sought, for the Bonneville project would not put in power here in

opposition to another utility. In the event Woodburn should seek power from Bonneville, three appraisals would be made—one by a State agency, another by Bonneville engineers, and a third by Federal engineers independent of Bonneville—to form the basis for valuation. Beach said the project representatives have been invited to discuss the program before the city council at its session Tuesday night.

It is unfortunate, Mr. Chairman, that plans were not made and necessary appropriations provided for the construction of transmission lines affording the means to carry the power from the Bonneville project to the market, with the view of completing the transmission lines by the time the plant was completed, and the power ready for distribution. However, the power project was completed during the year 1938, no provision was theretofore made in time to have available transmission lines. Some criticism was made against the project at the hearings, and some on the floor during this debate, that the Bonneville power is not being marketed. The answer, of course, is that without transmission lines it is impossible to sell the power. The only transmission line connecting with Bonneville is that of the Northwest Electric Co., which furnished power during the construction of the project, and this company is now taking power over its line from the Bonneville Dam on a temporary basis. The reports of the administrator, however, are that applications for power have been made and contracts are pending which will more than absorb all of the power available for sale. two generators now installed produce 86,400 kilowatts. There are two more generators in process of installation totaling 104,000 kilowatts. To complete this will require approximately 2 years. The total 10 units which ultimately may be installed, according to present plans of the project, will produce 504,000 kilowatts.

The administrator testified before the committee—part I of the hearings, page 94—that he had contract applications for 312,000 kilowatts; from public districts formed in Washington under existing laws, he had applications for 202,431 kilowatts, and in Oregon 13,011 kilowatts, which was in addition to the requests from the cities of Eugene, Canby, and Cascade Locks, aggregating about 9,000 kilowatts; and that there were reservation power applications from agencies now in the process of being formed, totaling 60,735 kilowatts. He estimated that in 1944 the requirements for public districts with applications now on file would total 442,162 kilo-These applications and requirements were from public bodies. He also stated that Portland General Electric Co. had applied for 20,000 kilowatts of primary power, and would like to secure up to 80,000 kilowatts of excess power, some of it seasonal and some secondary, and that he was at the present time selling on a fluctuating load basis to the Pacific Power & Light Co. up to 12,000 kilowatts.

There are no power developments now in process of erection within this territory. Much of the existing power facilities are being removed from a dependable classification by obsolescence. The national power survey of 1934 of the Federal Power Commission shows the age of hydro and steam plants with their capacities in the Pacific Northwest. Although it is 5 years old, there has been little, if any, development in the territory since that time, aside from the Bonneville and Grand Coulee projects.

This table is significant, and is as follows:

Date of installation	Ну	iro	Steam	
Date of installation	Kilowatts	Percent	Kilowatts	Percent
Prior to 1901 1901 to 1905 1906 to 1910 1911 to 1915 1916 to 1920 1921 to 1925 1926 to 1930 1931 to 1934 Year not given	6,000 24,980 109,225 179,963 86,200 253,330 239,130 137,700 31,678	0.5 2.3 10.2 16.8 8.1 23.8 22.4 12.9 3.0	800 15, 500 26, 000 32, 500 85, 000 169, 000 35, 000 3, 700	0.2 4.2 7.1 8.9 23.0 46.0 9.6 1.0
Total Nondependable in 1934, Federal Power Commission Estimated nondependable, 1945 Total nondependable, 1945	1, 068, 206 232, 000 325, 000 400, 000	100.0	367, 500 22, 000 75, 000	100.0

Surveys and studies recently made by the United States Geological Survey and Federal Power Commission show the generating capacity of utility plants in Oregon, Washington, and Idaho for the years 1920, 1929, 1934, and 1937, as follows:

Year	Kilowatts	Kilowatts	Total, all
	of hydro	of steam	kinds
1920	442, 740	148, 671	591, 571
1929	910, 731	272, 025	1, 184, 216
1934	1, 111, 294	363, 100	1, 428, 118
1937	1, 222, 039	389, 580	1, 616, 563

From the study of these tables it is noted that in 1937 the total capacity of the existing plants in these three States, most of it trade territory of Bonneville and Grand Coulee, is 1,616,563 kilowatts, but that in 1934, according to the Federal Power Commission, 21.7 percent was nondependable by reason of age and obsolescence, and it is estimated that by 1945 there will be a total of 400,000 kilowatts nondependable, or approximately 80 percent of the total capacity of the Bonneville plant.

Mr. Ross' testimony disclosed that the demand for electrical power in this Northwest territory, as shown by his experience covering his connections with the power industry, extending over some 20 years, would be doubled at least every 10 years. In fact, his experience showed that in some cases it doubled in $5\frac{1}{2}$ years, and that under existing conditions of the depression the increase is 12.85 percent per year—hearings, part I, page 105. Mr. Ross stated:

I can tell you this, that out there there were about 1,600,000 kilowatts, in the Northwest, in those three States. In 5½ years normally that would have doubled. So that in 5½ years normally they would have picked up both Bonneville and Coulee, 1,000,000 of firm kilowatts in Coulee and 500,000 in Bonneville. That is an answer to the question of the necessity of power for the market, it seems to me. And if there is a 10-percent annual increase there, some day it is going to tax us.

Mr. Ross further testified that the total available production possible under the present plans of Bonneville and Grand Coulee is approximately 1,500,000 kilowatts per year, being 500,000 for Bonneville and 1,000,000 for Grand Coulee However, installation of the necessary units for the production of this maximum load have not been provided for by the Congress, and with the present program of the installation of additional units from time to time being carried out, a great many years will be taken in the process of completing the two projects. The time stated in the hearings was 10 years. The only completed units now producing are the two units at Bonneville of 86,400 capacity, and it will be 2 years more, as I have before stated, before the two additional units at Bonneville will be available, adding an additional 104,000 kilowatts.

The increased demands for electricity will more than absorb this increase of supply from Bonneville and Grand Coulee. Experience has taught that with the lowering of the cost of electrical energy the demand rapidly increases.

The following table taken from the administrator's first annual report, page 13, is significant:

Locality	Average number of kilowatt- hours per customer	Average revenue per customer	Average revenue per kilowatt- hour
Province of Manitoba City of Tacoma. Province of Ontario. City light—Seattle. Private utility—Seattle. Bonneville area. United States.	3, 835 1, 554 1, 619 1, 050 933 1, 001 675	\$37. 83 26. 46 27. 75 29. 88 30. 99 31. 72 33. 12	Cents 0. 99 1. 70 1. 71 2. 84 3. 12 3. 17 4. 91

This shows the cheaper the rate the larger the average consumption. The market for the power will arise from the obsolescence of existing operating plants and facilities and the demand in the ordinary course of events for additional power as the territory serviced by Bonneville develops, which, as shown by Mr. Ross, will at least increase the demands for power by 10 percent a year. This is borne out by tabu-

lation prepared by the Federal Power Commission reports, page 116 of the hearings, as it shows for the 9 years—from 1920 to and including 1929—preceding the depression there was an increase of over 13.5 percent a year on the average.

The tabulation is as follows:

Production of energy in the States of Washington and Oregon (in 1,000 kilowatt-hours)

Transfer from the rederm rower commission repor	uo j
1920	1, 672, 268
1921	1, 645, 398
1922	1, 789, 429
1923	2,040,920
1924	2, 181, 955
1925	2, 352, 866
1926	2, 638, 927
1927	2, 966, 593
1928	3, 401, 767
1929	9 719 711

This use for power covers a wide variety of demands. territory is an agricultural country. That portion lying east of the Cascade Mountains is semiarid. It is of a character as to soil-content formation and inherent characteristics as to make it available for profitable agricultural use if water is furnished during certain portions of the growing season. The water is available in the great Columbia storage basin back of the Bonneville Dam. It is a continuous uniform supply of pure water. With cheap electrical power, the water and the broad acres in the Columbia River Basin may be properly brought together. In addition, there is need over all of this area for domestic and industrial rural service of cheap electric power. The city of Portland is some 40 miles distant from Bonneville. It has a population around 350,000. It and the contiguous territory is now supplied with numerous manufacturing plants having to do with the forest industry and utilization of forest products and other industrial enterprises. There are many natural deposits of minerals in Oregon, Washington, and Idaho awaiting development and requiring only cheap power. Other manufacturing plants will find desirable locations in the vicinity of these developments, where cheap power may be obtained. In addition to these requirements, navigation transportation and national defense will require, as normal conditions return, the use of substantial portions of this power. Mr. Ross' position seems sound that the available power from the development of the Bonneville project as units are added from time to time, with returning normal conditions, will not only be absorbed, but additional energy will have to be made available or there will be a scarcity of power resources.

There was recommended in the Budget \$400,000 for the operation and maintenance of the Bonneville project; and for the construction, purchase, and construction of transmission lines, \$14,000,000. The Committee on Appropriations cut this latter Budget recommendation to \$13,000,000.

The Congress, in the Interior Appropriation Act, 1939, appropriated \$3,500,000 for the initial transmission-lines construction program. In addition, \$10,750,000 was allotted by the Public Works Administration on August 18, 1938, for supplementary transmission lines. I am advised the only existing transmission lines adjacent to Bonneville plant are a single line east and a single line west, with nominal capacities of 13,000 kilowatts and 25,000 kilowatts, with Bonneville available capacities of around 7,000 and 12,000 kilowatts. Good commercial practice to insure uninterrupted service to important loads lies in providing duplicate facilities.

The moneys heretofore made available above referred to for transmission lines, namely, \$14,250,000, the bulk of which was made available about 6 months ago, was allocated by the administrator and is now being expended for the prosecution of this work. None of it, of course, is available for the projects covered by the appropriation under consideration.

The \$32,908.88 obligation on appropriation 148/90614 was incurred during the month of June 1938 in connection with location surveys of a 2-circuit, 220-kilovolt transmission line between the Bonneville plant and Vancouver, Wash., and the building of a transmission line to Cascade Locks, Oreg. The unobligated balance of \$3,467,091.12 on this appropriation will be used in the fiscal year 1939 in constructing the Bonneville-Vancouver transmission lines, with substations

14, 000, 000

and 110-kilovolt feeder lines to be built and purchased and connected with the Bonneville and Vancouver substations.

Following the close of the fiscal year 1938 the Administrator of Public Works, with the approval of the President, allotted \$10.750.000 for the construction of transmission lines from the dam to Grand Coulee and to The Dalles, and from Vancouver to Eugene, Oreg., and to Aberdeen, Wash. These funds were allotted under the provisions of the Work Relief and Public Works Appropriation Act of 1938, approved June 21, 1938, title II of which authorized funds for Federal construction projects. These Public Works Administration funds became available on August 18, 1938.

The lines covered by the allotment are as follows:

Project OP-752-05-168, construction of 220-kilovolt sin- gle-circuit transmission line, with substations, Bonne- ville to Grand Coulee, Wash	
Project OP-752-05-169, construction of 110-kilovolt sin- gle-circuit wood H-type transmission line, with sub- stations, Bonneville to The Dalles	569,000
Project OP-752-05-170, construction of 220-kilovolt sin- gle-circuit transmission line, with substations. West Vancouver to Aberdeen, Wash.; construction of 110- kilovolt transmission line, with substations, Kelso to	
Aberdeen, Wash Project OP-752-05-171, construction of 110-kilovolt	1,971,000
transmission line, with substations, West Vancouver to Eugene, Oreg	2, 820, 000
Total allotment	10, 750, 000

This allotment represents sums to be expended during the fiscal year 1939 and until June 30, 1940. The facilities represented by the lines described above will be used to transmit power to several centers of population in Oregon and Wash-The circuit to Grand Coulee will not only serve as an intertie between the two projects but it will also supply power to the intervening region and develop a market to the north and south of Coulee. These lines will be used for the transmission of the energy available from the two generators now installed at Bonneville Dam and those additional units provided by the appropriation carried in the War Department Civil Appropriation Act-Public, Number 591, Seventyfifth Congress—approved June 11, 1938. This initial network will be supplemented by other lines to serve the communities which already have applied for Columbia River power and to supply energy to other markets which can be developed as rapidly as transmission facilities are made available to them.

The testimony at the hearing before the Appropriations Committee discloses the utilization of these funds. Mr. Ross and Mr. Carey, chief engineer for the project, testified-part I of the hearings, page 113:

Mr. Rich. With reference to your \$14,000,000 plan, to what distance have you constructed lines?

Mr. Ross. We got the bulk of that about 6 months ago, and we

have a progress chart here.

have a progress chart here.

Mr. Carey. Mr. Ross has made reference to what we have done with the money we have. Our plans for the \$14,000,000 calls for the lines to Coulee, which is 232 miles, two lines from Bonneville to Vancouver, a line into Raymond, and a line into Aberdeen—all told, 640 circuit miles. This money was made available to the Bonneville project around August 1 of this year. From that day we started organizing building and engineering crews to undertake this construction program. We have now completed our specifications, and have purchased practically all of the conductor required, and a large portion of the conductor has been delivered on the job, amounting in round figures to 1,921 miles of conductor.

Mr. Rich. Is that copper?

Mr. Carey. Copper and aluminum; about an equal tonnage be-

Mr. Carry. Copper and aluminum; about an equal tonnage be-tween the two—aluminum for the high-voltage line and copper on the 110 kilowatt.

Mr. Ross. Two thousand five hundred tons of each

Mr. Carey. Of the insulators, approximately 300,000 units have been purchased and most of them have been delivered. Of the steel towers, 16,000 tons have been contracted for; they have been fabricated and tested, and some have been delivered, and the towers are now under way. Six thousand five hundred poles have been purchased and another 6,000 are coming. Just as fast as we can get the specifications out the rest will be purchased.

The \$13,000,000 covered by the present bill will be used, insofar as it will go, in constructing transmission lines and service equipment for marketing power of the Bonneville project, as follows:

Expenditures, 1940 1. North Bonneville-Coulee line second circuit: 230 kilovolts 290 miles; single circuit steel towers; 30,000-kilowatt substation, 30,000-kilovolt ampere synchronous condenser; total	
To be constructed in 1940Amount to complete	
2. Extensions to following substations: Vancouver, North Bonneville, Yakima, Oregon City, Salem, Pasco, Aberdeen, Kelso, Cathlamet, Condit, Pen- dleton, Albany, Eugene—to be constructed in 1940 Amount to complete will be dependent on load increases developed after 1940.	2, 605, 000
3. Miscellaneous feeder lines from existing and proposed substations for serving the districts contiguous to the following load centers and substations: Aberdeen, Cathlamet, Kelso, Vancouver, Oregon City, Salem, Albany, Eugene, Wenatchee, Yakima, Pasco, Walla Walla, Umatilla, Pendleton, Hood River, Bonneville, The Dalles—to be constructed in 1940. Amount to complete will be dependent on load increases developed after 1940.	2, 471, 000
4. New transmission and transformation facilities: Pasco, Umatilla, Pendleton, 110 kilovolts, single	51 (41 T WO)

4. New transmission and transformation facilities: Pasco, Umatilla, Pendleton, 110 kilovolts, single circuit, complete	650, 700
Pasco, Ellensburg, 110 kilovolts, single circuit,	005 000
Yakima, Pasco, 110 kilovolts, double circuit, com-	325, 000
plete	1, 378, 047
Bonneville, conduit, direct-current line (portion	11005550110
to be constructed in 1940)	492, 020
Vancouver, St. Johns, 110 kilovolts, with sub- stations, complete	558, 133
Vancouver, Astoria, 110 kilovolts, single circuit,	1, 653, 000
Surveys and property locations for lines in 1941	1, 000, 000
to 1945 program	220, 100
Total	5, 277, 000
5. Warehouse, garage, and shop building, Vancouver	TRAME AND
substation, complete	250,000
6. Electric and miscellaneous equipment	87,000

Item 1 represents about one-half of the second Coulee line to be tem 1 represents about one-half of the second Coulee line to be constructed in the fiscal year 1940 and completed in the fiscal year 1941. This is both a defense intertie reinforcement and a primary feed to the potential load in eastern Oregon and Washington.

Item 2 represents what might be called new business extensions

Total__

of substation capacity.

Item 3 represents new business service feeder lines from existing and proposed substations to reach potential load areas.

Item 4 represents new 110-kilowatt and lower transmission lines to reach irrigation, industrial, rural, residential, and commercial markets.

Item 5 covers building and shops at Vancouver substation to handle transmission and substation equipment, and to house electrical central equipment.

Item 6 covers necessary electrical and mechanical equipment for measurement and control of transmitted energy, and mobile plant which may be shifted to different power locations and cannot be charged to any specific job under the required legal accounting practice.

The supplies, materials, administrative, legal, right-of-way, and engineering items represent temporary nonrecurring overhead on construction items 1 to 7, inclusive.

The Bonneville Act specifically prescribed a continuing fund of \$500,000 to be set up in the Treasury out of the receipts from the sale of Bonneville power to cover emergency expenses arising out of the hazards of operation and to insure continuous service.

These transmission lines are not planned to duplicate existing facilities. I asked Mr. Alvey, of the Administrator's engineering staff, to inform me on this, and he advised me as

There has been no duplication of existing transmission lines under the Bonneville project. The capacity status of existing transmission lines in the States of Washington and Oregon has been mission lines in the States of Washington and Oregon has been covered by two independent neutral sources, namely: The University of Washington and the Federal Power Commission. The University of Washington fact-finding memorandum has been published as Bulletin No. 99 of the Engineering Experiment Station. The Power Commission study covering rates and market was made at the request of the President. This study has not been published but I present, for the inspection of the committee a photostat of the Commission's map, showing nominal capacities of existing transmission lines—nominal capacities as shown are not the limiting capacities available to Bonneville current. Such available capacity will be considerably less, due to inherent characteristics of the line, reserve requirements, and the fact the line is already serving customers consuming capacity. For example, on the Federal Power Commission's map, the nominal capacity of the existing line from Bonneville to Cammas to Vancouver is shown as 25,000 kilowatts. This line is now tied into the Bonneville plant and the maximum plant output over this line has been around 12,000 kilowatts or 50 percent of the designated nominal capacity. Again the nominal capacity of the single line from Salem to Eugene, Oreg., is shown as 15,000 kilowatts. This line ties together two independent systems and it is common knowledge that the systems will not operate together when the load on the line exceeds around 10,000 kilowatts or 66 percent of the nominal capacity.

From the beginning of our Republic the Pacific Northwest territory has been a land of promise and of opportunity. From the turn of the last century, when President Jefferson sent Lewis and Clark on their memorable journey of exploration of the Columbia River and the unknown lands in the far West, it has continued to be the goal of the pioneer. The poet referred to it as, "Where rolls the Oregon, and hears no sound save its own dashings." The covered wagon ox team trek across the continent in the middle of the last century, bound for the Oregon country and the California gold fields, was the greatest in history. We owe to the indomitable courage, fortitude, and patriotism of these hardy pioneers that this great land of opportunity was saved to the United States instead of falling into the hands of a foreigrafpower. How fortunate we are today, in formulating our plans for national defense, that this great western country flies the Stars and Stripes, and our western boundary is the Pacific Ocean.

The great Columbia River watershed is rich in natural resources, minerals, forest products, fertile agricultural land, and vast quantities of water power. The Columbia River, one of the great arteries of commerce in the United States, has always dominated the region. In the early days it was the only means of commerce in this area. As time passed the railroads came, then the broad hard-surfaced roads, Cascade Locks, and Celilo Canal, improving transportation on the river, and at last the United Airways, charting its course through the gorge cut by the river across the The development of the Bonneville project for navigation and flood control and hydroelectric power is the last great advance in utilizing this great river in the interest of advancing civilization. The electric energy generated by the power project will afford the means to improve the river for navigation, furnish water for the irrigation of the great stretches of territory, both north and south of the river, east of the Cascade Mountains, and electrical power for domestic and commercial use.

The treacherous rapids, with their hidden, submerged rocks at the Cascades above Bonneville and at Celilo, were barriers to the advance of the pioneers, and exacted the toll of many lives. Now, with the advance of engineering skill and science, these very obstacles in the great river, by the ingenuity of man, have been turned to his use. The invisible giant of hydroelectric power, which, throughout the centuries, has been allowed to waste itself in the rush of the river to the sea, has been conquered and is now harnessed forever to do man's bidding in carrying his commerce, pulling his loads, turning the wheels of industry, tilling and irrigating his fields, lighting his homes, shops, and cities, and removing the drudgery of life.

This huge project now having been completed, we are at the threshold of the realization of these benefits from the improvement. There only remains the furnishing of the transmission lines and facilities to release this wealth of power to the waiting public. Without these transmission facilities the power project cannot be used. It must lie dormant and the electric energy be allowed to go to waste until these lines are constructed connecting the power plant with the market. Cheap power at the generating plant avails nothing. Bringing this energy to the ends of the transmission lines in the consuming areas is necessary. This appropriation will supply this need. The funds advanced by the Federal Government, including all costs for the power proj-

ect with interest at 3½ percent, will be returned to the Government in 40 years.

From these considerations, Mr. Chairman, I sincerely believe that it is obvious that the Bonneville Dam project is one undertaking by the Federal Government of which we may well be proud. It has come about through orderly processes, covering a period of years going back long before the depression. After complete and accurate studies and surveys were made by the Board of Engineers of the War Department, definite plans were formulated by this Board approving the project both from engineering and feasible economic standpoints. I think we all recognize that this Board of Engineers is one which operates throughout the years with the highest degree of efficiency, free entirely from political considerations, and possessed of engineering skill and ability surpassed by no group of engineers similarly engaged. Furthermore, the power project is a self-liquidating one, amortized on the basis of 40 years with 3.5-percent interest. The administrator has stated that revenues from the sale of power from the 2 units now installed will, at the rates promulgated, produce \$1,300,000 annually, and some \$8,000,000 when all 10 units are installed. Upkeep and maintenance will be exceptionally small, by view of the fact that the uniform continuous flow of the river through the permanent works now completed, will make available in undiminishing quantities this huge volume of electrical energy for ages to come. The goal to be achieved is the disposition of this power by the Government to the citizens of this area at a price commensurate with the cost of the project, plus accruing interest, maintenance, and upkeep. The rates established by the administrator will accomplish this result, and, as shown, power may be supplied to the retail user from the distributing agencies buying wholesale from the Government at a price that will result in great savings to the people. These rates recommended by the administrator, ranging from 21/2 cents per kilowatt-hour for the first 50 hours to three-fourths of a cent for quantities in excess of 2,000 kilowatts per month, is an exceptionally low rate. The average residential rate in Oregon and Washington is 2.6 cents with the consumption of 1,350 kilowatt-hours compared with the national average figures for the same service 4.39 cents per kilowatt-hour, with the consumption of 793 kilowatt hours. Furthermore, the private utilities may purchase this power at the wholesale rate from the Government, and distribute it through their existing facilities at reasonable profits, and still maintain the retail rates fixed by the Government. The Bonneville plant is now completed and standing practically idle. The huge volume of energy-producing water is flowing over the dam. There are no facilities for marketing the power. The transmission lines and the marketing equipment are an absolute necessity if the Government is to capitalize on this investment. If the people of the district are to be given the opportunity to secure this power at a reasonable rate, these facilities should be provided at the earliest possible time. The funds provided in the bill under consideration will furnish these facilities and will bring back into Government coffers moneys accruing from the investment through the sale of electrical energy which is now being wasted.

If the appropriation requested is denied or is cut down or materially reduced, it will mean the Bonneville power project will be denied the right to function and the people of the territory serviced will be denied the right of securing this electrical energy now in production and ready for distribution.

The CHAIRMAN. The Chair recognizes the gentleman from California for 4 minutes.

Mr. VOORHIS of California. Mr. Chairman, a comparison was made by one of the previous speakers between the region served by Bonneville and the T. V. A. region. I wish to point out a couple of very important differences. The Bonneville region is probably a thousand miles from the closest deposit of coal and the closest fields of oil. The northwest part of this country is dependent entirely upon hydroelectric power for usable power. Second, it is also true that people from every part of this Nation are pouring into

that section of the country—into the Northwest and into my own State of California—by the thousands. We seek to make provision so our States will be able to meet this great problem which has come to us.

I look forward into the future to a time when electric energy will be so cheap that every family in America can afford to have it in its home and every industry in America can have power at half what it costs today. [Applause.] I am convinced that when that time comes the prosperity of this Nation will be greatly increased. Such a development is not necessarily in conflict with the prosperity of the coal industry for the reason that you can generate electric energy at the mine mouth with coal quite as well as you can generate

it with water power.

As far as the Bonneville proposition is concerned, I just want to show you what might be a very good reason for being in opposition to the construction of these transmission lines. Here is a great Government power project, a project conceived with the idea that falling water, after all, is a gift of God to all the American people and should be so used. If, however, it is possible to prevent getting that power to the market, if it is possible to prevent its being transmitted to a place where it can be consumed, then the financial showing of this project may be hurt at least temporarily. If that should happen, then we will have Members coming into this House and telling us that the Bonneville project is not paying its way as it was supposed to do. Therefore, unless you are definitely against the development of a project of this kind for the benefit of the whole American people you have to vote down the amendment offered by the gentleman from Ohio, for it is necessary in the interest of good government and in the interest of good financial administration that these transmission lines be constructed in order to assure a market for the abundance of power at Bonneville Dam.

Mr. BATES of Massachusetts. Mr. Chairman, will the gentleman yield?

Mr. VOORHIS of California. I yield to the gentleman from Massachusetts.

Mr. BATES of Massachusetts. Does the gentleman see any reason why the Federal Government should construct transmission lines from Bonneville into the States of Washington and Oregon, when in the gentleman's own State his own people built the lines in from Boulder Dam?

Mr. VOORHIS of California. I have no objection to the people of Washington and Oregon benefiting from a policy of the Government which may go more directly to a solution

of this problem than was the case in California.

Mr. BATES of Massachusetts. Why do not the people of the Northwestern States show the interest the people in California showed?

Mr. VOORHIS of California. I believe we are benefiting tremendously by what was done at Boulder Dam, but there are some things about the matter which might have been handled better had the present administration been in power at that time. I do not want to get into a controversy about that except to say that, as a Californian, I am eager to see something done which will be to the welfare and benefit of the people of another section of the country, for I am convinced that this Nation is one nation and that what benefits the people of the Tennessee Valley, or the people of the Northwest, or any other section of this country, also benefits the people in my own district and myself. [Applause.]

[Here the gavel fell.]

The CHAIRMAN. The Chair recognizes the gentleman from Arizona [Mr. MURDOCK] for 4 minutes.

Mr. MURDOCK of Arizona. Mr. Chairman, I do not really need 4 minutes, because the gentleman from California [Mr. Voorhis] has just said what has been going through my mind. I should like to say "amen" to that speech by saying just this: All through American history there has been a battle, apparently a political or economic conflict, between the East and the West. Some in the older and more settled portions of our country have feared the rising West. There was a time when the West was just beyond the Allegheny Mountains. I believe you will agree with me that the generous colonial policy toward the great West of our forefathers in the Original

Thirteen Colonies and States was a good one. The founders in the Original Thirteen States made it possible for 35 children to be born to this family of States and to be admitted as a part of this Union. The great Ordinance of 1787 and the Constitution of the United States, formulated that year, contained statesmanlike and liberal provisions for the birth of these new Commonwealths.

Today we are asking you, the eastern community, to show the same liberality of spirit and the same statesmanship in economic matters that our forefathers showed in civil and constitutional matters in helping the development of the West. That is a new country out there. I am in that little-known part of it way off down yonder in the corner, the least known part of it, perhaps, but I agree with the gentleman from California that the development of these great resources which God has given us in the Northwest will react to the benefit of the entire Nation. For that reason I am in favor of the orderly development of hydroelectric power throughout the West, where we have no coal and very little if any oil. In my State it was once thought we were producing too much electric power but now we find we cannot produce enough.

Not only do we need hydroelectric power in the West, but also as far as agricultural products are concerned I may say I find in my own State that the mining camps of Arizona have to import butter, eggs, flour, and all the necessary foods from outside our borders. We do not produce enough food. Therefore, there is no competition with the eastern dommunity with regard to the production of power or the production of agricultural products.

Mr. GIFFORD. Mr. Chairman, will the gentleman yield? Mr. MURDOCK of Arizona. I yield to the gentleman from

Massachusetts, if I have any more time.

Mr. GIFFORD. I want to respond for the East that we did help in the development of the West. We loaned you billions of dollars to build up your West. Now, you want us to borrow money and give it to you. We usually parted willingly with the money when we had it, but now you are asking us to give you borrowed money. Are you not going a little too far?

Mr. MURDOCK of Arizona. This is reimbursable; it is not a gift. I believe that just as the railroad development that occurred after the War between the States in the late sixties and seventies helped develop the wealth of the entire country, so today, by building dams and producing hydroelectric power and developing irrigation projects, you are doing the same thing. It is part of a Nation-wide constructive piece of statesmanship.

Mr. GIFFORD. Is that the gentleman's answer to my question?

Mr. VOORHIS of California. Mr. Chairman, will the gentleman yield?

Mr. MURDOCK of Arizona. I should be pleased to yield. Mr. GIFFORD. Oh, no; wait a minute.

Mr. VOORHIS of California. I would like to ask the gentleman a question.

Mr. GIFFORD. The gentleman is an authority on money. Mr. MURDOCK of Arizona. In regard to borrowing the money, I say that sometimes a businessman finds it necessary to borrow money to carry on his business when it reaches a certain stage rather than let the thing collapse.

Mr. GIFFORD. We can drink ourselves sober, as I have said before. If this is borrowed money, the question is, Shall we borrow these funds and continue this period of spending?

Mr. MURDOCK of Arizona. As a parent I have borrowed money to educate my children in their formative years.

[Here the gavel fell.]

Mr. RICH. Mr. Chairman, I just want to exhibit this map showing the duplication of power lines, and I call your attention to the fact that they now have power lines built over a large portion of the territory. They also have \$3,000,000 yet to expend, which, with the \$6,000,000, would complete many of the power lines which would be duplications of existing power lines that the people of Washington and Oregon have constructed with their private capital. Now the Government wishes to destroy them.

I also wish to call your attention to a statement made by Arthur Krock in the New York Times of March 7:

The President said that for about a year and a half the utility people had known and understood and accepted the fact that there was to be no further expansion of federally sponsored hydroelectric power developments. The President reemphasized his statement that the administration had no intention of further expanding its program of federally subsidized electric-power projects.

program of federally subsidized electric-power projects.

If this could be understood to mean—which it was generally taken to mean—that no additional moneys are to be used for such purposes, then it should cancel a current administration request for \$14,000,000 to finance further construction of transmission lines

from the Bonneville Dam.

Now, I wish to say to my good friend from the Northwest that I am not here to fight the Northwest or the Southwest or the Southeast; but when you have appropriated more money than will be necessary to sell all the power that you can develop with the two generators now installed at Bonneville, and with the two generators on contract which will not be installed for 2 years, and it will not be necessary to take this total amount of money to complete this line, then I cannot see for the life of me why you want to spend \$14,000,000 when \$6,000,000 will do the work and take care of all the power you can develop.

Mr. WHITE of Idaho. Mr. Chairman, will the gentleman

yield for just one question?

Mr. RICH. I cannot yield right now.

In this northwest territory you consume 1,800,000 kilowatts. You have that territory all covered now. Certainly you do not need this power, because that territory is already served, and they furnish power for 2.48 cents per kilowatt-hour, which is 50 percent of the average cost of electricity over the country as a whole. They are serving the people in that locality. Ninety-four percent of all the residents of cities and suburban areas are taken care of and 50 percent of the farms. If this was going to hinder or hold up or hamstring anybody, inasmuch as they are now building this dam and power project, I question very much whether I would get up here and try to oppose it, but I do not think this is good, sound business. My friend, the gentleman from Mississippi, said they are going to transmit this current for 500 to 1,000 miles. The gentleman knows there is no wizard in electricity that has yet discovered a means of transmitting current that far. It just cannot be done, because nobody in the field of electricity has been able to discover a means of transporting electric current over 300 miles in a satisfactory manner and at a reasonable cost.

Mr. RANKIN. Mr. Chairman, will the gentleman yield?

Mr. RICH. Yes; for a question.

Mr. RANKIN. In the report of the Army engineers in 1930, signed by Mr. Patrick J. Hurley, Secretary of War under Mr. Hoover, it was stated by the Army engineers that they could transmit this power from Muscle Shoals 350 miles and sell it

for about 4 mills a kilowatt-hour at a profit.

Mr. RICH. The situation in which we find ourselves here is that we started in this administration to establish a yard-stick at T. V. A., and it seems to me when you are going to spend seven or eight hundred million dollars for one yard-stick, you ought to be mighty careful before you add inches to a yardstick in the Northwest, where you are going to spend almost \$1,000,000,000 before you get through with the two projects, Bonneville and Grand Coulee. It is going to cost you an enormous amount of money. Let us be reasonable; let us be sensible. Let us take our time about doing these things and let us not spend money foolishly. That is the thing I am interested in avoiding.

Mr. BATES of Massachusetts. Mr. Chairman, will the gentleman yield?

Mr. RICH. I yield.

Mr. BATES of Massachusetts. In view of the fact we have already a well-established precedent by the State of California in the building of a transmission line running from Boulder Dam into Los Angeles, and in view of the further fact that the State of Oregon prides itself on being out of debt while the Federal Government is going into debt at the rate of \$3,000,000,000 a year, is not that a more substantial reason why we should not embark upon this innovation?

Mr. RICH. Indeed, it is.

[Here the gavel fell.]

Mr. KLEBERG. Mr. Chairman, I ask unanimous consent that the gentleman's time may be extended one-half minute in order that I may ask a question.

The CHAIRMAN. The time of debate has been limited and the Chair cannot recognize the gentleman for that

purpose.

Mr. WHITE of Idaho. Mr. Chairman-

Mr. KLEBERG. Mr. Chairman, will the gentleman yield?

Mr. WHITE of Idaho. I yield.

Mr. KLEBERG. I have asked the gentleman to yield to me for the purpose of asking the proud grandfather over there [laughter and applause], the gentleman from Pennsylvania [Mr. Rich], whether or not the new addition to his family is going to be a new dealer. Does the gentleman have any advice about that?

Mr. RANKIN He is crying for light now. [Laughter.]

Mr. RICH. Mr. Chairman, the gentleman from Texas, one of the finest fellows in the House, overwhelms me. [Laugh-

ter and applause.]

Mr. WHITE of Idaho. Mr. Chairman, the question I wanted to ask my esteemed friend from Pennsylvania was whether the construction of a four-lane concrete highway was duplication when it replaced a dirt road? We have a comparable situation here with the map he has exhibited. We have a lot of little power lines with small capacity that cannot carry the load, and now we intend to build, and must build, to carry, this power to market, a high-voltage, permanent line, a means of transportation, if you please, to bring this power generated by the Government to the market, so that we can make this project reimbursable and replace the money in the Treasury that has been expended to build one of the greatest conservation projects ever set up in the United States.

This water or this power has been running altogether free to the sea during all these years and would go on in this way indefinitely. This constitutes a great waste, because it requires the use of oil or petroleum for power in this market, the supply of which we are using up at a terrific rate—oil and gas being lavishly used today that may be at a great premium for aerial transportation in the future and for the national defense. Mr. Chairman, the day may come when our children will look upon the people of this generation as the greatest wastrels in history by our lavish use of petroleum for which succeeding generations may have to depend for defense and their very existence.

I am sure when the full benefit of this conservation utility is fully realized the succeeding generation will rise up to bless a far-seeing administration that harnessed the mighty Columbia and gave them this great faculty, everlasting in its

benefits.

It is a great conservation project, and to make it reimbursable, to pay this money that has been expended to construct the project back into the Treasury, it is necessary that we provide a means of transportation by building these large-capacity power lines. I do not think the gentleman has had any experience in building power lines or knows much about the transmission of electricity, but it is absolutely necessary, if we are to make this project pay, to secure the money from the sale of the energy, that we build these large transmission lines to bring the power to market, and we have in the lower Columbia Valley one of the finest undeveloped sections of the United States, and the development of that section will benefit business all over the country. I hope the amendment will be rejected.

Mr. RANKIN. Mr. Chairman, will the gentleman yield?

Mr. WHITE of Idaho. Yes.

Mr. RANKIN. If we were to kill this appropriation, it would simply mean bottling this power up, and the Government would get no proceeds at all. As a matter of fact, that is exactly what this would mean. It would mean bottling this power up if we cut the appropriation down to \$6,000,000, and it would cost the Government money instead of saving money.

Mr. BATES of Massachusetts. Mr. Chairman, will the gentleman yield?

Mr. RANKIN. The gentleman from Idaho has the floor.

Mr. WHITE of Idaho. I yield to the gentleman from Massachusetts.

Mr. BATES of Massachusetts. Does the gentleman see any reason why the Federal Government should continue in this innovation of building transmission lines? Have we built them in the case of any other dam?

Mr. RANKIN. It is not an innovation.

Mr. BATES of Massachusetts. It was built in the T. V. A. only.

Mr. RANKIN. The power business is a monopoly on a necessity of life.

Mr. BATES of Massachusetts. From what other dam has the Government built transmission lines except the T. V. A.?

Mr. RANKIN. Oh, we will be building some in New England when we improve those water routes up there, in order to save the people of New England from the enormous overcharges they are now paying.

Mr. BATES of Massachusetts. That is not an answer to

my question.

Mr. WHITE of Idaho. Mr. Chairman, it is my contention that this is a move to hamstring the Government's program and is mostly a move on the part of the utilities to discredit one of the greatest conservation projects ever undertaken by the Government.

The CHAIRMAN. The time of the gentleman from Idaho

has expired.

Mr. HILL. Mr. Chairman, millions of years ago a kind Providence, in His infinite wisdom, created this wonderful earth. Then He created man and said to him: "This is yours. Develop it. Take care of it. Be fruitful and multiply and make this serve the oncoming generations as God's footstool." We are but in the dawn of this mighty development. We are intensely interested in every phase of it. We

glory in being a part of it.

The forests on the bosom of old Mother Earth, majestic and stately, were good to behold. But man has also fashioned them into dwellings for shelter and into ships that ply the seven seas. The soil has given sustenance to countless multitudes since first the flight of years began. Beneath the surface is the untold wealth of minerals—the brass, the copper, the silver, the gold of ancient times, and the coal and iron and gas and oil of modern times. But the wealth from the bowels of old Mother Earth is being depleted, and in the not too distant future mankind will need some other source for power, for light, for means to provide the comforts and decencies-yes, the necessities of life. When the great Architect of the Universe threw up the mountains, His handiwork was beautiful to see: The mountains, rock-ribbed and ancient as the sun. Time and the elements have fashioned them down to pretty and enchanting hills here in the East. In the West the Rockies, the Cascades, and the Sierras still stand in their prime and pristine magnificence. They are the delight of hundreds of thousands of tourists every year—the playground of Amer-The snowcapped peaks, the laughing waterfalls, the crystal streams are a continuous delight to all who are permitted to visit them. This is as it should be. But man cannot live on invigorating climate and scenic beauty alone. Those massive ranges of the West have a potential power for economic welfare and good not yet realized by the American people.

In colonial days and at the beginning of this Republic, the one hundred and fiftieth anniversary of which was so auspiciously celebrated on March 4 last, lived an American who was a scientist and philosopher as well as a statesman. With his key and kite he snatched from the air one of its mighty elements and made it possible to harness this subtle force so as to compel service to man. Through the genius of an Edison and a Steinmetz, it has entered into the plan of modern everyday life. The electric car, the radio, the electric light, the electric motor. Far more wonderful than Aladdin's magic lamp. So these everlasting hills, these majestic mountains, will not only be a thing of beauty but will

serve for ages and ages to come, when the coal and gas and oil shall have been consumed, as the willing servant of mankind, the white coal of the glistening mountain streams will continue to burn on and on toward the end of time.

For ages these mountain streams came rushing down only to be seen and heard in wonderment. Now they are being harnessed to bring happiness and contentment into the homes of millions. This in nowise distracts from their beauty. Take a beautiful young Kentucky filly dashing and prancing over the bluegrass of that famous State. Does it not add to the charm and beauty of that colt as she develops into a fine mare to have her become accustomed to the bridle, the rein, the saddle, or the harness? Does it not add to her glory that she is useful to her master?

So we are taming these teeming, sparkling streams to make them useful as well as beautiful. That must have been the ultimate motive of an omnipotent Providence.

The mighty Columbia River has for ages rolled on from its source to the sea—the placid Pacific, a stream so crystal clear and beautiful that it must be seen to be appreciated. With its tributaries in Washington State alone, together with streams on the west side of the charming Cascades, it holds within its folds one-fifth of the potential water power of the United States. I am proud to say that my little county of Benton is surrounded on three sides-north, east, and southby this mighty river. For decades development of this water power energy has been contemplated. It was visioned and planned by the Republicans when they were in power. Definite and actual construction of dams was begun with the present administration. So it is clearly all partisan and nonpolitical. Appropriations for continuation of these dams have been made by succeeding Congresses as a matter of common sense and necessity. It is a national proposition, not a sectional matter.

Bonneville has been completed. Power is being generated and new generators for additional production of power are being installed. The Army engineers have done an excellent job. Countless millions are demanding electric power at reasonable rates. We of the West-yes, the people of the whole United States are dam-minded. They realize that electricity is as essential to modern life and decency and comfort as are sunshine and water and air-and all are the inalienable rights of all alike. What is needed are transmission lines. The power is being generated and more to come. The market, according to Administrator Ross, is ready for the present output and will be ready for the increased output in 2 years to come. The only way the dam can be paid for is by selling the electric power. This dam belongs to the Federal Government. Its output should belong to the Federal Government, to distribute to its people-the real sovereigns in these United States. I have but two objections to private companies having anything to do with this distribution. They restrict their patronage to the select few-the Government, as in the post-office agency, gives it to all alike. Secondly, the rates are too high and too variable. In one city in the Fourth Congressional District of Washington the people pay 15 cents per kilowatt because there is no competition; in Tacoma, less than 200 miles distant, under municipal ownership, they pay less than 2 cents per kilowatt.

I cannot conceive of Members here today voting to discontinue this great project now in face of the necessity of appropriations to construct transmission lines to dispose of this electricity so as to pay for the construction of the dam.

The power companies are doing their utmost to defeat this appropriation. They did their utmost to defeat necessary legislation in our State legislature which would make it possible for public-utility districts to utilize the power developed at Bonneville. But before the new units are ready at Bonneville the people of the State of Washington will have an opportunity to speak at the polls in 1940. Judging by past performances, the people will speak in no uncertain terms. They will elect a Governor and a legislature in definite sympathy with the people of the State on the power question and the more reason for this appropriation to build transmission lines to reach the remotest parts of the Northwest,

The onward march of progress is as resistless as the tides and depends not on the influence of power companies or the whims of vacillating legislators. The onward march of time is as resistless as the law of gravity which slowly but surely brings these waters from their icy mountain recesses down over the rocky canyon beds to generate the power that has become the great giant, the subtle but willing servant, the magnificent masterpiece of the human mind.

The CHAIRMAN. The gentleman from Illinois [Mr. Mason] was one of the gentlemen on his feet when the time for debate was fixed. If the gentleman from Illinois is present, the Chair will recognize him. Also the gentleman from Michigan [Mr. Dingell] was on his feet asking recognition, and if he is in the Chamber, the Chair will recognize him.

Mr. RICH. Mr. Chairman, they are both in committee. The CHAIRMAN. Then the Chair will recognize the gentleman from Washington [Mr. Leavy] for 5 minutes.

Mr. LEAVY. Mr. Chairman, I intend only to state a few of the salient facts in reference to this Bonneville item and ask that you then draw your own conclusions from them. I expect to base my statement on the record of the hearings before our subcommittee, of which both the gentleman from Pennsylvania [Mr. Rich] and the gentleman from Ohio [Mr. WHITE] are members, and in which hearing they participated. On page 93 of the hearings there is a break-down of every proposed line that is being built and for which this appropriation is needed to carry on the work. If the gentlemen will read further in those hearings, they will find that that work is already in progress throughout the States of Washington and Oregon. It is true they had something over \$14,000,000 for this fiscal year, and that it is going to take \$35,000,000 to build these distribution lines that reach all over Washington, Oregon, a great part of Idaho, and into Montana. Again, if you will examine the record, you will find that there is not a single instance of duplication. I made that statement the other day, and I repeat it. There is not a private utility line in that region that has the capacity to carry the load it would have to carry to serve either Bonneville or Coulee; and if you read further in the record you will find that, had the Government been wise enough a year earlier to have adopted a policy of looking to the distribution of power when it came in, they would now be collecting a million dollars a year instead of just one-fourth of that for the sale of power. In other words, we are generating at this moment 86,000 kilowatts of electricity at Bonneville, and the record shows applications have been made for 400,000 kilowatts, and the only possible way to reach anybody who wants the power is over a little 12,000-volt line. The rest of it is going to waste.

The act provides that this money, and every dollar spent in the building of the dams, less navigation and flood control, shall be repaid to the Federal Treasury with $3\frac{1}{2}$ percent interest. You cannot have it repaid if you deny us the agencies to reach the market.

Mr. SIROVICH. Mr. Chairman, will the gentleman yield? Mr. LEAVY. Yes.

Mr. SIROVICH. In other words, if this project were deprived of the \$7,000,000 it ought to receive, it would prevent the transmission of electricity already generated, but which needs transmission lines to bring it to all the people.

Mr. LEAVY. That is exactly the situation. It is no longer a question of the wisdom of Bonneville. Let me correct my colleagues from Pennsylvania and Ohio. The total combined cost—and you can search the evidence from the very beginning of both those great projects and you may use the orator's license to exaggerate—still you will find the total combined cost of Bonneville and Grand Coulee is not even half the sum stated; and we will not see completion for a quarter of a century hence, and that involves 1,200,000 acres of land, making homes in that great region for half a million people who are now looking for jobs.

Mr. Chairman, I have repeatedly in my remarks today and those made a few days ago made reference to the hearings that were held on January 26 of this year by our committee, wherein the Honorable J. D. Ross, Administrator of the Bonneville project, appeared before us and justified in a most able and convincing manner the appropriations that he sought.

The newspapers of this Nation this morning carried an Associated Press dispatch announcing the sudden and unexpected death of J. D. Ross, Administrator of the Bonneville project, who was one of the best friends that the movement for a wide and cheap use of the electricity by the common people of America ever had. With us in the Northwest the name of J. D. Ross symbolized justice, fairness, intelligence, patience, and perseverance in the long struggle of 30 years to preserve, develop, and utilize for all the people, not alone of that region but for the Nation as a whole, the untold energy available in our rivers in their onward rush from our snow-clad mountain ranges down to the sea.

To every Member of this Congress in both the House and Senate from the Northwest States of Washington, Oregon, and Idaho, the passing of a great and good man, such as our friend, that we familiarly called "J. D.," is an irreparable loss. I feel that it is no exaggeration to say that he gave his life to his country in order that its citizens, both rich and poor, might more fully enjoy those magical blessings that come with a liberal use of cheap electric energy.

The great Seattle city-owned municipal system will stand through all time as a monument to the work of this noble character, and wisely and well has he laid the ground work for Bonneville and Grand Coulee, assuring the never-ending flow of unseen power into the homes of those who now live in that region and those who are to come hereafter. For years after those of us here, Members of this body today, have gone to our final reward, the name of J. D. Ross will be synonymous with a bountiful supply of cheap electricity, not alone throughout the great Northwest but throughout this great Nation. He died as he would have wished, fighting for an ideal; and I hope here today we will not vote for an amendment that would cripple and virtually strike down the structure that he has almost completed.

Mr. O'CONNOR. Mr. Chairman, will the gentleman yield? Mr. LEAVY. I yield to the gentleman from Montana.

Mr. O'CONNOR. Is it not a fact that as we develop these reclamation projects and put people upon the farms we create potential users of electricity; and are not the farmers just as much entitled to the use of that electricity as the people living in the cities?

Mr. LEAVY. Exactly. The farmers in that region are largely without electricity because of the prohibitive costs. Only half of them can afford electricity. Every time the Government permits a farmer to go on an irrigated tract and there establish a home that farmer in turn supports two families in the cities and towns, and if you will permit the Ross yardstick of rates to prevail the use of electric energy will far more than double.

Mr. WHITE of Ohio. Mr. Chairman, will the gentleman yield?

Mr. LEAVY. I yield.

Mr. WHITE of Ohio. Is it not a fact that last year you had money for building transmission lines to a total of \$17,000,000 in the two projects?

Mr. LEAVY. About \$14,500,000. I have covered that, I may say to the gentleman.

Mr. WHITE of Ohio. And would not the \$6,000,000 permit you to build a great many more extension lines?

Mr. LEAVY. The work in that territory is now in progress, employing almost 1,000 people. The engineering has already been done. Most of the right-of-way has been contracted for; substation plans drawn; millions of dollars worth of steel towers and other necessary material contracted for; and to reduce this item as proposed would mean a tremendous loss to the Government. It is now a matter of completing this work. The surveys have been made and the work is under construction. Simply stated, it is a question of whether you want to take 3 years to do that which you should do in 1, and deny the people there the right to use the power at the low rates fixed and afford the Government the opportunity to amortize the investment it has made out there.

Mr. WHITE of Ohio. Did they not get three times what they asked for last year?

Mr. LEAVY. No; they did not. Last year's hearing will disclose that Mr. Ross advised the committee that it would

be desirable to have large appropriations in order to hasten line construction, and we were warned by him that limited funds would mean a loss. He was much wiser than either the Budget Bureau or this committee on that point. It was after the Interior supply bill had passed that we passed the P. W. A. appropriation and Secretary Ickes, who understood this situation better than we did and who had vision enough to see the need of haste in getting these powerful lines built, ordered that the additional ten or eleven millions be allowed, and the world's greatest distribution system of electrical energy has taken shape. I urge you to give this undertaking money enough to be made useful and stand as an enduring monument through the years to the memory of the man who largely gave his life to build it for the purpose of blessing his fellow men. [Applause.]

[Here the gavel fell.]

The CHAIRMAN. The question is on the amendment offered by the gentleman from Ohio [Mr. WHITE].

The question was taken; and on a division (demanded by Mr. White of Ohio) there were ayes 58 and noes 104.

So the amendment was rejected.

The Clerk read as follows:

UNITED STATES HOUSING AUTHORITY

Salaries and expenses: Not to exceed \$4,500,000 of the funds of the United States Housing Authority, established by the United States Housing Act of 1937 (50 Stat. 888), as amended by the United States Housing Act amendments of 1938 (52 Stat. 820), shall be available during the fiscal year 1940 for administrative expenses of the Authority in carrying out the provisions of said acts, including personal services and rent in the District of Columbia and elsewhere; traveling expenses; printing and binding; procurement of supplies, equipment, and services; reproducing, photographing, and labor-saving devices and office appliances, including their repair and exchange; payment, when specifically authorized by the Administrator, of actual transportation expenses and not to exceed \$10 per diem in lieu of subsistence and other expenses to persons serving, while away from their homes, without other compensation from the away from their homes, without other compensation from the United States, in an advisory capacity to the Authority; payment of the necessary traveling and other expenses of officers and employees of any agency of the Federal, State, or local governments whose services are utilized in the work of the Authority; not to whose services are utilized in the work of the Authority; not to exceed \$5,000 for the purchase and exchange of lawbooks and other books of reference, periodicals, newspapers, and press clippings; not to exceed \$10,000 for purchase, including exchange, hire, maintenance, repair, and operation of motor-propelled passenger-carrying vehicles, to be used only for official purposes; not to exceed \$2,500 for expenses of attendance, when specifically authorized by the Administrator, at meetings or conventions concerned with the work of the Authority; not to exceed \$15,000 for the preparation, mounting, shipping, and installation of exhibits; not to exceed \$25,000 for employing persons or organizations by contract or otherwise for of the Authority; not to exceed \$15,000 for the preparation, mounting, shipping, and installation of exhibits; not to exceed \$25,000 for employing persons or organizations, by contract or otherwise, for special reporting, engineering, technical, legal, and other services determined necessary by the Administrator without regard to section 3709 of the Revised Statutes (41 U. S. C. 5) and without regard to the civil-service laws and the Classification Act of 1923 as amended: Provided, That of the \$4,500,000 hereby made available for administrative expenses of the Authority, not to exceed \$1,500,000 shall be available for such expenses incurred at the site and in connection with the construction of the United States Housing Authority non-Federal projects and shall be reimbursed in the discretion of the Administrator by the public housing agencies constructing such projects and such reimbursements shall be available for administrative expenses of the Authority: Provided further, That all necessary expenses in connection with the management and operation of projects transferred to the Authority by Executive Order No. 7732 of October 27, 1937, as modified by Executive Order No. 7839 of March 12, 1938, may be considered as nonadministrative expenses for the purposes hereof, and be paid from the rents received from each transferred project: Provided further, That no part of the funds made available in this paragraph for administrative expenses of the Authority shall be used to increase the salary of any position which on the date of the approval of this act is provided for at the rate of \$4,000 or more per annum, except in consequence of a reallocation of position under the Classification Act of 1923, as amended.

Mr. WHITE of Ohio. Mr. Chairman, a point of order. The CHAIRMAN: The gentleman will state it.

Mr. WHITE of Ohio. In fact, there are four points of order which I will include all in one.

On page 13, line 15, I call attention to the language which

Actual transportation expenses and not to exceed \$10 per diem in lieu of subsistence and other expenses to persons serving—

I call attention to the fact that that is an enlargement of the statutory limitation of \$5 per day which now exists.

I presume probably the Chair would prefer to make separate rulings on the different points?

The CHAIRMAN. The Chair would prefer to have the gentleman from Ohio state all the points of order now.

Mr. WHITE of Ohio. Very well, Mr. Chairman. On page 14 I call attention to line 7, the language there reading:

Not to exceed \$25,000 for employing persons or organizations, by contract or otherwise, for special reporting, engineering, technical, legal, and other services determined necessary by the Administrator, without regard to section 3709 of the Revised Statutes.

I contend that that is an enlargement of power which makes an exemption from existing statute, section 3709 of the Revised Statutes.

The language in line 12, on page 14, reads as follows:

Without regard to the civil-service laws and the Classification

I submit that that is an exemption from the civil-service law, which is specifically contained in the original authorization of this Authority.

Then the language beginning in line 13, on page 14, the entire clause, which reads:

Provided, That of the \$4,500,000 hereby made available for administrative expenses of the Authority, not to exceed \$1,500,000 shall be available for such expenses incurred at the site, and in connection with the construction, of the United States Housing Authority non-Federal projects, and shall be reimbursed, in the discretion of the Administrator, by the public housing agencies constructing such projects, and such reimbursements shall be available for administrative expenses of the Authority.

That is a delegation of authority. It enlarges the scope of the existing authority under the original law, and therefore the entire paragraph should be stricken out on these points of order. This is legislation on an appropriation bill. The CHAIRMAN. Does the gentleman from Oklahoma

[Mr. Johnson] desire to be heard?

Mr. JOHNSON of Oklahoma. Mr. Chairman, we concede the points of order.

The CHAIRMAN. The points of order are sustained.

Mr. JOHNSON of Oklahoma. Mr. Chairman, I offer an amendment. Was the point of order made against the entire paragraph?

The CHAIRMAN. The points of order were made against the entire paragraph.

Mr. DIRKSEN. Mr. Chairman, will the gentleman yield? May I call attention to another point of order that you may want to correct if you are going to amend the paragraph?

The CHAIRMAN. The gentleman will state the point of order.

Mr. DIRKSEN. It begins on page 14, line 22.

The language reads:

That all necessary expenses in connection with the management and operation of projects transferred to the Authority by Executive Order No. 7732 * * * may be considered as nonadministrative expenses for the purposes hereof.

I am of the opinion that there is no statutory authorization for that kind of language.

The CHAIRMAN. Does the gentleman make that point of

Mr. DIRKSEN. I do, Mr. Chairman. The CHAIRMAN. The Chair is of the opinion that that language also is bad, and sustains the point of order.

Mr. JOHNSON of Oklahoma. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. Johnson of Oklahoma: Page 13, line 1, in lieu of the matter stricken out insert the following:

"UNITED STATES HOUSING AUTHORITY

"Salaries and expenses: Not to exceed \$4,500,000 of the funds of "Salaries and expenses: Not to exceed \$4,500,000 of the funds of the United States Housing Authority, established by the United States Housing Act of 1937 (50 Stat. 888), as amended by the United States Housing Act Amendments of 1938 (52 Stat. 820), shall be available during the fiscal year 1940 for administrative expenses of the Authority in carrying out the provisions of said acts, including personal services and rent in the District of Columbia and elsewhere; traveling expenses; printing and binding; procurement of supplies, equipment, and services; reproducing, photographing, and labor-saving devices and office appliances, including their repair and exchange, payment of the necessary traveling and other expenses of officers and employees of any agency of the Federal, State, or local governments whose services are utilized in the work of the Authority; not to exceed \$5,000 for the purchase and exchange of lawbooks and other books of reference, periodicals, newspapers, and press clippings; not to exceed \$10,000 for purchase, including exchange, hire, maintenance, repair, and operation of motor-propelled passenger-carrying vehicles, to be used only for official purposes; not to exceed \$2,500 for expenses of attendance, when specifically authorized by the Administrator, at meetings or conventions concerned with the work of the Authority; not to exceed \$1,500 for the preparation, mounting, shipping, and installation of exhibits: *Provided*, That no part of the funds made available in this paragraph for administrative expenses of the Authority shall be used to increase the salary of any position which on the date of the approval of this act is provided for at the rate of \$4,000 or more per annum, except in consequence of a reallocation of position under the Classification Act of 1923, as amended."

Mr. ROBERTSON. Mr. Chairman, a parliamentary inquiry. The CHAIRMAN. The gentleman will state it. Mr. FITZPATRICK. Mr. Chairman, before the gentleman

states his parliamentary inquiry, will he yield for a brief question?

Mr. ROBERTSON. Yes.

Mr. FITZPATRICK. Is the gentleman now referring to the \$10 expense item?

Mr. ROBERTSON. No.

The CHAIRMAN. The gentleman from Virginia will state

his parliamentary inquiry.

Mr. ROBERTSON. Mr. Chairman, I have prepared an amendment, on page 15, line 15, to add a new sentence providing that the expenditures of the Housing Commission shall be audited by the General Accounting Office. My parliamentary inquiry is whether it should be offered as an amendment to the pending amendment or as a separate amendment after action on the pending amendment.

The CHAIRMAN. The gentleman from Virginia may offer his amendment as an amendment to the amendment offered

by the gentleman from Oklahoma, if he desires.

Mr. ROBERTSON. Mr. Chairman, I offer an amendment. The Clerk read as follows:

Amendment offered by Mr. ROBERTSON to the amendment offered by Mr. Johnson of Oklahoma: At the end of the amendment offered by Mr. Johnson of Oklahoma insert "Provided further, That all expenditures by the United States Housing Authority out of the appropriations made by this act shall be subject to audit in the General Accounting Office in the same manner and to the same extent as expenditures of the Department of the Interior" extent as expenditures of the Department of the Interior."

Mr. ROBERTSON. Mr. Chairman, I understand this amendment is agreeable to the members of the committee handling this bill. I cannot believe any other Member of Congress would object to having the tremendous expenditures of this public agency audited just as other expenditures under this appropriation bill are by law required to be audited.

The CHAIRMAN. The question is on the amendment to the amendment.

The amendment to the amendment was agreed to.

The CHAIRMAN. The question recurs on the amendment offered by the gentleman from Oklahoma, as amended.

The amendment, as amended, was agreed to.

The Clerk read as follows:

Annual contributions: For the payment of annual contributions to public housing agencies in accordance with section 10 of the United States Housing Act of 1937 (50 Stat. 888), as amended by United States Housing Act amendments of 1938 (52 Stat. 820), \$5,000,000.

Mr. WHITE of Ohio. Mr. Chairman, I offer an amendment. The Clerk read as follows:

Amendment offered by Mr. White of Ohio: On page 15, line 15, after the amount "\$5,000,000", insert a colon and the following proviso: "Provided, That in the use of such funds the total and final cost, including all charges assumed by the Federal Government, shall not exceed \$3,500 for each family so housed."

Mr. FITZPATRICK. Mr. Chairman, I make the point of order against the amendment.

The CHAIRMAN. The gentleman will state it.

Mr. FITZPATRICK. Mr. Chairman, I make the point of order that this amendment would constitute legislation on an appropriation bill. It amends the original act and has nothing to do with lessening the amount of money spent.

The CHAIRMAN. Does the gentleman from Ohio desire to be heard on the point of order?

Mr. WHITE of Ohio. Yes, Mr. Chairman.

The CHAIRMAN. The Chair will hear the gentleman from Ohio briefly on the point of order.

Mr. WHITE of Ohio. Mr. Chairman, the amendment I have offered does not provide legislation, because it is simply a limitation on the use of the money instead of being an enlargement upon the use of the money set forth in this paragraph. I contend, therefore, it is not subject to a point of order.

Mr. FITZPATRICK. Mr. Chairman, it is not a limitation on the total amount to be spent but on what they may spend for a particular part of the project. That has already been authorized by law at \$4,000 per family unit.

The CHAIRMAN. The Chair is ready to rule.

The gentleman from Ohio [Mr. WHITE] offers an amendment in the following language:

Provided. That in the use of such funds the total and final cost, including all charges assumed by the Federal Government, shall not exceed \$3,500 for each family so housed.

The gentleman from New York [Mr. FITZPATRICK] makes the point of order that this is legislation on an appropriation

The Chair has carefully examined the amendment, and to the Chair the amendment is no more than a restriction on the use of money, not new legislation.

The point of order, therefore, is overruled.

Mr. WHITE of Ohio. Mr. Chairman, I do not believe it will be necessary to take 5 minutes to explain the amendment. It is simply based on a fundamental rule of common sense, in my opinion. The average American citizen from one end of this country to the other lives in a house of an average value of \$3,000 to \$3,500. Now, why should the Government compel that average citizen to build a house for a public charge that is better than the house in which he lives himself? John Q. Public has to buy his own home, and yet the slum-clearance law says he must also provide the money to build these homes for slum dwellers. Why should he be required to provide them with a better home than his own?

Mr. Chairman, I think I will rest my case right there.

Mr. CRAWFORD. Will the gentleman yield?

Mr. WHITE of Ohio. I yield to the gentleman from Mich-

Mr. CRAWFORD. In view of the fact the gentleman from Ohio [Mr. White] has not used the full 5 minutes, I should like to ask some questions at this point. The Government figures which have recently been published by the Department of Commerce indicate that some 95,804 individual enterprises in this country employ 2,791,791 workers, to whom they paid wages amounting to \$3,114,059,000 per annum, or an annual wage of only \$1,116. I am now referring to factory workers who are not on relief but who hold jobs and draw wages from pay rolls, and not in the salaried class.

I am also informed by Government departments that the average cash annual income for 1938 for farm families of four persons amounted to only \$959.20 per annum for the four.

Can the gentleman inform us whether or not those people to whom I have referred and who draw this low annual wage will have to contribute to this national housing program with which this section of the bill deals?

Mr. WHITE of Ohio. The answer is yes; they will have to contribute. The burden of cost falls on each and every taxpaying citizen.

Mr. CRAWFORD. In other words, these people who are thus working and paying a direct or indirect tax will have to pay for this housing program, insofar as Government contributions are made?

Mr. WHITE of Ohio. That is correct.

Mr. CRAWFORD. What does the gentleman find has been the cost per room for these dwelling units which have thus far been constructed under the National Housing Act?

Mr. WHITE of Ohio. The gentleman from Michigan [Mr. CRAWFORD] is a member of the Banking and Currency Committee of the House, which has considered that legislation and probably could give figures that are later than mine.

Mr. CRAWFORD. I may say to the gentleman that this being an appropriation bill, and in view of the fact we have not had any amendment to the act offered during the present session of the Congress, his appropriation committee figures would be later than the ones I have.

Mr. WHITE of Ohio. I cited here last Friday some figures about which there was some argument. The fundamentals are not changed by variance in the amounts. That should not alter the merits of my amendment. Senator Tydings stated that these slum-dwelling facilities were costing \$5,500 per family, which sum included the original construction cost only. He stated further that the annual contributions amounted to \$12,000 more per family dwelling unit, which makes a total of \$17,000.

Mr. HAWKS. Will the gentleman yield?

Mr. WHITE of Ohio. I yield to the gentleman from Wisconsin.

Mr. HAWKS. May I ask the gentleman from Michigan [Mr. Crawford] if that farm income was a cash income or a total income, because there is a considerable difference?

Mr. CRAWFORD. That is the cash annual income for a family of four.

Mr. WHITE of Ohio. Let me make the further point, that whether you agree with those figures or not, and it seems to me you will, I hope you will agree with the fundamental idea presented by this amendment, namely, that people who live in \$3,500 homes should not be required to buy more expensive places for slum-dwelling families. Maybe I should add that while this program is designed to take care of slum dwellers, it misses that target in the final analysis, because the cost is so great and the rent is so high, despite Government subsidy, that slum families cannot afford to live in them.

[Here the gavel fell.]

Mr. FITZPATRICK. Mr. Chairman, I rise in opposition to the amendment offered by the gentleman from Ohio [Mr.

Mr. Chairman, the Housing Act itself places a limit of \$4,000 per dwelling unit. The gentleman from Ohio [Mr. WHITE] wants to reduce this to \$3,500. Last Friday he made a speech here in which he claimed that the average family unit under the U.S. H. A. program costs \$5,520 plus \$12,910 for the annual contribution, which makes a total of \$18,430 per family dwelling unit. The gentleman well knows what took place at the hearings, insofar as that question was concerned. In some parts of the country the cost will be more than \$3,500. However, the Housing Authority has kept this cost down. The highest has been about \$3,800, which is in Buffalo. The average is approximately \$3,087. The average for private buildings is about \$3,685.

Mr. Chairman, if this amendment is agreed to, certain sections of the country will be prevented from getting the benefit of the Housing Act.

The gentleman from Ohio [Mr. WHITE] also made reference to the taxpayers in his State paying for slum clearance in New York and Chicago. When the housing bill was passed the sum of \$800,000,000 was authorized for slum clearance plus \$28,000,000 a year as a subsidy from the Government. The \$800,000,000 is to be paid in 60 years with interest at 3 percent. The United States Housing Authority borrowed this money at the rate of 1% percent. This spread between 1% percent, the present cost of money to United States Housing Authority, and 3 percent, being the interest rate paid to the Authority for money it lends, is equivalent to \$9,240,000, which, deducted from the \$28,000,000, leaves a net annual cost to the Federal Government of \$18,760,000 to bring light, air, and happiness to the children living in the slums not only in the State of New York but throughout the country. In the gentleman's own State of Ohio an allotment of \$72,038,000 has been asked for slum clearance, and the total amount earmarked for that State is \$64,584,000. Twenty-two States have been allocated contributions. Read the table on page 130 of the hearings and see what your State is asking.

Mr. WHITE of Ohio. Mr. Chairman, will the gentleman

Mr. FITZPATRICK. In just a minute.

Yet the gentleman criticizes the State of New York, which contributes over 25 percent of the taxes paid to the Federal Government. The State of New York asks very little from the taxpayers of this country, but I believe that State should receive the same consideration as the other States receive throughout the country.

I should like to ask the gentleman from Ohio and other Members how they voted on the Treasury-Post Office appropriation bill when it was before the House about 2 weeks ago? I could not get the subsidy given to second-, third-, and fourth-class mail for 1939, but in 1938 it cost the taxpayers of this country for second-class mail \$89,608,278.20; for thirdclass mail, \$23,352,987.75; and for fourth-class mail, \$16,969,-837.46, the total of all being \$129,931,103.41, and there was no objection to that subsidy. The Government has contributed annually for the last 5 years an average of \$274,425,000 for roads, \$479,100,000 for agriculture, and \$76,373,000 for aviation, and then the gentleman criticizes the city of New York and other localities throughout the country because they are trying to clear out their slums.

I want to say to the Committee that I and the other Democratic Members from the State of New York have voted for most every appropriation requested by the agricultural States. I do not feel I was elected to represent the city of New York alone, but that I was elected to represent the entire 48 States. How have I voted? I have voted for appropriations for Montana, Wyoming, Idaho, Washington, Oregon, California, New Mexico, Alabama, and Tennessee, and most every other State where I thought they needed public improvements, and will continue as a Member of this House to do so. plause.] It is unbelievable that Members should stand up

here and advocate destroying a subsidy of only \$18,760,000 a year to bring relief to the people in the slums, not of my city alone but of 75 different communities in the United States. [Here the gavel fell.]

Mr. FITZPATRICK. Mr. Chairman, I ask unanimous consent to proceed for 3 additional minutes.

The CHAIRMAN. Is there objection to the request of the gentleman from New York?

There was no objection.

Mr. LEAVY. Mr. Chairman, will the gentleman yield? Mr. FITZPATRICK. I yield to the gentleman from Wash-

Mr. LEAVY. May I ask the gentleman this: If this limitation cutting the amount per unit from \$4,000 to \$3,000 prevails, would that not mean by reason of the high cost of real estate in the populous eastern cities that the development of the projects in cities like Chicago, Detroit, Cleveland, Baltimore, New York, and Boston would be almost stopped?

Mr. FITZPATRICK. The gentleman from Washington [Mr. LEAVY] is correct.

Let me say to the gentleman from Ohio [Mr. White] that last year there was \$37,000,000 earmarked for the State of Ohio, and \$16,000,000 for the State of New York outstanding.

Mr. WHITE of Ohio. Mr. Chairman, will the gentleman

Mr. FITZPATRICK. I yield to the gentleman from Ohio. Mr. WHITE of Ohio. By citing what Ohio has got from this project the gentleman is merely proving not that I oppose it because it has to do with New York but that I am willing to oppose it even when it comes to Ohio.

Mr. FITZPATRICK. The gentleman did not say so last week. The gentleman mentioned New York City.

Mr. WHITE of Ohio. I said "Ohio" just now. Mr. FITZPATRICK. The gentleman said he did not want the taxpayers of Ohio paying for slum clearance in New York City. That is what the gentleman said.

Mr. WHITE of Ohio. I said I did not want them to pay in Podunk or in Norwalk.

Mr. FITZPATRICK. I am willing to pay for slum clearance in Ohio or in any State in the Union that needs it. I have tried to help the farmers and business in every part of this country, and will continue to do so while I am a Member of this House. [Applause.]

Mr. WHITE of Ohio. The gentleman is misquoting my statement.

Mr. FITZPATRICK. We in New York pay 25 percent or over of the entire amount of taxes paid in the United States, and we ask for less than any other State in the Union. Therefore, I appeal to the Members to vote down this amendment and bring sunshine, light, and happiness to the children of the slums throughout our country. [Applause,]

[Here the gavel fell.]

Mr. BENDER. Mr. Chairman, I move to strike out the last two words.

Mr. Chairman, I come from a city where we have two housing projects now. One project, known as the Central Cedar project, is built on a site where people lived who paid \$10 to \$12 a month rent. This slum clearance eliminated that section entirely and the residents of it had to move out. The people who did live in that territory moved into other sections of the city and created new problems there.

When the project was completed and ready for occupancy we found that apartments in it could not be rented for less than \$25, so the people whom the project was intended to benefit were not benefited at all. They are living in other parts of the city.

Mr. FITZPATRICK. Mr. Chairman, will the gentleman yield?

Mr. BENDER. I will yield in just a moment. I shall complete my statement in just another minute or so.

Frankly, those living in the project are people who are working and able to pay anywhere from \$25 to \$40 a month rent. Not one of the families living in the project today lived in that area before the Government removed the former residents from that section and moved them elsewhere. The people whom the project was intended to help are not being helped at all. The poor people of the community, whose condition was to be improved because of this project, find their condition has not been improved at all, while others are benefiting and taking advantage of the expenditure of your money and my money, because we are having to pay the difference between the cost of the project, the carrying charges, and the price these people are paying to live there.

All of us have a Christian philosophy and have a desire to help the poor people, but I believe it is essential that all of us understand this project is not helping the fellow we want to help. We want to help the fellow who previously lived in the slum area to live under better conditions.

Now, certainly the amendment that is offered by the gentleman from Ohio [Mr. WHITE] restricting the cost to \$3,500, makes it possible for the poor fellow to live in a better surrounding so that he can pay his \$10 or \$12 or \$15 a month and live under better conditions. What can be wrong with that? If you increase the cost of the project and you make it prohibitive for the poor fellow to live there, you are not helping the man you want to help at all. [Applause.]

Mr. KELLER. Mr. Chairman, will the gentleman yield?

Mr. BENDER. I yield.

Mr. KELLER. Is this in Cincinnati? Mr. BENDER. I am speaking of Cleveland.

Mr. KELLER. May this not be an unfortunate thing there and very fortunate at some other place? In other words, may not the conditions vary, which would make it a success somewhere else?

Mr. BENDER. You cannot possibly help the fellow who needs it most if you provide an expense beyond what the carrying charges will allow.

Mr. KELLER. May not that vary very greatly in different

Mr. BENDER. I believe it might.

Mr. FITZPATRICK. Mr. Chairman, will the gentleman vield?

Mr. BENDER. I yield.

Mr. FITZPATRICK. Does the gentleman realize that the average rent paid today, after they complete a slum clearance, is \$13.80 in the southern part of the country and \$16.80 in the northern part, and may I also ask the gentleman this question?—How could the people live in the slum area while they were improving it? It was necessary for them to move out, and the people that they bring in are investigated. and they are people who receive a salary of from \$450 to

Mr. BENDER. I do not know what the experience has been in any other part of the country.

Mr. FITZPATRICK. Investigate and find out the truth.

Mr. BENDER. I am citing the circumstances in my home city, and there is not a person who lived in this so-called slum area who is living there today, because he cannot rent a place for less than \$25 and his income will not warrant his paying that kind of rental.

Mr. MARCANTONIO. Mr. Chairman, will the gentleman

Mr. BENDER. I yield.

Mr. MARCANTONIO. Is not the conduct of the work and the renting of the apartments in this particular project. controlled by the local housing authority?

Mr. BENDER. I cannot keep up with all of the various agencies that control these things.

Mr. MARCANTONIO. It is the Cleveland housing authority, is it not?

[Here the gavel fell.]

Mr. JOHNSON of Oklahoma. Mr. Chairman, I ask unanimous consent that all debate on this paragraph and all amendments thereto close in 20 minutes.

Mr. GIFFORD. Mr. Chairman, reserving the right to object, I was just going to ask unanimous consent to proceed for 10 minutes on this housing matter.

Mr. JOHNSON of Oklahoma. Mr. Chairman, I do not want to be unreasonable and I wish to give everybody an opportunity to talk, but unless we can agree on the time for debate we are not going to be able to come anywhere near getting through this evening.

Mr. Chairman, I ask unanimous consent that all debate on this paragraph and all amendments thereto close in 40

The CHAIRMAN. Is there objection to the request of the gentleman from Oklahoma?

There was no objection.

Mr. TAYLOR of Tennessee. Mr. Chairman, I move to strike out the last word.

Mr. Chairman, in discussing the Federal housing program and as evidence of the tremendous extravagance practiced therein, I want to call the attention of the committee to a very interesting article which appeared in the Washington Herald a few days ago in the column of Paul Mallon, which

Mr. Roosevelt may get a pointed tip on economizing from the Vice President if he can get Mr. Garner to tell about the Garner

low-cost housing project.

It seems Mr. Garner, who believes in getting a dollar's worth for a dollar, has some scattered land near his home in Uvalde and decided to do some resettling and low-cost housing of his own on it.

A Government F. H. A. house was being built a mile and a half out of town for \$2,700 as a demonstration. It was last summer. Garner had nothing to do. So he decided to try his hand and see what he could do.

The result was the Vice President built his houses for just about

The result was the Vice President built his houses for just about half the cost of the F. H. A. house, is renting them for less than half as much, and making 15 percent profit while F. H. A. is breaking even or losing money.

This private Garner low-cost housing project to date has completed 17 houses and several more are under way. The average cost so far has been \$1,500, but chiefly because two or three tenants wanted sleeping porches, and this ran the cost of these few places up to \$1,800 each, thus lifting the average. All the houses have garages and modern conveniences. garages and modern conveniences.

Mr. Garner's houses rent for \$10 to \$15 per month, while the F. H. A. house rents for \$27.50. One tenant in a \$15 house sends a check for \$7.50 every 2 weeks to the Vice President and generally makes some pleasant personal reference to his "landlord."

I thought, Mr. Chairman, this would be of interest to the membership of the House, in view of the difference in cost of construction, as well as the difference in rental charge, where the construction is done by private interests.

Mr. CRAWFORD. Mr. Chairman, will the gentleman

Mr. TAYLOR of Tennessee. I yield to the gentleman from Michigan.

Mr. CRAWFORD. I am very much interested in this Garner private housing authority, to which the gentleman has called attention. Did I understand the gentleman to say that the cost was \$1,500 per room or per family unit?

Mr. TAYLOR of Tennessee. The cost was \$1,500 per house, which compares with a house which costs the Federal Government \$2,750.

Mr. CRAWFORD. Does the gentleman know whether or not that includes the cost of the land?

Mr. TAYLOR of Tennessee. I do not know about that; but it seems to me we need a man in charge of this housing program who has some of the same conceptions of economy that our Vice President has practiced in this instance. [Appleuse]

Mr. CRAWFORD. In looking at the hearings I find that at page 195 Mr. Straus testified that the total cost of a family unit—and I understand, although this is subject to correction, that this is where they throw a great mass of family units together, thereby materially reducing the cost—the cost per family unit is \$5,484 as against the Garner \$1,500 plan.

Mr. TAYLOR of Tennessee. Correct.

Mr. CRAWFORD. So I think we should ask for a merger of some kind

Mr. TAYLOR of Tennessee. We need a man of John Garner's economy concept in charge of this Housing Administration.

Mr. CRAWFORD. I think so.

Mr. TAYLOR of Tennessee. I voted for this slum-clearance legislation, but from the information I have received, it is costing entirely too much, and I fear that in the end the people we intended to benefit will not be able to take advantage of the program as administered. It is only fair to state that the incident to which I have called attention was a Federal housing project and not a project under the United States Housing Act. However, it does afford a comparison of the relative difference in cost when construction is by the Federal Government and a private citizen. [Applause.]

[Here the gavel fell.]

The CHAIRMAN. The gentleman from Michigan [Mr. Crawford] is recognized for 4 minutes.

Mr. CRAWFORD. Mr. Chairman, the matter under consideration this afternoon is a part of the \$16,000,000,000 housing program referred to by the President in his message of November 27, 1937, at which time in that message he said:

An average of 600,000 to 800,000 dwelling units ought to be built annually over the next 5 years. We could build over the next 5 years three or four million housing units, which, at a moderate estimate of \$4,000 per unit, would mean spending from twelve to sixteen billion dollars.

I find this afternoon from the testimony on page 195 that the cost per family unit is running about \$5,484, which is including the \$84 unit for land, as against the President's figure of \$4,000 per unit. There is one proviso in this bill that I am very much interested in, and that is on page 3, section 4, of the original act, which provides that the Administrator may, subject to the civil-service laws and the Classification Act, as amended, appoint and fix the compensation of such employees as may be necessary for the proper performance of the duties of the Authority under this act, except that without regard to the civil-service laws he may appoint such officers, attorneys, and experts, and so forth. In going through the hearings I find where Mr. Straus testified that out of a total of employees he has 897 under the civil service and 721 above the civil service.

Mr. FITZPATRICK. Mr. Chairman, will the gentleman yield?

Mr. CRAWFORD. That illustrates what can happen when you leave the gates open in an act providing that an administrator can make his selection without regard to the civil-service law. The Administrator has the power to make this selection. Where they get the idea of designating these people as above the civil service I do not know.

Mr. FITZPATRICK. Mr. Chairman, will the gentleman yield?

Mr. CRAWFORD. I decline to yield. I cannot understand where the language comes from that puts these people above civil service. Note that peculiar language. Would the civil-service employees consider themselves below those not on civil-service rolls?

There is another statement in these hearings that interests me very much, and that is to the effect that \$516,000 is to be spent for traveling in connection with these housing projects. Perhaps it would be much less expensive if we established two or three branch offices throughout the United States and eliminate some of this excessive travel expense which is necessary, apparently, to carry on these operations.

I hope the committee, in due course, will look into that

Mr. FITZPATRICK. Mr. Chairman, will the gentleman yield?

Mr. CRAWFORD. I decline to yield. I suggest that you turn to pages 179 to 191 of the hearings and study that extraordinary list of employees who are not covered under civil service. Notice that family which has been created. Notice the salaries, the jobs, and the locations. Check and see how many of them were selected from your State. I understand there is a proviso in the civil-service law to the effect that States shall have participation. Check and see what your participation is.

[Here the gavel fell.]

The CHAIRMAN. The Chair recognizes the gentleman from New York [Mr. Lord] for 4 minutes.

Mr. LORD. Mr. Chairman, I rise rather to support my friend from New York [Mr. Fitzpatrick]; that is, if we are really building residence units as low as \$3,000, as he suggests.

I was surprised to hear that we were building any of these units at such reasonable prices as \$3,000. I suppose the gentleman from Ohio [Mr. White] had been led to believe they all cost much more, on account of some of the projects he may have visited out near Washington. I happened to call on one outside of Washington, where there are housing units that cost from \$16,000 to \$22,000 per unit, that are renting from \$28 to \$42 a month. We of New York State, of course, do not expect to build any such expensive buildings as that. I find that the average building cost is nearly double the \$3,000 figure, or nearly \$6,000. And in New York City I doubt if they can be constructed for even \$10,000 per unit.

Of course, as far as the building units in New York City are concerned, I do not know as I quite agree with the gentleman from New York [Mr. FITZPATRICK], because there will always be people coming into New York City to fill up the houses, no matter how many they construct. I think they should go out in the country, in the wide-open spaces, and build some houses, give the people a little land, and let them dig out their own living. So long as we furnish houses and maintain the occupants, we will be able to fill them.

I was surprised the other day, as I looked around in Washington, when I found some Government construction of apartments for the colored people. They were nice houses. They are out by the Anacostia River. They are nice; but the people are just boxed up, one on top of the other, four or five stories high, and they do not have enough room to dig worms to go fishing. How much better would it have been to take them out 18 or 20 miles from Washington, where the Government has some 18,000 acres of land, the majority of which they are putting to no use. Why would it not have been better to build some houses out there, instead of in the city of Washington, because if they do not have a job they have to take care of them anyway?

I visited a project down in the neighboring State of Virginia. I think the Government has done one of the wise things down there, if wisdom it be. They set aside 30 acres of land for each family; built them a nice house and barn. The expense is many thousands of dollars. They gave them a flock of chickens, a pig, two cows, a horse, and these nice buildings. Then they pay them \$20 a month to run the farm. You see, the Government owns the little farms but are to sell them later. No price has been set which they are to pay, and they do not know when they are to commence pay-

ing or when they get title to the farms. The fault the people find is that they say the pay it not enough; that they cannot live on \$20 a month; that they have to have more money. Our farmers in my State are not so fortunate as to have a farm furnished and a monthly payment even of \$20. I do not see anything in this bill that is going to give more money to people located out like this, but I believe it would be better to build modest homes in the country, with a few acres of land, where they can raise at least a part of their living than it would be to give them expensive places in the city where we have to take care of them.

There are coming into the city of New York all the time thousands and thousands of people. No matter how many houses and apartments they build, they will all be filled before

we get them ready.

As the previous speaker said, we are not giving any better houses to the poor people. After you get these new houses built the rent is so great that they cannot afford to rent them. They must go somewhere else to get some other place with lower rents, and the poor still live where they can, under conditions with little or no improvement. [Applause.]

[Here the gavel fell.]

The CHAIRMAN. The gentleman from Massachusetts

[Mr. Luce] is recognized for 4 minutes.

Mr. LUCE. Mr. Chairman, one of the most ungracious things a man can do is to say "I told you so." Yet there comes a time when it is necessary. There were members of the Committee on Banking and Currency who told the committee that this thing would happen. They told the House this thing would happen; but neither in the committee nor in the House would anybody listen. We told them that you would not do anything for the poor people of this country. told you that your law would not help clear the slums without creating other slums. We told you that no man earning less than \$1,000 a year would get any benefit from this legislation. The thing has happened. I can endorse in my own locality precisely what the gentleman from Ohio told you. In my own locality there are two of these projects for the poor; allegedly for the poor. They got votes by reason of the claim that they were for the poor. In one of them only 1 of 10 of the families that formerly lived on the site now live in the new buildings. There are those living there who keep automobiles, there are Government clerks, postal employees, policemen, firemen, and others of like earning power. There is not a poor man who lives there, not a man whose income is below that of two-thirds of the people of this country. Therein is the great weakness of this law; therein is the injustice in this law, injustice not only to the poor who have been dispossessed but injustice to the well-to-do who are taxed to house people who can afford to pay for their own housing.

Mr. SIROVICH. Mr. Chairman, will the gentleman yield? Mr. LUCE. I beg the gentleman's pardon, I have not time. If you want to clear slums, if you do not want to create other slums, if you want to carry this reform where England has carried it, if you want to improve the condition of the poor, if you want the light, the air, and the cheerfulness that the gentleman from New York [Mr. Fitzpatrick] asks, you will do what the other gentleman from New York [Mr. Lord] asked, build small homes out in the country where land prices will permit, where the poor can live, where they can grow some part of their own living, where they can have light, and air and cheer, and good health. Then you will be doing something. Today you subsidize the few at the expense of the many, and you subsidize people who are fortunate enough to be able to build houses of their own if they will. [Applause.]

[Here the gavel fell.]

The CHAIRMAN. The Chair recognizes the gentleman from California [Mr. Ford] for 4 minutes.

Mr. THOMAS F. FORD. Mr. Chairman-

Mr. FITZPATRICK. Mr. Chairman, will the gentleman yield?

Mr. THOMAS F. FORD. I yield.

Mr. FITZPATRICK. Answering the gentleman from Michigan [Mr. Crawford] about persons not under civil

service, the United States Housing Authority took over 1,577 employees from the P. W. A. that were not under civil service. Every statement made here this afternoon by the Republican Members refer to P. W. A. projects, not to United States Housing projects, because not one of these has been completed yet. The rent will be from only \$12 to \$16 per month when they are completed.

Mr. THOMAS F. FORD. Mr. Chairman, calling attention to a statement made by the distinguished gentleman from Ohio, I think he was perfectly honest in making it, but he is mistaken. The project in Cleveland that he referred to is an old P. W. A. project. It is not under the United States Housing Authority, was not built by them, because they have not built anything yet. Those buildings were erected at a time when we had a program designed to give employment and to buy materials. They paid good wages and bought materials lavishly. They put large amounts of money into those buildings, but that is not the slum clearance United States Housing project that is under consideration at this time.

Mr. CRAWFORD. Mr. Chairman, will the gentleman vield?

Mr. THOMAS F. FORD. I am sorry, but I cannot.

Ohio has been allotted, under the United States Housing Authority, something over \$15,000,000. I find also, Mr. Chairman, that the rental rates in those Ohio projects, when they are built, will be as follows: Cincinnati, Cleveland, Toledo, Columbus, and Dayton are in the higher brackets, and the rent will be \$4.25 per room. There is one at Zanesville which will be \$3.50 per room. We have another at Warren, Ohio, which will be \$3.75 per room. This means \$15 to \$17 per month for a four-room apartment. This is the type of structure the United States Housing Authority is going to erect, and this is the range of rentals that will be charged. The reason such low rentals can be charged is because the United States Housing Authority allocates to these projects an annual subsidy of $3\frac{1}{2}$ percent of the total cost.

Mr. Chairman, I yield back the balance of my time. The CHAIRMAN. The Chair recognizes the gentleman

from Wisconsin [Mr. Hawks] for 4 minutes.

Mr. HAWKS. Mr. Chairman, I cannot stand here as did the gentleman from Massachusetts [Mr. Luce] and say, "I told you so," because I happen to be a new Member; but I can say "amen" to what he said.

It is very easy for me, as it is for the gentleman from New York, to stand here and shed big tears over the poor people in New York City, particularly those in the slums; but it is very much easier for me to cry over the kids living on the farms in the Middle West, kids I know intimately who do not have steam heat, or hot air, who have not the advantages of bathtubs and running water, who must get up in the morning in a cold garret, go down and build a fire and wait for that fire to get going before they can get warm these cold winter mornings. All the sympathy that you fellows have been dishing out down here for the last 6 years has been going right over the heads of the people out home.

Why has none of this Federal Housing aid, why has none of these huge building projects considered the poor people on the farms in our great middle western territory instead of being confined to the cities? [Applause.] I think the answer is quite evident. There is no question in my midbut what the "big shots" operating in this field could not see any opportunity for their financial advancement in picking out one little lonesome farmer at a time in the Middle West.

Mr. CRAWFORD. Mr. Chairman, will the gentleman yield?

Mr. HAWKS. I yield.

Mr. CRAWFORD. I challenge the remarks made by the gentleman on the other side a few moments ago. Turn to page 195 and you will find where Mr. Straus, the Administrator, testified that the cost of the new housing is \$5,484. I am not talking about P. W. A. or W. P. A.; I am talking about his new operations set forth here.

Insofar as the civil service is concerned, if you will turn to the original act which has not been amended in the meantime you will find that my remarks relative thereto were correct and based on facts. So are my remarks with reference to the cost per family unit.

Mr. FITZGERALD. Will the gentleman yield? Mr. HAWKS. I cannot yield to the gentleman.

Mr. CRAWFORD. Will the gentleman yield for a further observation?

Mr. HAWKS. I yield to the gentleman from Michigan.

Mr. CRAWFORD. The National Resources Committee report of May 27, 1938, shows that there are 23,349,944 families in the United States with an income of less than \$1,250 per annum. I have not been able to find where any of those 23,000,000 families can get access to the Federal housing program or the national housing program.

[Here the gavel fell.]

The CHAIRMAN. The Chair recognizes the gentleman from New York [Mr. MARCANTONIO].

Mr. FITZPATRICK. Will the gentleman yield?

Mr. MARCANTONIO. I yield to the gentleman from New York [Mr. FITZPATRICK].

Mr. FITZPATRICK. May I say to the gentleman from Michigan that not one project has been completed. He was referring to the P. W. A.

Mr. MARCANTONIO. Mr. Chairman, the argument made by the gentleman from Wisconsin [Mr. Hawks], whereby he sought to array the farmers of the country against the dwellers in the large cities and the wage earners of America, the argument by which he sought to keep these two important groups apart, is by no means new. It is a very, very old argument. In fact, it is shop-worn. It is the stratagem which is typical and characteristic of those who at all times have opposed anything which is progressive, anything which is humanitarian, and anything which is for the benefit of the American people.

We who come from the industrial sections say to those who come from the agricultural sections that the interests of the farmer and the worker in the city are essentially interdependent; that when the American worker in the factory receives a decent wage and lives in a decent home he is able to purchase the products of the American farmer, thereby enhancing the welfare of the American farmer and his family. The future of America rests on the unity of farmer and worker and on their mutual assistance.

However, it is the same old story. It is now used against slum clearance and Government housing. It was used against workmen's compensation laws; it was used against social-security legislation; it was used against health laws; and it has always been used by reactionaries in their effort to stem the progress of our country; array farmer versus city wage earner to defeat legislation for the benefit of the wage earner; array city wage earner versus farmer to defeat legislation for the benefit of the farmer. However, the farmer and the worker are not easily fooled any longer by this game. More and more are they becoming conscious of this old scheme by which they have been sold tickets to a lottery which is never drawn.

Mr. Chairman, those of us who have fought, and will continue to fight, for welfare legislation take the position that whenever we are presented with a proposal which will be of benefit to the farmers of this country, we will support that proposal because we recognize that the welfare of the man who works in the factory is dependent also on the welfare of the man who works in the field.

We are opposed to division. We seek national unity. Now, what is this amendment under consideration? On the surface the amendment proposes to limit the cost per housing unit to \$3,500. The demagogy advanced is that it will cut down rents on these projects. Is anyone so naive as to believe that by limiting the cost per unit to \$3,500, instead of to \$4,000, it will in any manner affect the rent of these units? The \$500 difference makes no difference whatever in the rents to be charged. It does, however, make a great difference in the program of the United States Housing Authority which is now under way. It scuttles this program. It is a body blow to genuine slum clearance. This is the real purpose behind this amendment. If you are opposed to slum clearance, stand up and say so. If you do not want

Government housing, stand up and say so. If you want to abolish the housing program, stand up and say so. But do not do it by sniping. Do not do it by indirection. Do not do it by proposing this amendment, which will cripple housing.

I call upon every friend of slum clearance and Government housing to vote against the amendment.

[Here the gavel fell.]

The CHAIRMAN (Mr. Buck). The Chair recognizes the gentleman from Ohio [Mr. SMITH] for 4 minutes.

Mr. SMITH of Ohio. Mr. Chairman, I am opposed to granting to the United States Housing Authority one more penny to pay the rent of people who are already able to pay their rent and to perpetuate one of the worst political rackets in the United States.

There is no more vicious piece of legislation on the statute books than this United States Housing Act. It reeks with deception through and through. If the people understood it they would not tolerate it for a single minute.

Plainly, it is a political racket of the first order.

I understand there is a bill up before the Ohio Legislature to abolish the housing authority of my State, and I hope it passes.

Last year, an election year, the housing authority tried to operate its racket in my own city, Marion, Ohio. A press release, early last year, by certain gentlemen who were seeking to be reelected to high public office, announced that the Federal Government was ready to make a gift to the city of Marion of a million dollars to build a slum clearance project. There was the usual political propaganda that ordinarily goes with things of this kind. Certain parties connected with the H. O. L. C. were especially busy. But the thing needed at that time in Marion more than anything else was votes. And a million dollars ought to buy a lot of votes.

Up to that time Marion was not aware that she had any slums. A slum is defined in Webster's Dictionary as:

A foul back street of a city, especially one filled with a poor, dirty, degraded and often vicious population; any low neighborhood or dark retreat; usually in the plural; as Westminster's slums are haunts of thieves.

I got the housing law and read it. I saw the evil in it. I explained it to my fellow citizens in Marion. I asked them to go slow in permitting our fair city to be blackened with one of these housing projects. Our people became aroused when they learned the truth.

Our city council voted almost unanimously to reject any housing scheme under this act for both the present and the future.

Certain areas in Marion were staked off by the parties interested in getting a housing project for Marion. The poor people of those sections called upon me as their mayor to rescue them from the clutches of what they believed to be a beast descending upon them. They asked me to help them save their homes, to keep them from being driven out into the street. This I did with the result that one little city in the United States, Marion, Ohio, threw a million-dollar political slush fund back into the faces of the politicians here in Washington.

The Housing Act pretends that these houses are built for the poorest people. That is untrue, as anyone who has made a study of the question knows. What happens is that the poorest people are driven out of the areas on to the streets and the houses become occupied by people who are already able to pay their rent.

This is what has happened in every instance where houses have been built in the so-called slum areas.

What right have we here in Congress to pass laws permitting a thing of this kind?

One of the deceptions in this housing law is that the rent paid is used to liquidate interest and capital invested. The interest and capital invested in the project is liquidated by the appropriation this bill calls for.

The Government takes away from the taxpayers, say, a million dollars, to build one of these housing projects, and then reaches into the taxpayers' pockets for another million dollars to pay it off.

But the scheme touches the bottom of perfidy in that the poor people are driven out of their homes onto the streets and then are compelled to pay taxes to help pay the rent of their more fortunate brethren who are already well able to pay their rent.

Who in this House will defend that? [Applause.]

Mr. JENSEN. Mr. Chairman, I move to strike out the last two words.

The CHAIRMAN. The Chair cannot recognize the gentleman for that purpose at this time.

Mr. CARTER. Mr. Chairman, a parliamentary inquiry.

The CHAIRMAN. The gentleman will state it.

Mr. CARTER. What is the situation at this time?

The CHAIRMAN. The time on this paragraph has been limited to 40 minutes, with the understanding that those Members who were on their feet at the time the agreement was reached would be recognized.

The Chair recognizes the gentleman from Massachusetts

[Mr. McCormack] for 2½ minutes.
Mr. McCormack. Mr. Chairman, I respect thoroughly the remarks made by the last speaker. The gentleman is frankly opposed to low-cost housing, and when the gentleman takes the floor and states frankly that he takes the position of complete opposition, even in disagreement, we respect him for his frankness. He presents a clearcut issue. The gentleman who has just spoken is not engaged in any sniping tactics. He is opposed, and he frankly states he is opposed, to low-cost

housing and he gives his reasons.

Mr. Chairman, I do not agree with the gentleman. I am in favor of this program. I have seen it in operation. There is a project in my district in which there is an excess of 1.000 apartments. I deny the charge that "it is a political racket," as made by the previous speaker. I deny that that is a fair accusation to make. The project in my district has certainly been conducted with care. Of course, like everything else, it is dependent upon the administration. The man who is manager of the project in my district has been very careful in selecting those families that it was intended to serve, and we have had none of the complaints as stated by my distinguished friend from Massachusetts [Mr. Luce]. I do not *know whether there is any justification for what he said with reference to the project in Cambridge, but, speaking for the project in my own district, there are absolutely no complaints, because those in charge took care to see that the families it was intended to serve were the ones to receive favorable consideration.

Mr. SIROVICH. Mr. Chairman, will the gentleman yield?

Mr. McCORMACK. In just a moment.

I wish to make one more observation with reference to rent. The rent appears to some to be high, but the rental includes all costs-not only the basic rent, but heating, electricity, and everything else. So when we look into the factors that make up the rent we find that the basic rent that would be ordinarily charged if these other considerations of heat and electricity were not involved is such that the families intended to be served do receive the benefits Congress intended them to receive.

This program has been, in the main, a very good one. It serves a very useful purpose. These projects do not compete with homes constructed through the investment of private capital for people who are capable of paying rent for them if the managers of the projects do their duty as they should and if the projects are administered right. This comes down to the basic reason for the success of any law. The best law in the world is a bad one if administered improperly, and the poorest law you and I could draft would become a good

one if administered properly.

The pending amendment is an attack on this program. I contend the program has done good work. I hope the amendment will not be agreed to. It will interfere seriously with the future operation of the program. Mr. Straus has been doing fine work. He is eliminating many inefficiencies of the past. Under his guidance the United States Housing Authority has been perfecting itself and is being administered in a manner which is highly commendable. He is a man of ability, knows his work, a man of courage and vision, ideally fitted for this humane program and its administration, and is possessed of a sound, practical mind, so essential to its success.

I now yield to the gentleman from New York.

Mr. SIROVICH. I call to the attention of the distinguished gentleman from Massachusetts that in the city of New York wherever the United States Housing Authority has built apartments there are 300 applicants for every vacant apartment.

Mr. McCORMACK. I do not know whether the figure is as high as that in Boston. I know that my friend understands the conditions that exist in New York. His observations show the importance of continuing this program without limitations such as this amendment proposes and will accomplish. However, the fact remains that we are all human beings, and imperfections are bound to exist. All I can say, speaking for the project in my district-and some groups certainly put pressure upon me to try to stop it at the outset. although I resisted the pressure—is that the chairman of the Boston Housing Authority, the members of the local authority, the manager, and those associated with them have done a wonderful job. I said to the manager when he was appointed:

I want you to make a thorough investigation. I want you to be sure that no applicant is approved if he is not entitled to go in there in accordance with the intent of the Congress. I do not care who asks you, if I ask you or anyone else asks you, I want you to say "no." I want you to make an investigation, so that after you have done your job you can present the facts to anyone—newspapers, organizations, men in public life, or individuals, anyone—and show by your investigation that those whose applications have been approved are the persons the Congress intended to be served.

That work has been ably done so far as the project in my district is concerned.

This amendment will be harmful. I hope the amendment will be defeated. [Applause.]

The CHAIRMAN. The time of the gentleman from Massachusetts has expired. All time has expired.

The question is on the amendment offered by the gentleman from Ohio [Mr. WHITE].

The question was taken; and on a division (demanded by Mr. White of Ohio) there were—ayes 98, noes 78.

Mr. JOHNSON of Oklahoma. Mr. Chairman, I demand

Tellers were ordered, and the Chairman appointed as tellers Mr. Johnson of Oklahoma and Mr. White of Ohio.

The Committee again divided; and the tellers reported that there were-ayes 107, noes 92.

So the amendment was agreed to.

The Clerk read as follows:

GENERAL EXPENSES

For transportation and incidental expenses of officers and clerks of the Bureau of Indian Affairs when traveling on official duty; for radio, telegraph, and telephone toll messages on business pertaining to the Indian Service sent and received by the Bureau of Indian Affairs at Washington, and for other necessary expenses of the Indian Service for which no other appropriation is available, exp. 500.

Mr. JOHNSON of Oklahoma. Mr. Chairman, at the suggestion of one of the distinguished minority Members, I ask unanimous consent that the reading of the entire portion of the bill relating to the Bureau of Indian Affairs be dispensed with. It is my understanding there are just one or two controversial items in that entire portion.

Mr. TABER. Mr. Chairman, reserving the right to object, I believe it would be very inadvisable for the House of Representatives to dispense with the reading of a portion of a general appropriation bill.

Mr. JOHNSON of Oklahoma. I may say to the gentleman that, of course, it will be printed in the RECORD. I may also say the suggestion did not come from this side of the aisle.

Mr. TABER. I believe it would be very bad to have the news go out to the country that the House of Representatives was dispensing with the reading of a portion of a general appropriation bill. I would not consent to such a practice on any general appropriation bill.

Mr. JOHNSON of Oklahoma. Of course, the gentleman understands this has been done many times in the past.

Mr. TABER. Not with my consent.

Mr. JOHNSON of Oklahoma. If there is any objection, I shall withdraw my request.

Mr. TABER. I shall have to object, Mr. Chairman.

The Clerk read as follows:

For lease, purchase, construction, repair, and improvement of agency buildings, exclusive of hospital buildings, including the purchase of necessary lands for agency purposes and the installation, repair, and improvement of heating, lighting, power, and sewerage and water systems in connection therewith, \$200,000: Provided, That no part of this appropriation shall be available for the construction of any building the total cost of which is in excess of \$1,500.

Mr. GRISWOLD. Mr. Chairman, I offer an amendment. The Clerk read as follows:

Amendment offered by Mr. Griswold: On page 22, line 14, after "\$1,500", strike out the period and insert a colon and the following proviso: "Provided jurther, That no part of this appropriation shall be available for the tearing down or removal of any building or buildings at the Federal Indian School at Tomah, Wis."

Mr. GRISWOLD. Mr. Chairman, I offer this amendment in the interest of economy and the preservation of property now owned by the Federal Government. The Tomah Boarding School and Hospital represents an investment of around \$500,000 of Federal funds. Because of the temporary shortage of students and because of the ability of the State public schools to absorb additional pupils, the school has been closed for the time being. In a letter from the Office of Indian Affairs on March 9, 1939, they state:

A plan has been proposed for the assignment to Indian families in need of rehabilitation of small tracts of the school farm and the utilization of salvage materials from the old boarding-school plant in the construction of suitable homes and farm buildings for these Indian families.

I do not believe this Congress wants to allow the destruction of any such valuable institution until every effort has been made to put the school to a suitable use. This amendment simply prevents the destruction of the school until adequate time and study can be made for its future use. This amendment preserves an institution the Department has, and I hope the amendment will be accepted by the chairman of the committee.

Mr. JOHNSON of Oklahoma. Mr. Chairman, the committee has no objection to the pending amendment.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Wisconsin.

The amendment was agreed to.

The Clerk read as follows:

For the development, under the direction of the Commissioner of Indian Affairs, of Indian arts and crafts, as authorized by the act of August 27, 1935 (49 Stat. 891), including personal services, purchase and transportation of equipment and supplies, purchase of periodicals, directories, and books of reference, purchase and operation of motor-propelled passenger-carrying vehicles, telegraph and telephone services, cost of packing, crating, drayage, and transportation of personal effects of employees upon permanent change of station, expenses of exhibits and of attendance at meetings concerned with the development of Indian arts and crafts, traveling expenses, including payment of actual transportation expenses and not to exceed \$10 per diem in lieu of subsistence and other expenses of members of the Indian Arts and Crafts Board, serving without other compensation from the United States, while absent from their homes, not to exceed \$2,500 for printing and binding, and other necessary expenses, \$42,500, of which not to exceed \$16,000 shall be available for personal services in the District of Columbia: Provided, That no part of this appropriation shall be used to pay any salary at a rate exceeding \$7,500 per annum.

Mr. TABER. Mr. Chairman, I make a point of order against the language "not to exceed \$10 per diem", in line 3, page 36.

The CHAIRMAN. Without objection, the Committee will return to page 36, line 3, and the gentleman will state his point of order.

There was no objection.

Mr. TABER. Mr. Chairman, I make the point of order that this changes existing law and is not authorized by law. This is an attempt to raise the per diem allowance that might be paid to these people to \$10 a day, which is contrary to the statutes of the United States.

The CHAIRMAN. Does the gentleman limit his point of order to the \$10 per diem, or does he make the point of order against the entire paragraph?

Mr. TABER. I just make it to the particular language reading:

And not to exceed \$10 per diem in lieu of subsistence and other expenses of members of the Indian Arts and Crafts Board.

The CHAIRMAN. Does the gentleman from Oklahoma desire to be heard on the point of order?

Mr. JOHNSON of Oklahoma. I concede the point of order, Mr. Chairman.

The CHAIRMAN. The Chair desires to have a complete understanding about the language objected to.

Mr. TABER. Mr. Chairman, I am not making a point of order against the language "including payment of actual transportation expenses." My point of order is made against the words "and not to exceed \$10 per diem in lieu of subsistence and other expenses of members of the Indian Arts and Crafts Board, serving without other compensation from the United States, while absent from their homes."

The CHAIRMAN. The point of order is sustained. Mr. RICH. Mr. Chairman, I offer an amendment, which I send to the Clerk's desk.

The Clerk read as follows:

Amendment offered by Mr. Rich: On page 35, line 8, after the figures "1967", strike out "\$400,000" and insert "\$300,000."

Mr. RICH. Mr. Chairman, this would represent a saving of \$100,000 and represents money that has been given for the Indian Bureau to purchase lands in the various States for the Indians in particular locations.

It has come to the attention of the committee that in the State of New Mexico they do not want the Indian Service to go in there and buy up any more State land. Other States have asked that they do not come into their localities and purchase additional lands for these Indian tribes. It deprives them of taxes to operate their States.

We have set up a revolving fund in the Indian Bureau and we are simply adding to that fund, and it seems to me we are adding a greater amount than is necessary because of the fact that so many States have made the statement that they do not want these lands purchased. I would like to ask the chairman of the committee how much money is in the fund at the present time.

Mr. JOHNSON of Oklahoma. I will state to the gentleman that, in the first place, he is speaking about a different amendment and is not speaking on the paragraph to which he has offered an amendment.

Mr. RICH. On page 35?

Mr. JOHNSON of Oklahoma. That is a loan fund and is not for the purchase of land at all.

Mr. RICH. That is a loan fund of the Indian Bureau to make these purchases of lands?

Mr. JOHNSON of Oklahoma. No; that item is on page 26.

Mr. RICH. Is that the amount of \$550,000?

Mr. JOHNSON of Oklahoma. That is correct and the amount was cut \$200,000 by the committee.

Mr. RICH. Mr. Chairman, I withdraw my amendment, but I would like to make this statement to the members of the Committee.

Many of the States are not desirous of increasing this fund, and while the committee did cut it \$200,000, I question very much, if we permit it to go in this year, whether next year we ought to increase that amount at all, even though the law permits it.

Mr. CASE of South Dakota. Mr. Chairman, will the gentleman yield?

Mr. RICH. I yield.

Mr. CASE of South Dakota. I would like to ask the gentleman what his attitude would be with respect to providing that this \$400,000 and the other money that is in this revolving fund for making loans to Indians may be made available to all Indians on reservations that have accepted the act of June 18, 1934, regardless of whether they have incorporated or not? There are many reservations that do not have any opportunity to get any of this money.

Mr. RICH. I will say to my colleague from South Dakota that the Indian Bureau is better able to determine whether they should be made to those Indians who comply with the act or not, and I must admit that I cannot give him an answer, because I think the Indian Bureau that we have set up for the purpose of administering the affairs of the Indians is better able to judge that, and I shall have to leave that to the Commissioner of Indian Affairs.

Mr. CASE of South Dakota. Of course, the gentleman would not feel there should be any discrimination in the

granting of these loans.

Mr. RICH. I do not think there should be any discrimination, but if the Secretary of the Interior and the head of the Indian Bureau believe that act should be enforced, I think we will have to accept their decision in the matter.

The CHAIRMAN. Without objection, the amendment will be withdrawn and the Clerk will read.

There was no objection. The Clerk read as follows:

In all, \$3,064,000, to be immediately available, which amount, together with the unexpended balances of funds made available under this head in the Interior Department Appropriation Act, fiscal year 1939, shall remain available until June 30, 1940: Provided, That the foregoing amounts may be used interchangeably in the discretion of the Secretary of the Interior, but not more than 10 percent of any specific amount shall be transferred to any other amount, and no appropriation shall be increased by more than 15 percent. more than 15 percent.

Mr. CASE of South Dakota. Mr. Chairman, I ask unanimous consent to return to page 35 for the purpose of offering an amendment.

The CHAIRMAN. Is there objection?

There was no objection.

Mr. CASE of South Dakota. Mr. Chairman, I offer the following amendment which I send to the desk.

The Clerk read as follows:

Amendment offered by Mr. Case of South Dakota: Page 35, line 4, strike out the words "chartered corporations in accordance with" and insert "reservations that have accepted."

Mr. CASE of South Dakota. Mr. Chairman, the language of the present act limits the availability of these loans to chartered corporations on Indian reservations. That is under the act of June 18, 1934. There are many reservations that have accepted the act of 1934, have voted for it, have officers elected under it, and have constitutions, but it is impossible for them to agree to the technical details of a chartered corporation, and this amendment simply places all reservations that have accepted the act on an equal basis and makes them eligible to receive loans from the revolving loan

Mr. RICH. Mr. Chairman, will the gentleman yield?

Mr. CASE of South Dakota. Yes.

Mr. RICH. Why is it that the Indians cannot incorporate?

Why should they not incorporate?

Mr. CASE of South Dakota. Incorporation is not needed to establish an effective basis or status for administering the loans, but if you have reservations embracing two or three or four counties, and several thousand Indians, it is difficult for them to incorporate because it is difficult for them to understand all of the technical details of corporate law. The result is that those who are unable to understand the details of corporate organization vote against the incorporation, because of some misunderstanding. As a consequence the smaller reservations incorporate and get loans while the larger ones do not and are left out. These loans when finally made are available to the individual Indians, and the requirement of incorporation simply results in discrimination in the application and availability of the loans today.

Mr. RICH. Does the gentleman think the Indian Bureau

would approve this amendment?

Mr. CASE of South Dakota. I have talked with individuals in the office and they have expressed sympathy for it as a solution of a very difficult problem.

Mr. RICH. Would they recommend or have they recom-

mended it?

Mr. CASE of South Dakota. I cannot say that they are on record as having recommended it, but this morning I talked

with one of the officials in the Indian Office who has to administer this law and he said it would solve a difficult problem if something like this could be done.

The CHAIRMAN. The question is on the amendment offered by the gentleman from South Dakota.

The amendment was agreed to.

The Clerk read as follows:

Reindeer industry, Alaska: For the purchase, in such manner as the Secretary of the Interior shall deem advisable and without regard to sections 3709 and 3744 of the Revised Statutes, of reindeer, abbatoirs, cold-storage plants, corrais, and other buildings, and communication and other equipment, owned by nonnatives in Alaska, as authorized by the act of September 1, 1937 (50 Stat. 900), \$820,000; and for necessary administrative expenses in connection with such purchase and the establishment and development of the reindeer industry for the benefit of the Eskimos and other natives of Alaska, as authorized by said act, including personal services in the District of Columbia (not to exceed \$2,300) and elsewhere, traveling expenses, erection, repair, and maintenance of corrals, fences, and other facilities, \$250,000; in all \$1,070,000, to be immediately available: Provided, That under this appropriation not exceeding an average of \$4 per head shall be paid for reindeer purchased from nonnative owners: Provided further, That the foregoing limitation shall not apply to the purchase of reindeer located on Nunivak Island. regard to sections 3709 and 3744 of the Revised Statutes, of reinreindeer located on Nunivak Island.

Mr. SCHAFER of Wisconsin. Mr. Chairman, I make the point of order against the paragraph on the ground that it is legislation on an appropriation bill unauthorized by law. In fact, the language clearly indicates that it repeals the specific provisions of existing law as incorporated in sections 3709 and 3744 of the Revised Statutes.

The CHAIRMAN. Does the gentleman from Oklahoma desire to be heard?

Mr. JOHNSON of Oklahoma. No; I concede the point of

The CHAIRMAN. The point of order is sustained.

Mr. JOHNSON of Oklahoma. Mr. Chairman, I offer the following amendment, which I send to the desk and ask to have read.

The Clerk read as follows:

Amendment offered by Mr. Johnson of Oklahoma: Page 60, line

Amendment offered by Mr. Johnson of Okianoma: Page 60, line 23, insert a new paragraph, as follows:
"Reindeer industry, Alaska: For the purchase, in such manner as the Secretary of the Interior shall deem advisable, of reindeer, abbatoirs, cold-storage plants, corrals and other buildings, and communication and other equipment, owned by nonnatives in Alaska, as authorized by the act of September 1, 1937 (50 Stat. 900), \$820,000; and for necessary administrative expenses in connection with such purchase and the establishment and development of the reindeer industry for the benefit of the Eskimos and other natives of Alaska, as authorized by said act, including perment of the reindeer industry for the benefit of the Eskimos and other natives of Alaska, as authorized by said act, including personal services in the District of Columbia (not to exceed \$2,300) and elsewhere, traveling expenses, erection, repair, and maintenance of corrals, fences, and other facilities, \$250,000; in all \$1,070,000, to be immediately available: Provided, That under this appropriation not exceeding an average of \$4 per head shall be paid for reindeer purchased from nonnative owners: Provided further, That the foregoing limitation shall not apply to the purchase of reindeer located on Nunivak Island."

Mr. SCHAFER of Wisconsin. Mr. Chairman, I make the point of order against the amendment on the ground that it is legislation on an appropriation bill, unauthorized by law, and it delegates to the Department additional authority which it does not now have.

The CHAIRMAN. Does the gentleman from Oklahoma desire to be heard?

Mr. JOHNSON of Oklahoma. Mr. Chairman, I feel that it is unnecessary to make an extended argument, as I am sure the Chair is fully advised and ready to rule. Certainly there is no question but that this item is clearly authorized by existing law. Authority will be found in the act of September 1, 1937, Fiftieth Statutes, page 900. It plainly authorizes an appropriation of \$2,000,000. I call the attention of the Chair to section 16 which reads as follows:

The sum of \$2,000,000 is hereby authorized to be appropriated for the use of the Secretary of the Interior in carrying out the provisions of this act.

Mr. KNUTSON. What more authority do you want? That is enough.

Mr. CARTER. Mr. Chairman, I would like to be heard on the point of order.

The CHAIRMAN. The gentleman from California is recognized.

Mr. CARTER. The opening sentence of the amendment

For the purchase in such manner as the Secretary of the Interior shall deem advisable.

Now, certainly there is nothing in the statute that gives the Secretary of the Interior that much discretion. In addition to that, Mr. Chairman, I desire to call the attention of the Chair to the proviso in the amendment which reads as the proviso in the bill, which is clearly legislation. Therefore I say the point of order must be sustained against the proposed amendment.

The CHAIRMAN (Mr. Buck). The Chair is ready to rule. The act of September 1, 1937, on which the appropriation contained in this paragraph is based, reads in part as follows:

SEC. 2. The Secretary of the Interior is hereby authorized and directed to acquire, in the name of the United States, by purchase or other lawful means, including exercises of power of eminent domain, for and on behalf of the Eskimos and other natives of Alaska, reindeer, reindeer range, equipment, abattoirs, cold-storage plants, warehouses and other property, real or personal, the acquisition of which he determines to be necessary to the effectuation of the purposes of this act.

This seems to be a broad, all-inclusive grant of power. The language used in the amendment offered by the gentleman from Oklahoma merely restates, in slightly different words, the authorization contained in the act of September 1, 1937.

The proviso to which the gentleman from California [Mr. CARTER] refers appears to the Chair to be nothing more than a limitation, in the strictest sense of the word.

For these reasons the Chair overrules both points of order. The gentleman from Oklahoma [Mr. Johnson] is recognized.

Mr. JOHNSON of Oklahoma. Mr. Chairman, I desire to submit a unanimous-consent request. I ask unanimous consent that this so-called reindeer item, which seems to be about the only controversial item in the Indian affairs appropriation, go over for the day, and that the remainder of the section for the Indian Service be read at this time, at the conclusion of which it is my purpose to move that the Committee do now rise.

The CHAIRMAN. The gentleman from Oklahoma [Mr. JOHNSON] asks unanimous consent that the consideration of the paragraph dealing with the reindeer industry go over for consideration until tomorrow; that the remainder of the paragraph under the subheading "Indian affairs" be now read; and that at the conclusion of the reading the Committee do rise. Is there objection?

Mr. SCHAFER of Wisconsin. Mr. Chairman, I object. Mr. COLMER. Mr. Chairman, a parliamentary inquiry. The CHAIRMAN. The gentleman will state it.

Mr. COLMER. Do I understand that if this request is granted there will be ample opportunity under the rules to discuss the matter tomorrow?

The CHAIRMAN. There has been objection to the unanimous-consent request.

The question is on the amendment offered by the gentleman from Oklahoma [Mr. Johnson].

Mr. TABER. Mr. Chairman, is the House to be heard on this amendment?

The CHAIRMAN. The Chair will recognize any Member who desires to be heard.

Mr. COLMER. Mr. Chairman, a parliamentary inquiry. The CHAIRMAN. The gentleman will state it.

Mr. COLMER. What is the status of the matter now? The CHAIRMAN. The Committee has before it the amendment offered by the gentleman from Oklahoma [Mr.

Mr. COLMER. Then, if the gentleman does not desire recognition on his amendment, I rise in opposition to the amendment.

The CHAIRMAN. The gentleman from Mississippi is recognized for 5 minutes.

Mr. RICH. Mr. Chairman, will the gentleman yield? Mr. COLMER. I yield for a question.

Mr. RICH. It was the request of the gentleman from Oklahoma that we permit this item in the bill to go over until tomorrow, and I understood all Members would have an opportunity to speak on it tomorrow. That will give us an opportunity to conclude the balance of the Indian affairs matter

Mr. COLMER. Let me say to the gentleman I understood that was not agreed to.

The CHAIRMAN. The gentleman from Wisconsin [Mr. SCHAFER] objected to the request.

Mr. SCHAFER of Wisconsin. Mr. Chairman, in view of the fact that it is contemplated we will have full and free debate on the reindeer raid on the Treasury, I will withdraw my objection at this time.

The CHAIRMAN. The gentleman from Wisconsin withdraws his objection.

Is there objection to the request of the gentleman from Oklahoma [Mr. Johnson]?

There was no objection. The Clerk read as follows:

For compensation and expenses of an attorney or attorneys employed by the Shoshone Indian Tribe under a contract approved by the Secretary of the Interior on January 30, 1939, \$20,000, or so much thereof as may be necessary, payable from funds on deposit in the Treasury to the credit of such tribe; and the amount herein appropriated shall be available for compensation earned and expenses incurred during the period covered by said contract.

Mr. CASE of South Dakota. Mr. Chairman, I move to strike out the last word.

ROADS ON INDIAN RESERVATIONS

Mr. Chairman, this item for an appropriation for roads and bridges is one of the best expenditures made for Indian affairs. It makes jobs, it puts people to work, and it creates a permanent improvement that yields benefits for all time to

At this point I wish to offer my statement before the committee when it was considering this item:

The Chairman. Mr. Case, we will be glad to hear you at this time.
Mr. Case. Mr. Chairman and gentlemen of the committee, I am
appearing in behalf of the item for roads on Indian reservations
and in behalf of irrigation work in the Second District of South

First, with respect to the Indian roads matter, the authorization in the Hayden-Cartwright Act originally provided \$4,000,000 for the construction of roads on Indian reservations. That has since been reduced, and, as I understand, it is now proposed to put the appro-

priation below the reduced authorization.

The Charman, Is that the total or the amount for a year?

Mr. Case. For a year, for the whole country; and that portion of the money is to be spent on Indian reservations. There are five Indian reservations in my district, with an Indian population of approximately 25,000.

approximately 25,000.

The CHAIRMAN. What tribe is that?

Mr. CASE. The Sioux Tribe. Now, the money that is spent for the construction of roads in Indian reservations is money that saves expenditures in other ways. In the first place, under the terms of the Hayden-Cartwright Act, provision is made that the labor employed must be Indian labor, and that means that relief expenditures will be lessened by that much.

Mr. JOHNSON of Oklahoma. About 10,000 Indians will be employed.

ployed.

Mr. Case. Yes. This money has to be used for Indian labor, and Mr. Case. Yes. This money has to be used for Indian labor, and when the roads are built there is a saving in the matter of school transportation and a saving in the transportation of doctors. In the Indian country it is apparently impossible for the Indian Service to have as many doctors as are required, and by the saving on account of the travel of doctors in all parts of the reservation you will save that much of the total amount of money carried in this bill. There is a great saving in the transportation of children to school when you have roads. You build fewer schools and can have better schools and bring the children to them.

A road-building program got under way in the Indian country in

schools and bring the children to them.

A road-building program got under way in the Indian country in 1933 with a P. W. A. allotment of \$4,000,000. The Indian Service took a nucleus of regular civil-service employees, recruited additions, and started a program for the nearly 200 reservations scattered in 24 States, meeting different problems of weather, road demands, and road-building problems in all parts of the country.

That figure was then used as a basis for the original Hayden-Cartwright authorization, made, I think, in 1934. At any rate, in only 1 year, 1936, has Congress provided the full \$4,000,000. Last year it was \$3,000,000, I believe, part in the regular and part in a deficiency bill. Since the original guess as to what would be needed annually, engineering estimates covering the reservations

show that not four but eight million a year would be needed if the Indian Service is to hold up its end of a program properly coordinated and connected with the Bureau of Public Roads and State

systems.

A \$4,000,000 program only means \$20,000 on the average per reservation; the proposed \$2,000,000 means only \$10,000. That has to buy lumber, culverts, powder, and equipment and also pay wages. It means that the Indian road program will lag behind the connecting roads at every reservation boundary.

I mentioned that Indian labor must be employed with this money, and to that extent it relieves the relief load. I want to add that the Indian Service is getting results with the money expended. With an uneven appropriation from year to year, starting from scratch and building up a road-engineering organization, in approximately 5 years of field work, there has been accomplished 4,264 miles of road at an average cost of \$3,870 per mile; 1,979 miles of road surfacing, average cost \$1,500 per mile; 1,167 bridges built; 1,117 bridges repaired; 10,196 culverts constructed; and 1,334 culverts repaired. culverts repaired.

The engineering supervision and overhead, I am advised, has been less than 3 percent, and 70 percent of the money spent has gone into wages.

Therefore I want to urge that special consideration be given to making the full amount of the authorization available, because it will result in a saving on account of relief, as well as a saving in other directions.

Mr. LEAVY. What amount did the Budget allow? Have you

Checked that up?

The CLERK. The estimate shows \$2,000,000. The authorization is \$2,500,000 for the next fiscal year, and not \$4,000,000.

Mr. CASE. That is under the new act. It was \$4,000,000 under the old act. At least the full amount of the authorization, or

the old act. At least the full amount of the authorization, or \$2,500,000, should be appropriated.

Mr. Rich. Do you know how much was spent by W. P. A. and P. W. A. for those Indian roads during this last year?

Mr. Case. I cannot say. Of course, they put in some W. P. A. projects, but very little P. W. A. last year, as far as I know. Last year a total of \$3,000,000 was provided for roads on Indian reservations, and appropriation of the full authorization would be \$500,000 less than that

The Charrman. How much of that was spent in your district?
Mr. Case. I think approximately \$105,000. There are five reservations, two of which, the Pine Ridge and Rosebud, are among the largest in the country.

The Chairman. Have you taken this up with the Bureau of Indian Affairs?

The CHAIRMAN. Did you convince them that you ought to have more money?

Mr. Case. I am perfectly willing to have it distributed according to the needs of the respective reservations.

I am glad, Mr. Chairman, that while the committee did not raise the item to the full \$2,500,000, they did at least raise the Budget estimate by the quarter of a million to the \$2,250,000 which we are now approving.

The pro forma amendment was withdrawn.

The Clerk read as follows:

The appropriations available for expenditure for the benefit of the The appropriations available for expenditure for the benefit of the natives of Alaska may be used for the payment of traveling expenses of new appointees from Seattle, Wash., to their posts of duty in Alaska, and of traveling expenses, packing, crating, and transportation (including drayage) of personal effects of employees upon permanent change of station within Alaska, under regulations to be prescribed by the Secretary of the Interior.

Mr. RICH. Mr. Chairman, I move to strike out the last word.

Mr. Chairman, I would not be fair to my colleague from Washington, whose Bonneville item I tried to cut down, did I not make a statement with reference to the Cheyenne and Arapahoe items here for \$75,000 for a dormitory and \$15,000 for employees' quarters, which was not a direct recommendation of the Indian Bureau. I must call attention also to another item for the Consolidated Ute of Colorado office building, \$30,000; employees' quarters, \$15,000.

Inasmuch as I find the House is in no frame of mind to cut down expenses, there will be no use in my offering an amendment to strike these items out or I certainly would do This Congress does not want to economize.

Mr. JOHNSON of Oklahoma. Mr. Chairman, I rise in opposition to the pro forma amendment.

Mr. Chairman, I thank the gentleman from Pennsylvania for his kind statement. Frankly, I consider his statement a compliment, whether he so intended it or not, for the reason that one of the institutions mentioned is in the district I have the honor to represent in Oklahoma. I feel, however, that I should state for the information of the Members that our committee operating under the same rule this year that it has in the past, asked the Indian Service to present the most urgent of its many construction items. Thus the Indian Service complied as usual with the committee's request and the committee took the two or three items at the head of the list as being the most urgently needed. I invite Members to read the evidence presented at the committee hearings.

In my opening statement on the pending bill I pointed out that there are many Indian schools and hospitals that are in urgent need of new construction. The Members of this body are entitled to know that at no institution in the entire Indian Service is construction needed more than at the Concho Indian School in Oklahoma. Some of the buildings are shown by the evidence to be positively dangerous. So I am perfectly willing to accept the responsibility for a new girls' dormitory at Arapaho and Cheyenne Indian school, known as the Concho School. I trust that my constituents will read the remarks of the critical gentleman from Pennsylvania. [Applause.]

By unanimous consent, the pro forma amendment was withdrawn.

Mr. JOHNSON of Oklahoma. Mr. Chairman, I move that the Committee do now rise.

The motion was agreed to.

Accordingly the Committee rose; and the Speaker having resumed the chair, Mr. Buck, Chairman of the Committee of the Whole House on the state of the Union, reported that that Committee, having had under consideration the bill H. R. 4852, the Interior Department appropriation bill, 1940, had come to no resolution thereon.

ORDER OF BUSINESS

Mr. MARTIN of Massachusetts. Mr. Speaker, I ask unanimous consent to proceed for 1 minute.

The SPEAKER. Without objection, it is so ordered.

There was no objection.

Mr. MARTIN of Massachusetts. Can the gentleman from North Carolina advise us as to the program for the balance of the week?

Mr. BULWINKLE. Mr. Speaker, replying to the inquiry of the gentleman from Massachusetts, I may say that it is hoped that this bill will be completed tomorrow afternoon, in which event it is hoped to adjourn over until Monday.

Mr. MARTIN of Massachusetts. There will be no session on Friday if this bill is completed tomorrow?

Mr. BULWINKLE. Not if the bill is completed tomorrow

EXTENSION OF REMARKS

Mr. SUMNERS of Texas. Mr. Speaker, I ask unanimous consent briefly to extend my remarks on the reorganization bill.

The SPEAKER. Without objection, it is so ordered. There was no objection.

Mr. SIROVICH. Mr. Speaker, I ask unanimous consent to extend my own remarks by printing in the RECORD a speech delivered on the floor of the House.

The SPEAKER. Without objection, it is so ordered.

There was no objection.

Mr. MARCANTONIO. Mr. Speaker, I ask unanimous consent to revise and extend the remarks I made in the Committee of the Whole this afternoon on the pending bill.

The SPEAKER. Without objection, it is so ordered. Mr. PIERCE of Oregon. Mr. Speaker, I ask unanimous consent to insert in the RECORD in connection with my remarks made in Committee of the Whole this afternoon a table furnished me by the engineers of the Bonneville project containing figures of costs.

The SPEAKER. Without objection, it is so ordered.

There was no objection.

Mr. HARTER of New York. Mr. Speaker, I ask unanimous consent to address the House for 1 minute.

The SPEAKER. Without objection, it is so ordered.

Mr. HARTER of New York. Mr. Speaker, ladies and gentlemen of the House, in the message from the President yes-terday asking that Congress make a further deficiency the current fiscal year, the statement occurs:

Partly because of seasonal conditions, the volume of employment has decreased since the end of December. This includes industrial and agricultural employment. Therefore, the need for unemployment relief has increased.

I must confess that information coming to me in regard to New York State leaves me completely mystified.

On March 10 Buffalo, N. Y., papers carried a news item from the New York State capitol at Albany conveying information from the State industrial commissioner, Frieda S. Miller. This information purported to show the results of a survey made by her department. The report stated that there is a 2.1 percent increase in private employment in that State and incidentally showed the highest index in both employment and pay rolls since November 1937.

The article further goes on to say that the increase in private employment in that State for February 1939 over February 1938 is 5.1 percent and the resulting pay-roll increase is 7.6.

Having in mind recent reported assertions from the President that the \$150,000,000 was still needed for W. P. A., I naturally wanted to see what the W. P. A. had done to carry out the expressed wishes of Congress to weed out the nonneedy, political, and favored from its rolls in New York State. I accordingly communicated with the office of the Administrator of the Works Progress Administration in Washington and found, to my surprise, that in face of the 5.1-percent increase in private employment from February 1938 to February 1939, those on the W. P. A. rolls in that State increased during that time from 189,899 to 216,285, or 26,386. With Congress definitely for a separation of nonneedy, political, and favored ones from the W. P. A. rolls, how can the Administration explain this 26,386 increase? Twenty thousand of this increase came from New York City alone, while the industrial county of Erie, with over 800,000 population, has an increase of only 61 persons.

Another significant point which I learned from W. P. A. was that on October 2, 1937, in continental United States there were 1,403,192 persons on W. P. A. Having in mind the New York State industrial commissioner's reputed statement that the private-employment and pay-roll index for that State in February 1939 was the highest since November 1937, I found that on February 25, 1939, there were 2,852,932 persons on W. P. A. in continental United States-more than twice as many as on October 2, 1937. One might think that other States are lagging behind New York State in increase of private employment, but that does not seem to be borne out by charts and information received by the Members of this body from time to time. What is the answer?

Is it that political appointees still have the favor on these rolls, while those needy unemployed who want to work have to accept local home relief or welfare?

Listen to these comparative figures furnished me by the Works Progress Administration showing the number of persons on W. P. A. on the various dates and in the various localities I mention:

	Erie County	Upper New York State, includ- ing Erie County	New York City	New York State total	Continental United States
Oct. 2, 1937	11, 107	52, 070	133, 848	185, 918	1, 403, 192
	8, 921	51, 568	138, 331	189, 899	2, 024, 937
	8, 982	57, 956	158, 329	216, 285	2, 852, 932

Is there any sincerity on the part of the local directors of the W. P. A. to take care of needy unemployed, is the desire still active to take care of friends and political favorites without regard to need and without regard to the fact that taxpayers resent being taxed for the sole benefit of helping political favorites under the guise that the appropriation is used solely to furnish employment to the

appropriation of \$150,000,000 for W. P. A. for the balance of | needy? The people are looking for concrete evidence that the economy talk is not just talk, and I am here to say that giving W. P. A. appropriations to go into the pockets of nonneedy on the W. P. A. rolls, while there are needy begging for work and small-home owners are losing their homes, is not economy.

I have my convictions concerning the handling of W. P. A. from Washington as being altogether too top heavy, and I am convinced that the one way to have the money appropriated for the needy people reach the needy people is by turning the running of the W. P. A. back to the respective States with nonpartisan boards set up to control the situation, both in the State and its political subdivisions.

The results of the grand jury investigation of W. P. A. in Erie County last fall convinces me that a State-run W. P. A., with grants from the Federal Government, and run by nonpartisan boards, is the best way of eliminating waste and politics so that the funds we appropriate will more truly do the good which we want done and which the people of this country have a right to expect to be done. Only by placing these responsibilities closer to the people-in other words, decentralizing-can these unsatisfactory and unsavory conditions be remedied.

It is my earnest hope that these and many other vexing questions concerning W. P. A. will be answered as a result of the President's current W. P. A. message.

Mr. SPRINGER. Mr. Speaker, I ask unanimous consent to revise and extend my remarks, and to include therein an editorial from the Muncie Press, Muncie, Ind.

The SPEAKER. Without objection, it is so ordered.

There was no objection.

Mr. BRADLEY of Michigan. Mr. Speaker, I ask unanimous consent to extend my remarks in the RECORD, and to include therein a House concurrent resolution from the Michigan Legislature.

The SPEAKER. Without objection, it is so ordered. There was no objection.

Mr. ANGELL. Mr. Speaker, I ask unanimous consent to revise and extend the remarks I made in the Committee of the Whole this afternoon, and to include therein certain tables and excerpts with reference to power.

The SPEAKER. Without objection, it is so ordered. There was no objection.

Mr. SCHAFER of Wisconsin. Mr. Speaker, I ask unanimous consent to revise and extend the remarks I made in the Committee of the Whole today.

The SPEAKER. Without objection, it is so ordered.

There was no objection.

Mr. THOMAS F. FORD. Mr. Speaker, I ask unanimous consent to revise and extend the remarks I made in the Committee of the Whole this afternoon.

The SPEAKER. Without objection, it is so ordered. There was no objection.

Mr. CRAWFORD. Mr. Speaker, I ask unanimous consent to revise and extend the remarks I made in the Committee of the Whole this afternoon.

The SPEAKER. Without objection, it is so ordered. There was no objection.

LEAVE OF ABSENCE

By unanimous consent, leave of absence was granted as follows:

To Mr. Plumley, for 2 days, on account of official business. To Mr. Shafer of Michigan (at the request of Mr. Halleck). indefinitely, on account of attending funeral.

To Mr. Short (at the request of Mr. Halleck), indefinitely, on account of death in his immediate family.

PERMISSION TO ADDRESS THE HOUSE

Mr. CONNERY. Mr. Speaker, I ask unanimous consent that on Friday next, after the disposition of business on the Speaker's table and the legislative program for the day, I may address the House for 20 minutes.

The SPEAKER. If the House is in session.

Mr. CONNERY. I will submit my request on the chance that the House may be in session. My subject is concerned with the contribution of the Irish people to American democracy, and I was hopeful of being permitted to deliver the address on St. Patrick's Day.

The SPEAKER. Is there objection to the request of the gentleman from Massachusetts?

There was no objection.

EXTENSION OF REMARKS

Mr. JOHNSON of Oklahoma. Mr. Speaker, I ask unanimous consent that all Members who have spoken on the Interior Department bill may have 5 legislative days within which to revise and extend their remarks.

The SPEAKER. Without objection, it is so ordered. There was no objection.

SENATE BILLS REFERRED

Bills of the Senate of the following titles were taken from the Speaker's table and, under the rule, referred as follows: S. 221. An act for the relief of Anthony Coniglio; to the

Committee on Claims. S. 281. An act to amend further the Civil Service Retirement Act, approved May 29, 1930; to the Committee on the

Civil Service.
S. 339. An act for the relief of Benjamin H. Southern;

to the Committee on Military Affairs. S. 454. An act for the relief of Ernest S. Frazier; to the

Committee on Military Affairs. S. 556. An act for the relief of Catherine Humler; to the

S. 556. An act for the relief of Catherine Humler; to the Committee on War Claims.

S. 752. An act to amend section 78 of chapter 231, Thirty-sixth United States Statutes at Large (36 Stat. L., sec. 1109), relating to one judicial district to be known as the district of Idaho, and dividing it into four divisions, to be known as the northern, central, southern, and eastern divisions, defining the territory embraced in said divisions, fixing the terms of district court for said divisions, requiring the clerk of the court to maintain an office in charge of himself or deputy at Coeur d'Alene City, Idaho; Moscow, Idaho; Boise City, Idaho; and Pocatello, Idaho; and to authorize the United States District Court for the District of Idaho, by rule or order, to make such changes in the description or names of counties in said divisions as the Legislature of Idaho may hereafter make; to the Committee on the Judiciary.

S. 1038. An act for the relief of L. M. Bell and M. M. Bell; to the Committee on Claims.

S. 1215. An act to amend the Canal Zone Code; to the Committee on Merchant Marine and Fisheries.

S. 1301. An act to create the office of Military Secretary to the General of the Armies of the United States of America, with the rank of colonel, and for other purposes; to the Committee on Military Affairs.

S. 1415. An act for the relief of certain disbursing agents and employees of the Indian Service; to the Committee on Claims.

S.1429. An act for the relief of Earl J. Reed and Giles J. Gentry; to the Committee on Claims.

S. 1515. An act for the relief of the Louisiana National Bank of Baton Rouge and the Hibernia Bank & Trust Co., of New Orleans; to the Committee on Claims.

S. 1629. An act for the relief of the Canvas Decoy Co.; to the Committee on Claims.

SENATE ENROLLED JOINT RESOLUTION SIGNED

The SPEAKER announced his signature to an enrolled joint resolution of the Senate of the following title:

S. J. Res. 76. Joint resolution to authorize the Postmaster General to withhold the awarding of star-route contracts for a period of 45 days.

BILLS PRESENTED TO THE PRESIDENT

Mr. PARSONS, from the Committee on Enrolled Bills, reported that that committee did on this day present to the President, for his approval, bills of the House of the following titles:

H. R. 2868. An act making appropriations to supply deficiencies in certain appropriations for the fiscal year ending June 30, 1939, to provide supplemental appropriations for the fiscal year ending June 30, 1939, and for other purposes; and

H. R. 3743. An act making appropriations for the Executive Office and sundry independent executive bureaus, boards, commissions, and offices for the fiscal year ending June 30, 1940, and for other purposes.

ADJOURNMENT

Mr. JOHNSON of Oklahoma. Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to; accordingly (at 4 o'clock and 53 minutes p. m.) the House adjourned until tomorrow, Thursday, March 16, 1939, at 12 o'clock noon.

COMMITTEE HEARINGS

COMMITTEE ON WAYS AND MEANS

(Thursday, March 16, 1939)

Public hearings will continue on Thursday morning, March 16, 1939, at 10 a.m., on social-security legislation, in the Ways and Means Committee room in the New House Office Building.

COMMITTEE ON INTERSTATE AND FOREIGN COMMERCE

There will be a meeting of the Committee on Interstate and Foreign Commerce at 10 a.m. Thursday, March 16, 1939. Business to be considered: Railroad legislation—H. R. 2531.

There will be a meeting of the wool subcommittee of the Committee on Interstate and Foreign Commerce at 2 p. m. Thursday, March 16, 1939. Business to be considered: Woollabeling bill—H. R. 944.

COMMITTEE ON THE POST OFFICE AND POST ROADS

There will be a meeting of the Committee on the Post Office and Post Roads at 10 a.m. Thursday, March 16, 1939, to consider substitute employee bills.

COMMITTEE ON NAVAL AFFAIRS

There will be a meeting of the Committee on Naval Affairs at 10:30 a.m., Thursday, March 16, 1939, for the consideration of H. R. 4897, to authorize the Secretary of the Navy to proceed with the construction of a naval supply depot at Oakland, Calif., and for other purposes.

COMMITTEE ON THE PUBLIC LANDS

There will be a meeting of the Committee on the Public Lands on Thursday, March 16, 1939, at 10 a.m., in room 328, House Office Building, to consider H. R. 3794, to establish John Muir-Kings Canyon National Park, Calif., to transfer thereto the lands now included in the General Grant National Park, and for other purposes.

There will be a meeting of the Committee on the Public Lands on Thursday, March 23, 1939, at 10 a.m., in room 328, House Office Building, to consider H. R. 3759, to authorize a National Mississippi River Parkway, and matters relating thereto.

COMMITTEE ON RIVERS AND HARBORS

The Committee on Rivers and Harbors will meet Thursday, March 16, 1939, at 10:30 a.m., to continue hearings on H. R. 3222 and H. R. 3223, bills for the completion of the construction of the Atlantic-Gulf ship canal across Florida.

COMMITTEE ON THE JUDICIARY

Beginning at 10 a. m. on Wednesday, March 22, 1939, there will be a hearing held before the subcommittee No. 4 of the Committee on the Judiciary on House Joint Resolution 176, declaring the conservation of petroleum deposits underlying submerged lands adjacent to and along the coast of California, below low-water mark and under the territorial waters of the United States of America, essential for national defense, maintenance of the Navy, and regulation and protection of interstate and foreign commerce; reserving the same as a naval petroleum reserve, subject to any superior vested right, title, or interest; and authorizing appropriate judicial proceedings to assert, ascertain, establish, and maintain the right and interest of the United States of America in such reserve and to eject trespassers.

COMMITTEE ON MERCHANT MARINE AND FISHERIES

The Committee on Merchant Marine and Fisheries will hold public hearings in room 219, House Office Building, Washington, D. C., at 10 a. m., on the bills and dates listed below:

Tuesday, March 21, 1939:

H. R. 137, H. R. 980, H. R. 1674, relating to annuities for Panama Canal construction force.

Thursday, March 23, 1939:

H. R. 141, H. R. 142, H. R. 1819, miscellaneous Panama Canal bills.

Tuesday, March 28, 1939:

H. R. 197, relating to the clearance of vessels; H. R. 199, relating to the allotment of wages by seamen; H. R. 200, relating to foreign towboats towing between American ports;
H. R. 1780, relating to penalties on certain undocumented vessels and cargoes engaging in the coastwise trade or the fisheries; H. R. 1782, relating to change of masters of vessels. Wednesday, March 29, 1939:

H. R. 198, relating to the measurement of vessels; and H. R. 132, authorizing the use of condemned Government vessels for breakwater purposes.

Tuesday, April 4, 1939:

H. R. 3209, making it a misdemeanor to stow away on vessels; H. R. 3398, regarding the down payment of construction of new vessels; H. R. 3935, relating to the discharge of seamen.

Wednesday, April 5, 1939:

H. R. 3052, uniform insignia for Naval Reserve radio operators; H. R. 1010, intercoastal subsidy bill (Welch).

Thursday, April 6, 1939:

H. R. 1011, acquisition of drydock facilities for United States Maritime Commission on San Francisco Bay (Welch); H. R. 2870, acquisition of drydock facilities for United States Maritime Commission at Los Angeles (Thomas F. Ford); H. R. 3040, acquisition of drydock facilities for United States Maritime Commission at Los Angeles (Geyer of California).

Tuesday, April 11, 1939:

H. R. 1783, inspection of hulls of sail vessels and barges (Bland); H. R. 1785, motorboat bill (Bland); H. R. 1795, motorboat bill (Hendricks); H. R. 1809, inspection of motorboats, 15 gross tons up (Magnuson); H. R. 2398, regarding pilots on yachts (Angell); H. R. 3837, inspection of motorboats, 15 gross tons up (Connery).

Thursday, April 13, 1939:

H. R. 4220, load-line bill for seagoing vessels (Bland). Tuesday, April 18, 1939:

H. R. 2404, surgeon and hospital on vessels (Sirovich); H. R. 2660, limitation of liability (Sirovich); House Joint Resolution 153 and House Joint Resolution 194, investigate conditions pertaining to lascar seamen (Sirovich).

EXECUTIVE COMMUNICATIONS, ETC.

532. Under clause 2 of rule XXIV a letter from the Clerk of the House of Representatives, transmitting a notice of withdrawal in the election contest of November 8, 1938, by Emory F. Smith, who asks that his petition be dismissed (H. Doc. No. 207), was taken from the Speaker's table, referred to the Committee on Elections No. 3, and ordered to be printed.

REPORTS OF COMMITTEES ON PUBLIC BILLS AND RESOLUTIONS

Under clause 2 of rule XIII,

Mr. ROGERS of Oklahoma: Committee on Indian Affairs. H. R. 4679. A bill to amend title II, section 208, of the act approved June 16, 1933 (48 Stat. 205-206), to authorize the Secretary of the Interior to adjust or cancel reimbursable features of said act insofar as they apply to Indians, and for other purposes; without amendment (Rept. No. 250). Referred to the Committee of the Whole House on the state of the Union.

REPORTS OF COMMITTEES ON PRIVATE BILLS AND RESOLUTIONS

Under clause 2 of rule XIII,

Mr. LESINSKI: Committee on Immigration and Naturalization. H. R. 2084. A bill for the relief of Ziskind Sokolow; without amendment (Rept. No. 225). Referred to the Committee of the Whole House.

Mr. LESINSKI: Committee on Immigration and Naturalization. H. R. 2085. A bill for the relief of Pasquale Altezza; without amendment (Rept. No. 226). Referred to the Committee of the Whole House.

Mr. LESINSKI: Committee on Immigration and Naturalization. H. R. 2087. A bill for the relief of Louis Samolski, Rebecca Samolski, and Martin Samolski; without amendment (Rept. No. 227). Referred to the Committee of the Whole House.

Mrs. O'DAY: Committee on Immigration and Naturalization. H. R. 2091. A bill for the relief of Itzhock or Isidore Finkelstein and Rochel or Rachela Finkelstein; without amendment (Rept. No. 228). Referred to the Committee of the Whole House.

Mr. SCHULTE: Committee on Immigration and Naturalization. H. R. 2092. A bill for the relief of Santo Tedesco; without amendment (Rept. No. 229). Referred to the Committee of the Whole House.

Mr. MASON: Committee on Immigration and Naturalization. H. R. 2446. A bill for the relief of Bridget Della Cawley Ebbole; without amendment (Rept. No. 230). Referred to the Committee of the Whole House.

Mr. LESINSKI: Committee on Immigration and Naturalization. H. R. 2522. A bill for the relief of Dymtro or Jim Gural; without amendment (Rept. No. 231). Referred to the Committee of the Whole House.

Mr. MASON: Committee on Immigration and Naturalization. H. R. 2523. A bill for the relief of Alfonsina Maurina Corradini; with amendment (Rept. No. 232). Referred to the Committee of the Whole House.

Mrs. O'DAY: Committee on Immigration and Naturalization. H. R. 2570. A bill for the relief of Stefano Pagliaro; without amendment (Rept. No. 233). Referred to the Committee of the Whole House.

Mrs. O'DAY: Committee on Immigration and Naturalization. H. R. 2571. A bill for the relief of Joseph Pavich; without amendment (Rept. No. 234). Referred to the Committee of the Whole House.

Mr. MACIEJEWSKI: Committee on Immigration and Naturalization. H. R. 2590. A bill for the relief of John Bodrog; without amendment (Rept. No. 235). Referred to the Committee of the Whole House.

Mr. KRAMER: Committee on Immigration and Naturalization. H. R. 2601. A bill for the relief of Max Natenson; without amendment (Rept. No. 236). Referred to the Committee of the Whole House.

Mr. SCHULTE: Committee on Immigration and Naturalization. H. R. 3096. A bill for the relief of Yankiel Owsianka, alias Jack Singer; without amendment (Rept. No. 237). Referred to the Committee of the Whole House.

Mr. LESINSKI: Committee on Immigration and Naturalization. H. R. 3160. A bill for the relief of Romualdo Cossano; without amendment (Rept. No. 238). Referred to the Committee of the Whole House.

Mrs. O'DAY: Committee on Immigration and Naturalization. H. R. 3262. A bill for the relief of Leib Milgrom; with amendment (Rept. No. 239). Referred to the Committee of the Whole House.

Mr. REES of Kansas: Committee on Immigration and Naturalization. H. R. 3554. A bill to authorize the cancelation of deportation proceedings in the case of Christian Josef Mueller; with amendment (Rept. No. 240). Referred to the Committee of the Whole House.

Mrs. O'DAY: Committee on Immigration and Naturalization. H. R. 3555. A bill for the relief of Jacob Graev; without amendment (Rept. No. 241). Referred to the Committee of the Whole House.

Mr. LESINSKI: Committee on Immigration and Naturalization. H. R. 3847. A bill for the relief of Lena Hendel, nee Lena Goldberg; with amendment (Rept. No. 242). Referred to the Committee of the Whole House.

Mr. LESINSKI: Committee on Immigration and Naturalization. H. R. 3848. A bill for the relief of Janet Hendel, nee Judith Shapiro; without amendment (Rept. No. 243). Referred to the Committee of the Whole House.

Mrs. O'DAY: Committee on Immigration and Naturalization. H. R. 4112. A bill to authorize the cancelation of deportation proceedings in the case of Joseph Pellon; with amendment (Rept. No. 244). Referred to the Committee of the Whole House.

Mr. MASON: Committee on Immigration and Naturalization. H. R. 4207. A bill for the relief of Henrietta Vendemmia; without amendment (Rept. No. 245). Referred to the Committee of the Whole House.

Mr. SCHULTE: Committee on Immigration and Naturalization. H. R. 4251. A bill for the relief of Chazkiel (or Charles) Lewkowski; with amendment (Rept. No. 246). Referred to the Committee of the Whole House.

Mrs. O'DAY: Committee on Immigration and Naturalization. H. R. 4265. A bill for the relief of Rachel or Rochel Bursk; with amendment (Rept. No. 247). Referred to the Committee of the Whole House.

Mrs. O'DAY: Committee on Immigration and Naturalization. H. R. 4889. A bill for the relief of Dr. M. Kellogg Mookerjee; with amendment (Rept. No. 248). Referred to the Committee of the Whole House.

Mrs. O'DAY: Committee on Immigration and Naturalization. H. R. 4970. A bill for the relief of Mira Friedberg (Mira Dworecka); without amendment (Rept. No. 249). Referred to the Committee of the Whole House.

CHANGE OF REFERENCE

Under clause 2 of rule XXII, committees were discharged from the consideration of the following bills, which were referred as follows:

A bill (H. R. 5007) granting a pension to John W. Swoveland; Committee on Pensions discharged, and referred to the Committee on Invalid Pensions.

A bill (H. R. 5012) granting a pension to Harry Earnest Gibson; Committee on Pensions discharged, and referred to the Committee on Invalid Pensions.

A bill (H. R. 5041) for the relief of Charles R. Wicker; Committee on Pensions discharged, and referred to the Committee on World War Veterans' Legislation.

PUBLIC BILLS AND RESOLUTIONS

Under clause 3 of rule XXII, public bills and resolutions were introduced and severally referred as follows:

By Mr. BURDICK:

H. R. 5063. A bill to provide that Federal court juries shall be drawn from boxes used by the State authorities; to the Committee on the Judiciary.

By Mr. FLAHERTY:

H. R. 5064. A bill to amend the act approved June 25, 1910, authorizing establishment of the Postal Savings System; to the Committee on the Post Office and Post Roads.

By Mr. NICHOLS:

H. R. 5065. A bill to provide for the regulation of the business of making loans of \$300 or less in the District of Columbia, and for other purposes; to the Committee on the District of Columbia.

By Mr. RANDOLPH:

H. R. 5066. A bill to amend the act entitled "An act to regulate proceedings in adoption in the District of Columbia," approved August 25, 1937; to the Committee on the District of Columbia.

H. R. 5067. A bill to establish a lien for moneys due hospitals for services rendered in cases caused by negligence or fault of others and providing for the recording and enforcing of such liens; to the Committee on the District of Columbia.

By Mr. RANKIN:

H. R. 5068. A bill to amend the Tennessee Valley Authority Act of 1933; to the Committee on Military Affairs.

By Mr. SPARKMAN:

H. R. 5069. A bill to amend the Tennessee Valley Authority Act of 1933; to the Committee on Military Affairs.

By Mr. DIRKSEN:

H. R. 5070. A bill to amend the Natural Gas Act so as to permit producers and distributors of coal, oil, and other fuels to participate in proceedings under the Natural Gas Act, to repeal the limitation on the power of the Federal Power Commission to suspend rates or service for the sale of natural gas for resale for industrial use only, and for other purposes; to the Committee on Interstate and Foreign Commerce.

By Mr. CLASON:

H.R. 5071. A bill to provide for a survey of certain portions of the Connecticut River with a view to the controlling of floods; to the Committee on Flood Control.

By Mr. CASE of South Dakota:

H. R. 5072. A bill to amend the Gold Reserve Act of 1934; to the Committee on Coinage, Weights, and Measures.

By Mr. DIMOND:

H. R. 5073. A bill to amend the act of Congress approved June 30, 1932, entitled "An act providing for the transfer of the duties authorized and authority conferred by law upon the board of road commissioners in the Territory of Alaska to the Department of the Interior, and for other purposes" (47 Stat. 446); to the Committee on the Territories.

By Mr. GREEN:

H. R. 5074. A bill to reenact the law providing for disability allowances for World War veterans and to restore former service-connected disability status; to the Committee on World War Veterans' Legislation.

By Mr. OSMERS:

H. R. 5075. A bill to repeal the undistributed-profits tax imposed by the Revenue Act of 1938; to the Committee on Ways and Means.

By Mr. WHITE of Idaho:

H. R. 5076. A bill to authorize further relief to water users on United States reclamation projects and on Indian reclamation projects; to the Committee on Irrigation and Reclamation.

By Mr. BURDICK:

H. J. Res. 216. Joint resolution providing for a national moratorium in the drought or grasshopper infested area of the United States; to the Committee on Agriculture.

H. J. Res. 217. Joint resolution to restore to Congress the sole power to issue money and regulate the value thereof; to the Committee on Banking and Currency.

By Mr. DISNEY:

H. J. Res. 218. Joint resolution authorizing the issuance of a special postage stamp in honor of Will Rogers; to the Committee on the Post Office and Post Roads.

By Mr. ALEXANDER:

H. Res. 126. Resolution requesting the Board of Engineers for Rivers and Harbors to review the reports on the St. Croix River, Minn. and Wis.; to the Committee on Rivers and Harbors.

By Mr. FISH:

H. Res. 127. Resolution making House Joint Resolution 94, a joint resolution proposing an amendment to the Constitution of the United States, empowering the people by a national referendum to draft citizens and aliens for military service overseas, a special order of business; to the Committee on Rules.

H. Res. 128. Resolution making H. R. 2658, a bill proposing an amendment to the Constitution of the United States to assure to persons within the jurisdiction of every State due process of law and equal protection of the laws, and to prevent the crime of lynching, a special order of business; to the Committee on Rules.

By Mr. HEALEY:

H. Res. 129. Resolution to authorize and direct the Committee on Appropriations of the House of Representatives, or

a duly authorized subcommittee thereof, to conduct an investigation of the extent of unemployment in all cities in the United States of 5,000 population or over; to the Committee on Rules.

MEMORIALS

Under clause 3 of rule XXII, memorials were presented and referred as follows:

By the SPEAKER: Memorial of the Legislature of the State of Indiana, memorializing the President and the Congress of the United States to consider their Senate resolution with reference to House bill 2, known as the general welfare bill; to the Committee on Ways and Means.

PRIVATE BILLS AND RESOLUTIONS

Under clause 1 of rule XXII, private bills and resolutions were introduced and severally referred as follows:

By Mr. BATES of Massachusetts:

H. R. 5077. A bill for the relief of Anthoula S. Maskas; to the Committee on Immigration and Naturalization.

By Mr. BLAND:

H. R. 5078. A bill granting an increase of pension to Mary W. Osterhaus; to the Committee on Pensions.

By Mr. CARLSON:

H. R. 5079. A bill granting a pension to Rebecca J. Reynard; to the Committee on Invalid Pensions.

By Mr. DARDEN:

H. R. 5080. A bill to extend the benefits of the Employees' Compensation Act of September 7, 1916, to Candace Wiliford Duke; to the Committee on Claims.

By Mr. EATON of California:

H. R. 5081. A bill granting a pension to Eleanor Ady; to the Committee on Invalid Pensions.

By Mr. JEFFRIES:

H. R. 5082. A bill for the relief of Harry Thomas; to the Committee on Claims.

By Mr. JOHNSON of West Virginia:

H.R. 5083. A bill granting a pension to Minnie L. Clark; to the Committee on Invalid Pensions.

By Mr. OLIVER:

H. R. 5084. A bill authorizing refund to the McCann Corportation, of Portland, Maine, of a sum deducted unfairly as a penalty and forfeiture on a contract with the Commissioners of the District of Columbia; to the Committee on the District of Columbia.

By Mr. SASSCER:

H. R. 5085. A bill granting a pension to Anna O. Ward; to the Committee on Pensions.

H. R. 5086. A bill granting a pension to Mary V. Gesner; to the Committee on Pensions.

H.R. 5087. A bill for the relief of Marie B. Neale; to the Committee on Claims.

H.R. 5088. A bill for the relief of Amos B. Cole; to the Committee on the District of Columbia.

H. R. 5089. A bill conferring jurisdiction upon the Court of Claims of the United States to bear, examine, adjudicate, and render judgment on the claim of the legal representative of the estate of Rexford M. Smith; to the Committee on Claims.

By Mr. SECREST:

H. R. 5090. A bill granting an increase of pension to Lucinda Moore; to the Committee on Invalid Pensions.

By Mr. SMITH of Washington:

H. R. 5091. A bill for the relief of Jess C. Layton; to the Committee on Military Affairs.

By Mr. VINCENT of Kentucky:

H. R. 5092. A bill granting an increase of pension to Ben Dockery; to the Committee on Pensions.

PETITIONS, ETC.

Under clause 1 of rule XXII, petitions and papers were laid on the Clerk's desk and referred as follows:

1771. By Mr. ANDREWS: Resolution adopted by Licensed Tugmen's Protective Association, Local Union No. 4, Buffalo,

N. Y., urging the establishment of a Coast Guard station in the vicinity of Dunkirk Harbor, N. Y.; to the Committee on Naval Affairs.

1772. Also, letter from the Licensed Tugmen's Protective Association, Local Union No. 4, Buffalo, N. Y., favoring the enactment of Senate bill 1007; to the Committee on Interstate and Foreign Commerce.

1773. Also, resolution adopted by the town of Niagara, Niagara County, N. Y., protesting against enactment of legislation to tax municipal securities; to the Committee on Ways

and Means.

1774. By Mr. BROOKS: Petition of American Association of University Women, Shreveport Chapter, asking for change in neutrality laws so as to permit the President to designate victim and aggressor nation; to the Committee on Foreign Affairs.

1775. By Mr. CHIPERFIELD: Petition of subscribers of the Yates City Telephone Co., Yates City; Fairview Central Telephone Co., Fairview; Farmington Telephone Co., Farmington; Fiatt Telephone Exchange, Fiatt; Ipava Central Telephone Co., Ipava; Summum Mutual Telephone Co., Summum; Table Grove Telephone Co., Table Grove; Bishop Hill Telephone Exchange, Bishop Hill; Dahinda Telephone Co., Dahinda; Victoria Telephone Co., Victoria; Nekoma Telephone Co., Nekoma; Williamsfield Telephone Co., Williamsfield; Altona Telephone Co., Altona; Woodhull Telephone Co., Woodhull; Laura Telephone Co., Laura; Middlegrove Telephone Co., Middlegrove; Rio Telephone Co., Rio; Wataga Mutual Telephone Co., Wataga; Henderson Farmer Telephone Exchange, Henderson; and the Orion Telephone Exchange Association, Orion, all of the State of Illinois, urging amendment to the Federal Wage-Hour Act to exempt employees of the smaller telephone companies in Illinois; to the Committee on Labor.

1776. By Mr. CLASON: Petition of Clara P. Smith and other residents of Hampden County, Mass., urging the cessation of the shipment of weapons and war materials to Japan; to the Committee on Foreign Affairs.

1777. By Mr. FISH: Petition signed by Rev. Philip M. Styles, rector, and the vestrymen of St. George's Presbyterian Church, of Newburgh, N. Y., protesting against the enactment of an amendment to the Social Security Act to include church employees; to the Committee on Ways and Means.

1778. By Mr. JENKINS of Ohio: Petition signed by about 130 members of the Stockdale, Ohio, community, urging Congress to pass House bill 3842, which proposes to amend the Fair Labor Standards Act of 1938 to exempt operators of telephone exchanges having less than 1,000 subscribers; to the Committee on Labor.

1779. By Mr. LUTHER A. JOHNSON: Petition of F. Wallace Taber and 24 members of the Fish and Game Club of the Texas Agricultural and Mechanical College, College Station, Tex., favoring House bill 3648; to the Committee on the

Public Lands.

1780. By Mr. MARTIN J. KENNEDY: Petition of the committee of coast guardsmen, urging support of bills introduced in the Senate and House (S. 595 and H. R. 2383, 2543, and 2558) providing for further increasing the efficiency of the Coast Guard; to the Committee on Naval Affairs.

1781. Also, petition of the Chamber of Commerce of Kansas City, Kansas City, Mo., opposing House bill 188 and Senate bill 158, concerning interterritorial freight rates; to the Com-

mittee on Interstate and Foreign Commerce.

1782. By Mr. KEOGH: Petition of the Related Arts Service, New York City, concerning House bill 2319; to the Committee on Education.

1783. Also, petition of the Belle Glade Chamber of Commerce, Belle Glade, Fla., concerning freight rates of fruit and vegetables; to the Committee on Interstate and Foreign Commerce.

1784. Also, petition of the Rochester public schools, Rochester, Mich., concerning the Harrison-Thomas-Larrabee bills; to the Committee on Education.

1785. Also, petition of the committee of Coast Guard men, Tompkinsville, Staten Island, N. Y., favoring the passage of

the James A. O'Leary bill (H. R. 2383), also Senate bill 595, and House bills 2543 and 2558, providing for further increasing the efficiency of the Coast Guard; to the Committee on Naval Affairs.

1786. Also, petition of the Atlantic States Shippers Advisory Board, New York City, concerning Senate Joint Resolution 27, Senate bills 137, 158, and 1299, and House bills 188, 3369, and 3749; to the Committee on Interstate and Foreign Commerce

1787. By Mr. MAGNUSON: Senate Joint Memorial No. 1 of the twenty-sixth session of the Washington State Legislature, requesting that Executive order, transferring certain acreage in Stevens County, State of Washington, from supervision of Forestry Department of the Department of Agriculture to the Biological Survey of said Department, be rescinded; to the Committee on Agriculture.

1788. Also, Senate Joint Memorial No. 11 of the twenty-sixth session of the Washington State Legislature, memorializing and petitioning the President and Congress of the United States to enact legislation and provide appropriations for completion of 50-mile stretch of unimproved highway of Lewis and Clark Highway, said uncompleted stretch lying wholly within the national forest in the State of Idaho; to the Committee on Roads.

1789. By Mr. PLUMLEY: Petition of Mrs. C. B. Andrews and 73 other citizens of Richmond and of the Federated Church asking for action to prevent the resources of the Government or citizens of this country from being used, either directly or indirectly, to aid Japan in her war upon China; to the Committee on Foreign Affairs.

1790. Also, petition of over 300 citizens of Burlington, urging immediate embargo on all shipments to Japan of arms or possible materials for war which may assist her in the invasion of China; to the Committee on Foreign Affairs.

the invasion of China; to the Committee on Foreign Affairs. 1791. By Mr. POLK: Petition of 125 employees of the Wilknit Hosiery Co., Greenfield, Highland County, Ohio, protesting against House bill 1818; believing if this bill is enacted it will not only be detrimental to businesses dealing in interstate commerce but to the Nation as a whole, that by giving individual States the right to tax interstate commerce it will curtail many businesses dealing in interstate commerce and thereby cause more unemployment at a time when every effort is being made to reduce unemployment and cut relief bills; to the Committee on Interstate and Foreign Commerce.

1792. By Mr. PLUMLEY: Petition of 32 citizens of South Royalton, urging prompt enactment of legislation to cause cessation of sale of war materials and military supplies to Japan, and that imports from aggressor countries, insofar as they contribute to the sale of war materials, be excluded; to the Committee on Foreign Affairs.

1793. Also, petition of 18 citizens of Charlotte, Vt., protesting against the shipment of war materials to Japan; to the Committee on Foreign Affairs.

1794. Also, petition of 48 citizens of South Royalton, Vt., urging prompt enactment of legislation to cause cessation of sale of war materials and military supplies to Japan and that imports from aggressor countries, insofar as they contribute to the sale of war materials, be excluded; to the Committee on Foreign Affairs.

1795. By Mr. SANDAGER: Joint resolution of the City Council of the City of Providence, R. I., requesting that one of the cruisers now being constructed by the Navy Department be named Providence; to the Committee on Naval Affairs.

1796. Also, petition of the Westerly Petroleum Industries Committee, of Westerly, R. I., favoring the elimination of the present Federal taxes on gasoline, lubricating oil, and other special motorist taxes; to the Committee on Ways and Means.

1797. Also, petition of the Woonsocket Petroleum Industries Committee, of Woonsocket, R. I., favoring the elimination of the present Federal taxes on gasoline, lubricating oil, and other special motorist taxes; to the Committee on Ways and Means.

1798. By Mr. SCHIFFLER: Petition of Rev. John C. Inglis, Stone Presbyterian Church, Elm Grove, Wheeling, W. Va.,

urging that the Presbyterian ministers be excluded from the social security; to the Committee on Ways and Means.

1799. By Mr. TENEROWICZ: Petition of the Legislature of the State of Michigan, memorializing the Congress of the United States to enact legislation providing for a tax of 10 cents per acre on land held by the Federal Government, especially as national forests; to the Committee on Ways and Means.

1800. By Mr. THILL: Telegram from Huebsch Laundry Corporation, of Milwaukee, Wis., March 14, 1939, urging changes in unemployment compensation taxes; to the Committee on Ways and Means.

1801. By the SPEAKER: Petition of the Transport Workers Union of Greater New York, N. Y., petitioning consideration of their resolution with reference to Senate bill 1305, known as the Federal-aid bill; to the Committee on Education.

SENATE

THURSDAY, MARCH 16, 1939

The Chaplain, Rev. ZeBarney T. Phillips, D. D., offered the following prayer:

Dear Lord and Father of mankind, we thank Thee for the night wherein Thou workest Thy work unseen as men sleep and know not what it hides until the fair things of the morning are revealed. And as we greet the newborn day, confessing our sins and rededicating ourselves to Thy service, distill upon us the dews of quietness and calm, that in simple trust and deeper reverence we may be found steadfast, always abounding in the word of the Lord, for we know that our labor is not in vain in the Lord. Endue us with strength for every duty; make us patient in trial and wise with the wisdom out of whose fullness our wandering steps are guided.

Make us wise with Thyself and, if it may be, dwell in us, O blessed Father, as Thou didst dwell in Thine only begotten Son, Jesus Christ, in whom the brimming fountain of Thy presence o'erflowed in love to all mankind. We ask it in His name. Amen.

THE JOURNAL

On request of Mr. BARKLEY, and by unanimous consent, the reading of the Journal of the proceedings of the calendar day Tuesday, March 14, 1939, was dispensed with, and the Journal was approved.

MESSAGE FROM HOUSE RECEIVED DURING ADJOURNMENT

Under authority of the order of the Senate of March 14, 1939, a message from the House of Representatives, by Mr. Calloway, one of its reading clerks, was received by the Secretary of the Senate on March 15, 1939, announcing that the House had passed without amendment the joint resolution (S. J. Res. 76) to authorize the Postmaster General to withhold the awarding of star-route contracts for a period of 45 days.

ENROLLED BILLS AND JOINT RESOLUTION SIGNED DURING RECESS

Under the order of the 14th instant, the following enrolled bills and a joint resolution, which had previously been signed by the Speaker of the House, were signed by the President pro tempore after the adjournment of the Senate:

S. 539. An act for the relief of Charles E. Naghel, special disbursing agent, Department of the Interior, and Kammeyer & Medack, contractors, from disallowance of charges for additional work under a construction contract;

H.R. 2868. An act making appropriations to supply deficiencies in certain appropriations for the fiscal year ending June 30, 1939, to provide supplemental appropriations for the fiscal year ending June 30, 1939, and for other purposes;

H. R. 3743. An act making appropriations for the Executive Office and sundry independent executive bureaus, boards, commissions, and offices, for the fiscal year ending June 30, 1940, and for other purposes; and

S. J. Res. 76. Joint resolution to authorize the Postmaster General to withhold the awarding of star-route contracts for a period of 45 days.

MESSAGES FROM THE PRESIDENT

Messages in writing from the President of the United States were communicated to the Senate by Mr. Hess, one of his secretaries.

MESSAGE FROM THE HOUSE

A message from the House of Representatives, by Mr. Chaffee, one of its reading clerks, announced that the House had disagreed to the amendments of the Senate to the bill (H. R. 4218) making appropriations for the legislative branch of the Government for the fiscal year ending June 30, 1940, and for other purposes, agreed to the conference asked by the Senate on the disagreeing votes of the two Houses thereon, and that Mr. RABAUT, Mr. FERNANDEZ, Mr. McAndrews, and Mr. Stefan were appointed managers on the part of the House at the conference.

The message also announced that the House had disagreed to the amendments of the Senate to the bill (H. R. 4492) making appropriations for the Treasury and Post Office Departments for the fiscal year ending June 30, 1940, and for other purposes, agreed to the conference asked by the Senate on the disagreeing votes of the two Houses thereon, and that Mr. Ludlow, Mr. O'Neal, Mr. Johnson of West Virginia, Mr. Mahon, Mr. Taber, and Mr. McLeod were appointed managers on the part of the House at the confer-

The message further announced that the House had passed a bill (H. R. 3233) to repeal certain acts of Congress (pocket vetoed), in which it requested the concurrence of the Senate.

The message also announced that the House had agreed to a concurrent resolution (H. Con. Res. 12), in which it requested the concurrence of the Senate, as follows:

Resolved by the House of Representatives (the Senate concurring), That the proceedings at the joint session of the two Houses of Congress held in the House of Representatives on Saturday, March 4, 1939, in commemoration of the one hundred and fiftieth anniversary of the commencement of the First Congress of the United States under the Constitution, together with such additional matter as the Joint Committee on Arrangements in charge of these ceremonies may deem fitting and appropriate, in connection with this historical event, be printed, with illustrations, as a document; and that 1,000,000 additional copies be printed, of which 200,000 copies shall be for the use of the Senate and 800,000 copies for the use of the House of Representatives. House of Representatives.

CALL OF THE ROLL

Mr. MINTON. I suggest the absence of a quorum. The VICE PRESIDENT. The clerk will call the roll. The Chief Clerk called the roll, and the following Senators answered to their names:

Adams	Connally	La Follette	Reed
Andrews	Danaher	Lee	Reynolds
Ashurst	Donahey	Lewis	Schwartz
Austin	Downey	Logan	Schwellenbach
Bailey	Ellender	Lucas	Sheppard
Bankhead	Frazier	Lundeen	Shipstead
Barbour	George	McCarran	Smith
Barkley	Gerry	McKellar	Stewart
Bilbo	Gillette	McNary	Taft
Bone	Glass	Maloney	Thomas, Okla.
Borah	Gurney	Mead	Thomas, Utah
Brown	Harrison	Miller	Townsend
Bulow	Hatch	Minton	Tydings
Burke	Hayden	Murray	Vandenberg
Byrd	Herring	Neely	Van Nuys
Byrnes	Hill	Norris	Wagner
Capper	Holman	O'Mahoney	Walsh
Caraway	Hughes	Overton	Wheeler
Chavez	Johnson, Calif.	Pepper	White
Clark, Idaho	Johnson, Colo.	Pittman	Wiley
Clark, Mo.	King	Radcliffe	THE RESERVE OF THE PARTY OF

Mr. MINTON. I announce that the Senator from West Virginia [Mr. Holt] is detained from the Senate because of illness.

The Senator from Rhode Island [Mr. GREEN], the Senator from Georgia [Mr. Russell], and the Senator from Missouri [Mr. Truman] are detained on important public business.

The Senator from New Jersey [Mr. SMATHERS] is unavoidably detained.

The Senators from Pennsylvania [Mr. Davis and Mr. GUFFEY] are absent, attending the funeral of the late Representative Daly, of Pennsylvania.

Mr. FRAZIER. I announce that my colleague the junior Senator from North Dakota [Mr. NyE] is absent because of illness.

The VICE PRESIDENT. Eighty-three Senators have answered to their names. A quorum is present.

MANUEL D. A. OTERO, ADMINISTRATOR

The VICE PRESIDENT laid before the Senate the amendment of the House of Representatives to the bill (S. 218) for the relief of Manuel D. A. Otero, as administrator of the estate of Teresita S. Otero, deceased, which was, on page 1, line 6, to strike out all after "Treasury" down to and including "Corps," in line 8, and insert "not otherwise appropriated."

Mr. HATCH. I move that the Senate concur in the House amendment.

The motion was agreed to.

EMMA GOMEZ

The VICE PRESIDENT laid before the Senate the amendments of the House of Representatives to the bill (S. 219) for the relief of Emma Gomez, which were, on page 1, line 5, to strike out all after "Treasury" down to and including "Corps", in line 7, and insert "not otherwise appropriated", and on page 1, line 7, to strike out "\$500" and insert **\$311.70.**"

Mr. HATCH. I move that the Senate concur in the House amendments.

The motion was agreed to.

THE PALESTINE MANDATE AND THE BALFOUR DECLARATION

Mr. ASHURST. Mr. President, in the nature of a petition, I ask unanimous consent that the Secretary read at the desk a telegram I sent to the Secretary of State in October

The VICE PRESIDENT. Is there objection to the reading of the telegram? The Chair hears none, and the clerk will read, as requested.

The legislative clerk read as follows:

PHOENIX, ARIZ., October 13, 1938.

Hon. CORDELL HULL,

Hon. Cordell Hull,

Secretary of State, Washington, D. C.

Dear Mr. Secretary: The services to our country which the President and yourself rendered recently in the Central Europe crisis are of surpassing importance and are valuable beyond the range of eulogy. In the present crisis now approaching because of the rumor that Great Britain may consider withdrawing from her mandate over Palestine which mandate she assumed by the Balfour declaration, leads me to believe that the President and yourself may perform an equally important service if you would suggest to Great Britain's chancelries that any recession from or abandonment of the Palestine mandate created by the Balfour declaration would bring catastrophic results that might shatter the orderly process of nations. No event could make a more important contribution to peace and tranquility than the faithful observance of the Balfour declaration. You are probably more familiar than am I with the events that led to the promulgation of the Balfour declaration. The Jews down through the stream of human history have been faithful to their engagements and to their commitments. They have for centuries developed their culture. Their spiritual potentiality has always been manifest and most admirable. The Jewry of the world accepted the Balfour declaration in good faith and relying upon the good faith of Great Britain the world's Jewry have proceeded for more than 20 years to develop Palestine and to contribute to movements looking toward peace, progress, and serenity throughout our troubled world. Pardon me if I appear to be too insistent, but I am zealously of the opinion that it would be a distressingly cruel wrongdoing were this Balfour declaration abandoned. With gratitude for the polite attention you have always given my communications, and with esteem. attention you have always given my communications, and with

SENATOR ASHURST.

Mr. ASHURST. Mr. President, I ask that the telegram just read be referred to the Committee on Foreign Relations. I believe that we are not overestimating the importance of urging, in a proper and diplomatic manner, that Great Britain observe her Balfour declaration regarding Palestine.

Neither time nor the occasion warrant my discussing in intimate details the reasons why Great Britain assumed this mandate, and thus promised not only the Jewry but the entire world that she would look with favor upon a national Jewish home in Palestine. I believe, as I said in the telegram, that if Great Britain should refuse to do so, her refusal would lead to catastrophic results.

Great Britain refused to act upon the pleadings of our former Secretary of State, Mr. Stimson, who, much to his credit, urged Great Britain to join the United States in observing the nine-power pact against war. If Great Britain then had observed her compact, Japan never would have moved into China. If Great Britain now will observe her own Balfour declaration, probably an equally catastrophic result may be averted.

The VICE PRESIDENT. Without objection, the telegram will be referred to the Committee on Foreign Relations.

The VICE PRESIDENT laid before the Senate a letter from the Acting Secretary of the Treasury, transmitting a draft of proposed legislation to reimburse Thomas A. Ross, chief boatswain, United States Coast Guard, for loss of personal property in a fire at Nome, Alaska, which, with the accompanying papers, was referred to the Committee on

PROPOSED LEGISLATION FOR THE MARITIME COMMISSION

The VICE PRESIDENT laid before the Senate a letter from the Chairman of the United States Maritime Commission, transmitting, pursuant to law, the Commission's recommendations for legislation, which, with the accompanying papers, was referred to the Committee on Commerce.

INCREASE OF CAPACITY OF THE PANAMA CANAL

The VICE PRESIDENT laid before the Senate a letter from the Secretary of War, transmitting, in response to Public Resolution 85 (74th Cong.), a report of the Governor of the Panama Canal of his investigation of the means of increasing the capacity of the Panama Canal for the future needs of interoceanic shipping, which, with the accompanying report, was referred to the Committee on Interoceanic

ECONOMIC SURVEY OF COASTWISE AND INTERCOASTAL SHIPPING

The VICE PRESIDENT laid before the Senate a letter from the Chairman of the United States Maritime Commission, transmitting, pursuant to the Merchant Marine Act, 1936, as amended, the Economic Survey of Coastwise and Intercoastal Shipping, which, with the accompanying report, was referred to the Committee on Commerce.

PETITIONS AND MEMORIALS

The VICE PRESIDENT laid before the Senate the following resolution of the Senate of Indiana, which was referred to the Committee on Finance:

Be it resolved by the senate general assembly, That the General Assembly of the State of Indiana hereby respectfully memorializes the Congress of the United States to enact suitable legislation providing for the general welfare of the Nation as set out in H. R. 2, now pending before the Congress of the United States.

SEC. 2. That the clerk of the senate is hereby instructed to send a copy of the resolution to the President of the Senate and the Speaker of the House of Representatives of the Congress of the United States and to each United States Senator and Members of the House of Representatives in Congress from Indiana. the House of Representatives in Congress from Indiana.

The VICE PRESIDENT also laid before the Senate the following concurrent memorial of the Legislature of Arizona, which was referred to the Committee on Finance:

Senate Concurrent Memorial 2

Concurrent memorial requesting additional buildings and equipment for the veterans' administrative facility at Tucson

To the Congress of the United States and the Federal Board of Hospitalization:

Your memorialist respectfully represents:

Because of the unsurpassed climatic advantages of its location, the veterans' administrative facility at Tucson is operated primarily for the treatment of tuberculosis. The capacity and resources of the institution are constantly taxed to the limit in the hospitalization of tuberculars.

It is a fact, however, well established by competent medical authority and the testimony of thousands of patients who have experienced its benefits, that the climate of southern Arizona possesses equal therapeutic value in the treatment of arthritis, neuritis, asthma, bronchitis, sinusitis, and various other diseases. During the past year, because of the lack of adequate accommodations for their treatment, approximately 500 cases of these special types were denied hospitalization.

It is believed that every disabled veteran should have the bene-

It is believed that every disabled veteran should have the benefit of the most favorable climatic conditions and the most effective therapeutic aids indicated for his particular type of disease, to enable him to regain his health.

Wherefore your memorialist, the Senate of the State of Arizona, the house of representatives concurring, urgently recommends:

1. That the Veterans' Administration include in its budget re-

1. That the Veterans' Administration include in its budget requests an item for the construction of additional buildings at Tucson to take care of at least 200 general medical patients; that an adequate number of single rooms be provided in each ward; that each building be equipped with the most efficient dry aircooling system, and that ample facilities be provided to take care of the increased bed capacity at the hospital.

2. That the Congress of the United States give effect to this recommendation by the enactment of appropriate legislation.

The VICE PRESIDENT also laid before the Senate the following concurrent memorial of the Legislature of Arizona. which was referred to the Committee on Public Lands and Surveys:

House Concurrent Memorial 1

Concurrent memorial relating to the proposed Petrified Forest National Park

To the Congress of the United States of America:
Your memorialist respectfully represents:
Within the boundaries of Navajo and Apache Counties, in northeastern Arizona, lies an area containing mineralized remains of mesozoic forests, locally and commonly known as the Petrified Forest, and officially designated the Petrified Forest National Monument.

The Petrified Forest consists of six distinct areas, called First Forest, Second Forest, Third Forest, Rainbow Forest, Blue Forest, and Black Forest, which together constitute a deposit of petrified

Forest, Second Forest, Third Forest, Rainbow Forest, Blue Forest, and Black Forest, which together constitute a deposit of petrified wood unequaled in extent, as well as for size of trees and beauty and variety of coloring of logs. Many of the logs measure over 200 feet in length and 7 to 10 feet in diameter.

In addition to the petrified wood, this petrified forest contains an extensive deposit of fossil bones of reptiles which lived during the Triassic period of the Mesozoic age, and deposits of fossilized cycads and ferns and other plant life preserved in such perfect condition that the seed pods and almost miscoscopic fruiting bodies are plainly visible. This field was discovered recently, and the opportunities for scientific research are almost unlimited.

Thousands of prehistoric petroglyphs are engraved on the sandstone cliffs within the monument, one huge rock alone bearing more than 1,000 such symbols by actual count. Sites representing the prehistoric periods from basket maker and pit-house type to and including Pueblo No. 3 dot the entire area of the Petrified Forest. The Pueblo No. 3 period, for example, is represented by the Agate House, a 7-room dwelling constructed of blocks of agatized wood and estimated to be about 800 years old.

In 1932 the mysterious Blue Forest, with its banded hills and wood deposits, and the most scenic and colorful section of the famous Painted Desert, including the Black Forest were added to the area first designated as a national monument in 1906. The Black Forest is not yet open to visitors, because of insufficient means of protection, but it contains a greater amount of petrified wood and larger tree trunks than any other section. The Painted Desert, discovered by Coronado, the Spanish conquistador, in 1540, is unsurpassed in scenic value.

As a national monument the Petrified Forest has attracted hunis unsurpassed in scenic value.

As a national monument the Petrified Forest has attracted hundreds of thousands of visitors and brought many benefits to the State, and would doubtless draw visitors in even greater numbers as a national park, since its paramount scenic, scientific, historic, and prehistoric values are of interest to visitors in every walk of life.

of life.

The Boards of Supervisors of Navajo and Apache Counties and the State land commission have by unanimous vote petitioned the Congress of the United States of America to set aside and designate as the Petrified Forest National Park all lands within the boundaries of the Petrified Forest National Monument, and a committee of the United States Senate during August 1938 investigated that proposal.

Inasmuch as there is no request to enlarge the present area, the proposed change from national monument to national park can be effected with little or no cost, and it would be of inestimable benefit to the State of Arizona and its residents and to the people of the United States.

of the United States.

Wherefore your memorialist, the House of Representatives of the State of Arizona (the senate concurring), prays: That the Congress of the United States of America enact legislation to set aside and designate as the Petrified Forest National Park all lands within the boundaries of the Petrified Forest National Monument.

The VICE PRESIDENT also laid before the Senate a joint memorial of the Legislature of New Mexico, favoring appropriations to continue service to the State of New Mexico by the National Labor Relations Board, twenty-second region, Denver, Colo., which was referred to the Committee on Appropriations.

(See joint memorial printed in full when presented today by Mr. CHAVEZ.)

The VICE PRESIDENT also laid before the Senate the petition of officers and patrons of the Wooldridge Switchboard Co., praying for the enactment of legislation to exempt small telephone companies from the provisions of the wage and hour laws, which was referred to the Committee on Education and Labor.

Mr. JOHNSON of California. Mr. President, I present for appropriate reference numerous petitions of sundry citizens of the State of California fostered by the executive committee of the Church Federation of San Francisco, Calif., in relation to ending the traffic in war materials for use against the Chinese people.

The VICE PRESIDENT. The petitions will be received and referred to the Committee on Foreign Relations.

Mr. SHEPPARD presented a resolution adopted by the House of Delegates of the American Medical Association at San Francisco, Calif., commending the President and Congress for enactment of legislation authorizing the construction of a new building for the Army Medical Library and Museum, which was referred to the Committee on Appropriations.

Mr. MALONEY presented the memorials of the wardens and vestrymen of Christ Church, of Bethany; of 41 members of the congregation of the Westminster Presbyterian Church, of Bridgeport; and of the wardens and vestrymen of the Protestant Episcopal Parish, of Seymour, all in the State of Connecticut, remonstrating against the inclusion of religious bodies under the operation of the social-security system, which were referred to the Committee on Finance.

Mr. MALONEY also presented the petition of Herrmann J. Hattersley and 75 other citizens of Stratford, Conn., praying for the enactment of legislation proposing an amendment to the Constitution of the United States for a referendum on war, which was referred to the Committee on the Judiciary.

Mr. CHAVEZ presented the following joint memorial of the Legislature of New Mexico, which was referred to the Committee on Appropriations:

House Joint Memorial 2 of the State of New Mexico and the Four-teenth Legislature, to the President and the Congress of the United States of America, pertaining to appropriations of suffi-cient funds to continue service to the State of New Mexico by the National Labor Relations Board, twenty-second region, Denver, Colo.

Be it resolved by the House of Representatives of the State of New Mexico, Whereas the citizens of the State of New Mexico have been rendered an invaluable service through and by the National Labor Relations Act or Wagner Act and/or the National Labor Relations Board, twenty-second regional office, Denver, Colo.: Now, therefore, be it

Resolved, That due to service rendered to citizens of the State of New Mexico in the past, the value of such services to our citizenship as a whole, and to those separate groups of employees to whom have come assistance and timely aid in times of difficulties beyond their control; the twenty-second regional office of the National Labor Relations Board is hereby commended for such impartial service. And it is further commended for alacrity and fair dealing in all its efforts in the State of New Mexico: Now, therefore, be it

therefore, be it

Resolved, That the President of the United States of America
and the Congress of the United States of America be, and the
same are, very respectfuly memorialized and petitioned in the
name of the State of New Mexico and of the house of representatives thereof, to appropriate such funds as are necessary to
properly maintain the office of the National Labor Relations Board,
twenty-second region, Denver, Colo., and such appropriation of
moneys as will allow said twenty-second regional set-up to efficiently continue to execute its duties in the State of New Mexico and over the entire twenty-second region; be it

Resolved, further, That a certified copy hereof under the great

Resolved, further, That a certified copy hereof under the great seal of the State of New Mexico be forwarded to his excellency, the Right Honorable Franklin D. Roosevelt, President of the United States of America; and be it

Resolved, further, That a copy hereof certified under the great seal of the State of New Mexico be forwarded to the Right Honorable JOHN NANCE GARNER, Vice President of the United States of America, for presentation through the proper channels, to the Senate of the United States; and be it further

Resolved, That a certified copy of this resolution, under the great seal of the State of New Mexico, be forwarded to the Honorable Speaker of the House of Representatives of the United States of America for presentation through the proper channels to the House of Representatives of the United States of America; and be it further

Resolved, That a certified copy of this resolution under the great seal of the State of New Mexico be forwarded to the Honorable Carl A. Hatch, United States Senator from New Mexico, and

to the Honorable Dennis Chavez, United States Senator from New Mexico, and to the Honorable John J. Dempsey, Member of the House of Representatives from the State of New Mexico.

Mr. CHAVEZ also presented the following joint memorial of the Legislature of New Mexico, which was referred to the Committee on Finance:

House Joint Memorial 6, memorializing Congress to grant pensions to certain aged pioneers and range workers

to certain aged pioneers and range workers

Be it resolved by the Legislature of the State of New Mexico,
That whereas in the early days of this Republic, and prior to the
year 1904, certain pioneers and range workers in the plains country of Colorado, Nebraska, Kansas, Texas, Oklahoma, and New
Mexico did perform useful services to the United States and the
people of the Nation in suppressing lawlessness and resisting hostile
Indians, making that portion of the country safe for settlement
and development; and

Whereas all such persons are now aged, and many of them are
indigent and in need of substantial assistance for their old age;
and

Whereas the United States and the people of the territory hereinabove mentioned are, as aforesaid, greatly in debt to these old people: Now, therefore, be it

Resolved, That New Mexico's delegation in the Congress of the United States be memorialized and petitioned to confer with representatives from other States of the territory above named and work out, if the same may be done, provisions for the pensioning of such persons who are able to establish the fact that prior to 1904 they engaged in the protection of the plains country and settlers, and in recognition thereof sufficiently to care for the meager wants of their old age; and be it

Resolved further, That a copy of this resolution, certified under the great seal of the State, be forwarded by the secretary of state of the State of New Mexico to the Honorable Carl A. Hatch and the Honorable Dennis Chavez, Senators from New Mexico, and the Honorable John J. Dempsey, Representative of the State of New Mexico to the Congress of the United States.

*Mr. CAPPERP presented resolutions adopted by Local G. 562.

Mr. CAPPER presented resolutions adopted by Local G 562 of the Kansas Workers Alliance, of Treece, and Local G 1872 of the Workers Alliance, of Delphos, in the State of Kansas, favoring an additional appropriation of \$150,000,000 for continuation of the Works Progress Administration program, which were referred to the Committee on Appropriations.

He also presented the petition of members of the stockholders of the Bloomington (Kans.) Mutual Telephone Co., praying for the enactment of legislation exempting small independent telephone companies from the provisions of the Labor Standards Act of 1938, which was referred to the Committee on Education and Labor.

He also presented a petition of sundry citizens of Concordia, Kans., praying that the United States adhere to a general policy of neutrality, which was referred to the Committee on Foreign Relations.

He also presented a petition of sundry citizens of Topeka, Kans., praying that the United States adhere to a policy of nonparticipation in aggression and take measures to discontinue the shipment of war supplies to Japan for use in operations in China, which was referred to the Committee on Foreign Relations.

Mr. TYDINGS presented a resolution adopted by the Board of Managers of the District of Columbia, Washington, D. C., favoring deficiency appropriations for heating and lighting school buildings in the District and also for teachers' salaries, which was referred to the Committee on Appropriations.

He also presented a resolution adopted by the City-Wide Citizens' Committee of Junior High School Parents of the District of Columbia, Washington, D. C., favoring additional appropriations for junior high schools in the District of Columbia, which was referred to the Committee on Appro-

He also presented a resolution adopted by the Detroit (Mich.) Building Trades Council, favoring the enactment of legislation placing all construction work under the W. P. A. and that sufficient appropriations be provided to enlarge the activities of the W. P. A., which was referred to the Committee on Education and Labor.

He also presented a resolution adopted by the City Council of Baltimore, Md., favoring the enactment of legislation to return the United States frigate Constellation to Baltimore, Md., and to provide a permanent berth for it at Fort McHenry, which was referred to the Committee on Naval Affairs.

Mr. MURRAY presented the following joint memorial of the Legislature of Montana, which was referred to the Committee on Agriculture and Forestry:

Senate Joint Memorial 6

Resolution memorializing the Congress of the United States; endorsing the passage and approval of Senate Joint Resolution No. 20, introduced in the Senate of the United States on January 4, 1939, by the Honorable Burton K. Wheeler, United States Senator; providing for the cancelation of certain crop-production and harvesting loans heretofore made by the United States Government of the other purposes. ment; and for other purposes

To the Honorable Senate and House of Representatives of the United

To the Honorable Senate and House of Representatives of the United States in Congress assembled:
Your memorialists, the members of the Twenty-sixth Legislative Assembly of the State of Montana, the senate and house concurring, respectively represent as follows, that—
Whereas there is before the Seventy-sixth Congress, first session, a Senate Joint Resolution No. 20, providing for the cancelation of certain crop production and harvesting loans heretofore made by the United States Government and for other purposes; that Whereas there exists throughout the State of Montana and other States of the Union a grave agricultural situation due to several years of drought, hail, rust, grasshopper, and cricket infestations and the present low prices in agricultural products; and Whereas these conditions make it impossible for many farmers and ranchers to ever repay their feed and seed loans: Now, therefore, be it

and ranchers to ever repay their feed and seed loans: Now, therefore, be it

Resolved, That hereafter no claim shall be made by the United States against any persons for the debt created by the furnishing of feed and seed, as hereinafter provided.

That the Governor of the Farm Credit Administration be authorized and directed to provide for the immediate cancelation of all loans which have been made to farmers in drought-stricken areas in the United States pursuant to the act of January 29, 1937 (Public Law No. 2, 75th Cong.), or the joint resolution of February 4, 1938 (Public Res. No. 78, 75th Cong.), or pursuant to any other act or joint resolution approved subsequent to March 2, 1921, under the terms of which loans of a similar character were authorized to be made either by the Secretary of Agriculture or by the Governor of the Farm Credit Administration; and be it further

Resolved, That the Governor of the Farm Credit Administration be also authorized and directed to release all liens given to secure the loan or loans made to any such farmer pursuant to any such act or joint resolution, and to notify each such farmer that no further payments of principal or interest shall be required after the date of enactment of Senate Joint Resolution No. 20 with respect to any loan so made to him; and be it further

Resolved, That a copy of this memorial be transmitted by the secretary of state to the Secretary of Agriculture, the Governor of the Farm Credit Administration, the Secretary of the Interior, to the Senate and House of Representatives of Congress of the United States, and to the Senators and Representatives in Congress from the State of Montana, and that they and each of them be requested to use all honorable means within their power to bring about such legislation.

legislation.

Mr. MURRAY also presented the following joint memorial of the Legislature of Montana, which was referred to the Committee on Commerce:

Senate Joint Memorial 7

Joint memorial to the Congress of the United States requesting the enactment of appropriate legislation for the creation of an air base at Fort Peck Dam

To the Honorable Senate and House of Representatives of the United States of America in Congress assembled:

Whereas the United States Government in its program of national defense is making provisions for the rapid expansion and enlargement of aviation and is creating new Army and Navy air bases;

Whereas the aviation program of the United States contemplates through the cooperation of the colleges, universities, and commercial schools the training of some 20,000 air pilots annually; and Whereas there is no Army or Navy air base at or near Fort Peck, Mont., and on account of its location, isolation, climate, and distance from other contracts.

tance from other air bases it is a logical location for an air base;

and
Whereas due to the engineering skill and efficiency of the Army
engineers headed by General Schley, Colonels Moore, Larkin, Major
Kittrell, and others the great Fort Peck Dam, costing in excess of
\$100,000,000, is nearing completion; and
Whereas the Fort Peck Dam will create a large lake 187 miles
long, 16 miles in maximum width, and have a shore line of 2,500
miles, and as such will be an important asset to an air base; and
Whereas in the construction of the Fort Peck Dam, in order to
properly safeguard the health and well-being of the workers, the

whereas in the construction of the Fort Peck Dam, in order to properly safeguard the health and well-being of the workers, the Corps of Army Engineers found it necessary to build the town of Fort Peck, which is modern in every way. It includes an administration building, town hall, post office, hospital, cold-storage plant, garage, commissary warehouse, laundry, recreation hall, theater, hotel, laboratory, and houses for technical and supervisory employees and barracks with mess hall, toilet, and bathing facilities

for other workers. Then there is a grade as well as a high school for the children. Fort Peck is provided with natural gas for heating and also has water, sewer, and electrical distribution systems and also improved roads, alleys, and sidewalks.

In addition to the above there is considerable property in the way of equipment, like a railroad running from Fort Peck to Wiota, a point on the Great Northern Railroad; large Government warehouses; great quantities of construction machinery and equipment; a great hydroelectric power plant in the process of construction, as well as much other property; and

Whereas with the completion of the dam the United States Government will have on hand this property, which cost many million dollars and which will have to be sold at a great sacrifice unless provision is made for its use at its present location: Now, therefore, be it

therefore, be it

therefore, be it

Resolved by the senate (the house of representatives concurring),
That the Congress of the United States of America be respectfully
urged and petitioned to enact legislation creating an air base at
Fort Peck, Mont., and to take all legal steps necessary to make
available for such air base the town of Fort Peck and all other
property and equipment belonging to the United States Government
on the Fort Peck project that can be used for air-base purposes;
but there

Resolved, That a copy of this joint memorial be submitted by the secretary of the State of Montana to the President of the United States, to both Houses of the National Congress, to the Secretary of War and Chief of the Army Engineers, and each of the Senators and Representatives in Congress from the State of

Mr. MURRAY also presented the following joint memorial of the Legislature of Montana, which was referred to the Committee on Finance:

House Joint Memorial 17

Resolution memorializing the Congress of the United States, requesting legislation amending the Social Security Act to include sufferers from occupational diseases, and to match State appropriations by Federal aid

priations by Federal aid

To the Honorable Senate and House of Representatives of the United States in Congress assembled:

Whereas the commission authorized by the Twenty-fifth Legislative Assembly of the State of Montana to study occupational diseases, particularly silicosis, has reported to the Twenty-sixth Legislative Assembly of the State of Montana its finding that silicosis is a disease of slow and continuous development which takes from 5 to 20 years to develop, and therefore it is almost impossible to prove when the disease began, whether in the State and industry where the disease reached its final stages or in some other State or industry; and

Whereas upon all information available, science has not yet discovered a cure for silicosis and is still experimenting with the cure of said disease; and

Whereas the protection of workmen's compensation laws, except

cure of said disease; and

Whereas the protection of workmen's compensation laws, except
in a very few instances, does not include occupational diseases
arising out of conditions of employment; and

Whereas the recent extension of such compensation laws in a few
States to include employees who might become afflicted with silicosis and other occupational diseases immediately resulted in the
removal of large industries to neighboring State or States where
employees are totally unprotected by such laws, except in the event
of physical accident; and

Whereas the recent extension of such compensation laws to
include such diseases further resulted in afflicted employees being
thrown out of employment by the ruthless methods practiced by
insurers requiring employees to pass rigid physical examination as
a condition of employment; and

Whereas those who are afflicted with silicosis and in the late

Whereas those who are afflicted with silicosis and in the late stages of the disease are incapacitated and unable to secure employment and are therefore without means of subsistence and with-

out means to check the disease; and
Whereas States which recognize their responsibility to society
and to employees by affording humanitarian standards and one
compensation for employees in hazardous occupations should be
given Federal assistance in order that employers within such States who do fulfill their obligation to society and to their employees shall not be penalized by migration of unconscionable compensation to employees afflicted with occupational diseases, and in order that persons who contract said disease through no fault of their own should not suffer illness, want, and privation: Now, therefore, but the state of the suffer illness, want, and privation: Now, therefore, but the state of the suffer illness, want, and privation: be it

be it Resolved, That the Congress of the United States be requested to pass an act to amend the Social Security Act to include sufferers from occupational diseases and to match by Federal aid the appropriations of States which include in their public welfare acts assistance to persons who are afflicted with silicosis and other occupational diseases; and be it further

Resolved, That copies of this memorial be sent by the secretary of state of the State of Montana to the President of the United States, to the President of the Spate, and the Speaker of the House of Representatives of the Congress of the United States, to Senator Robert Wagner, and to each of the Senators and Representatives in Congress from the State of Montana.

Mr. MURRAY also presented the following joint memorial of the Legislature of Montana, which was referred to the Committee on Military Affairs:

Senate Joint Memorial 13

Resolution memorializing the Congress of the United States for the passage of legislation making an allowance to all active members of the officers of the Reserve Corps of the Army of the United States

To the Honorable Senate and House of Representatives of the United States in Congress assembled:

Whereas there are thousands of officers in the Army of the United who qualify themselves as officers in the Army of the United States and receive respective commissions in said Reserve Corps

in their respective branches; and
Whereas in order to keep these commissions and remain active whereas in order to keep these commissions and remain active these officers are required to do a lot of work on their own time and without compensation; they are further required to purchase uniforms and certain equipment from their own funds. The equipment under regulations of the War Department must meet the standard of professional efficiency under such rules as the

the standard of professional efficiency under such rules as the President may prescribe; and

Whereas equity demands that if these officers are to give their time without compensation in making themselves efficient the United States should bear the actual cost and not require these officers to expend their own funds in order to equip themselves to meet the professional efficiency required: Now, therefore, be it Resolved by the Senate of the State of Montana (the house of representatives concurring). That we do hereby petition the Congress of the United States of America for the passage of legislation authorizing the payment and appropriations to pay said officers each a monetary allowance of \$10 per month during the period they qualify as such officers; be it further

Resolved, That a copy of this memorial be transmitted by the secretary of state of Montana to the Senate and the House of Representatives of the Congress of the United States and to the Senators and Representatives in Congress from the State of Montana, and they and each of them be requested to use all honorable means within their power to bring about the enactment of legislatana, and they and each of them be requested to use all nonorable means within their power to bring about the enactment of legisla-tion to correct the present practice and to make the necessary money available as above indicated to active members of the respective corps of the Army of the United States so that these members will not suffer financial loss in equipping themselves to serve their country in the event of an emergency.

AMENDMENTS TO NATIONAL LABOR RELATIONS ACT

Mr. BURKE. Mr. President, on the desk before me are petitions signed by approximately 50,000 American citizens. These petitioners, in the exercise of a right guaranteed to them by their Constitution, now call upon Congress to redress what they consider a very serious grievance.

Before presenting the petitions for reference to the appropriate committee, I should like to say just a word about the

In November 1937 there was organized the National Small Business Men's Association. The moving spirit was DeWitt M. Emery, president of the Monroe Letterhead Corporation, of Akron, Ohio. The movement, however, was so spontaneous that it has required very little directing. The association was formed to give the small-business man a more effective voice in national affairs. It spread so rapidly that when it met in convention for the first time at Pittsburgh on September 13, 1938, it counted members in 40 States of the Union, and delegates were present on that occasion from 32 of them.

It is the aim of the association to be a constructive force in helping to solve national problems. It favors our economic system of free enterprise, and is opposed to every policy or practice of business or of government which interferes with the functioning of that system. It is prepared to work for a reasonable reduction in governmental expense, the removal of tax exemption from all employees of government, improvement of the social-security program, elimination of politics from relief, and other matters affecting the national welfare.

The association has decided to make its major objective the enactment of necessary amendments to the Wagner Labor Relations Act. President Emery submits with the petitions the following statement, which I quote in part:

Accordingly the petition to the Congress of the United States, which I present herewith, was drawn and placed in circulation. The idea behind the petition was not to get the largest possible number of signers but rather to show the widespread sentiment among small-business men in favor of revising the Wagner Act in the manner stated on the petition.

Mr. Emery goes on to say:

These petitions contain approximately 50,000 signatures from small-business men scattered throughout 43 States. Many of the

small-business men who signed this petition have been before the National Labor Relations Board, and anxiously await an opportunity to testify at the Senate committee hearings on amending the National Labor Relations Act.

Mr. President, let me say that I thoroughly approved the action of the chairman of the Committee on Education and Labor in postponing, for the reasons stated by him, the hearings that were originally scheduled to commence on the 10th of the present month; but I join the 50,000 signers of this petition in urging the committee to reset the hearings for a date not later than April 1. The action of the committee next Tuesday on that question will be noted throughout the country with intense interest. I have confidence that an appropriate early date will be selected for full hearings.

Mr. President, I now present these petitions on behalf of the National Small Business Men's Association and ask that the caption, but not the signatures, be printed in the Con-GRESSIONAL RECORD and that the petitions be referred to the

Committee on Education and Labor.

The VICE PRESIDENT. Is there objection? The Chair hears none, and it is so ordered.

The caption of one of the petitions presented by Mr. Burke is as follows:

To the Congress of the United States, greetings:

The undersigned small-business men, their employees and customers, cooperating with the National Small Business Men's Association, respectfully request that the National Labor Relations Act, commonly called the Wagner Act, be revised so as to provide:

1. Equal rights, with a fair and impartial hearing and decision for all parties in interest. Employers as well as employees being enabled to initiate proceedings before the Labor Board, with recognized rules of evidence to apply at all hearings.

2. That employers, employees, and their families be fully protected in all labor situations against coercion or intimidation from any source.

any source.

3. For full review of all evidence by appeal to Federal courts, transcript to be furnished by the Board.

4. That the National Labor Relations Board be limited to judicial functions, so that it will not in the future at one and the same time, or at any time, act as prosecutor, judge, and jury; the Department of Labor to take over the functions thus removed from the

RESOLUTIONS OF LAND O'LAKE CREAMERIES. INC.

Mr. WILEY. Mr. President, there have been forwarded to me several resolutions adopted by the Land O'Lake Creameries, Inc., relating to the creamery and dairy industry, which I ask may be printed in the RECORD and appropriately re-

The VICE PRESIDENT. Without objection, the resolutions presented by the Senator from Wisconsin will be received, printed in the RECORD, and appropriately referred.

To the Committee on Finance:

We reiterate the position we have taken at former conventions in which we opposed the imports of dairy and livestock products from foreign countries unless they meet the same standards of sanitation and disease control which we require of our American farmers.

As a measure of protection to the farmers of the United States as a measure of protection to the farmers of the United States against serious competition of foreign fats and oils produced under conditions which should not be tolerated in the United States, we urge the enactment of additional Federal taxes on all imported oils and fats which will provide a coordinate tax or tariff of at least 5 cents per pound on all such fats and oils, and an equal rate of duty or tax on the seeds or nuts from which such fats and oils are extracted. extracted.

Where such fats and oils are now covered by trade agreements, we urge that a tax be enacted immediately with the proviso that the effective date of tax so fixed shall commence at the expiration date of any such trade agreement.

To the Committee on Agriculture and Forestry:

Since large areas of farm lands have been withdrawn from the Since large areas of farm lands have been withdrawn from the production of soil-depleting crops, the acreage thus removed has been used for the commercial production of dary and livestock products. The continued increase in the production of these products is demonstrating the need of providing dairy and livestock farmers with some degree of protection against the disastrous situation they are encountering. This protection was granted by both the House and the Senate when the farm bill was enacted at the last session of Congress.

Unfortunately, however, the protection specifically granted by both branches of Congress was nullified by the conference committee. As a consequence we now have no adequate protection against the use of diverted acres for the production of dairy and livestock products.

against the use of drivers.

livestock products.

We, therefore, request the present Congress to provide, either through an amendment to the present Farm Act or as a condition

to the enactment of any new farm legislation, that lands taken out of production of other crops and paid for out of the Federal Treasury should not be used for the production of dairy and live-

stock products.

stock products.

The program of the Dairy Products Marketing Association combined with the purchases of this Surplus Commodities Corporation has without question stabilized the price of butter since early in the spring of 1938 at a price level that has been of untold assistance to dairy farmers throughout the United States. Without this program there is little question that the price of butter would have reached a disastrously low level.

It can be safely assumed that this program has resulted in many millions of dollars being paid to farmers for their milk and dairy products. While a stabilization program of this nature should be inclusive of major farm crops and the stabilization operation on butter which was carried on under a law that is not strictly designed for the most perfect operation, this program does, however,

signed for the most perfect operation, this program does, however, constitute a substantial step in the right direction for a sound

program for agriculture.

Inasmuch as the dairy industry, which constitutes better than 20 percent of the entire farm income and which has been placed at a disadvantage due to the fact that many hundreds of millions of dollars have been spent in an attempt to assist agriculture, which has resulted in crop switching to the disadvantage of the dairy industry, and inasmuch as the dairy industry has asked so little in the way of assistance as compared with funds appropriated little in the way of assistance as compared with funds appropriated to support other branches of agriculture which have largely been to the disadvantage of dairying, it is regrettable that it should now find itself in a position whereby the limited appropriations which would be necessary to continue this work have been suddenly withdrawn and the butter market that has been so effectively stabilized should again be thrown open to the manipulations of those who have no interest in agriculture and are solely interested by whetever or however advantages can be gained at the interested in whatever or however advantages can be gained at the expense of agriculture.

Therefore, we urge that the Department of Agriculture reconsider the continuance of this stabilization operation and that the United States Congress be apprised of the disastrous situation facing dairy farmers, with the request that they take the necessary action to correct this situation.

We recommend and urge Congress to extend the present emergency interest rate on Federal farm loans and extend to agriculture a most favorable credit service until agriculture attains an income on parity with industry and labor.

WAGE AND HOUR LAW EXEMPTIONS

Mr. BARBOUR. Mr. President, I ask consent to have printed in the Record and appropriately referred a communication from the General Aniline Employees' Organization, Inc., of Grasselli, N. J., opposing exemption of "white collar" workers from the provisions of the wage-hour law and the petition signed by 600 members of this organization which communication and petition have been forwarded

There being no objection, the communication and petition were referred to the Committee on Education and Labor and ordered to be printed in the RECORD, as follows:

GENERAL ANILINE EMPLOYEE'S ORGANIZATION, INC., Grasselli, N. J., March 13, 1939. Senators the Honorable W. Warren Barbour and

WILLIAM H. SMATHERS (New Jersey),

United States Senate, Washington, D. C.
GENTLEMEN: The Federal wage and hour law was designed to
protect all workers, including so-called "white collar" or salaried
men, against excessive working hours without adequate compen-

men, against excessive working hours without adequate compensation and to spread employment.

It is the announced intention of Administrator Elmer Andrews to ask the Congress to amend the law to exempt "white collar" workers from its provisions, and a bill has already been introduced by Representative Thomas of Texas to exempt all "white collar" workers earning \$1,200 or more annually and which is aimed specifically at the exemption of all office workers. This bill would destroy the design and intent of the law.

Therefore, we, the undersigned "white collar" workers (salaried), your constituents, voters, residents of New Jersey, members and nonnembers of the salaried group of this organization advise you of our firm conviction that any bill to amend the wage-hour law to exempt "white collar" men should specifically apply only to those earning \$2,500 or more annually and that no amendments should be adopted to defeat the ultimate object of the law to standardize the workweek at 40 hours.

Our present working agreement with our company designates

standardize the workweek at 40 hours.

Our present working agreement with our company designates a 40-hour week for all employees, with overtime pay at one-fortieth of weekly salary per hour up to 44 hours, for salaried workers, and at three-eightieths of weekly salary in excess of 44 hours. We do not anticipate that our company will take advantage of any change in the wage-hour law to extend the regular workweek for salaried workers without compensation, but we do realize that they may be compelled to do so in the event that other manufacturers or competitors should lengthen the workweek under amendments to the law.

Having informed you of our opinions and feelings in the matter

Having informed you of our opinions and feelings in the matter, we now petition you, as our elected Senators, to firmly oppose any

changes in the wage-hour law designed to reduce or eliminate the privileges and benefits which this law has conferred on us.

PETITION

We, the undersigned, being the duly elected representatives and trustees of this organization (General Aniline Employees' Organization, Inc.), do affix our signatures to this petition in behalf of 600 hourly workers resident in Union, Essex, and adjacent counties in the State of New Jersey, and whom we represent, in support of our salaried coworkers and members in opposing any amendments to the wage-hour law except as specified and for the reasons outlined in the preamble to this petition.

REPORT OF COMMITTEE FILED DURING ADJOURNMENT

Under authority of the order of the Senate of March 14, 1939, Mr. Overton, from the Committee on Commerce, to which was referred the joint resolution (H. J. Res. 110) to authorize Commander Henry Coyle, United States Coast Guard, to accept the decoration and diploma of the Marine Medal of Class 1 (gold), conferred upon him by the Government of Greece, reported it on March 15, 1939, without amendment, and submitted a report (No. 170) thereon.

ENROLLED BILL PRESENTED

Mrs. CARAWAY, from the Committee on Enrolled Bills, reported that on March 15, 1939, that committee presented to the President the enrolled bill (S. 539) for the relief of Charles E. Naghel, special disbursing agent, Department of the Interior, and Kammeyer & Medack, contractors, from disallowance of charges for additional work under a construction contract.

REPORTS OF COMMITTEES

Mr. SCHWARTZ, from the Committee on Claims, to which was referred the bill (S. 1385) for the relief of the Barkman Lumber Co., reported it without amendment and submitted a report (No. 171) thereon.

He also, from the same committee, to which was referred the bill (S. 1430) for the relief of Dorothy Elizabeth Sisson, a minor, reported it with amendments and submitted a report (No. 172) thereon.

Mr. BURKE, from the Committee on Claims, to which were referred the following bills, reported them each with an amendment and submitted reports thereon:

S. 1186. A bill for the relief of Herbert M. Snapp (Rept. No. 173); and

S. 1387. A bill for the relief of Ida May Lennon (Rept. No. 174).

Mr. BROWN, from the Committee on Claims, to which were referred the following bills, reported them each without amendment and submitted reports thereon:

S. 1502. A bill for the relief of Donna L. I. Carlisle (Rept. No. 176): and

H.R. 3100. A bill for the relief of Capt. Francis H. A. McKeon (Rept. No. 175).

Mr. ELLENDER, from the Committee on Claims, to which was referred the bill (S. 1692) for the relief of J. Vernon Phillips, reported it with amendments and submitted a report (No. 177) thereon.

Mr. PITTMAN, from the Committee on Foreign Relations, to which was referred the joint resolution (H. J. Res. 150) to amend the joint resolution entitled "Joint resolution to provide that the United States extend to foreign governments invitations to participate in the Third International Congress for Microbiology to be held in the United States during the calendar year 1939," reported it without amendment and submitted a report (No. 178) thereon.

Mr. CONNALLY, from the Committee on Finance, to which was referred the bill (S. 1302) to make permanently effective the act entitled "An act to regulate interstate and foreign commerce in petroleum and its products by prohibiting the shipment in such commerce of petroleum and its products produced in violation of State law, and for other purposes." approved February 22, 1935, as amended, and for other purposes, reported it without amendment and submitted a report (No. 179) thereon.

ENROLLED JOINT RESOLUTION PRESENTED

Mrs. CARAWAY, from the Committee on Enrolled Bills, reported that on today, March 16, 1939, that committee presented to the President of the United States the enrolled joint resolution (S. J. Res. 76) to authorize the Postmaster General to withhold the awarding of star-route contracts for a period of 45 days.

BILLS AND JOINT RESOLUTIONS INTRODUCED

Bills and joint resolutions were introduced, read the first time, and, by unanimous consent, the second time, and referred as follows:

By Mr. ADAMS (for himself, Mr. Sheppard, Mr. Connally, Mr. Hatch, Mr. Chavez, and Mr. Johnson of Colorado):

S. 1808. A bill giving the consent and approval of Congress to the Rio Grande Compact signed at Santa Fe, N. Mex., on March 18, 1938; to the Committee on Irrigation and Reclamation.

By Mr. SMITH:

S. 1809. A bill for the relief of W. E. Spivey; to the Committee on Claims.

By Mr. ANDREWS:

S. 1810. A bill for the relief of the Citizens' State Bank of Marianna, Fla.; to the Committee on Claims.

By Mr. JOHNSON of California:

S. 1811. A bill for the relief of Dennis H. Sullivan; to the Committee on Military Affairs.

By Mr. GURNEY:

S. 1812. A bill for the relief of A. E. Bostrom; to the Committee on Claims.

By Mr. BONE:

S. 1813. A bill for the relief of the present leader of the United States Navy Band and officer in charge of the Navy School of Music; to the Committee on Naval Affairs.

By Mr. MURRAY:

S. 1814. A bill to authorize the acquisition of certain lands within the State of Montana for inclusion in the Fort Peck Game Range, and for other purposes; to the Committee on Agriculture and Forestry.

By Mr. SCHWELLENBACH:

S. 1815. A bill for the relief of Evelyn Mary Locke; to the Committee on Immigration.

By Mr. CHAVEZ:

S. 1816. A bill for the relief of Montie S. Carlisle; to the Committee on Claims.

S. 1817. A bill authorizing the Secretary of Agriculture to convey a certain tract of land to Pete Alaniz; and

S. 1818. A bill authorizing the Secretary of Agriculture to convey a certain tract of land to Tranquilino Martinez; to the Committee on Public Lands and Surveys.

By Mr. SHEPPARD:

S. 1819. A bill to exempt credit unions from the tax on employers under the Social Security Act; to the Committee on Finance.

S.1820. A bill to provide for the transfer of certain land owned by the United States to the State of Texas; and certain other land to the county of Galveston, Tex.; to the Committee on Military Affairs.

By Mr. TOWNSEND:

S. 1821. A bill for the relief of Harry K. Snyder; to the Committee on Claims.

By Mr. TYDINGS:

S. 1822. A bill to confer jurisdiction on the Court of Claims of the United States to hear, determine, and render judgment upon the claim of John L. Alcock; to the Committee on Claims.

By Mr. REYNOLDS:

S. 1823. A bill for the relief of William E. Cowen; to the Committee on Claims.

By Mr. MEAD:

S. 1824. A bill for the relief of the William Wrigley, Jr., Co.; to the Committee on Claims.

S. 1825. A bill to provide for the acquisition of certain property for public use in the District of Columbia; to the Committee on Public Buildings and Grounds.

By Mr. WALSH:

S. 1826. A bill conferring jurisdiction upon the United States District Court for the District of Massachusetts to hear, determine, and render judgment upon claims arising out of certain blasting operations on the Merrimack River; to the Committee on Claims.

S. 1827. A bill for the relief of Mrs. Hugh J. Finn; to the Committee on Naval Affairs.

By Mr. BILBO:

S. 1828. A bill authorizing the Railroad Retirement Board to pay an annuity to Ida Ann Crump; to the Committee on Interstate Commerce.

By Mr. CLARK of Idaho:

S. 1829. A bill for the relief of John B. Weise; to the Committee on Claims,

S. 1830. A bill granting an honorable discharge to James B. Kilbourne; to the Committee on Military Affairs.

S. 1831. A bill to authorize the exchange of lands adjacent to national forests in Adams and Valley Counties, Idaho; to the Committee on Public Lands and Surveys.

By Mr. McCARRAN:

S. 1832. A bill to relieve the existing national economic emergency by increasing agricultural purchasing power, to increase the national income, to make possible the balancing of the Budget, and, acting under the power conferred by section 8 of article I of the Constitution, to regulate the value of the dollar in the interest of the general welfare, and for other purposes; to the Committee on Agriculture and Forestry.

By Mr. PEPPER:

S. 1833. A bill to authorize the President to present, in the name of Congress, a gold medal to Pete R. Brown; to the Committee on the Library.

S. 1834. A bill for the relief of Joseph Noel Roberts; and

S. 1835. A bill to amend section 2000 (c) (1) of the Internal Revenue Code with respect to the rate of tax on certain cigars; to the Committee on Finance.

By Mr. LEE (for himself, Mr. Bileo, Mr. Chavez, Mr. Schwartz, Mr. Frazier, Mr. Thomas of Utah, Mr. Logan, Mr. Thomas of Oklahoma, Mr. Truman, Mr. Minton, Mr. Guffey, Mrs. Caraway, Mr. Russell, Mr. McKellar, Mr. Bankhead, Mr. Capper, Mr. Reynolds, Mr. Miller, Mr. Hill, Mr. Pepper, Mr. Ellender, Mr. Hughes, Mr. Andrews, Mr. Lundeen, Mr. Hayden, Mr. Hatch, Mr. George, Mr. Johnson of Colorado, Mr. Overton, Mr. La Follette, Mr. Mead, Mr. Downey, Mr. Burke, Mr. Neely, Mr. Murray, Mr. Gillette, Mr. Brown, Mr. Stewart, Mr. Connally, Mr. Bulow, Mr. Byrnes, Mr. Clark of Idaho, Mr. Bone, Mr. McCarran, Mr. O'Mahoney, Mr. Wagner, Mr. Nye, Mr. Schwellenbach, Mr. Wiley, Mr. Sheppard, Mr. Herring, and Mr. Wheeler):

S. 1836. A bill to promote farm ownership by amending the Bankhead-Jones Farm Tenant Act to provide for Government-insured loans to farmers; to encourage sale of farms held by absentee owners to farm tenants; and to enable tenant farmers to become owners of farm homes through long-term, low-interest-rate loans on farms, and for other purposes; to the Committee on Agriculture and Forestry.

(Mr. Bone (for himself and Mr. McNary) introduced Senate bills 1837 and 1838, which were referred to the Committee on Foreign relations, and appear under a separate heading.)

(Mr. Vandenberg introduced Senate Joint Resolution 94, which was referred to the Committee on Appropriations, and appears under a separate heading.)

By Mr. SCHWELLENBACH:

S. J. Res. 95. Joint resolution to change the name of the Mud Mountain Dam and Reservoir; to the Committee on Commerce.

By Mr. WALSH:

S. J. Res. 96 (by request). Joint resolution to provide that the United States extend to foreign governments invitations to participate in the Seventh International Congress for the Rheumatic Diseases to be held in the United States during the calendar year 1940, and to authorize an appropriation to assist in meeting the expenses of the session; to the Committee on Foreign Relations.

APPROPRIATIONS FOR RELIEF

Mr. VANDENBERG. Mr. President, I introduce a joint resolution, and ask leave to make a very brief statement in respect to it.

The President is renewing his request for \$150,000,000 in addition to the \$725,000,000 already voted by Congress for W. P. A. to next June 30. He asserts that legitimate economies and curtailments, as contemplated by Congress, are impossible under the existing W. P. A. system.

It is perfectly obvious that Congress itself cannot administer these economies under the existing system. It is equally obvious that Congress cannot provide a new and better system prior to April 1, when W. P. A. is threatening drastic cuts in relief rolls unless the extra \$150,000.000 is provided. We must have more time. Therefore, I propose to amend the original grant of \$725,000,000 by allocating its use to the period ending May 31 instead of June 30. In other words, the existing appropriation, already made, would terminate 1 month sooner than originally ordered.

This gives the President and W. P. A. the full fund they have requested up to June 1, and entirely eliminates the immediate crisis. It also eliminates the present need to appropriate the additional \$150,000,000. Meanwhile, it gives Congress 21/2 months in which to create a better relief system, or, failing that objective, subsequently to make the necessary June appropriations. Sufficient unto the day is the evil thereof

I ask that the joint resolution be referred to the Appropriations Committee.

The joint resolution (S. J. Res. 94) decreasing by 1 month the period over which funds heretofore appropriated to the Works Progress Administration for expenditure for work relief and relief are required to be apportioned and distributed, was read twice by its title and referred to the Committee on Appropriations.

HOUSE BILL REFERRED

The bill (H. R. 3233) to repeal certain acts of Congress (pocket vetoed) was read twice by its title and referred to the Committee on the Judiciary.

CHANGE OF REFERENCE

On motion by Mrs. Caraway the Committee on Pensions was discharged from the further consideration of the bill (S. 1439) granting a pension to Bill McCarty, and it was referred to the Committee on Finance.

INVESTIGATION OF RAILROAD FINANCING

Mr. WHEELER submitted the following resolution (S. Res. 105), which was referred to the Committee on Interstate Commerce:

Resolved, That the Committee on Interstate Commerce, authorized by Senate Resolution 71 and Senate Resolution 227, Seventy-fourth Congress, and Senate Resolution 86 and Senate Resolution 273, Seventy-fifth Congress, to investigate railroad financing and certain other matters, is hereby authorized to expend from the contingent fund of the Senate, in furtherance of the purposes of the above-mentioned resolutions, \$10,000 in addition to the amounts heretofore authorized for seld nurposes heretofore authorized for said purposes.

REORGANIZATION OF EXECUTIVE DEPARTMENTS—AMENDMENTS

Mr. BYRD submitted two amendments intended to be proposed by him to the bill (H. R. 4425) to provide for reorganizing agencies of the Government, and for other purposes, which were ordered to lie on the table and to be printed.

Mr. McCARRAN submitted an amendment intended to be proposed by him to the bill (H. R. 4425) to provide for reorganizing agencies of the Government, and for other purposes, which was ordered to lie on the table and to be printed.

Mr. WHEELER submitted amendments intended to be proposed by him to the bill (H. R. 4425) to provide for reorganizing agencies of the Government, and for other purposes, which were ordered to lie on the table and to be printed.

Mr. KING submitted an amendment intended to be proposed by him to the bill (H. R. 4425) to provide for reorganizing agencies of the Government, and for other purposes, which was ordered to lie on the table and to be printed.

AMENDMENT TO AGRICULTURAL DEPARTMENT APPROPRIATION BILL

Mr. PEPPER submitted an amendment intended to be proposed by him to the Agricultural Department appropriation bill, 1940, which was referred to the Committee on Agri-Appropriations and ordered to be printed, as follows:

At the proper place, under the heading "Office of Experiment Stations", insert the following:

"Experiment station for cassava: To enable the Secretary of Agriculture to establish and maintain an experiment station in the State of Florida for conducting experiments with respect to the growth and utilization of cassava, including the acquisition and construction of lands, buildings, and equipment, and the preparation, illustration, and distribution of reports and bulletins, \$50,000."

AMENDMENTS TO MILITARY ESTABLISHMENT APPROPRIATION BILL

Mr. SHEPPARD submitted amendments intended to be proposed by him to the bill (H. R. 4630) making appropriations for the military establishment for the fiscal year ending June 30, 1940, and for other purposes, which were referred to the Committee on Appropriations and ordered to be printed, as follows:

On page 11, line 10, strike out the words "thirty-one" and insert in lieu thereof the words "one hundred and six."

Also insert on page 11, line 10, between the word "officers" and figures "\$35,942,416", the following words: "to include 50 Medical Corps officers and 25 Dental Corps officers, authorized by act of January 29, 1938 (Public, 423)."

Also strike out figures "\$35,942,416" and insert in lieu thereof the figures "\$36,060,796."

AMENDMENT TO INTERIOR DEPARTMENT APPROPRIATION BILL

Mr. MURRAY submitted an amendment intended to be proposed by him to the bill (H. R. 4852) making appropriations for the Department of the Interior for the fiscal year ending June 30, 1940, and for other purposes, which was referred to the Committee on Appropriations and ordered to be printed, as follows:

On page 46, line 20, strike out "Fort Peck, \$50,000, reimbursable" and insert in lieu thereof the following: "Fort Peck, \$750,000, reimbursable, of which \$700,000 shall be used for continuing construction of Poplar River Unit; Crow, \$500,000, reimbursable."

ADMISSION OF REFUGEE CHILDREN

Mr. WAGNER. Mr. President, I ask unanimous consent to have printed in the body of the RECORD a very moving and effective editorial which appeared in the New York Daily News of today, which favors the admission into this country of a limited number of German refugee children.

The VICE PRESIDENT. Is there objection? The Chair

hears none.

The editorial is as follows:

[From the New York Daily News of March 16, 1939] LET'S PRACTICE LIBERALISM

Hitler has taken over Czechoslovakia to all intents and purposes, and the first official act of his protectorate, or whatever form his control may finally take, is an edict that Nuremberg anti-Jewish laws must be extended throughout his new domains.

HITLER STILL HOUNDS JEWS

Having impoverished the Jews in Germany and hounded a lot of them to death or out of the country, Hitler plainly intends to chase them out of all other territories he may acquire. It is a brutal spectacle. Most Americans deplore it, and a lot of us are raising loud and eloquent protests against it.

TURN TALK INTO ACTION

But when it comes to turning our indignation into action, we seem to be like most of the other countries. To the question where these tragic people are to go for refuge, the conventional reply is that somehow, sometime, we'll find them a nice, cozy landing place somewhere in central Africa or up the Amazon.

What we should do, and do soon, is to relax our immigration leaves to let into the United States as leaves a proportion of these

landing place somewhere in central Africa or up the Amazon.

What we should do, and do soon, is to relax our immigration laws to let into the United States as large a proportion of these people as we can fairly be called on to receive—if not a larger. We should at the very least adopt Senator Wacner's proposal to admit 10,000 German child refugees a year for the next 2 years. About half of these would be Jewish children, the other half the children of German Gentiles in bad odor with Hitler's choosy government. We should do this for several reasons. For one, plain human decency and hospitality. For another, it was our ancient policy of welcoming the oppressed of all lands that made us a great Nation. For a third, we should do it for the sake of our own souls.

souls.

We boast a lot about our liberalism. Let's be liberal on this tragically urgent and challenging point.

VETERANS OF FOREIGN WARS RADIO HOUR—ADDRESS BY SENATOR CLARK OF MISSOURI

[Mr. Bone asked and obtained leave to have printed in the RECORD an address delivered by Mr. CLARK of Missouri on the eighth annual Veterans of Foreign Wars "Hello America" radio hour on February 15, 1939, which appears in the

REFUGEE CHILDREN-ADDRESS BY SENATOR REYNOLDS

[Mr. REYNOLDS asked and obtained leave to have printed in the RECORD a radio address delivered by him on invitation of the Daughters of the American Revolution in Washington on the subject American Children First, which appears in the Appendix.]

EXCERPTS FROM SPEECH BY SENATOR PEPPER AT KAPPA ALPHA DINNER

[Mr. MINTON asked and obtained leave to have printed in the RECORD excerpts from the speech delivered by Senator PEPPER, at a Kappa Alpha dinner in Baltimore, Md., on January 19, 1939, which appears in the Appendix.]

TODAY'S PRACTICAL PATRIOTISM-ADDRESS BY SENATOR WILEY

[Mr. McNary asked and obtained leave to have printed in the RECORD a speech on Today's Practical Patriotism, delivered by Senator Wiley, of Wisconsin, before the Kiwanis Club of Alexandria, Va., on March 9, 1939, which appears in the

DISCUSSIONS CONCERNING ARRANGEMENTS BETWEEN THE UNITED STATES AND BRAZIL

[Mr. Barkley asked and obtained leave to have printed in the RECORD discussions between His Excellency Senhor Oswaldo Aranha, Minister of Foreign Affairs of Brazil, and officials of the Government of the United States, released by the Department of State March 9, 1939, which appears in the Appendix.]

DISMEMBERMENT OF CZECHOSLOVAKIA

[Mr. REYNOLDS asked and obtained leave to have printed in the RECORD an editorial published in the New York Daily News of March 15, 1939, entitled "Hitler Grabs Again," which appears in the Appendix.]

EXECUTIVE NOMINATION REFERRED

The VICE PRESIDENT laid before the Senate the nomination of Samuel F. Kirby to be postmaster at Portsmouth, Va., which was referred to the Committee on Post Offices and Post Roads.

ORDER TO DISPENSE WITH CALL OF CALENDAR

The VICE PRESIDENT. The routine morning business is concluded. The consideration of bills on the calendar under rule VIII is in order.

Mr. BARKLEY. I ask unanimous consent that the calling of the calendar be dispensed with.

The VICE PRESIDENT. Is there objection? The Chair hears none, and it is so ordered.

REORGANIZATION OF EXECUTIVE DEPARTMENTS

Mr. BYRNES. I move that the Senate proceed to the consideration of House bill 4425, the reorganization bill. The VICE PRESIDENT. The question is on the motion of the Senator from South Carolina.

The motion was agreed to; and the Senate proceeded to consider the bill (H. R. 4425) to provide for reorganizing agencies of the Government, and for other purposes, which had been reported from the Select Committee on Government Organization with amendments.

Mr. BYRNES. I ask unanimous consent that the committee amendments be first considered.

The VICE PRESIDENT. Is there objection? The Chair hears none.

Mr. JOHNSON of California. Mr. President, what is the request which has just been agreed to?

The VICE PRESIDENT. The request was for unanimous consent to consider the committee amendments first.

Mr. JOHNSON of California. I do not want to have the formal reading of the bill dispensed with, if that was the

Mr. BYRNES. I did not ask unanimous consent that the formal reading of the bill be dispensed with, but I was about to do so. Is the Senator going to object to that

Mr. JOHNSON of California. Yes. Mr. BYRNES. Then I will not make it.

The VICE PRESIDENT. The clerk will read the bill.

The clerk has asked the Chair whether or not the committee amendments should be read when the bill is read. The parliamentarian advises the Chair that they should be: that the clerk should read the amendments as he comes to them

The Chief Clerk read as follows:

Be it enacted, etc., That this act may be cited as the "Reorganization Act of 1939."

TITLE I-REORGANIZATION

PART 1

SECTION 1. (a) The President shall investigate the organization of all executive agencies of the Government and shall determine what changes therein are necessary to accomplish the following purposes:

(1) To reduce expenditures to the fullest extent consistent with

(1) To reduce expenditures to the fullest extent consistent with the efficient operation of the Government;
(2) To increase the efficiency of the operations of the Government to the fullest extent practicable within the revenues;
(3) To group, coordinate, and consolidate executive agencies of the Government, as nearly as may be, according to major pur-

(4) To reduce the number of such agencies by consolidating those having similar functions under a single head, and to abolish such agencies or such functions thereof as may not be necessary for the efficient conduct of the Government; and

(5) To eliminate overlapping and duplication of effort.

(b) The Congress declares that the public interest demands the carrying out of the purposes specified in subsection (a) and that such purposes may be accomplished in great measure by proceeding immediately under the provisions of this title, and can be accomplished more speedily thereby than by the enactment of specific legislation. specific legislation.

SEC. 2. When used in this title, the term "executive agency

means any executive department, commission, independent establishment, corporation owned or controlled by the United States, board, bureau, division, service, office, authority, or administration, in the executive branch of the Government.

SEC. 3. No reorganization plan under section 4 shall provide—

(a) For the abolition or transfer of an executive department or all the functions thereof or for the establishment of any new

executive department;

(b) In the case of the following executive agencies, for the transfer, consolidation, or abolition of the whole or any part of such agency or of its head, or of all or any of the functions of such agency or of its head: Civil Service Commission, Coast Guard, Engineer Corps of the United States Army—

The CHIEF CLERK. On page 3, line 13, after the word "Army", it is proposed to insert the words "Mississippi River Commission."

The PRESIDENT pro tempore. Without objection-

Mr. McNARY. Mr. President-

The PRESIDENT pro tempore. The Senator from Oregon. Mr. McNARY. I did not know that we were considering committee amendments.

Mr. JOHNSON of California. The bill is merely being read. Mr. McNARY. The Presiding Officer said, "Without objection," and was about to state, I presume, that the amend-

ment was agreed to. The PRESIDENT pro tempore. The present occupant of the chair was not presiding when the ruling as to the reading

of the bill was made. The present occupant of the chair was on the floor at the time, and understood that the request was to have the bill read.

Mr. KING. That is correct.

The PRESIDENT pro tempore. A parliamentary inquiry was addressed to the Chair, as to whether in reading the bill the clerk should read the amendments proposed by the committee. The present occupant of the chair holds that action on amendments is not at present in order, and will not be in order until the bill shall have been completely read.

Mr. McNARY. That was my understanding.

The PRESIDENT pro tempore. The clerk will continue the reading of the bill.

The Chief Clerk resumed and concluded the reading of the bill, as follows:

Federal Communications Commission, Federal Power Commission, Federal Trade Commission, General Accounting Office, Interstate Commerce Commission, National Labor Relations Board, Securities and Exchange Commission, United States Board, Securities and Exchange Commission, United States Board of Tax Appeals, United States Employees' Compensation Commission, United States Maritime Commission, United States Tariff Commission, Veterans' Administration, National Mediation Board, National Railroad Adjustment Board, or Railroad Retirement

Goard; or

(c) For changing the name of any executive department or the title of its head, or for designating any executive agency as "Department" or its head as "Secretary."

SEC. 4. Whenever the President, after investigation, finds that—
(a) the transfer of the whole or any part of any executive agency or the functions thereof to the jurisdiction and control of any other executive agency; or

(b) the consolidation of the functions vested in any executive agency; or

- agency; or

 (c) the abolition of the whole or any part of any executive agency or the functions thereof, is necessary to accomplish one or more of the purposes of section 1 (a), he shall—

 (d) prepare a reorganization plan for the making of the transfers, consolidations, and abolitions, as to which he has made findings and which he includes in the plan. Such plan shall
- (1) designate, in such cases as he deems necessary, the name of any executive agency affected by a reorganization and the title of its head:

of its head;

(2) make provision for the transfer or other disposition of the records, property (including office equipment), and personnel affected by such transfer, consolidation, or abolition;

(3) make provision for the transfer of such unexpended balances of appropriations available for use in connection with the function or agency transferred or consolidated, as he deems necessary by reason of the transfer or consolidated, as he deems necessary by reason of the transferred or consolidated functions, or for the use of the agency to which the transfer is made, but such unexpended balances so transferred shall be used only for the purposes for which such appropriation is originally made;

(4) make provision for winding up the affairs of the executive agency abolished or the affairs of the executive agency with respect to the functions abolished, as the case may be; and

agency abolished or the affairs of the executive agency with respect to the functions abolished, as the case may be; and

(e) transmit such plan (bearing an identifying number) to the Congress, together with a declaration that, with respect to each transfer, consolidation, or abolition referred to in paragraph (a), (b), or (c) of this section and specified in the plan, he has found that such transfer, consolidation, or abolition is necessary to accomplish one or more of the purposes of section 1 (a). The delivery to both Houses shall be on the same day and shall be made to each House while it is in session.

The President, in his message transmitting a reorganization plan, shall state the reduction of expenditures which it is probable will be brought about by the taking effect of the reorganizations specified in the plan.

be brought about by the taking effect of the reorganizations specified in the plan.

SEC. 5. The reorganizations specified in the plan shall take effect in accordance with the plan:

(a) Upon the expiration of 60 calendar days after the date on which the plan is transmitted to the Congress, but only if during such 60-day period there has not been passed by the two Houses a concurrent resolution stating in substance that the Congress does not favor the reorganization plan.

(b) If the Congress adjourns sine die before the expiration of

not favor the reorganization plan.

(b) If the Congress adjourns sine die before the expiration of the 60-day period, a new 60-day period shall begin on the opening day of the next succeeding regular or special session. A similar rule shall be applicable in the case of subsequent adjournments sine die before the expiration of 60 days.

SEC. 6. No reorganization under this title shall have the effect—

(a) of continuing any executive agency or function beyond the time when it would have terminated if the reorganization had not been made: or

been made: or

(b) of continuing any function beyond the time when the executive agency in which vested before the reorganization would have terminated if the reorganization had not been made.

SEC 7. For the purposes of this title any transfer, consolidation, abolition, designation, disposition, or winding up of affairs, referred to in section 4 (d), shall be deemed a "reorganization."

Sec. 8. (a) All orders, rules, regulations, permits, or other privileges made, issued, or granted by or in respect of any executive agency or function transferred to, or consolidated with, any other executive agency or function under the provisions of this title, and in effect at the time of the transfer or consolidation, shall continue in effect to the same extent as if such transfer or consolidation had not occurred, until modified, superseded, or repealed.

(b) No suit, action, or other proceeding lawfully commenced by or against the head of any executive agency or other officer of the United States, in his official capacity or in relation to the discharge of his official duties, shall abate by reason of any transfer of authority, power, and duties from one officer or executive agency of the Government to another under the provisions of this title, but the court, on motion or supplemental petition filed at any time within 12 months after such transfer takes effect, showing a processity for a survival of such supplemental petition for the survival and the supplemental petition for the survival of such supplemental petition for a survival of such supplemental petition for a survival of such survival or surviva necessity for a survival of such suit, action, or other proceeding to obtain a settlement of the questions involved, may allow the same to be maintained by or against the head of the executive agency or other officer of the United States to whom the authority, powers,

and duties are transferred.

(c) All laws relating to any executive agency or functions transferred to, or consolidated with, any other executive agency or function under the provisions of this title, shall, insofar as such laws are not inapplicable, remain in full force and effect.

SEC. 9. The appropriations or portions of appropriations unexpended by reason of the operation of this title shall not be used for any purpose, but shall be impounded and returned to the Treasury.

Treasury.

SEC. 10. Whenever the employment of any person is terminated by a reduction of personnel as a result of a reorganization effected under this title, such person shall thereafter be given preference, when qualified, whenever an appointment is made in the executive branch of the Government, but such preference shall not be effec-tive for a period longer than 12 months from the date the employ-

ment of such person is so terminated.

SEC. 11. If the reorganizations specified in a reorganization plan take effect, the reorganization plan shall be printed in the Statutes at Large in the same volume as the public laws, and shall be printed

in the Federal Register.

SEC. 12. No reorganization specified in a reorganization plan shall take effect unless the plan is transmitted to the Congress before January 21, 1941.

PART 2

SEC. 21. The following sections of this part are enacted by the Congress:

(a) As an exercise of the rule-making power of the Senate and the House of Representatives, respectively, and as such they shall be considered as part of the rules of each House, respectively, but applicable only with respect to the procedure to be followed in such House in the case of resolutions (as defined in sec. 22); and such rules shall supersede other rules only to the extent that they are inconsistent therewith; and

inconsistent therewith; and

(b) With full recognition of the constitutional right of either House to change such rules (so far as relating to the procedure in such House) at any time, in the same manner and to the same extent as in the case of any other rule of such House.

SEC. 22. As used in this part, the term "resolution" means only a concurrent resolution of the two Houses of Congress, the matter after the resolving clause of which is as follows: "That the Congress does not favor the reorganization plan No.———, transmitted to Congress by the President on————, 19—," the blank spaces therein being appropriately filled; and does not include a concurrent resolution which specifies more than one reorganization plan.

SEC. 23. A resolution with respect to a reorganization plan shall be referred to a committee (and all resolutions with respect to the same plan shall be referred to the same committee) by the President of the Senate or the Speaker of the House of Representatives, as the

the Senate or the Speaker of the House of Representatives, as the case may be.

Sec. 24. (a) If the committee to which has been referred a resolution with respect to a reorganization plan has not reported it before the expiration of 10 calendar days after its introduction (or, in the case of a resolution received from the other House, 10 calendar days after its receipt), it shall then (but not before) be in order to move either to discharge the committee from further consideration of such resolution, or to discharge the committee from further consideration of any other resolution with respect to such reorganization plan which has been referred to the committee.

(b) Such motion may be made only by a person favoring the resolution, shall be highly privileged (except that it may not be made after the committee has reported a resolution with respect to the same reorganization plan), and debate thereon shall be limited to 20 minutes, to be equally divided between those favoring and those opposing the resolution. No amendment to such motion shall be in order, and it shall not be in order to move to reconsider the vote by which such motion is agreed to or disagreed to.

(c) If the motion to discharge is agreed to or disagreed to, such

(c) If the motion to discharge is agreed to or disagreed to, such motion may not be renewed, nor may another motion to discharge the committee be made with respect to any other resolution with

the committee be made with respect to any other resolution with respect to the same reorganization plan.

SEC. 25. (a) When the committee has reported, or has been discharged from further consideration of, a resolution with respect to a reorganization plan, it shall at any time thereafter be in order (even though a previous motion to the same effect has been disagreed to) to move to proceed to the consideration of such resolution. Such motion shall be highly privileged and shall not be debatable. No amendment to such motion shall be in order and it shall not be in order to move to reconsider the vote by which such motion is agreed to or disagreed to.

(b) Debate on the resolution shall be limited to not to exceed 10 hours, which shall be equally divided between those favoring and those opposing the resolution. A motion further to limit debate shall not be debatable. No amendment to, or motion to recommit, the resolution shall be in order, and it shall not be in order to move to reconsider the vote by which the resolution is agreed to or disagreed to.

to or disagreed to.

SEC. 26. (a) All motions to postpone, made with respect to the discharge from committee, or the consideration of, a resolution with respect to a reorganization plan, and all motions to proceed to the consideration of other business, shall be decided without

(b) All appeals from the decisions of the Chair relating to the application of the rules of the Senate or the House of Representatives, as the case may be, to the procedure relating to a resolution

with respect to a reorganization plan shall be decided without debate.

SEC. 27. If, prior to the passage by one House of a resolution of that House with respect to a reorganization plan, such House receives from the other House a resolution with respect to the same

plan, then—

(a) If no resolution of the first House with respect to such plan (a) If no resolution of the first house with respect to such plan has been referred to committee, no other resolution with respect to the same plan may be reported or (despite the provisions of section 24 (a)) be made the subject of a motion to discharge.
(b) If a resolution of the first House with respect to such plan

has been referred to committee—

(1) the procedure with respect to that or other resolutions of such House with respect to such plan which have been referred to committee shall be the same as if no resolution from the other

House with respect to such plan had been received; but

(2) on any vote on final passage of a resolution of the first
House with respect to such plan the resolution from the other House with respect to such plan shall be automatically substituted for the resolution of the first House.

TITLE II-BUDGETARY CONTROL

SEC. 201. Section 2 of the Budget and Accounting Act, 1921 (U. S. C., 1934 ed., title 31, sec. 2), is amended by inserting after the word "including" the words "any independent regulatory commission or board and."

TITLE III—ADMINISTRATIVE ASSISTANTS

SEC. 301. The President is authorized to appoint not to exceed six administrative assistants and to fix the compensation of each at the rate of not more than \$10,000 per annum. Each such administrative assistant shall perform such duties as the President may prescribe.

The PRESIDENT pro tempore. The question is on agreeing to the first committee amendment.

Mr. BYRNES. Mr. President, as chairman of the committee. I think it would be in order for me to make an explanation of the bill and to point out the difference between the pending bill and the bill which was considered in the last Congress. The Senate is familiar with the bill considered in the last Congress. That bill included a provision creating a Welfare Department, reorganizing the General Accounting Office, reorganizing the structure of the Civil Service Commission, and making permanent the National Resources Committee.

In addition to those provisions the bill provided for the reorganization of the executive branch of the Government, and made provision for six assistants to the President. All the features of the bill passed by the Senate at the last session of the Congress have been eliminated from the pending bill, with the exception of the last two mentioned by me, namely, the provision for reorganization of the executive departments and the provision authorizing the President to appoint

The Senate spent 30 days of the last session considering the reorganization bill. When the matter was considered prior to the convening of the present session. I took the position that, in view of the fact that a reorganization bill had passed the Senate and had been defeated in the House, the House should agree upon a measure, if it were possible, and when that measure came to the Senate, the Senate would give it consideration. I took the position also that, in view of the attitude of many Members of the Senate, any reorganization bill should not provide for more than one of the subjects contained in the last bill, so that the Senate would have the right to vote for or against any one provision. I discussed the matter with members of the House Reorganization Committee, and an agreement was reached that that policy would be followed.

The House committee reported the bill which is now pending before the Senate. It follows in great measure the form of the reorganization provisions of the last bill, with one very important exception. The bill passed by the Senate at the last session provided that whenever a plan of reorganization was submitted to the Congress it should become effective at the expiration of 60 days, unless the Congress should within that time by joint resolution express its disapproval Members of the Senate, and of the House also, believed that unwise, and with great force argued that the requirement for the passage of a joint resolution to disapprove a reorganization plan, meant that the adoption of a joint resolution must receive the approval of the Executive, and that for all practical purposes it meant that the plan of organization would become effective unless the Congress by a two-thirds vote should disapprove it. Under this bill an effort has been made to meet the views of Members of the Senate and House who believe that a majority of the Senate and House should have power to disapprove a plan of reorganization. At the last session of the Congress that proposal was urged. An amendment was proposed by the Senator from Iowa [Mr. GILLETTE], the Senator from Colorado [Mr. Johnson], and the Senator from Michigan [Mr. Brown]. I was opposed to it. I believed in the provisions of the bill then pending.

The argument was then made that if a provision were placed in the bill that a plan of reorganization should take effect at a certain time, it would not be very effective to provide for disapproval even by a concurrent resolution unless at the same time some safeguard were provided against a filibuster which would prevent action upon the resolution of disapproval. That question was argued at some length at that time. The President pro tempore expressed his view that such a rule could be adopted and should be adopted.

To meet that view, the House has provided in part II of the bill a rule which, in the opinion of the parliamentarian of the Senate and the Parliamentarian of the House, assures to any Member of the Senate or House who disapproves of an order of reorganization an opportunity to secure a vote upon a resolution of disapproval. I think that point is the only controversial feature of the bill now pending. Let me explain briefly what it is.

Mr. McNARY. Mr. President, will the Senator yield for

a moment?

Mr. BYRNES. I yield.

Mr. McNARY. The Senator will recall that last year, in a colloquy between the Senator from South Carolina and the Senator from Oregon, I was advocating what was known as the Wheeler amendment, requiring affirmative action by the Congress. Will the Senator discuss the proposal of last year, the Wheeler amendment, as well as the Byrd bill, so as to cover the whole subject matter?

Mr. BYRNES. Yes.

The Wheeler amendment provided that whenever any order of reorganization was submitted to the Congress, it should not become effective unless the Congress should affirmatively approve it. The Wheeler amendment required affirmative action.

In the Byrd bill there is a provision similar to the Wheeler amendment.

As I say, the provision of the pending bill is similar to the amendment which was offered by the Senator from Iowa [Mr. GILLETTE], the Senator from Colorado [Mr. Johnson]. and the Senator from Michigan [Mr. Brown]. I prefer first to continue my statement as to exactly what this provision does, and then I shall discuss the other matter.

Under the bill, if an order of reorganization—the House calls it a "plan" of reorganization—is submitted to the House and Senate, any Senator or Representative who is opposed to the plan may introduce a concurrent resolution disapproving the plan. That resolution is referred to a committee. If the committee does not report the resolution within 10 days, under the rule it is in order for any Member of the Senate to move that the committee be discharged from further consideration of the plan of reorganization. In order to prevent a filibuster on the part of those who favor reorganization, it is further provided that if a Member of the Senate who is opposed to the plan of reorganization shall rise and move to discharge the committee it shall not be in order to offer an amendment so as to defeat the object of the rule by debating amendments. This provision assures to those who are opposed to any plan of reorganization an opportunity to have a resolution of disapproval adopted by a majority vote of the two Houses.

Mr. WHEELER. Mr. President, will the Senator yield?

Mr. BYRNES. I yield.

Mr. WHEELER. Suppose, under the plan suggested, the House of Representatives should vote against the reorganization plan, and the Senate should vote in favor of the plan.

Then the plan would become law, would it not?

Mr. BYRNES. It would. If the House of Representatives should vote a resolution of disapproval of the plan, that resolution would come to the Senate. Even without its going to the Senate, any Member of the Senate could move to discharge the committee, and offer a resolution disapproving the order of reorganization.

Mr. GEORGE and Mr. BONE addressed the Chair.

Mr. BYRNES. If the Senators will wait until I have finished my reply to the Senator from Montana, I shall be glad to yield.

If the Senate refuses to vote for the disapproval, then the plan of reorganization is not disapproved by the Congress. It is disapproved only by one House of the Congress, and the Congress does not speak its disapproval. That is a correct statement of the situation.

I now yield to the Senator from Georgia.

Mr. GEORGE. Mr. President. I should like to ask the Senator a question for information. Is the plan of reorganization amendable in either House, or must it be taken as a whole or rejected as a whole?

Mr. BYRNES. I intended later to call attention to the House provision. The House bill provides for a resolution of disapproval, stating in substance that the Congress does not favor the reorganization plan. It further provides, however, that the rule as to the limitation of debate applies only when the resolution is worded in this specific language:

When that resolution is introduced, all the provisions as to prevention of a filibuster and the limitation upon debate apply.

However, there was no effort to limit either the Senate or the House to specific words of disapproval. The Senate, if it chose, could pass a resolution in other language; but if it did, the limitation on debate would not apply.

Mr. GEORGE. Then the Senator's interpretation is that the plan of reorganization is not amendable?

Mr. BYRNES. It is not amendable.

Mr. GEORGE. Or, if amendable, then none of the rules with respect to filibusters or cutting off debate will apply? Mr. BYRNES. That is correct.

Mr. President, there is a reason for that provision. The reason prompting those who have given consideration to the matter is that when a resolution is submitted, if a Senator believes that a particular bureau should not be merged with another, he may vote against the whole measure.

After giving to the President the power, as the agent of the Congress, to make recommendations as to the executive departments over which he presides, Congress could, if the plan were open to amendment, provide for an entirely different plan. There would be no way of securing the cooperation which Senators last year argued should prevail between the Executive and the Congress in any reorganization.

Mr. WHEELER. Mr. President, will the Senator yield? Mr. BYRNES. The Senator from Washington [Mr. BONE] has asked me to yield to him.

Mr. BONE. Mr. President, I gather from the answer of the Senator from South Carolina that if one House of the Congress approves the plan it becomes law, and has all the force and effect of law. I should like to ask the Senator if this proposal, so far as he knows, is the only departure from the traditional parliamentary procedure, which requires the assent of both Houses of Congress before any principle becomes embalmed in law. This is the first time I have ever heard of a bill becoming law without the assent of both Houses of Congress. I am wondering if this is the first departure.

Mr. BYRNES. I shall be glad to answer the Senator. Mr. JOHNSON of Colorado. Mr. President, will the Senator yield?

Mr. BYRNES. I should like to answer the question of the Senator from Washington. Is the Senator's question along the same line?

Mr. JOHNSON of Colorado. It is along the same line. Mr. BYRNES. Then I shall answer the two questions together.

Mr. JOHNSON of Colorado. Under the provisions of this bill if neither House acts the plan becomes effective?

Mr. BYRNES. That is correct; if neither House acts, the plan becomes effective in 60 days.

Mr. President, there is much misunderstanding about the history of this particular procedure.

Mr. GEORGE. Mr. President, I do not wish to interrupt the Senator from South Carolina but, following my other question, it seems very clear to me that whatever may be written in the law, when a plan for reorganization is submitted to this body, it becomes a matter for the Chair, for the Vice President or whoever may be in the chair, in the first instance, to determine whether it is amendable and in the second instance, it lies with the Senate, through the medium of an appeal from the decision of the Chair. So it does not make any difference what is put in the measure.

Mr. McNARY. Mr. President, may we have better order in the Senate?

The PRESIDENT pro tempore. The Senator from Oregon makes the point that there is disorder. The point of order is sustained. Senators will kindly refrain from conversation.

Mr. GEORGE. The question I wish to present to the Senator is this: In the first instance, I asked whether a plan for reorganization was amendable? The Senator from South Carolina said it was. He is probably correct, so far as the text of the pending measure is concerned. Now, I submit the broader question that, irrespective of what is provided in the pending bill, when a plan of reorganization is presented to this body it is a question for this body to determine whether it is amendable, and, in the first instance, the Chair decides that question, and in the second instance, the majority of the Senate decides it. It does not matter how we may argue about it. There will be offers to amend any plan of reorganization, and the Senate may do as it pleases upon that question. It may even do as it pleases in the face of this proposed reorganization act. So if there is an amendment offered to a reorganization plan, none of the restrictions and none of the efforts made to expedite the hearings and to prevent or cut off debate can possibly apply.

Mr. BYRNES. Mr. President, the Senator states that they cannot apply. That is a matter that is somewhat debatable. The fact is that the provisions of this bill recognize the power of the Senate and House to make their own rules. The bill contains a statement to that effect, to show that it is recognized, and provides that, in the exercise of the rule making the power of the Senate and the House of Representatives, respectively, the rules provided by the bill shall be considered a part of the rules of each House, respectively, but applicable only with respect to the procedure to be followed in each House in the case of resolutions as defined in section 22, and such rules shall supersede other rules only to the extent that

they are inconsistent therewith.

The thought in the mind of the committee was that if the Congress of the United States, the House of Representatives and the Senate, enacted the provision I have read, it would be the rule of procedure until the Senate and the House in the exercise of their rule-making power changed it. We recognize that the Senate at any time can change its rules.

Mr. WHEELER. Mr. President-

Mr. BYRNES. I wish to say to the Senator from Montana that I have yet to answer a question asked by the Senator from Washington [Mr. Bone], and I think I should get back to that.

Mr. WHEELER. I should like to ask the Senator a question on the point just mentioned.

Mr. BYRNES. I am carrying one question in my mind, and I do not want to have pending "an amendment to an amendment to an amendment."

The position of the Senator from Georgia may be correct, but I do not agree with him on it. I think that until the Senate shall by a rule change it, the procedure prescribed if enacted into law, would be the rule of the Senate and of the House. At any time the Senate wants to act it could change it.

I wish to call the attention of the Senate to the fact that this provision is made as a protection to those who would oppose a reorganization plan, because the provision is that it will become effective in 60 days unless a resolution of disapproval shall be adopted. Otherwise members of the House or Senate might say if a resolution of that character should be introduced, that those who were in favor of reorganization would filibuster; and it was to gratify their desire to have an opportunity to vote, to assure them of that right, that the effort has been made, after consultation with the parliamentarians of the House and Senate, to guarantee it to them beyond any question. I do not assert my knowledge of the rules as against theirs.

Now to answer the Senator from Washington, who asked me a question.

Mr. GEORGE. Mr. President, I may say to the Senator I was simply asking for information; I do not want to enter into any controversy; but, so far as I am concerned, I have not the slightest doubt on earth that the Senate is a sovereign body when it comes to ordering its own procedure within its body, and it may violate even good faith if it wants to do so.

Mr. BYRNES. There is no question about that. The present presiding officer of this body [Mr. PITTMAN in the chair] argued last year—and, I must say, argued very forcefully—along the line of the provision contained in this bill. Because this body is sovereign, insofar as its rule-making power is concerned, if this body says that hereafter the rule shall be this, that will prevail until this body changes that rule. That was the argument presented by the Senator from Nevada [Mr. PITTMAN] substantially. He could present it more ably and more clearly than I could attempt to do.

Mr. GEORGE. I have no question about that; but if the Senate is a sovereign body it may change the rule at any time.

Mr. BYRNES. I prefaced my statement by saying that at any time, even the day after the passage of this bill, if the Senate in its wisdom saw fit to do so, it could take such action. I said further that in recognition of that fact, in order that there might be no thought in the mind of any man that this bill was asserting that such action could not be taken, this language was put into the bill:

With full recognition of the constitutional right of either House to change such rules (so far as relating to the procedure in such House) at any time, in the same manner and to the same extent as in the case of any other rule of such House.

We wanted no misunderstanding about that.

Mr. WHEELER. Mr. President, if the Senator will go back and read the arguments made with reference to my amendment when the reorganization bill was under consideration at the last session he will find that one of the arguments he made against the amendment which I offered was that the Senate, of course, might change its rule that it was not binding; and I said at that time, while the Senate undoubtedly could change its mind and could change its rule, that it would be morally bound to abide by the rule it had adopted.

Mr. BYRNES. And the Senator agrees to this now?

Mr. WHEELER. I agree that the Senate can change its

Mr. BYRNES. I agree with the Senator.

Mr. WHEELER. But the Senator took the position in arguing against my amendment a year ago that it did not amount to anything because of the fact that the Senate could change its rules.

Mr. BYRNES. I not only so argued, but I argued in favor of the reorganization of the General Accounting Office, and I believe in it today. That, however, is another question. I argued in favor of the reorganization of the civil service, and I presented arguments on several other provisions of the bill

which was then pending. I have long since found, however, that there are 95 other Members of this body who have opinions of their own. When they do not agree with me, I know they are wrong, but sometimes there is a majority of Members of the Senate who hold such a view, and whenever they do, I yield to their good judgment. I find sometimes that even when the Senate passes a bill, as it did the reorganization bill, and it goes to the other House, that House has a different opinion; and, when the House acts and says it will have none of those features, in an effort to meet the views of the Members of that body, I agree with them. Now that I agree with the Senator from Montana, I hope that he will congratulate me upon my agreement and not criticize my agreement with him.

Mr. WHEELER. I am not criticizing the Senator from South Carolina.

Mr. BYRNES. It is hard to agree with the Senator from Montana because he will not "stay put" all the time.

Mr. WHEELER. I am "staying put," but the trouble is— Mr. BYRNES. I am not "staying put"; I am trying to agree with the Senator from Montana.

Mr. WHEELER. I congratulate the Senator from South Carolina for agreeing with me, but I wanted to make it plain that he argued quite to the contrary with reference to my amendment when it was before the Senate last year.

Mr. BYRNES. I certainly did as to that.

Mr. BORAH. Mr. President, now that the Senator from Montana and the Senator from South Carolina have agreed, I should like to ask just what is it that they have agreed upon? [Laughter.]

Mr. BYRNES. I am afraid that I could not go back over that.

Mr. BORAH. It must be agreed, I presume, that the Congress of the United States can change anything in this bill any time that it chooses to do so.

Mr. BYRNES. The question, I will say to the Senator from Idaho, if he was not following it, referred to the right of the Senate to change a rule at any time that it desired to do so.

Mr. BORAH. And it can change any part of a bill or law at any time.

Mr. BYRNES. The Congress can enact any law it pleases at any time.

Mr. BORAH. Certainly.

Mr. BYRNES. The Senator from Washington [Mr. Bone] asked me a question about 20 minutes ago that I desire to answer. He wanted to know if this was the first time it had been sought to make a law by means of a concurrent resolution or other act less than a law. I wish to call the attention of the Senate to this, because there is much misunderstanding about it.

This is not the first time—and that is what the Senator from Washington asked—this is not the first time that it has been proposed, and not only proposed, but it is not the first time that Congress has absolutely given to the Executive the power to transfer bureaus or employees or functions the executive departments of the Government. That has been done for years. The Senator asked if I would tell him when, and I am glad to do so.

Even so late as 1930 we established the Veterans' Administration; and what did the Congress provide?

Congress provided:

Under the direction of the President, the Administrator of Veterans' Affairs shall have the power, by order or regulation, to consolidate, eliminate, or redistribute the functions of the bureaus, agencies, offices, or activities in the Veterans' Administration and to create new ones therein, and, by rules and regulations not inconsistent with law, shall fix the functions thereof and the duties and powers of their respective executive heads.

Not the President, but the Administrator of Veterans' Affairs may transfer and consolidate the functions of the bureaus, agencies, offices, or activities in the Veterans' Administration, and may eliminate functions.

Under the act passed in 1903 creating the Department of Commerce and Labor the President was authorized to—

Transfer at any time-

Not within 2 years-

the whole or any part of any office, bureau, division, or other branch of the public service engaged in statistical or scientific

Mr. BAILEY. Mr. President— Mr. BYRNES. Will the Senator from North Carolina pardon me for one minute? Then I will yield to him, but I do want to finish this matter.

From where may the President transfer these agencies?

From the Department of State, the Department of the Treasury, the Department of War, the Department of Justice, the Post Office Department, the Department of the Navy, or the Department of the Interior, to the Department of Commerce and Labor; and in every such case the duties and authority performed by and conferred by law upon such office * * * shall be thereby transferred with such office * * *. And all power and authority conferred * * * shall immediately * * * be fully conferred upon * * the Department of Commerce and Labor.

Under that act, thereafter-even several years thereafter-President Coolidge exercised the power vested in him by the act. He transferred the Patent Office from the Interior Department and transferred the Bureau of Mines from the Interior Department and put them in the Commerce Department. Under that law, which is today in effect—was any standard prescribed? None at all. Was any order to be sent to Congress? Members of Congress would never know about any transfer unless they read about it in the newspapers. The act was passed in 1903, but as late as the administration of President Coolidge he exercised the power conferred by it. He made transfers, and there never was a question about his action. Congress has done this sort of thing time and again.

Mr. WHEELER. Mr. President, did the Senator say that

what he just read is the law today?

Mr. BYRNES. It is the law today. It is the law now so far as I can find. If the Senator has investigated and can show me its repeal, I should like to know it.

Mr. WHEELER. No; I have not.

Mr. BYRNES. I believed it was the law, and yesterday I asked the legislative counsel to check up on my statement, because I wanted to be sure that it is today the law; and I am informed that it is.

Mr. WHEELER. Does that law give the President power to abolish the functions of an office?

Mr. BYRNES. No.

Mr. WHEELER. It gives him power to transfer.

Mr. BYRNES. I read clearly that under it he could transfer. I read first the right of the Administrator of Veterans' Affairs—not the President, but the Administrator of Veterans' Affairs-to eliminate functions. That is the word—"eliminate."

Here is another one:

March 3, 1917. That was in a Democratic administration:

The Bureau of Efficiency shall investigate duplication of service in the various executive departments and establishments of the Government, including bureaus and divisions, and make a report to the President thereon, and the President is hereby authorized, after such reports shall have been made to him, whenever he finds such duplications to exist—

To do what?_

to abolish the same.

The act creating the Bureau of Efficiency was repealed, and is not in effect today.

Then we have today the law as to the Coast Guard. That is one reason why it is in this bill. The law today is that the President at any time may transfer the Coast Guard to the Navy. The language is:

The Coast Guard * * * shall operate as a part of the Navy, subject to the orders of the Secretary of the Navy, in time of war, or when the President shall so direct.

Mr. WHEELER. Mr. President, does not the Senator distinguish between transfer from one department to another an abolishment of functions of government?

Mr. BYRNES. Yes; I have just said there is no question about that. I was giving the Senator an instance of each one-one in the Commerce Department, to transfer; and one in the Veterans' Administration, to abolish.

Mr. LUCAS. Mr. President, will the Senator yield?

Mr. BYRNES. I am answering the Senator from Washington [Mr. Bone]. I will come back to the matter of

I have endeavored to be as reasonable as possible in the discussion of this matter. It has been a hobby of mine. For the 25 years I have been in public life I have been interested in the question of reorganization. I have known what has happened in that time. In other days it never was a partisan question. Theodore Roosevelt had a commission established to study it, and the commission reported to Congress, and Congress did nothing. Following him, President Taft appointed a commission, and they presented a very splendid report during the Taft administration. The Congress gave to him power to consolidate ports of entry and to abolish ports of entry-not only to consolidate them, but to abolish them—to reduce the salary of any man in the service, to make ports into subports, or to abolish

It was my first term in the House and I remember what occurred, because I had a port in my district at the time, I began to hear from the order. The order had provided that instead of having a collector of the port drawing a salary of about \$5,000 when only \$500 was collected at the port, and insteading of having an office in the customhouse, and a large number of clerks, the office was just abolished and made a part of another office, and money was saved thereby.

But when I heard from the people of the town in which the port was located, what they said about President Taft was not good to print, nor was it good to read; and I concluded that the world was coming to an end, that the community was gone, and I joined in the ranks of opponents of the order.

President Taft had to use the East Room, the biggest room in the White House, to receive the Representatives and Senators who went to attend the meeting to protest. I was one of them. I was there protesting. He had reduced the salaries so that instead of an expense of about \$10,000 at one port it was about \$600, and at the other one it was about \$600 as against \$5,000. I attended the meeting and protested in behalf of my district, and every other Representative wherever there was a port protested. The President was very gracious and very kind, but the Congress had given him the power to make and enforce the order without sending the matter back to Congress, and President Taft put through his order. He did not change it and the money was saved; but had it come to Congress it would not have had a chance on earth. I would have been, I know, right along with the majority. The number of Representatives and Senators who were at the White House protesting against the order would have guaranteed its defeat.

Following President Taft, President Wilson was given no further authority of the kind, except as included in his war powers. President Harding had a joint committee. The Senator from Mississippi served on it. The former Senator from New York, Mr. Wadsworth, was on it. They spent about a year on a joint committee. They made recommendations to the Congress. What happened to the recommendations is just what happened to every other recommendation about reorganization: nothing was done.

Mr. BAILEY. Mr. President——
Mr. BYRNES. I will yield to the Senator in just a minute. I was interested to see, when the bill passed the House last week, that among the members of the minority who voted for its passage was the former Senator from New York, Mr. WADSWORTH; and I could well understand in his case, as in the case of Representative Mapes, of Michigan, who had served on a reorganization committee, and knew how impossible it was ever to get the Congress to do anything about reorganizing, that they were not going to join the majority of the Republican Members of the House and vote against

Of the eight Republicans who favored the bill, two of them had devoted a good deal of thought and time in their lives to the study of this subject.

Mr. BAILEY. Mr. President-

Mr. BYRNES. I yield to the Senator from North Carolina. Mr. BAILEY. I take it that the Senator told us the story of his experience in the administration of the great President Taft by way of showing that he had not profited by that

painful experience.

Mr. BYRNES. I would not have the Senator get that impression. I stated to him that the result of the order was that it saved money; and whenever I saw the people from those communities thereafter I told them that so far as I was concerned, after hearing the President state his reasons, I was satisfied that he was right, and it was a splendid reorganization of the Customs Service. Anybody who looked at it afterward knew it was right; but it could not have been done by Congress, any more than Congress could have abolished the comptrollers at the ports dealt with in the recent appropriation bill. Senators will recall that a provision went through the Senate this week restoring the comptrollers at about half a dozen ports. We can single shoot them now and then; but if we ever put six in one bill, and try to abolish six at one time, we cannot do it.

Mr. BAILEY. So I understand now that the Senator from South Carolina was converted by the President at that time and has remained converted ever since.

Mr. BYRNES. It was a matter of community pride.

Mr. BAILEY. However, that was not my purpose in rising.

I want to get back to this subject:

Quite clearly, the pending legislation proposes a very novel and extremely complicated parliamentary procedure for special purposes. I find some difficulty in understanding it. I wish to ask a question about it.

In the first instance, I understand that in subsection (b), on page 10, all the rights of either House are reserved, notwithstanding the rules proposed to be enacted. Is that correct?

Mr. BYRNES. Yes.

Mr. BAILEY. Then would not the argument which the Senator made last year against the Wheeler amendmentthat it was a futile and worthless amendment, on the ground that the Senate could change it at will, or disregard itapply with equal force to this novel procedure? We can change that at will; and if the Senator was right last year respecting the Wheeler amendment, then this procedure is

equally worthless. Is not that true?

Mr. BYRNES. The Senator evidently was not in the Chamber when this matter was being discussed. The Senator from Montana and I have discussed that.

Mr. BAILEY. I was present and heard the discussion.

Mr. BYRNES. I have already made the statement. Mr. BAILEY. That is what I heard from the discussion; the Senator agreed that he opposed the Wheeler amend-

Mr. BYRNES. On that ground? Certainly not.

Mr. BAILEY. I thought the Senator from Montana asked the Senator from South Carolina that. But I will leave that. That was my impression.

Mr. BYRNES. It was merely a misunderstanding.

Mr. BAILEY. I believe I will call a witness. If the Senator from Montana will remind us of the question he

Mr. BYRNES. If the Senator asks a question, I will answer him. There was a misunderstanding. If the Senator asks me whether that was the reason for my opposition to the Wheeler amendment, I say "no."

Mr. BAILEY. That was not it. The very point is, did not the Senator argue that? I ask the Senator, did he not, just a year ago, argue that the Wheeler amendment would be worthless on the ground that the Senate would disregard it?

Mr. BYRNES. No, Mr. President. The answer is "no." The Senator having asked the question, I shall surely tell him. Mr. WHEELER. I think that if the Senator will read the RECORD he will find-

Mr. BYRNES. No. Neither the Senator from Montana nor the Senator from North Carolina can take the floor from me. That cannot be done now. A little later I shall be glad to yield. The Senator from South Carolina opposed the Wheeler amendment, as he would oppose it today, for the reason that the Wheeler amendment provided for nothing but a message on the part of the President to the Congress; that the Wheeler amendment sought to impose a restriction upon a power which the President now has: that the President today can send a message to the Congress recommending a reorganization of anything, even of independent agencies of the Government, and the Congress cannot restrict his constitutional right to do that and say, "You can send a message along certain restricted lines," set forth in a bill.

As soon as it is provided that there must be a joint resolution or a bill passing both Houses and approved by the President, we speak of legislation, and legislation could be enacted, regardless of whether the President ever sent a message to the Congress. That was my objection to the Wheeler

amendment.

In the discussion of the Wheeler amendment, the question arose also as to whether or not a filibuster could be conducted and prevent a vote, and I took the position on that question which I have stated to the Senator from Montana and to the Senator from North Carolina. That was not my objection to the Wheeler amendment, nothing about the rule, because there were two separate proposals, and I know that the Senator from Montana and the Senator from North Carolina recall that. All that I am stating to the Senator from North Carolina is a result of the way in which he phrased his question. My objection to the Wheeler amendment was based upon the amendment, regardless of the rule, but I did hold the position as to the rule which the Senator from North Carolina has stated.

Mr. BAILEY. Now, if I may ask the Senator to yield the floor to me a moment for a remark and a question-

Mr. BYRNES. I yield for a question.

Mr. BAILEY. I fully recognize that neither the Senator from Montana nor myself, nor any other power that I know of, could possibly take the floor from the distinguished Senator from South Carolina; and that was very far from my purpose. I got the floor by his permission and by his courtesy. Now I wish to ask him another question.

Did not the Senator from Montana this morning ask the Senator from South Carolina whether it was not a fact that last year, when the reorganization bill was before us, the Senator from South Carolina argued against the Wheeler amendment then pending, on the ground that the Senate could set it aside at any time, and whether the Senator from South Carolina did not answer in the affirmative? It was my impression that he did.

Mr. BYRNES. I have said so, Mr. President, said so to the Senator from Montana, and just got through saying so again

to the Senator from North Carolina.

Mr. BAILEY. That the Senator from South Carolina did argue it?

Mr. BYRNES. That I did argue it.
Mr. BAILEY. Very well. Would not that argument apply with equal force to this novel, and, I fear, rather complicated. procedure?

Mr. BYRNES. There is no doubt that the Senate can change its rule at any time. I agree with the Senator.

Mr. BAILEY. So I take it that what is proposed here is something in the nature of a "gentlemen's agreement."

Mr. BYRNES. No; it is a rule until the Senate shall change the rule; but the Senate has a constitutional right to change its rule at any time.

Mr. BAILEY. Any Senator would have a right to make a motion to the contrary, or to proceed?

Mr. BYRNES. Oh, yes; but it is necessary to have a majority in order to change a rule.

Mr. BAILEY. That is true; once we get to it, we have to submit to a majority; but we always do. The Senate acts either by unanimous consent or a majority or two-thirds. In this instance it would be a majority.

Mr. BYRNES. Yes.

Mr. BAILEY. Moving away from that, I come to subsection (b) on page 11, which reads "such motion may be made only by a person favoring the resolution." The words "the resolution" refer back to the resolution either to discharge the committee from further consideration or to discharge the committee from further consideration of any other resolution. Is that correct?

Mr. BYRNES. It refers to the resolution. Mr. BAILEY. Either of two resolutions, "such motion may be made only by a person favoring the resolution." There are two resolutions mentioned in section 24, subsection (a), and which one is meant by the use of the singular in subsection (b), "the resolution"?

Mr. BYRNES. I must say that I do not get the exact point. The language of section 24 (a) is:

If the committee to which has been referred a resolution with respect to a reorganization plan-

A resolution of disapproval-

has not reported it before the expiration of 10 calendar days after its introduction (or, in the case of a resolution received from the other House, 10 calendar days after its receipt), it shall then (but not before) be in order to move either to discharge the committee from further consideration of such resolution, or to discharge the committee from further consideration of any other resolution with respect to such reorganization plan which has been referred to the

committee.

(b) Such motion may be made only by a person favoring the

Mr. BAILEY. Is that the resolution referred to in the second line of subdivision (a) of section 24, the resolution with respect to the reorganization plan?

Mr. BYRNES. Yes.

Mr. GLASS. It is to either one of them.

Mr. BYRNES. To the resolution with respect to which the motion is made.

Mr. BAILEY. Let us see. Does it refer to a motion to discharge the committee from further consideration of such resolution? It says, "Such motion may be made only by a person favoring the resolution."

Mr. BYRNES. Yes.

Mr. BAILEY. That is, the resolution to approve it, or to disapprove it?

Mr. BYRNES. The resolution to disapprove.

Mr. BAILEY. A resolution to disapprove the plan?

Mr. BYRNES. Yes; because that is the resolution pro-

Mr. BAILEY. The motion there would be confined to a resolution of one opposing the plan. That would cut off

Mr. BYRNES. Yes. I will say to the Senator from North Carolina that when it comes to the rules I do not profess to be an expert, but, so far as it was possible for the experts of the Senate and the House, they endeavored to provide a plan whereby the opponents of a reorganization plan would have the right to force a vote upon a resolution of disapproval. I think it refers very clearly to that, but if the Senator has any idea that it should be made clearer-

Mr. BAILEY. I was trying to get it clear, because the word "resolution" was confused with the word "motion." I am trying to see my way through the matter.

We would be limited to 2 hours' debate.

Mr. WHEELER. Mr. President, before the Senator leaves that subject, I should like to ask the Senator from South Carolina a question. If I understand it correctly, when the resolution referred to comes in, a motion may be made to discharge the committee, and the only person who can make such a motion is one who is against the resolution?

Mr. BYRNES. No; by a person favoring the resolution.

Mr. WHEELER. It can be made by any Senator?

Mr. BYRNES. Any Senator favoring the resolution of disapproval.

Mr. BAILEY. Mr. President, I am accepting the interpretation, but I do not think the language supports that interpretation. Section 23 speaks generally of a resolution with respect to a reorganization plan, and speaks further of all resolutions with respect to that. Then we come down to a definition, to a resolution with respect to a reorganization plan; but the Senator from South Carolina, who is responsible for the bill, says that that has in contemplation solely a resolution adverse to the plan.

Mr. BYRNES. Yes; because it is not necessary to approve. Mr. BAILEY. There could not be a resolution amending

Mr. BYRNES. If the resolution is in substance disapproving it, it is a resolution of disapproval.

Mr. BAILEY. I would feel a little better if it said "a resolution of disapproval."

Mr. BYRNES. Yes.

Mr. BAILEY. The Senator would not object to that, I am sure.

Mr. BYRNES. To what?

Mr. BAILEY. Instead of saying "a resolution with respect to a reorganization plan" say "a resolution disapproving a reorganization plan."

Mr. BYRNES. I shall be glad to consider that suggestion. That is the purpose of it.

Mr. BAILEY. That would make it specific.
Mr. BYRNES. There would be no sense in anyone in favor of it offering a resolution.

Mr. BAILEY. That may be true, but we do a great many things here to which there is no sense, and I should like to provide against that.

Mr. BYRNES. That is pretty hard to guard against.

Mr. BONE. Mr. President, if a resolution had been approved by the other House, any action here would be perfectly futile, I take it, under the present set-up of the bill.

Mr. McNARY. Mr. President, will not the Senator speak

louder? I am interested in his observation.

Mr. BONE. I really had no right to break into this discusion without asking consent of the Senator having the floor; but I want to get the matter clear in my own mind. If, before the Senate acted, the House had acted in the affirmative, and had by its deliberate action approved the plan, it would be futile to bring it up in the Senate, because we would be faced with an accomplished fact. That is my understanding of the mechanics of the proposed legislation, and I wonder if the Senator from South Carolina [Mr. BYRNES], or the Senator from North Carolina [Mr. BAILEY], agree with me?

Mr. BYRNES. The Senator asked, "If the House had acted?"

Mr. BONE. If the House had previously acted upon it, that would end the matter, would it not?

Mr. BAILEY. If the House had acted adversely it would be unnecesary to bring the matter over to the Senate. Mr. BONE. That would end it.

Mr. BAILEY. If there shall be failure in either House to pass the resolution, and a motion to discharge is made, a cloture on debate is provided for.

Mr. BYRNES. Two hours on the motion to discharge and 20 hours on the resolution itself.

Mr. BAILEY. Then we come to the resolution proper, and the bill limits the Senate to 20 hours' debate. It provides for cloture contrary to all the rules the Senate has heretofore had respecting the imposing of cloture. It is cloture by majority vote. I do not know that we ever did such a thing before. Is that not a great offense against the precedents of the Senate, I ask the Senator from South Carolina?

Mr. BYRNES. Does the Senator mean as to time? Twenty hours are provided.

Mr. BAILEY. Whether it be 20 hours or 20 minutes, the principle would be the same.

Mr. BYRNES. I will say to the Senator that the only purpose of the Representative from North Carolina, Mr. WARREN, and the Representative from Missouri, Mr. Coch-RAN, in fixing the time of 10 hours in the bill in the House was to assure against a filibuster, as I said, against the opponents of the plan of reorganization, and when it reached my committee I determined that the time should be extended, and after discussing the subject with members of

the committee we came to the conclusion that it should be 20 hours.

Mr. BAILEY. I would not like to say anything which would tend to call into question the action of the other House. But when argument is advanced that there is a possibility of filibuster, and that argument is made the basis for placing in the measure a provision whereby a majority of the Senate could impose a limitation of 20 hours on debate in the consideration of the resolution, and a limitation of 2 hours in discussing the motion to discharge, in doing that are we not on rather dangerous ground, I will ask the Senator from South Carolina?

Mr. BYRNES. A measure which provides, as the bill under discussion does, that an order shall become effective within 60 days unless action is taken to prevent it, is different from other legislation. With respect to legislation of a general character, which has no date when it becomes effective, I can see the strength of the argument.

Whenever we enact legislation that becomes effective on a certain date, then the minority should have protection, assuming that they were opposed to any reorganization, which they can secure only by limitation. I submit to the Senator from North Carolina, in good faith, that I think that that is a difference. Where any bill becomes effective as of a date certain by its provisions, it is necessary to make provision to guard against a majority denying the minority a right to yote, or the minority preventing a vote.

Mr. BAILEY. I will say to the Senator, and then I will sit down, that the legislation would have to be incomparably more important than this to justify, in my mind, the imposition here by a majority vote of a system of procedure that establishes the utmost rigidity by way of cloture. Finally, here is your other question.

If the motion to discharge is agreed to, or disagreed to, such motion may not be renewed, nor may any other motion to discharge the committee be made with respect to any other resolution with respect to the same reorganization plan.

There is not only cloture as to the time of debate, but there is a cloture as to the ways and means and methods of procedure.

It strikes me that here on the threshold of this matter every one of us should consider, and I am sure the distinguished Senator from South Carolina will consider, with a view to being considerate of those of us who may be in opposition to the bill, whether under pressure of enthusiasm and earnestness he has committed himself, and has undertaken to commit the Senate to a system of cloture that would destroy this body, and I use the words with the utmost caution.

When this body ceases to have the utmost freedom of motion, of resolution, of discussion, and of debate, it has ceased to be a Senate, has become merely a legislative mill, under the control of any majority that may be in possession of it. And that is the destruction of the greatest and the last of the free parliamentary bodies on the face of the globe.

Mr. WHITE. Mr. President, will the Senator yield?

Mr. BYRNES. I yield.

the time?

Mr. WHITE. I wanted to ask about the control of this 20 hours of time.

Mr. BYRNES. The bill says it shall be equally divided.
Mr. WHITE. As the Senator knows from his experience in the other body, some Member would have control of 10 hours of time in favor of, and someone else would have control of 10 hours of time in opposition to the resolution, and that Member of the House would take the entire 10 hours, if he saw fit, or he would parcel it out to 10 Members to make speeches of 1 hour each, or to 20 Members to make speeches of a half hour each. When it comes to the Senate, who is to control the time on each side? Is it to be the Presiding Officer, and may a single Senator take the whole 10 hours, or what would be the provision with respect to the control of

Mr. BYRNES. The resolution provides for no detail of that kind, except that the time shall be equally divided between those in favor and those opposing the resolution. The Senator's interpretation would be as good as mine. I think that the Presiding Officer would divide the time equally,

and it would be determined individually in this body as to who should speak. It is only by agreement that it is done on the other side of the Capitol.

Mr. WHITE. If the Presiding Officer assumed that obligation and recognized a particular Senator, he would have no way of controlling the length of time that Senator talked, so the entire 10 hours might be consumed by two Senators or three Senators to the exclusion of all others.

Mr. BYRNES. That is correct. The Presiding Officer might recognize the Senator from Maine.

Mr. WHITE. The Senator from Maine would not talk that long.

Mr. BYRNES. I know the Senator would not consume 10 hours. On the other side of the Capitol, if the time is equally divided, and if the Senator from Maine were there, and placed in charge of dispensing one-half of the total time, or 10 hours, he would not use the whole 10 hours himself, but would divide it among a number of those who wished to speak. That would be the action taken in the House. I think the Senate would be equally courteous. If the time were in charge of the Senator from Maine in the Senate he would permit others to speak. Only now and then does a Senator demand to be recognized to consume all the time. It is not generally done.

Mr. WHITE. The only thing I wanted to make clear was that there was no provision in the resolution as to the effective control of that time.

Mr. BYRNES. No.

Mr. WHITE. And it may be that there should not be. I am not finding fault.

Mr. BYRNES. I say there is no provision as to the House. This is as to both House and Senate. Of course, I agree that in the House, by agreement between the parties, there has never been any trouble because it has been divided, and one man in charge of the bill is placed in charge of the time, whether it be the chairman of the committee or the ranking member of the committee. There is no reason why the same thing could not be done in the Senate. The same provision applies as to both Houses.

Mr. President, I desire to consume no more time.

Mr. VANDENBERG. Mr. President, will the Senator yield?

Mr. BYRNES. I yield.

Mr. VANDENBERG. I wish to ask a question for my general information. During the last few years a great many special bureaus have been set up and corporations formed by Executive orders. I assume that the President has full control to abandon or shuffle any bureaus or instrumentalities that have been created by Executive order regardless of any legislation; is that correct?

Mr. BYRNES. That is my understanding. In section 2 appears the following language:

The term "executive agency" means any executive department, commission, independent establishment, corporation owned or controlled by the United States, board, bureau, division, service, office, authority, or administration in the executive branch of the Government.

I want to say to the Senate now, because one question was raised in discussion as to the use of the term "executive agency," that the draftsman of this bill used that phrase merely for the purpose of designating all of the agencies which were subject to reorganization. There is no question in my mind that they were absolutely right and that there is no conflict in it. But just because some gentlemen who are sincere about it are fearful that by using the words "executive agency" in section 2 that it might be argued earnestly and sincerely by people who are interested in the departments that that phrase was intended to include some of the independent agencies; therefore at the proper time I intend to offer amendments to strike out "executive agency" wherever it occurs and use the word "agency" instead.

The word "agency" was used in the bill considered in the Senate at the last session. I think it is fully comprehensive, and it would remove any discussion as to an independent agency being held to be an executive agency, because it is so referred to in the bill.

Mr. VANDENBERG. I know the Senator's great familiarity with the structure of the Government. The thing I am inquiring about generally is whether or not there is a vast sector of the Government structure which the President can reorganize today, if he wishes, without any additional legislation.

Mr. BYRNES. Mr. President, I do not think so. I have called attention to the right of the President to move statistical and scientific bureaus into the Department of Commerce. He can do that without sending any message or order to

Congress.

Reference has been made to the Budget and Accounting Act. The Budget and Accounting Act of 1921 provides that the Director of the Budget shall, when directed to do so, submit to the President a report as to possible reorganizations and mergers in the Government. The language of the act is that the President may submit such reports to the Congress, but he would do so merely by way of a message to the Congress. The Congress would have to act upon it. The President nowhere has any absolute power that I know of which would enable him to merge, except in the respects to which I have called attention.

Mr. VANDENBERG. Let me give the Senator an example. This may not be a particularly important example, but it will illustrate what I have in mind. The Department of the Interior set up an experimental colony at Matanuska, Alaska. Subsequently, in the presence of a considerable failure of the experiment, it was transferred to a Government corporation which was organized to run it. I think it is called the Alaska Rehabilitation Corporation. Since that was a creation without benefit of legislative action, would it not still be within the President's control, regardless of any legislation, to do what he pleased with it?

Mr. BYRNES. It is now a part of the Department of the Interior. There is no question about that, is there?

Mr. VANDENBERG. I do not know whether or not there is any question about it.

Mr. BYRNES. Where does the agency obtain its funds?

Mr. VANDENBERG. I cannot answer that.

Mr. BYRNES. I must say that I am not familiar with that particular development, among the many which have taken place. I do not care where it is established; it must obtain its funds from one of the departments. It is covered by the bill, whether it is in one of the departments or in one of the other agencies.

Mr. VANDENBERG. The Senator thinks that after the President has created a Government corporation by Executive order, he lacks the power to reach into the Executive order and do something else with the corporation?

Mr. BYRNES. It depends upon the source of his authority to issue the Executive order.

Mr. President, I wish to answer a question propounded by the Senator from Washington [Mr. Bone]. He asked if I would state the difference between the bill as it now stands and the bill as it passed the House. I have just said—

Mr. BONE. I meant the bill voted upon by the House

Mr. BYRNES. The Senator meant the bill voted on by the House last year. There is a great difference. First, I intend to offer an amendment to change "executive agencies" to "agencies." The Senator from Virginia [Mr. Byrn] called attention to that matter in the committee, and offered an amendment. I am glad to see the Senator from Virginia in the Chamber. My objection to the amendment of the Senator from Virginia was that it would prevent the transfer of a bureau or an office to one of the independent agencies. The bill provides that nothing can be taken from them. However, if the President saw fit in an Executive order he could transfer some activity to the Federal Trade Commission, the Interstate Commerce Commission, or any one of the other independent commissions.

I hope that what the Senator from Virginia has in mind can be accomplished. I hope to have an opportunity to talk informally to the Senator as to the amendment which I intend offering at the proper time changing "executive agency" to "agency."

Mr. BYRD. I will say to the Senator from South Carolina that I have offered my amendment, and it is now on the desk.

Mr. BYRNES, I think what I had in mind can be accomplished.

The Senator from Washington [Mr. Bone] asks me to state the difference between the present bill and the bill which was defeated in the House last year. In the first place, the bill which passed the Senate and was defeated in the House provided for a revision of the civil-service organization, calling for one administrator instead of three members of the Commission. That provision is entirely out of the bill.

Mr. BONE. I am not thinking of the bill in the form it left the Senate. I am referring in this question to the bill in the form in which it was when it was voted on in the House. Its final form represented a drastic change from the

bill upon which we voted.

Mr. BYRNES. Mr. President, the Senator has not been correctly informed. It was not so drastically changed. However, I will answer the question in this way: The provision as to the civil service, whether or not it was changed after it left the House, is entirely out of the bill. The provision as to the General Accounting Office, regardless of how it was changed, is entirely out of the bill. The provision as to the Welfare Department, which was in the bill as it passed the Senate, is out of the bill. The provision as to the National Resources Committee is out of the bill. There is nothing left in this bill except the provision as to reorganization, and the provision for six assistants to the President.

As to the provision regarding reorganization, that has been changed so that any order signed by the President can be vetoed by concurrent action of the Senate and House, without regard to the President, whereas in the former bill it had to be done by joint resolution, requiring a two-thirds vote in the event of a Presidential veto. Boiled down, it means that a majority, instead of two-thirds, is all that is required.

Mr. BYRD. Mr. President, will the Senator yield?

Mr. BYRNES. I yield.

Mr. BYRD. Before the Senator takes his seat, has he referred to the fact that the bill which was passed by the Senate eliminated the power to abolish functions?

Mr. BYRNES. I did.

Mr. BYRD. The present bill does give the power to amend or abolish functions of the Government.

Mr. BYRNES. I discussed that matter a while ago. On the floor of the Senate an amendment was offered, which was agreed to by me, eliminating from the bill the power to abolish functions for the reason which I stated at the time, which reason I believe is right: So long as the bill required that there should be a two-thirds vote-and it did require it, for all practical purposes—the power to abolish functions should not be in the bill. In this bill it was determined that inasmuch as a two-thirds vote was not required. and the action of the President could be disapproved by a simple majority, it was not necessary to eliminate the power to abolish functions. That is important for this reason: Without that authority the mere power to transfer some employees from one department over to another department, and leave the functions untouched in the first department, would not accomplish any saving. Take, for example, the Alien Property Custodian. I am not making a reorganization plan, but merely citing an example. If we transfer the employees of the Alien Property Custodian over to the Department of Justice, and still leave in the Alien Property Custodian's office the function to carry on its duties, and the function is not abolished in the order submitted to the Congress, what happens is that at the next session Congress would be again asked to provide money for that office.

We used to talk about 14 departments making maps. If by an order the power to make maps were taken from the Department of Agriculture, or from the Department of the Interior and placed in one department, and the function were not abolished, in those departments, at the next session

of Congress estimates would be presented.

Under the organic act they would have the right to do that. If the money were provided, the office would go right back into the map-making business. If we want to achieve economy, there must be the power to abolish functions. The situation is safeguarded because of the right of the Congress, by a majority vote, to disapprove any order that we think is wrong. So far as I am concerned, I believe that when we state in the bill that one of the purposes is to reduce expenditures, we should not take from the bill the power which would enable the executive department to reduce expenditures in that department.

Mr. WHEELER. Mr. President, will the Senator yield? Mr. BYRNES. I yield.

Mr. WHEELER. Let me ask the Senator a question: He has personally agreed with the view that the power proposed to be given should not be delegated to the President of the United States or to the executive branch without some power of veto by the Congress of the United States?

Mr. BYRNES. We will agree on that; yes.

Mr. WHEELER. Very well. Now the Senator says that in this bill there is a power on the part of the Congress, a majority of the Congress of the United States to place a veto. I challenge that statement of the Senator, because if one House votes in favor of a plan and the other House votes against it, it still becomes effective and the law.

Mr. BYRNES. Yes.

Mr. WHEELER. So, consequently, it is not the action of the majority of the Congress of the United States at all.

Mr. BYRNES. Perhaps the Senator misunderstood me. I know he would not misquote me. I never did say "by a majority of both Houses sitting in joint session."

Mr. WHEELER. No; it is not necessary for the two Houses to sit in joint session.

Mr. BYRNES. The plan cannot be made effective against the Congress.

Mr. WHEELER. I do not understand the Senator.

Mr. BYRNES. I say that if both Houses of Congress disapprove a plan it is gone.

Mr. WHEELER. Yes; but it is necessary to have both Houses act.

Mr. BYRNES. If one House disapproves a plan, it is not gone; it is effective.

Mr. WHEELER. That is correct.

Mr. BYRNES. No one House should have the right. Congress speaks not by one House but by a concurring action of both Houses.

Mr. WHEELER. Of course, that is so when they are acting affirmatively. But where did the Senator ever learn or where did anybody else ever conceive the idea that in a parliamentary government a law could be passed by negative action of one branch of the Congress of the United States?

Mr. BYRNES. When the two Houses of Congress adopt a resolution disapproving a plan it is disapproved just the same as when Congress repeals a law. That may be called negative action, and if a law is repealed, that is the will of the two Houses of Congress acting and not one.

Our minds go back, when the Senator refers to this matter, to what happened in the Hoover administration, when, after much ado. Congress passed a reorganization bill under which one House would have the power to put to sleep any plan proposed. The fact that the Democrats were in control makes no difference to me. They were wrong, in my opinion. I have never seen any excuse for partisanship in a matter of this kind. Republican and Democratic Presidents alike have urged some plan of reorganization. Every one of us, when asked the question, "Do you believe in reorganization?" says "yes." If you will ask anyone in the executive departments, "Do you believe in reorganization," he will say "yes"; but he will qualify the statement by saying "do not touch me." When it comes to the Senate and House, those bodies are in favor of reorganization, but some Member says, "I have a friend who is on this commission or that commission; do not touch him; everything else is all right, but leave him alone." Every time we have tried to do it, from the administration of President Taft to this day, that is what we have met. The passage of the pending bill may not accomplish great things, but at least I want to hope that something may be done under it to save some money.

Mr. WHEELER. Mr. President, I am glad to hear the Senator admit that under the Hoover administration the Republicans provided that if either branch of Congress disapproved of a plan proposed then it should not become a law. At the last session of Congress, when legislation similar to this was pending, it was repeatedly stated to Democrats-to some of us who were opposing the bill-"But you gave this power to Mr. Hoover." Let me say we did not give this same power to Mr. Hoover under the bill which was considered at that time, nor did we give him the same power that we are proposing to give the President of the United States by this piece of legislation.

Mr. BYRNES. Mr. President, the history of it is known to the Senator from Montana. In June 1932 we put through a plan which gave to either House the power to kill any plan which was proposed. Then in February 1933, from the Appropriations Committee I offered an amendment, and, instead of this mild and moderate measure, it provided for no concurrent resolution of any kind but provided that the order should become effective in 60 days. The Senate adopted the proposal unanimously. That was during the Hoover administration, but only a few days remained, and, therefore, it would not be fair to say that President Hoover had any opportunity to act. The Democrats came into control of the administration 30 days later and we removed the provision that the 60 days could not run unless Congress was in session. I provided in my amendment that the 60 days had to run during a session of Congress, so that the Congress would have time to enact legislation disapproving the orders. An amendment was adopted which removed that safeguard from it; and, as a result, the 60 days ran whether the Congress remained in session or not. They just made it effective in 60 days. That is the history of it.

Mr. BYRD. Mr. President-

The PRESIDING OFFICER. Does the Senator from South Carolina yield to the Senator from Virginia?

Mr. BYRNES. I yield.

Mr. BYRD. I should like to ask the Senator a question. I see that the bill as reported by the Senator's committee has eliminated the Tariff Commission from the list of agencies to be exempted under the bill.

Mr. BYRNES. I will say to the Senator who is a member of the committee, that I have not had a chance to talk to him this morning, but I have talked to other members of the committee: and when that amendment is reached. I intend to ask that it be not concurred in.

Mr. BYRD. The committee amendment also eliminates the exemption of the United States Employees' Compensation Commission.

Mr. BYRNES. Yes; that was eliminated.

Mr. BYRD. Mr. President, I ask unanimous consent to insert in the Record as part of my remarks a memorandum as to why the United States Employees' Compensation Commission should not be eliminated from the list of exempted agencies.

The PRESIDING OFFICER (Mr. PEPPER in the chair). Without objection, the memorandum will be printed in the

The memorandum is as follows:

UNITED STATES EMPLOYEES' COMPENSATION COMMISSION, Washington, March 16, 1939.

Hon. HARRY F. BYRD.

United States Senate, Washington, D. C. My Dear Senator Byrd: Pursuant to your request, I am forward-My Dear Senator Byrd: Pursuant to your request, I am forwarding herewith a statement showing the number of injuries reported to the Commission under the several workmen's compensation laws administered by it, which shows the distribution of work between public and private employment under normal conditions. It is true that at the present time the Commission is handling, in addition to its normal work, a large volume of work arising out of the Federal work relief program. The latter, however, is not considered a permanent function and should therefore be excluded from consideration in determining the character of the work performed by the Commission and the form of administrative procedure necessary to perform this function in an efficient and economical manner. to perform this function in an efficient and economical manner.

The records show beyond any question of doubt that nearly two-thirds of all cases reported to the Commission prior to the Federal emergency relief program were from private employment. Only about one-third or, to be exact, 36 percent of the cases handled by the Commission related to Federal employees. The attached startement shows the distribution of such cases for the last fiscal year and for various steps over a period of 10 years. The statement represents only employments normally within the purview of the Federal workmen's compensation laws.

In the administration of the workmen's compensation laws ap-

Federal workmen's compensation laws.

In the administration of the workmen's compensation laws applicable to private employment, the regulations and policies of the Commission affect the interests of approximately one-half million employees and approximately 40,000 private employers. The interests of all insurance carriers engaged in writing workmen's compensation insurance under these laws are similarly affected. The Commission is required to make inspections of the operations of employers within the purview of these laws for the purpose of recommending procedures for the prevention of accidents. It is required to pass upon the qualifications of employers to act as self-insurers and to determine whether insurance carriers shall be authorized to write insurance under such laws.

The Commission has not set up a permanent organization to handle claims arising out of the emergency relief program. As a matter of fact, such functions have been carried on almost exclusively by an emergency force. The purpose of this was to discharge this function on a strictly temporary basis and to facilitate the discontinuance of the emergency staff upon termination of the work relief program.

tion of the work relief program.

As further evidence of the importance to private employers of the administration of the Longshoremen's and Harbor Workers' Compensation Act and the District of Columbia Compensation Act, attention is invited to the fact that the estimated liabilities in a compensation Act, attention is invited to the fact that the estimated liabilities in the content of invited to the fact that the estimated liabilities in the content of invited to the fact that the estimated liabilities in the content of invited to the fact that the estimated liabilities in the content of invited to the fact that the estimated liabilities in the content of curred by employers and insurance carriers on account of injuries within the purview of these laws over a period of 10 years involves a total sum of nearly \$50,000,000.

Very truly yours,

JEWELL W. SWOFFORD, Chairman (Mrs. Jewell W. Swofford).

Distribution of injuries reported to the Employees' Compensation Commission exclusive of work relief employment

	Total	Federal employees		Private employees	
	cases	Number	Per- cent	Number	Per- cent
10 years, 1929–38. 5 years, 1934–38. 3 years, 1936–38. 2 years, 1937–38. 1 year, 1938.	839, 763 465, 752 304, 332 213, 334 107, 133	303, 441 174, 781 110, 985 75, 766 37, 592	36 37 36 35 35	536, 322 290, 971 193, 347 137, 568 69, 541	64 63 64 65 65

SUMMARY OF REASONS FOR RETENTION OF INDEPENDENT COMMISSION STATUS OF THE UNITED STATES EMPLOYEES' COMPENSATION COM-

Mission

In the United States and in the Canadian Provinces the commission form of administration of workmen's compensation laws has been found to be by far the most practical and effective. There are in effect in the United States 46 State workmen's compensation laws (Arkansas and Mississippi having no such law), and in the great majority of States, namely, in 31 States, the statutes provide for board or commission form of administration. Administration by a single administrator exists in only 12 States, while the remaining three States have relegated workmen's compensation administration to the courts.

The United States Employees' Compensation Commission administers Federal workmen's compensation laws with respect to four classes of employees; namely, (1) civil employees of the United States, numbering at times approximately 1,000,000; (2) emergency relief employees, enrollees of the Civilian Conservation Corps, and Naval Reservists, all numbering approximately 3,300,000; (3) longshoremen, ship repairmen, and other maritime employees in private employment, numbering approximately 300,000, and (4) employees of private employers in the District of Columbia, numbering approximately 150,000. These laws affect the rights of between four and five million employees and approximately 40,000 private employers. 40,000 private employers.

The compensation payments made from funds of the United States appropriated for the Commission under classes (1) and (2) above, aggregate approximately \$10,000,000 yearly. It will thus be seen that the United States Employees' Compensation Commission performs a very important function in the physical, social, and economic rehabilitation of employees of the United States and of contain classes of workers in private industry.

certain classes of workers in private industry.

HISTORICAL BACKGROUND OF FEDERAL ACT

Congress passed a very limited Compensation Act in 1908 (act of May 30, 1908) applicable to certain specified employees of the United States. This was later extended to cover certain other groups of employees (acts of March 4, 1911, March 11, 1912, and July 27, 1912). The administration of the act of May 30, 1908 (35 Stat. 556), was vested in the Secretary of Commerce and Labor. When separate Commerce and Labor Departments were created, the administration of the Federal workmen's compensation law was ssed a very limited Compensation Act in 1908 (act

given to the Secretary of Labor, who, being unable personally to administer the law, delegated it to a single administrator, namely, the Commissioner of the Bureau of Labor Statistics.

The ineffectual administration of the old Federal workmen's

the Commissioner of the Bureau of Labor Statistics.

The ineffectual administration of the old Federal workmen's compensation law by a single administrator under the jurisdiction of a large Government department was the subject of extended debate in Congress upon the measure which became the act of September 7, 1916, the present workmen's compensation law for employees of the United States (Congressional Record (339), vol. 53, pt. 13, pp. 12587–14173, 64th Cong., 1st sess.). The existing 1916 act had been prepared with great care, and after much thought and consideration, by a disinterested association of thinkers and workers in economic and philanthropic fields, associated in New York under the name of the Society for the Promotion of Labor Legislation. Some Members of Congress at that time suggested that the administration of the act should be placed in the Department of Labor. A careful study of systems of administration of such laws, however, had showed conclusively that the separate commission form, overwhelmingly adopted by the States, would afford the most efficient, just, and economical administration. When considering the 1916 act, Congress had before it the benefit of the experience of the Department of Labor in the administration of the old Federal law, and found from that experience that the single administrator type of administration was not effective. In fact, the then administrator of the law (the Commissioner, Bureau of Labor Statistics, Department of Labor), who appeared before the congressional committee, told the committee that the administration of the Federal workmen's compensation law did not belong in his bureau; he supported such administration by a three-commissioner body (H. Rept. No. 678, 64th Cong., 1st sess.).

After thorough inquiry, the congressional committee reporting the measure which became the existing act of September 7, 1916, reported in part as follows:

"The existing law is administered by the Secretary of Labor through the Bureau of Labor Statistics. Dr. Meeker, the Comm

the measure which became the existing act of September 7, 1916, reported in part as follows:

"The existing law is administered by the Secretary of Labor through the Bureau of Labor Statistics. Dr. Meeker, the Commissioner of Labor Statistics, stated at a hearing on March 31, 1914, page 19, that in his opinion the law should not be administered by his Bureau. It seemed to the committee that the administration of this act could be best performed by an independent commission. It is a matter concerning the relation between the Government as a whole and its employees as a whole, and for that reason should not be placed under the supervision of any one department. It seemed especially unwise to place the administration in the hands of the Department of Labor, because that Department in large measure represents, and is intended to represent, the side of labor, whereas the administrative body having charge of the proposed act should represent, and should be constantly alert to safeguard the interests of the Government.

"" * Nearly all the compensation acts in this country provide for administration by a commission. When it is remembered that the number of employees included within the compensation acts of most of these States is far less than the 400,000 employees covered by the proposed bill, the importance of an adequately manned commission is obvious."

The committee desired particularly to avoid the bias and prejudice of departmental.

The commission is obvious.

Th

body which would be responsible to Congress, and through Congress to the taxpayers.

The work of the United States Employees' Compensation Commission, as far as Federal employee cases are concerned, is an outgrowth of the business of the two Committees on Claims of Congress. Before the enactment of the Federal law, relief in injury and death cases was dependent in each individual case upon the recommendation of the Committees on Claims. The multiplicity of cases, plus inadequate investigational facilities, placed a great burden upon the congressional committees, which to a large extent was lifted by the creation of the Commission. The creation of the Commission was therefore an exigent act to relieve Congress of some of its work. Since its origin, the Commission has continued to serve the Committees on Claims by making for them investigations, furnishing reports, etc., with respect to a large number of private relief bills which the committees have to consider at each session. The point is here made that the Commission does not belong in any executive department, because its creation and use by Congress shows that it is an adjunct or arm of the legislative branch of the Government. It may be compared with the Federal Trade Commission, in that both Commissions serve Congress and both perform quasi judicial functions, functions which the Supreme Court held in Humphrey's Executor v. United States (295 U. S. 602) to be endowed with legislative and judicial qualities rather than executive.

ECONOMY AND EFFICIENCY OF PRESENT THREE-MEMBER FORM OF COMMISSION

Unless obvious economy or more effective administration will Unless obvious economy or more effective administration will result from reshuffling of an agency, there is no point in destroying an efficient existing facility. The present Commission operates as a compact efficient unit, having employees of years of training and experience. Its budgets have never been criticized. The Commission's work does not overlap that of any other department, agency, or unit of the Government. It may safely be stated that it would not be possible to build up in any executive branch of government an agency to carry out the same functions as those being performed by the Commission with any saving in administrative costs. The Commission for years has consistently directed its efforts toward improving administration, effecting savings at every dictate of experience. experience.

There are in general three ways to administer a workmen's compensation law; they are (1) by a specialized commission or board, usually of three or more members; (2) by a single administrator, who may be either within or without an executive department; and (3) by a court. The last mentioned will not be dealt with because it obviously is inappropriate for purposes of the Federal Government.

A specialized commission or board, freed from outside interference with its essentially quasi-judicial functions, has proved to be the best form of administrative agency in the highly specialized work of administering a workmen's compensation law. Freedom from interference is essential for any quasi-judicial body dealing with human rights. A multiple membership commission, having representatives of labor and of the major political parties, effords a minimum of chance for hise prejudice improper political having representatives of labor and of the major political parties, affords a minimum of chance for bias, prejudice, improper political influence, or other destructive forces. Multiple membership is almost universal in appellate judicial tribunals and in many lesser tribunals because it gives a guaranty of rational deliberation and permits free interplay of ideas. A multiple membership commission affords the benefit of horizontal administration, each member contributing an equal voice. This form of administration has been the choice of 31 out of the 46 States having workmen's compensation laws.

tion has been the choice of 31 out of the 46 States having work-men's compensation laws.

The other form, vertical form, of administration consists of a single administrator, together with his subordinate administrators, who may be either within or without a department. An example is the Commissioner, Bureau of Labor Statistics, who formerly administered the old Federal act. Considering the volume of work carried on by the present Commission, it would be utterly impossible for a single administrator to perform the full administrative function. He would necessarily have to have a corps of deputy administrators, who necessarily would be subordinate to him. No material salary saving could be expected by a shift from horizontal to vertical administration.

The most obvious vices of single administration are the oppor-

nate to him. No material salary saving could be expected by a shift from horizontal to vertical administration.

The most obvious vices of single administration are the opportunities for bias, prejudice, and narrow-mindedness to affect administration of the law, and the chance of political and other favoritism to enter. Such an administrator has not the benefit of the valuable counsel of associates of equal rank. His subordinates, consciously or unconsciously, would merely reflect his policies and ways of thinking. The Government might easily be the loser by hundreds of thousands of dollars annually through the payment of claims in cases of dubious validity, which the deliberate judgment of a multiple membership commission would reject. The frailty of human judgment is best guarded against by multiple membership with horizontal administration so uniformly followed with respect to other quasi judicial bodies.

The annual conferences of the International Association of Industrial Accident Boards and Commissions, since inauguration thereof, have uniformly favored "Commission form of administrations." The national conference on labor legislation, sponsored by the Secretary of the United States Department of Labor, at its fifth annual meeting held in Washington, D. C., in November 1938, adopted a resolution recommending administration of workmen's compensation legislation by a "board or commission."

COMMISSION SHOULD BE FREE TO EXERCISE ITS QUASI-JUDICIAL FUNCTION

The functions of the Commission, which are like those of most State workmen's compensation boards or commissions, are quasi judicial. As far as the United States Employees' Compensation Commission is concerned, the Joint Committee of Congress on the Reorganization of the Executive Departments, in its report submitted to the State state. mitted to the Sixty-eighth Congress, recommended that the Com-mission should remain as one of the independent executive estab-

mission should remain as one of the independent executive estab-lishments. The committee said:

"The principle involved requires the complete independence of all organizations having quasi-judicial functions from even the appearance of arbitrary control. Short of terminating their work altogether, there seems to be no alternative to continuing estab-lishments of this type."

While workmen's compensation commissions are not courts and

Ishments of this type."

While workmen's compensation commissions are not courts and do not exercise pure judicial power, their very nature as tribunals for the adjudication of claims involving human rights requires the exercise of quasi-judicial functions. The courts repeatedly have recognized that quasi-judicial functions are exercised by such tribunals. (For digests of cases see American Digest System, key No. 1079.) The Acting Comptroller General in a recent decision (October 3, 1938, A-95378) touched generally upon the function of the Commission when he said:

"* * The act of Sentember 7, 1916, the Employees' Company

"* * The act of September 7, 1916, the Employees' Compensation Act, is in form and purpose somewhat similar to the employers' liability laws enacted by various States for the benefit of employees injured in the course of their employment, and basically the purpose is to provide compensation for injuries suffered in the

the purpose is to provide compensation for injuries suffered in the course of employment. Certainly, compensation paid under an employers' liability act is not a gratuity * * *."

In the administration of the Longshoremen's and Harbor Workers' Compensation Act and the District of Columbia workmen's compensation law, the functions of the United States Employees' Compensation Commission are more truly quasi judicial than those of some of the independent establishments whose quasi-judicial functions heretofore have been recognized in prior reorganization legislation.

The Federal Communications Commission, Federal Power Commission, Federal Trade Commission, and the Interstate Commerce Commission, whose functions were left unimpaired, deal with con-

troversies in which the Government is one party and a private individual or corporation is the other, the controversy usually affecting the regulation of business or industry, as distinguished from adversary rights of opposing parties. Under the two acts named, the Commission directly and through its deputy commissioners exercises quasi-judicial functions in deciding rights of opposing private individuals, who are the adversaries, the Government not being a party but serving as the adversaries, the Government of being a individuals, who are the adversaries, the Government not being a party but serving as the adjudicating tribunal. The procedure involves a claim, answer, notice of hearings, public hearings stenographically reported, summoning of witnesses, taking of testimony and depositions, and all of the other procedure incident to hearing a contest between private parties. In Paramino Lumber Co. v. Marshall (18 Fed. Supp. 645) the court specifically referred to the Commission's deputy commissioner as "a quasi-judicial officer."

CONCLUSION

CONCLUSION

The American Federation of Labor and other labor groups are firmly opposed to disturbing the present three-member administration of the Federal workmen's compensation laws. Labor does not want the Commission's quasi-judicial functions to be impaired by subordinating them to an executive department or agency. Labor feels that the Commission's experience of 22 years has beyond question proved the wisdom of administration of the Federal workmen's compensation laws by an independent agency. The American Federation of Labor, in conventions for a number of years, has commended the work of the Commission and has passed resolutions favoring "the preservation of the present form of administration of the Federal workmen's compensation laws by maintaining the the Federal workmen's compensation laws by maintaining the United States Employees' Compensation Commission as an independent establishment."

pendent establishment."

In a recent radio speech the Honorable Robert F. Wagner, United States Senator from New York, speaking upon reform of social security, again referred to the need for a workmen's compensation law for railroad employees and other workers engaged in employments in interstate commerce. If enacted, such a law would no doubt provide for administration by an independent multiple membership commission, which, logically, would be the present Commission as it is now constituted, or as enlarged, perhaps, by the requisite number of additional members. Bills heretofore introduced in Congress proposing workmen's compensation legislation for such employments provide for the commission form of administration. From present activity of groups interested in the welfare of seamen it may reasonably be expected that similar legislation may be introduced at the present session of Congress to provide a Federal workmen's compensation law for this class of employees who are outside of State jurisdiction.

Mr. BYRNES. Mr. President, I wish to ask permission to put into the RECORD-I do not want to bore the Senate with it—a statement of the organic acts of the various departments and the authority given to the executive departments to merge and consolidate within such departments.

The PRESIDING OFFICER. Without objection, the matter referred to will be printed in the RECORD.

(See exhibits 1 and 2.)

Mr. NORRIS. Mr. President, I should like to make an inquiry of the Senator.

The PRESIDING OFFICER. Does the Senator from South Carolina yield to the Senator from Nebraska?

Mr. BYRNES. I yield.
Mr. NORRIS. The Senator may have explained the point while I was out, as I was called away from the Chamber, and have not heard all the discussion. I notice on page 3 of the bill quite a number of commissions, boards, and so forth, are exempted from the provisions of the bill so that they cannot be changed by any action of the President under this bill, and I notice that the Senate committee has added to that list, for instance-

Mr. BYRNES. The Federal Deposit Insurance Corporation, or the Board of Governors of the Federal Reserve System.

Mr. NORRIS. I refer to the Mississippi River Commission. Why was that done?

Mr. BYRNES. That was done because it was in the bill last year and the information of the committee at that time was that if the Engineer Corps was to be exempted. that it could not be exempted effectively without exempting the Mississippi River Commission, the work of which is conducted by the Engineer Corps.

Mr. NORRIS. Is there a general rule that the committee had in mind in exempting other commissions and boards?

Mr. BYRNES. There was a general rule, and I will be glad to state it.

Mr. NORRIS. The committee has added an amendment including the Mississippi River Commission, for instance, in the list of the organizations exempted.

Mr. BYRNES. For the reason that the committee was of the opinion that its omission was an oversight on the part of the House of Representatives, because in all legislation as to the Engineer Corps the Mississippi River Commission is considered a part of the work of the Engineer Corps and that it should be exempted if the Engineer Corps—

Mr. NORRIS. Why should either one of them go in?
Mr. BYRNES. They are placed in the bill largely for the same reason that the Veterans' Administration is placed in it, because experience has shown that if they were not exempted by the committee, that at the end of 2 days' discussion, they will be exempted by the Senate. With the exception of those few agencies, the committee confined exemptions to quasi-judicial agencies. When it comes to the Engineer Corps and to the Veterans' Administration, they do not come within the rules, but if the action were not taken in the committee it would be taken in the Senate. The Senator from South Carolina has no doubt as to what would occur. There are some things that neither House nor Senate can do.

When it comes to the Veterans' Administration the Senate would not strike it out as one of the exemptions. It does not come within the rules. Last year the Senator from South Carolina opposed its exemption, and by one vote was successful, for a few hours only. The Veterans' Administration, in my opinion, does not come within the category of quasi-judicial bodies which are exempted from the provisions of the bill. It can hardly be called a quasi-judicial body. But the veterans' organizations wanted to be exempted, and Congress will exempt them.

Mr. NORRIS. Can the Senator think of any commission or board or office that is not included in these exemptions as to which there may not arise sometime some question as to its having the attribute of being quasi judicial?

Mr. BYRNES. No.

Mr. NORRIS. The same reason that would exempt the Mississippi River Commission, for instance, would exempt anything else, would it not?

Mr. BYRNES. No. I think the Senator will agree that there is a difference between the Interstate Commerce Commission, the Federal Trade Commission, and the National Labor Relations Board and the Mississippi River Commission.

Mr. NORRIS. Very well; I concede that; but in reference to commissions that are not in the list of exemptions, it does not seem to me that there can be given any logical reason why the Mississippi River Commission should be exempted that cannot apply to any other commission or office which has not been exempted.

Mr. BYRNES. The Senator from Nebraska will not find the Senator from South Carolina disagreeing with him. I agree with him.

Mr. NORRIS. Then, if the Senator is right, and if I am right because I agree with him—that would be the only reason—there is not any logical reason why the Mississippi River Commission should be included in the exemptions in this bill.

Mr. BYRNES. No: there is not any reason, except that the Engineer Corps is exempted, and they conduct the work of the Commission. There is no reason why both should be exempted, except the fact that if the Engineer Corps were not exempted, while the Senator from Nebraska would not be bothered, tomorrow morning the secretaries to the Senators from other States would not be able to read one-half of their telegrams. When the vote came to be taken upon the floor of the Senate, the Senator from Nebraska and I would vote against exempting them, but when the result of the vote was announced we would have wasted 2 or 3 days, and by an overwhelming vote they would be exempted. There are some things that the Congress cannot do. In the Senate you might deny exemption to the veterans, you might deny exemption to the engineers; you might deny exemption to the Railway Retirement Board; but when the three ask to be exempted and you deny their request you are just wasting time. They will be exempted.

Mr. NORRIS. Then I understand the Senator to say, in effect, that this provision is in the bill, and some other things probably are in it, because the committee is attempting to please some influential Senators.

Mr. BYRNES. No; not because it is pleasing to any Senator, but because two-thirds of the Senators will vote to exempt them.

Mr. NORRIS. In other words, the advocates of the bill are up against a proposition, and they have to get the support of these influential Senators or they cannot pass the bill. Is not that it?

Mr. BYRNES. I am only questioning the word "influential." I do not care whether the Senators are influential or not; we cannot get a majority of the Senate. We could not get one-third of the Senate to put the Veterans' Administration in this bill. I tried it last year. By one vote we refused to exempt the Veterans' Administration. I knew we were wasting time, because when the bill went to the House there was no chance of having legislation enacted with the Veterans' Administration included when the veterans' organizations objected. The Army engineers were exempted because you cannot enact legislation to which they object. You just cannot get the votes.

Mr. NORRIS. I should like to say to the Senator that I do not want the Senate to draw the conclusion that I have anything against the Mississippi River Commission. If it were not exempted, I do not know that it would be remodeled, or anything of the kind, or that I should want to remodel it or change it in any way; but if we are going to base a bill upon logical reasons, it seems to me that if we exempt any commission we ought to be able to give a logical reason for it, based, for instance, on the fact the Senator stated, that these other commissions had quasi-judicial functions, to which I agree

Mr. BYRNES. When it comes to the Federal Reserve Board, the committee has a reason. The member banks own the stock of the Federal Reserve bank entirely, and the Government has no stock in it. The expenses are paid by assessments upon the banks. The money is not even put into the general fund of the Treasury. The Federal Reserve Board was in the bill last year; and there is a logical reason, I think, when the Treasury fund is not affected.

When it comes to the Coast Guard, at first I thought a reason did not exist. Upon investigation I think it is justifiable, for the reason that today, under the existing law, the President has a right to transfer the Coast Guard into the Navy at any time. It could not go anywhere else; and therefore, as a practical matter, I see no objection to its exemption.

When it comes to the Engineer Corps, if it is to stay in the bill, the Mississippi River Commission should stay with it. As to whether it stays in the exemptions, I say to the Senator that it stays in because two-thirds of the Senate would have it put in, and if we did not do it the Senate would. If the Senate did not include it the House would insist. The Engineer Corps of the Army would never let any reorganization bill go through.

Mr. NORRIS. Does the Senator mean that the Army engineers have that kind of control over Congress? If that is true, then the Engineer Corps ought to go in the bill. That

is a good reason for putting it in.

Mr. BYRNES. I know; but we cannot put it in unless we have the votes, and that is something we cannot get, any more than we can get a majority of the Senate and the House to vote to put in the Veterans' Administration. The popular term now is to say we ought to be realistic. We may as well be realistic. Last year we had a bill here. We left the Veterans' Administration subject to reorganization by one vote. How was it done? It was done only because assurances were given that the Veterans' Administration would not be touched. That is the way the Senate, by one majority, refused to exempt it. Without those assurances the Senate never would have voted against it. The House exempted it. But because they had doubt about what would happen in conference they were against the bill. It was defeated.

In the House we never will get a reorganization bill with the Veterans' Administration included. And if the veterans and the Engineer Corps can get together with the railroad brotherhoods who are interested in the Railroad Retirement Board, we cannot pass any reorganization bill through this Congress. That is why the Congress has not acted on this subject in 25 years, and that is why there is not any chance of Congress acting in the next 25 years. We might as well be honest about it.

Mr. NORRIS. Let us be honest about it and not pass any bill then.

Mr. BYRNES. The way we are going, if we are going to put them in the bill, it cannot be passed.

Mr. WHEELER. Mr. President, will the Senator yield? Mr. BYRNES. I yield to the Senator from Montana.

Mr. WHEELER. The Tennessee Valley Authority has not been exempted under this legislation.

Mr. BYRNES. I know the Senator from Montana really is not speaking to me now. He is trying to talk to the Senator from Nebraska over my shoulders. [Laughter.]

Mr. WHEELER. I say the Tennessee Valley Authority has not been exempted.

Mr. BYRNES. I know the Senator from Montana is interested in the Tennessee Valley Authority.

Mr. WHEELER. Yes, indeed. [Laughter.] The President may abolish all the functions of the Tennessee Valley Authority; and then if one House of the Congress should say it approved of the resolution, and the other should say it did not, the Tennessee Valley Authority would be abolished.

Mr. BYRNES. No: the President could do it if the Senator from Nebraska agreed; but the Senator from Nebraska is not going to agree, and, therefore, there is not any possibility of abolishing the T. V. A. If he did, both Houses would promptly pass a resolution disapproving it.

Mr. WHEELER. But the difficulty is this—
Mr. BYRNES. There is not any difficulty about that.
The T. V. A. cannot be abolished. The Senator from Nebraska is not going to let it be abolished.

Mr. WHEELER. I agree that there is not any difficulty about it as long as the present President is in the White

Mr. BYRNES. This bill is limited to the present President.

Mr. WHEELER. All right; but what excuse can the Democratic Members of the Senate offer when a Republican President is elected, if a Republican President is elected in 1940-

Mr. BYRNES. That is not going to be done. The Senator need not bother about that.

Mr. WHEELER. I am not so sure about that. The Senator, of course, is talking from the standpoint of South Carolina, where the Democratic ticket is voted anyway.

Mr. BYRNES. Does the Senator think Montana is not going to vote that way?

Mr. WHEELER. I am not at all sure that it is.
Mr. BYRNES. I have great confidence in the ability of the Senator from Montana to keep Montana in the Democratic column.

Mr. WHEELER. The Senator has more confidence than

Mr. BYRNES. I know the Senator from Montana. He is

Mr. WHEELER. Let me ask the Senator what excuse Democratic Senators or other Democrats can offer if they vote to give this power to a Democratic President, and then refuse to continue it when a Republican President comes in and says "You have not completed this job, and I want this power extended for 4 years." What position are we going to be in? If our next President should be a Republican, one of the first things he probably would want to do would be to abolish the Tennessee Valley Authority; and then if one House of the Congress of the United States should say it was all right, the Tennessee Valley Authority would be abolished and repealed.

It is all very well to minimize this bill, and to say that the bill does not amount to anything, and the teeth have

been taken out of it; but it still gives to the executive branch of the Government the right to abolish the functions of an office

Mr. BYRNES. Mr. President-

Mr. WHEELER. If the Senator will pardon me just 1 second until I finish this statement. It is all very well to minimize the bill, but a vital and it seems to me a fundamental principle of constitutional government is involved in it. We should not permit this bill to be brought in here and hurried through in a few minutes until we analyze it: and I think we are taking a very dangerous step at this particular time.

Mr. BYRNES. Mr. President, the Senator has a certain amendment; and if it is adopted, according to him, the bill will be all right. What in the world would prevent the next Congress from enacting a reorganization bill if a majority of the Congress and the President were in favor of it? I find it very difficult to agree with my friends who oppose this bill. They are all my personal friends. I have been telling them that we have taken out of the bill everything that I was fighting for here last year except reorganization. The Senator from Virginia [Mr. Byrd], who has devoted a great deal of time and study to this matter, wants the power extended over into the next administration.

Mr. WHEELER. I think that should be done. Mr. BYRNES. The Senator from Montana says that if that is done we are liable to have a Republican administration, and T. V. A. will be abolished, and he favors extending it to another administration.

Mr. WHEELER. I think the power should be extended to the next administration. I do not think any man can stand on the floor of the Senate and consistently say that we are going to give this power to a Democratic President but we cannot give it to a Republican President. I do not believe the Members on this side of the aisle are so partisan as that—and the Senator from South Carolina says this should not be a partisan question at all-but the very remarks the Senator is making show that he is really making a partisan statement.

Mr. BYRNES. Mr. President, I have told the Senator several times that I offered the reorganization resolution during a Republican administration.

Mr. BANKHEAD. Mr. President-

Mr. BYRNES. Then the Senator says we shall have a reactionary President. Well, I do not know. If I really believed another administration would wipe out all the agencies of the Government I would not be so willing to vote to extend powers to another administration. But I do not believe that would happen. After all, the President of the United States is elected by the people of America. The people of Montana, like the people of other States, vote for the President of the United States; and no man who occupies the position of President, the head of the executive department, is going to abuse any power that is placed in him, any more than is the Senator from Montana, or the Senator from South Carolina. If the next Congress and President want to repeal the legislation of this Congress, they can do it without any reorganization bill.

Mr. BANKHEAD. Mr. President-

Mr. BYRNES. I will yield to the Senator from Alabama in a second.

Under this bill the power to reorganize is limited to the present administration. Why? Because in the last session Members said, "If you do not limit the time you are liable to have a reactionary President." The Senator from South Carolina provided for limiting it to January 1, 1941. The opponents of the bill complained of that. It was too long. So the Senator from South Carolina, wanting to agree with them, said, "All right; I think the limit ought to be January 1, 1941, but I will agree to reduce it 6 months and put it at June 30, 1940." They were all satisfied. Now, when the House limits the time to January 1941 and I reluctantly agree. the opponents want it to go from now on. If I should agree to make it from "now on," tomorrow they would be here offering an amendment changing it.

Mr. WHEELER. Mr. President, when the Senator speaks of opposition to the bill I do not want to have him include me in that statement, because that is not my position.

Mr. BYRNES. I am glad to hear the Senator say that.

Mr. WHEELER. I do not want the Senator to give the impression that I am opposed to it on that ground. We are addressing a President of the United States, and I do not think we ought to be partisan about it; it is not a question with me whether it is this President or that President or some other President; it is a fundamental question of parliamentary government which faces the Senate and the country at the present time.

I am perfectly willing to agree that there should be some reorganizations in the Government of the United States, and I admit that it is difficult to get those reorganizations; but when the Senator says we cannot get them, what is he saying? What is he saying when he states that Congress will not act? He is saying that parliamentary government cannot do the job. It is a very dangerous thing to say to the people of the United States at this time that the Congress is incompetent. ineffective, and inefficient, and that consequently we have to turn the power over to the executive branch of the Government and let the President abolish functions of offices. If that is said to one President, we have to say it to the next President, and regardless of whether we agree with him on fundamental issues, after a President has been elected by the people of the United States, elected by the people of South Carolina and by the people of Montana, we cannot say to the Republican President. "We trusted a Democrat, but we do not trust you, a Republican, though you are President of the United States."

Mr. BYRNES. The Senator thinks it would be unwise to do it, then?

Mr. WHEELER. To do what?

Mr. BYRNES. To let a Republican President have that power?

Mr. WHEELER. Oh, no; I say it is unwise to give that power to any President, Democratic or Republican.

Mr. BYRNES. Yet the Senator says he would have the time extended so as to include another administration.

Mr. WHEELER. Yes; I would have it extended to another President. If it is good for one President to have it, it is good for another President to have it; but I say it is not good for any President to have it, unless we provide that it shall not become law until both Houses of the Congress vote upon it, as is required under the Constitution of the United States.

Mr. BYRNES. Mr. President, I voted to give the power to a Republican President. The argument could have been made with greater force a year ago. Under the pending proposal a majority of the membership of the Senate and a majority of the membership of the House of Representatives could veto any order; and therefore the argument does not hold.

When the Senator speaks of confessing our incompetence, and says that we should not tell the American people such a thing, what does he want to tell them? He says that "I am in favor of reorganization, the Senator from Indiana is in favor of reorganization, the Senator from Virginia is in favor of it. Every Senator says he is in favor of it? President Roosevelt said he was in favor of it, President Taft said he was in favor of it, President Harding said he was in favor of it; President Coolidge was in favor of it, President Woodrow Wilson was in favor of it, Franklin D. Roosevelt was in favor of it. When we said that to the man on the street he would say, "If you are all telling the truth, why have you not done something about it? You have been saying that for 25 years, Republicans and Democrats; why have you not done it?" Will the people think any more of a Congress that says, "We think it should be done; we can do it, but we have not done it."

Why not tell them the fact? The fact is that we are too close to the seat of government to do it. State governments can be reorganized, but not the United States Government. I have not been able to remain in my office during

the last 24 hours. If I go out of this Chamber now, I will be called to the phone. Some man who has been appointed to some office, appointed on the recommendation of a Senator or a Representative, will have a friend telephone me. He wanted a job on some commission or in some department, but the minute he was commissioned and in office. he conceived the idea that he had been drafted into the public service. He trusted the President to give him a job, but he would never be willing to trust him with any reorganization plan unless his particular bureau were eliminated from the reorganization plan. If a reorganization order is ever sent to the Congress, we will have difficulty getting to our offices because of the bureaucrats and the job holders who will be on the way all the way from the department to our office. What will they say? "You brought me here, Senator from Montana, or Senator from Tennessee. I did not want to come. I had a great law practice. I was doing fine. You drafted me into the public service, and now that I am here I am out of my law business, and here you are giving power to someone to abolish the job. I am in that job, and I have given the best years of life to that service. I want you to kill that reorganization order."

After a man has been in the service he believes that he is badly treated. He has forgotten about hanging around asking you for an endorsement to get the job. He honestly believes he was drafted into the service, and that he has a right to come and urge you to exempt his department.

How many Senators have come to me in the last 3 days to say, "I am for the reorganization bill, but I have a good friend on this commission. Is it not possible to exempt that commission?"

In some cases the department official is afraid to act, so he sends word to the representative of some association for whom he has done a favor and the representative of the association wires to Michigan, or to Carolina, or to Kansas, and immediately every friend the man ever had is on the telephone to say to you and to me, "Can you not prevent that reorganization? I know they have to reorganize, but this bureau is different from all others."

Congress will not do anything about it. The best proof is that we have not done anything.

The Senator from Mississippi [Mr. Harrison], and the former Senator from New York, Mr. Wadsworth, to whom I referred, and other Members of the Senate and of the House who served on joint committees during the last 25 years, just as sincere and as earnest as we are in the effort to bring about reorganization, prepared plans but they could not put it through. We forget the advice of the former Speaker of the House, the great Champ Clark, who said, "We listen to the solicitations and the appeals of those who have access to our ears, and forget the multitudes who can never see our faces or hear our voices."

Every time we step out of our offices we are confronted by these officials—and they are good fellows.

Mr. NORRIS. Mr. President, will the Senator yield?

Mr. BYRNES. I yield.

Mr. NORRIS. The Senator has very eloquently made an argument which I think bears out the position I took when I asked the Senator why, to be concrete, the Mississippi River Commission was exempted. I think the Senator has very forcefully explained why we cannot exempt, and should not exempt, any bureau or any office unless there is a reason that is general and fundamental which can apply to it.

I agree with the Senator absolutely in what he has said; but it seems to me he has demonstrated that the committee is perfectly illogical when it includes a Commission like the Mississippi River Commission and leaves out a lot of other organizations which are entitled to go in.

The Senator has referred to the fact that he had to leave his office to get away even from Senators.

Mr. BYRNES. Oh, no; not from Senators. I talk to all of them. That is how I know these things.

Mr. NORRIS. The Senator said that Senators wanted this commission or that commission left in. I am one Senator who has not looked up the Senator from South Carolina, and

who made no request of him. At least the Senator cannot put me in that category.

Mr. BYRNES. No.

Mr. NORRIS. I realize the difficult position in which the Senator finds himself. Yet it seems to me that that leads us to the fact that when we pass a bill we ought to exempt nothing unless there is a fundamental reason which can be given, and which does not depend on the desire of someone to hold a job.

Mr. BYRNES. Mr. President, I have told the Senator from Nebraska I agree with him. What I said was that it just could not be done.

Mr. GEORGE. Mr. President, will the Senator yield?

Mr. BYRNES. I yield.

Mr. GEORGE. Let me suggest to the Senator from South Carolina that there would not be so much interference by Senators and Members of the House under the new dispensation, under which an administration sets up patronage committees in the States; patronage committees, I might add, which are supposed to have much to do with the selection of the delegates to the next national convention. The pressure will not be coming from the Senators, but it will be coming from these patronage committees in the States. Perhaps the Senate would finally arrive at the point where it could pass a reorganization bill.

Mr. BYRNES. Perhaps so.

Mr. LUCAS. Mr. President, will the Senator yield?

Mr. BYRNES. I yield.

Mr. LUCAS. There has been quite a lengthy discussion here between the Senator from South Carolina and the Senator from Montana upon the question of functions, and I should like to interrogate the Senator from South Carolina for just a moment in order that I may clear up what is in my own mind with respect to that point.

If I understand the reorganization bill correctly, it is presented solely for the purpose of affording some economy and efficiency in government. In paragraph 1, on page 2, of the bill it is stated that one of the purposes is to reduce expenditures to the fullest extent consistent with the effi-

cient operation of the Government.

I should like to ask the Senator from South Carolina whether he agrees with me that the transfer of one of these executive agencies from one department to another will in no wise bring about the slightest economy, and that the only way economy can be had is through eliminating or abolishing the functions of one of these agencies.

Mr. BYRNES. Of course, Mr. President, I can very nearly agree with that. I think that where there is a duplication of activities, when they are combined, necessarily there should be some reduction in the number of employees. But, after all, the personnel expenses of the Government are only 171/2 percent, and there cannot be any great reduction. But the Senator has put his finger on the only place where there can really be a material reduction. Where five agencies are exercising this same function and it is transferred to one agency, no economy will result unless the functions of the other four agencies are abolished.

Mr. LUCAS. Mr. President, I agree with the Senator on that question. It seems to me, from what has been said in the debate that the only difference is as to who shall be entrusted to abolish or eliminate these functions, and I for one believe that the executive branch of the Government is in a better position to say what should be transferred from one to another, or what should be eliminated, or abolished, than the legislative branch of the Government, especially in view of the 60-day provision we can avail ourselves of in the event that the Executive uses arbitrary power which we

Mr. BYRNES. The Senator from Illinois has expressed a thought that has been in my mind on the subject, that the measure gives to the President power only as to the executive department, of which he is the head. The Congress did not hesitate to delegate its power to the Supreme Court to change the rules of court procedure. Up to that time that was a function which had been exercised by the legislative branch of the Government. We delegated that power to

the Court and ordered that the result be reported to the Congress in the last session. I have a copy of the report on my desk. No one introduced a resolution disapproving of it. Upon the action of the Supreme Court in reforming the procedure of the Court it became law. The Court performed a duty which prior to that time had been exercised by the legislative body itself.

One of my colleagues suggests that as a matter of fact the Supreme Court did it after conferring with the Amer-

ican Bar Association. I suppose that is true.

What the Senator from Illinois says is that all the pending measure would do would be to give to the President, the head of the executive branch of the Government, the power to try and effect some economies in the executive branch. and we provide that if he does anything we do not like, the Congress, by a concurrent resolution, can disapprove it and end it.

EXHIBIT I

DATA SHOWING INTERNAL REOEGANIZATION OF EXECUTIVE DEPARTMENTS BY THE SECRETARIES

(Taken from the work by L. M. Short, The Development of the National Administrative Organization, published by Brookings Institution in 1923. The reorganizations listed do not include all actually made, and stops at 1923)

DEPARTMENT OF THE NAVY

1798: In establishing the Department of the Navy in 1798 Con-

1798: In establishing the Department of the Navy in 1798 Congress made the following general provisions as to its organization, giving the Secretary of the Navy free reign to provide for the internal organization of the Department:

"There shall be an executive department under the denomination of the Department of the Navy, the chief officer of which shall be called the Secretary of the Navy, whose duty it shall be to execute such orders as he shall receive from the President of the United States relative to the procurement of parallel states of the control of the procurement of the states relative to the procurement of the states.

to execute such orders as he shall receive from the President of the United States, relative to the procurement of naval stores and materials and the construction, armament, equipment, and employment of vessels of war, as well as all other matters connected with the naval establishment of the United States.

"Sec. 2. And be it further enacted, That a principal clerk and such other clerks as he shall think necessary, shall be employed in such manner as he shall deem most expedient. In case of vacancy in the office of the Secretary, by removal or otherwise, it shall be the duty of the principal clerk to take the charge and custody of all the books, records, and documents of the said office."

office.'

1842: Section 5 of the act of August 31, 1842, conferred upon the Secretary of the Navy the following authority to reorganize his

Department:

"Sec. 5. And be it further enacted, That the Secretary of the Navy shall assign and distribute among the said bureaus such of the duties of the Navy Department as he shall judge to be expedient and proper; and all the duties of the said bureaus shall be performed under the authority of the Secretary of the Navy, and their orders shall be considered as emanating from him, and shall have full force and effect as such."

1889: Secretary of the Navy Benjamin Tracy wrote in his first annual report of 1889 that—

"The details of administering the Navy as an existing force, its vessels in commission, its officers, and its crews, were scattered, without assistance or coherence, among a variety of offices, bureaus, and boards. * * * To all these fragments of authority there was and boards. * * * To all these fragments of authority there was no central unity of direction except such as could be given by the personal attention of the Secretary * * and cases were not infrequent where a ship received simultaneous orders from three separate bureaus which were so directly contradictory that it was

separate bureaus which were so directly contradictory that it was impossible to execute them."

By virtue of the authority vested in him by the act of 1842, the Secretary of the Navy attempted to solve this management problem by reorganizing the activities of the Department. So far as possible he charged the Bureau of Navigation with the supervision possible he charged the Bureau of Navigation with the supervision of the entire fleet and gave to the Bureau of Equipment and Recruiting the supervision of miscellaneous branches of supplies and equipment. A board was established by departmental General Order No. 372 to have general supervision over the work of designing, constructing, and equipping new war vessels. A School of Application of the United States Marine Corps was established by General Order No. 1, 1891, and a Naval Medical School was established by General Order No. 89 in 1902.

1909: On February 26, 1909, a board appointed by President Theodore Roosevelt submitted a basic plan for the reorganization of the Navy Department. Congress failed to adopt this report, but steps were taken by Secretary Newberry and his successor. Secre-

steps were taken by Secretary Newberry and his successor, Secretary Meyer, to reorganize the Department along the lines proposed by administrative regulation as far as that was possible.

POST OFFICE DEPARTMENT

1792; The act of February 20, 1792, establishing a general Post

Office, provided that:

"* there shall be one Postmaster General who shall have authority to appoint an assistant, and deputy postmasters, at all places where such shall be found necessary. And he shall provide for carrying the mail of the United States, by stage carriages or horses, as he may judge most expedient, and as often as he, having regard to the productiveness thereof, as well as other circumstances shall think proper, and defray the expense thereof, with all other expenses arising on the collection and management of the revenue of the Post Office. He shall also have power to prescribe such regulations to the Deputy Postmaster, and others employed under him, as may be found necessary, and to superintend the business of the Department, in all the duties that are, or may be assigned to it, and also direct the route or road, where there are more than one, between the places above established, which route or road shall be considered as the post road."

1829: Other statutes relating to the Post Office Department which were passed prior to 1836, made no provision for the internal organization of that Department, other than that authorizing the appointment, by the Postmaster General, of assistants and clerks to aid him in performing the duties of his office. Although

the appointment, by the Postmaster General, of assistants and clerks to aid him in performing the duties of his office. Although a proper distribution of duties among the assistants and clerks in the departments was, no doubt, effected by earlier Postmasters General, the first definite organization of the Department, of which a record has been found, was that established by Maj. W. T. Barry. In a report communicated to the Senate on May 5, 1830, he indicated that the Department had been divided into three major divisions.

divisions.

1891: Postmaster General Vilas and his successors, Messrs. Dickinson and Wanamaker, both recommended that Congress create the office of Fourth Assistant Postmaster General, and reorganize the Department. The office was created in 1891, but Congress failed to act on the reorganization. Accordingly Postmaster General Wanamaker issued an order of August 1, 1891, redistributing the duties of the Department. This reorganization received statutory recognition in the Legislative, Executive, and Judicial Appropriation Act of July 16, 1892.

1905: By order of November 1, 1905, Postmaster General Cortelyou again reorganized the Post Office Department into five main branches; one under his own direction and one under the direction of each of his four assistants. In a publication of the Institute for

again reorganized the Post Office Department into five main branches; one under his own direction and one under the direction of each of his four assistants. In a publication of the Institute for Government Research of the Brookings Institution, entitled "The Development of National Administrative Organization in the United States," Dr. Lloyd M. Short makes the following statement concerning the determination of administrative organization of the Post Office Department:

"The administrative organization of the Post Office Department, like that of the Department of State and the Department of Justice, has developed almost entirely through the issuance of departmental orders to which Congress has automatically accorded statutory recognition in successive appropriation acts. In only a very few instances has legislative action been taken with respect to the organization of the Department prior to the issuance of orders by the Postmaster General effecting such organization, or without the express recommendation of that officer. As has been previously noted, a former head of the Post Office Department deplored the absence of permanent administrative organization of the Department, subject to change only by act of Congress. This complaint, however, has not been voiced by succeeding Postmasters General. The Post Office Department resembles, in many respects, a gigantic business enterprise, and as such, should continue to possess a large degree of flexibility in its organization and to be subject to the predominant control of the Postmaster General."

DEPARTMENT OF STATE

1789: The act of September 15, 1789, by which the first Congress created the Department of Foreign Affairs (later the Department of State) provided as follows:

State) provided as follows:

"That there shall be an executive department, to be denominated the Department of Foreign Affairs, and that there shall be a principal officer therein, to be called the Secretary for the Department of Foreign Affairs, who shall perform and execute such duties as shall from time to time be enjoined on or intrusted to him by the President of the United States, agreeable to the Constitution, relative to correspondences, commissions, or instructions to or with public ministers or consuls, from the United States, or to negotiations with public ministers from foreign states or princes, or to memorials or other applications from foreign public ministers or other foreigners, or to such other matters respecting foreign affairs, as the President of the United States shall assign to the said Department; and furthermore, that the said principal officer shall conduct the business of the said Department in such manner as the President of the United States shall from time to time order or instruct. time order or instruct.

"SEC. 2. And be it further enacted, That there shall be in the said Department, an inferior officer, to be appointed by the said principal officer, and to be employed therein as he shall deem proper, and to be called the chief clerk in the Department of Foreign Affairs, and who, whenever the said principal officer shall be removed from office by the President of the United States, or in any other case of vacancy, shall during such vacancy have the charge and custody of all records, books, and papers appertaining to the said Department."

1833: Secretary McLane submitted a plan for the averagement of

1833: Secretary McLane submitted a plan for the arrangement of his Department to President Jackson on August 29, 1833. According to the plan, which was approved by the President, the Department was divided into seven bureaus. The Chief Clerk of the Department was given immediate supervision over the work of these various bureaus.

1870: Secretary Fish reorganized the State Department into 12 bureaus. The chiefs of these bureaus were not recognized as such in the existing appropriation acts relating to the Department, but were merely given their titles by authority of the Secretary. In

the Appropriation Act of March 3, 1870, however, Congress recognized the bureaus thus established by appropriating funds for their chiefe

1874: The act of June 20, 1874, grants to the Secretary of State specific authority to determine departmental organization:

"The Secretary of State may prescribe duties for the Under Secretary of State, the Assistant Secretaries, and the Solicitor, not interfering with his duties as an officer of the Department of Justice, and the clerks of bureaus, as well as for all other employees in the Department, and may make changes and transfer therein when, in his judgment, it becomes necessary."

1910: Secretary Knox created the Division of Latin American Affairs, Far Eastern Affairs, Western European Affairs, and Information. This arrangement was reported to Congress in the next regular session and in the appropriation act of June 17, 1910, separate provision was made for the offices thus created.

1921: The act of March 3, 1921, making appropriations for the Department of State, omitted any provision for chiefs of bureaus and permitted the assignment of officers as heads of bureaus and divisions. Thorough rearrangement of departmental organization was effected following passage of that act.

was effected following passage of that act.

EXHIBIT 2

CITATIONS OF A FEW STATUTES CREATING INDEPENDENT AGENCIES SHOWING THAT CONGRESS HAS NOT PRESCRIBED THEIR INTERNAL

RECONSTRUCTION FINANCE CORPORATION

The act of January 22, 1932, creating the Reconstruction Finance Corporation provides that the Corporation shall have power to define the authority and duties of its employees and "to prescribe, amend, and repeal, by its board of directors, bylaws, rules, and regulations governing the manner in which its general business may be conducted and the powers granted to it by law may be exercised and enjoyed, including the selection of its Chairman and Vice Chairman, together with provision for such committees and the functions thereof as the board of directors may deem necessary for facilitating its business under this chapter."

TENNESSEE VALLEY AUTHORITY

Section 3 of the Tennessee Valley Authority Act (48 Stat. 59) requires the board to fix the duties of its employees and "provide a system of organization to fix responsibility and promote effi-

INTERSTATE COMMERCE COMMISSION

The Interstate Commerce Commission Act is silent as to the organization of the operating bureaus of the Interstate Commerce Commission, and therefore permits the Commission to determine the number and functions of its bureaus.

the number and functions of its bureaus.

The act goes even further and authorizes the Commission to delegate, subject to certain safeguards, its own authority in the determination of quasi-legislative and quasi-judicial questions—so vital to the liberty of our citizens—its divisions, individual commissioners, and even employees. It is provided that—

"The Commission is authorized by its order to divide the members thereof into as many divisions (each to consist of not less than three members) as it may deem necessary, which may be changed from time to time. Such divisions shall be denominated, respectively, division 1, division 2, etc. Any Commissioner may be assigned to and may serve upon such division or divisions as the Commission may direct, and the senior in service of the Commissioners constituting any of said divisions shall act as chairman thereof.

"The Commission may by order direct that any of its work, busi-

"The Commission may by order direct that any of its work, business, or functions arising under this chapter, or under any statutory provisions amendatory thereof or supplemental thereto, or under any amendment which may be made to this chapter or to any of said statutory provisions, or under any other statute or joint resolution which has been or may be approved, or in respect of any matter which has been or may be referred to the Commission by Congress, or by either branch thereof, be assigned or referred to any of said divisions for action thereon, and may by order at any time amend, modify, supplement, or rescind any such direction. All such orders shall take effect forthwith and remain in effect until otherwise ordered by the Commission.

"In conformity with and subject to the order or orders of the Commission in the premises, each division so constituted shall have power and authority by a majority thereof to hear and determine, order, certify, report, or otherwise act as to any of said work, business, or functions so assigned or referred to it for action by the Commission, and in respect thereof the division shall have all the jurisdiction and powers now or then conferred by law upon the Commission, and be subject to the same duttes and obligations. Any order, decision, or report made or other action taken by any of said divisions in respect of any matters so assigned or referred to it shall have the same force and effect, and may be made, evidenced, and enforced in the same manner as if made or taken by the Commission, subject to rehearing cases decided by the Commission.

"The Commission is hereby authorized by its order to assign or refer any portion of its work, business, or functions arising under this chapter or any other act of Congress or referred to it by Congress, or either branch thereof, to an individual Commissioner, or to a board composed of an employee or employees of the Commission, to be designated by such order, for action thereon, and by its order at any time to amend, modify, supplemen

authority shall not extend to investigations instituted upon the Commission's own motion nor, without the consent of the parties thereto, to contested proceedings" (title 49, U. S. C., par. 17 (2), (3), (4), (6)).

FEDERAL COMMUNICATIONS COMMISSION

The Federal Communications Act contains a provision similar to that in the Interstate Commerce Commission Act:

"(a) The Commission is hereby authorized by its order to divide the members thereof into not more than three divisions, each to consist of not less than three members. Any Commissioner may be assigned to and may serve upon such division or divisions as

be assigned to and may serve upon such division or divisions as the Commission may direct, and each division shall choose its own chairman. In case of a vacancy in any division, or of absence or inability to serve thereon of any Commissioner thereto assigned, the chairman of the Commission or any Commissioner designated by him for that purpose may temporarily serve on said division until the Commission shall otherwise order.

"(b) The Commission may, by order, direct that any of its work, business or functions arising under this chapter, or under any other act of Congress, or in respect of any matter which has been or may be referred to the Commission by Congress or by either branch thereof, be assigned or referred to any of said divisions for action thereon, and may, by order, at any time amend, modify, supplement, or rescind any such direction. All such orders shall take effect forthwith and remain in effect until otherwise ordered by the Commission.

"(c) In conformity with and subject to the order or orders of

wise ordered by the Commission.

"(c) In conformity with and subject to the order or orders of the Commission in the premises, each division so constituted shall have power and authority by a majority thereof to hear and determine, order, certify, report, or otherwise act as to any of said work, business, or functions so assigned or referred to it for action by the Commission, and in respect thereof the division shall have all the jurisdiction and powers now or then conferred by law upon the Commission, and be subject to the same duties and obligations. Any order, decision, or report made or other action taken by any of said divisions in respect of any matters so assigned or referred to it shall have the same force and effect, and may be made, evidenced, and enforced in the same manner as if made or taken by the Commission, subject to rehearing by the Commission as provided in section 405 of this chapter for rehearing cases decided by the Commission. The secretary and seal of the Commission shall be the secretary and seal of each division thereof.

"(d) Nothing in this section contained, or done pursuant there-

"(d) Nothing in this section contained, or done pursuant there-to shall be deemed to divest the Commission of any of its powers" (title 47, U. S. C., par. 155).

FEDERAL RESERVE BOARD

The act of August 23, 1935, creating the Board of Governors of the Federal Reserve System, does not set forth the internal organization of the Board, leaving this matter to executive determination. The single provision of the statute fixing organization is the requirement that "the Chairman of the Board, subject to its supervision, shall be its active executive officer."

NATIONAL BITUMINOUS COAL COMMISSION

The Bituminous Coal Commission is given authority "to make and promulgate all reasonable rules and regulations for carrying out the provisions of this subchapter (Bituminous Coal Act of 1937) and shall annually make a full report of its activities to the Secretary of the Interior for transmission to Congress."

FEDERAL TRADE COMMISSION

The Federal Trade Commission Act makes no reference to the powers of the Commission over its internal organization and management, nor is the Commission's organization set forth by law. The Commission presumably has and exercises the executive authority to determine its own organization where this is not prescribed by statute.

Mr. BYRNES subsequently said: Mr. President, I ask permission to include as part of the remarks made by me earlier today a letter addressed to me by the Comptroller of the Currency. In the course of my remarks I made some reference to efforts on the part of officials of government to have other persons communicate with Senators for the purpose of influencing them with respect to the pending measure. I have received a letter from the Comptroller of the Currency, in which he says that he wants the Senate to know that he has taken no part in any attempt to influence Members of Congress. He says that, on the contrary, he has discouraged such action on the part of the friends of his office, and would continue to do so. He says:

Aside from the impropriety involved in any intervention in our own behalf, I feel that the decision as to the future status of this office should be left entirely in the hands of the Congress and the President of the United States.

Such a position is so exceptional as to place it in about the same category as the news story of the man who bit the dog. I ask to have the letter included as part of my remarks.

The PRESIDING OFFICER. Without objection, it is so ordered.

The letter is as follows:

THE COMPTROLLER OF THE CURRENCY Washington, March 16, 1939.

Hon. JAMES F. BYRNES. Chairman, Select Committee on Government Organization

My Dear Senator Byrnes: It has been brought to my attention that effort is being made to have the office of the Comptroller of the Currency exempted from the provisions of the pending reorganization bill, H. R. 4425.

To avoid any misunderstanding, I think I should advise you that this office has taken no part in any attempt to so influence Members of the Congress. It has, on the contrary, discouraged such action on the part of its friends, and will continue to do so. Aside from the impropriety involved in any intervention in our own behalf, I feel that the decision as to the future status of this office should be left entirely in the hands of the Congress and the President of the United States.

Very sincerely yours,

THE NATIONAL DEFENSE—CONFERENCE REPORT

Mr. LEWIS. Mr. President, I present the report of the committee of conference on House bill 3791 and ask that the report lie upon the table to await action when it can be appropriately considered.

The report was ordered to lie on the table, as follows:

The committee of conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H. R. 3791) to provide more effectively for the national defense by carrying out the recommendations of the President in his message of January 12, 1939, to the Congress, having met, after full and free conference, have agreed to recommend and do recommend to their respective House of Colleges.

tive Houses as follows:

That the Senate recede from its amendments numbered 2, 4, 7, 8, 9, 10, 11, 12, 13, 14, 21, 24, 26, 27, 28, 29, 30, 31, 32, 33, 34, 35, 36,

and 37.

That the House recede from its disagreement to the amendments of the Senate numbered 1, 3, 6, 15, 16, 17, 18, 19, 20, 22, 23, and 25,

of the Senate numbered 1, 3, 6, 15, 16, 17, 18, 19, 20, 22, 23, and 25, and agree to the same.

That the House recede from its disagreement to the amendment of the Senate numbered 5, and agree to the same with an amendment as follows: In lieu of the language proposed to be inserted by the Senate amendment insert the following: "one or more of which shall be designated by the Civil Aeronautics Authority for the training of any Negro air pilots,"; and the Senate agree to the

the training of any Negro air pilots,"; and the Senate agree to the same.

That the House recede from its disagreement to the amendment of the Senate numbered 38, and agree to the said amendment with an amendment as follows: In lieu of the language proposed to be inserted by the Senate amendment insert the following:
"SEC. 14. All the provisions of section 3 of the act of March 27, 1934, as amended (48 Stat. 505; 49 Stat. 1926), and as amended by this section, shall be applicable with respect to contracts for aircraft or any portion thereof for the Army to the same extent and in the same manner that such provisions are applicable with respect to contracts for aircraft, or any portion thereof for the Navy: Provided, That the Secretary of War shall exercise all functions under such section with respect to aircraft for the Army which are exercised by the Secretary of the Navy with respect to aircraft for the Navy: Provided further, That section 3b of the act of March 27, 1934 (48 Stat. 505), as amended (49 Stat. 1926; 34 U. S. C., Supp. IV, 496), is hereby further amended by inserting in the first sentence after the words "for the construction and/or manufacture of any complete naval vessel or portion thereof, and in excess of 12 per centum of the total contract prices for the construction and/or manufacture of any complete aircraft or portion thereof"; by inserting in the first proviso after the words "That if there is a net loss on all such contracts or subcontracts" the words "for the construction and/or manufacture of any complete naval vessel or portion thereof,"; and by inserting at the end of the first proviso after the words "income taxable year" a comma and the words "and that if there is a net loss, or a net profit less than 12 per centum, as aforesald, on all such contracts or subcontracts for the construction and/or manufacture of any complete aircraft or portion thereof completed by the particular contractor or subcontractor within any tion and/or manufacture of any complete aircraft or portion thereof completed by the particular contractor or subcontractor within any income taxable year, such net loss or deficiency in profit shall be allowed as a credit in determining the excess profit, if any, during the next succeeding four income taxable years, and that the method of ascertaining the amount of excess profit, initially fixed upon, shall be determined on or before June 30, 1939": Provided further, That when aircraft are procured by the Secretary of War as a result of competitive bids requiring the submission of sample aircraft with bid, the Secretary is authorized, in his discretion, to purchase sample aircraft of competitors to whom an award is not made, not more than one each from not more than three such competitors, in order of merit, at prices not exceeding 75, 60, and 50 percent, respectively, of the cost applicable in the opinion of tion and/or manufacture of any complete aircraft or portion thereof

the Secretary to the development and manufacture of such sample

And the Senate agree to the same.

J. HAMILTON LEWIS, M. M. LOGAN. WARREN R. AUSTIN, Managers on the part of the Senate. A. J. MAY, EWING THOMASON, DOW W. HARTER, W. G. ANDREWS, DEWEY SHORT Managers on the part of the House.

SLUM-CLEARANCE AND LOW-RENT HOUSING PROGRAM

Mr. WAGNER. Mr. President, I ask the indulgence of the Senate in order that I may reply to the address made last week by the senior Senator from Maryland [Mr. Typings], in which he attacked the operations of the United States Housing Authority, under the United States Housing Act, which I sponsored. I said at the time that I proposed to examine the data which he cited to the Senate. I said that I felt confident he was misinformed. I have since given his speech careful study and examined his figures, and I am now prepared to show beyond question that the Senator was in error on every major point.

Mr. McNARY. Mr. President, will the Senator yield to me to make the suggestion of the absence of a quorum?

Mr. WAGNER. I should rather go right on. Mr. McNARY. I thought possibly a quorum call might bring the Senator from Maryland to the Senate Chamber.

Mr. WAGNER. The Senator from Maryland spoke to me, and said he would be present if possible this afternoon, but that he had some other mission to attend to. I informed him as to when I expected to speak.

Mr. McNARY. Then he has been notified of the speech

the Senator is about to make?

Mr. WAGNER. I told him about it, and he gave me the explanation that he would be obliged to attend to other matters, so that I might understand his absence, if he were detained.

In substance, the Senator raised and discussed the following main questions:

(1) Will the local housing projects assisted by the U.S. H. A. achieve very low rents and rehouse only slum dwellers in the lowest income groups?

(2) Will the U.S. H. A. program clear slums?

(3) Is the U.S. H. A. program a sound economic plan for financing the low-rent housing, and what effect will it have upon the public, the taxpayer, the Government's Budget, and the national debt?

(4) Do the localities bear their fair share of the cost of the projects?

(5) Are the construction costs of projects assisted by the U. S. H. A. reasonable and economical?

(6) How does the U.S. H. A. plan compare with the F. H. A.-Fort Wayne plan for promoting slum clearance and low-rent housing?

(7) Should the U.S. H. A. program be continued and expanded in the national interest?

Mr. President, I am going to take as a text for my remarks the opening words of the Senator from Maryland, in which he said:

It is safe to assume that there is not a person in America who is not in thorough sympathy with the fine and humanitarian aims set forth in this law. It sounds—

Said the Senator-

both impressive and progressive. The elimination of disreputable dwellings, of unsafe and insanitary apartment houses, the tearing down of slums and replacing them with suitable living quarters for the people of the country is very appealing.

I only wish that the facts of the Senator from Maryland were as accurate as his sentiments are commendable.

I propose to discuss each of the questions raised by the Senator, and to present the true facts.

1. THE U. S. H. A. PLAN ACHIEVES VERY LOW RENTS AND REHOUSES ONLY SLUM DWELLERS IN THE LOWEST INCOME GROUPS

The Senator from Maryland read figures indicating that the families in public housing projects earned incomes for the most part over a thousand dollars a year, and running as high as \$2,280 a year. According to the Senator's own statement, these figures dealt with the old P. W. A. Housing Division projects, built by the Federal Government before the United States Housing Act was enacted under an entirely different plan of construction and financing from the plan of the United States Housing Authority. These figures therefore have nothing whatsoever to do with the rents to be charged or the income groups to be served in the local projects assisted by the United States Housing Authority.

Mr. MINTON. Mr. President, will the Senator yield?

Mr. WAGNER. I yield.

Mr. MINTON. As I remember, the Senator from Maryland said that the houses that were being built under the United States Housing Authority were costing something like \$5.500 a unit.

Mr. WAGNER. If the Senator will be patient I shall refute every one of the statements made by the Senator from Maryland, by absolute proof from the record.

Mr. MINTON. It ran in my mind that we had placed a limitation in the bill itself much lower than the figure stated by the Senator from Maryland.

Mr. WAGNER. We placed limitations in the bill. Those limitations have been observed, and, as a matter of fact, the United States Housing Authority has been able to go far below those limitations in the projects already approved.

The facts are contained in the annual report of the United States Housing Authority, submitted to Congress on January 28 of this year. This report shows that of the 140 U. S. H. A. projects-when I say "U. S. H. A." I mean United States Housing Authority—with loan contracts approved by the President before the end of 1938, 21 projects will serve families with average annual incomes ranging from \$450 to \$649; 105 projects will serve families with average annual incomes ranging from \$650 to \$949; and only 14 projects will serve families of average incomes above \$950. No families will in any case be served which have average annual incomes above about \$1,100.

Since the submission of this annual report, the United States Housing Authority has made still further progress in approving plans for very low rental projects for very low income groups. It has now been determined that some of the projects will reach families with average incomes as low as \$300 to \$350 a year, and will be rented at figures as low as \$1.50 per room per month or \$6 per month for a four-room dwelling unit.

We heard nothing like that from the Senator from Mary-

Mr. MINTON. Mr. President, will the Senator yield? Mr. WAGNER. I yield.

Mr. MINTON. Are any of these people in the low brackets, to which the Senator has just referred, subsidized as to a part of their rent so as to enable them to get into these projects and yet not have to pay all the rent themselves?

Mr. WAGNER. Yes; I will refer to that a little later on.

In summary, the projects now being assisted by the United States Housing Authority will serve only families in the lowest income third. They will reach down into the lowest ranks of the employed workers in industry and will also serve those on relief and in public employment who are receiving allowances that meet a bare minimum subsistence level. And because the program will serve only those in the lowest income groups it will be strictly noncompetitive with private industry, which, by the universal admission of businessmen and builders, cannot make available safe and sanitary housing at rents which people with such low incomes can afford to pay.

2. THE UNITED STATES HOUSING AUTHORITY PROGRAM IS CLEARING THE SLUMS

The Senator from Maryland in his address indicated that the United States housing program is not clearing the slums because some of the projects are being built on vacant land.

Even a cursory study of the United States Housing Act or of the projects assisted by the United States Housing Authority would reveal the inaccuracy of this statement. Under an amendment written by the senior Senator from Massachusetts [Mr. Walsh], for every dwelling unit in a project assisted by the United States Housing Authority there must be the elimination of an unsafe or insanitary dwelling. The majority of the U. S. H. A. assisted projects are being built on slum sites. Wherever this is not the case there is a contractual obligation on the part of the municipality to eliminate an equivalent number of slum dwellings. The United States Housing Authority plan in every single instance combines slum clearance with the development of decent homes for slum dwellers.

3. THE UNITED STATES HOUSING AUTHORITY PLAN IS A SOUND, ECONOMICAL PLAN OF FINANCING HOUSING PROJECTS, IMPOSES VERY SLIGHT COSTS UPON THE PUBLIC AND THE TAXPAYER, AND HAS PRACTICALLY NO EFFECT UPON THE NATIONAL DEBT

The Senator from Maryland has said that-

Almost any plan which the United States Housing Authority thought feasible could be employed by it to eradicate the slums.

He also added that there-

Are no limitations as to the amount of subsidy, there are no limitations as to the cost, there are no limitations in the * * * measure.

I am quoting his exact words.

These statements are entirely erroneous, as the Senator from Maryland could have ascertained by a closer examination of the United States Housing Act. The law does provide a very specific plan, with definite cost limitations, for helping to finance low-rent housing projects; and this plan has been applied to every one of the 140 projects approved by the President.

Let me give a very simple illustration of how the program works and what it costs.

Let us suppose that a local housing authority is going to build a \$1,000,000 housing project. It obtains a \$900,000 loan from the United States Housing Authority and a \$100,-000 loan raised from local sources. The United States Housing Authority obtains the funds for the \$900,000 loan by selling guaranteed Federal obligations to the public. At the present time the United States Housing Authority is obtaining money from the public for this purpose at an interest rate of about 1% percent. The United States Housing Authority, in turn, lends this \$900,000 to the local housing authority at an interest rate of not less than 3 percent, which the local housing authority is required to repay, principal and interest, over a fixed period of time. The repayment of the loan is secured both by the rent revenues of the project and by the Federal annual contributions. This loan transaction nets the United States Housing Authority a profit of \$10,395 a year, representing the spread between the level annual debt service paid by the local housing authority to the U.S. H. A. and the level annual debt service on the money borrowed by the U.S. H. A. for housing loans.

I do not say that the U. S. H. A. will always be able to borrow at 1% percent. Longer-term financing, or a much larger degree of direct local financing, both of which may be desirable, would substantially reduce the interest spread. Nonetheless, based upon the present situation, the facts are as I state them.

Now, for the annual contributions or subsidies. After the \$1,000,000 project is completed, the U. S. H. A. pays annual contributions to the local authority to reduce the rents. These annual contributions represent part of the difference between the economic rent that would be necessary to meet debt service, maintenance and operation, and the rent which families in the very low income groups can afford to pay.

Under the act the maximum annual contribution from the United States Housing Authority would be 3½ percent of the capital development cost of the project, or \$35,000. Subtract

from this \$35,000 in annual subsidy the \$10,395 representing the annual profit to the U. S. H. A. on the loan transaction, and the result is a net cost to the Federal Government of \$24,605 per year. This net cost of the annual contributions represents absolutely the only cost to the Federal Government of the \$1,000,000 project.

Now, let us see what the annual cost amounts to per family rehoused. In a moderate-sized industrial city, at an average cost of \$5,000 per family dwelling unit, the \$1,000,000 project would rehouse about 200 families moved from the slums. In a small town, with lower costs, where the average cost of the family dwelling unit might be about \$3,300, the \$1,000,000 project would rehouse about 300 families. In these two cases, using the aggregate net cost of \$24,605 given above, the annual cost per family rehoused would be about \$123 in the large city and about \$82 in the small town. For a family of four this would mean an annual cost for every person moved from the slums to a decent home of about \$31 in the larger city and about \$20 in the smaller town.

This, Mr. President—and I am willing to have my figures subjected to the most careful analysis—represents the net annual cost to the Federal Government of having an American citizen live in a decret American house instead of in a slum. I repeat the figures for emphasis—about \$31 per person per year in a large city and about \$20 per year in a smaller town.

Mr. President, I invite comparison of this cost with the average annual cost throughout the country of about \$90 per year for each child educated in the public schools, a sum which I believe ought to be far greater. I invite comparison of the cost of rehousing slum dwellers with the frightful costs of disease, juvenile delinquency, social maladjustment, and crime produced by the slums. I invite comparison of this cost with the benefits of reemployment and the additions to the permanent capital assets of our cities and of our Nation provided by a large-scale building program.

Mr. President, I have reduced these figures to a simple illustration covering one project, and showing the cost for each family. Let us now look at the picture as a whole. The present program of the United States Housing Authority involves loans of \$800,000,000 for slum clearance and lowrent housing. As I have pointed out, these loans are repayable in full with interest, and on the basis of the present rate at which the U.S. H. A. is borrowing and lending money, they will involve an annual profit to the Federal Government of about \$9,240,000. As against this, the present program calls for maximum annual contributions by the United States Housing Authority of not more than \$28,000,-000. Subtracting the annual profit on the loans from the maximum annual subsidies, we arrive at an aggregate net cost of about \$18,760,000 per year. Note this figure—an aggregate net cost to the Federal Government of about \$18,760,000 per year for the present slum clearance and lowrent housing program.

Under the bill I have introduced for expanding the program, which evokes such violent objections from the Senator from Maryland, the maximum gross annual contributions would be \$73,000,000 per year, and the aggregate net annual cost to the Federal Government, at the present interest rates under which the United States Housing Authority is operating, would be about \$44,000,000 per year. These are the figures which fill the Senator from Maryland with dread of national bankruptcy, and which make him shrink from the thought of continuing the great slum clearance and low-rent housing program.

Mr. President, the figures I have cited clearly indicate that the housing program involves practically no increases in the national debt. The \$800,000,000 authorization for loans provided under the present law, and the additional \$800,000,000 in loans under my proposed bill, are repayable loans on which the Government makes a profit. They therefore do not enter into the national debt at all. The annual contributions necessary to make the rents low enough to rehouse slum dwellers represent the only cost to the public and to the taxpayer. They would not figure in the national debt at all if the cost of the annual subsidies were raised annually through taxation; and even if the Federal Government borrowed the

money to pay the annual subsidies, these expenditures would enter the national debt only in the very small sums above indicated, namely, \$18,760,000 annually on the basis of the present program and \$44,000,000 annually on the basis of the expanded program.

Mr. MINTON. Mr. President, will the Senator yield?

The PRESIDING OFFICER (Mr. Schwellenbach in the chair). Does the Senator yield to the Senator from Indiana?

Mr. WAGNER. I yield. Mr. MINTON. Did the Senator from Maryland [Mr. TYDINGS | use the same figure as to the rent subsidy?

Mr. WAGNER. Oh, no. Mr. MINTON. The Senator from Maryland used a differ-

Mr. WAGNER. The Senator from Maryland referred to the \$13,000,000 annual subsidy provided for in the loan contracts outstanding thus far. I am citing the total maximum annual contributions under the authorized program, less the profit to the Government on the loan transactions.

Of all the programs for the sound rehabilitation of our people and the development of our physical resources, there is none which has a smaller effect upon the national debt, and which yields a larger return in economic benefits and

human welfare, than the public housing program.

Let us contrast for a moment, Mr. President, these net annual costs of \$18,760,000 under the present housing program, and about \$44,000,000 under the proposed expanded program, with the average annual expense to the Federal Government, over the past 5 years, of \$275,425,000 per year for public roads—each year, mind you, not \$275,000,000 over a period of 60 years—of \$1,041,000,000 per year for national defense, of \$479,100,000 per year for direct benefits to agriculture, and of \$76,373,000 per year for the development of aviation. I am in favor of all these expenditures, of course; I am making the comparison because the Senator from Maryland says: Just think, over 60 years we are going to pay millions upon millions to give decent homes to slum dwellers. What a terrible thing that is. Let us see about that. From any such comparison we must conclude that the present and projected expenditures for the decent housing of the American people are extraordinarily small.

This simple statement, Mr. President, I hope will convince the fair-minded public that the Senator from Maryland has presented a very exaggerated picture of the costs of the housing program. But in addition to exaggerating the present costs of this program, the Senator from Maryland has engaged in an extraordinary flight of fancy in order to determine what the program is going to cost over the next 60

I do not believe, and according to its annual report the United States Housing Authority does not believe, that the annual contributions will be payable in their present form and amount over a 60-year period. The law provides for periodic revisions. But in any event, let it be remembered that the payment of these annual contributions over a 60year period in the future would mean 60 years of social benefits in the future to those living in the projects during the whole 60-year period. The Senator from Maryland talks about the cost of the United States Housing Authority program over the next 60 years, and then expresses horror at the size of the figure. The Senator might just as well calculate the cost over the next 60 years for public health, for education, for roads, for national defense, for maintaining public buildings, for social security, or for any of the activities in which civilized and enlightened governments must necessarily engage. The Senator could get very staggering figures if he did this, because all such activities cost a great deal over a period of 60 years.

The issue, Mr. President, is not what the housing program is going to cost over the next 60 years. The significant fact is that the program costs so very little each year compared to its benefits each year, and compared to the cost each year of other programs of the Government less vital than decent housing for the American people.

The Senator from Maryland implied in his speech that European countries which rely on a system of public housing subsidies very similar to ours have gradually abandoned this

system. I do not know where he got his information, but the facts show precisely the contrary. Under the English plan, which I used as a model in framing the United States Housing Act—and I visited England in order to study that plan—over 1,100,000 units of public housing have already been constructed with Government subsidy, and the British nation is now in the midst of a further program calling for 600,000 additional units, carrying even greater Government subsidy. In this connection I received a letter over the week-end from Sir Raymond Unwin, a very distinguished English architect, and the leader of their housing movement, who happens to be visiting this country. Sir Raymond says:

My attention has been called to some statements made by Senator Typinos implying some change of policy in England as to subsidy for housing and I thought you might like to know the facts. So far from true is it that the last housing acts known as Housing (Financial Provisions) Acts, 1938, passed only last year created a new increased subsidy for the building of houses for agricultural workers in rural areas and considerably increased the subsidy in the case of dwellings when built in the form of flats on expensive land to rehouse tenants from slum dwellings or overcrowded houses.

That is an authoritative statement which shows how misinformed the Senator from Maryland was in referring to governmental housing activities of England.

The same letter from this distinguished British authority indicates that with the passage of time the subsidies under the British act will be revised and decreased as the need for them decreases. Sir Raymond writes:

How long the subsidy will require to be paid no one can say. We do not expect, however, that it will continue long at the full rate or for the whole period at any rate. Judging from the experience of the past 100 years, the lag before the wages of the low-income groups overtake in rent-paying capacity the sum needed to meet the economic rent is nearer 25 or 30 years. Unless there is some complete reversal of the progress of civilization, we may expect that the subsidy will be progressively reduced and will end long before the 60-year period expires. The Government is required to revise the subsidy every 3 years. Some reduction has already been made on some of the earlier built dwellings.

In Sweden, after a long and successful experience with public-aided cooperative housing-and I make this statement from my own study of the subject-the Government in 1933 initiated a program of municipal housing, with annual contributions from the state to bring rents within reach of the lowest-income group—particularly those with numerous children. This legislation has been most successful and it, too, was extended and strengthened by amendments last year-that is, in 1938.

I ask unanimous consent to insert in the RECORD at this point a table showing that, concurrently with the fruitful development of public housing, both England and Sweden have developed huge building programs by private industry.

The PRESIDING OFFICER. Without objection, the table will be printed in the RECORD.

The table referred to is as follows:

Dwellings built per 100 families 1930-37

Number of families	Number of	Total dwellings built 1930-37		By public agencies or other nonprofit enterprise		By private en- terprise	
	families	Number	Per 100 fami- lies	Number	Per 100 fami- lies	Number	Per 100 fami- lies
England Sweden 1 United States 1	10, 233, 139 647, 770 17, 372, 524	2, 189, 366 195, 749 1, 041, 265	21. 4 30. 2 6. 0	496, 447 25, 502 29, 559	4.9 3.9 .2	1, 692, 919 170, 247 1, 011, 706	16. 5 26. 3 5. 8

Urban families and urban homes built.

Source: England—Housing, House Production, Slum Clearance, etc., England and Wales. Position at 30th of March 1938. British Ministry of Health. Number of families from 1931 census.

Sweden—Federal Home Loan Bank Review, September 1936. American-Swedish News Exchange, Inc., New York. Urban households from 1930 census.

United States—Monthly Labor Review, January 1938. Estimate of public housing, from Bureau of Labor Statistics, includes urban homes built or aided by Public Works Administration, Farm Security Administration, Works Progress Administration, and Alley Dwelling Authority. Urban families from 1930 census.

4. THE LOCALITIES BEAR THEIR FAIR SHARE OF THE COST OF SLUM-CLEARANCE AND LOW-RENT HOUSING PROJECTS

Mr. WAGNER. Mr. President, throughout the address of the Senator from Maryland there runs the theme that the localities are not bearing their fair share of rehousing the slum dwellers in their midst. The Senator says:

The city, in effect, will make no contribution worthy of the name to the cost of these houses, and the Federal Government is borrowing the money and increasing the national debt in order to accomplish the building of these homes.

This statement is based upon a complete misapprehension of the large contributions which the localities are making to help their slum dwellers live in decent homes. In fact, no other public-works program assisted by the Federal Government has enlisted so large a measure of local support and local aid.

As I have already shown, the original construction cost of slum-clearance and low-rent housing projects is financed entirely on a loan basis. It involves no cost to the public or the taxpayer, but rather yields a profit to the Government through the loan transaction. The only cost to the public and the taxpayer is involved in the annual contributions, and both the Federal Government and the localities are bearing their fair share of these. The annual contributions of the localities are in the form of substantially complete tax exemption of the local housing projects. While the Federal Government is making a cash contribution toward getting lower rents, the locality is making a large contribution toward lower rents by servicing the project with all normal city services without imposing any taxes upon the project.

It is obvious that this local tax exemption represents a very substantial local contribution, far in excess of the 20 percent of the U.S. H. A. annual contributions required by the act. Indeed, the State contribution averages close to 60 percent of the U.S. H. A. contribution. The statement of the Senator from Maryland, therefore, does an injustice to every locality throughout the country that has made strenuous and generous efforts to rehouse its slum dwellers by making contribu-

tions in the form of tax exemptions.

The extent of the Senator's misimpressions upon this subject is revealed in the following quotation from his address, in response to a question from the junior Senator from Kentucky:

It may be that in order to get around the law of the Senator's State prohibiting any property from being exempt, the municipality of Louisville, for instance, may take from the other taxpayers a sufficient sum of money and hand it over to the Federal Government to be the equivalent of an exemption of the particular house which the Government is building * * *. So payments could be made by the city from the general treasury in lieu of exemption of taxes to the Housing Authority, so that they could hand the money back.

"That is the way it is being done," says the Senator from Maryland. Mr. President, that is not the way it is being done. By legislation or by court decision, there are 37 States in which public-housing projects are exempt from local taxation, so that in those States the localities can contribute their fair share to the cost of rehousing slum dwellers and thus participate in the U.S. H. A. program.

Why have the States and the localities been willing to grant this tax exemption, Mr. President? . Because they realize that the revenues lost in exempting the projects from taxes are more than regained by stopping the terrible drain upon city treasuries which the slums involve. The cities realize the manifold benefits which accrue from a program

of decent housing.

When the Senator from Maryland recommends that the provisions for tax exemption be abandoned, he sets his judgment up against the judgment of about three-fourths of the States, which, under Republican administrations and Democratic administrations alike, have voluntarily and without coercion decided that it is good social policy and good business to help the rehousing of slum dwellers. The Senator seems to be involved in a hopeless contradiction, when on the one hand he complains that the rents are too high to rehouse slum dwellers and that the Federal Government is bearing the whole cost, while on the other hand he suggests the abandonment of the tax exemption by which the localities are getting lower rents and bearing their fair share of the costs. 5. CONSTRUCTION COSTS UNDER THE U. S. H. A. PROGRAM ARE REASONABLE AND ECONOMICAL

Now I should like to say a few words about the construction costs of projects under the U.S.H.A. program, I think the local authorities, in cooperation with the U.S. H. A., have made a very remarkable record in developing cheaper and less expensive housing projects. For this reason I regret that the Senator from Maryland made certain remarks about these costs which I regard as unfair, and did not take the opportunity to state the real achievements that have been made.

In the first place, in discussing the cost of the U.S. H. A. assisted projects, the Senator from Maryland used an average cost which he had himself derived. This was a most misleading figure when cited to represent the U.S. H. A. average cost per family rehoused, as compared with the average cost under private enterprise; for the Senator's figure included the cost of purchasing the slum buildings to be torn down on the sites of U.S.H.A. projects, and the cost of demolishing and clearing away these old rookeries. Congress certainly intended the U.S. H. A. program to accomplish slum clearance as well as rehousing; but it is unfair to allocate this portion of the cost of the program to the individual families who are rehoused, for they would be just as much benefited if rehoused on cheap vacant land without equivalent demolition of slums. The slum clearance part of the cost cannot be charged against the cost of new housing, but must be considered as a general benefit to the city at large-a general benefit that no other public or private program offers. In comparing the cost of U.S.H.A. housing with that of private housing, it is only fair to eliminate from the former the cost of slum clearance, since the undertakings of the private builder almost never include such a cost.

I regret that the Senator from Maryland did not refer to the Annual Report of the U.S. H. A., for he would there have found the basis for computing the average cost of U. S. H. A. projects comparable with the average cost of private enterprise. The report showed that for 140 projects the estimated cost of new housing, including land, nondwelling facilities, and the new houses themselves, but excluding only the cost of slum buildings to be torn down, amounted to \$328,555,023, or an average estimated cost of \$5,098 per dwelling unit. The report further made it very clear that these figures were preliminary estimates used as the basis of loan contracts, and as such had been set at safe amounts which could certainly be met when construction contracts were subsequently let. The annual report went on to state that on the projects where construction contracts had been let, the actual cost had averaged 11.6 percent less than the preliminary estimates. All of this could have been found in the report. If this percentage obtains for all projects-and the U.S. H. A. believes it will-the average cost per dwelling unit, including land, nondwelling facilities, and the new houses, would be \$4,507.

The Senator from Maryland invited a comparison of the costs of U.S. H. A. assisted projects with those of housing insured by the F. H. A. in 1938, and stated that on the basis of his computations the U.S. H. A. costs were higher by \$136 per unit. This is incorrect. The average value of all housing insured by the F. H. A. in 1938 was the figure of \$5,384 cited by the Senator; but the average value of new housing insured by the F. H. A. was \$5,530. Comparing this figure with the U.S. H. A. figure already cited, it appears that the U.S. H. A. unit cost is actually lower by the sum of \$1,023. To me this seems a most remarkable achievement, in view of a number of facts which the Senator from Maryland omitted to bring out when he made his com-

In the first place, the F. H. A., in insuring a house, requires that it have a useful life of at least 20 or 25 years, while in the interests of long-term economy and lower rents the U. S. H. A. is assisting only houses with a useful life of at least 60 years. Is not a complete dwelling unit, including land, nondwelling facilities, and a new house guaranteed for 60 years, an infinitely better bargain for the Nation than a complete dwelling unit which costs \$1,023 more, and which has a house with a guaranteed useful life of only 20 or 25

Secondly, the cost of the land itself in the central slum sites on which the majority of the U.S. H. A. projects are built is of necessity higher than that of outlying vacant sites on which most F. H. A. houses are being built,

Thirdly, the U. S. H. A. Act requires that every project assisted by it shall be built with labor paid at prevailing wage rates, whereas there is absolutely no such provision for the protection of labor under the F. H. A. plan.

In view of these differences between the U. S. H. A. and the F. H. A. programs, it seems to me remarkable that the U. S. H. A. cost, including land, nondwelling facilities, and the new house, is actually lower by \$1,023 per unit. But the U. S. H. A. is not content even with this satisfactory record which it made in 1938.

It is continually endeavoring to reduce its costs, to develop more economical methods of building, and to eliminate every surplus expenditure. In this it is making substantial progress; and the list of contracts approved by the President on February 27 of this year showed an average cost 9 percent less than that of the 1938 projects.

When the United States Housing Authority Act was passed, Congress inserted two limitations upon costs. In the first place, it provided that the average construction cost of the dwelling units, excluding land, demolition, and nondwelling facilities, was not to be greater than the average construction cost of dwelling units currently produced by private enterprise in the same locality, under the legal building requirements applicable, and under labor standards not lower than those prescribed in the United States Housing Act.

The U. S. H. A. has done better than to satisfy this limitation. According to its annual report, the first 140 projects approved by the President involved an estimated net construction cost per dwelling unit averaging \$3,087. This net construction cost is the price paid the contractor for building the dwelling itself. These 140 projects are located in 75 towns and cities. The Bureau of Labor Statistics has collected the average value of building permits—which represent net construction costs—for private dwellings in 71 of these 75 localities for the first 10 months of 1938. The average for these 71 communities was \$3,685. Thus, the average net construction cost of private construction was \$598 more per unit than the estimated average net construction costs of U. S. H. A. projects in an almost identical list of cities.

These figures are based on estimates of U. S. H. A. costs made at the time loan contracts were entered into. The comparison is even more favorable to the U. S. H. A. program when we consider the 14 U. S. H. A. assisted projects on which main construction contracts had been let by the end of 1938. In these contracts the average amount by which U. S. H. A. net construction costs were lower than private net construction costs was \$1,010 per unit. In New York City, where construction costs are relatively high, the actual contract cost of U. S. H. A. housing was lower than the cost of private construction by \$744 per dwelling unit in the Queensbridge project and \$301 per dwelling unit in the Red Hook project.

I ask unanimous consent that a record of all of 14 projects, and the costs in private industry as compared to the costs of construction under the U.S. H. A., be inserted in the RECORD at this point.

The PRESIDING OFFICER (Mr. La Follette in the chair). Without objection, it is so ordered.

The matter referred to is as follows:

Net construction costs per dwelling unit of 14 U.S. Housing Authority projects based on approved main construction contracts compared with costs of private dwellings in the same cities (as of Dec. 31,1938)

Location of project	Project No.	Net con- struction cost per dwelling unit of U. S. Housing Au- thority proj- ects based on approved construction contracts	Average net construction cost during first 10 months of 1938 of pri- vately con- structed dwellings ¹	Amount U. S. Hous- ing Authority costs are under () or over (+) building- permit averages
Allentown	Pa. 4-1	\$3, 123	\$5,737	-\$2,614
	Ga. 1-1	2, 575	2,246	+329
	Tex. 1-1	2, 657	2,644	+13
	Tex. 1-2	2, 174	2,644	-470
	Tex. 1-3	2, 203	2,644	-441

¹Based on building permit data tabulated by Bureau of Labor Statistics of the U.S. Department of Labor.

Net construction costs per dwelling unit of 14 U.S. Housing Authority projects based on approved main construction contracts compared with costs of private dwellings in the same cities (as of Dec. 31, 1938)—Continued

Location of project	Project No.	Net con- struction cost per dwelling unit of U. S. Housing Au- thority proj- ects based on approved construction contracts	Average net construction cost during first 10 months of 1938 of pri- vately con- structed dwellings	Amount U. S. Hous- ing Authority costs are under (-) or over (+) building- permit averages
Buffalo Do Jacksonville Louisville New York (Red Hook) New York (Queens-bridge).	N. Y. 2-1	\$3, 369	\$4, 317	-\$948
	N. Y. 2-2	3, 194	4, 317	-1, 123
	Fla. 1-1	2, 690	3, 974	-1, 284
	Ky. 1-1	2, 870	3, 456	-586
	N. Y. 5-1	3, 186	3, 487	-301
	N. Y. 5-2	2, 743	3, 487	-744
Syracuse	N. Y. 1-1	2, 941	5, 455	-2, 514
Toledo	Ohio 6-1	2, 946	4, 675	-1, 729
Youngstown	Ohio 2-1	2, 948	4, 673	-1, 725
Average (un- weighted).		2, 830	3, 840	-1,010

Mr. WAGNER. As a second limitation upon costs, Congress imposed a dollars-and-cents standard. The act specifies that no dwelling unit shall cost more than \$4,000 or more than \$1,000 per room—excluding land, demolition, and nondwelling facilities—unless the project is located in a city having a population in excess of 500,000, in which case the limitations are \$5,000 per dwelling unit and \$1,250 per room.

In the first 14 U. S. H. A. assisted projects on which main construction contracts were let, the costs have been very substantially below the limitation set by Congress, which I am very much gratified to state. In New York City, for instance, with a maximum cost limitation of \$1,250 per room for dwelling facilities, contracts were let on the Red Hook project calling for only \$911 per room, and on the Queensbridge project the cost was brought down as low as \$808 per room.

I ask unanimous consent to insert at this point a table showing details for each of the 14 projects.

The PRESIDING OFFICER. Is there objection?

There being no objection, the table was ordered to be printed in the Record, as follows:

Cost of dwelling facilities of 14 U.S. Housing Administration projects based on approved main construction contracts compared with applicable statutory limitation (as of Dec. 31, 1938)

	Project No.	Estimated number of—		Dwelling facil- ities costi- per room		Dwelling facil- ities cost per dwelling unit	
Location of project		Rooms	Dwell- ing units	Applicable statutory limitation	Based on ap- proved con- struc- tion con- tract bids	Applicable statutory limitation	Based on ap- proved con- struc- tion con- tract bids
Allentown, Pa Augusta, Ga Austin, Tex Do Do Do Jacksonville, Fla Louisville, Ky New York (Red	Pa. 4-1 Ga. 1-1 Tex. 1-1 Tex. 1-2 Tex 1-3 N. Y. 2-1 N. Y. 2-2 Fla. 1-1 Ky. 1-1 N. Y. 5-1	1, 511 701 315 196 142 2, 872 610 998 3, 377 10, 658	322 167 86 60 40 668 173 230 786 2,583	\$1,000 1,000 1,000 1,000 1,000 1,250 1,250 1,000 1,000 1,250	\$822 774 855 802 768 946 1,098 803 824 911	\$4,000 4,000 4,000 4,000 4,000 5,000 5,000 4,000 4,000 5,000	\$3, 857 3, 251 3, 132 2, 620 2, 690 4, 069 3, 874 3, 483 3, 540 3, 761
Hook). New York (Queensbridge).	N. Y. 5-2	12, 967	3, 161	1, 250	808	5,000	3, 313
Syracuse, N. Y Toledo, Ohio Youngstown, Ohio.	N. Y. 1-1 Ohio 6-1 Ohio 2-1	2, 780 1, 602 2, 466	678 384 618	1,000 1,000 1,000	875 882 884	4, 000 4, 000 4, 000	3, 554 3, 680 3, 529

¹ Includes net construction cost of dwellings, dwelling equipment, and the local authority's architectural overhead, carrying and contingency expenses applicable to dwelling construction and dwelling equipment. It excludes land, demolition, and nondwelling facilities.

Mr. WAGNER. Mr. President, I am sure that the U. S. H. A. and the local housing authorities are making every effort, under the wise guidance of the statutory limitations imposed by Congress, to get their costs still lower. The projects undertaken to date by the U. S. H. A. show that every tendency is in this direction, and that costs are being gotten lower as fast as can be done consistently with the maintenance of decent labor standards and the development of decent durable housing that has long-range as well as short-term economy.

6. U. S. H. A. PLAN IS SUPERIOR TO THE F. H. A. FORT WAYNE PLAN FOR SLUM CLEARANCE AND LOW-RENT HOUSING

I now wish to say a word about the so-called F. H. A. Fort Wayne project, which the Senator from Maryland held up as a model. Referring to the recent development of about 50 dwelling units in Fort Wayne, Ind., the Senator said:

In that city private capital is providing new, modern houses for people of low income, without any rent subsidies, without exemption from local taxes and without borrowed money from the Federal Treasury.

In addition, when I asked the Senator whether the Fort Wayne houses were constructed by W. P. A. workers, he answered "no."

I find it very difficult to comprehend how the exhaustive study which the Senator from Maryland made of the housing problem furnished him with so many erroneous impressions about the F. H. A. Fort Wayne plan. Under the F. H. A. Fort Wayne plan the houses are built with W. P. A. workers; they are exempt from local taxes; they do involve borrowed money from the Federal Treasury because the Federal Government pays the wages of the W. P. A. workers with borrowed money. They also involve large subsidies through the use of W. P. A. labor, through the contribution by the F. H. A. of most of the architectural overhead and financing charges, and through the peculiar and speculative system of land borrowing. Above all, they involve a 100-percent Federal risk through mortgage insurance of an experimental house of doubtful life on borrowed land that may need to be rolled from place to place if the owner decides to recapture his land. In short, the Senator's description of the F. H. A. Fort Wayne project was on every substantial point based upon error as to the facts.

It is perhaps for this reason that the Senator from Maryland spoke of the F. H. A. Fort Wayne house as a \$900 house. The Senator did not specify \$900 for what. He did not point out that the \$900 covered at most the cost of the materials at the factory, and did not include the cost of land, the cost of labor, capital charges, or architectural fees or overhead, or any of the other costs that go into the building of a house. When these figures are added, the socalled \$900 house, as described by the Senator, becomes about a \$2,400 unit. And this \$2,400 unit, involving very low standards of living comfort and durability, and designed to be taken apart at public expense and rolled periodically from one speculative lot to another, may well be contrasted with units being developed by the U.S. H. A. in similar localities, at a cost of about \$3,600 for land, non-dwelling facilities, and the new house, built by skilled building mechanics, constructed to last for 60 years and involving much higher standards of living comfort. It is clear that a \$2,400 20-year house costs \$120 a year, and that a \$3,600 60-year house costs but \$60 a year. I should like to ask the Senator from Maryland which is a better bargain for the Nation?

Let me call to the special attention of the Senate the following differences between U.S. H. A. assisted projects and the so-called F. H. A. Fort Wayne plan.

The Fort Wayne plan involves a highly speculative use of local tax exemption, under which the private speculator in land may "sell" his land to a public housing agency in exchange for the benefit of tax exemption, with the option of repurchasing it at a nominal figure after a brief period of time in the event that public subsidies or other circumstances have enhanced its value. It thus involves public subsidies for private profit. The U. S. H. A. plan involves tax

exemption only for properties permanently held in public ownership for the benefit of families of very low income.

The Fort Wayne plan does not accomplish and cannot provide for substantial slum clearance. It cannot rehabilitate neighborhoods or improve blighted areas. The U.S. H. A. Act requires, and every U.S. H. A. project provides for, the elimination of an equivalent number of unsafe dwellings.

The F. H. A. Fort Wayne plan uses only unskilled W. P. A. labor. The U. S. H. A. plan pays prevailing wages and employs men through the normal processes of the building industry. The F. H. A. Fort Wayne plan seeks to put relief workers to work on housing projects. The U. S. H. A. plan seeks to reemploy building-trades workers at their normal occupations and thus to reduce the relief rolls.

The F. H. A. Fort Wayne plan is of very limited benefit to business because it does not operate through the private contractor or the normal building industry. It cannot possibly promote the revival of the building industry upon which prosperity so largely depends. The U. S. H. A. plan directly stimulates private enterprise and reinvigorates construction because all work is done through the regular contracting system in the normal building industry.

The F. H. A. Fort Wayne plan involves numerous hidden Government subsidies from the W. P. A., the F. H. A., and the localities, thus making it impossible to get a fair statement of what the plan really costs. The U. S. H. A. plan conducts both its lending and its subsidizing operations on a clear-cut businesslike basis that makes it feasible to get an exact statement of costs.

The F. H. A. Fort Wayne plan develops a frame house of questionable standards, with a doubtful life of 20 years. The U. S. H. A. plan develops a durable 60-year house with lower maintenance costs, and therefore greater economy from the long-range point of view. The U. S. H. A. house is a permanent civic asset.

The F. H. A. plan has developed a shelter rent of about \$12.30 per dwelling unit per month in a favorable locality, or a rent plus utilities cost of about \$17.50 per dwelling unit per month. The U. S. H. A. plan is developing, under similar circumstances, a shelter rent of about \$8 per dwelling unit per month, or a rent plus utilities cost of about \$12.50 per dwelling unit per month. Because of this low rental, the U. S. H. A. plan can reach families at least \$200 lower in the income scale than the Fort Wayne plan.

For these reasons, Mr. President, I think that the Senator from Maryland has made a most cursory and inadequate examination of the real merits of the U. S. H. A. plan and the F. H. A. Fort Wayne plan. I believe that in the interests of economy, sound Government organization, and the objectives which Congress had in mind in establishing the U. S. H. A. and the F. H. A., the U. S. H. A. should do the job of slum clearance and rehousing very low income families with the aid of public subsidies; and that the F. H. A. should do the job of insuring private mortgages to stimulate private building for income groups not requiring public subsidies.

I ask that there be inserted at the end of my remarks a very penetrating analysis of the Fort Wayne plan submitted to Congress by the American Federation of Labor a few days ago. There being no objection, the analysis was ordered to be

printed in the RECORD.

(See exhibit 1.)

7. THE U. S. H. A. PROGRAM SHOULD BE CONTINUED AND EXPANDED IN THE NATIONAL INTEREST

Mr. President, I have deemed it proper and desirable to make this detailed exposition of the program of the U.S. H. A. and the facts surrounding it. I have taken great pains and have gone into great detail, because I want Congress and the public to be informed as to the record of that instrumentality of Government. I deem it equally necessary, having done that, to get away from the details and view the problem in its broader aspects. I am particularly prompted to do this broader aspects. I am particularly prompted to do this broader aspects if an apartment form Maryland that "These Government apartment houses, even though municipally owned, are not like any other city property, such as courthouses, city halls, fire houses, and the like. They perform no such civic functions, but are purely dwelling property."

Mr. President, this statement reveals a complete misconception of the slum-clearance program. Is the removal of millions of American children from horrible slums into clean and decent housing less a civic function than the fire houses and the courthouses necessary to fight the excessive fires and the excessive crime caused by the slums? Is it a less wise and farsighted policy to remedy these social evils at their source rather than to provide additional methods of dealing with them half-heartedly after they have grown swollen through neglect? Locality after locality in every part of the country is coming to the U.S. H. A. with revealing figures, showing the terrible costs of the slums, showing their effects upon the human and financial resources of city governments, showing the slums' threat to that social contentment which is at the basis of our democracy, revealing how much cheaper and wiser it is to destroy the slums than to support them.

To date 38 States, regardless of the party in control, have enacted legislation in order that they may participate in the U. S. H. A. program. Certainly, these States have indicated disagreement with the statement of the Senator from Maryland that the program is getting our Government into the "greatest scheme of State socialism it has ever entered into," and that expenditures thereunder represent so much money "poured down a rat hole." The enthusiastic Nation-wide response to the U.S. H. A. program is the most convincing evidence that the people throughout the country regard the program as one of the greatest efforts in democracy that the country has ever undertaken. For what could be a surer way to strengthen American democracy than to improve the American home?

EXHIBIT 1

REPORT OF THE HOUSING COMMITTEE OF THE AMERICAN FEDERATION OF LABOR ON "THE FORT WAYNE PLAN"

Resolution adopted by the executive council of the American Federation of Labor on February 8, 1939

"THE FORT WAYNE PLAN" SPONSORED BY THE F. H. A.

The Federal Housing Administration has sponsored and actively cooperated in the development of a housing scheme known as the Fort Wayne plan.

Fort Wayne plan.

Under this plan a municipal housing agency acquires vacant land, held by private owners for eventual redevelopment for commercial or speculative uses, at \$1 a lot. The land, which is in effect loaned rather than sold by the private landowner, can be repurchased by the owner for \$1 after 5 years and remain completely tax-exempt until it is so repurchased. The landowner can redeem his property at any time and receive the benefit of tax exemption while it is in the hands of the municipal housing agency. While the title is held by the municipal housing agency it erects upon this land small prefabricated houses of substandard design and construction. All construction, including prefabrication in the shops as well as erection of the dwellings on the site, is carried out by unskilled W. P. A. relief labor in what amounts to an outright Federal subsidy toward the cost of construction. The cost of construction is privately financed under a mortgage insured by the Federal Housing Administration at 4½ percent amortized in cost of construction is privately financed under a mortgage insured by the Federal Housing Administration at 4½ percent amortized in 20 years. Although under this scheme land is acquired, at least temporarily, at virtually no cost, construction is substandard, labor cost is eliminated through W. P. A. labor subsidy, and the project is exempt from all taxation, the shelter rents (without utilities) to be charged are \$3.10 per room per month, or \$10.80 per unit per month for 3½-room units.

Fronk Wetson, an F. H. A. executive who played a leading part.

month for 3½-room units.

Frank Watson, an F. H. A. executive, who played a leading part in the development of this scheme under a loan arrangement from the F. H. A., has been appointed to head the Municipal Housing Division of the F. H. A. for the purpose of putting the plan into effect on a Nation-wide scale.

The housing committee of the American Federation of Labor has made an exhaustive study of the plan in all its aspects. A careful examination of this study leads us to the following conclusions with regard to the Fort Wayne plan:

1. It is a socially and economically dangerous scheme, combining such undesirable features as a deliberate incentive to land speculation, absence of minimum standards of design, construction, and labor.

- labor
- abor.

 2. The practice of moving houses around from one place to another is uneconomical, enhances the sense of insecurity, and impermanence among the families thus subjected to floating, makes rehabilitation of such families impossible, and is therefore objectionable from the social point of view.

 3. The plan will serve to undermine the already precarious structure of municipal finance in the communities which undertake it.

 4. It will tend to perpetuate and cause further widespread unemployment among the building mechanics and laborers, depriving them of normal employment.

 5. By being limited to relief labor, it will perpetuate the relief

- 5. By being limited to relief labor, it will perpetuate the relief status of the workers.

6. By being limited to relief tenants, it will provide an incentive

for families to remain on relief.
7. Slum clearance and low-rent housing for slum dwellers can be and is being carried out more effectively and more economically under the United States Housing Act with full participation of private enterprise and with full observance of minimum standards of construction and design, as well as of minimum labor standards of construction and design, as well as of minimum labor standards in normal private employment. The sound, permanent, low-rent housing program of the U.S. H. A., designed to provide decent, livable, and lasting homes to the ill-housed families must not be jeopardized by turning low-rent housing into a proving ground for unscrupulous land speculators and self-seeking promoters, willing to inflict upon us a Nation-wide slum for private gain, and at the expense of the taxpayer as well as the slum dweller.

It is our considered judgment that the plan is contrary to the public interest in many respects, that it should be condemned as such by the Federal Government, and that all agencies of the Federal Government should be directed by the President to refrain from sponsorship of, and participation in, any phase of the plan. It is hereby directed that President Green and the members of the Housing Committee present the complete report on the plan to President Roosevelt and to Members of Congress in order to end Federal participation in this plan at the earliest possible moment.

moment.

WHAT IS THE FORT WAYNE PLAN?

Purpose: The purpose of the plan is to build small one-family houses on slum or vacant land to house families on relief rolls. The houses are prefabricated throughout, assembled at the site and are to be moved from one location to another as suitable land

The houses are prefabricated throughout, assembled at the site and are to be moved from one location to another as suitable land is available.

Land acquisition: Under this plan a local municipal housing agency acquires vacant land, held by private owners for eventual redevelopment for commercial or speculative uses, at \$1 a lot. The land, which is in effect "borrowed" rather than bought from the private landowner, can be repurchased by the owner for \$1 from the municipal housing agency after 5 years. As long as the title is held by the municipal housing agency and until the property is so repurchased, the land is exempt from all taxation.

Design: While the municipal housing agency holds the title to the land, it erects upon this land small one-family houses which are to be rented exclusively to families on relief rolls. The houses are L-shaped in design, with flat roof, and consist of three rooms and a bathroom. One room (20 by 12 feet) combines a living room, dining room, and kitchen, but because of limitations of remaining space this room will also be used for storage, and in the case of many families will have to be used as a bedroom as well. This room is equipped with a sink, and a coal or wood-burning cooking stove which also furnishes all available heating for the entire house. There are two bedrooms (7 feet 8 inches by 12 feet each) with a small clothes closet in each included in its floor space. The bathroom (4 by 8½ feet) contains a wash basin, a water closet, a hot-water heater, and a short bathtub (the bathroom being 4 feet wide, it is impossible to use the standard 5-foot tub). There is no tub or other provision for laundering and kitchen sink in the combination room will presumably have to be used for this purpose. Since there is no basement, attic, or other storage space, utensils and personal belongings will have to be used for this purpose. Since there is no basement, attic, or other storage space, utensils and personal before the superstructure as well as the finished floor area is 480 square

the stude during construction of the panels. The room is made of panels similar to the wall panels. These are bolted together, and the roof is fastened to the exterior walls at the corner of the building only. The roof is dead level and projects 1½ feet over the exterior walls. It is covered with 4-ply composition roofing.

Windows and doors are prefabricated wood. Windows are side.

windows and doors are prefabricated wood. Windows are side-sliding sash type, and no hardwood is used other than metal sliding strip. No interior door frames are used, and the doors are hung directly to the panel studs.

Plumbing roughing is shop assembled. Equipment consists of a 4-foot bathtub, water closet, and lavatory in the bathroom; a 30-gallon hot-water tank is installed in the bathroom oil-burning heater; a kitchen sink is installed in the combination room.

A wood or coal-burning stove is installed in the combination

A wood or coal-burning stove is installed in the combination room for cooking as well as for heating the entire house. There is no provision for heating either bedroom. The chimney is of metal ventilated type.

The walls are finished with oil paint. The painting, both exterior and interior, is done at the central plant prior to the delivery of wall panel assemblies to the site.

All labor at the central plant is done by inexperienced workers

on relief. All construction work at the site is done by inexperienced workers on relief. All labor employed in connection with the project is paid from W. P. A. pay roll at the local W. P. A.

Financing: The nonlabor costs of construction are privately financed under a mortgage insured by the F. H. A. Amortization

is over 20 years at 4½ percent. The 20-year blanket mortgage insurance is issued under section 207 of the National Housing Act. The mortgage loan on construction amounts to \$900 per unit. The mortgage loan on construction amounts to \$900 per unit. Both the F. H. A. and the mortgagee agree that in the event of repurchase of land by the original holder, improvements may be transferred to any other lot leased to the municipal housing agency. If a lot is so repurchased, it is released from the mortgage and a new one is substituted. It is expected that the entire cost of each project will be written off in 20 years by means of rentals of \$2.50 per week or about \$11 per month per house. Debt service is approximately 55 percent of gross income.

W. P. A. funds cover all labor items constituting a Federal subsidy in the form of outright grant of labor costs.

ORIGIN AND DEVELOPMENT OF THE PLAN

The origin and development of the Fort Wayne plan as it applies to the problems of that particular community is not a matter of primary concern of this study. It is the purpose of this report to focus the attention upon the features and characteristics of the plan as this might apply to any community. In order to view the proposal in its proper perspective, however, it was deemed necessary to give a brief outline of the way in which the plan has come into existence.

The so-called Fort Wayne plan was originated by Wm. B. F.

The so-called Fort Wayne plan was originated by Wm. B. F. Hall, assistant manager of mortgage loan department of Lincoln National Life Insurance Co., in Fort Wayne, and member of the insurance company advisory committee of the Mortgage Bankers Association. When under the new Indiana housing authorities law

Association. When under the new Indiana housing authorities law a local housing authority was created in Fort Wayne, as a public agency to carry out the low-rent housing and slum-clearance program under the United States Housing Act, Mayor H. W. Beals, of Fort Wayne, appointed Mr. Hall as the chairman of the local housing authority.

It was evident from the outset that Chairman Hall's primary interest was not so much in the U. S. H. A. plan as in experimentation with mortgage financing and prefabrication. Chairman Hall presented the outline of the plan to the Fort Wayne authority in April 1938, patterning his idea after the experiments of the housing research department of Purdue University, which had been developed under the direction of Frank Watson, present head of the Municipal Housing Division of the F. H. A.

Similar experiments of the Farm Security Administration in rural housing in the South were also drawn upon in the development of the plan.

Similar experiments of the Farm Security Administration in rural housing in the South were also drawn upon in the development of the plan.

Following the initial consultation with his local housing authority, Mr. Hall presented his plan to Administrator Stewart McDonald, of the F. H. A. in Washington. Administrator McDonald not only evinced active interest in the plan, but promptly furnished Mr. Hall with direct assistance for development of the plan by loaning to him Mr. Frank Watson, then an F. H. A. economist, and Mr. J. Stanley Young, an F. H. A. architect, to carry the plan into effect. It may be noted that Mr. Frank Watson had also been primarily responsible for the prefabricated housing experiment in Indianapolis.

Chairman Hall of the Fort Wayne Housing Authority called a meeting on July 25, 1938, to which were invited Mr. John Essig, paid executive secretary of the Fort Wayne Housing Authority, Mr. F. M. Woodward, director second district, Works Progress Administration, Mr. D. C. McDargh, of W. P. A.; Mr. J. S. Young, of F. H. A.; Mr. Fank Watson, of F. H. A.; and five local labor representatives, including Mr. C. O. Van Horn, representative of the Fort Wayne Building Trades Council and business agent of Carpenters' Union, Local No. 232. At this informal meeting the question of employment of W. P. A. labor in the construction of prefabricated houses under the plan was discussed. Mr. Woodward, of W. P. A., suggested that in furnishing W. P. A. labor for this project, certified union members on W. P. A. rolls would be given priority, and if a sufficient number of these were not available workers would next be drawn from certified W. P. A. workers classified under the same trade.

The program of construction of a 50-unit project with the use of

The program of construction of a 50-unit project with the use of W. P. A. labor was first announced in Fort Wayne newspapers on August 6. The 50 units involved in the present stage of the plan As stated, the initiator of the plan is William B. F. Hall, chairman

As stated, the initiator of the plan is William B. F. Hall, chairman of Fort Wayne Housing Authority and officer of the Lincoln National Life Insurance Co. The plan is sponsored by—

(1) The Fort Wayne Housing Authority, a public agency created under the Indiana. housing authorities law, which is the official sponsor of the project and owner of the properties.

(2) The Fort Wayne National Bank, the Lincoln National Bank & Trust Co., and the Lincoln National Life Insurance Co., which advanced the material costs of the prefabricated houses under mortgage loans aggregating \$45,000, and amortized over 20 years.

(3) The Federal Housing Administration, which insured these mortgage loans under section 207 of the National Housing Act of 1934, and loaned to the Fort Wayne Housing Authority the services of three members of its staff. The F. H. A. insured the Icans under the large-scale rental housing provisions of the act on the same basis as it insures other privately financed mortgages.

(4) The Works Progress Administration, which through its Fort Wayne office made W. P. A. relief labor available for (a) the prefabrication of the houses, and (b) the erection of the houses.

ANALYSIS OF THE PLAN

Land acquisition

The Fort Wayne Housing Authority offers to purchase non-productive and slum real estate at \$1 per lot. The lots thus

acquired are in slum districts and are usually those held for eventual redevelopment for industrial and commercial usage. The offer to acquire each lot at \$1 includes an option by which

the landowner can redeem the property at any time. The property may be repurchased under the option for \$150 during the first year, \$100 the second year, \$75 the third, \$50 the fourth, \$25 the fifth, and \$1 thereafter. If the land contains structures

first year, \$100 the second year, \$75 the third, \$50 the fourth, \$25 the fifth, and \$1 thereafter. If the land contains structures requiring demolition the repurchase price for such land is \$150 during the first year and \$1 thereafter.

The landowner has the benefit of complete exemption from all taxation as long as the title to the land is held by the authority. It is significant that because the landowner retains the right to repurchase his lot for \$1 when he can find an income-producing use for the land, and because of negligible sales price, the whole transaction is in effect a loan rather than a sale and serves as a device to free the landowner from paying the property taxes.

In view of the fact that the land owner before he entered into this arrangement had been paying taxes in anticipation of selling the land when its value rises at a time of hoped-for building boom, this clearly means that the real-estate speculator can profit by buying up vacant land and retaining it unimproved without contributing a cent into the city treasury or contributing anything to the value of his property, by waiting long enough to cash in on the growth of population, redevelopment of the land for industrial or commercial use, the development of new housing projects, etc. The prospects for speculative profit offered by this arrangement exceed the wildest dreams of such land speculators as the early Astors, Goelets, and others. as the early Astors, Goelets, and others.

As the chief weakness, which has long been recognized in the system of local taxation of real estate in force in this country, is the opportunities the system affords for speculation in appreciation of land values. An individual buys a tract of low-priced land in the neighborhood in which he believes transit lines and growth of population are apt to occur. He holds the land, paying whatever taxes may be involved, in the expectation or belief that the mere lapse of time will render his investment a profitable one. This lapse of time will render his investment a profitable one. This method of land speculation, while long recognized as legally permissible, has, in recent years, increasingly had its economic soundness challenged. The merit of permitting a continuation of a system by which an individual or his family is able to profit from values created solely by the community and not by an effort of his own, has been seriously questioned.

Recently there has been a growing interest in doing something to correct the condition which makes it possible for owners of land to profit by purely fortuitous circumstances toward which their own efforts have contributed nothing.

Now, at the very moment when perhaps more than ever before the validity of permitting men to profit by increase in land values is challenged, and at the same time, the need of the cities for additional financial revenue is becoming acute, the Fort Wayne plan is suggested.

plan is suggested.

This plan would enable the owner of vacant land completely to escape all taxation. It would indeed make it possible for speculators in land to make more money with less risk than ever

This plan would enable the owner of vacant land completely to escape all taxation. It would indeed make it possible for speculators in land to make more money with less risk than ever before in our history.

An individual may be deterred today from buying vacant land and holding it by reason of the continual drain of taxes. This serves as an incentive for him either to improve his land with buildings, thus making it useful, thus providing employment, and thus providing a basis for more taxes, or, on the other hand, to sell it to someone else who will build. Under the Fort Wayne plan, however, this incentive to build or to sell to someone who will build, will be effectually and completely removed.

It will work out something like this. A public housing project or a new subway or a new industry established in a town will supply the basis for the belief that land values in the neighborhood will improve substantially. The speculator will go in and buy up adjacent land, whether surrounding the housing project, in the neighborhood of the new subway, or close to the new industry. He will then enter into the arrangement known as the "Fort Wayne plan." He will thereby completely relieve himself or his heirs of all taxation on the land so long as he or the heirs care to hold it. When the time has come that the appreciation anticipated has gone sufficiently far to make it attractive for him to do so, he will reclaim his land and profit from the increase in value, without in the meantime having paid a cent into the city treasury or having done anything to contribute to the value which has been created—except a little clever speculation.

The nineteenth century land speculators who made their huge fortunes from their landholdings at least had to pay some taxes on their land while holding it while awaiting it to appreciate in value. The land speculator of today—if the Fort Wayne plan ever becomes general—will be relieved of the necessity of paying any real-estate taxes while waiting for the land to grow in value. How fortuna

but the full amount of the year-by-year growth in value, due to increase in population or development of the neighborhood.

It is hard to conceive of a plan more ideally calculated to intensify the financial difficulties of our cities, to retard the construction of much-needed decent homes on unimproved vacant leads and to enable wealthy investors to escape all textition. land, and to enable wealthy investors to escape all taxation.

Design

As we have already stated in the introductory section of the report, the houses constructed under the Fort Wayne plan are demountable, prefabricated houses which are placed on a field-poured concrete slab. No basement or foundation walls are furnished. The houses are designed to be moved from one location to another in the event the owners redeem their land.

The houses are L-shaped in design, with flat roof. The unit plan consists of three rooms and bath, as follows:

Square feet Combination living and homekeeping room____

The living room serves also as dining space and kitchen and is equipped with a coal- or wood-burning range, which also provides all available heat.

The chief demerits of the unit plan are the substandard bedroom areas, lack of storage space, lack of adequate utilities, lack of heat in bedrooms, cold floor in the absence of floor covering, absence of a kitchen cabinet, a refrigerator, and a laundry tub, lack of door and window screens, and combination living room, dining room, and bedroom, kitchen in one room.

The Fort Wayne house fails to meet the minimum requirements for health and hygiene set by the committee on hygiene of housing of the American Public Health Association in the following respects: Bedrooms are too small; lack of closet and storage space; lack of laundry facilities; and improper temperature above the

The house is designed primarily for its portability. To achieve this objective, the essential minimum standards of the house as a functioning dwelling have been sacrificed.

Construction

(1) The concrete 4-inch floor-foundation slab, poured directly on crushed stone fill on the ground, is likely to be severely damaged by frost action during the first winter. The 4-inch thickness of the slab as against the 7-inch minimum has been used for economy. Similarly the concrete floor slab construction cannot be regarded as satisfactory but was being used because it is the least expensive floor that can be provided with the type of labor available.

(2) The presence of condensation on the slab used as a floor will

(2) The presence of condensation on the slab used as a floor will be likely to cause mildew within the structure.

(3) There is likely to be condensation on the walls.

(4) There is bound to be movement at the edges of the roof panels, either stretching or bowing. On the houses constructed to date, some of the panels have already bowed. When this action results in cracks, a new roof will be necessary.

(5) The use of prefabricated panels is not satisfactory from the standpoint of structural soundness and in itself does not represent a justifiable economy measure. The panels were used as a doubtful solution to the production of precision work with inexperienced labor. perienced labor.

(6) The composition roofs have been built with an alleged life-expectancy of 17 years, but they will probaby have to be replaced within less than 10 years.

within less than 10 years.

(7) The entire construction of the Fort Wayne house is non-fireproof and nondurable. Its resistance to the hazards, wind-storms, and sever weather conditions is extremely low.

(8) Competent construction experts agree that the construction of the house will necessitate such large maintenance, repair, and replacement expenditures after 5 years as to make the operating costs prohibitive from then on. This will call for drastic upward adjustments in rents, making the Fort Wayne houses unavailable after 5 years to the class of tenants they have been designed to serve.

Relationship to the U.S. H. A. program

Relationship to the U. S. H. A. program

The program embodied in the United States Housing Act was especially and carefully designed by Congress to make possible decent low-rent housing and slum clearance under guaranteed standards and safeguards, and with enough elasticity to meet all the varying needs of different types of localities and conditions. The F. H. A. Fort Wayne plan on the other hand represents the initiation of a new public-housing program, unauthorized by Congress, one which deliberately eliminates the safeguards and lowers the minimum standards which Congress has established. Thus the F. H. A. Fort Wayne plan through disingenuous permutations of separate and unrelated congressional authorizations (under the National Housing Act and the Federal Emergency Relief Act), fashions a wholly new program by administrative fiat in disregard of the stated congressional purpose.

It is important to make an objective comparison between the U. S. H. A. plan and the F. H. A. Fort Wayne plan to determine the respective merits of the two programs.

As a basis of comparison we have taken a minimum house proposed by U. S. H. A. for a city in Indiana similar in size to Fort Wayne, constructed and financed in accordance with the normal requirements of the United States Housing Act. A direct comparison is made between the basic aspects of such a U. S. H. A. project and those of a F. H. A. Fort Wayne project.

(1) Land acquisition: Under the U. S. H. A. plan, land is purchased outright from present owners and a fair market price is

paid in cash. Under the Fort Wayne plan, the land is "borrowed" from the owner temporarily and he receives tax exemption in return. The F. H. A. Fort Wayne system fosters land speculation. The U. S. H. A. plan provides for actual slum clearance on the side of the project itself, if it be a slum site, or slum clearance elsewhere if the site be vacant. The F. H. A. Fort Wayne plan provides for no slum clearance whatever.

The U.S. H. A. plan houses are grouped on one site forming a neighborhood which offers protection from blight and establishes excellent health conditions for family life. The F. H. A. Fort Wayne plan locates its scattered, isolated houses in blighted areas. No neighborhood improvement or reclamation of blighted areas is possible under the F. H. A. Fort Wayne plan.

possible under the F. H. A. Fort Wayne plan.

(2) Design and construction: The F. H. A. Fort Wayne plan house is a prefabricated frame house with estimated life of 20 years. The U. S. H. A. house is more substantial and durable throughout and designed for minimum life of 60 years and low-maintenance costs. The U. S. H. A. house contains a long-life plumbing system using copper pipe and high quality fixtures and its electrical installation is full conduit complying with all codes. Substandard plumbing and electrical installation are used in the Fort Wayne house. Fort Wayne house.

The inside floor area of the U. S. H. A. minimum house is 14 percent greater than the Fort Wayne house. Bedrooms in the U. S. H. A. house are 120 square feet and 100 square feet, respectively, instead of 88 square feet each in the Fort Wayne house. This extra size of bedrooms in the U. S. H. A. house is essential for a house to accommodate a four-person family. The U. S. H. A. bedrooms are heated—the Fort Wayne plan bedrooms are not.

for a house to accommodate a four-person family. The U. S. H. A bedrooms are heated—the Fort Wayne plan bedrooms are not.

The U. S. H. A. house has screens in all exterior doors and windows, the Fort Wayne house has not. The U. S. H. A. house has an oil burner in the kitchen range so that cooking and hot water may be provided in summer without overheating the living room. This is not provided in the Fort Wayne house. The U. S. H. A. house provides a laundry tub (an essential for low-income families), the Fort Wayne house does not. The U. S. H. A. house contains a standard 5-foot bathtub, the Fort Wayne house has a 4-foot tub. The U. S. H. A. house has all necessary shelving in kitchen, the Fort Wayne house has none. The U. S. H. A. house has four full-size closets with hanging strips and shelves, the Fort Wayne house has two small cupboards projecting in corners of bedrooms.

(3) Financing: The U. S. H. A. plan operates on a business-like basis, making full use of the ordinary agencies of private enterprise and keeping accounts which are directly comparable with those of private business. The entire cost is paid for in full without hidden subsidies. The F. H. A. Fort Wayne plan provides no payment for land, for architects' services, nor for most of the overhead cost. The F. H. A. Fort Wayne plan is set up as a relief project with labor contributed and paid for by the W. P. A. All these form hidden subsidies which make the cost of the F. H. A. Fort Wayne house appear far less than it actually is.

(4) Benefits to business: The U. S. H. A. plan directly benefits private enterprise. More then a third of the U. S. H. A. morney is

house appear far less than it actually is.

(4) Benefits to business: The U. S. H. A. plan directly benefits private enterprise. More than a third of the U. S. H. A. money is spent directly on large individual purchases of standard first-grade materials and equipment with no risks about the payment of bills. Lumber, brick, cement, steel, glass, and many other building-materials industries share in the benefits of the U. S. H. A. program. The F. H. A. Fort Wayne plan utilizes the minimum amount of building materials and even much of this is of substandard quality. Benefits derived from this type of construction by private enterprise are insignificant. At the same time the Fort Wayne plan by building such substandard houses tends to prevent the initiation and development of the U. S. H. A. projects and thereby deprives the building materials and equipment producers of sharing in the benefits of that program. The private contractor to whom the money is paid carries out the U. S. H. A. construction and he, in turn, uses this money for wages, materials, equipment, his own profit, and overhead. The Fort Wayne plan dispenses with the contractor altogether.

The U. S. H. A. program provides for planned neighborhoods

The U. S. H. A. program provides for planned neighborhoods which improve real-estate values in their surroundings. Private construction of filling stations, stores, etc., inevitably follows the construction of a U. S. H. A. project. The Fort Wayne plan with its scattered movable house produces no such effect and only tends to demoralize the real-estate market by stimulating land

speculation.

speculation.

(5) Labor policies: The U. S. H. A. plan pays prevailing wages, employs men through the regular building channels, affords protection for unionization, and sets standards as to hours, safety, and other labor conditions. The F. H. A. Fort Wayne plan uses only relief labor, almost all of which is unskilled, and pays security wages from Federal funds.

The U S. H. A. plan provides a large volume of normal private employment to unemployed building workers and to unemployed wage earners in building-material industries. The F. H. A. Fort Wayne plan gives employment to a proportionately negligible number of workers on and off the site. Only unskilled relief labor is utilized. This has the effect of depriving skilled and unskilled workers of normal employment and forcing them on relief rolls. A relief project which increases unemployment and enhances the relief problem can hardly be held valid.

(6) Capital costs: The total net construction cost of the 60-

(6) Capital costs: The total net construction cost of the 60-year U. S. H. A. house is \$2,160, as compared with \$1,560 for the F. H. A. Fort Wayne house with only 20 years of life. The over-all cost of the U. S. H. A. house, including land and all other items, is \$3,150. The over-all cost claimed by the F. H. A. Fort

Wayne house is \$1,760, but this does not include land, site improvement, architects' and engineers' fees, overheads, carrying charges, nor any allowance for change or extras. These costs are in part neglected and in part supplied by hidden subsidies. (See

in part neglected and in part supplied by hidden subsidies. (See appendix I.)

(7) Rents and cost of utilities: The shelter rent for the U. S. H. A. house is \$1.90 per week or \$8.25 per month; on a comparable basis the rent for the F. H. A. Fort Wayne house is \$2.85 per week or \$12.33 per month. The U. S. H. A. plan permits wholesale purchase of electricity and water; the cost of rent plus utilities under the U. S. H. A. plan is \$12.60 a month as against \$17.53 for the F. H. A. Fort Wayne plan, or a saving of \$56.19 a year for each low-income family. Thus the U. S. H. A. plan provides substantially better housing at a lower cost to the low-income tenants. (See appendix II.)

(8) Families served: Because of the lower rent and utility cost to tenants, the U. S. H. A. plan can accommodate families with an average annual income of \$200 less than the F. H. A.-Fort Wayne plan. In addition, the F. H. A. Fort Wayne plan houses only families on relief while the U. S. H. A. plan will house both relief and nonrelief families at lower rentals, without making relief status a condition of tenant eligibility. (See appendix III.)

CONCLUSIONS

The foregoing study of the F. H. A.-Fort Wayne plan has led us to the following conclusions:

1. The land acquisition method underlying the plan is highly objectionable as it will inevitably lead to flagrant land speculation due to the repurchase feature of the plan and complete tax exemption of the land while it is held and developed by the municipal heaving authority.

emption of the land while it is held and developed by the municipal housing authority.

2. The practice of moving houses around from one place to another is uneconomical, enhances the sense of insecurity and impermanence among the families thus subjected to floating, makes rehabilitation of such families impossible, and is therefore objectionable from the social point of view.

3. The plan will serve to undermine the already precarious structure of municipal finance in the communities which undertake it.

4. It will tend to perpetuate and cause further widespread unemployment among the building mechanics and laborers, depriving them of normal employment.

them of normal employment.

5. By being limited to relief labor it will perpetuate the relief status of the workers.

them of normal employment.

5. By being limited to relief labor it will perpetuate the relief status of the workers.

6. By being limited to relief tenants it will provide an incentive for families to remain on relief.

7. Substandard design utilized under the plan is a real threat to the developments of good housing. Failure to meet minimum-size requirements and lack of adequate heating facilities, laundry facilities, kitchen facilities, and complete absence of storage space condemn the design as utterly inadequate and unsatisfactory. This is especially true of mixing in one room the functions of cooking, laundering, and eating and general living. The design of the house will serve in a very real sense as a deterrent to the development of the higher standard of living.

8. The substandard construction of the houses and the flimsy material utilized render the houses into structures of doubtful durability. While the construction of such houses deprives labor of normal employment, the net effect of the operation is to inflict upon our communities nothing better than new slums.

9. Slum clearance and low-rent housing for slum dwellers can be and is being carried out more effectively and more economically under the United States Housing Act with full participation of private enterprise and with full observance of minimum standards of construction and design, as well as of minimum labor standards in normal private employment. The sound permanent low-rent housing program of the U. S. H. A., designed to provide decent, livable, and lasting homes to the ill-housed families must not be jeopardized by turning low-rent housing into a proving ground for unscrupulous land speculators and self-seeking promoters, willing to inflict upon us a Nation-wide slum for private gain, at the expense of the taxpayer as well as the slum dweller.

We have approached the study of the plan without prejudice. Our objections and criticisms are not the criticisms of conservatism. We do not condemn the plan merely because it is new or because

It is our considered judgment that the plan is contrary to the public interest in many respects, that it should be condemned as such by the Federal Government, and that all agencies of the Federal Government should be directed by the President to refrain from sponsorship of and participation in any phase of the plan.

HARRY C. BATES, Chairman.

JOHN COEFIELD, Housing Committee, American Federation of Labor.

APPENDIX I Capital costs

The U. S. H. A. plan includes the entire cost of the complete project figured on the usual commercial basis. The F. H. A. Fort Wayne estimate omits a number of essential items which, although

real costs, are provided by other persons or agencies and not included in the published figures.

The net construction cost of the U. S. H. A. 60-year house is estimated at \$2,160, as compared with \$1,560 for the F. H. A. Fort Wayne house with only 20 years of life.

The total estimates for the two plans are as follows:

U. S. H. A. minimum:	\$200
Site improvements	250
Nondwelling building	10
Dwelling construction	2, 160
Dwelling equipment	85
Preoccupancy cost	20
Architect and engineering	147
Administrative expense	83 45
Carrying charges	
Anowance for changes and extras	100
	3, 150
F. H. A. Fort Wayne:	
Land	1
Dwelling construction:	
Cost of W. P. A. labor \$860	
Cost of materials 700	
	1,560
Dwelling equipment	100
Administrative expense	100
Attraction to the property of	1, 760

The U. S. H. A. estimate is based on a project of 2000 h, 756, with labor and material prices prevailing in Fort Wayne. The F. H. A. Fort Wayne estimate is that appearing in Architectural Forum for October 1938.

The U. S. H. A. estimate includes \$200 for land; and \$250 for grading, sidewalks, utility extensions, and landscaping. F. H. A. Fort Wayne includes only a nominal price of \$1 for land which is assumed to be already improved.

The U. S. H. A. estimate includes one nondwelling building in the project with 500 square feet of space for management and project operation.

The U. S. H. A. estimate includes preoccupancy cost covering tenant selection and extra expenses during the initial period of operation. No allowance is made for this in the F. H. A. Fort

operation. No allowance is made for this in the F. H. A. Fort Wayne estimate.

The U. S. H. A. estimate includes architects' and engineers' fees at the established scale. No professional fees were paid in the F. H. A. Fort Wayne project, since architectural work was done without charge by the Federal Housing Administration.

The U. S. H. A. estimate includes carrying charges for interest on borrowed funds during construction. There is no allowance for this item in the F. H. A. Fort Wayne estimate,

The U. S. H. A. estimate includes 5 percent allowance for changes and extras which may be saved if plan is rigidly adhered to. No corresponding allowance in F. H. A. Fort Wayne estimate.

APPENDIX II

Rents and cost of utilities

The rent charges for the two plans are based on the following annual budgets. All items in the U. S. H. A. budget are figured on a safer and more conservative basis than the F. H. A.-Fort

U. S. H. A. Minimum:	
Management	
Operating services	2.50
Repairs, maintenance, and replacements	54.50
Insurance	2.00
Vacancy and collection losses	5.00
Financial cost	
	0.00
Annual cost	99.00
F. H. A. Fort Wayne:	
F. H. A. Fort Wayne: Management	12.00
Repairs, maintenance, and replacements	
Insurance	1 60
Vacancy and collection losses	1.00
Financial cost	72.00
Surplus	20. 80
Annual cost	130 00

The U. S. H. A. budget is based on the average estimated cost over the life of the project. The F. H. A. Fort Wayne budget is that appearing in Architectural Forum for October 1938.

The U. S. H. A. item of \$30 for management is the full cost. The F. H. A. Fort Wayne item of \$12 is based on having part of management done by the Associated Charities without charge.

The U. S. H. A. item for repairs, maintenance, and replacements of \$54.50 includes the cost of replacing all items with life or less than 60 years. It is believed that the F. H. A. Fort Wayne item of \$18.40 will be too low even for 20-year life.

Financial cost in U. S. H. A. budget is the net difference between cost of 58-year loan at 3 percent, and U. S. H. A. annual contribution of 3½ percent. F. H. A. Fort Wayne financial cost is cost of 20-year loan at 4½ percent plus ½ percent for mortgage insurance.

The U. S. H. A. budget includes no item for surplus. It is believed that the item of \$20.80 shown as surplus in the F. H. A. Fort Wayne budget will scarcely suffice for additional cost of repairs and for cost of moving houses when lots are reclaimed by

pairs and for cost of moving houses when lots are reclaimed by owners.

On the basis of the above budgets, the shelter rents for the U.S. H. A. minimum house are \$1.90 per week or \$8.25 per month. The announced rents for the F. H. A. Fort Wayne house are \$2.50 per week or \$10.83 per month.

As pointed out above, U.S. H. A. shelter rent includes full cost of management; the F. H. A. Fort Wayne rent includes only that part which is not carried by the Associated Charities. To make the two rents comparable, the U.S. H. A. rent could be reduced by the difference of \$18 per year or the F. H. A. Fort Wayne rent could be raised to cover full payment of management costs. In the following analysis, the F. H. A. Fort Wayne rent has been increased by \$18 per year, making a comparable shelter rent for the F. H. A. Fort Wayne house of \$2.85 per week or \$12.33 per month.

Electricity and water under the U.S. H. A. plan for a unified project are purchased at wholesale and their cost included in the tenant's rent. Under the F. H. A. Fort Wayne plaze with scattered houses, both electricity and water must be purchased by the tenant at retail and paid for directly by him. Under both schemes, heating and cooking fuel will be supplied by the tenant.

The resulting cost to the tenant of shelter and necessary utilities per month on a comparable basis for the two schemes is as follows: U.S. H. A. minimum:

U. S. H. A. minimum: Shelter rent	\$8. 25
Electricity for lighting	. 60
Water Heating and cooking	. 75 3. 00
Total	12.60
F. H. A. Fort Wayne:	10.00
Shelter rentElectricity for lighting	12.33
Water	1.00
Heating and cooking	3.00
Total	17.53

The total cost to the tenant of shelter and utilities under the U. S. H. A. plan is thus \$4.93 per month or \$1.14 per week lower than under the F. H. A. Fort Wayne plan. This is equivalent to a saving of \$56.19 a year, to each low-income family rehoused.

APPENDIX III Families served

The rents achieved in the U.S.H.A. minimum house are within the reach of families in the very lowest income groups and of those who are on relief. Families with incomes as low as \$400 or \$500 per year could be accommodated. For the unit described in this memorandum, with a \$12.60 monthly cost of rent plus utilities, annual family incomes would probably average between \$600 and \$700.

plus utilities, annual family incomes would probably average between \$600 and \$700.

The cost of shelter and utilities under the F. H. A. Fort Wayne plan is \$56.19 greater than in the U. S. H. A. minimum house. Since rent and utilities generally take about a quarter of the family budget, the average income of the group which could be reached by the F. H. A. Fort Wayne house would be about \$200 greater than under the U. S. H. A. plan.

The families eligible for U. S. H. A. plan.

The families eligible for U. S. H. A. projects are entitled to stay in them, whether or not on relief, as long as they pay their rent and their incomes do not exceed the statutory limits.

Under the terms of the arrangement between the W. P. A. and the Fort Wayne Authority, the houses erected by the Fort Wayne Authority are for use primarily by families on relief. It is believed bad social policy to thus limit public housing to relief families; it marks them as a class apart, and sets up distinctions undesirable in a democracy. If relief families in the F. H. A. Fort Wayne houses are forced to leave when they become self-supporting, the turn-over in tenancy will be great, giving rise to unnecessary costs of maintenance and repair. Family life would be insecure and temporary, and the family's incentive to become self-supporting would be decreased by the knowledge that as soon as it got on its feet, it would be forced to move.

Mr. TYDINGS. Mr. President. I should like the Record

Mr. TYDINGS. Mr. President, I should like the RECORD to show that as soon as I have an opportunity to analyze the figures and facts and assertions made by the Senator from New York [Mr. WAGNER] on the subject of housing, I should like further to discuss that subject in view of some investigations I have been making since I originally discussed the matter on the floor of the Senate. I do not wish to do so today, because I desire to take the Senator's figures and study them in connection with additional figures which I have obtained. However, later on I hope to have the opportunity to discuss the matter.

MESSAGE FROM THE HOUSE—ENROLLED BILLS SIGNED

A message from the House of Representatives, by Mr. Calloway, one of its reading clerks, announced that the Speaker had affixed his signature to the following enrolled bills, and they were signed by the Vice President:

S. 218. An act for the relief of Manuel D. A. Otero, as administrator of the estate of Teresita S. Otero, deceased;

S. 219. An act for the relief of Emma Gomez.

RECIPROCAL-TRADE AGREEMENT WITH CANADA—IMPORTATION OF SHINGLES

The PRESIDING OFFICER. The question is on agreeing to the first amendment of the committee.

Mr. KING. Mr. President, I suggest the absence of a quorum.

Mr. BONE. Mr. President—
Mr. KING. I withhold the suggestion of the absence of a

Mr. BONE. I understood that the Senator from Utah [Mr. King] desired to address the Senate, but, if agreeable, and he is able to make other arrangements, I should prefer to occupy the floor at this time in the presentation of a matter which I consider of great importance.

Mr. KING. Mr. President, I had anticipated taking the floor at this time, but, in view of the position of the Senator from Washington, and his attitude with respect to the important matter which he desires to discuss, I shall defer

to him, and ask to take the floor tomorrow.

Mr. BONE. Mr. President, on behalf of the Senator from Oregon [Mr. McNary] and myself, I am introducing two bills, one relating to the imports of shingles and intended to restore the quota limitation on the imports of red-cedar shingles from Canada; and the other to reenact a provision passed at the last Congress to require lumber and timber imported into this country to be marked with the name of the originating country.

I ask that at this point the two bills be referred to the Committee on Foreign Relations and be printed in the RECORD, and I intend to discuss them at this time.

The PRESIDING OFFICER (Mr. LA FOLLETTE in the chair). Without objection, the bills will be received, referred to the Committee on Foreign Relations, and printed in the RECORD at this point.

The bills (S. 1837) relating to the importation of shingles and (S. 1838) to amend the Tariff Act of 1930, as amended, with respect to the marking of lumber and timber imported from foreign countries were read twice by their titles, referred to the Committee on Foreign Relations, and ordered to be printed in the RECORD, as follows:

A bill (S. 1837) relating to the importation of shingles

A bill (S. 1837) relating to the importation of shingles Be it enacted, etc., That notwithstanding the provisions contained in any foreign-trade agreement heretofore or hereafter entered into, whenever any organization or association representing the producers of more than 75 percent of the red-cedar shingles produced in the United States during the previous half-year period shall request the President to limit the importation of red-cedar shingles from Canada, and the President finds from available statistics that the total quantity of red-cedar shingles produced in the Dominion of Canada, which is entered, or withdrawn from warehouse, for consumption in the United States, during any given half of any calendar year exceeds or will exceed 25 percent of the combined total of the shipments of red-cedar shingles by producers in the United States and the imports during the preceding half combined total of the shipments of red-cedar shingles by producers in the United States and the imports during the preceding half year, the President shall issue an order limiting for the 6 months immediately following the half of the calendar year in which said excess occurred the quantity of red-cedar shingles to be imported from Canada to 25 percent of the combined total of the shipments and imports of red-cedar shingles for such preceding half calendar year. The President shall issue a new order for each half of the calendar year thereafter with the same limitations as hereinbefore set forth. set forth.

A bill (S. 1838) to amend the Tariff Act of 1930, as amended, with respect to the marking of lumber and timber imported from foreign countries

foreign countries

Be it enacted, etc., That the proviso contained in subdivision (J) of section 304 (a) (3) of the Tariff Act of 1930, as amended, is hereby amended to read as follows: "Provided, That this subdivision (J) shall not apply to sawed lumber and timbers; telephone, trolley, electric light, and telegraph poles of wood; and bundles of shingles."

SEC. 2. The provisions of section 304 of the Tariff Act of 1930, as amended by this act, shall be effective after the thirtieth day following the date of enactment of this act, notwithstanding any provision to the contrary contained in any foreign-trade agreement heretofore or hereafter entered into under the authority of section 350 of the Tariff Act of 1930, as amended and supplemented.

Mr. BONE. Mr. President, the Senator from Oregon [Mr. McNary] has been much interested in the problem of protecting the lumber and shingle industry from unreasonably strong competition of cheaply produced Canadian products. Senator McNary's State is one of the large shingle and lumber producing States of the country, as is my own.

The lumber industry is the lifeblood of business in these two States. Washington produces more lumber than any other State in the Union and Oregon is a close second.

When the lumber industry in these two States is prospering, both are likely to have a fair measure of good times, but when the logging camps are closed and the mills idle, our States are bound to be in difficulty.

The principal competition with the products of Oregon and Washington comes from Canada and because of the relatively low wages paid up there it is necessary for the preservation of our own timber and lumber industry to build some kind of barrier round this country against Canadian lumber and shingle imports.

Every Member of the Senate, I assume, has received protests about one or more provisions of the reciprocal-trade treaty with Canada which was signed November 17, 1038. In common with others of you, I have received a great number of protests against the way this treaty operates to the detriment of domestic producers, and particularly to the detriment of the Pacific Northwest lumber industry and Pacific Northwest zinc industry. Senators from other lumber-producing areas will be able to say how the lumber interests of their States have been affected, but in general I think they will agree the effect has been adverse.

I have in my hand a memorandum issued February 20 this year through the Department of Commerce by the lumber survey committee, which is an official committee that submits a quarterly analysis to the Secretary with regard to lumber consumption and stocks.

In the letter of transmittal to Secretary Hopkins the committee says:

The general retardants to world trade have been accentuated, in The general retardants to world trade have been accentuated, in American lumber and timber products, by the results so far of reciprocal-trade agreements, which are generally regarded by the lumber trade as adverse. The United States in the past 10 years notwithstanding the magnitude of its timber reserves and lumber manufacturing resources, and the superiority, and diversity of its lumber and timber products available for export, has dropped from the first place in lumber world trade to fifth place. It is now exceeded by Canada, Finland, Russia, and Sweden.

The committee further says in its conclusions and recommendations-in conclusion No. 7:

The lumber industry feels that the recent trade agreements with Great Britain and Canada have been generally disappointing to the lumber and plywood industries, which had expressed the hope that the present "unwholesome balance" between exports and imports might be gradually rectified through larger export trade opportunities. Preferential tariffs, foreign shipping subsidies, and further protectionist trends in major foreign lumber markets, in the opinion of the humber tradety continue to retard and suppress our ion of the lumber industry, continue to retard and suppress our foreign lumber trade.

This is the well-considered opinion of the committee, which consists of Thomas S. Holden, vice president, F. W. Dodge Corporation, New York; M. W. Stark, economist, Columbus, Ohio; Calvin Fentress, chairman, Baker, Fentress & Co., Chicago, Ill.; Phillips A. Hayward, chief, Forest Products Division, Department of Commerce; and Wilson Compton, secretary and manager, National Lumber Manufacturers Association.

I hardly need to tell the Senate what the reaction to the trade treaty has been in the Pacific Northwest, but it can be illustrated by the shingle I hold in my hand, upon which a printed card is pasted. This card says:

DEAR SENATOR: This shingle was made by an American union laborer. Do not force him on the W. P. A. by giving our markets to Chinese and Hindu labor of Canada.

This particular shingle was signed by Mildred Hillcar, of Aberdeen, Wash. I have received 2,000 of these; my colleague has received an equal number; Congressman Wall-GREN, of Everett, Wash., has received 2,000; and the Secretary of State and the President have received 2,000 each.

These people out in my State who are sending these shingles are not seeking to overwhelm the President and the Secretary of State and the Senators into taking action to retract the injurious treaty, but they are motivated by desire to protect their very living. They mean just exactly what they say-that the recent trade treaty has opened our doors to shingles manufactured in Canada by cheap oriental labor, with which our labor must compete.

A little later I intend to submit some statistics, but I can tell the Senate now in a general way that it costs 45 to 80 cents per square more to produce a square of shingles in this country than in British Columbia, because of higher labor costs. A square of shingles is that number that will cover an area of 100 square feet, that is an area 10 feet by 10 feet. This differential in cost per square is based on the cost of manufacturing the logs into shingles and the labor cost in producing the logs. The costs of logging in the United States are higher than in British Columbia. The difference in mill and logging costs varies as between different operators.

The United States wage average in the red cedar shingle industry is approximately 35 cents per hour higher than the Canadian average, or in percentage about 60 percent greater than the Canadian average. Senators can see without further detailed exposition that our Pacific Northwest shingle industry must either go out of business or reduce wages to a level that will enable competition with British Columbia Hindu and Chinese labor. I feel sure the President does not want that, and the Secretary of State does not want that, and I know that the Senate of the United States would oppose such a result. Needless to say, our people will express their indignation at the polls if we persist in giving away our market to foreign countries while they walk the streets unemployed.

Some Senators may not be aware of the background of the situation that has developed in the Pacific Northwest shingle industry, and so it may be well to mention that in 1935, due to the entirely logical case built up by the shingle interests and labor employed in shingle mills, the Congress placed a fairly satisfactory quota upon the imports of Canadian shingles. This quota law is known as section 811 of the Revenue Act of 1936-Forty-ninth Statutes, 1746. This provided that the imports of red cedar shingles from Canada should be limited during any 6-month period to 25 percent of the domestic consumption of shingles during the preceding 6-month period. This is a rough statement of that act, which in effect guaranteed to the Canadians onefourth of our market. Certainly, that was more than generous to Canada.

Let me digress for a moment to say that one-fourth of our market is 75 percent of the entire Canadian production. Any business group on the face of the earth ought to be satisfied if they can find a complete outlet for 75 percent of their production in this country. We guaranteed that, and apparently Canada is not satisfied with that.

In order that the provisions of the former law may be clear to all interested I now read into the RECORD the statute itself:

to all interested I now read into the Record the statute itself:

Whenever any organization or association representing the producers of more than 75 percent of the red-cedar shingles produced in the United States during the previous half-year period shall request the President to limit the importation of red-cedar shingles from Canada under paragraph 1760 of the reciprocal-trade agreement entered into with the Dominion of Canada under date of November 15, 1935, and the President finds from available statistics that the total quantity of red-cedar shingles produced in the Dominion of Canada which is entered or withdrawn from warehouse for consumption in the United States during any given half of any calendar year exceeds or will exceed 25 percent of the combined total of the shipments of red-cedar shingles by producers in the United States and the imports during the preceding half year, the President shall issue an order limiting for the 6 months immediately following the half of the calendar year in which said excess occurred the quantity of red-cedar shingles to be imported from Canada to 25 percent of the combined total of the shipments and imports of red-cedar shingles for such preceding half calendar year. The President shall issue a new order for each half of the calendar year thereafter during the continuation of the operation of the reciprocal-trade agreement entered into with the Dominion of Canada under date of November 15, 1935, with the same limitations as hereinbefore set forth.

Let me again digress to say that that was the law on our statute books until the adoption of the recent Canadian reciprocal-trade agreement.

The shingle industry was getting along fairly well under this 25-percent quota, but the reciprocal-trade treaty of November 15, 1935, was superseded by the so-called treaty of November 17, 1938.

The new trade treaty eliminates the quota, and provides that shingles shall come in free of duty, except that the United States reserves the right to impose at some possible future date a customs duty of not to exceed 25 cents per square on shingles imported in any calendar year after 1938 in excess of 30 percent of the annual average for the preceding 3 calendar years.

In addition to that severe blow to the shingle industry, the negotiators of the trade treaty also eliminated the provision enacted by the Congress at the last session requiring that lumber and timber imported into this country must be marked with the name of the originating country. This marking provision was merely to make it possible to enable consumers of lumber and shingles in this country to know where these products came from, and in order to enable Government officials to enforce the Domestic Origins Act. The latter act provides that domestic materials shall be used, as far as possible, in the construction of Government buildings.

A domestic origins clause is also inserted in contracts of the Public Works Administration and the Reconstruction Finance Corporation, even though these agencies are not required to do so under the law on projects that are not built for the Federal Government itself.

Not only has the State Department thus knocked down every barrier to the importation of shingles and lessened the barrier against the importation of lumber but it has made it impossible for those who would prefer to buy domestic products to distinguish between such products and Canadian products.

This indicates a seeming determination to favor foreign producers and foreign labor over our own producers and our own labor.

See how many things the trade-treaty negotiators did to favor the Canadian lumber industry as against our own!

I quote the lumber declaration of the trade agreement with Canada, as found on page 44:

The Governments of Canada and the United States of America, desiring to proceed toward the removal of those restrictions on the international trade in lumber which have operated to the disadvan-

tage of their respective lumber industries:

Recognizing that as a first step toward this objective the duties and taxes levied on lumber imported into the United States from Canada were reduced by 50 percent, to \$2 per thousand feet, in the trade agreement concluded between Canada and the United States of America on November 15, 1935.

The State Department was not satisfied with cutting this duty in half in 1935, and had to go still further:

Noting that as a consequence of the coming into force of the trade

Noting that as a consequence of the coming into force of the trade agreements signed this day:

(1) The United Kingdom duty on softwood lumber in those forms of which the United States is an important supplier of the United Kingdom's requirements will not exceed 16 shillings per standard (approximately \$2 per thousand feet), without any restriction as to the quantity that may be imported at the reduced rate of duty.

This sounds fine, but I shall have more to say about this aspect later.

- (2) The preferential margins enjoyed by lumber of Empire origin in the British West Indian colonies will not exceed \$2 per
- thousand feet.

 (3) The Canadian duty on planed or dressed lumber imported from the United States will be reduced by 50 percent and the special excise tax of 3 percent will be removed from rough and dressed lumber, without any restriction as to the quantity that may be imported either at the reduced rates of duty or free.
- It will be noted, however, that lumber from the United States cannot compete with Canadian lumber because of the wage differential.
- (4) The quantity of red cedar shingles that may be imported into the United States free of duty will be fixed at 30 percent of United States consumption and imports in excess of this quantity will not be dutiable at more than 25 cents per square.

However, that duty will not be imposed until later, if ever.

(5) The quantitative restriction on the importation into the United States of lumber of Douglas fir and western hemlock at the reduced rates of duty and tax in effect since January 1, 1936, and confirmed by the trade agreement signed today, will be re-

Then comes the clause knocking out the marking amendment, in the following words:

(6) Lumber and timber imported from Canada will not be required to be marked to indicate their country of origin.

Then follow paragraphs indicating that the United Kingdom is to make some concessions with regard to imports of United States lumber; but those who are best posted on the lumber industry—the lumbermen themselves—say that the United Kingdom and Canada have made no concessions comparable to those made by the United States.

The authoritative spokesman of the west coast lumbermen is the West Coast Lumbermen's Association, of which Col. W. B. Greeley, former United States forester, is secretary-manager.

In a recent publication known as Lumber Facts, the West Coast Lumbermen's Association says:

The real question put to the people of the Pacific Northwest by these trade agreements is whether our own forest-borne industries, labor, and crafts are to be ignored in the tariff-making policies of the Government.

I entirely agree with the statement of Mr. Greeley that "the struggle on the Pacific coast for lumber trade turns upon the competition of a foreign low-cost industry with a domestic high-cost industry."

Mr. Greeley goes on to say that within the past 5 years the American Government-

Has developed a far-reaching program for the benefit of labor. The National Industrial Recovery Act established the principle of collective bargaining. The National Labor Relations Act has been adopted. Federal laws have been set up that have set up a nation-wide system of unemployment compensation and social security, with old-age benefits. The Fair Labor Standards Act has put a floor under wages and a ceiling over working hours. The American labor policy seeks high wages, a short workweek, and support for workers during unemployment and old age. The Canadian labor policy has remained substantially that of keeping Canadian industries competitive in the markets of the world.

Mr. Greeley points out that nearly half the production cost of west coast lumber is wages, and that the average wages of the Douglas fir logging camps and sawmills of Oregon and Washington are 76.7 cents per hour, while the average wage in the competitive Douglas fir industry in British Columbia is not over 57 cents per hour. He says that the lower wages in British Columbia mean an average lower cost of production of more than \$3 per thousand board feet. Other costs in the United States, such as those for socialsecurity benefits, increase this differential.

Colonel Greeley says:

Our lumber duties, reduced by trade agreements to \$2 per thousand feet, are just one-half the average difference in cost of production arising from fundamental differences in labor legislation and working conditions in the two countries.

The favorable attitude of lumbermen toward the trade treaty policy as they understood it in 1935 is explained by Mr. Greeley as follows:

The first trade agreement of significance to the lumber industry was negotiated with Canada in 1935. The situation of west coast sawmills and their employees, then working about half time, and the restrictions placed upon American export trade by British Empire discrimination, were explained to the governmental agencies. It was naturally assumed that a policy designed to break down the trade barriers would work both ways; that if our tariff wall against Canadian lumber was lowered, the British Empire tariff wall against American lumber would be lowered also.

But to the amazement and disappointment of the west coast

wall against American lumber would be lowered also. But to the amazement and disappointment of the west coast lumber industry, the Canadian agreement of 1935 simply knocked down half the American tariff wall and left the British Empire tariff intact. American duties on Canadian lumber were cut 50 percent—all the law allowed. In the case of Douglas fir and west coast hemlock, importations at the lower duty were restricted to 250,000,000 feet annually. Since all nations which do not discriminate against our commerce must be treated equally, the reduced lumber duty was automatically extended to every other country in the world which shipped lumber to the United States, Russia included.

To get back to shingles, with which I am dealing in particular, although the effect of the trade treaty on shingles is typical of the effect upon lumber generally, the immediate effect of the trade treaty on shingles was to break the market price approximately 17 percent, or 40 to 55 cents per square. In addition, buyers all over the country canceled their orders for domestic shingles in anticipation of being able to purchase the imported shingles at lower prices. These cancelations, combined with the break in price, caused a large percentage of the mills to shut down, thereby throwing hundreds of men out of work, and causing confusion and uncertainty for the manufacturers.

The immediate effect upon the Canadians was readily seen in the immediate increase in exports of shingles to the United States in 28 days of January 1939. These exports amounted to 303,675 squares, or an increase of 60.5 percent over the average of the three previous January imports covered by the 1936 agreement. The reason for this great increase is obvious, namely, that the Canadians thought they might just as well send in all the shingles they could under the quota which limited exports for a 6-month period; and they did this because they knew the quota would soon be lifted.

The shingle quota has not yet been lifted, the restriction remaining on until the Canadian Government ratifies the trade treaty, if it can be called a treaty. I assume that this ratification will soon come, and then shingles will pour into this country in unrestricted quantities. Even assuming that the Congress passes the maximum allowable duty of 25 cents per square under the quota arrangement, this 25 cents will not act as a bar to the imports of shingles. The duty would have to be a full 25-percent ad valorem on all of the shingles imported into this country in order to protect American shingle manufacturers and American labor.

The customs bureau on March 10 announced the figures on imports of Canadian shingles for February. The amazing news was disclosed that the Canadians had exported into this country 228,577 squares, an increase of 54.6 percent over the average imports for the preceding three Februaries.

The imports in February 1936 were 44,143 squares; in February 1937, 108,700 squares; in February 1938, 196,767 squares; and in February 1939, 228,577 squares.

It should be mentioned that the Canadian manufacturers themselves are alarmed over the great increase in their exports of shingles, and feel that this increase will be so shocking to the United States that a successful effort will be made to restore the shingle quota. Canadian manufacturers accordingly have reduced their production as compared with what it could be if there were no effort to slow it down. Nevertheless, the February 1939 imports were 54.6 percent higher than the average of the February imports during the preceding 3 years, which average was 147,870 squares.

So great has been the increase in shingle imports from Canada over previous years that although only 31 percent of the 6 months' quota period had elapsed on February 25, the quota was 50.63 percent filled. This is the more amazing because these large shipments were made during what is normally the slack period of the year, the cold-weather period, during which building construction is relatively low. Some idea of the vast quantity of shingles that would be imported into this country from Canada during the warmweather period can be obtained from the figures now available.

However, even taking only the present rate of imports per day—that is, the average of the imports from January 1 to February 25 of this year—Canada would take 45.3 percent of our shingle market, based on the 1938 consumption of shingles, which was 7,745,263 squares. Our own shingle mills could have supplied the entire market in 1938. At the present rate the American shingle mills and American labor would supply only about 55 percent of the market or less; and my own feeling is that as the season advances the shingle imports will increase so greatly that our own mills will supply far less than half of our domestic market.

It is a serious question whether the American shingle industry can survive at all under the impact of the Canadian competition, and in that event Canadian mills will serve virtually 100 percent of our market within a few years.

It is obvious that the Canadian manufacturers are gleefully anticipating taking over most of the United States market, and they are fully justified in their belief that they will be able to do so. So far as shingles are concerned, the agreement of 1938 is not reciprocal at all.

With regard to lumber other than shingles, I quote again from Colonel Greeley's illuminating statement in his pamphlet Lumber Facts:

This one-sided reciprocity has gone right on through the past 3 years. In the first 11 months of 1938 Canada shipped 150,000,000 feet of Douglas fir and west-coast hemlock timber into the United States; while west-coast shipments to the entire British Empire, Canada included, totaled 59,000,000 board feet. This is a trade ratio of nearly 3 to 1.

It would be amusing to note, if the implications were not so tragic, that Canada makes the concession toward the United States of admitting our shingles free. That would be fine were it not for the fact that Canadian costs of production with Hindu and Chinese labor are so much lower than ours that there seems no valid reason why any Canadian should buy a single square of United States shingles.

Again Canada reduces her tariff on dressed lumber from 20 percent to 10 percent, but as Colonel Greeley remarks, this concession is also meaningless in actual trade.

The legitimate supposition was that in return for opening our markets to Canadian lumber we would increase our own export trade.

Again I quote from Colonel Greeley:

West-coast lumber exports have dropped from over 1,600,000,000 feet in 1928 and 1929 to less than 300,000,000 feet in 1938. Last year they were barely 100,000,000 feet over the imports of our own wood, competing in our home markets. Our offshore trade has not been at such low ebb since the World War or, before that, since 1909.

I call the attention of Senators from lumber-producing States to the fact that the excise tax on imported lumber will expire on June 30, 1939, unless it is renewed by act of Congress. The renewal will provide the meager protection of \$2 per thousand board feet on general lumber imports, which is only half of the full statutory duty, but even this light protection is better than nothing, and we should not fail to see that this tax is reenacted. I assume the House Ways and Means Committee will originate the renewal.

Mr. LUNDEEN. Mr. President-

The PRESIDING OFFICER. Does the Senator from Washington yield to the Senator from Minnesota?

Mr. BONE. I yield.

Mr. LUNDEEN. I regret that I have not heard the Senator's remarks from the beginning, but I should like to ask if he is discussing the reciprocal-trade treaties?

Mr. BONE. I am discussing the operation of the recent reciprocal-trade agreement with Canada, which, I am frank to indicate in my remarks, is not reciprocal at all but is a very one-sided affair.

Mr. LUNDEEN. Does the Senator mean "one-sided" in favor of the United States of America?

Mr. BONE. No; in favor of Canada.

Mr. LUNDEEN. The Senator does not maintain, does he, that we have a reciprocal-trade agreement that favors a foreign country?

Mr. BONE. I am trying to indicate that that is precisely what is happening under the recent reciprocal-trade agreement with Canada.

Mr. LUNDEEN. I may say, in that connection, that I voted against the bill under which reciprocal-trade agreements have been negotiated, and I also voted against the extension of that measure.

Mr. BONE. I am sure the Senator will be interested, then, in finding that, in respect to the matter I am discussing, his judgment has been completely vindicated by the operation of the agreement which was recently entered into with Canada.

Mr. REYNOLDS. Mr. President, will the Senator yield?

The PRESIDING OFFICER. Does the Senator from Washington yield to the Senator from North Carolina?

Mr. BONE. I am glad to yield.

Mr. REYNOLDS. I should like to make an inquiry of the Senator as to whether or not he has any data that will throw any light on the reciprocal-trade agreement between Canada and the United States respecting mica and feldspar? A great deal of those commodities is mined in western North Carolina, and I am anxious to know how my constituents who are engaged in this particular business are making out as a result of the reciprocal-trade agreement referred to. Has the Senator looked into that?

Mr. BONE. I am unable to enlighten the Senator about

the matter concerning which he asks.

Mr. REYNOLDS. The reason I made the inquiry was that I have a great many complaints from constituents of mine who are engaged in mining in about six of the mining counties of my State.

Mr. KING. Mr. President, will the Senator yield?

The PRESIDING OFFICER. Does the Senator from Washington yield to the Senator from Utah?

Mr. BONE. I yield.

Mr. KING. I may say to my friend from North Carolina that the reciprocal-tariff provision dealing with Canada is very clear, and I am sure the Senator, by examining it, can determine for himself just how far it modifies existing tariff laws. I do not think it affects them greatly.

Mr. REYNOLDS. I thank the Senator very much. I was

really wondering as to the situation.

Mr. BONE. Mr. President, at this point I wish to include in my remarks a letter that I wrote on February 25 to Secretary of State Cordell Hull.

It appears from communications that have reached me from the Secretary of State, and from what he has told others, that he believes the United States shingle industry is unable to supply the domestic market. He further has the belief that it is necessary to import Canadian shingles in order to keep down prices of the domestically produced shingles. On both points he is in error as I believe I have demonstrated in my letter to him which is as follows:

FEBRUARY 25, 1939.

The Honorable Cordell Hull

The Honorable Cordell Hull,

The Secretary of State, Washington, D. C.

Dear Mr. Secretary: Thank you for your letter of February 7 with regard to the shingle-quota law and also copy of Mr. Harry C. Hawkins' letter to Mr. Benfield. I found both of these letters informative as to your viewpoint. I can understand your position now in the light of the information that has reached you.

I note in your letter to me that you feel there is some question about the ability of the domestic shingle industry to supply the demand, especially in the case of an emergency such as the New Encland hurricane.

England hurricane.

I also note you believe that the 25 cents per square duty that can be imposed on red cedar shingles imported in excess of 30 percent of the domestic consumption is adequate protection for United States produced shingles.

In considering the information that has come to you with regard to the need for shingles in the hurricane-stricken area I think the source of the information and the objectives of your informants cast some doubt on its value for determining the true situation. Let me give you an example:

me give you an example:
Senator Augustine Lonergan, of Connecticut, urged the President last October to permit Canadian shingles to come in over and above the quota. I wired Senator Lonergan, on October 4, as

"Have looked into shingle situation and find that mills have ample reserve stock and plenty of capacity to fill entire demand, even during emergency created by storm. If you have any instances in which persons seeking to purchase shingles are unable to do so, please let me know and I shall endeavor to have such orders filled without delay and am sure I will be successful if those who want to purchase care to communicate with me. Let those who say there is a shortage of shingles place their orders and see what happens. I shall oppose with maximum vigor any attempts to increase imports of shingles into United States."

In answer, I received the following telegram from Senator Lonergan on October 5:

"Re telegraph my action on shingles based on wire from Guern." 'Have looked into shingle situation and find that mills have

gan on October 5:

"Re telegraph my action on shingles based on wire from Guernsey Westbrook Co., Hartford, Conn., stating 100 cars shingles needed in storm area. I wired them Washington and Oregon dealers seem to have plentiful supply and they advised that their west-coast buyer contacted Washington mills and report limited quantity of perfection grade shingles available, none of which can be shipped under 2 weeks. Hartford company states this condition working

extreme difficulties on consumer trade needing stock for emergency replacement. Suggest your mills should contact Guernsey Westbrook Co., Hartford."

Westbrook Co., Hartford."

I then telegraphed Mr. Williams, manager of the United States Red Cedar Shingle Industry, at Seattle, quoting Senator Lonergan's telegram in full and adding:

"Hope you can get in touch with Guernsey Westbrook Co. at once and arrange to take care of their order. Please wire me as soon as possible what action has been taken so I can advise Lonergan."

On October 6 I comin mind the contraction of the co

On October 6, I again wired the United States Red Cedar Shingle

Lonergan."
On October 6, I again wired the United States Red Cedar Shingle Industry as follows:

"Please advise what is being done to offer shingles to Guernsey Westbrook Co. of Hartford, Conn. Would like definite wire on this in order to acquaint president with fact that ample supply of shingles is available. If Hartford company refuses to place orders the demand for Canadian quota increase must collapse."
On the same day, I received the following telegram from the United States Red Cedar Shingle Industry:

"Re wire October 6, we advise that several mills are quoting Guernsey Westbrook. We refer to C. B. Lumber & Shingle Co., Everett, Wash., have sold in that territory but are quoting Guernsey Westbrook Co. today on four cars or total 1,000 squares. Weyerhaeuser Timber Co., Longview, Wash., quoting on one car. Jamison Mill Co., Everett, Wash., have filled two orders to reach destination on 7th and are shipping two cars to arrive unnamed eastern destination on 14th. Also received order today for two cars, delivery 21st. All six cars ordered by Guernsey Westbrook. M. R. Smith Lumber & Shingle Co., Seattle, Wash., quoting on two cars today. Super Shingle Co., Everett, Wash., have inquiry from Guernsey Westbrook's local buyer for two cars and can make immediate shipment. Saginaw Timber Co., Aberdeen, Wash., and Seattle Cedar Lumber Manufacturing Co., Seattle, Wash., have eastern sales representatives who are known to Guernsey Westbrook who can ask them for quotation. Will advise if quotations result in orders.

"Fifty-seven machines shifted to making perfections since October

"Fifty-seven machines shifted to making perfections since October 1. This means a daily additional production of 2,900 squares. Certain sufficient production to satisfy even unusual demand,

if anv.

Mr. LUNDEEN. Mr. President, will the Senator yield? The PRESIDING OFFICER. Does the Senator from Washington yield to the Senator from Minnesota?

Mr. BONE. I yield.

Mr. LUNDEEN. Has the Senator any statistics before him which show the number of persons who have, or may have, lost their jobs by reason of this importation of shingles?

Mr. BONE. I have some studies here. I am not going to

take the time of the Senate to read them.

Mr. LUNDEEN. But will the figures be in the RECORD? Mr. BONE. I shall introduce, as a part of my remarks, these tables. I am not going to read them. They are quite lengthy.

Mr. LUNDEEN. But they will give us figures on that

subject?

Mr. BONE. They will give a pretty enlightening picture of the whole situation.

Mr. LUNDEEN. If the Senator will permit me, it seems to me that we should not be quite so solicitous about employing foreign labor when we have here in America unemployed persons to the tune of 12,000,000. It seems to me we ought first to look after our own people.

Mr. BONE. My whole effort in this presentation is to secure the work of producing shingles for American producers, workers on this side of the line, and not for Canadian shingle producers. The latter is what the present reciprocal agreement with Canada is doing. It is giving to the Canadian producers the whole business of producing red-cedar shingles. Many of the mills in Canada are employing Hindu and Chinese labor. With virtually all the barriers down, with no restriction whatever now under this new agreement, that stuff is flooding the United States market, and the American mills in my State are shutting down.

Mr. LUNDEEN. Mr. President, we have some folks who seem to be more interested in the Hindus and the coolies, and so forth, than in their own people. I am glad to hear American sentiments voiced by the Senator from Washington. I should expect to hear them from him.

Mr. BONE. There is not anything astounding in some of the things we are doing. We apparently are more concerned about democracy abroad than about democracy at home in some of the things we are doing. We must not expect too much consistency.

Mr. REYNOLDS. Mr. President-

The PRESIDING OFFICER. Does the Senator from Washington yield to the Senator from North Carolina?

Mr. BONE. I do.

Mr. REYNOLDS. What was the Senator's last remark?

Mr. BONE. I just observed, in passing, that at times it seems to me we are more concerned with preserving and fighting for democracy abroad than we are with preserving and fighting for it here at home. It may be a novel idea to express here, but I am of the opinion that there is something in the idea. It is worth dallying with, anyhow.

Mr. REYNOLDS. I am also of that impression; and, as a matter of fact, I think we are more exercised about what is taking place in Europe today than are those who reside in

Mr. BONE. I am wholly constrained to agree with what the Senator has said and what the Senator from Minnesota has said—that as long as we have 10,000,000 unemployed persons in this country, and they remain unemployed, we had better concern ourselves with fighting for democracy here, or we may not have it if that condition continues.

Mr. REYNOLDS. In other words, the Senator would have us believe that our danger is from within, and not, as a matter of fact, from without. I quite agree with the Senator

in that assumption.

Mr. BONE. I know of no more explosive force than hunger and the tribulations that come with enforced unemployment. That is social dynamite that cannot be trifled with. We had better be very certain that we set about to make democracy perfectly safe in this country before we concern ourselves with democracy in other countries.

Mr. REYNOLDS. The Senator will recall with me that on March 4, when we had the honor and pleasure of hearing the eminent Chief Justice of the United States in his address to the Congress of the United States, he said, amongst other things: "And when the American people make up their minds to get something they usually succeed," or words to that effect.

Mr. BONE. I hope they will make up their minds to do something purposeful, and that they will not be driven by hunger and poverty to some expedient that is not purposeful and safe.

Mr. LUNDEEN. Mr. President, will the Senator further vield?

I yield to the Senator from Minnesota.

Mr. LUNDEEN. I desire to say, if I may, that the sentiments expressed by the Senator from Washington with regard to the internal danger in this country from continued poverty and destitution and misery and malnutrition and lack of employment are exactly in line with my own belief and thoughts. He has expressed the matter in admirable fashion.

Mr. BONE. I do not want to continue a discussion that is a digression from what I am saying, but I doubt if there is in this body a man who has not listened to arguments with which he agreed that were predicated on the theory that the rise of Hitler to power, the rise of Mussolini to power, and the rise of the other dictatorships in Europe had their genesis in the wretchedness and poverty of the people. There never would have been a dictatorship if there had not been an economic break-down.

Mr. REYNOLDS. All of which was attributable to unemployment.

Mr. BONE. That is true. Hunger, misery, wretchedness, the very things that drive the people of European countries to do terrible things, may with equal facility drive the people of this country to do things which are not what they should be.

To get back to my discussion of the shingle business, I resume reading from my letter to the Secretary of State:

The net result of the invitation by Northwest shingle manufacturers to shingle dealers in the hurricane area to place their orders was the placing of orders for 10 cars.

Now, can it be positively stated by Mr. Hawkins, as he does on page 2 of his letter to Mr. Benfield, that a supply of Canadian shingles was needed during the hurricane to meet the demand, when the fact seems to be that the eastern shingle dealers did not order shingles from the Northwest in excess of 10 cars? I assume that the real test of whether or not enough shingles were available to meet the demand would have been to place the orders

and then if they were not filled within a reasonable time it could properly be stated that our domestic shingle producers could not meet the demand.

My information is that the total potential production of red-cedar shingles in the United States per 300-day year is 7,595,000 squares as compared with actual production in 1938 of 5,964,136 squares, and in 1934, before the quota law was established, 3,239,758 squares.

I quote from a statement by Mr. D. M. Williams, manager of the

United States Red Cedar Shingle Industry:
"There seems to be the belief in the State Department, that the "There seems to be the belief in the State Department, that the east-coast hurricane in 1938 created an emergency insofar as shingles were concerned. This definitely is not so. We believe that the complaint originated with one eastern wholesaler who prevailed on his Senator during the excitement of the moment, to make the complaint—claiming that 40 or 50 carloads of Canadian shingles were immediately available. Our mills at once asked for orders—and so far as we can ascertain, orders for only 10 cars were placed. The President had proof presented to him that domestic producers could supply all needs, and publicly announced to that effect. The incident was merely another example of the continuous effort of British Columbia producers to gain a further advantage in the United States market. It ill becomes the State Department to constantly state the trumped-up hurricane story as fact, when it was definitely disproved, and so publicized by the President. We would like to down that hurricane-emergency yarn once and for all."

Unless some further proof is forthcoming that the domestic shingle industry was unable to take care of the needs in the Northeast, it seems to me that this basis of insisting upon removing limitations upon shinge imports should be put aside and the whole problem reexamined.

problem reexamined.

I gather from your letter and from Mr. Hawkins' letter that you and he have in mind that there is not a great difference between the wage rates paid in the United States and in Canada in shingle

I quote from your letter of February 7:

1 quote from your letter of February 7:

"* * However, as I am sure you realize, the fact of the matter is that the shingle industry has enjoyed a substantial measure of protection under this administration, and will continue to do so under the terms of the new agreement with Canada, whereas for many years prior to 1934 shinges were permitted to be imported free of duty and without restriction."

I can well understand that those who are not in close touch with the shingle industry would fall to realize a fact of prepared.

I can well understand that those who are not in close touch with the shingle industry would fail to realize a fact of preponderant importance and that is that wage rates have risen substantially in the shingle industry in this country since 1932. This is a natural development, due to causes that I need not discuss here.

Prior to 1932, labor in the shingle industry in the United States was on approximately an equal status with similar labor in British Columbia. However, now the wage scale in the shingle industry in the United States is approximately 60 percent higher than in British Columbia. The same ratio of wage scales of the United States-British Columbia exists in the logging industry, which supplies the shingle industry with its raw product—cedar logs. To make this more evident, I give you here the average American wage scale for certain classifications of work in the shingle industry and the British Columbia scale, as supplied by the American Federation of Labor: Labor:

Classification	Average American wage scales (per hour)	Average British Co- lumbia wage scales (per hour)
Filer Filter Filter Millwright Engineer Fireman Cut-off Knee bolter Splitter Blockpilers Deck men Slip men Oilers Common labor Apprentices	\$1.55 1.05 .95 .84 .71 .90 1.00 .85 .72 .75 .80 .73 .67½	\$1.00 .75 .50 .50 .65 .60 .40 .45 .45 .40

You will note that the British Columbia scale gets down to 161/2 cents per hour for apprentices, while there are no apprentices em-

ployed in American mills.

I am informed by Mr. Williams that the difference in the wage scale that enters into the manufacture of a square of shingles on the United States side and on the British Columbia side is 65 cents per square. If this is true—and I think Mr. Williams' statement will stand investigation—it is obvious that a 25 cents per square duty, even if it applied to the entire amount of shingle imports, would not at all restrict the flow of Canadian shingles into this

If there are valid objections to a quota system, then why not apply an effective tariff on the entire amount of shingles imported? The State Department, in its agreement with Canada, has eliminated the quota and has not substituted anything of equivalent force. It was the will of Congress, as expressed in the quota law, that imports of shingles from Canada should be restricted, but the trade agreement has removed all actual restrictions. This is evidenced by the active operations of the Canadian millmen for taking

over the entire United States business this year as soon as the trade treaty is ratified at Ottawa.

The United States mills could compete with Canadian mills only by radically reducing their wage scales. I feel sure that you would not suggest that this be done. The alternative to a sharp decrease in wages, both in the mills and in the logging industry, is going out of business.

out of business.

I am afraid that some negotiators of the trade treaty failed to realize that there is a life-and-death struggle for business going on between competing operators in British Columbia and in the United States. The trade treaty greatly strengthens the ability of the British Columbia operators to win this battle.

I note one more point in your letter that I think should be reconsidered, and that is to the effect that the imports will have a salutary effect on the price of wooden shingles; and that without these imports the market for wooden shingles would disappear, because the prices would rise too high. However, there is a guaranty against too great a rise in the price of shingles, and that guaranty is the price of the competing substitutes for wooden shingles.

I note that Mr. Hawkins appears solicitous for the welfare of the shingle operators in this country and says that he is doing them a lot of good by placing a loaded gun in the hands of their competitors in a foreign country; but with all due respects to Mr. Hawkins, the people in the shingle industry would be well pleased to take their chances in competition with other types of roofing domestically manufactured.

The consequences of the invalidation of the shingle-quota law

The consequences of the invalidation of the shingle-quota law

are beginning to show up, as indicated in a letter from the Shingle Weavers' Union, No. 2576, of Aberdeen, Wash., which I quote in full: "Operation of the shingle mills of Grays Harbor for the week beginning February 5, 1939, is as follows (statistics based on the number of machines in production during full-time operation):

Mill Mill	Full time	Part time	Down
Moclips Aloha Robert Gray	23		30 4 10
NorthwestEast HoquiamPolson		6	20
Saginaw N. C. Miller Mackie	9	24 7	113
SchaferValley			30
White StarQuinaltOther mills	8		
Total	40	37	135

¹ This condition can be remedied by restoration of the 25-percent quota on shingle imports from Canada

I am not suggesting something new and abnormal, because this quota law was in effect before this trade agreement was thrust upon us.

I continue reading:

Last fall, before the news came out that the shingle quota would be eliminated, the mills were running almost to capacity.

To illustrate the difference between the conditions now and then, I quote from a letter from Arthur Brown, president, Shingle Weavers District Council of Washington and Oregon, dated at Tacoma, September 9, 1938:

September 9, 1938:

"In 1935 Senator Homer T. Bone gave unstintingly of his time and energy to secure legislation prohibiting Canada from shipping more than a specified quota of shingles across the border. This quota has been set at 25 percent of domestic consumption. In 1936 the Senator strengthened the quota law. This distinctive piece of legislation is responsible for present favorable conditions within the shingle industry. During 1938 shingle mills have been operating 98 percent of the time with a workweek of 36 hours, a 6-hour shift, and a wage scale of 92 cents per hour."

This same letter could be repeated today if it were not for the baneful influence of the agreement that has been negotiated with Canada.

In the light of the new facts that I have given you here, will you not review the agreement with regard to shingles and determine whether some better arrangement can be made?

Yours sincerely,

HOMER T. BONE.

Mr. WILEY. Was that letter written to the President? Mr. BONE. It was written to the Secertary of State by me on February 25, 1939.

Following up this letter, I wrote to the Secretary of State on February 28 calling to his attention a compilation of figures on the wages paid, respectively, in Canada and in the United States. I supplied the Secretary with tables showing the wages paid in each of seven British Columbia mills. The figures were gathered by the American Federation of Labor and supplied to me by Mr. D. M. Williams, secretary-manager of the United States Red Cedar Shingle Industry at Seattle.

I ask that this table be printed at this point as a part of my remarks.

The PRESIDING OFFICER. Is there objection?

There being no objection, the table was ordered to be printed in the RECORD, as follows:

Red-cedar shingle industry—Wage schedules in British Columbia, January 1939—6 mills located at Vancouver and Westminster, 1 at
Port Moody (outlying mills would average 5 to 10 cents per hour less)

Office of a value same and an arrangement					Average of 7	United			
	Mill No. 1	Mill No. 2	Mill No. 3	Mill No. 4	Mill No. 5	Mill No. 6	Mill No. 7	British Co- lumbia mills	States union scale
Sawyers: White	\$1.07	\$1.11	\$0.92 .92	None \$0.92	None \$0.85½	None \$0, 92	\$1.03½ None	} \$0.98%	\$1. 2834
Chinese Packers:	.92	1.11	. 92		000000000	N. S.	A LABORETTA	191 3750	
White	. 63	. 581/2	. 54	None	None . 491/2	None	None	. 563/4	.9436
Chinese	. 54	. 581/2	1,00	1.00	.80	1.00	. 671/2	. 941/2	1, 54
Filer	1. 10	1. 05 . 75	.70	.70	.60	.65	.371/2	.6412	1.05
Fitter Millwright	.75	.65	.70	.65	. 55	. 65	.40	. 5914	.93 .84 .71
Engineer	.50	.60	. 65	.60	. 65	.60	. 65	. 61	.84
Firemen	.45	.50	. 45	. 45	. 50	.45	. 50	. 47	.71
Cut-off men	.60	. 65	. 65	. 65	.60	.60	1. 10	.69	.84
Splitter	. 50	.60	. 55	. 50	. 50	. 55	. 65	. 55	.85
Bolter	. 65	. 65	. 50	. 65	.65	.65	.65	.63	1.00
Deckmen	.40	. 50	. 45	.40	.40	.45	.45	.42	.75 .71
Slipmen	. 40	. 50	. 40	. 40	.50	.50	(?)	.50	88
Boom men	. 50	.50	.50	.45	.40	.40	.40	.43	.86 .77
Tallymen Car loader No. 1	.40	.50	.50	.50	.50	. 50	.50	.4934	.73
Car loader	.40	.40	.40	.40	.40	.40	.40	.40	.73
Oiler	.40	.40	.40	. 40	. 40	.40	. 40	.40	.70
Band nailer	.40	.40	. 40	None	None	None	. 36	. 221/4	. 6714
Common labor	.40	.40	.40	. 40	.40	. 40	.40	.40	. 6714
Number of employees:		TELL LEVIL			00		96	The second second	
White labor, per shift	17	40	22 37	50	30 35	55 50	None		
Chinese labor, per shift	30	30	37	2	90	2	None		
Number of shifts per day	8.	2		8	8	8	8	8	6
Hours per shift	6	0	6	6	6	6	6	6	6
Days per week Machines in each mill	12	18	15	24	16	24	24		
Piece work, per square:	14	10	Dame Is	152		STATE OF THE	144.67		THE REAL PROPERTY.
Sawyers:	Centa	Cents	Cents	Cents	Cents	Cents	Cents	Cents	Cents
White	25-20	26-21	22-17				24-20		30-24
Chinese	22-17	26-21	22-17	22-17	20-16	22-17	None		None
Packers:		a Imskinger		Mana	None	None	14	Contract of the second	21
White	14	13	12	None	1,500,000,000	None	None		None
Chinese	12	13	12	12	- 11	11	Моще		Моще

Mr. BONE. Mr. President, it will be noted that in mill No. 1, 30 Chinese were employed and 17 whites; in mill No. 2, 30 Chinese and 40 whites; in mill No. 3, 37 Chinese and 22 whites; in mill No. 4, 49 Chinese and 50 whites; in mill No. 5, 35 Chinese and 30 whites; and in mill No. 6, 50 Chinese and 55 whites: while only one British Columbia mill employed no Chinese labor. But even the white labor received far less than the United States scale, the British Columbia scale for common labor being 40 cents and the United States union scale 871/2 cents. The disparity of cost between producing United States and British Columbia shingles is further emphasized in the scale for piece work. Mill No. 3, for instance, pays 17 to 22 cents per square for sawing and mill No. 5 pays 16 to 22 cents per square for sawing, while United States mills pay 24 to 30 cents per square for sawing.

At this point I ask that a statement by the United States red cedar shingle industry be incorporated in my remarks.

The PRESIDING OFFICER. Is there objection?

There being no objection, the statement was ordered to be printed in the RECORD, as follows:

STATEMENT OF THE UNITED STATES RED CEDAR SHINGLE INDUSTRY, INC., RELATING TO THE 1939 RECIPROCAL TRADE AGREEMENT WITH CANADA

The United States Red Cedar Shingle Industry, Inc., with its principal offices at Seattle, Wash., desires to present the following for your consideration, in connection with the reciprocal-trade agreement with Canada.

The 1936 agreement provides for the free importation of shingles from Canada, but the United States reserved the right to limit importations of red cedar shingles to 25 percent of the domestic requirements. In accordance with this reservation, Congress provided in section 811 of the Revenue Act of 1936, for the imposition of the 25-percent limitation during the continuance of the

1936 agreement.

The 1939 agreement provides (paragraph 1760 of Schedule II) that shingles may be imported free, but reserves the right of the United States to impose a duty, not exceeding 25 cents per square, on red cedar shingles imported in excess of 30 percent of the domestic consumption.

Even before ratification of the new agreement by the Capadian

comestic consumption.

Even before ratification of the new agreement by the Canadian Parliament, the threat of the impending change with regard to red cedar shingles has produced dire results for our industry. Imports of shingles in 28 days of January 1939 amounted to 303,675 squares. This is an increase of 60.5 percent over the average of the three January imports covered by the 1936 agreement. The figures are as follows:

January:	Squares
1936	153, 566
1937	168, 779
1938	229, 505
An average of	183, 950
January 1939	303, 675

An average of 183,950
January 1939 303,675
The immediate effect, however, was felt in November 1938, following the public announcement of the new agreement. The market broke approximately 17 percent, or 40 to 55 cents per square, and the combination of break in price and cancelation of orders caused a large percentage of mills to be shut down, thereby throwing many hundreds of men out of work and causing a confused situation for the manufacturers.

The next effect of the proposed agreement was vastly increased activity among Canadian mills, many of which (those having a sufficient log supply on hand) started running two shifts per day, 6 days per week, or 96 hours weekly, preparatory to dumping enormous quantities of red cedar shingles on the American market in the spring of 1939. As logs became available, other mills started up, and the first result is the large increase in imports, as indicated by the January figures.

The final effect will be a drastic reduction of our wage scale, or the virtual abandonment of the American market to the Canadians. Each year since 1933 has seen an increase in wages in the industry, the average wage in 1938 being 92.3 cents per hour. Since that year, 1933, the industry has become completely unionized and, therefore, individual bargaining is no longer available to the manufacturers in the United States, as it is to Canadian operators.

The United States wage average is approximately 35 cents per hour higher than the Canadian average, or, in percentage, our average is approximately 60 percent greater than the Canadian average.

Another important factor in establishing Canadian control of the

Another important factor in establishing Canadian control of the American market is the cost of the raw product—cedar logs. Our cost has been \$18 per thousand feet, whereas the Canadian manufacturer has been paying from \$12 to \$16. The lower log price in Canada, caused by a wage scale much inferior to the American loggers' scale, gives the Canadian shingle manufacturer a cost advantage of from 15 to 50 cents per square of manufacturer a cost advantage in the two items together—namely, labor cost and log cost—the Canadian mills enjoy a cost advantage of from 45 cents to 80 cents per square.

to 80 cents per square.

The final element of cost which may be compared is that of transportation of the finished product. The cedar-bearing section

of Canada and that of the United States is approximately the same distance from the domestic market, and, therefore, there is parity in rail rates. The Canadians, however, enjoy an advantage in water shipments. According to law, we must use American bottoms at established rates, whereas the Canadian mills are free to use the ships of any nation and may drive bargains where possible.

From the foregoing it is evident:

The new agreement has created a competitive situation which has broken the market and caused a serious curtailment of

2. It has caused the import of an abnormal quantity of red-cedar shingles as compared with imports under the 1936 agreement. 3. It promotes labor disputes because the new condition makes necessary a substantial reduction in wages and an increase in hours

CONCLUSIONS OF THE UNITED STATES RED-CEDAR SHINGLE INDUSTRY

CONCLUSIONS OF THE UNITED STATES RED-CEDAR SHINGLE INDUSTRY
That action be taken under paragraph (b), article X, of the
Canadian trade agreement, and a proposal be made to revise paragraph 1760 to provide for the right to limit the total quantity of
red-cedar shingles which may be entered, or withdrawn from warehouse, for consumption during any given half of any calendar year,
to a quantity not exceeding 25 percent of the combined total of the
shipments of red-cedar shingles by producers in the United States
and the imports of such shingles during the preceding half year,
and for the right to impose an ad valorem duty of 25 percent on all
red-cedar shingles imported into the United States in excess of the
25-percent quota aforesaid.
We believe the foregoing restriction would be fair to the red-

25-percent quota aforesaid.

We believe the foregoing restriction would be fair to the redcedar shingle industry in the United States and in Canada and to
the domestic market. Twenty-five percent of the American market gives to Canada the same proportion of our shingle market it
enjoyed during the years when manufacturing costs were on a
parity. An ad valorem customs duty of 25 percent will amount to
sufficient to reasonably equalize costs, thereby giving the domestic
market red-cedar shingles produced under competive conditions
and in amounts in accordance with the demand.

We are attaching bereto a summary of facts in support of the

We are attaching hereto a summary of facts in support of the proposed change together with charts on the wage situation in the United States and in Canada.

UNITED STATES RED CEDAR SHINGLE INDUSTRY, INC., By DAVID M. WILLIAMS, Secretary-Manager.

SUPPORTING FACTS FOR PROPOSAL TO REVISE CANADIAN TRADE AGREEMENT

- 1. The mill price of shingles dropped approximately 50 cents per square immediately following announcement of the Canadian trade agreement.
- 2. Canadian red-cedar shingle mills which have logs available have been running two 8-hour shifts per day, 6 days per week, or 96 hours weekly, since January 1, 1939, preparatory to dumping enormous quantities of red-cedar shingles on the American market in the spring. Other Canadian mills plan to run double shifts as soon as they can get a sufficient supply of logs in the spring.

 3. Imports in January 1939 were 60.5 percent greater than the average of the three identical months under the old agreement:

January:	Squares
1936	153, 566
1937	168, 779
1938	229, 505
Average	183, 950
January 1939	303, 675

4. The wage differential between American and Canadian mills is more than 30 cents per hour. (See charts attached hereto.)

5. The price of raw material, cedar logs, in the United States is \$18 per thousand feet, or \$1.50 per square of manufactured shingles, compared to \$12 to \$16 per thousand feet, or \$1 to \$1.35 per square of manufactured shingles in Canada.

of manufactured shingles in Canada.

6. The two items, labor and logs, constitute a cost advantage to the Canadians of from 45 to 80 cents per square.

7. American mills have adequate machinery and labor to supply the entire American market. If there had been no imports of shingles during the past 3 years, the total amount of wages received by American workingmen in the industry would have been increased 42.6 percent in 1936, 36.6 percent in 1937, and 34.4 percent in 1938.

8. If American mills had supplied the entire United States market, the entire industry would have been employed 63 additional days in 1936; 71 additional days in 1937; 64 additional days in 1938.

9. Under the 1936 trade agreement, 25 percent of the American market gave the Canadians the same proportion of our shingle consumption they enjoyed during many years of wage parity as found by the Tariff Commission in their 1934 report on the red cedar shingle industry.

10. An ad valorem duty of 25 percent would amount to from 60

cedar shingle industry.

10. An ad valorem duty of 25 percent would amount to from 60 to 70 cents per square. This would enable the American producer to maintain present hours and wage scale and compete with Canadian shingles or imports over a 25-percent quota, yet Canadian shingles could always be imported.

11. A change in this part of the agreement with Canada will not involve any other government, as red-cedar shingles are not exported from the United States and are only imported from Canada.

12. American mills operate on a 6-hour day, 6-day-week schedule, whereas Canadian mills work 8 hours per day, 6 days a week.

13. Present conditions necessitate protection for American mills, or a reduction of 50 percent in wages and an increase in hours of work.

Mr. BONE. Mr. President, I think most Senators will agree that a clear case has been made for a change in the reciprocal-trade agreement so far as shingles are concerned. The red-cedar shingle industry proposed that the President give notice to Canada under paragraph (C) article 10, of the Canadian trade agreements, signed November 17, 1938, to revise paragraph 1760 as follows:

Provide for a reservation of the right to limit the total quantity of red-cedar shingles which may be entered, or withdrawn from warehouse, for consumption during any given half of any calendar year, to a quantity not exceeding 25 percent of the combined total of the shipments of red-cedar shingles by producers in the United States and the imports of such shingles during the preceding half year, and for the right to impose an ad valorem duty of 25 percent on all red-cedar shingles imported into the United States in excess of 25 percent quota aforesaid. States in excess of 25 percent quota aforesaid.

Enactment of this provision would carry out the fixed policy of Congress, as expressed in the Domestic Origins Act-act of March 3, 1875, 18 Statutes 455, and act of March 3, 1933, 47 Statutes 1520. The Congress expressed as its policy that domestic materials should be used on construction of all public improvements.

The language used for instance is that "every contract for the construction, alteration, or repair of any public building or public work in the United States growing out of an appropriation heretofore made or hereafter to be made shall contain a provision that in the performance of the work the contractor, subcontractors, material men, or suppliers shall use only such unmanufactured articles, materials, and supplies as have been mined or produced in the United States, and only such manufactured articles, materials, and supplies as have been manufactured in the United States substantially all from articles, materials, or supplies, mined, produced, or manufactured, as the case may be, in the United States." This gives the substance of the act and there are a few exceptions provided.

It appears that the definite purpose of the Congress was to preserve the American market for American-produced goods so far as possible. The reciprocal-trade treaty with Canada, however, definitely gives over a large part of the American market for shingles to the Canadian producer, and I wish to emphasize that this means that perhaps the entire market for shingles produced in this country may be lost, because we do not export shingles, so the domestic market is the only market we have. The United States consumes most of the red-cedar shingles that are produced anywhere.

It is not a case of us trying to protect the foreign market, trying to compete outside; we are trying to protect the only market for red-cedar shingles, which is the domestic market.

At this point I should like to place in the RECORD as part of my remarks brief extracts from letters which have been received from labor organizations and from business groups in the Pacific Northwest. These clearly show how seriously the reciprocal-trade treaty will affect their business, in their opinions, and they are the best qualified to know.

The PRESIDING OFFICER. Is there objection?

There being no objection, the matter was ordered to be printed in the RECORD, as follows:

Letter, May 19, 1938, R. M. Ingram, secretary, E. C. Miller Cedar Lumber Co., Aberdeen, Wash.: "Urge that no change be permitted in the red-cedar shingle import quota, and that if at all possible the 1935 trade agreement, as far as red-cedar shingles are concerned, be continued so that the 1936 act of Congress may remain in force and the operation of the limitation continue without interruption.

Letter, October 12, 1938, T. E. Heppenstall, Long-Bell Lumber Co., Longview, Wash.: "We are writing to urge that this quota arrange-ment be continued as it now stands."

Letter, October 5, 1938, Charles A. Turner, chairman, employment committee, Fraternal Order of Eagles, Everett, Wash.: "Vigorously protesting Senator Lonergan's attempt to obtain additional Canadian-made shingles over the quota due to alleged inability to obtain American-made shingles. This claim of inability of American shingle mills to meet the demand is an absolute falsehood."

Letter, June 13, 1938, Frank H. Praena, Security-First National Bank, Seattle, Wash.: "Inasmuch as the future of all individuals in this territory and of the territory itself can be measured by the maintenance of its trade and industry. I cannot too strongly urge you to do all in your power to concentrate on west coast lumber in

the Anglo-American and Canadian-American trade agreements now being negotiated."

Letter, C. S. Polson, Polson Mill Co., Hoquiam, Wash.: "This quota, in order to keep this industry stabilized at all, must not be changed in any way or it will bring a condition of chaos within the entire industry." the entire industry

Letter, May 24, 1938, J. Schwarz, Crescent Shingle Co., Kelso, Wash.: "We are hoping that there will be no interruption of the operation of the quota limitation, for if there should be a period of unrestricted imports the shingle industry in the United States

Letter, May 25, 1938, Forks Shingle Co., Forks, Wash.: "We are very anxious to retain our present quota agreement without any interruption and therefore are appealing to you to see President Roosevelt and Secretary Hull and urge that no change be permitted in the red-cedar shingle import quota so that the 1936 act of Congress, limiting the imports to 25 percent of consumption, remain in force." remain in force.

Letter, May 18, 1938, Howard Kiehlbauch, Winton Shingle Co., Leavenworth, Wash.: "We wish to call your attention to the fact that the shingle industry has been very hard hit in the last few years and that the present import quota is not high enough."

Letter, December 8, 1937, W. M. Kirby, president, Skagit Mill Co., Lyman, Wash.: " * "it should be with the idea of decreasing the quotate and more than 200 presents."

the quota to not more than 20 percent to meet present conditions and for the protection of American workmen."

Letter, December 30, 1937, A. G. Hanson, vice president, White River Lumber Co., Enumclaw, Wash.: "We in common with practically all Washington State shingle manufacturers, are opposed to

tically all Washington State shingle manufacturers, are opposed to any change that will bring foreign shingles into our market."

Letter, December 8, 1937, J. W. Lewis, general manager, Willapa Harbor Lumber Mills, Raymond, Wash.: " * * * request that if any change at all is contemplated in the shingle quota that it be a reduction of the percentage from 25 to 20 percent of the American market."

Letter, December 17, 1937, United States Red Cedar Shingle Industry, Inc., Seattle, Wash.: "We have compiled a mass of evidence to show that if 25 percent of the American market was a fair allocation to the British Columbia shingle manufacturers in 1934 (that was the recommendation of the United States Tariff Commission), that percentage is now far too high and the quota should not be over 20 percent."

Letter, December 15, 1937, H. J. Bailey, sales manager, Saginaw

should not be over 20 percent."

Letter, December 15, 1937, H. J. Bailey, sales manager, Saginaw Timber Co., Aberdeen, Wash.: "We feel that under the circumstances with many shingle mills down in the Northwestern part of the country on account of the lack of volume and with our increased costs over our Canadian manufacturers, that instead of increasing the quota they should reduce the quota because our costs have gone up to the point of where we could not possibly meet the competition from Canada."

Letter, December 15, 1937, A. L. Raught, Jr., manager, Weyerhaeuser Timber Co., Longview, Wash.: "Most certainly the shingle quota ought not to be considered at all in connection with any negotiations with Canada but should be allowed to continue in effect without change."

effect without change.

negotiations with Canada but should be allowed to continue in effect without change."

Letter, December 8, 1937, William Leybold, vice president, Leybold-Smith Shingle Co., Tacoma, Wash.: "Please write to the State Department and demand that if any change at all in the shingle quota is considered, that it consist of a reduction of the percentage from 25 to 20 percent of the American market."

Letter, December 14, 1937, E. G. Griggs, St. Paul & Tacoma Lumber Co., Tacoma, Wash.: "Our request, in brief, is that you write the State Department and demand, first, that if the shingle-quota provision of the present Canadian treaty is opened up, that the quota be reduced from 25- to 20-percent basis."

Letter, December 6, 1937, C. H. Kreinembaum, Simpson Logging Co., Shelton, Wash.: "If the shingle section of the Canadian Trade Treaty is to be opened, we would like to have you keep in mind the above-mentioned agreement between the Canadian and American manufacturers, and endeavor to reestablish the 20-percent limitation instead of the present 25 percent."

Letter, December 6, 1937, H. J. Bratlie, Bratlie Bros. Mill Co., Ridgefield, Wash.: "A matter of great importance to the United States shingle industry is a reduction in the quota of Canadian importations from the present 25 percent to 20 percent."

Letter, December 6, 1937, T. E. Heppenstall, Long-Bell Lumber Co., Longview, Wash.: "We do feel that some relief could be obtained immediately by reducing the shingle quota from a 25-percent to 20 percent basis."

Letter, December 7, 1937, C. A. Peters, Washington Shingle Co.

Letter, December 7, 1937, C. A. Peters, Washington Shingle Co., Anacortes, Wash.: "We don't need to tell you what the quota means to our mills and mill employees. Please do not allow our State Department to let the shingle quota be revised at all. And if they do succeed in getting shingle imports considered when the treaties are being made, please fight for us and insist that, if there is any change at all, that change will be a reduction in the amount of British Columbia shingles. The quota should be reduced so that they get only 20 percent of the American shingle business."

Letter, December 2, 1937, W. H. Dole, secretary, Aloha Lumber Co., Aloha, Wash.: "We will appreciate your continued vigilance looking toward giving the mills of Washington and Oregon a fair show with Canadian competition, and hope that if the matter is reopened the Canadian quota can be reduced to at least 20 percent."

Letter, December 2, 1937, Dale Craft, Royal Shingle Co., Whites, Wash.: "As the Canadian mills are operating under a much lower wage scale and a 48-hour workweek, it would be disastrous to the

American shingle industry should it be further handicapped by an

increase in shingle imports.

Increase in shingle imports."

Letter, December 3, 1937, K. F. Richards, Pacific States Lumber Co., Tacoma, Wash.: "* * * it is quite essential that you take up with the State Department the necessity of reducing the quota from 25 percent to a 20-percent basis, in addition to having the quota applied on a monthly basis to avoid present tendencies of flooding the market with Canadian shingles * * *."

Letter, December 3, 1937, Charles Worrell, Blue Ribbon Sales Co., Kalama, Wash.: "We believe it would be a grave economic mistake to remove this import quota and, in our opinion, would be protecting United States labor and industry to lower it to 20 percent of consumption."

Letter, December 3, 1937, J. Schwarz, secretary, Crescent Lumber Co., Kelso, Wash.: "We would appreciate it if you would write the State Department that if any changes are to be made in the present shingle quota it should be a reduction from 25 to 20 percent."

Letter, December 3, 1937, R. D. Mackie, Mackie Mill Co., Markham, Wash.: "We therefore urge you to use all possible efforts to retain the present trade treaty provisions, and whenever it seems possible to make the attempt to try and get the percentage of allowable imports set at 20 percent or less to meet present-day conditions."

Letter, December 3, 1937, A. E. Case, Case Cedar & Shingle Co., Raymond, Wash.: "We feel that you should write the State Department and, if there is any change contemplated in the shingle quota, it should be reduced from the 25 percent now in effect to 20 percent."

Letter, December 6, 1937, A. W. Fairhurst, Fairhurst Lumber Co., Tacoma, Wash.: "We know it is quite unnecessary for us to point out that the 10-percent preference favorable to Canada as a lumber-producing country cannot be overcome by us with our even out that the 10-percent preference favorable to Canada as a lumber-producing country cannot be overcome by us with our even high cost of production, to say nothing of our steamer-freight disadvantages. We ask your favorable hearing, therefore, to our present representation of a most disastrous situation, the truth of which, we believe you will agree, has not been exaggerated."

Letter, November 29, 1937, A. H. Brandis, North Western Logging Co., Hoquiam, Wash: "* * do all you can to see that the quota basis for Canada is reduced, or at least maintained. A 20-percent quota would be much more fair than the present 25-percent guota."

Letter, November 30, 1937, R. M. Ingram, E. C. Miller Cedar Lumber Co., Aberdeen, Wash.: "* * it is our sincere belief * * * that an effort should be made to reduce the Canadian quota to not

that an effort should be made to reduce the Canadian quota to not over 20 percent of American consumption."

Telegram, January 24, 1939, Stanley Specht, secretary, Shingle Weavers' Union, Seattle, Wash.: "British Columbia labor production cost is 35 percent below the American labor cost. * * Since the trade treaty has gone into effect, 59 percent of the American shingle weavers are out of a job, but the Canadian nonunion workers are working full time."

Telegram, January 25, 1939, L. O. McQueen, secretary, Shingle Weavers' Local 2555, Port Angeles, Wash.: "Cannot compete with Canadian-oriental labor, as they work for one-third less and 2 to 4 hours longer than American workmen. Three mills in district now closed."

Telegram, January 25, 1939, Percy Hall, secretary, Shingle Weavers' Local 2542, Raymond, Wash.: "Urge you to do your utmost to get Canadian shippers to operate under quota basis as previously. * * * Mills operating on part-time basis. * * * Placing more local men on relief."

Telegram, January 25, 1939, Guy Bickford, secretary, Shingle Weavers' Local 2526, Mineral, Wash.: "Shingle workers of this district unable to compete with oriental-made shingles from British

Columbia."

Columbia."

Telegram, January 25, 1939, Charles A. Templer, secretary, Washington-Oregon Shingle Weavers' District Council, Seattle: "Request your cooperation in reestablishing 25-percent quota law on Canadian shingles. Better than 50 percent American shingle workers out of job because of new trade treaty with Canada."

Telegram, January 25, 1939, F. J. Muscutt, secretary, Kalama Shingle Weavers' Union, 2755, Longview, Wash.: "At present time 50 percent of the shingle mills are not operating. Other 50 percent are operating part time; this is the result of the reciprocal-trade treaty. Reestablishment of quota will help people of this district."

Telegram, January 25, 1939, Russell R. Mokler, council vice president, Washington-Oregon Shingle Weavers' Union, Anacortes, Wash.: "All shingle mills in this district except one have closed. * * * Mill now operating will close within fortnight. Direct cause for this condition is recent United States and Canada trade agreement and its relation to red-cedar shingles."

Telegram, January 26, 1939, Lee Matthews, recording secretary, Shingle Weavers' Union, No. 2576, Aberdeen, Wash.: "Keep fighting to regain shingle quota."

Telegram, January 26, 1939, Sedro Woolley Local, No. 2547, Sedro

Telegram, January 26, 1939, Sedro Woolley Local, No. 2547, Sedro Woolley, Wash.: "Please do your best to regain shingle quota."
Telegram, January 26, 1939, Portland Shingle Weavers' Local, No. 2543, East St. Johns Shingle Co., Mongrain Shingle Co., Union Avenue Shingle Co., Albina Shingle Co., Portland, Oreg.: "Present reciprocal-trade agreement with Canada very disastrous to the shingle industry in this country.

Telegram, January 26, 1939, Shingle Weavers' Local 2769, Rockaway, Oreg.: Regarding shingle quota, wish you would use all influence possible to regain this quota."

Telegram, January 27, 1939, John J. Bujenich, secretary, Shingle Weavers' Local 2550, Tacoma, Wash.: "Fifty percent of shingle machines down in this district since quota taken off. Favor reestablishing quota."

reestablishing quota."

Letter, January 24, 1939, Jack McCloskey, Shingle Weavers' Union, No. 2576, Hoquiam, Wash.: "In behalf of 700 members of our union who are about to be laid off indefinitely on account of present restriction of Canadian-made shingles being taken off, we beg of you to please do all you possibly can to regain the shingle quota."

Telegram, January 25, 1939, L. Barraford, Shingle Weavers' Union, No. 2529, Bellingham, Wash.: "We suggest that you use every possible influence on shingle quota."

Letter, January 23, 1939, Everett Shingle Weavers' Union, Local

every possible influence on shingle quota."

Letter, January 23, 1939, Everett Shingle Weavers' Union, Local 2580, Everett, Wash.: "Canadian mills, with their cheaper labor, including a large percentage of orientals, and cheaper log prices will be able to completely monopolize the market."

Telegram, January 23, 1939, O. M. Orton, vice president, International Woodworkers of America, Seattle, Wash. (C. I. O.): "Our international union is naturally opposed to any provisions incorporated in any trade treaty which penalizes workers or tends to create unemployment. However, it is our understanding that the Canadian trade treaty is binding for 3 years, and that it cannot be changed by congressional action. We regard this session of the United States Congress of paramount importance to all labor in view of the many legislative measures affecting workers now up for consideration. It Congress of paramount importance to all labor in view of the many legislative measures affecting workers now up for consideration. It is our desire to focus attention on those measures in such a manner as to provide the reactionary forces no ground for attack and to permit no distraction from the major issues involved. We congratulate you on your militant and progressive stand for labor and assure you of our continued support."

Telegram, January 24, 1939, Earl Blackman, secretary, Everett Shingle Workers Union, Everett, Wash.: "Wholeheartedly favor and will actively support any efforts to reestablish a shingle quota by law."

Telegram, October 2, 1938, E. F. Herr, chairman, Joint Board Shingle Manufacturer and Unions, Seattle, Wash.: "Any increase of the 25-percent quota with Canada will again throw American shingle weavers on relief and destroy the American red cedar shingle

Letter, May 24, 1938, Ruby Clark, secretary, Central Labor Council of Willapa Harbor, Raymond: "The Central Labor Council of Willapa Harbor goes on record as requesting you to do everything possible to limit the quota of Canadian shingles to be allowed to enter the United States."

Letter, December 14, 1937, John Budinich, secretary, Local 2550, Shingle Weavers' Union, Tacoma: "The 25-percent quota on Canadian shingles is unsatisfactory and unfair to the United States shingle weaver * * Urge State Department to embargo all British Columbia shingles * * *."

British Columbia shingles * * *."

Letter, Sam McGlumphy, secretary, Shingle Weavers' Union,
Local No. 2543, Portland, Oreg.: "The whole of the shingle industry is being affected by the influx of cheaper Canadian shingles,
and we as a body urge you * * * to help bring about a reduction in the quota."

Letter, December 8, 1937, Virgil Darnell, secretary, Local 2769,
Shingle Weavers' Union, Wheeler, Oreg.: "Urgently request you

* * use all influence possible * * to place absolute embargo on British Columbia shingles until such time as the American
mills are running steadily, and to reduce the quota from 25 percent
to 10 percent."

mills are running steadily, and to reduce the quota from 25 percent to 10 percent."

Letter, December 8, 1937, C. M. Cavanaugh, recording secretary, Local 2529, Shingle Weavers' Union, Bellingham, Wash.: "Ask that you urge State Department to embargo British Columbia shingles except when the American mill can operate steadily and to reduce the quota to 10 percent instead of 25 percent."

Letter, December 6, 1937, Howard C. Faires, recording secretary, Shingle Weavers' Union, Local 2585, Centralia, Wash.: Substantially same as above

Letter, December 8, 1937, E. J. Smith, president, Local 2586, Shingle Weavers' Union, Anacortes, Wash.: "We believe that the present 25-percent quota on British Columbia shingles is unsatisfactory and unfair to the shingle weavers and manufacturers of this

Mr. BONE. Mr. President, some question will be raised whether Congress by statute can change a reciprocal-trade agreement. I am prepared to discuss that if necessary. It is not likely that it can be successfully contended that these agreements have the sanctity of treaties inasmuch as they do not require ratification by the Senate. Even a treaty may be abrogated by act of Congress, since a treaty under the Constitution is placed on the same footing as a statute. Since this is true of a treaty, it necessarily follows that the Congress can set aside any agreement of a lesser dignity.

I would not suggest that the United States make "scraps of paper" of its treaties as many foreign nations do, but I am pointing out that the Congress has that power if it desires to exercise it; and in the case of the trade agreements no such moral question is involved. There is no guaranty, specific or implied, in the trade agreements that Congress will withhold any legislation that might in any way impair or change those

agreements. If proponents of the legislation take the view that Congress is under a moral obligation not to enact legislation inconsistent with the agreements, they would seem to be placed in a dilemma where they insist that the agreements are not treaties, hence do not require Senate ratification, and at the same time they are not subject to termination at the will of the Congress as executive agreements in this field have heretofore always been thought to be.

PRINTING OF PROCEEDINGS COMMEMORATING ONE HUNDRED AND FIFTIETH ANNIVERSARY OF FIRST CONGRESS

The PRESIDING OFFICER (Mr. LA FOLLETTE in the chair) laid before the Senate the concurrent resolution (H. Con. Res. 12), which was read, as follows:

Resolved by the House of Representatives (the Senate concurring), That the proceedings at the joint session of the two Houses of Congress held in the House of Representatives on Saturday, March 4, 1939, in commemoration of the one hundred and fiftieth anniversary of the commencement of the First Congress of the United States under the Constitution, together with such additional matter as the joint committee on arrangements in charge of these ceremonies may deem fitting and appropriate in connection with this historical event, be printed, with illustrations, as a document; and that 1,000,000 additional copies be printed, of which 200,000 copies shall be for the use of the Senate and 800,000 copies for the use of the House of Representatives.

Mr. BARKLEY. I ask unanimous consent that the concurrent resolution be considered and acted upon at this time.

The PRESIDING OFFICER. Is there objection?

There being no objection, the concurrent resolution was considered and agreed to.

Mr. BARKLEY. Mr. President, I ask unanimous consent that an order which was made at my request on March 6, 1939, for the printing as a Senate document of the proceedings of the joint meeting of the two Houses be rescinded, in view of the adoption of the concurrent resolution.

The PRESIDING OFFICER. Without objection, the order will be rescinded.

LOANS UNDER THE VARIOUS ACTS OF CONGRESS TO CZECHOSLOVAKIA

Mr. LUNDEEN. Mr. President, events are moving rapidly in Europe. I wish to revert briefly to a matter which seems to have been overlooked; that is the Czechoslovakian debt accrued under the various acts of Congress.

The total principal amount of obligations, received under Liberty Bond Acts of November 15, 1922, is \$61,974,041.10.

Total principal obligations received for surplus supplies sold on credit under act of July 9, 1918, \$20,604,302.49.

Total principal amount of obligations received for relief supplies furnished on credit under act of February 25, 1919, \$6,428,089.19.

HUGE SUMS THROWN AWAY TO FOREIGNERS

Total principal amount of obligations received for relief supplies furnished on credit under act of March 30, 1920, \$2,873,238.25.

A total of \$91,879,671.03.

By the act of February 9, 1922, Congress created the World War Foreign Debt Commission, consisting of five members, with authority to refund or convert and extend the time of any obligation of any foreign government into bonds or other obligations of such foreign governments in substitution for the bonds or other obligations of such governments now or hereafter held by the United States. The settlements were made on the basis of the estimated ability of the debtors to pay. The amount due was thus limited and reduced by the estimated ability to pay.

FOREIGN DEBTS SCALED DOWN

In the case of Czechoslovakia, it was finally agreed to make the settlement as of June 15, 1925, to compute the accrued and unpaid interest on the post-armistice debt at 41/4 percent up to December 15, 1922, add the amount thereof to the principal and compute interest at 3 percent per annum on the total amount then due up to June 15, 1925.

Indebtedness at time of funding_____ __ \$91, 879, 671.03 Interest at time of funding____

Total indebtedness at time of funding_____ 117,858,413.94 LXXXIV-180

WHERE IS THE MONEY NOW?

There were some differences between the records of the Czechoslovak Government and the War Department with respect to the purchase of surplus war material on credit. In order not to delay the settlement it was agreed that a reduction would be made of the accrued and unpaid interest and a settlement made in the sum of \$115,000,000.

Funded debt on June 15, 1925 _ \$115,000,000,00

Principal of debt as funded as of June 15, 1925___ Interest funded under debt agreements_____ 115, 000, 000. 00 70, 071, 023. 07

Principal of bonds for the Czechoslovakian Government to be paid to the United

185, 071, 023, 07

The increase of \$70,071,023.07 was due to the smaller payments during the first 18 years, this difference being funded over the remaining 44 years, compounded annually. It was agreed that for the first 18 years Czechoslovakia would make payments of \$1,500,000.

Interest payable over the 62-year period_____ \$127,740,410.81

312, 811, 433.88 a total payment from the Czechoslovakian Gov-

165, 241, 108. 90 16, 315, 400, 85

20, 134, 092, 26

ONE HUNDRED AND FIFTY MILLION DOLLARS NEEDED FOR P. W. A.

This debt, Mr. President, represents money or supplies advanced by the American people, with interest thereon, at a low rate, and totals \$312,811,000. We are talking about giving the W. P. A. \$150,000,000. I am in favor of that amount being granted. It has been asked for by the Chief Executive of this great Nation. The people concerned need employment. They are hungry, they are destitute, many of them are homeless. But here, Mr. President, is a figure of \$312,811,000, an amount which might as well eventually be thrown into the ocean, so far as Uncle Sam is concerned, and I wonder where the gentlemen are, and what answer they would make with respect to the money loaned to the Czechoslovakian Government. I opposed that policy 22 years ago, and I opposed the policy of lending this money to any and to all foreign governments involved in the World War.

WE SHOULD HAVE INVESTED THAT MONEY IN AMERICA

I was in favor of expending the money here in America, under our own flag, and for our own people. But we insisted on going over to Pittsburgh and cutting up pieces of Europe and putting them together, and in the central part of Europe we constructed a nation—that was done in Pittsburgh and then we boxed our ideas up, shipped them over, and inflicted them upon Europe and put our label on it all, and they had to take it as it came to them. We were the judge and the jury and policeman. I said then that that nation would never live, that it was a nation with feet of clay, that it would fall apart, that it was not a natural group of people who would live together through history, and we certainly have discovered that that is true. The various states have now fallen apart.

Mr. CLARK of Missouri. Mr. President, will the Senator yield?

Mr. LUNDEEN. I yield.

Mr. CLARK of Missouri. While the Senator is talking about the debt problem, does he have any idea that the loan to Czechoslovakia, which has now, I think, in great measure disappeared, was any worse loan than the loan to France, the loan to England, or the loan to Italy, or the various extensions of credit we made to Germany? Why was the loan to Czechoslovakia a worse loan than the others? Why is the Czecloslovakian loan a worse loan today than the loans, very much larger loans, which we have outstanding to the so-called great democracies and the so-called dictatorships, to France and Great Britian, to Italy and Germany?

WE SHOULD NEVER HAVE MADE ANY OF THESE FOREIGN LOANS

Mr. LUNDEEN. I think the question of the Senator from Missouri answers itself. Of course, none of these loans should have been made. We loaned some thirty or forty million dollars to Austria. Where is that money now? The American people need that money. We need it for our own people, our own institutions, and our own Government.

FARMERS AND LABOR CREATED THIS VAST FUND OF WEALTH

I opposed the policy of loaning and squandering American money that had to be dug out of the earth by the farmers and the miners of America. In the sweat of their brows they produced that money and, like the prodigal son, we went abroad over the earth and threw it right and left. I opposed that policy and I oppose it now. However, I see some indication of the prodigal son returning to the home of the fathers and the founders, and I thank God for that. Perhaps, after we have burned our fingers long enough, we will become wholly American in spirit and think of our own

Mr. REYNOLDS. Mr. President, will the Senator yield?

Mr. LUNDEEN. I yield.

Mr. REYNOLDS. Naturally I am very much interested in what the Senator has to say. As the Senator stated at the outset, the President is now calling upon the Congress of the United States to make an additional appropriation of \$150,000,000 for the benefit of the unfortunate persons on the rolls of the W. P. A. We Americans are desirous of providing for our National Treasury funds sufficient to meet our demands at home. It just occurred to me to ask the Senator whether or not he is in a position to provide the Senate with information pertaining to the total amount of money due the United States from all the countries in the world. I doubt whether the Senator has that information at the present time.

I think such information would be very interesting to the Members of this body. As I stated, I doubt whether the Senator has that information at his fingertips at the present time, but I thought perhaps he could give some general

information on that question.

DEBT OF \$25,000,000,000 AND \$50,000,000,000 PLUS, AND WHERE IS THE MONEY NOW?

Mr. LUNDEEN. I will say to the Senator that my offhand recollection is that the debt, over the 62-year period, was approximately \$25,000,000,000, and that it was canceled to the extent of half. According to a speech made upon this floor by former Senator Howell, of Nebraska, we canceled \$12,087,667,000.

Mr. REYNOLDS. I assume the Senator has in mind the indebtedness of the allied nations to the United States at

the close of the World War.

Mr. LUNDEEN. Yes; and subsequent to the World War we loaned them further sums. The total amount was cut approximately in half.

ENOUGH MONEY TO PAY ALL OUR REAL-ESTATE MORTGAGES

Mr. REYNOLDS. It was reduced 50 percent. My recollection in that regard is that the specific debt of the Allies themselves to the Government of the United States, after the 50-percent reduction, has been estimated at \$11,000,-

Mr. LUNDEEN. Thereabouts. Mr. REYNOLDS. I was speaking of the sums due the United States in addition to the \$11,000,000,000, recalling, as I do, that loans have been made to European powers, and credits have been extended to virtually every single one of the republics to the south of us, that is to say, in South and Central America and the West Indies.

Mr. LUNDEEN. I am very much interested in the Senator's statement. We remember the able discussion in the Senate concerning loans to Brazil and other governments. We have in mind particularly the loan to Brazil, which, I think, is \$120,000,000. The able Senator stated that part of that sum was to be used to pay off Brazil's obligations to Great Britain. Great Britain is very limited in funds and resources, having only about one-third of the earth-600,-000,000 people—and producing five times the gold we produce in the United States, producing in South Africa an amount equal to four times our gold production, and producing in Canada an amount equal to our production. Great Britain has no money, so we lend Brazil money so that Brazil can pay Great Britain. Of course, I need not mention the diamond mines of the Boer republics put down in a sea of blood to fill the coffers of the British Empire.

Mr. CLARK of Missouri. Mr. President, will the Senator

Mr. LUNDEEN. I yield to the able Senator from Missouri. Mr. CLARK of Missouri. I do not wish to interrupt the trend of the Senator's argument; but when we begin to talk about the debt settlements, it seems to me we should remember that Great Britain and France were the only nations in the world which were willing to pay in any degree whatever their obligations to us incurred during the war. I hold no brief whatever for the so-called democracies of Great Britain and France; but they were the only nations in the world that were willing to pay in any degree. Does not the Senator remember that after Great Britain had agreed to settle with the United States on a basis somewhere between 75 and 80 cents on the dollar, the United States Government deliberately entered into an agreement with Italy, then under the dictatorship of Mussolini, by which we settled with Italy for less than 20 cents on the dollar?

I hold no brief whatever for either Great Britain or France, or for anybody else in the European melee. However, I feel that Americans should remember that Great Britain negotiated an agreement to settle on a basis somewhere between 75 and 80 cents on the dollar. France made an agreement to settle on a basis somewhere between 40 and 45 cents on the dollar. Thereafter the United States deliberately entered into an agreement with the dictatorship of Mussolini for a settlement on the basis of less than 20 cents on the dollar. So, when the Senator says that all these nations owe us money, a statement in which I fully agree, I think it is fair to say that the United States, by making a better settlement with the dictatorship of Mussolini than it made with the Governments of France and Great Britain, deliberately contributed to the present European situation.

NEGOTIATIONS ALL ENDED IN VAST CONCESSIONS TO EUROPE AT THE EXPENSE OF OUR OWN TAXPAYERS

Mr. REYNOLDS. Mr. President, will the Senator yield? Mr. LUNDEEN. I yield.

Mr. REYNOLDS. I will say to the Senator-and I am merely making this statement in the form of an inquiry as a result of the statement made by the Senator from Missourithat I was under the impression that there were negotiations with Great Britain for a settlement on a basis between 75 and 80 percent. My recollection is that there were negotiations with France on the basis of 38 or 40 percent, and with Italy on the basis of approximately 20 percent.

Mr. CLARK of Missouri. Each of those settlements was a separate subject of very intense debate in both the House of Representatives and the Senate of the United States; and the Italian settlement was the subject of one of the most virulent debates that ever took place in this body or the House of Representatives. The settlements were all enacted into law only by virtue of the approval by the American Congress of definite agreements made with the various

I return to the same statement with which I started, that Great Britain made the first agreement, in which she deliberately bound herself to pay approximately 80 percent of her obligations to us. Naturally, when the United States made different agreements with other nations, running down to less than 20 percent with Italy, Great Britain did not feel the same bond of moral obligation which she had originally

GREAT BRITAIN AIDED AT THE EXPENSE OF AMERICAN TAXPAYERS

Mr. LUNDEEN. I thank the Senator. However, I call the able Senator's attention to the fact that Great Britain—this great, powerful empire-did receive a very substantial reduction, and I can see no good reason for complaint of the

Mr. REYNOLDS. I likewise am very much obliged to the Senator for the information.

Mr. LUNDEEN. In that connection, let me say that if my recollection serves me correctly, we refunded and settled with Mussolini at an interest rate of about one-tenth of 1 percent for the first 10 years. At the rate of one-tenth of 1 percent, I would imagine that we were setting Mussolini up in business. If an American desires to build a house, he cannot obtain money for one-tenth of 1 percent. An American is out of luck; but Mussolini can obtain money at one-tenth of 1 percent from our world savers. It is about time we turned our minds and attention to the United States.

I now wish to continue and show that up to January 31. 1938, the United States Government received a total payment from the Government of Czechoslovakia of \$20,134,000. The total indebtedness of the Government of Czechoslovakia to the United States as of January 31, 1938, was \$165,241,000. That is the figure we see referred to in the press. That figure is more than \$15,000,000 in excess of the figure we ask for the W. P. A.

The distinguished Senator from Wisconsin, now so ably presiding over the Senate, yesterday battled nobly for socialized medicine in the small amount of \$5,000,000. Now, this \$15,000,000 is three times that sum. So this debt I now speak of, if paid, would take care of our W. P. A. problem, and three times the amount the Senator from Wisconsin asked for within 24 hours. Sir, what manner of men permit foreign interests to triumph over our own? As nearly as I can determine, the money is thrown into the ocean of international finance, and is lost overboard by our internationally minded financiers, who have no country, no flag, and no patriotism, and who worship only one god, the god of gold. These financiers receive vast commissions on their international transactions. If the Government loses, they can collect their private loans. I do not wish to go into that phase of it at this time.

ROBERT M. LA FOLLETTE, SR., HEAD AND SHOULDERS ABOVE OUR WORLD

In the case of Czechoslovakia, the amount not paid in this particular debacle, in accordance with the agreement, up to January 31, 1938, is \$16,315,000. These statistics are from the Treasury Department, office of Commissioner of Accounts and Deposits, as of January 31, 1938. No wonder the little giant from Wisconsin, Robert M. La Follette, Sr., battled his life away against this suicidal, un-American policy, a policy which, if long continued, will lead us into abysmal disaster.

We should bear in mind several things. One of them is that when a refunding agreement is not lived up to, in my humble opinion, we revert to the original amount. I think the American people will hear much about that question in future years.

Mr. REYNOLDS. I am just wondering, if the Senator will pardon me, what is the status of that settlement. Upon what basis was the settlement made? And was the basis upon which it was made such that the original amount becomes due in case the reduced, agreed-upon amount is not liquidated in accordance with the agreement? We are now back to the original amount due before the refunding.

Mr. LUNDEEN. In my humble opinion, it reverts to the original amounts which were due, and that is the amount that the loans are costing the American public-the principal of the bonds sold and the interest paid. I have not been able to secure the statistics on that subject all the way through, but it is my belief-and I am willing to be corrected by Senators-that it will exceed \$50,000,000,000 when it is figured up.

Mr. CLARK of Missouri. Mr. President, will the Senator yield?

Mr. LUNDEEN. Certainly. Mr. CLARK of Missouri. What difference does it make whether we have a claim for 25 cents or a claim for \$25,000,-000,000 if we can not collect even 1 cent on the claim?

I once heard of an old colored man who said he would rather have part of something than all of nothing. [Laughter.] That was the basis upon which this settlement was made with the various countries. The countries have not carried out in good faith the settlement which was made; but does not the Senator believe it is true that at the end of the war the United States, being then the greatest creditor nation in the world, deliberately pursued a war of economic aggression against every other country in the world? Having possession of the greatest gold supply in the world, we deliberately collected nearly all the gold in the world, and, while properly demanding payment in full of the debts incurred with us by other nations, we deliberately erected tariff walls and economic barriers by which we prevented them from paying us in the only medium in which they could pay us, which was in goods and commodities.

Mr. President, I feel very strongly in sympathy with the position of the Senator about the debts owed to us by other nations; but in all fairness to the other nations I must say that the United States has deliberately pursued a policy which prevented them from having any opportunity to pay the debts. I cannot bring myself to argue in favor of foreign

Mr. REYNOLDS. Mr. President, will the Senator yield?

Mr. LUNDEEN. If the Senator from North Carolina will withhold his interruption for a moment. I should like to reply to the Senator from Missouri; and then I shall be glad to yield to the Senator from North Carolina.

I have great respect for the judgment of the able Senator from Missouri; but I cannot agree with those who adopt the philosophy of the colored philosopher that "a little of something is better than all of nothing," or whatever it was. I prefer to follow the philosophy of Andrew Jackson in the settlement of the French war debt, to which I have frequently referred, which he collected in full as President of the United States from the French when they had refused to pay year after year for 25 years. That old warrier—true, red-blooded American that he was—stated to the French Government that if they did not pay the debt he would haul down the flag of France over the islands of the West Indies and take possession of them-that he would seize them-in addition to the gold and collaterals and papers of French citizens on deposit in American financial institutions, and permit me to say further I cannot bring myself to argue in favor of foreign

Mr. CLARK of Missouri. Mr. President, will the Senator vield?

Mr. LUNDEEN. I yield.

Mr. CLARK of Missouri. I have very carefully read, not once but many times, all the diplomatic correspondence in connection with the collection of the French debt, and in all of that correspondence I have not been able to find any suggestion that President Jackson ever informed the French or informed anybody else that he intended to take possession of the French islands in the Western Hemisphere. If the Senator from Minnesota has any such information as that, I think it would be very interesting to have it pointed

Mr. LUNDEEN. Here is the information-page 5511, June 9, 1933, Congressional Record, Seventy-third Congress, first session, volume 77, part 6-and I am inserting this speech as part of my remarks. It is entitled "Andrew Jackson, American, and the French Debt." Failure of France to pay America installments due on World War and post World War debts recalls stern, successful measures taken by "Old Hickory":

ANDREW JACKSON, AMERICAN, AND THE FRENCH DEBT—FAILURE OF FRANCE TO PAY AMERICA INSTALLMENTS DUE ON WORLD WAR AND POST WORLD WAR DEBTS RECALLS STERN, SUCCESSFUL MEASURES TAKEN BY "HICKORY"

Mr. Lundeen. Mr. Speaker, I ask unanimous consent to address the House for 1 minute.

The SPEAKER pro tempore. Without objection, the gentleman is recognized for 1 minute.

There was no objection.

Mr. Lundeen. Mr. Speaker, there has been a great deal of discussion about how to handle our foreign debts—the French debts and other debts. I ask unanimous consent to revise and extend my remarks to show the wonderful statesmanlike manner in which

Andrew Jackson, a real fighting American and a great Democrat, handled a similar situation in his time. [Applause.]

The Speaker pro tempore. Without objection, it is so ordered.

There was no objection.

Mr. Lundeen. Mr. Speaker, between the years 1800–1817 a series of unprovoked aggressions upon our commerce was authorized and sanctioned by the Government of France, most of which occurred during the time that Napoleon was conducting his many wars, and

during the time that Napoleon was conducting his many wars, and particularly his wars against England. There is a striking parallel between the aggressions on our commerce at that time and the aggressions committed on our commerce by the contending parties in 1914, 1915, 1916, and 1917 during the World War, the only difference being a matter of degree, and the fact that lives were lost by reason of the aggressions during this last war.

Our Government during this terrific struggle between the Government of France, headed by Napoleon, and the other European countries, took the attitude that any damage to our commerce or injury that we received by reason of said war could be adjusted after the war was over. As a result, at the conclusion of these wars our Government insisted that the French Government pay for these wrongs perpetrated upon our commerce: and after considerable

our Government insisted that the French Government pay for these wrongs perpetrated upon our commerce; and after considerable negotiations a treaty between our Government and the French Government was concluded and signed on the 4th day of July 1831, by which it was stipulated and set forth, as stated in President Jackson's message to Congress, December 1, 1834, that—
"The French Government, in order to liberate itself from all reclamations preferred against it by citizens of the United States for unlawful seizures, captures, sequestrations, confiscations, or destruction of their vessels, cargoes, or other property, engages to pay a sum of 25,000,000 francs to the United States, who shall distribute it among those entitled, in the manner and according to the rules it shall determine."

According to this treaty the French Government was to pay this 25,000,000 francs in six annual installments of 4,166,666 francs and 66 centimes each—

66 centimes each-

"The first installment to be paid at the expiration of 1 year next following the exchange of the ratification of this convention, and the others at successive intervals of a year, one after another, till the whole shall be paid. To the amount of each of the said installments shall be added interest at 4 percent there-

till the whole shall be paid. To the amount of each of the said installments shall be added interest at 4 percent thereupon" * * *.

This treaty was duly ratified by both parties, and the ratification was exchanged at the city of Washington on February 2, 1832.

Jackson in his message goes on to say:

"No legislative provision has been made by France for the execution of this treaty, either as it respects the indemnity to be paid or the commercial benefits to be secured to the United States.

* * * Advice of the exchange of ratifications reached Paris prior to April 8, 1832. The French Chambers were then sitting, and continued in session until the 21st of that month, and although one installment of the indemnity was payable on February 2, 1833, 1 year after the exchange of ratifications, no application was made to the Chambers for the required appropriation; and in consequence of no appropriation having then been made, the draft of the United States Government for that installment was dishonored by the Minister of France, and the United States thereby involved in much controversy.

"The next session of the Chambers commenced on November 19, 1832, and continued until April 25, 1833. Notwithstanding the omission to pay the first installment had been the subject of earnest remonstrance on our part, the treaty with the United States and a bill making the necessary appropriations to execute it were not laid before the Chamber of Deputites until April 6, nearly 5 months after its meeting, and only 19 days before the close of the session. The bill was read and referred to a committee, but there was no further action upon it.

"The next session of the Chambers commenced on April 26, 1833, and continued until June 26 following. A new bill was introduced on June 11, but nothing important was done in relation to it during the session.

In the month of April 1834, nearly 3 years after the signature of the treaty, the final action of the French Chambers upon the bill to carry the treaty into effect was obtained, and resulte

of the treaty, the mai action of the French Champers upon the bill to carry the treaty into effect was obtained, and resulted in a refusal of the necessary appropriations. * * * * * * The refusal to vote the appropriation, the news of which was received from our Minister in Paris about the 15th day of May, last (1834), might have been considered the final determination of the French Government not to execute the stipulations of the treaty, and would have justified an immediate communication of the facts to Congress with a recommendation of such ultimate the facts to Congress, with a recommendation of such ultimate measures as the interest and honor of the United States might seem to require. But with the news of the refusal of the Chamseem to require. But with the news of the refusal of the Chambers to make the appropriation were conveyed the regrets of the King and a declaration that a national vessel should be forthwith sent out with instructions to the French Minister to give the most ample explanations of the past and the strongest assurances for the future. After a long passage the promised despatch vessel arrived. The pledges given by the French Minister upon receipt of his instructions were that as soon after the election of the new members as the charter would permit the legislative chambers of France should be called together and the proposition for an appropriation laid before them; that all the constitutional powers of the King and his cabinet should be exerted to accomplish the object; and that the result should be made known early enough to be communicated to Congress at the commencement of the present session.

The French Government of 1834 had the decency to apologize for its failure to pay an obligation.

Andrew Jackson, relying upon these pledges, did not communicate the above facts to Congress, relying as he did, upon the assurances of the French Government. In this message of De-

cember 1, 1834, Andrew Jackson goes on to say:
"I regret to say that the pledges made through the Minister of
France have not been redeemed. The new Chambers met on July 31 last, and although the subject of fulfilling treaties was alluded to in the speech from the throne, no attempt was made by the King or his cabinet to procure an appropriation to carry it into execution "

Andrew Jackson then makes this emphatic assertion:

Andrew Jackson then makes this emphatic assertion:

"The idea of acquiescing in the refusal to execute the treaty will not, I am confident, be for a moment entertained by any branch of this Government, and further negotiation upon the subject is equally out of question."

And then Andrew Jackson goes on to say:

"Our institutions are essentially pacific. Peace and friendly intercourse with all nations are as much the desire of our Government as they are the interest of our people. But these objects are not to be permanently secured by surrendering the rights of our citizens or permitting solemn treaties for their indemnity, in cases of flagrant wrong, to be abrogated or set aside."

Andrew Jackson was not a man who indulged in fine speech, but when he was through speaking no one could doubt the meaning

Andrew Jackson was not a man who indulged in fine speech, but when he was through speaking no one could doubt the meaning of his words. For example, he goes on to say:

"There is but one point in the controversy, and upon that the whole civilized world must pronounce France to be in the wrong. We insist that she shall pay us a sum of money which she has acknowledged to be due, and of the justice of this demand there can be but one opinion among mankind."

And a few sentences later in his message he said:

"It is my conviction that the United States ought to insist on a prompt execution of the treaty, and in case it be refused or longer delayed, take redress into their own hands. After the delay on the part of France of a quarter of a century in acknowledging these claims by treaty, it is not to be tolerated that another quarter of a century is to be wasted in negotiating about the payment. The laws of nations provide a remedy for such occasions. It is a well-settled principle of the International Code that where one nation owes another a liquidated debt which it refuses or neglects to pay, the aggrieved party may seize on the property belonging to the other, its citizens, or subjects sufficient to pay the debt without giving just cause of war. This remedy has been repeatedly resorted to and recently by France herself toward Portugal, under circumstances less unquestionable."

And then listen to the American attitude of a real American when he says:

"Since France, in violation of the pledges given through her Min-

when he says:

"Since France, in violation of the pledges given through her Minister here, has delayed her final action so long that her decision will not, probably, be known in time to be communicated to this Congress, I recommend that a law be passed authorizing reprisals upon French property in case provision shall not be made for the payment of the debt at the approaching session of the French Chambers. Such a measure ought not to be considered by France as a menace. Her pride and power are too well known to expect anything from her fears and preclude the necessity of a declaration that nothing partaking of the character of intimidation is intended by us. She ought to look upon it as the evidence only of an infexible determination on the part of the United States to insist on their rights. That Government by doing only what it has itself acknowledged to be just will be able to spare the United States the necessity of taking redress into their own hands and save the property of French citizens from that seizure and sequestration which American citizens so long endured without retailasave the property of French citizens from that seizure and sequestration which American citizens so long endured without retaliation or redress. If she should continue to refuse that act of acknowledged justice and, in violation of the law of nations, make reprisals on our part the occasion of hostilities against the United States, she would but add violence to injustice, and could not fail to expose herself to the just censure of civilized nations and to the retributive judgments of heaven.

"Collision with France is the more to be regretted on account of the position she occupies in Europe in relation to liberal institutions, but in maintaining our national rights and honor all governments are alike to us."

The result of this message to Congress was the cause of great excitement in France, and the French Government instead of acknowledging that they were in the wrong and offering to make amends to pay the debt which they had solemnly declared to be due under the treaty dispatched war fleets to the coasts of this country, and bills were introduced in the French Chambers for increased military activity, looking to war with the United States.

country, and bills were introduced in the French Chambers for increased military activity, looking to war with the United States. In other words, France was on the point of going to war with the United States over 25,000,000 francs rather than pay her honest and acknowledged obligation. However, we had in the White House a man who not only was a real American but one who could not be frightened even in the early days of this Republic by the power and majesty of the French Government.

Without going into further details of this controversy, the firm American attitude of Andrew Jackson resulted in the full payment by the French Government of this obligation within a very short time, and without any war, and the net result was a greater respect for the American Republic on the part of the French Government than they had ever entertained before. It might also be added that during the Jackson administration the American Gov-

ernment had money coming from Denmark, from Spain, from the Two Sicilies, and that Jackson in each and every case insisted on the prompt payment of these obligations; and when he left the Presidency, every foreign debt due the United States had been paid in full with the exception of Portugal's, which was paid in 1851.

It might also be added that during the Revolutionary War France loaned the United States \$8,000,000, and when the treaty of peace was signed in Paris, September 3, 1783, the French demand for a payment of this debt reached the United States before news

France loaned the United States \$8,000,000, and when the treaty of peace was signed in Paris, September 3, 1783, the French demand for a payment of this debt reached the United States before news of the signing of the treaty of peace reached our Government. Our American forefathers did not in reply plead poverty, did not shout to high heaven that they had just emerged from a 7-year war in defense of human liberty, and ask for "funding" of the debt on ability to pay. They paid in full and with interest.

France must be taught the lesson in 1933 that a debtor who refuses to pay should be treated accordingly. That we Americans refuse to assume any more of her financial obligations to enable her to strut before the world, the most militaristic nation on earth, spending over \$500,000,000 a year on armaments, while she has the second largest gold reserve in the world. She must be taught that breaking treaties and solemn obligations is just as dishonorable when perpetrated by France as when indulged in by any other nation. That dishonor is dishonor; that repudiation is repudiation. She must be taught that we have too high a regard for France herself to permit her in such a high-handed manner to flaunt the solemn obligation of her Government; and, lastly, she must be taught that we still believe what Jackson so forcibly said, that "in maintaining our national rights and honor all governments are alike to us." [Applause.]

Mr. Speaker, ladies and gentlemen of the House, let me quote again from Jackson's fourth annual message. Speaking of keeping out of the quarrels of Europe, he said:

"Nor have we less reason to felicitate ourselves on the position of our political than of our commercial concerns. They remain in the state in which they were when I last addressed you—a state of prosperity and peace, the effect of a wise attention to the parting advice of the revered Father of his Country on this subject, condensed into a maxim for the use of posterity by one of his most distinguished successors—to cultivate free commerc

Pent on us as a neutral nation, and our own citizens may equally rely on the firm assertion of their neutral rights."

Andrew Jackson's two terms as President of the United States covered the period from March 4, 1829, to March 4, 1837, and Europe, always on the brink of war, was in a dangerous frame of mind

then, as now.

Having followed in the footsteps of the Washington-Jefferson policy, Andrew Jackson was able to say in his fifth annual message,

policy, Andrew Jackson was able to say in his fifth annual message, December 3, 1833:

"A large balance will remain in the Treasury after satisfying all the appropriations chargeable on the revenue for the present year."

Jackson, in his sixth annual message, declared the country "free from public debt, at peace with the world."

The foreign policy he followed has been observed by every worthwhile statesman from Washington to April 6, 1917. Permit me to call attention to a changed foreign policy in recent years. I read here an editorial from the Minneapolis Tribune of January 27, 1929:

"AMERICA ARMS THE WORLD

"Senator Typings, of Maryland, wants the United States to use its money power as a club to force the rest of the world to disarm. He reasons that since the rest of the world is forced to come to America for loans, this country could exert an influence for good by putting an embargo on money against nations that maintain excessive armies and navies. To this end he proposes a resolution directing the Secretary of State to forbid American bankers to make the objectionable loans. This is perhaps a sample of the "hard-boiled" attitude which former Secretary of War Newton D. Baker was urging this country to adopt the other day toward bellicose governments. bellicose governments.

Secretary Kellogg has been doing something like this for the past Secretary Kellogg has been doing something like this for the past few years, exercising a veto on loans to governments which refuse to settle their war debts to America, but success of the plan depends on voluntary cooperation of the bankers. Although there is no power in the Government to compel submission of loans to the State Department for approval, the bankers in practice find it advisable not to run counter to the wishes of Secretary Kellogg. Whether they would submit so easily to a general embargo on all loans to half the world is another matter.

Senator Tydnos' resolution, however, has served the useful purpose of calling attention to the fact that America is lending many

pose of calling attention to the fact that America is lending many countries every year about the full amount of their military expenditures. These loans, of course, are chiefly to private business, but the sums so released abroad thereby become available for use of armies and navies. Viewed in this rather indirect way, the United States is supporting about half the military establishments of Europe.

"The United States can hardly embark on any such crusade as Senator Typings wants, but it is a striking commentary on the inability of the world to learn from experience that 10 years after

the war to end war Europe has an aggregate standing army of more than 3,000,000 soldiers. Europe is as much an armed camp today as in 1914, and so long as that is true, it is idle to talk of another war as 'impossible.'

another war as 'impossible.'"

And let me say this to our American people: That misrepresentatives of America have been supporting the military establishments of Europe and the emperors and empires of Europe ever since the World War. It is time to put a stop to the misleadership of these so-called 'gentlemen' who have been busily engaged in destroying American prosperity.

Serving in the Continental Army under George Washington, Andrew Jackson, American soldier lad of 14, flung back the taunts and insults of British officers whose boots he refused to clean, and suffered wounds at their hands.

This American soldier famous general and statement supreme

This American soldier, famous general and statesman supreme, drove the last of the British armies from American soil in a decisive and brilliant victory at New Orleans, and they never returned from

and brilliant victory at New Orleans, and they never returned from that day to this, except as propagandists to propagandize us into the quarrels of Europe.

Can anyone doubt what the stand of Andrew Jackson would have been in 1917, when another Democrat plunged us into the quarrels of Europe after solemnly promising the American people that if they would reelect him he would keep us out of war?

I commend the state papers of Andrew Jackson as real American literature, virile, living today, as they were throbbing with life in his time. The greatness of Jackson resulted very largely from his virile Americanism and his following the precepts and advice of the founders of the Republic

founders of the Republic.

I want you, my fellow Americans, to know the words of Washington, and I want you to know that they are pertinent today. I read you an editorial dated February 22, 1930, printed on Washington's Birthday, in the Minneapolis Tribune:

"WASHINGTON'S WORDS ARE PERTINENT TODAY

"Less 2 years, it is exactly two centuries today since George Washington was born.

"And 3 years before he died he left as a legacy to the American people a farewell address which formulated the main principles of the foreign policy this young Nation was to adopt.

"In words forever memorable he spoke as follows:

"Europe has a set of primary interests which to us have none or a very remote relation. Hence she must be engaged in frequent controversies the causes of which are essentially foreign to our concerns. Hence, therefore, it must be unwise in us to implicate ourselves by artificial ties in the ordinary vicissitudes of her politics or the ordinary combinations and collisions of her friendships or enmittles.

her politics or the ordinary combinations and collisions of her friendships or enmittes.

"Our detached and distant situation invites and enables us to pursue a different course. If we remain one people, under an efficient government, the period is not far off when we may defy material injury from external annoyance; when we may take such an attitude as will cause the neutrality we may at any time resolve upon to be scrupulously respected; when belligerent nations, under the impossibility of making acquisitions upon us, will not lightly hazard the giving us provocation; when we may choose peace or war, as our interests, guided by justice, shall counsel.

"Why forego the advantages of so peculiar a situation? Why

"'Why forego the advantages of so peculiar a situation? Why quit our own to stand on foreign ground? Why, by interweaving our destiny with any part of Europe, entangle our peace and prosperity in the toils of European ambition, rivalship, interest, humor, or caprice?'

our destiny with any part of European ambition, rivalship, interest, humor, or caprice?'

"These words are as pertinent as if they were spoken yesterday. They apply directly to two issues now engaging the attention of the American people.

"The first issue is the Mediterranean pact which France hopes to see adopted at the London Conference.

"The second is the Philippine situation.

"As regards the first, France wishes to make as a price for her participancy in the American reduction plan America's promise to aid France, in the event of war, in the Mediterranean. The proposition is not couched in terms quite that bald, but that is its clear meaning. Needless to say, the words of Washington, as quoted above, counsel rejection of any such proposal.

"As regards the second, the Philippine Islands, it is clear that had Washington's advice been followed they would never have been taken over. "Why forego the advantages of so peculiar a situation?" asks Washington, "Why quit our own to stand upon foreign ground?"

"That is exactly the question the Northwest is asking today about our presence in the Philippines. Why are we over at Asia's doorstep at all? With two ocean frontiers and the best situation in the world for defense, why have we loaded ourselves up with a vulnerable possession at the other end of the globe—a possession which would automatically become our theater of war in the event of conflict with an Asiatic power?

"We acquired the Philippines in defiance of the advice laid down by the far-seeing founder of the Republic, and we have had nothing but trouble ever since. The agricultural competition from the Philippines is inflicting damaging blows upon an agriculture already in great distress; Minnesota today is paying out more for the Philippines than for running its entire State government. And naturally our whole agricultural population is fuming today about our continued retention of the Philippines.

"The foreign policy enunciated by Washington in his Farewell Address represented the final word on the s

ever been able to find a better one. We have never experienced anything but grief when we ignored his message. We have never gone wrong in following his advice.

gone wrong in following his advice.

"Those individuals who are today seeking to make up their minds concerning the courses America should pursue in relation to the proposal to sign a Mediterranean pact or to free the Philippines should ponder the words spoken by the Father of this Country 134 years ago."

Jackson Americanism and Jackson democracy can save America today. Jackson was a follower of Jefferson, as Lincoln was a follower of Jefferson, and Lincoln were all followers of the foreign policy of the revered George Washington.

It is not enough to build monuments to the Father of our Country. That alone will not save us in this day and hour of trial. It

try. That alone will not save us in this day and hour of trial. It is not enough to read his Farewell Address in the House and Senate

is not enough to read his Farewell Address in the House and Senate on February 22. It is not enough to print editorials in great dailies. In our foreign policy we must follow the immortal advice given by Washington in his Farewell Address.

I agree with the Minneapolis Tribune that the foreign policy enunciated by Washington in his Farewell Address represented the final word on that subject. I agree that nobody has been able to find a better one. I agree that we have never experienced anything but grief when we ignored his message. I agree that we have never gone wrong in following his advice; but I wish to remind the Minneapolis Tribune and the Minneapolis Journal and the great dailies of America that when Expert LUNDEEN followed Washington's advice: America that when Exnest Lunneers followed Washington's advice; when Charles A. Lindbergh followed Washington's advice; when the immortal Robert M. La Follette followed Washington's advice; when the great press of America forgot Washington, sneered at Washington, laughed at the disciples of Washington; but "while the lamp holds out to burn, the vilest sinner may return."

Jackson says specifically, "I recommend that a law be passed authorizing 'reprisals' upon French property in case provision shall not be made for the payment of the debt at the approaching session of the French Chambers." Further he says, "The United States ought to insist on a prompt execution of the treaty, and in case it be refused or longer delayed take 'redress' into their own hands." That is good red-blooded American language. He made his position so clear, France finally understood he meant business and paid in full.

I refer the Senator to my speeches as a humble Member of the House of Representatives on several different occasions in the Seventy-third and Seventy-fourth Congresses, in which I went into the subject quite fully, and quoted from Andrew Jackson's state paper, one of the greatest ever written. If there is any misunderstanding on the subject, I shall be very glad to refer to it again at some length.

Mr. LUCAS. Mr. President, will the Senator yield? The PRESIDING OFFICER. Does the Senator from Minnesota yield to the Senator from Illinois?

Mr. LUNDEEN. Certainly.

Mr. LUCAS. Assuming that what the Senator says is true with respect to what Andrew Jackson said at that particular time in his effort to collect the debt from the French, it would have meant a declaration of war upon the part of this country, would it not, if the French had not acceded to Jackson's demands and paid the debt?

JACKSON, AN AMERICAN UNAFRAID

Mr. LUNDEEN. I will say to the Senator that Andrew Jackson was an American unafraid and collected the money.

Mr. LUCAS. That is not the question.

Mr. LUNDEEN. That is the question, and that is my answer to the Senator.

Mr. LUCAS. The Senator is evading the question.

Mr. LUNDEEN. I am not evading it. He was a President unafraid, and he took the American stand and collected the money, come what might. I will say to the able Senator from Illinois that today, with France across the Rhine in fear of Germany, she is not going to make any hostile move against America 4,000 miles away. The Germans owe us money that we have loaned them. They are not going to make any hostile move against us, 4,000 miles away, with France and England right at their front door. We loaned a huge sum of money to the Kerensky government of Russia. I opposed that policy. Where is that money now? That is the question.

Mr. REYNOLDS. Six hundred million dollars.

WHERE IS THAT MONEY NOW?

Mr. LUNDEEN. Yes, I opposed that policy; and where is that money now? Who has paid it back? The American people want to know where that money is, and there is going to be an accounting of the billions of dollars that were squandered all over the earth to "rehabilitate" the earth. The great scholastic agriculturists and professors of universities dug up the word "rehabilitation," and they "rehabilitated" the farmers of Europe until they were cutting the throats of the American farmers. There may be those who say, "The world is my country." I do not say that. America is my country. I know no other country.

Mr. LUCAS. Mr. President, will the Senator yield?

The PRESIDING OFFICER. Does the Senator from Minnesota further yield to the Senator from Illinois?

Mr. LUNDEEN. I do.

Mr. LUCAS. I do not disagree with the Senator's viewpoint so far as the debts are concerned. They are owed to us, and they ought to be paid. The only thing I am now discussing with the Senator from Minnesota is the method of payment of the debts.

Judging from what the Senator has said in referring to Andrew Jackson's strategy, he wants the administration today to use the same strategy that Jackson used in the collection of the debts. If we did so, that would mean, if the debtors did not pay, that we would seize, for instance, from Great Britain, the Bermuda Islands, and other islands that belong to Great Britain upon this side of the Atlantic. Is that what the Senator wants us to do now, in order to collect the British debt?

SCENTED LETTERS WITH LITTLE, WEAK BILLS NOT RESPECTED

Mr. LUNDEEN. I am in favor of proceeding along any line that is necessary, even unto that.

Mr. LUCAS. That perhaps would mean a war with Great Britain.

Mr. LUNDEEN. It would not, in my humble opinion. Great Britain is now shivering in her boots, according to able Senators on this floor, and wants America to cooperate and save her; and in the next breath we hear upon the floor of the Senate from Senators that she is going to come over here and make war on us because we insist on the payment of a debt which she honestly owes and dishonorably will not pay.

Mr. LUCAS. If I correctly understand the Senator, if Great Britain would not pay her debt to us, the Senator would advise this Nation to become an aggressor and immediately seize the British islands in the Atlantic or pursue any other method in order to collect the money Great Britain owes us.

Mr. LUNDEEN. I will ask the Senator from Illinois what he does when he has a lien on a piece of land owned by someone who will not pay. He levies on the land and seizes it. That is what he does. What is wrong with that policy?

Mr. LUCAS. Of course, the Senator, in his present illustration, is dealing with individuals who live in this country. Mr. LUNDEEN. Yes.

Mr. LUCAS. In the matter of the foreign debts we are dealing with nations. The Senator has not yet answered my question, and I should like to have it answered, because I have understood the Senator to be a very peace-loving citizen who does not want war at any price; and I undertake to say that if we should pursue the line of thought which the Senator is discussing upon the floor of the Senate we should be involved in war within a short time.

Mr. LUNDEEN. I can assure the Senator that we shall have no war, because no nation in Europe will come over here with its army and navy to prevent the collection of a debt which it owes. The debtor nations are 4,000 miles away, and they have the wolves at their own doors, and they cannot leave. We are now in a position where we can compel settlement, and if we had an Andrew Jackson in America now at the head of our Government we would collect these debts and believe it or not, there would be no war. The same threat that Andrew Jackson issued may suffice. If it does not, we are not cowards; we are not afraid; we must protect our own people here in America. We may not have to actually seize their islands or other possessions. I am not in favor of going any further than we need to go, but I am not afraid to go through to the end.

Mr. LUCAS. Mr. President, will the Senator further yield? Mr. LUNDEEN. I yield.

Mr. LUCAS. The mere fact that the wolves are at the doors of France and England, the Senator would not use as an excuse in order to become an aggressor to collect these debts by seizing the Bermuda Islands?

Mr. LUNDEEN. I am not thinking in terms of France or Britain; I am thinking of America; I am thinking about the American people; I am thinking about our hungry and un-

employed 12,000,000, the people of the United States; and I think that when a situation arises which gives us the advantage, we should seize the opportunity. I will be glad to yield further, but only for another question.

Mr. LUCAS. Does the Senator make any distinction in his discussion between private and public debts?

Mr. LUNDEEN. I presume there may be distinctions. However, I believe that a nation should pay when they owe We have 12,000,000 unemployed in this country, some say ten and some say twelve million, and I am concerned about them. I am not trying to find arguments in my own mind to excuse foreign creditors for not paying their debts, and I am not entering into a discussion as to whether they should be paid in gold or goods. If we cannot get them in one way, we can get them in another. There are methods and means, and I hope that the able Senator from Illinois will, if he has not already done so, read Jackson's state paper, and I shall be very happy to discuss it with him later on.

Mr. BONE. Mr. President-

Mr. LUNDEEN. I will yield in a moment.

I wish to revert to these figures. I had no intention of entering into a long discussion, but I wish to make my position clear, because I feel strongly upon the subject, and should be glad to give further figures upon it.

Mr. REYNOLDS. Mr. President, will the Senator yield?

Mr. LUNDEEN. I yield.

Mr. REYNOLDS. In view of the fact that there has been a very interesting discussion in reference to how we might be able to make collection of the war debts, I desire to bring to the attention of the able Senator from Minnesota a resolution which was introduced just a few days ago by the Senator from Massachusetts [Mr. Longe] and the Senator from Oregon [Mr. McNary], in reference to suggested negotiations with our debtor nations with regard to these debts. They have suggested, by way of the closing paragraph, which itself is the resolution-

That the President is hereby requested to enter into negotiations with foreign governments which are indebted to the United States with a view to arranging for such governments (1) to furnish the United States with strategic materials for national-defense purposes, and (2) to make available to the United States geographical points which are of strategic importance for national-defense purposes, in payment or part payment of the indebtedness of such governments to the United States.

That is referred to as Senate Resolution No. 91. In my opinion it is a very interesting document, and I am confident, in view of the extremely able and unusually pertinent observations of the Senator, that this resolution will be interesting to him.

Mr. LUNDEEN. I ask that Senate Resolution No. 91 be made a part of my remarks. I thank the able Senator for calling it to my attention

The PRESIDING OFFICER. Is there objection?

There being no objection, the resolution was ordered to be printed in the RECORD, as follows:

Whereas the Senate Military Affairs Committee recently approved \$100,000,000 authorization to purchase and store large stocks of sential war materials which are not available in this country; and Whereas the acquisition of such reserves of strategic war materials would materially contribute to our national security and to the creation of a sound national-defense program; and Whereas in view of recent developments in war-torn Europe it is

not impossible that certain insular possessions of great strategic importance in the defense of the American hemisphere now held by certain so-called democracies may be lost to nations whose proximity to our coasts would be undesirable; and Whereas several foreign nations have debts, incurred during the

World War, still outstanding to the United States; and

Whereas the payment of these debts might be used to fund the purchase of these war materials in part or full payment of their debts to us and to make available to the United States geographical points important in the defense of the United States; and Whereas the payment for these war materials would not compete with any American activity: Therefore be it

Resolved, That the President is hereby requested to enter into negotiations with foreign governments which are indebted to the United States with a view to arranging for such governments (1) to furnish the United States with strategic materials for national-defense purposes, and (2) to make available to the United States geographical points which are of strategic importance for national-defense purposes, in payment or part payment of the indebtedness of such governments to the United States.

Mr. LUNDEEN. Mr. President, I have heard other Senators advocate at least the acquiring, if not in so militant a way as I have expressed it, of these islands in payment of the debts.

Mr. REYNOLDS. In further pursuance of that point, if the Senator will be so good as to yield a moment more

Mr. LUNDEEN. I cannot resist the distinguished Senator from North Carolina.

Mr. REYNOLDS. The Senator is always so very polite and so kind that I hesitate to encroach upon the valuable time of the able Senator from the far North.

Let me say, in this connection, that we are considering now the matter of further fortifications of the Panama Canal. We are considering also the construction of an additional canal.

Great Britain, one of our debtor nations, as well as France, for that matter, have some very valuable holdings on the mainland, as well as islands, in the immediate proximity of the Panama Canal; as a matter of fact, just a stone's throw from positions which we have contemplated fortifying. I wanted to make the suggestion that we might be interested in acquiring that property, particularly the islands of the West Indies which belong to Great Britain and those which belong to the French, and the islands off the Mosquito coast. I will leave the mosquitoes for those countries. [Laughter.]

Mr. BARKLEY. Mr. President-

Mr. LUNDEEN. I yield to the Senator.

Mr. BARKLEY. I was wondering whether we might not suspend at this time in view of the unlikelihood of collecting the debts today. [Laughter.] I thought the Senator was about to conclude.

Mr. LUNDEEN. Mr. President, if the able Senator from Kentucky will permit, I have just a few rather discouraging figures which I wish to put into the RECORD. Then I will yield to the Senator from Washington.

It is my belief that if the Members of Congress and the administration will not proceed seriously with this matter, there may be a Congress here and an administration here in Washington in the not distant future which will proceed in a stern manner against foreign governments who gave their solemn and pledged word, and whose property and whose islands and whose resources we could well use at this time for the good of our own people.

The total of the Czechoslovakian indebtedness, if figured on a straight 4-percent interest rate over a period of 20 years, year by year, is shown in the figures I have for the first 20 -not 62-and they show the gradual increase. I ask that they be printed as a part of my remarks.

The PRESIDING OFFICER. Is there objection?

There being no objection, the figures were ordered to be printed in the RECORD, as follows:

Total Czechoslovakian indebtedness if figured on straight 4-percent-interest rate over a period of 20 years

thing area section in the section of	Principal	Interest
First year	\$91, 879, 671	\$3, 675, 186
Second year	95, 554, 857	3, 822, 194
Third year	99, 377, 051	3, 975, 082
Fourth year	103, 352, 133	4, 134, 085
Fifth year	107, 486, 218	4, 299, 448
Sixth year	111, 785, 666	4, 471, 426
Seventh year	116, 257, 092	
Dighth year		4, 650, 283
Eighth year	120, 907, 375	4, 836, 295
Ninth year	125, 743, 670	5, 029, 746
Tenth year	130, 773, 416	5, 230, 936
Eleventh year	136, 004, 352	5, 440, 174
Twelfth year	141, 444, 526	5, 657, 781
Thirteenth year	147, 102, 307	5, 884, 092
Fourteenth year	152, 986, 399	6, 119, 455
Fifteenth year	159, 105, 854	6, 364, 234
Sixteenth year	165, 470, 088	6, 618, 803
Seventeenth year	172, 088, 891	6, 883, 555
Eighteenth year	178, 972, 446	7, 158, 897
Nineteenth year	186, 131, 343	7, 445, 253
Twentieth year	193, 576, 596	

Austrian indebtedness to the United States

__ \$26, 005, 480.99 As of Jan. 31, 1938

Mr. LUNDEEN. Mr. President, I have already referred to the Austrian debt. We were not only financing Austria, however, now a part of the greater German Reich; we were not only financing this American Pittsburgh-made republic that was shipped over to Europe, made in Pittsburgh; we put it together and got it all boxed up and sent it over there and imposed it on Europe-brave, fine, wonderful people, but put together in such a manner that they were bound to die as a nation, and I so stated on many a public platform. If we do not beware, there may be some other put-together governments over there which will disappear before European history is complete.

We were not only interested in financing these people, but we had set out to destroy the Germans of the earth. We were going just to wipe them off the face of the earth—the brutal Huns. The Kaiser was going to be taken up the avenues of American cities in an iron cage like some wild animal and we were going to gaze upon him. I understand now that the King of England sends the Kaiser wires of congratulations on his birthdays, and we find Hitler and Chamberlain sleeping together, internationally speaking, anyway.

We finance Germany, we give Germany money, and Germany puts the money into playgrounds and parks, they put it into anything that cannot be shipped out on a train or ship. It is there forever. That is where they have located and fixed the funds we gave them; and when we asked pay-ment from Germany, of course Germany, observing the French and British and every other nation refusing to pay, said, "If you will lend us some more money, we will pay some interest on the money you have already loaned us." [Laughter.] That is the way we have been proceeding with the Treasury of the United States. That is not our money; it is the money of the people of the United States.

It is not our cash. We are only here as servants of the great American public. They put us here in these places and we are here for only a limited and a brief time, though I see many distinguished Senators who may be here much longer than I will be here, and other distinguished gentlemen who have been here nearly a lifetime. But most of the legislative servants of the American people are here only briefly, and are acting for the American public, and it is our sacred duty to protect every dollar of this money for our own people, for the people of the United States.

I now yield to the Senator from Washington.

Mr. BONE. Mr. President, I make just one suggestion to the Senator from Minnesota relative to the inquiry of the Senator from Illinois [Mr. Lucas] as to whether he discerned any difference between a public and a private debt. We are so near March 15 that we are all painfully conscious that this foreign debt has been translated very much into private business. We should reflect that if we do not pay our income tax promptly we would be put into what my little boy calls the hoosegow. The public foreign debt due us, which has been discussed here today, has all been translated into a private debt which we now owe our Government, and we are sweating payment of it out of the hides of the American people. Am I not correct? Does anyone have any doubt about it? It is a private debt. That is the unhappy and awkward and vicious part of this whole business, that we translated the financial mistakes of government into private debts we must now pay our Government. The Senator from Minnesota pays the debt, I pay the debt, and every Member of this body pays it on March 15. He pays for the mistakes we made in these foreign loans. The tragedy of this thing is that men went to jail a few years ago because they objected to this crazy kind of prodigality.

Mr. LUNDEEN. I thank the able and distinguished Senator from Washington.

I wish to say in conclusion that if we had a little of the money which we loaned Mussolini, of whom we complain now, and whom we helped to set up in business, American money, at interest rates of one-tenth of 1 percent, the American people might find it a little easier to pay on their income tax. We need an American policy in foreign affairs. I thank the Senate.

EXECUTIVE SESSION

Mr. BARKLEY. I move that the Senate proceed to the consideration of executive business.

The motion was agreed to; and the Senate proceeded to the consideration of executive business.

EXECUTIVE MESSAGES REFERRED

The PRESIDING OFFICER (Mr. LA FOLLETTE in the chair) laid before the Senate messages from the President of the United States submitting sundry nominations, which were referred to the appropriate committees.

(For nominations this day received, see the end of Senate

EXECUTIVE REPORT RECEIVED DURING ADJOURNMENT

Under authority of the order of the Senate of March 14, 1939, Mr. Guffey, from the Committee on Finance, reported favorably on the 15th instant the nomination of A. Raymond Raff, of Philadelphia, Pa., to be collector of customs for customs collection district No. 11, with headquarters at Philadelphia, Pa. (Reappointment.)

EXECUTIVE REPORTS OF COMMITTEES

Mr. McKELLAR, from the Committee on Post Offices and Post Roads, reported favorably the nominations of sundry postmasters

Mr. PITTMAN, from the Committee on Foreign Relations,

reported favorably the following nominations:

Laurence A. Steinhardt, of New York, now Ambassador Extraordinary and Plenipotentiary to Peru, to be Ambassador Extraordinary and Plenipotentiary to the Union of Soviet Socialist Republics; and

William Dawson, of Minnesota, now Envoy Extraordinary and Minister Plenipotentiary to Uruguay, to be Ambassador

Extraordinary and Plenipotentiary to Panama.

Mr. PITTMAN also, from the Committee on Foreign Relations, reported favorably the nominations of sundry persons for promotion in the Foreign Service of the United States.

Mr. WALSH, from the Committee on Naval Affairs, reported favorably the nominations of sundry officers for promotion in the Navy.

The PRESIDING OFFICER (Mr. LA FOLLETTE in the chair). The reports will be placed on the Executive Calendar.

POSTMASTER, PORTSMOUTH, VA.

Mr. McKELLAR. From the Committee on Post Offices and Post Roads I report back favorably the nomination of Samuel F. Kirby to be postmaster at Portsmouth, Va., in the place of Kemp Plummer, deceased. I ask unanimous consent that the nomination be considered and acted on by the Senate at this time.

The PRESIDING OFFICER. Is there objection? The Chair hears none, and, at the request of the Senator from Tennessee, the Chair hands down the nomination, which will be read by the clerk.

The legislative clerk read the nomination of Samuel F. Kirby to be postmaster at Portsmouth, Va.

Mr. McKELLAR. I move that the nomination be confirmed.

The PRESIDING OFFICER. Without objection, the nomination is confirmed.

Mr. McKELLAR. I ask unanimous consent that the President be notified.

The PRESIDING OFFICER. Without objection, that order will be entered.

NOTIFICATION TO PRESIDENT OF CONFIRMATION OF CERTAIN ARMY NOMINATIONS

Mr. SHEPPARD. Mr. President, certain Army nominations were confirmed on March 13, and it would assist the War Department if those nominations could be released at once to the President, without waiting for the second executive session.

The reason for this request is based on the fact that one of these nominations will be effective on March 19, and if the

officer does not accept on that date, because of a subsequent vacancy which has occurred, it will be necessary to renominate that particular officer with a different effective date. I therefore ask unanimous consent that the President be notified of the confirmation, on March 13, of the Army nominations referred to.

The PRESIDING OFFICER. Is there objection to the request of the Senator from Texas that the President be notified of the confirmation of certain Army nominations on March 13? The Chair hears none, and the President will be notified.

If there be no further reports of committees, the clerk will state the nominations on the calendar.

COLLECTOR OF CUSTOMS

The legislative clerk read the nomination of A. Raymond Raff, of Philadelphia, Pa., to be collector of customs for district No. 11, headquarters at Philadelphia, Pa.

The PRESIDING OFFICER. Without objection, the nomination is confirmed.

COAST AND GEODETIC SURVEY

The legislative clerk read the nomination of William Rude Jackson, of Maryland, to be aide (with relative rank of ensign in the Navy).

The PRESIDING OFFICER. Without objection, the nomination is confirmed.

The legislative clerk proceeded to read sundry nominations in the Coast Guard.

Mr. BARKLEY. I ask that the nominations in the Coast Guard be confirmed en bloc.

The PRESIDING OFFICER. Without objection, the nominations in the Coast Guard are confirmed en bloc.

POSTMASTERS

The legislative clerk proceeded to read sundry nominations of postmasters.

Mr. BARKLEY. I ask that the nominations of postmasters be confirmed en bloc.

The PRESIDING OFFICER. Without objection, the nominations of postmasters are confirmed en bloc.

That completes the calendar.

Mr. BARKLEY. As in legislative session, I move that the Senate take a recess until 12 o'clock noon tomorrow.

The motion was agreed to; and (at 5 o'clock and 23 minutes p. m.) the Senate took a recess until tomorrow, Friday, March 17, 1939, at 12 o'clock meridian.

NOMINATIONS

Executive nominations received in the Senate March 16, 1939 ASSISTANT ATTORNEY GENERAL

Norman M. Littell, of Washington, to be an Assistant Attorney General, vice Hon. Carl McFarland, resigned.

COLLECTOR OF CUSTOMS

Fannie Dixon Welch, of Columbia, Conn., to be collector of customs for customs collection district No. 6, with headquarters at Bridgeport, Conn. Reappointment.

COAST GUARD OF THE UNITED STATES

Ensign Bernard E. Scalan to be a lieutenant (junior grade) in the Coast Guard of the United States, to rank as such from May 27, 1938.

POSTMASTER

Samuel F. Kirby to be postmaster at Portsmouth, Va., in place of Kemp Plummer, deceased.

CONFIRMATIONS

Executive nominations confirmed by the Senate March 16, 1939

COLLECTOR OF CUSTOMS

A. Raymond Raff to be collector of customs for customs collections district No. 11, headquarters at Philadelphia, Pa.

COAST AND GEODETIC SURVEY

William Rude Jackson to be aide (with relative rank of ensign in the Navy).

COAST GUARD OF THE UNITED STATES

James R. Ingram to be chief boatswain. Victor A. Johnson to be chief gunner. James E. Murphy to be chief gunner.

POSTMASTERS

TLLINOIS

Prentiss C. Puffer, Centralia. John E. Ryan, Crete. Mary L. Brennan, Elkhart. George H. Fruit, Franklin Grove. Lorin R. Baker, Green Valley. Mark J. Humphreys, Keithsburg. Enid Trowbridge, Kenney. Francis L. Dabler, Manlius. Sophie Benhart, Medinah. Thomas F. Kirby, Steward. Wilfred J. Brennan, West Chicago. NORTH DAKOTA

Peter M. Schmitz, Ray. VIRGINIA

Samuel F. Kirby, Portsmouth.

HOUSE OF REPRESENTATIVES

THURSDAY, MARCH 16, 1939

The House met at 12 o'clock noon.

The Chaplain, Rev. James Shera Montgomery, D. D., offered the following prayer:

Our Heavenly Father, we wait in the deeper quiet that flows beneath the noisy streams of life. Thou hast said: "O man, all is thine." Spring's emerald, summer's glory, autumn's gold, winter's white, and eternity are thine. Morning, noon, and night are thine; Christ is thine, and He is God's. Praises be to Him from whom all blessings flow. We give thanks unto Thee, for we are fearfully and wonderfully made. Gracious Lord, let Thy blessing rest upon any who may find duty difficult and who may be burdened with care. Endue us with the spirit of divine charity. A good deed reaches the hearts of men. O Thou who hast known the way of sorrow and, through it, the way of immortal triumph, remember those who may be on the weary couch of affliction. Let Thy love sustain and comfort them. In our Redeemer's name. Amen.

The Journal of the proceedings of yesterday was read and approved.

PROCEEDINGS IN COMMEMORATION OF ONE HUNDRED AND FIFTIETH
ANNIVERSARY OF THE FIRST CONGRESS

Mr. JARMAN. Mr. Speaker, by direction of the Committee on Printing, I present a privileged resolution and ask for its immediate consideration.

The Clerk read the concurrent resolution, as follows:

House Concurrent Resolution 12

Resolved by the House of Representatives (the Senate concurring), That the proceedings at the joint session of the two Houses of Congress held in the House of Representatives on Saturday, March 4, 1939, in commemoration of the one hundred and fiftieth anniversary of the commencement of the First Congress of the United States under the Constitution, together with such additional matter as the Joint Committee on Arrangements in charge of these ceremonies may deem fitting and appropriate, in connection with this historical event, be printed, with illustrations, as a document; and that 1,000,000 additional copies be printed, of which 200,000 copies shall be for the use of the Senate and 800,000 copies for the use of the House of Representatives.

Mr. MARTIN of Massachusetts. Will the gentleman yield for a question?

Mr. JARMAN. I yield to the gentleman from Massachu-

Mr. MARTIN of Massachusetts. May I ask the gentleman from Alabama [Mr. Jarman] if this is to be placed in the document room for distribution among the Members themselves?

Mr. JARMAN. For equal distribution. This is the folding room, as I understand it, but for equal distribution.

Mr. TABER. Has the gentleman any idea what the cost will be for 2,000,000 copies?

Mr. JARMAN. It is 1,000,000 copies.

Mr. TABER. What will the cost be? Mr. JARMAN. About \$10,000, or about 1 cent apiece.

The SPEAKER. The question is on agreeing to the concurrent resolution.

The concurrent resolution was agreed to, and a motion to reconsider was laid on the table.

PERMISSION TO ADDRESS THE HOUSE

Mr. BARTON. Mr. Speaker, I ask unanimous consent to proceed for 30 seconds.

The SPEAKER pro tempore (Mr. Coffee of Nebraska). Is there objection to the request of the gentleman from New York [Mr. BARTON]?

There was no objection.

Mr. BARTON. Mr. Speaker, a careful check of the messages and speeches of the President of the United States for the past 6 years reveals that we are now in the thirty-ninth emergency that has afflicted this country since March 4, 1933. I have made a brief chronological résumé of these emergencies in the President's own words, and I ask unanimous consent to extend my own remarks at this point in the

The SPEAKER pro tempore. Is there objection to the request of the gentleman from New York [Mr. Barton]? There was no objection.

THE THIRTY-NINTH EMERGENCY

Mr. BARTON. Mr. Speaker, one who reads the messages and speeches of the President makes the startling discovery that we are now in the thirty-ninth "emergency," "crisis," "disaster," "serious situation," "danger," or period of "increasing urgency" which has befallen this Nation since March 4, 1933. This is at the rate of one new emergency every 6 weeks for 6 years-an all-time high in American history. Other administrations have come into power in an emergency, but this is the only administration that has sought to maintain itself in power by the manufacture and advertising of continuous crisis. Is it any wonder that the people are emotionally exhausted and demanding a change? All over the country the protest is rising. Press and people cry, "We are weary of government by emergency. Give us peace and a chance to go to work."

Mr. Speaker, here is a chronological list of these recurrent crises in the President's own words:

The national emergency is still critical (March 4, 1933). In view of such national emergency (March 6, 1933). An unprecedented condition (March 16, 1933). An emergency exists (April 3, 1933).

An emergency exists (April 3, 1933).

Said national emergency continues to exist (April 5, 1933).

The gravity of the emergency (May 17, 1933).

A period of national emergency exists (August 28, 1933).

Whereas I find, upon investigation * * * an economic emergency (January 31, 1934).

The emergency still exists (February 14, 1934).

It is part of an emergency program necessitated by the economic crisis (March 2, 1934).

Prompt and vigorous action to meet the emergency (June 9, 1934).

Prompt and vigorous action to meet the emergency (June 9, 1934).

As I have already stated, it is because of the current emergency of unemployment (January 24, 1935).

In recognition of this great national need (June 26, 1935).

With a resulting dislocation, restriction, and obstruction of interstate commerce (July 6, 1935).

A more potent danger at this moment to the future of civilization (October 2, 1935).

A critical situation prompts this letter (March 6, 1936).

Use of Government equipment in such an emergency is hereby authorized (March 18, 1936).

To relieve this serious situation * * * will require the expenditure of substantial amounts (September 2, 1936).

Emergency conditions still exist (January 14, 1937).

We propose to meet this emergency (January 30, 1937).

I need not emphasize to you the seriousness of the problem (February 28, 1937).

The increasing urgency (March 4, 1937).

A condition has been developing * * * so serious (June 1, 1937).

The situation . * has been * * at a point of

The situation * * has been * * at a point of extreme danger (July 15, 1937).

There is a crisis in American affairs which demands action now (September 17, 1937).

The political situation in the world * * is such as to cause grave concern and anxiety (October 5, 1937).

The pressing nature of this problem (October 24, 1937).

This presents an urgent problem (November 29, 1937).

Since that time events have caused me growing concern (December 29, 1937)

ber 29, 1937).

This is an urgency which must be met by complete and not by

partial action (January 3, 1938).

A serious menace to the fiscal system (April 25, 1938).

Seriously impairing the economic effectiveness of private enter-prise (April 29, 1938).

A matter of great public concern (May 20, 1938).

Since my relief message to the Congress 6 weeks ago the unemployment situation has grown worse (June 2, 1938).

The fabric of peace * * * is in immediate danger (Septem-

ber 26, 1938)

The dead line of danger from within and from without is not within our control (January 4, 1939).

I trust, therefore, that the Congress will quickly act on this emergency program (January 12, 1939).

In view of the foregoing considerations I report to the Congress

that in my opinion an emergency exists (February 8, 1939).

I feel impelled again to call the attention of the Congr the very serious situation that exists (March 4, 1939). the Congress to

Mr. Speaker, the people cry "Peace! Peace!" but there is no peace. They now understand that so long as the New Deal is in power there will be no genuine appeasement, nothing but a succession of crises, each one calling for more debt. Young people will do well to tighten their belts and fix their hopes on 1941; jobs in industry will continue to be scarce until after the election. Private industry cannot create jobs in an atmosphere of tumult and terror. Any national administration is entitled to one or two emergencies in a term of 6 years. But an emergency every 6 weeks means plain bad management. And, in the words of the President himself-January 12, 1937:

A government without good management is a house builded on

PERMISSION TO ADDRESS THE HOUSE

Mr. LORD. Mr. Speaker, I ask unanimous consent to proceed for 1 minute.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from New York [Mr. LORD]?

There was no objection.

Mr. LORD. Mr. Speaker, about 2 years ago there was great concern among the shoe manufacturers and shoe workers of this Nation with regard to the reciprocal-trade agreements proposed by Czechslovakia and entered into with them and the Chief Executive and Secretary Hull.

That agreement, when finally consummated, continued the tariff rate at 20 percent ad valorem and limited the amount to 11/4 percent of our production that could come into the country. We note by the press reports that Germany has taken over Czechoslovakia, and that agreement, I assume, will no longer stand. Under these conditions there will be no limit to the number of pairs of shoes that can come into the country. In other words we are dealing no longer with Czechoslovakia, but with Germany with whom we have no agreement. The 20-percent tariff rate will prevail but the 11/4-percent limit of our production-which by the way was to my mind very much too high on account of their manufacture being on one particular shoe and not a general linewill not be in effect and our market can be flooded with cheap shoes unless some immediate action is taken.

I call the attention of the Members of the Congress to the fact that some immediate action should be taken to protect this great industry.

I also want to call to the attention of the Tariff Commission that to my mind the tariff should be increased to at least 30 percent ad valorem and the allotment should not be more than one-half of 1 percent of our production.

I feel certain that all of the Members of this House who are interested in this great industry will join with me as they have in the past in order to protect our thousands of workers and manufacturers in this Nation. [Applause.]

[Here the gavel fell.]

EXTENSION OF REMARKS

Mr. HOPE. Mr. Speaker, I ask unanimous consent to extend my own remarks in the RECORD and include therein a letter I have written

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Kansas?

There was no objection.

BUSINESS APPEASEMENT

Mr. TREADWAY. Mr. Speaker, I ask unanimous consent to address the House for 1 minute.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Massachusetts?

There was no objection.

Mr. TREADWAY. Mr. Speaker, in the press for the past 2 or 3 weeks there have been appearing constant references to Democratic conferences being held with regard to tax appearament.

I wish to call attention to two facts, first, that this is entirely contrary to the announcements made earlier in the session that there would be no tax revision at this session of Congress, and second, that such a procedure would not be necessary if serious mistakes had not been made by the majority in placing upon the statute books such repressive and destructive tax legislation as has been passed in the last few Congresses, such as the tax on undistributed profits.

The appeasement program is simply an effort to cover up the errors the Democratic majority has made, contrary to the advice and without the assistance of the Republican minority. Nothing has been said about the fact that these laws were placed upon the statute books by insistence of the majority over the protests of the minority, who time and time again called attention to serious consequences which would follow from the enactment of these measures. Further, the changes that are being suggested will in no way lessen the tax burden but will transfer from one taxpayer to another the same burden. It is evident that the administration is frightened by its own errors.

The leaders of the administration have finally waked up to the fact that we cannot have lasting recovery and reemployment without cooperation with business. The administration's efforts during the last few years to harass and restrict business and to impose unwise and repressive taxes has been a large factor in holding back recovery.

Now the administration is talking about "business appeasement."

Of course we all know what has brought about this change of attitude. The administration leaders have been reading the election returns of last fall. They are now rushing to the forefront to claim credit for backing down on the policies which they previously advocated. The people, however, will not forget where the responsibility lies. The administration cannot relieve itself of the blame for the present distressed conditions by taking steps now to correct its errors, however commendable that course may be.

What is the necessity for business appeasement? Simply that the administration has in the past put into effect policies which never should have been adopted in the first place. If the Democratic majority had listened to the admonitions of the Republican minority the present appeasement program would not have been necessary. We, of the minority have consistently pointed out the dangers involved in the various administration tax programs of the last several years and we have seen our predictions come true.

Too many of the administration's tax policies have been dictated by other motives than the raising of revenue. Moreover, those in authority have overlooked the fact that there is an immutable economic law of diminishing returns, which recognizes that when rates of taxation exceed a given point they cease to be productive of more revenue.

The American people have never forgotten the manner in which the administration forced the adoption of the vicious undistributed-profits tax, nor the disastrous consequences of its enactment. The country has been paying for the mistakes of the present administration from the time it first took office.

The current business appeasement program is still in rather nebulous form. No definite suggestions for amendment have been made, although we hear rumors of a flat corporate tax of 22 percent or more, to take the place of the several taxes now assessed against corporations. If that is the kind of appeasement we are going to get, it may have the effect of depressing business still further rather than helping toward recovery. The best way I can think of to appease business is to eliminate the necessity for such high taxes by starting in to reduce expenses.

The repressive taxes which the administration has imposed during the last several years have all had their origin as distinctly partisan measures. Republican members of the Ways and Means Committee have been excluded from the sessions in which the tax policies have been formulated. The present so-called appeasement program likewise is a partisan proposition. No Republican Members of either body have been consulted in any of the conferences which have been held. Doubtless there has been a good reason for this, namely, that the business appeasement program is a part of the Democratic strategy to offset the trend of the electorate toward the Republican Party.

I am sure that I speak for the Republican minority when I say that we will gladly cooperate with the administration in any program to revise the tax structure in the interest of business recovery. We will be glad to help the Democratic majority correct their mistakes. But we want to make sure that the substitute program of taxation which is adopted is not worse than that which we now have. [Applause.]

PERMISSION TO ADDRESS THE HOUSE

Mr. CELLER. Mr. Speaker, I ask unanimous consent that on Wednesday next, after the reading of the Journal and the disposition of matters on the Speaker's desk, and following the legislative program of the day, I may be permitted to address the House for 15 minutes.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from New York?

There was no objection.

Mrs. ROGERS of Massachusetts. Mr. Speaker, I ask unanimous consent to address the House for I minute.

The SPEAKER pro tempore. Is there objection to the request of the gentlewoman from Massachusetts?

Mrs. ROGERS of Massachusetts. Mr. Speaker, on Tuesday morning of this week the President sent a message to the Congress asking for \$150,000,000 for W. P. A. in order that thousands of deserving men and women throughout our country may receive continued employment on W. P. A. projects. According to his statement that amount is an absolute necessity in order to give the unemployed adequate relief.

On this same Tuesday the German Reich under Chancelor Hitler completed the annexation of the proud little Republic of Czechoslovakia in the same way that Austria was annexed about a year ago.

Austria had been an independent country for over 900 years and enjoyed excellent international credit. On March 1, 1939, the public debt of Austria to the United States was \$26,011,672.09. At the time of her annexation by Germany, Austria owed the United States \$25,980,460.66 in principal, which in view of her credit record Austria would have paid every cent owed this country. But Austria no longer exists as an independent country. Because of the annexation of Austria, Germany should be responsible for the Austrian debt. On a previous occasion I brought this matter to the attention of the House.

Now Germany has actually annexed the very respectable country of Czechoslovakia. Czechoslovakia enjoyed fine credit for a new country. On March 1, 1939, Czechoslovakia was indebted in the amount of \$165,729,490.80 to the United States. This is well over \$15,500,000 more than the sum the President is now asking for the W. P. A. In the annexation of Czechoslovakia, Germany should also assume this debt to the United States.

It is time this Government, through our State Department, should take a very strong stand regarding these debts. Are we going to permit the American taxpayers to lose this money in order that Chancelor Hitler can use it for armament and war? Are we going to allow Germany to get away with \$191,741,162.89 of American money belonging to the American people?

It is time the entire international debt question is settled. Certainly it will not be settled unless this Government demands it. This settlement should be on the "now" list of this Government. I appeal to the House to act immediately upon the concurrent resolution which I introduced in the House today. The resolution is as follows:

Whereas it is reported that the Nazi Government has occupied the major part of Czechoslovakia and for all intents and purposes is in control of the affairs of the country; and Whereas from current reports there is no doubt as to whether

Whereas from current reports there is no doubt as to whether or not Czechoslovakia may be said to be an independent state: Therefore be it

Resolved, That it is the sense of the Congress of the United States that the reciprocal-trade agreement be abrogated; and further be it Resolved, That the President demand that the Nazi government assume the debt of Czechoslovakia of \$165,729,000.80 to the United States

On March 7, 1938, a reciprocal-trade treaty was signed by Czechoslovakia and the United States. This treaty went into effect on April 16, 1938. In view of the fact that Czechoslovakia no longer exists as an independent country, I appeal to the Congress to request the State Department to nullify immediately this treaty. Until Germany acts favorably toward the United States regarding the contracted debts of the countries Germany has annexed and until Germany's trade activities are on a favorable basis with the United States, she should not be permitted to enjoy the advantages of a trade treaty with the late Czechoslovakia by the annexation of that country.

EXTENSION OF REMARKS

Mr. IGLESIAS. Mr. Speaker, I ask unanimous consent to extend my own remarks in the Record in regard to the extension of the Social Security Act to the island of Puerto Rico and to include therein a short bill of my own.

The SPEAKER pro tempore. Is there objection to the request of the Commissioner from Puerto Rico?

There was no objection.

PERMISSION TO ADDRESS THE HOUSE

Mr. THORKELSON. Mr. Speaker, I ask unanimous consent to address the House for 15 seconds.

The SPEAKER. Is there objection to the request of the gentleman from Montana?

There was no objection.

Mr. THORKELSON. Mr. Speaker, I ask unanimous consent to extend my own remarks in the Record at this point and include therein certain excerpts from the Congressional Record.

The SPEAKER. Is there objection to the request of the gentleman from Montana?

There was no objection.

Mr. THORKELSON. Mr. Speaker, before entering upon discussion of the main subject, I shall speak a few words on cockeyed legislation. I wish I could avoid using the word "cockeyed," but I think it expresses a general viewpoint of the people with whom I have come in contact.

On March 13, 1939, the whole afternoon was spent in debate on the source from which the District of Columbia should receive its milk and cream supply. Four hundred and thirty-five Members of Congress spent 4½ hours considering a perfectly obvious proposition, one which should be under the control of the Health Department of the District of Columbia instead of taking up the time of Congress.

It should be perfectly clear that the citizens living within the District of Columbia should have the right to be supplied with food from every State in the Union. Milk and cream should receive a most careful consideration because both are used as food for children as well as grown people. The danger in milk comes from contamination with such bacteria as bacillus coli, typhoid, and others. Congress cannot determine this, so must therefore rely upon inspections conducted by the health department. Milk and all food subject to contamination must be under the control of a body capable of determining if such contamination exists.

The shipment of milk and cream which was seized by the authorities of the District, and which, I believe, was shipped in from the State of Indiana, was 100 percent pure. It did not contain any dangerous bacteria, and the citizens should be very glad that such a source of food supply is open to them. There is another angle to this: If the District permits free competitive importation of food, the people living here can only benefit from such act because it will cost them less to live

Congress is supposed to represent our Nation at home and abroad, but it is not the constitutional duty of Congress to deal with food supplies, regulations of business, or any units within industries. The duty of Congress is to regulate commerce with foreign nations and among the States, but all other matters must be left to the State and to the various departments thereof. It is the duty of Congress to govern the District of Columbia, but the detail of such government is, of course, performed by the proper departments. For Congress to act as a food arbitration board, or a milk committee, is, if nothing else, ridiculous.

I shall now discuss the Reorganization Act of 1939, an entirely different piece of legislation, for it involves fundamental principles. The passing of this bill was assured by the Democratic majority in control of the House. As a new Member of Congress, I can only say that the rules invoked to assure passage of this legislation should not be tolerated in a republican form of government, such as ours, for they restrict free discussion.

I now declare, as a Member of Congress and a representative of a sovereign State, that such rules are not evidence of freedom, but represent instead coercion in its rankest form. The responsibility for this legislation must forever rest upon the Democrats in the Seventy-sixth Congress.

Much may be said about this abnormal procedure, whereby the House incarcerates intelligent discussion in a mass of rules. The principal point of interest to me, and one which I want my colleagues to bear in mind, is the unfairness of such rules to those Members who are sincere in their desire to restore sound government, for its nullifles their efforts to act as intelligent representatives. If all legislation were constitutional and could be proven so upon the Constitution, simple rules of debate would suffice. Restrictive rules such as those employed on March 6, 1939, are subject to severe criticism.

The pretended economical policy now discussed by the Democratic Members is, in my opinion, for public consumption only. Consolidation, simplification, and reduction in the operative cost of the Federal Government is nothing but a gesture; however, I shall let the future decide, for success or failure of this legislation must be accepted by the Democrats, and the final verdict will be given by the American people.

I do not agree with some of the statements made on this floor in referring to reorganization, and I deny that the gentleman from North Carolina [Mr. WARREN] is justified in making this statement:

We now know from long and bitter experience that Congress does not want to do it. We know that Congress is not going to do it, and furthermore, we know that Congress cannot do it.

The gentleman from North Carolina [Mr. WARREN] may speak for himself, but he is not speaking for me; for my greatest desire is to bring about economy not only in the Federal Government but in Congress itself. I realize that if we are to survive Congress must resume its constitutional duty. I therefore favor reorganization by Congress; and we have plenty of men in this body capable and willing to perform this duty, in spite of the gentleman from North Carolina's [Mr. WARREN] presumption.

The pitiable attitude displayed by some of the Members on the majority side is not that of statesmen or men with knowledge of sound business principles. It is, instead, that of servants to Federal departments, and particularly to the head of the Democratic Party.

I said on March 6, 1939, that the Reorganization Act is clearly unconstitutional; and I repeat that now and shall prove my point by the remarks of the three gentlemen who sponsored this reprehensible legislation. I further say: The

rules of procedure for the passage of this legislation are an insult to Congress and to the people. The gentleman bragged about it when he said:

Why do we have the rule? This was drawn solely for the opponents of any particular plan of organization. I went to Mr. Deschler and told him that I wished that rule to be like fences we used to build down there in North Carolina; that I wanted it horse high, bull strong, and pig tight. I invite and challenge criticism of it. It will do the work, and it will make a filibuster in either body absolutely impossible.

I can only say that it does not require expert knowledge or ability for two votes to beat one. It requires no extraordinary ability and very little knowledge for the majority in Congress to destroy constitutional government or to enact any legislation as long as the majority favors such stupid procedure.

The parents of the reorganization bill—the gentleman from Missouri [Mr. Cochran], the gentleman from North Carolina [Mr. Warren], and the gentleman from Georgia [Mr. Cox]were indeed apprehensive about its constitutionality. This was clearly revealed when the gentleman from Kentucky said:

Mr. May. We find that when we undertake to bring out legislation Mr. MAY. We find that when we undertake to bring out legislation on reorganization here and get it through the House we have never been able to do it. The continual creation of new bureaus and agencies proves the necessity for this legislation. This bill, as a matter of fact, is not a bill setting up a reorganization plan. It is merely a bill directing the President to submit to the Congress his plan for reorganization for the approval, or rather the disapproval in its present form by the Congress, if it so desires, of whatever plan he may submit plan he may submit.

The distinguished gentleman from Kentucky is correct in part. Congress has attempted reorganization by legislationa wasted procedure. Congress does not need legislation for that purpose. Congress has the power to appoint its own Members to reorganize the Government, which is the proper procedure. First, it is constitutional; second, such appointees have all power necessary to reorganize the Government when selected by Congress to perform such duty. I want to say at this point that we have such men in Congress-so let us use them.

I must, however, disagree with the distinguished gentleman when he says:

The continual creation of new bureaus and agencies prove the necessity for this (H. R. 4425) legislation.

It does not prove the necessity for new legislation, but proves instead that Congress has allowed incompetent people to run the Government. It proves the failure of Congress to act within its constitutional capacity and requires for correction the repeal of legislation.

The gentleman is correct when he says this bill directs the President to submit to Congress his plan for reorganization for its disapproval. Unfortunately it is true.

Upon the statement of the gentleman from Kentucky [Mr. May], the gentleman from Georgia [Mr. Cox] became much alarmed. One of his own colleagues on the Democratic side of the House was on the verge of revealing the real intent of this act, which is for the President or his appointees to act as the Congress of the United States by the majority request of the Congress.

Mr. Cox. I hope the gentleman will not adhere to the statement he has just made. This is not the President's bill. This does not call for a plan of the President. This is the action of the Concall for a plan of the President. This is the action of the Congress. The plan will be the plan of the Congress and it must be if the measure is to stand the test that will hereafter be made. This will be a plan of the Congress made by its agent in accordance with its positive instruction.

Mr. Max. I did not say that this was the President's bill, and I do not say it now. I said this was simply a direction or request to the President to submit his plan to the Congress for approval or disapproval.

or disapproval.

Mr. Cox. I must take issue with the gentleman on that statement. This is not a request, this is an instruction—
Mr. May. Well, call it a direction, if it suits you better.
Mr. Cox. And the President is empowered to exercise discretion because we cannot delegate to him a legislative function—
Mr. Dondero. Mr. Chairman, will the gentleman yield for a question? tion?

Mr. May. I yield to the gentleman.

Mr. Dondero. The gentleman referred to the bill as having only one controversial section in it, and I assume the gentleman refers

section 5. Mr. May. Yes.

The gentleman from Kentucky [Mr. May], whom I respect as a good Democrat, questioned the constitutionality of the bill, and particularly the validity of section 5, which I now quote, and which the gentleman from Michigan [Mr. Don-DERO] refers to in his question.

SEC. 5. The reorganizations specified in the plan shall take effect

in accordance with the plan:

(a) Upon the expiration of 60 calendar days after the date on which the plan is transmitted to the Congress, but only if during such 60-day period there has not been passed by the two Houses a concurrent resolution stating in substance that the Congress does not favor the reorganization plan.
(b) If the Congress adjourns sine die before the expiration of

the 60-day period, a new 60-day period shall begin on the opening day of the next succeeding regular or special session. A similar rule shall be applicable in the case of subsequent adjournments sine die before the expiration of 60 days.

In the debate the following question was propounded:

Mr. Dondero. Does the gentleman know of any reason why this bill should not be amended to take the same course as any other bill before the House, and require affirmative action on the part of both branches of Congress rather than to remove practically all opposition to it by using a negative concurrent resolution as now

opposition to it by using a negative concurrent resolution as now provided?

Mr. May. I do not know of any reason why it should not be such as would require affirmative action by the Congress, and I will say to the gentleman from Michigan that I am very seriously considering the question of whether I shall vote for the provision which requires that the bill become law if the Congress does not act, or whether I shall vote for an amendment that will provide that the bill shall not become effective unless it is approved by the Congress. Whatever form the act may take, we must all realize that there must come a time, and that very quickly, when expenditures of government, both State and Federal, must be greatly curtailed—otherwise we may witness a complete collapse of our economic structure. We may face chaos as a people. To that, I am sure, all will agree. It is either a case of reduction of expenses or burdens of taxation beyond the endurance of our people.

I have taken the liberty of quoting the gentleman from Kentucky [Mr. May] in full because I regard his opinion very highly, and I am positive that he is sincere in his statement.

Now, let us examine this plan, for it is not open and aboveboard; it is instead very subtle:

SEC. 4. Whenever the President * • • (d) (4) make provision for winding up the affairs of the executive agency abolished or the affairs of the executive agency with respect to the functions abolished, as the case may be; and

(e) transmit such plan (bearing an identifying number) to the Congress, together with a declaration that, with respect to each transfer, consolidation, or abolition referred to in paragraph (a), (b), or (c) of this section and specified in the plan, he has found that such transfer, consolidation, or abolition is necessary to accomplish one or more of the purposes of section 1 (a). The delivery to both Houses shall be on the same day and shall be made to each House while it is in session.

The President, in his message transmitting a reorganization plan, shall state the reduction of expenditures which it is probable will be brought about by the taking effect of the reorganization specified in the plan.

It is my desire to call your attention to the last paragraph, that is, reduction of expenditures. Nothing is said in this paragraph about increase of expenditure in the new department created by such consolidation. I mention this as a point of interest.

Now, here is what happens: The executive agency transmits a plan—bearing an identifying number. What sort of a plan is it? Is it not possible that it may be an executive resolution? This is presented to both Houses. If no action is taken, it becomes a law in 60 days. It must for that reason be presented in the form of legislation.

Now, what happens? Is it returned to the President for his signature, or is it unnecessary? He is in reality the agency who proposed the measure, but, according to the Constitution, he must sign it before it becomes a law. it is returned to the President, will he sign it? If it is vetoed by him, will it be returned to the Congress for reconsideration? If Congress overrides such veto, what will happen?

Suppose again that Congress deny this request, plan, or executive resolution. It must be done by a concurrent resolution introduced in both Houses. This will deny the President's request. To be constitutional it must be returned to the President for his signature before it becomes valid.

Now, suppose he vetoes the concurrent resolution? It will be returned to both Houses and must then be passed by twothirds majority. It places Congress in a very embarrassing position, because it will require two-thirds majority to save the honor of the Nation.

I shall now recapitulate the discussion of the distinguished gentleman from Ohio:

Mr. JENKINS. Mr. Chairman, I offer the following amendment,

which I send to the desk.

The Clerk read, page 2, beginning with line 15, strike out down

The Clerk read, page 2, beginning with line 15, strike out down through line 19, the following paragraph:

"SEC. 1. (b) The Congress declares that the purposes specified in subsection (a) may be accomplished in great measure by proceeding immediately under the provisions of this title, and can be accomplished more speedily thereby than by the enactment of specific legislation."

Mr. Jenkins. Mr. Chairman, I have offered this amendment because I am very much interested in this matter that I wish to

have stricken out.

Mr. Cox. It refers to (a) in section 1.

Mr. Jenkins. If it refers to subsection (a) in section 1, then there is little wonder that all of this learned discussion has not been especially enlightening for it referred to subsection (a) over in section 5.

Mr. Cox. Subsection (a) contains everything down through line

Mr. Cox. Subsection (a) contains everything down through line 14, on page 2, does it not?

Mr. Jenkins. That is what I maintain, too. Now what does the gentleman think about this? Why cannot that whole section be stricken out? What does it do?

I shall now let the eminent gentleman from Georgia speak in reference to section 1 (b), already quoted:

Mr. Cox. That section is retained there for the purpose of supporting the constitutionality of the act. The Congress is here setting up its reason why an agent is being appointed to do the work which the Congress has not the facilities to do.

Mr. Jenkins. It strikes me yet, and I think I am absolutely right in my position, that this section does not do anything in the world toward making this law a constitutional act. I took that position yesterday, and I take it now.

Mr. Cox. The bill sets up justification for the law.

Mr. Jenkins. Yes; but that is not necessary.

Mr. Cox. And is most essential to its validity.

Mr. Jenkins. It is not necessary to set up explanatory language to make an act constitutional. If it has any constitutionality it gets it on its own wording.

to make an act constitutional. If it has any constitutionality it gets it on its own wording.

Mr. Cox. Mr. Chairman, I rise in opposition to the amendment. Of course, the membership of this House, if interested in the setting up of a law that will stand the test in the courts, will not support the amendment to strike this provision of the act, and * * * I submit, Mr. Chairman, that the section simply sets up the reason for the law, and that if stricken it is doubtful if the act could withstand a test in the courts on the ground of its constitutionality. its constitutionality.

In other words, the three gentlemen, the gentleman from Missouri [Mr. Cochran], the gentleman from North Carolina [Mr. WARREN], and the gentleman from Georgia [Mr. Cox], felt a little bit apprehensive. They were not willing to take advantage of the Constitution on the main street, but were perfectly agreeable to committing the crime in the alley.

The gentleman from Ohio [Mr. JENKINS] is perfectly correct. A statement of policy by the gentleman from Georgia [Mr. Cox], the gentleman from North Carolina [Mr. WARREN], and the gentleman from Missouri [Mr. Cochran] does not make this act constitutional, but it must instead rest for such validity upon the Constitution itself. I further say: None of the eminent gentlemen can designate where in the Constitution such power is given to them; that is, to make the Reorganization Act of 1939 constitutional by a statement of policy, as set forth in section 1, subsection (b)

It is my opinion that in the debate on this bill it is clearly shown by the majority itself that the bill is not only unconstitutional, but that it is also a direct and violent threat on constitutional rights and liberties. Nothing is constitu-tional in the bill except the paper it is written on. I understand their anxiety for enactment of this legislation.

The people's hope now lies in the Senate which is supposed to be composed of sane and sensible men, thoroughly appreciative of their responsibility. The Nation must rely upon this body when the House of Representatives fails in its constitutional duty. If both Houses fail to observe the Constitution, the last resort of the people rests upon the fairness of the Supreme Court of the United States. It is

the last resort upon which all of us must rely if the Nation is to survive. If the House, Senate, and the Supreme Court do not recognize unconstitutional legislation and stop the same, the people will then be forced to take the law into their own hands.

The constitutionality of this act must not be based upon previous decisions, but must rest instead solely upon the Constitution of the United States, with due consideration for amendments 9 and 10.

I question the soundness of rules which allow the majority in the Congress power to force legislation of this sort through the House without lengthy and serious consideration, not only by the Congress itself but by our people who in the end will be martyrs to congressional blunders.

I can readily understand why Members of Congress are ridiculed. It is indeed a pity that we are pilloried as public clowns; however, we are responsible for it, because of our boastful admissions of incompetency. I have been a Member of this Congress for 21/2 months and during the whole period we have done nothing but enact legislation and appropriate money, not in the millions but in the billions. are irresponsible as 8-year-old boys. God pity us. We have not the courage to assert ourselves and take command according to the power delegated to us by the people we represent and according to the Constitution of the United States. I recommend the reading of it—it is a very wonderful document. It might stiffen the spines of some of my colleagues.
This is the duty of Congress: The constitutional duty of

Congress is to represent our Nation in all its foreign relations and to provide protection and to promote the general welfare of the United States. The first duty of Congress is to enact nothing but such legislation as is clearly constitutional and definitely limited by the Constitution. The second duty is to operate the Federal Government with the most drastic economy and for the greater welfare of the people who are paying the expenses of the Government.

Congress is supposed to manage the Government in a positive manner, from the President down to the most unimportant department. It must provide for armaments of all types, to protect our Nation, our colonies, our merchant marine, our trade routes and foreign markets.

It is the duty of Congress to guarantee to each State a republican form of government, for which each State must assume responsibility. The State must operate free from Federal interference. The State is responsible for the business within the State and for its population. has no business to meddle with industries, with business, with labor, or with anything else within the State, but each State must assume complete responsibility for administration of its own affairs.

This is a rough outline of the duties of Congress and of the States. Congress can help the people best by the most drastic economy in the Federal Government, and an absolute minimum of taxation. It is the only way to restore sound government.

EXTENSION OF REMARKS

Mr. VAN ZANDT. Mr. Speaker, I ask unanimous consent to extend my own remarks in the RECORD by including therein an address delivered by Mr. H. A. Church, national legislative chairman of the Military Order of the Purple Heart, over station WOL on March 10, 1939.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Pennsylvania?

There was no objection.

PERMISSION TO ADDRESS THE HOUSE

Mr. FITZPATRICK. Mr. Speaker, I ask unanimous consent to address the House for 1 minute.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from New York?

There was no objection.

Mr. FITZPATRICK. Mr. Speaker, on yesterday we adopted an amendment to the paragraph making appropriations for the United States Housing Authority which limited to \$3,500 the amount to be spent per dwelling unit. Today I received a letter from the Administrator of the Authority which stated that the Authority had entered into contracts and obligations amounting to millions of dollars, for which this Government is responsible. If this amendment remains in the bill, it will destroy these obligations and contracts entered into by the Government, and we will be repudiating the act of 1937 that gave this agency authority to enter into such contracts. [Applause.]

Mr. Speaker, I ask unanimous consent to extend my own remarks in the RECORD and include therein the letter to which I have referred, together with data and other material regarding contracts that have been entered into by the Government.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from New York?

There was no objection.

Mr. FITZPATRICK. Mr. Speaker, the data to which I have referred are as follows:

DEPARTMENT OF THE INTERIOR,

UNITED STATES HOUSING AUTHORITY,
Washington, March 16, 1939.
Gentlemen: In accordance with your request, we are writing to advise you regarding the effect of the amendment which would limit annual contributions to dwelling units on which the cost limit annual contributions to dwelling units on which the cost does not exceed \$3,500. This amendment, if adopted, would result in abrogating contracts already made, with the approval of the President, by the United States Housing Authority with local housing authorities throughout the country. The present amount of these contracts calls for loans of \$346,460,000 which are to be made from the proceeds of bonds issued by the United States Housing Authority. No appropriated moneys are used in making loans.

Attached hereto is a table showing the costs per dwelling unit in small communities, middle-sized communities, and large communities, broken down to show:

ties, broken down to show:

(1) The over-all cost including nondwelling facilities, the construction cost of dwellings, equipment, architects' and overhead expenses, and the cost of slum buildings to be demolished. It is to these items that the \$3,500 limitation would apply, and it is apparent that all projects now being developed would become ineligible. This is no indication that the U.S. H. A. costs have been high, as may be seen from the second table showing how much lower the costs of U.S. H. A. aided projects have been than the costs in private industry and the cost of F. H. A. housing.

(2) Cost of new housing, which includes all costs except the cost of slum buildings to be demolished, as these costs should not properly be regarded as a cost of rehousing but rather as the cost of the slum-clearance portion of the program.

(3) The net construction cost, which includes the same items as are included in the private residential construction costs compiled by the Bureau of Labor Statistics on the basis of building-permit figures.

as are included in the private residential construction decided in the Bureau of Labor Statistics on the basis of building-permit figures.

Table II, which is attached, compares the average per-dwelling unit net construction costs of U. S. H. A. aided projects with the average in the same communities of private building and shows that the U. S. H. A. costs have been \$1,000 less per dwelling unit than the private building costs in the same locality. This table further shows that the over-all average estimated cost per dwelling unit for U. S. H. A. aided projects has been \$1,000 less per dwelling unit than the average value of new housing insured by U. S. H. A.; and, finally, this table shows that the U. S. H. A.'s actual average construction dwelling facilities costs per room and per dwelling unit are very materially lower than the limitations on such costs fixed in the United States Housing Act. These lower costs have been achieved by the United States Housing Authority even though the dwelling units built under its program are designed to last 60 years and are built with labor paid the prevailing wages.

It should be especially noted that the adoption of the \$3,500 over-all cost limitation would result in the abrogation of obligations already incurred by the United States Housing Authority with the approval of the President. Under the provisions of section 10 (e) of the United States Housing Authority Act "the faith of the United States is solemnly pledged to the payment of all annual contributions contracted for," and local authorities and private lenders have already made binding commitments in reliance upon the Government's fulfilling its obligations under these annual-contributions

tions contracted for," and local authorities and private lenders have already made binding commitments in reliance upon the Government's fulfilling its obligations under these annual-contributions contracts. The \$5,000,000 proposed to be appropriated for annual contributions is merely to meet payments which will accrue under these annual-contribution contracts that have already been made.

Moreover, the adoption of this over-all cost limitation would make it necessary for the United States Housing Authority to stop all further projects, because the limitation is so broad and all inclusive as to make the contemplated low-rent housing program impossible of achievement. As table II shows, the United States Housing Authority has been setting a remarkable record in the achievement of low cost, and its costs have been on the average of \$1,000 less per dwelling unit than those achieved in the same localities by private lenders or under the Federal Housing Administration.

If the United States Housing Authority program is to continue and if the Government is to fulfill its obligations under existing contracts, it is essential that the \$3,500 over-all cost limitation be not imposed.

Please communicate with us if there is any additional informa-tion which your committee desires in connection with the pending appropriation bill.

Faithfully yours,

NATHAN STRAUS, Administrator.

HOUSE COMMITTEE ON APPROPRIATIONS, House of Representatives, Washington, D. C.

TABLE I.-Costs

The proposed amendment would set a \$3,500 limit for the over-all cost of a dwelling unit. In order to see what the effect of this limitation would be, the figures on costs taken from 140 U. S. H. A.-aided projects, approved by the President as of December 31, 1938,

A DESCRIPTION OF THE PROPERTY	Average per dwelling unit cost in small municipalities	Average per dwelling unit cost in middle- sized munici- palities	Average per dwelling unit cost in large municipalities
1. Over-all cost: This includes land, nondwelling facilities, the construction cost of dwellings, equipment, architects and overhead expenses and the cost of slum			
buildings to be demolished 2. Cost of new housing, which includes all the items in No. 1 above, except the cost of slum	\$4,000-\$4,500	\$4, 500-\$5, 500	\$5, 500-\$6, 000
above, except the cost of sum buildings to be demolished 3. Net construction cost: This in- cludes the construction cost of dwellings, that is, struc- tural, plumbing, heating and electrical items. This comprises the same items as are included in private resi- dential construction costs compiled by the Bureau of	3, 500-4, 000	4,000-5,000	5, 000-5, 500
Labor Statistics on the basis of building permit figures	2, 000-\$2, 700	2, 700-\$3, 400	3, 400–\$4, 000

It is clear from this table that the imposition of a \$3,500 over-all cost to include not only structures but also land, nondwelling an cost to include not only structures but also land, nondwelling facilities, equipment, overhead, and slum clearance and demolition as well as new housing, would rule out all U. S. H. A. aided projects, despite the fact that, as shown in table I, judged by valid comparisons, the costs for U. S. H. A. aided projects are remark-

TABLE II.—Comparable costs

TABLE II.—Comparable costs

There are three costs with which the costs of U. S. H. A. aided projects may be compared. One is the comparison between the net construction cost of U. S. H. A. aided projects with the comparable cost of private construction. Another is the overall cost for new housing on U. S. H. A. aided projects compared with the average value of new housing insured by the F. H. A. in 1938. The third is a comparison between the dwelling-facilities cost on U. S. H. A. aided projects and the applicable statutory limitations. These three comparisons are set forth below.

1. Net construction cost per dwelling unit. This item is significant in view of the statutory requirement that the average construction cost of dwelling units in U. S. H. A. aided projects be not greater than the average construction cost of dwelling units currently produced by private enterprise in the locality concerned. The net construction cost of dwellings, that is, structural, plumbing, heating, and electrical items. This comprises the same items as are included in private residential construction costs compiled by the Bureau of Labor Statistics on the basis of building-permit figures.

Average per dwelling unit net construction cost of U. S. H. A. aided projects upon which main construction contracts have been approved.

\$2,830 Private building permit average in same localities in which U. S. H. A. aided projects are located.....

3, 840 Over-all cost for new housing. This includes land, non-dwelling facilities, the construction cost of dwellings and equipment. It does not include cost of slum buildings to be demolished.

Average estimated cost per dwelling unit for U.S. H. A aided projects_ Average value of new housing insured by F. H. A ... 5, 530

3. The United States Housing Act prescribes a \$1,000 limit on the dwelling-facilities cost per room and \$4,000 per dwelling unit in cities under 500,000 and \$1,250 per room and \$5,000 per dwelling unit in the larger cities. Dwelling-facilities cost includes the

cost of constructing the dwelling as well as the cost of equipment and charges for architects and overhead.

dwelling	Statutory simit on dwelling facilities cost per room		on U. S. H. A. projects upon f		Statutory limit facilities dwelling		struction have been
Cities under 500,000	Cities over 500,000	Cities under 500,000	Cities over 500,000	Cities under 500,000	Cities over 500,000	Cities under 500,000	Cities over 500,000
\$1,000	\$1, 250	\$828	\$940	\$4,000	\$5,000	\$3, 333	\$3,754

SUMMARY

It will be seen from this table:
1. That the average net construction cost (i. e., structural cost of new dwellings) per dwelling unit of U. S. H. A. aided projects is \$1,010 less than the average net construction cost of private dwellings in the same localities in which the U. S. H. A.-aided

dwellings in the same localities in which the U. S. H. A.-aided projects are located.

2. That the average estimated over-all cost of new housing, including land, nondwelling facilities, and the new construction per dwelling unit on U. S. H. A. aided projects is \$1,023 less than the average value of new housing insured by the F. H. A.

3. That the average dwelling facilities cost (i. e., structural costs plus equipment and overhead) per room on U. S. H. A. aided projects is \$172 and \$310 less than the \$1,000 and \$1,250 applicable statutory dwelling facilities cost per room limitations, respectively, and \$667 and \$1,246 less than the \$4,000 and \$5,000 applicable statutory dwelling facilities cost per dwelling unit, respectively. tively.

RECONSTRUCTION FINANCE CORPORATION

Mr. BANKHEAD. Mr. Speaker, I ask unanimous consent to address the House for 1 minute.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Alabama?

There was no objection.

Mr. BANKHEAD. Mr. Speaker, on yesterday afternoon I received a letter, addressed to me as Speaker of the House, from the Honorable Jesse Jones, Chairman of the Board of the Reconstruction Finance Corporation, in answer to certain charges that had been made on the floor of the House by the gentleman from Tennessee [Mr. Taylor] with respect to two matters, one relating to the refusal of the Reconstruction Finance Corporation to make a loan to a certain business enterprise in Tennessee, and the other containing a criticism of the action of that Board with reference to advancing moneys for the construction of a building here in the city of Washington. I think this matter should be inserted in the Congressional Record for the information of all Members of the House and the country. I therefore ask unanimous consent that it may be inserted at this point in the RECORD.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Alabama?

There was no objection.

The letter referred to follows:

RECONSTRUCTION FINANCE CORPORATION.

Washington, March 15, 1939.

Dear Mr. Speaker: The March 10 issue of the Congressional Record carries, on pages 2563 and 2564, observations by Mr. Taylor of Tennessee reflecting upon the R. F. C., and entirely inconsistent with the facts.

with the facts.

Because of the nature of these charges and the insinuations and misrepresentations contained in the article which Mr. Taylor inserted in the Record, I give you the following facts which, under the circumstances, we would appreciate having inserted in the Record.

Mr. Taylor refers particularly to a loan application from his district that we had not been able to qualify. When he called at our office February 8 to discuss this application, he was advised that there appeared to be no basis upon which a loan could be granted. However, further study is being given the application as is true with all applications that cannot be approved on the basis requested, but where the circumstances indicate a loan might be worked out. worked out.

worked out.

The fears expressed by Mr. TAYLOR to the contrary notwithstanding, we try very hard to qualify every application for a business loan that has any merit, particularly the smaller ones. Every application receives the most sympathetic consideration. Overviously, it is more pleasant to grant loans than to deny them. We try to administer the law as it is passed by Congress, giving the broadest possible construction to the act where employment is involved.

We have authorized more than 5,000 business loans of \$25,000 or less, the amount Mr. Taylor used in his remarks. Two thousand seven hundred and ninety-eight of our business loan authorizations have been for \$5,000 or less, and 3,979 for \$10,000 or less. Eighty-three percent of all our business loan authorizations have been for \$50,000 or less.

Eighty-three percent of all our business loan authorizations have been for \$50,000 or less.

The facts about the loan for the construction of an office building in Washington, to which Mr. Taylor referred in a none too complimentary manner to the directors of this Corporation, follow.

To aid employment and stimulate business, we have long been offering to finance the construction of sound building projects anywhere in the United States that a need for them can be shown and the borrowers can furnish a substantial equity.

When this loan was tentatively applied for, we were told that the property (a large plot opposite the Veterans' Building fronting the entire block on Vermont Avenue from H to I Streets) could be bought for \$3,000,000, or possibly a little less, and that the proposed building company could furnish a substantial cash equity, in addition to builders', engineers', and architects' fees. The applicants stated that they could readily rent the building for commercial purposes on a profitable basis.

After consideration by our directors and a conference with the President, I advised the applicant that if the property could be bought for approximately \$2,000,000, which upon investigation we thought would be a conservative but fair price, and the borrower would provide \$500,000 cash equity, in addition to the builders', engineers', and architects' fees, the R. F. C. Mortgage Co. would lend the balance of the cost up to \$5,600,000, provided it could lease the building at a satisfactory rental and have an option to buy it at cost. When the space is no longer needed for R. F. C. activities, it can be rented easily for sufficient to pay interest and amortization on our mortgage.

We have been badly in need of adequate quarters for several

to an be rented easily for sumcient to pay interest and amortiza-tion on our mortgage.

We have been badly in need of adequate quarters for several years, occupying space in four buildings, none of which is very well suited for our purposes nor convenient and economical in the ad-ministration of the Corporation.

After several months' negotiations the court and the trustee for the estate owning the property approved the sale at \$2,000,000.

the estate owning the property approved the sale at \$2,030,000, although the interested parties testified at the hearing before the court that it should be worth substantially more than this price.

Mr. Corcoran Thom, president of the American Security & Trust Co., trustee, testified that members of the executive committee of

Co., trustee, testified that members of the executive committee of his bank were of the opinion that \$2,500,000 was a probable value; that an offer of \$3,000,000 some years ago had been refused; and that the recent \$2,000,000 offer submitted by the prospective borrower was originally declined. Mr. Thom further stated that his committee, in view of the heavy obligations of the estate owning the property, felt that while the price was not full value, taking everything into consideration, they should recommend the sale.

Rear Admiral Mark L. Bristol, committee for Edward B. McLean, filed an answer in the proceedings stating that the price offered, \$2,000,000, was inadequate. He testified at the hearing that since a trust of \$1,500,000 had been placed on the property, it must have been considered by the people who had put that trust upon it as being worth close to \$2,500,000 or \$3,000,000.

I recite these facts to show the value of the land securing our loan.

Our directors regard the loan as a thoroughly sound investment and, in addition, it creates a substantial amount of work, both in its construction and in the preparation and fabrication of materials required, fully in keeping with the purposes of the act and the efforts of the administration.

materials required, fully in keeping with the purposes of the act and the efforts of the administration.

The architects' and engineers' fees aggregate only 5 percent of the cost of the building, which is 1 percent less than the standard rate fixed by the American Institute of Architects. The builder, one of the oldest and best-known construction companies in the country, is to have a fee of 8 percent of the actual cost of the building, which includes its overhead. This is a reasonable contractor's percentage and not all profit.

The \$500,000 cash provided by the building company, together with all fees and services by the contractors, architects, and engineers, and the conservative price at which the land was bought, gives the Mortgage Co. a margin substantially in excess of \$1,000,000.

The rental on the building is to be sufficient only to cover interest on our mortgage, taxes, 5 percent per annum on the equity, plus approximately 1 percent per annum to cover depreciation on the building and amortization of the investment.

The Mortgage Co. has an option to buy the building at cost, the construction and cost of which will be at all times under the supervision of its engineers. Under these conditions and the terms of the trade, there can be only a moderate profit to the builders, engineers, and architects, and that will be invested in the equity of the building.

In view of the crowded condition of many governmental agencies and the indequate and uneconomical querters that there are

In view of the crowded condition of many governmental agencies and the inadequate and uneconomical quarters that they are forced to occupy, we would be glad to finance the construction of other such buildings in Washington on similar terms.

Very truly yours,

JESSE H. JONES, Chairman.

Hon. WILLIAM B. BANKHEAD, Speaker of the House of Representatives, Washington, D. C.

PERMISSION TO ADDRESS THE HOUSE

Mr. WHITE of Idaho. Mr. Speaker, I ask unanimous consent to address the House for 1 minute.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Idaho?

There was no objection.

Mr. WHITE of Idaho. Mr. Speaker, it occurs to me that a very material saving could be effected to all the Members of the House and the Post Office Department by changing the form of the present Congressional Record. If we could provide that Members could secure mat copies of any material in the Congressional Record so it might be reprinted in standard newspaper columns in the press throughout the country we could relieve Members of the expense and trouble of putting out speeches through the usual channels by permitting them simply to secure an impression of the matter in the RECORD and send it to the local papers.

With this end in view I have prepared a bill which I am introducing today. I sincerely and earnestly commend it to the attention of the Members of the House. I ask unanimous consent, Mr. Speaker, that this bill may appear at this point

in the RECORD.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Idaho?

There was no objection.

The matter referred to follows:

Be it enacted, etc., That beginning with the second regular session of the Seventy-sixth Congress the Public Printer, under the direction of the Joint Committee on Printing, shall supply to Members of the Senate and House of Representatives, at cost, newspaper mats of such parts of the Congressional Record as they may desire; and the width of columns, size of type, and other matters of arrangement and style of the Congressional Record shall be modified as to the width of the column in the printed page of the Congressional Record and made standard and interchangeable with columns of standard newspapers, under the direction of the Joint Committee on Printing, to such extent as may be advisable in order that such mats may be suitable for newspaper use.

EXTENSION OF REMARKS

Mr. GEYER of California. Mr. Speaker, I ask unanimous consent to extend my remarks and to include therein a radio address by the gentleman from Illinois [Mr. SMITH] in his debate with Senator TAFT.

The SPEAKER. Is there objection to the request of the gentleman from California?

There was no objection.

MESSAGE FROM THE SENATE

A message from the Senate, by Mr. Frazier, its legislative clerk, announced that the Senate agrees to the amendments of the House to bills of the Senate of the following titles:

S. 218. An act for the relief of Manuel D. A. Otero, as administrator of the estate of Teresita S. Otero, deceased; and S. 219. An act for the relief of Emma Gomez.

INTERIOR DEPARTMENT APPROPRIATION BILL, 1940

Mr. JOHNSON of Oklahoma. Mr. Speaker, I move that the House resolve itself into the Committee of the Whole House on the state of the Union for the further consideration of the bill (H. R. 4852) making appropriations for the Department of the Interior for the fiscal year ending June 30, 1940, and for other purposes.

The SPEAKER. The question is on the motion of the gentleman from Oklahoma.

The motion was agreed to.

Accordingly the House resolved itself into the Committee of the Whole House on the state of the Union for the further consideration of the bill H. R. 4852, with Mr. Buck in the

The Clerk read the title of the bill.

Mr. JOHNSON of Oklahoma. Mr. Chairman, I ask unanimous consent that debate on the reindeer item and all amendments thereto conclude in 30 minutes, and may I say in support of this suggestion that this is an item that has been discussed not only for several hours in the past but for several years. The Members are advised, I think, about the item, and yet there is no disposition on the part of the committee to prevent anyone from discussing the matter who desires to do so.

Mr. RICH. Mr. Chairman, reserving the right to object, I may state that the gentleman from Oklahoma was a little LXXXIV-181

reluctant in mentioning the fact we are going to talk about reindeer. There is going to be quite a controversy over this subject. This means that somebody is going to take a sleigh ride, and we are going to have the reindeer, 180,000 of them, to lead us on, and, Mr. Chairman, we could not do justice to this subject in 30 minutes.

Mr. FADDIS. Mr. Chairman, I demand the regular order. This is no time for the gentleman from Pennsylvania to make a speech.

Mr. RICH. I object to the 30 minutes, Mr. Chairman.

Mr. JOHNSON of Oklahoma. Mr. Chairman, I wonder if we can agree at this time on a reasonable amount of time. I believe the Committee does not want to discuss the reindeer item all the afternoon, and I may say to the gentleman from Pennsylvania that I have no reluctance about discussing it. I have discussed it more on the floor of the House, probably, than any other Member, and there is no reluctance on my part about discussing it and no reluctance on my part about giving the Members all the time they want to discuss it.

Mr. RICH. I may say to my colleague that if he will let the debate run along for 10 or 15 minutes, then, if there is no great demand for time, I am willing to close debate in half

Mr. JOHNSON of Oklahoma. But the gentleman does not want to agree at this time on any limitation of time?

Mr. RICH. It seems the minority members of the committee feel we ought to run along for 10 or 15 minutes before limiting the time.

Mr. COLMER. Mr. Chairman, reserving the right to object, I want to ask the gentleman on the minority side if he would not agree to 40 minutes? I think that would give us ample time to discuss this matter.

Mr. RICH. We do not know, Mr. Chairman, how many of our Members want to speak on this item. If those who want to speak will indicate the fact now, we can arrive at some conclusion about the time.

Mr. JOHNSON of Oklahoma. I would suggest then, Mr. Chairman, that those who have a speech they want to make on this subject rise and we can determine the matter.

Mr. CARTER. Mr. Chairman, I would like to have 10 minutes by unanimous consent or under any other arrangement that may be possible.

Mr. COLMER. I would make the same request, Mr. Chair-

Mr. CARTER. Mr. Chairman, may I suggest that we let debate run along for a few minutes and then I think we can enter into a unanimous-consent agreement to close debate. We have no desire to prolong debate unduly. We want to close it as expeditiously as possible, but we have no way of knowing now how many Members desire to speak and some who are not here now will arrive a little later and will want to speak and if we foreclose them now they will not have that opportunity.

Mr. JOHNSON of Oklahoma. Mr. Chairman, I move that all debate on this amendment and all amendments thereto close in 50 minutes. This will give everybody a chance to get a speech off his chest.

The CHAIRMAN. The gentleman from Oklahoma moves that all debate on the pending amendment and all amendments thereto close in 50 minutes.

The motion was agreed to.

The CHAIRMAN. There is pending before the Committee the amendment offered by the gentleman from Oklahoma [Mr. Johnson]. Does the gentleman desire recognition?

Mr. JOHNSON of Oklahoma. Mr. Chairman, I do not desire to discuss the matter at the present time. The gentleman from Mississippi [Mr. Colmer] had the floor yesterday, and I suggest that he be permitted to address the Committee.

Mr. COLMER. Mr. Chairman, if I understand the regular procedure, the proponent of the amendment should first present the matter.

The CHAIRMAN. The proponent of the amendment does not desire to be recognized and the Chair will recognize anyone in opposition to the amendment.

Mr. COLMER. Mr. Chairman, I rise in oposition to the amendment.

Mr. FORD of Mississippi. Mr. Chairman, I rise to a parliamentary inquiry.

The CHAIRMAN. Does the gentleman from Mississippi vield?

Mr. COLMER. Yes.

Mr. FORD of Mississippi. I ask unanimous consent that the Clerk again may report the amendment pending before the Committee.

The CHAIRMAN. Does the gentleman from Mississippi yield for that purpose?

Mr. COLMER. Yes.

The CHAIRMAN. Without objection, the Clerk will report the amendment.

There was no objection.

The Clerk read as follows:

Amendment offered by Mr. Johnson of Oklahoma: Page 60, line

Amendment offered by Mr. Johnson of Oklahoma: Page 60, line 23, insert a new paragraph, as follows:

"Reindeer industry, Alaska: For the purchase, in such manner as the Secretary of the Interior shall deem advisable, of reindeer, abattoirs, cold-storage plants, corrals and other buildings, and communication and other equipment, owned by nonnatives in Alaska, as authorized by the act of September 1, 1937 (50 Stat. 900), \$820,000; and for necessary administrative expenses in connection with such purchase and the establishment and development of the reindeer industry for the benefit of the Eskimos and other natives of Alaska, as authorized by said act, including personal services in the District of Columbia (not to exceed \$2,300) and elsewhere, traveling expenses, erection, repair, and maintenance of corrals, fences, and other facilities, \$250,000; in all \$1,070,000, to be immediately available: Provided, That under this appropriation not exceeding an average of \$4 per head shall be paid for reindeer purchased from nonnative owners: Provided further, That the foregoing limitation shall not apply to the purchase of reindeer located on Nunivak Island."

Mr. JOHNSON of Oklahoma. Mr. Chairman, will the gentleman from Mississippi suspend for a moment until I can explain to the Committee why the amendment was offered? Mr. COLMER. Mr. Chairman, that is the position I took

a moment ago.

The CHAIRMAN. If the gentleman yields, it is to be taken out of his time.

Mr. COLMER. Mr. Chairman, I ask unanimous consent that the chairman of the committee who has offered this amendment be allowed to have my time so that he can ex-

plain the amendment, and then I can oppose it.

The CHAIRMAN. The gentleman from Mississippi asks unanimous consent that the gentleman from Oklahoma be permitted to explain the purpose of this amendment without the time being taken out of the 50 minutes previously agreed upon. Is there objection?

There was no objection.

Mr. JOHNSON of Oklahoma. Mr. Chairman, the pending amendment which was offered by me was to take the place of the provision in connection with the purchase of reindeer in Alaska, stricken out on a point of order on yesterday. It is simply for the purpose of eliminating that part of the bill objected to by the gentleman from Wisconsin [Mr. Schafer] and which was held to be legislation on an appropriation bill and subject to a point of order. My amendment simply eliminates the language of the item which was objectionable.

May I add, Mr. Chairman, that I presented the pending amendment as the necessary formality on my part, having this bill in charge? The amendment is offered for the purpose of giving Members an opportunity to vote on the so-called reindeer item, and does not necessarily present my own opinion on this particular item.

Mr. COLMER. Mr. Chairman, this is the third time that I have appeared in the Well of the House in opposition to this authorization and appropriation for the purchase of reindeer in Alaska. It was my purpose to move to strike this item. I know there are those who differ honestly with me on this proposition and I know that in many instances they are perfectly conscientious in the matter. But for the life of me I cannot understand, as I said before, why the Government of the United States, with the present condition of the Treasury, when we are holding out the olive branch to business and talking economy in Government, when we are trying to reestablish the confidence of the people in the Government, should go into a new venture like the reindeer This is purely a Santa Claus proposition. Someone explained his opposition to our position in this matter because he believes some of our constituents would object because Santa Claus would not have sufficient reindeer otherwise. Someone else suggested that the Government had gone into so many questionable businesses, and so many people had gotten the idea that the Government really is Santa Claus, that we ought to have these additional reindeer to fill out the picture.

The cold, hard facts about this situation are that some people named Lomen started in the reindeer business in Alaska. They started in that business not to help the Eskimos, but to make money for Lomen Bros. They constructed abattoirs and other buildings and equipment and then went broke. It was not a successful venture, and what happened? They came down here to Washington to get the Government to pull their chestnuts out of the fire, to have the Government make them whole and escape the loss on this unsuccessful venture. That is the situation and the record shows it. It is shown by the hearings that it is proposed to buy 180,000 reindeer for which \$4 a head will be paid except some 15,000 that are claimed by the Lomen Bros. on this Nunivak Island. They can pay \$25 or \$50 a head for those deer if they want to. I want to be perfectly frank about this. Lomen Bros. own other deer in addition to those on this particular island, and those on the island are exempted, and the Government is to purchase 180,000 reindeer. I have the record of the hearings that show that Lomen Bros. claim to own 275,000 deer up there. When the Government gets ready to buy these other deer, in many instances it will be buying its own reindeer, and I shall prove that statement to you.

The Government went up there some years ago and placed some reindeer in there. There has been a natural increase. They cannot tell who owns those reindeer. I appeal to the membership to show good faith in economizing by defeating this item.

[Here the gavel fell.]

Mr. COLMER. Mr. Chairman, I ask unanimous consent to proceed for 2 additional minutes.

The CHAIRMAN. The Chair feels that the time was allotted at the time the agreement was entered into.

Mr. COLMER. I withdraw the request, Mr. Chairman. The CHAIRMAN. The Chair will ask if any member of the

committee desires to use time at this point?

Mr. FADDIS. Mr. Chairman, I would like to speak in favor of the amendment.

The CHAIRMAN. Unless some member of the committee desires to proceed, the Chair will recognize the gentleman from Pennsylvania for 5 minutes.

Mr. FADDIS. Mr. Chairman, I am not one of those who believes it is either possible or desirable to place everyone within the confines of the United States of America on W. P. A. I believe it is absolutely necessary that among our population we have a certain amount of people who are able to support themselves. That is the reason I am supporting this amendment. I believe that this proposition to give the Eskimos of Alaska reindeer, which will enable them to be selfsustaining, is the most practical item in this entire bill. To provide for their subsistence is a duty that this Government owes to the Eskimos, since they are wards of the Government, just as much as we owe the unemployed throughout the United States an opportunity to earn a living. [Applause.] I believe if we would follow some system such as this and apply it to the other unemployed in the United States, we would be a great deal closer to a solution of our problems today than we are under our present plan.

The Eskimos are wards of this Nation. They are wards of this Nation just the same as the Indians are wards. They are located in an area where living is a hard proposition. When these herds of reindeer are given to the Eskimos it will mean a living for them. It means that those Eskimos are not going to be put on the public pay roll of the United States if this plan works out as we have every reason to believe it will work out. If we could only devise some system to make the other unemployed in this Nation self-supporting and make them the assets to the Nation which they should be,

we would be making progress.

I want to call the attention of the Committee to the fact that in the past several years several commissions have gone to Alaska to investigate this proposition. Last year, I believe, we expended some \$50,000 in sending a commission up there to investigate them. This commission has reported favorably upon this proposition. It is not a matter of bailing somebody out of a poor financial investment. It is a matter of practical common sense all too unfamiliar in this day and The real gist of the matter is, are we going to adopt a policy today on the floor of this House whereby we express our willingness to allow some of the wards of this Nation to be self-sustaining? Or, are we going to adopt the same policy toward these people as we have adopted toward the other unemployed of the Nation? Are we going to throw up our hands over the whole situation and admit our total incompetency to work out the salvation of any of the people of this Nation and admit that the dole and W. P. A. are here to stay? If so, it will be all right to deny these Eskimos the reindeer and put them on W. P. A. or on relief. But if we are going to allow these people the same privileges that American citizens should be allowed, if we are going to give them an opportunity to work out their own salvation, then it is necessary that we furnish them in this section of the United States with a means of sustenance which is adaptable to their climate and to their habits.

Mr. SIROVICH. Mr. Chairman, will the gentleman yield? Mr. FADDIS. I yield.

Mr. SIROVICH. As I understand this proposition, in Alaska there are two kinds of reindeer-those owned by the natives and those owned by nonnatives. The whole trouble in this matter has been that the native-owned reindeer have mixed with the non-native-owned reindeer and have brought confusion and trouble, and nobody knows to whom these reindeer belong. If we pass the amendment which the committee has proposed, it takes out of operation all the nonnative-owned reindeer and will enable the Eskimos, about whom the gentleman has so eloquently spoken, to have an opportunity to be self-supporting and self-respecting.

Mr. FADDIS. I believe the gentleman is correct. I imagine someone who is better acquainted with the local situation than I am will bring that out in the debate. I thank the gentleman for his contribution, and appeal to the Committee to take a practical view of this matter.

I ask unanimous consent to revise and extend my remarks, Mr. Chairman.

The CHAIRMAN. Without objection, it is so ordered. There was no objection.

Mr. SCRUGHAM. Mr. Chairman, I rise in support of the amendment. The act of Congress approved September 1, 1937 (50 Stat. 900), to provide subsistence for the Eskimos and other natives of Alaska by establishing for them a permanent and self-sustaining economy; to encourage and develop native activity in all branches of the reindeer industry; and for other purposes; included as section 16 thereof, an authorization for the appropriation of \$2,000,000 for the use of the Secretary of the Interior in carrying out the provisions of the act.

The Congress at its last session authorized the appointment of a committee to make a survey of the reindeer industry in Alaska and to submit a report of its findings to Congress together with recommendations. This committee visited Alaska during the summer of 1938 and made a thorough study of the situation with respect to the reindeer and the condition of the Eskimos in northwestern Alaska where the reindeer are located.

This committee in its report to Congress recommended that an appropriation be made for the purchase of non-native-owned reindeer, non-native-owned reindeer equipment, and for administrative expenses in carrying out the purposes of the act. In accordance with the expressed wish of Congress and the recommendations of this committee, the Interior Department prepared an estimate and submitted it to Congress through the Bureau of the Budget. The amount of this item now before Congress is less than the amount recommended by the committee. The amount recommended by the Department was \$1,370,000, which was identical with the recommendation of the reindeer committee. The amount as approved by the Bureau of the Budget was \$1,285,500. The amount before Congress at this time is \$1,070,000. The investigating committee's recommendations fixed an average price per head at which reindeer should be purchased of not exceeding \$5. This amount was reduced by the Subcommittee on Appropriations to not exceeding \$4 per head.

For a number of years there has been a great deal of controversy between the Eskimo owners of reindeer and the nonnative owners of ranges on which the reindeer grazed and the mixing of a considerable number of reindeer owned by nonnatives with the herds owned by natives. As a result of this controversy there has been very little herding of reindeer during the past few years, and the reindeer have tended to stray farther and farther away from the Eskimo villages, becoming wilder each year. In addition, wolves have invaded the reindeer country and are committing very severe depredations among the herds.

At the present time the supervisory personnel consists of only six persons—one acting general reindeer supervisor and They cover a grazing ground five district unit managers. whose area is a third of all Alaska, or 170,000 square miles. Practically all of the local work with the Eskimo stations must of necessity be performed through the teachers in the Indian Service schools. The only possible way to clear up the controversies between the natives and nonnative owners of reindeer is to purchase all non-native-owned deer and such equipment in connection with these reindeer as can be used to advantage. Unless this is done in the near future, it is feared that it will soon be impossible to save the reindeer industry in Alaska for the Eskimos. As stated above, the estimate submitted by the Department was in accordance with the expressed wish of Congress and of the reindeer committee appointed by Congress. The Department of the Interior is of the opinion that the appropriation is needed to save the reindeer industry for the Eskimos in Alaska, but it is, of course, willing to be guided by the judgment of Congress with respect to the appropriation of funds for the administration of the reindeer industry in Alaska.

The object of the appropriation is not, as has been claimed in some quarters, to take care of somebody who failed in business. The merit of such contention is a matter to be worked out by the Secretary of the Interior, who is not to pay more than \$4 for each reindeer except on a certain island, where it was pointed out that the situation was more satisfactory in that the population was already self-supporting. The point at issue is whether or not the Government is morally obligated to do something to preserve these reindeer for the benefit of the Eskimo population. They are the source of livelihood for a considerable part of the native people in Alaska. Will these reindeer continue to increase and be available to the natives, whether or not the Government takes control of the situation? Here is the testimony on this subject. This was given by the chairman of the committee which made the investigation last summer, Mr. C. E. Rachford, in reply to our questions, "Are the reindeer increasing or decreasing? Will they require attention? Will they require herding?" He submitted the following figures.

I will not read the names of the places, but in 1932 the grand total of reindeer counted on certain ranges was 123,148. In 1938 the number of reindeer on the same ranges was 26.340, indicating that the reindeer herds are seriously decreasing. Possibly some of them may have drifted to other fields, but there is no question, however, that there have been heavy losses from wolves and from the lack of proper herding. Something has to be done to keep these herds up if these native people are to be kept alive and prosperous.

The next witness was J. Sidney Rood, another expert in charge of the reindeer.

He stated that unless the herds are constantly tended they will steadily disappear. This is evidenced by the following excerpt I read from page 618 of the hearings:

J. Sidney Rood gives the following statement:
"But unless the herds are constantly tended they will gradually "But unless the herds are constantly tended they will gradually disappear. In 1932 the Kivalina Reindeer Co. corralled 42,000 deer; in 1934, 38,000; 15,000 in 1936; only 12,000 in 1937. In 1935 the Selawik corral count was 12,778, whereas in 1937 only 2,722 deer were corralled. At the Kivalina marking of this month the fawn increase was found to be only 10 percent; at Koyuk during July the fawn increase was only 7.3 percent; the Egavik marking of September showed a fawn increase of one-half of 1 percent. Poor success of round-ups and heavy fawn loss is due to the deer being untended while glaciation covers large spots of pasture, to wolf depredation, to the wildness of the reindeer, and so forth."

One of the unit managers in 1936 stated:

wolf depredation, to the wildness of the reindeer, and so forth."
One of the unit managers in 1936 stated:
"The situation is far more serious than reports indicate and far more desperate than reindeer owners and the Government realize. Three years ago, previous to the first appearance of wolves, in the above-mentioned area (Kotzebue) there were between 18,000 and 20,000 reindeer. These herds permitted the butchering of over 4,000 deer annually by the native owners. Today the Noorvick herd numbers less than 1,500 deer, Shungnak has no more than 1,300 deer, and Selawick less than 1,500, a total of not more than 4,300 deer. With the most stringent curtailment of butchering and model herd management, these herds are doomed to extinction within 2 years unless the wolves are completely eliminated or disappear immediately, and we know this will not occur."

The fact is these reindeer herds are being decimated, they are being killed by wolves and possibly disease and hunger. Something must be done by the Government to take care of them as a humanitarian effort. They are a large part of the livelihood of the native people of Alaska, who are spread over one-third of the area of the entire territory.

Mr. SIROVICH. Mr. Chairman, will the gentleman yield?

Mr. SCRUGHAM. I yield.

Mr. SIROVICH. A joint committee of Congress last year went to Alaska to investigate this matter. Has the committee reported that the amendment here offered should be approved?

Mr. SCRUGHAM. These recommendations are almost entirely in line with the committee report except the amount asked for is less.

Mr. KITCHENS. Mr. Chairman, will the gentleman yield?

Mr. SCRUGHAM. I yield.

Mr. KITCHENS. My predecessor in this Congress, Mr. Goodwin, was very instrumental in protecting the seal herds on the Pribilof Islands, a fact which was very successfully used against him in some of his campaigns for reelection. His only object, however, was to try to protect the seal herds. It was charged against him that he was doing it for the benefit of certain people. Does the gentleman believe that the reindeer face the same certainty of destruction as the seal herds did a few years ago?

Mr. SCRUGHAM. If they are not tended and herded that will be their fate, according to the testimony given to the committee in the hearings on the Interior Department bill.

Mr. SIROVICH. This is a conservation measure.

Mr. SCRUGHAM. Yes. [Applause.]

[Here the gavel fell.]

The CHAIRMAN. The Chair recognizes the gentleman from Oklahoma [Mr. Massingale] for 4 minutes.

Mr. MASSINGALE. Mr. Chairman, I do not know a great deal about the reindeer situation in Alaska, but I received the impression, from hearing those who have made some investigation of it, that there seems to be no real ownership of these reindeer. They run at large on the commons of that country and the fellow who has the greatest force of men in his employ is the owner of the larger number of reindeer. The reindeer belong to most anybody who has the authority or the force sufficient to round up the most reindeer when that time of the year comes around; in other words, it is something like buying the birds in the air for the Government of the United States to spend probably \$2,000,000 buying reindeer in Alaska.

It seems to me it would be a mistake to authorize the expenditure of more than \$1,000,000 to buy reindeer in Alaska when the facts are such that we do not know whether we are getting title to them or not when we buy them. They belong to anybody, and I do not believe we shall get any more title to these reindeer it is proposed to buy in Alaska than we would get to the birds in the air were we to buy the birds that fly over the lands of Alaska.

Mr. RICH. Mr. Chairman, will the gentleman yield?

Mr. MASSINGALE. I yield.

Mr. RICH. Does the gentleman realize that it will cost in the neighborhood of \$200,000 a year to take care of these

reindeer after they are purchased?

Mr. MASSINGALE. I have heard statements to that effect. The fact of the matter is I cannot get any tangible information on these reindeer. While I am pretty liberal minded, so far as I am concerned I am not going to vote for the expenditure of this \$1,000,000 in order that somebody may be compensated perhaps for some loss that has been sustained in a reindeer venture in Alaska. I believe such deals should be made upon more of a business basis than apparently exists in this case.

Mr. DIMOND. Mr. Chairman, will the gentleman yield?

Mr. MASSINGALE. I yield.

Mr. DIMOND. Has the gentleman read the hearings of the special joint committee appointed by the chairmen of the House and Senate Committees on Appropriations, which special committee asserts that ownership of these deer is well established; that every deer the Government will buy belongs to somebody else and that title can be acquired? All the facts relating to the situation are set forth with the greatest degree of detail in the hearings held by that special committee.

Mr. MASSINGALE. Yes; I have read a part of that testimony and I have come to the conclusion that buying these reindeer is not a proper undertaking at this time when the matter of title is so uncertain. There would be no more security of title to the Government if we spend this money for these reindeer than there would be security to title of wild ducks flying over Alaska.

[Here the gavel fell.]

The CHAIRMAN. The Chair recognizes the gentleman from New Mexico [Mr. DEMPSEY] for 4 minutes.

Mr. DEMPSEY. Mr. Chairman, almost every Member who has talked against the purchase of these reindeer admits at the outset that he knows nothing whatever about the situation.

The Committee on Territories, of which I was a member, listened carefully to the evidence submitted to us by those who were in a position to tell us intelligently and informatively all the facts. One of the gentlemen who appeared was the First Assistant Secretary of the Interior, Mr. E. K. Burlew, who the gentleman from Pennsylvania, Mr. Rich, says, is one of the finest men in the Federal service. I most heartily agree with the gentleman from Pennsylvania in that regard, for I have found Mr. Burlew to be a capable, efficient, and most reliable public official. I have no interest in this situation except to be frank and tell the Members of the House what knowledge I obtained as a member of the Committee on Territories. Not only did I listen to those wellinformed people who came before us, but I consulted with Members of the Senate who went to Alaska to investigate this very problem.

They came back and recommended purchase by the Federal Government of these reindeer. Then we sent up another committee, financed with \$25,000 which we voted. That committee came back and made the same recommendations.

The situation is quite different from that which has been presented to this House. In the first place, the range is entirely owned by the Federal Governent, and I am advised there will not be reindeer permitted to graze on that domain except those owned by the Eskimos if this bill passes.

Mr. Chairman, the Eskimos were in that country before we obtained Alaska. We have not done very much for them, but we have done much to them. In my opinion, it is simply a question of whether the membership of the House desires to provide relief for the Eskimos for years to come or whether we desire to make them self-sustaining by making this purchase and turning these reindeer over to them.

Mr. SIROVICH. Will the gentleman yield?

Mr. DEMPSEY. I yield to the gentleman from New York.
Mr. SIROVICH. May I call the attention of the distinguished gentleman to the fact that the issue in this matter is just one thing? We have native reindeer owners, the Eskimos, who are trying to make a living, and we have nonnative owners of reindeer whose reindeer intermingle with those of the natives, which bring about quarrels. If we eliminate the nonnative owner, we will have only the Eskimo reindeer owner, who will be able to make a proper living.

Mr. DEMPSEY. The gentleman is correct, and may I say the testimony is conclusive that these reindeer have a brand, the same as cattle in the West have a brand.

Mr. CARTER. Will the gentleman yield?

Mr. DEMPSEY. I yield to the gentleman from California.
Mr. CARTER. I am sure the gentleman wants to be accurate. These reindeer are not branded. They have earmer's

Mr. DEMPSEY. I may say to the gentleman from California that whether you put a brand on the rump of a reindeer or you brand him by clipping his ears, it is still a brand which is recognized in Alaska.

Mr. CARTER. It is recognized as a mark.

Mr. DEMPSEY. It is the only way to mark him.

These reindeer are rounded up each year and branded by this earmark. May I say that the Director of the Budget has approved this item; the President of the United States has approved it; the Interior Department has recommended it, and every committee that went to Alaska and knows anything first hand about the matter has recommended this item.

Are we here, thousands and thousands of miles away, going to allow ourselves to be influenced by a bit of ridicule, which is the greatest weapon of destruction, and turn down a proper amendment and a worthy item simply because of ill-founded prejudice? I believe not.

[Here the gavel fell.]

The CHAIRMAN. The Chair recognizes the gentleman from Alabama [Mr. Hobbs] for 4 minutes.

Mr. HOBBS. Mr. Chairman, the Good Book says, "Blessed are the peacemakers," and with this we all agree, I am sure. But, in actual practice, all too frequently, the peacemaker gets hurt. So at the risk of being put in the position of the ordinary peacemaker in a neighborhood scrap, very reluctantly do I inject myself into this fight, as one of the middlemen.

The distinguished gentleman who has just taken his seat—and I hold him and his opinion in high esteem—stated that much has been done to the Eskimo by the white man. I would not quarrel with him about that, nor do I admit that I know nothing about this matter for I have studied every word of the hearings. However, I would point out to him that the white man, and the white man's government of the United States, imported 1,280 reindeer into Alaska between 1880 and 1902, and they have now multiplied in the hands of the Eskimos until now their admitted ownership is 320,000 head. So, while we may have done much to the Eskimos, at least we have done that much for them.

There is one single proposition to which I desire to direct my remarks and ask your careful consideration. There is no more intelligent, no more earnest, no more honest man in this House than Anthony J. Dimond. I am using him as the text of my remarks, and I hope that all of you gentlemen, whether you are proponents or opponents of this amendment, will listen to what he has to say.

I quote from page 9470 of the Congressional Record of August 20, 1937:

In addition to other things, there has been mismanagement and very serious mistakes made in administration. Up until 1925, under the leadership of an excellent administrator and a high-minded, self-sacrificing man, William Thomas Lopp, the Eskimos were taught and trained in the herding of reindeer, but along about 1923, when the white men's herds increased, the Government officials were persuaded by the white owners that there was no use herding the reindeer, but that they should be turned out on the range. That was very fine for the white owners, and it was very bad for the natives.

I submit that that statement ought to challenge our serious thought. If we are in the plight we are in today because of an error in judgment and a change of administration and policy adopted with reference to these herds in 1923, then, I ask: Why not correct that error, reverse that trend, and put another man like Mr. Lopp there to see that these Eskimos properly herd their 320,000 Government-gift reindeer and that they are protected and helped in every possible way? This could be done for a few thousand dollars a year instead of the initial million, plus \$100,000 a year, which this amendment seeks to appropriate. The Eskimos are entitled to consideration, but so are the taxpayers. We are trustees for the Americans who foot the bills. I am old-fashioned enough to believe that public office is a public trust and that the funds we administer are trust funds. But, again, please let me remind you that, operating as we are under a staggering debt and on borrowed money, we are making a mortgage for our children to pay whenever we appropriate a dollar. We should be awfully sure of our ground before we spend this million, which we do not have, by signing the names of unborn taxpayers to our mounting mortgage. [Applause.]

[Here the gavel fell.]

The CHAIRMAN. The Chair recognizes the gentleman from Pennsylvania [Mr. Rich] for 5 minutes.

Mr. RICH. Mr. Chairman, when the bill was passed at the last session of Congress authorizing the purchase of reindeer in Alaska there certainly was a lot of outside force used to try to put that bill through Congress. We also passed a resolution last year to have a committee investigate the reindeer situation in Alaska because of the fact the bill had been passed authorizing the purchase, and they were to investigate as to whether it was a feasible thing to do. The committee went to Alaska with the idea that it was their duty to see whether these reindeer could be purchased. came back with a report and showed us pictures of what they had done when they went up to Alaska last summer. The committee did the best they knew how and tried to carry out the instructions of Congress, but they found it was a very difficult proposition for them to get over the territory. They went only about half way up through Alaska, and the northern half they did not investigate at all, nor were they in northern Alaska at all.

It seems to me that to spend \$1,070,000 in the purchase of 180,000 of these animals, which belong to one company, when there are 43 different nonnative companies or individuals in Alaska who are owners of reindeer, is not right. It is the intent and purpose now, in line with the committee's recommendation, for the Government to go in Alaska and compel everybody to give up their reindeer whether they want to or not. It is not right, it is not just, and it is not honorable that the Government go in and tell the people to give up what they now enjoy, and force this Government into the reindeer industry; buying all the equipment of the Lomen Co. and other concerns. Government in business.

We have taken care of the Eskimos in Alaska, and we are willing to do it, but when we take over these 180,000 reindeer that belong to the Lomen Co., and pay them for them, we are only being a Santa Claus to the Lomen Co. It seems to me we have been a Santa Claus long enough; and it is going to cost us \$100,000 to \$200,000 a year to take care of the reindeer, if we do buy them. An annual expenditure.

Mr. SCHAFER of Wisconsin. Mr. Chairman, will the gentleman yield?

Mr. RICH. Briefly.

Mr. SCHAFER of Wisconsin. Uncle Sam has played Santa Claus to foreign countries and perhaps that is why they think Santa Claus needs some reindeer.

Mr. RICH. It is all right to have a few reindeer but when we propose now to buy 180,000 reindeer it seems to me the New Deal has gone beyond the point of being a Santa Claus. In my judgment, this is more of a joy ride.

Let us imagine that we would hook 180,000 reindeer to a sleigh and put there as a driver the President. Then we would add those three great Americans without any relatives, Uncle Sam, Santa Claus, and Charley McCarthy. Then we

would load on the sleigh all the Members of Congress and would start down Constitution Avenue. We would then drive out to the Blue Ridge Highway, 800 feet wide, and would take a sleigh ride over that Blue Ridge Highway to the Natchez Trace Highway down in Mississippi. We would have to strew cotton all along this pathway to get rid of the cotton we owned, so we would have something that looked like snow. Then we would go up through the shelter belt, clear up through the northern part of this country, with this sleigh load. Do you think every Member of the Congress would want to hang onto a sleigh like that? Yet that is what we are doing, wasting the Government's money on a joy ride with Santa Claus. We are now becoming too much of a Santa Claus and trying to hand things out to the people of this country; what we want to do for our people is get jobs for them. What we want to do is to establish confidence in the minds of the people of this country. We have to get out and work. We need jobs. We need confidence restored. We are not going to do it by being a Santa Claus to everybody especially to Members of Congress. It is time we

What we should do is to permit the reindeer to remain in the possession of those who now own them and let them handle the reindeer as they see fit. We have more reindeer in Alaska now than is necessary for the Eskimos. The Eskimos will be taken care of because they have the opportunity to go out and get reindeer to furnish them food and supplies. No Eskimo in Alaska is going to suffer nor will any Eskimo starve. We have tried to do our best to take care of them. It is not necessary to waste \$1,070,000. [Applause.]

[Here the gavel fell.]

The CHAIRMAN. The Chair recognizes the gentleman from Minnesota [Mr. KNUTSON] for 1 minute.

Mr. KNUTSON. Mr. Chairman, any individual or concern that has a legitimate claim against the Government of the United States has my sincere sympathy. The opponents of this proposition have tried to kill it off with sarcasm. The preceding speaker, for whom I have the highest regard, plainly shows that he either withheld certain information from the committee or is not aware of it.

I happen to have been born in a country where they had the same problem as exists in Alaska. I refer to Norway. Over in the Arctic Circle region there are natives called the Laplanders. The Government bought and turned over reindeer to them as a means of subsistence hundreds of years ago. Today these people are absolutely self-sufficient and are self-governing to a large extent, and the Government spends nothing for their maintenance. If we do not pass this legislation, we are going to have a permanent problem on our hands up in Alaska. [Applause.]

[Here the gavel fell.]

The CHAIRMAN. The Chair recognizes the gentleman from California [Mr. Carter] for 5 minutes.

Mr. CARTER. Mr. Chairman, in answer to the statement of the gentleman who has just preceded me, turn to page 55 of this bill and you will see about this permanent problem in Alaska. Begin at line 14, "Natives in Alaska," and then turn to the next page, where you will find nearly \$1,000,000 is provided for the maintenance of the Eskimos and other natives of Alaska, the exact sum being \$951,380. They are cared for very well; in fact, much better than many of our citizens here.

This is for the education, medical attention, and everything else that these natives of Alaska need.

Now, there are just two problems in Alaska relative to this reindeer situation, and one of them is range management. There has been a conflict of interests there among the various owners. This has caused much trouble and can be worked out by the Interior Department. The second is that there is an overproduction of reindeer in Alaska at the present time. The Eskimos of Alaska have more reindeer at the present time than they can possibly consume, and anybody who will read the hearings cannot find one single line in there to the effect that there is any shortage of reindeer. They cannot find one request on the part of the natives of Alaska for additional reindeer.

I would like to quote from Mr. Baldwin, one of the men who invested some money in Alaska and who at a hearing on this matter, said:

No outlet has been provided for the Eskimo herds.

He was talking about the surplus reindeer that the Eskimos have—

This must be found or their herds will devastate the winter ranges of northwestern Alaska and ruin its reindeer industry.

I have read all the testimony I could get hold of in reference to this matter, and my firm conviction, based on the statements of these gentlemen from Alaska and my interrogation of them, is that every Eskimo in Alaska has all the reindeer he needs at the present time, and that there is absolutely no occasion to buy these 180,000 additional reindeer that belong to the nonnative owners.

Mr. DIMOND. Mr. Chairman, will the gentleman yield? Mr. CARTER. I regret I cannot yield at this time.

Now turning to the amendment that was offered by the gentleman from Oklahoma, while there is a limitation of \$4 per head on some of these reindeer, I want to call your attention to the fact that there is no limitation as to the purchase price of the reindeer that are to be purchased from those ranging on the island of Nunivak. That is an island of 1,000,000 acres of land. The largest company, backed by New York interests, is the one that has its range on that island. How many deer on this island no one knows, but the owners are in a position to get any price that might be agreed upon or any price that a jury in Alaska would say was a reasonable price for those deer.

I was interested in the questions of the gentleman from New York [Mr. Sirovich] who, the humanitarian that he is, is thinking of the welfare of these natives. I want to assure you, my good friend, I share your views and the solicitude that you have for those people. I want to see them well cared for. They have all the reindeer they need. They have 380,000 reindeer there at the present time and there are only 15,000 Eskimos in all of Alaska, according to the special committee which visited Alaska last summer. What they want and what the investigations disclose they need, is direction in reference to the care, propagation, and the rearing of these reindeer. They need someone to come in there and assign the ranges to the various individuals and give the natives instruction in raising these herds. This purchase is not necessary. [Applause.]

Mr. GREEN. Mr. Chairman, a parliamentary inquiry. The CHAIRMAN. The gentleman will state it.

Mr. GREEN. Mr. Chairman, I desire to speak briefly on this matter. Has the time for debate been limited? The CHAIRMAN. The time has been limited.

Mr. KELLER. Mr. Chairman, if you Members who are discussing this reindeer problem will give me your attention for about 3 minutes and not disturb me, I think I can give you a real business statement about this affair.

The United States Government paid to Russia \$7,200,000 for the entire Alaskan country. We have taken out of Alaska since that time something more than \$2,000,000,000. For each dollar we put in there we have taken out \$277. Each year we do \$180,000,000 worth of business with Alaska, \$80,000,000 of that comes here and \$40,000,000 goes to Alaska.

The Eskimos are and always have been our charge and always will be until they come to a point where they can stand on their own feet.

The Americans who went to Alaska did these things to the people of Alaska: When they went there the caribou was plentiful and abundant for all the Eskimos there were in Alaska at that time. The Americans went there and slaughtered the caribou and thereby took away from the Eskimos their meat source. The white people practically destroyed the whaling industry from which the people of Alaska obtained a large part of their food supply. We reduced the number of seals very largely and have beaten the Eskimo to the taking of the seal fur. The same is true of the walrus. American hunters and trappers are so much

better equipped than the Eskimos that they have taken from the Eskimos the ability to hunt and get the furs that they used to use for their clothing, supplies, and the like. The reindeer came in there at the time the caribou was just about extinct. They do provide a very much stronger animal and they have thrived well there and will go on thriving well in Alaska. This bill will return to the Eskimo the meat supply which the destruction of the caribou took away from them

We cannot go on with a diversified interest of ownership there, because the stronger ones, just as the gentleman from Pennsylvania [Mr. Rich] said that whoever had the force got the reindeer, of course. There is only one solution therefore, and that is to buy out at \$4 a head the reindeer that are there now and turn them totally over to the people of Alaska, the Eskimos, in place of the caribou we took from them. It is a small enough reward and, certainly, the least thing we can possibly do along that line, and when we have done that, we will have done what we ought to do for these people, and until we do, we will not have done so. It is not only a business proposition, but a proposition of justice and humanity that we ought not to dodge, and we are not so poor that we have to mistreat our wards in Alaska or any place else.

Mr. SIROVICH. Mr. Chairman, will the gentleman yield? Mr. KELLER. Yes.

Mr. SIROVICH. Supplementing the very splendid address the gentleman is making, I call his attention to the fact that in the exploitation of Alaska, from \$35,000,000 to \$40,000,000 worth of salmon and other fish are taken every year.

The CHAIRMAN. The time of the gentleman from Illinois has expired.

Mr. COLLINS. Mr. Chairman, during my service in this House I have given considerable study to our military prob-There is no part of this great country that offers us the military protection that does Alaska. Look at your maps and you will see that Nome and other cities of Alaska are nearer to many of the cities of the Orient than they are to many of the cities on the Pacific coast of the United States. In my opinion, Alaska offers greater military protection to this country than does Hawaii or the Aleutian Islands. When I make that statement I am giving you not only my own opinion but also the best thought of the best-informed military men in this country. It has been known for the last 10 years that we must build in Alaska a strong, well-constructed air base in the vicinity of Nome or some other Alaskan city. That means that there will be a large military force in Alaska, especially a large air force, capable, if necessary, of going to most any part of the Orient over a land route, not a water route. I know nothing about the ownership of these reindeer and I care not about that, but I do insist that as a military protection, our country should see to it that reindeer are preserved for the food and clothing necessary for the armed forces of the United States located in Alaska. [Applause.]

The CHAIRMAN. The time of the gentleman from Mississippi has expired.

Mr. LEAVY. Mr. Chairman, I want to state what appears to me to be the justice of the amendment offered. United States Government can take the 49 nonnative Eskimo owners out of the picture without paying them a single penny, if we think that is just and ought to be done. Of these 49 owners, 42 are Laplanders, 4 of them are missions, and 3 are corporations. We can charge a range fee for the next 2 or 3 years, as we do here in continental United States, and they will have to surrender all their property, because they could not afford to pay such fee. These people went into the matter of having reindeer in good faith, and I feel that they should be paid, rather than to take them. We cannot pay what they want, but enough so that the Government can get rid of this eternal conflict that exists between the native Eskimo and the white owner. This is what we finally agreed to do in this bill. I was not for this matter and did not believe in it at first, but after the matter was presented in these hearings, nearly 100 pages, I changed my mind; and if you will read them, they will convince every one of you that it would be grossly unfair for this great Government of ours to say, "We will confiscate your property." What we do say here is, "We will not give you what you ask for your deer, but we will give you what they are reasonably worth under the unusual conditions there prevailing." In the end I was convinced that it would be money in the hands of the United States to own the reindeer, unless we want the Eskimos to starve to death, because that is the only source of living for 50 percent of the Eskimos of Alaska.

The CHAIRMAN. The time of the gentleman from Washington has expired.

Mr. DIMOND. Mr. Chairman, I am not any more anxious than any other Member of Congress or any other citizen of the United States to spend the money of the Government, but unless this item is kept in the bill, the Eskimos of Alaska and the people of the United States are sure to lose a very valuable resource, because unless the reindeer are herded and taken care of, unless the industry is administered for the Eskimos, and principally by the Eskimos, but to some extent by the aid of the Federal Government, I know that in 20 years there will not be enough reindeer left in Alaska to fill this Hall of Congress.

An error has been made in the debate as to the number of Eskimos in Alaska. I have before me a report of the census of 1930, which lists 19,028 Eskimauan people in Alaska at that time, instead of the figure furnished by the distinguished gentleman from California [Mr. Carter]. In addition to the Eskimos there are, in my judgment, 5,000 other native people, Indians, who desperately need reindeer in order that they may have a supply of food and clothing. They have no reindeer at the present time and there is no reasonable chance that they can get any reindeer unless an appropriation is made to buy the deer now owned by others than natives of Alaska. The gentleman from Washington [Mr. LEAVY] stated it well. We do not have to spend a cent to get all these white men's deer. We can expropriate them, or confiscate them, or take them under some other name if we want to enter upon that policy of confiscation. If you want to adopt that policy of confiscation, I leave it to you to do it, because I refuse to be a party to it, and because I think it is better for everybody to confiscate the reindeer owned by the white men than to permit the present condition to continue. I, for one, reject the very concept of expropriation.

Mr. CARTER. Mr. Chairman, will the gentleman yield? Mr. DIMOND. Not now. Mr. Chairman, I have some pride in the position of this Government in rejecting the idea that when one man, one nation, one government wants the property of its citizens or the property of some other citizens, it can expropriate that property. I hope we will forever reject that doctrine.

Mr. TAYLOR of Colorado. Mr. Chairman, will the gentleman yield?

Mr. DIMOND. Yes.

Mr. TAYLOR of Colorado. Will the gentleman yield?

Mr. DIMOND. I yield.

Mr. TAYLOR of Colorado. Is it not a fact that this is a matter of humane necessity and a solemn obligation on the part of the Federal Government to preserve these reindeer from extinction, and in doing that to preserve the Eskimos from becoming extinct?

Mr. DIMOND. The distinguished gentleman is quite right. It is a matter of humanity. In addition to that, it is good business policy to preserve the reindeer, because if they are taken care of now, the day is not far distant when we will have a million reindeer in Alaska; and the time may soon come when that resource of food will be of the utmost consequence to the people of the United States.

It has been said that the special committee sent to Alaska has not said that we needed the extra reindeer. On page 544 of the hearings we find the testimony of the chairman of the committee:

Now, the question was also raised as to whether the 500,000 deer would be necessary to supply the needs of the natives. It is the judgment of the committee that it will require the 500,000 head to furnish all the natives with all of their requirements for food and clothing.

So the question was answered. The committee whom you trusted to go to Alaska to secure for you information about this subject has returned with the information and says that it is a wise thing to purchase all of the reindeer, and that it is the only alternative to extermination of the reindeer of Alaska.

Mr. ZIMMERMAN. Will the gentleman yield?

Mr. DIMOND. I yield.

Mr. ZIMMERMAN. If the reindeer are essential for the sustenance and welfare of your people, then we should do for them what we have done for the people of this country in conserving the soil which we say is necessary to sustain the people of America. We are spending money in every State of this Union to save our soil, just as you want to save the reindeer industry necessary to those people.

Mr. DIMOND. That is quite right.
Mr. GREEN. Mr. Chairman, will the gentleman yield?

Mr. DIMOND. I yield.

Mr. GREEN. Did it not develop in the Committee on Territories when we held hearings on this bill that this was the

only logical and right thing to do in the premises?

Mr. DIMOND. Of course, Mr. Chairman, the able chairman of the Committee on Territories is absolutely right. This whole proposition was argued out on the floor of this House in 1937 and the House passed the bill authorizing and directing the purchase of reindeer and authorizing an appropriation of \$2,000,000 for the purchase of the non-nativeowned reindeer and reindeer-range equipment and to establish a native Alaska reindeer industry.

May I remind the House again that the Eskimos and Indians of Alaska are considered in the Department of the Interior, and by the Congress, to be the wards of the Government and, as a consequence, the Government of the United States is under the highest obligation to do whatever is reasonable and right for the welfare of the Alaska natives. When the white men came to Alaska they took pretty much what they wanted and paid comparatively little attention to the age-old rights and claims of the Indians and Eskimos. In northwestern Alaska the advent of the white man was accompanied by a large degree of exhaustion of the food supply of the Eskimos. As the gentleman from California [Mr. Carter] has pointed out, the Federal Government is giving recognition to its duty by making increasingly adequate appropriations for the education and the medical assistance of the natives. But education and medical aid, and even the very small amount included in the bill for relief of destitution of the natives, are not sufficient. As a matter of wise policy, as well as a matter of justice, the Government should take reasonable measures to insure to the natives a self-sustaining economy, and it was in obedience to that moral mandate that Congress in 1937 passed the Reindeer Act. To nullify that piece of wise and beneficient legislation by a refusal to make an appropriation in pursuance to the authority of that act would be indeed a tragedy for the natives of Alaska, and a tragedy also for the people of the Nation as a whole.

It is a singular and comforting circumstance, Mr. Chairman, that as Members of this body learn more of the Eskimos, and of the natives of Alaska, and of the reindeer, and of all of the problems involved in the legislation now under consideration, they are the more convinced that the Reindeer Act offers the only permanent solution of those problems. When this matter was first brought to the attention of the Appropriations Subcommittee several years ago, I doubt if a single member of the subcommittee favored the legislation. But as the members of the subcommittee became more fully acquainted with the facts of the subject and with actual conditions they were irresistibly forced to the conclusion that the legislation was meritorious and wise. The able gentleman from Oklahoma [Mr. Johnson] has candidly stated to the House that he at first opposed the reindeer bill but, with more complete knowledge, he now is convinced that the reindeer legislation was well conceived, and he definitely supports the appropriation carried in the bill now before us. My only regret is that all of the Members of this body are unable to take the time to become as well informed on the subject as are the

members of the Territories Committee, who reported out and carried through the Reindeer Act, and the members of the Appropriations Committee, who support this appropriation. It is particularly reassuring and of the highest consequence to me personally that the able and distinguished chairman of the House Appropriations Committee [Mr. Taylor] has just now expressed his whole-hearted approval of the reindeer legislation and of the appropriations now sought. The House knows that he would not recommend this appropriation unless he had full knowledge of the subject and unquestioned conviction of the wisdom of making the appropriation.

But the best and most convincing example of the way in which comprehensive knowledge of the facts leads to the conclusion that the Reindeer Act is right and that the appropriation, now under consideration, should be made is to be found in the report of the special committee which made a complete

investigation of the whole matter last summer.

Last Friday I put in the RECORD excerpts from the printed report of that committee showing the unequivocal recommendation of the committee that the Reindeer Act should be carried out by purchase of the non-native-owned reindeer and reindeer-range equipment. If this special committee represented the executive branch of the Government, we might justly be more skeptical of its conclusions and recommendations. But the members of the committee are able and distinguished men. They received their appointments by the chairmen of the Appropriations Committees of the House and Senate. The members of that special committee are responsible to the Congress of the United States and not to any administrative or executive agency of the Government. That committee made a thorough, complete, and comprehensive survey of all of the various factors involved in the ownership, breeding, and use of reindeer in Alaska. The committee has warned us that if things are allowed to go on as they are the inevitable end will be the total elimination of the reindeer just as the caribou were eliminated in the early days. A reference to pages 581 and 582 of the hearings embraces this part of the committee's report. The report of the committee clearly shows that the reindeer of Alaska must be herded continuously for otherwise they will eventually be exterminated; that the reindeer owned by the natives and nonnatives are inextricably intermingled so that if the natives herd their own deer they must by force of circumstances herd also the white men's deer and, I know that the natives will feel a sense of outrage at being obliged to do any such thing; that the natives are in actual need of all of the reindeer now in Alaska, and that if the natives who now have no reindeer are adequately supplied with them the total number of reindeer required for such purpose cannot be supplied from those now owned by the natives; that the natives need additional range for their reindeer and that many of the non-native-owned reindeer now occupy the best and most accessible range; that the white men's reindeer tend to increase faster than the natives' herds because the natives must kill a good many reindeer in the course of a year to supply themselves with food and clothing; that if all of the reindeer are not under control-such a control as would be exercised by ownership in the natives and supervision by the Government-some of the best reindeer ranges will be ruined for years and years through overgrazing; and perhaps most important of all, that the reindeer largely unherded are already being startlingly reduced in numbers through straying and, more particularly, through the inroads of wolves and coyotes, for we see from the report of Mr. Rood, the reindeer superintendent, that the Kivalina herd has been reduced in 5 years from 42,000 to 12,000 reindeer, and the Selawik herd from approximately 13,000 to approximately 3.000 reindeer.

Such reductions are not isolated instances but are fairly typical of what is happening to the reindeer of Alaska. I know from personal conversations that the Eskimos are alarmed, confused at the conflicting policies of the Government, and outraged at the stupidity which has permitted the present condition to come into existence.

The natives of Alaska, Mr. Chairman, are among the most kindly and lovable people in the world. Tom Lopp has called them, and I quote, "a kindly, pleasant, smiling people." As I said last Friday, many of them will share everything they have to the last ounce of food not only with their children. relatives, and friends, but even with the stranger within their gates. Sometimes I think it may have been an Eskimo who gave us the example of the Good Samaritan. It seems a tragic pity that this race which offers so much promise should be in such grave danger of economic disaster at the present moment. I am thoroughly convinced that the faithful carrying out of the Reindeer Act, and that is what is sought in the appropriation here offered, will remove from the Eskimos and many of the Indians of Alaska, the ever-present threat of gradual starvation and provide them with what, in the language of the Reindeer Act, is called a self-sustaining economy. What we seek here is social security for the natives of Alaska and the price to be paid for it is really infinitesimal when compared with the benefits which are bound to flow from the conservation of the Alaska reindeer. May I refer particularly to pages 538, 539, 542, 544, 564, 581, 582, 607, 612, and 613 of the hearings.

Much has been said during the debate to the effect that this appropriation is for the benefit of some of the nonnative owners of reindeer. Nothing could be further from the truth. Those of us who support the appropriation requested are animated only by the desire to aid and make self-supporting some 20,000 to 25,000 natives of Alaska through the establishment of a true reindeer industry, and at the same time treat fairly and justly the nonnatives who may be required to sell their reindeer and reindeer-range equipment. First and last, Mr. Chairman, this measure is designed to aid and assist the natives of Alaska. [Applause.]

[Here the gavel fell.]

The CHAIRMAN. All time has expired.

Mr. COLMER. Mr. Chairman, a parliamentary inquiry.

The CHAIRMAN. The gentleman will state it.

Mr. COLMER. The parliamentary situation, as I understand it, is that the question is upon the amendment offered by the gentleman from Oklahoma [Mr. Johnson]. If that amendment is voted down, the appropriation for the reindeer goes out of the bill. Is that correct?

The CHAIRMAN. There is no section in the bill at the present time. This amendment is necessary for the inclusion

of the reindeer section.

The question is on the amendment offered by the gentleman from Oklahoma [Mr. Johnson].

The question was taken; and on a division (demanded by Mr. Johnson of Oklahoma) there were ayes 96 and noes 101. Mr. SIROVICH. Mr. Chairman, I ask for tellers.

Tellers were ordered, and the Chair appointed Mr. Johnson

of Oklahoma and Mr. Rich to act as tellers.

The Committee again divided, and the tellers reported there were ayes 113 and noes 151.

So the amendment was rejected.

The Clerk read as follows:

Salaries and expenses: For the Commissioner of Reclamation and other personal services in the District of Columbia, \$115,000; for travel and other necessary expenses, \$35,000, including not to exceed \$15,000 for printing and binding; in all, \$150,000.

Mr. FITZPATRICK. Mr. Chairman, I move to strike out the last word.

Mr. Chairman, yesterday I informed the Committee as to what would happen with the slum clearance in the large cities if the amendment offered by the gentleman from Ohio [Mr. White] was adopted.

I have received the following telegram today:

As chairman of the American Federation of Labor housing committee I request that every effort be made to defeat the amendament offered limiting the cost of the United States housing appropriation to \$3,500 for each family. Average costs are now below this figure, but in larger cities where low-cost housing is needed most it does exceed this limitation in some instances. I hope the friends of labor in the House will rally to your support in defeating this amendment.

That is signed "Harry C. Bates, chairman of the American Federation of Labor."

I hope the Members will realize when this amendment comes before the House that they will not repudiate the contracts and obligations made by the United States Government to the local authorities, and they will vote down that amendment. [Applause.]

Mr. SCHAFER of Wisconsin. Mr. Chairman, will the gentleman yield?

Mr. FITZPATRICK. I yield.

Mr. SCHAFER of Wisconsin. How does John L. Lewis and his crowd stand on that?

Mr. FITZPATRICK. I did not hear from John L. Lewis; but I will support any legislation that is beneficial to the workers of this country no matter who makes the recommendation. [Applause.]

[Here the gavel fell.]

The Clerk read as follows:

Yakima project, Washington: For operation and maintenance, \$260,000: Provided, That not to exceed \$25,000 from power revenues shall be available during the fiscal year 1940 for operation and maintenance of the power system.

Mr. CARTWRIGHT. Mr. Chairman, I ask unanimous consent to return to page 68 for the purpose of offering an amendment.

Mr. CARTER. Mr. Chairman, reserving the right to object, what is the nature of the gentleman's amendment?

Mr. CARTWRIGHT. It pertains to Indian roads, page 68, line 15.

Mr. CARTER. Mr. Chairman, I have no objection to returning to that item.

The CHAIRMAN. Is there objection to the request of the gentleman from Oklahoma?

There was no objection.

The Clerk read as follows:

Amendment offered by Mr. Cartwright: On page 68, line 15, strike out "\$2,250,000" and insert in lieu thereof "\$2,500,000."

Mr. CARTWRIGHT. Mr. Chairman, I often marvel at the industry and devotion to duty of members of the Appropriations Committee when I think of their untiring and unselfish work in connection with a big bill like the Interior Department bill under consideration. In return for their conscientious delving into mountains of detail, and their patient and courteous dealing with scores of people of all types with pleas or demands for more and more money, instead of thanks and expressions of appreciation for their labors they more frequently receive criticism and condemnation from Members and others specially interested in some particular item.

In reporting a bill providing for several million dollars less than the Budget Bureau recommended, the Appropriations Committee is doubtless performing an unpleasant duty. My feeling is one of commendation rather than criticism.

And I have been reluctant to offer an amendment to increase this item. I do so only because I feel very strongly and sincerely that the Indian road work now being carried on in 23 States should not be curtailed.

The record shows that about 65 percent of the Indian road money is paid to needy Indians for labor. Many of these Indians gladly work for \$1 a day, and they all take pride in these special Indian road projects. The work is being carried on very efficiently under the able direction of Mr. Morgan Pryse, and of capable engineers in the field, like Mr. Eugene Wheeler, of Muskogee, in my State. Good, serviceable roads and bridges that are badly needed are being built in an economical manner and with a minimum of administrative cost.

Indian road work has been carefully considered for years by the Roads Committee, and for the past 4 years Congress has authorized the sum of \$4,000,000 annually for this purpose, to be apportioned to about 200 Indian reservations in more than 20 States. Road improvements play a vital part in the education, health, agriculture, forestry, and other Indian Service activities.

A road program cannot be properly planned or economically operated unless the regularly authorized amounts are appropriated, and there can be some continuity and stability about it.

Congress appropriated \$4,000,000 for Indian road work in the fiscal year 1936, \$3,500,000 in 1937, \$3,000,000 in 1938, and \$3,000,000 in 1939. The House unanimously passed the Cartwright bill last year, which authorized \$4,000,000 for each of the years 1940 and 1941 for this purpose. The Senate, as part of a general reduction movement, reduced the Indian road authorization to \$2,500,000 for 1940 and \$3,000,000 for

The Department requested \$4,500,000 for this work for 1940, and the hearings show the fullest justification for an appropriation of \$7,000,000. Surely we are not justified in reducing this amount below the \$2,500,000 authorized by the Hayden-Cartwright Act, which unanimously passed both Houses of Congress last year. If we adopt this amendment we still leave \$2,000,000 of previous authorizations for this purpose unappropriated, and provide \$500,000 less for next year than the amount appropriated last year and the year

May I quote a statement I made before the appropriations committee when it held hearings on this bill:

Mr. CARTWRIGHT. Mr. Chairman and members of the committee, as chairman of the House Committee on Roads and as Representa-tive of the Third Congressional District of Oklahoma where thousands of the poorest Indians in the United States exist, we could hardly say live, I am greatly interested in good roads and Indian employment. I have made special effort to look into Indian affairs and Indian road work in particular. I am glad to say that the Indian Service road work has been carried on efficiently and the Indian Service road work has been carried on emciently and to the great benefit of the Indians in Oklahoma, both as to completion of good, serviceable roads and bridges and the furnishing of employment to Indians in my State.

The Hayden-Cartwright Act provided for an appropriation of \$4,000,000 per year for continuation of Indian roads, although I must say Congress has not appropriated the full amounts, as authorized.

authorized.

Upon inquiry, I find that the Bureau of Public Roads and the Indian Service, in cooperation, have made engineering surveys covering a 5-year plan, and that the Indian Office, if it keeps up with ering a 5-year plan, and that the Indian Office, if it keeps up with its end of the program, should have \$8,000,000 per year. Therefore, the request for four or five million dollars per year is indeed very conservative and will allow an average of approximately \$20,000 per Indian reservation, of which there are some 175 to 200 scattered throughout 23 States. Every dollar spent on roads means over \$3 in business turn-over in this country. Gentlemen, it is self-supporting through gas and other tax from the road user. I am sure this committee can develop by inquiry the facts and figures bearing out the excellent results obtained by Indian Affairs in road building and the need of continuing road and relief employment among the Indians.

employment among the Indians.

Mr. Chairman and ladies and gentlemen of the Committee, I earnestly urge you to support this amendment and increase this item for Indian roads to \$2,500,000, the amount both the House and Senate last year unanimously authorized. [Applause.]

[Here the gavel fell.]

Mr. O'CONNOR. Mr. Chairman, I move to strike out the

Mr. Chairman, I rise in support of this amendment because in my district there are six Indian reservations, supporting in the neighborhood of 27,000 Indians. In some of these reservations road work has already been started; and if we are not allowed more money for the construction of our roads in these reservations, we shall not be giving the Indians the same kind of square deal we are giving the white men in this country.

I have heard criticism upon the floor of the House with reference to appropriations and bills favoring Indians. Let me call attention to the fact that the Indians are an involuntary subjected race. We forced the relationship of guardian and ward upon the Indian against his protest. The least we can do for them today is to give them what they are reasonably entitled to.

Mr. MURDOCK of Arizona. Mr. Chairman, will the gentleman yield?

Mr. O'CONNOR. I yield.

Mr. MURDOCK of Arizona. Following out that same idea, may I say to the Committee that in my State the Apache Indians, known for their fighting qualities, have been among the best workers in road construction and all that sort of thing. I could make the same truthful statement concerning Pimas, Papagos, and some other Indians.

One more point, if the gentleman will permit me to take another half minute.

Mr. O'CONNOR. Certainly.

Mr. MURDOCK of Arizona. There are a half dozen large Indian reservations in my State, where we have a total of at least 50,000 Indians. In building a State highway system north and south and east and west across Arizona the highways must cross Indian reservations. Without the help, therefore, that this amendment would give, the road-construction work in this vast territory will be greatly hampered. For this reason, I favor the amendment.

Mr. O'CONNOR. Let me also call attention to the fact that in the Crow Indian Reservation a highway is under construction that has been needed for years. The Crow Indians, we must remember, are the one tribe that stands out in the history of this country as making the greatest Indian contribution to the civilization of the West through the aid it rendered to the Army in connection with quieting down the troublesome Indians.

Unless we adopt the amendment offered by the gentleman from Oklahoma, curtailment of work on this needed road will take place. Let us treat the Indians as we ourselves want to be treated. I am now appealing to gentlemen on the Republican side of the House who are always talking economy. I believe in economy just as much as any Member of this House, but I do not believe in economy at the expense of humanity and at the expense of the red man. [Applause.]

Mr. SCHAFER of Wisconsin. Mr. Chairman, I rise in opposition to the amendment.

Mr. Chairman, we have another confession today from a New Deal leader, the gentleman who proposed the pending amendment. In the Well of the House a few moments ago he admitted that the Federal Government, the Department of the Interior, administered by Mr. Ickes, is violating the New Deal wage and hour law by employing Indians at \$1 a day.

Mr. CARTWRIGHT. Mr. Chairman, will the gentleman yield?

Mr. SCHAFER of Wisconsin. I yield.

Mr. CARTWRIGHT. I did not say they were employing Indians at \$1 per day. I said that we must not overlook these good, honest, hard-working Indians. We have a lot of them. There are 10,000 of them who want work.

Mr. SCHAFER of Wisconsin. The gentleman does not mean to tell me that he is standing on the floor of the House and advocating that the Federal Government, through the department managed by Mr. Ickes, shall violate the fundamental New Deal principle enunciated in the wage-hour law?

Mr. CARTWRIGHT. No; I do not intend that, and the gentleman knows I do not.

Mr. SCHAFER of Wisconsin. I sincerely hope that the members of the Republican Party who are in charge of this bill will offer a motion to recommit the bill to the Committee on Appropriations for further study with instructions to report the bill back to the House with the total amount appropriated in the bill reduced not less than 25 percent, and get a roll call to let the people of the country know who acts as well as talks in favor of economy. This bill is loaded with unnecessary and indefensible appropriations, including political pork and reindeer.

This New Deal drunken spending spree must be checked or the time will soon be at hand when the American Government will be bankrupt. We will then have inflation with resultant hardships, suffering, misery, and distress such as this Nation has never before witnessed.

We have observed in the press recently that the New Deal, under the direction of Secretary of State Hull and Secretary of the Treasury Morgenthau is going to build a pipe line from the Federal Treasury to the South American dictatorship countries to carry many millions of the American taxpayers' hard-earned dollars into South American countries, which are now in default in their obligations to American investors, who are holding the bag to the tune of almost \$300,000,000. The operation of this Hull-Morgenthau pipe line will further help wreck our American cotton industry in the South. The facts show that under the New Deal, Triple A production-for-destruction program conceived and put into operation by Prof. Mordecai Ezekiel, the South has already lost a great part of their cotton export market

to Brazil. Now the New Deal plans to hand Brazil almost a hundred million of our American taxpayers' dollars in order to make it easy for that dictatorship-controlled country to absorb the rest of the American cotton export market.

I am opposed to the Hull-Morgenthau-New Deal Brazilian pipe-line drain on our Federal Treasury. In the fight on this raid I will take the place of some of the representatives of the cotton farmers in the South who ran out on them in order to rubber stamp internationally minded Mr. Hull and Mr. Morgenthau, who seem to think more of people in foreign lands than those in America. [Applause.]

Mr. LEAVY. Will the gentleman yield?

Mr. SCHAFER of Wisconsin. I yield to the gentleman from Washington.

Mr. LEAVY. I want to ask the gentleman what his views

are on the pending amendment?

Mr. SCHAFER of Wisconsin. The gentleman knows my record. I said that I am opposed to the amendment. I am in favor of reducing the total appropriation provided in this bill not less than 25 percent and to go on record on a roll-call vote. I believe in practicing economy, not merely rendering economy lip service the way you New Deal Democrats have done during and since the 1932 elections.

[Here the gavel fell.]

Mr. GEYER of California. Mr. Chairman, I move to strike out the last two words.

Mr. Chairman, I have sat here in my seat almost since the beginning of this session. I came here believing that every man who is a Member of this body is a Member of the greatest parliamentary body in the whole world and I still believe that. I am anxious that the Record be kept straight.

I see in the balcony some young people, some school people, who have come here to watch their Representatives in session. I am anxious that they get a proper idea concerning

this great body.

I have heard the gentleman from Wisconsin, the man who made Milwaukee famous, stand upon this floor a good many times. He is an estimable gentleman. I like him very much when he is not in the Well of this House. I have seen him come out with a hand that only he possesses, a hand like a ham, and grasp this delicate instrument until it groaned from mad torture. I have seen him come on the floor and stamp up and down like a wild man.

Mr. TABER. Mr. Chairman, I demand that the gentle-

man's words be taken down.

The CHAIRMAN. The gentleman from New York demands that the words of the gentleman be taken down. The gentleman from California will take his seat.

The gentleman from New York will indicate to the Clerk

the words objected to.

Mr. TABER. "Stamping like a wild man" and "a hand like a ham."

Mr. SCHAFER of Wisconsin. Mr. Chairman, as far as I am concerned, I am not objecting to the words. I will handle him at a later date.

Mr. TABER. I believe the integrity of the rules of the House should be preserved.

The CHAIRMAN. The Clerk will report the words taken down at the request of the gentleman from New York.

The Clerk read as follows:

I have seen him come on the floor and stamp up and down like a wild man.

Mr. TABER. Mr. Chairman, there were some other words about "a hand like a ham."

The CHAIRMAN. The Clerk will report the additional words.

The Clerk read as follows:

I have seen him come out with a hand that only he possesses, a hand like a ham, and grasp this delicate instrument until it groaned from mad torture.

The CHAIRMAN. The Committee will rise.

Accordingly the Committee rose; and the Speaker having resumed the chair, Mr. Buck, Chairman of the Committee of the Whole House on the state of the Union, reported that

the Committee having had under consideration the bill (H. R. 4852), the Interior Department appropriation bill, 1940, certain words used in debate were objected to and, on request, were taken down and read at the Clerk's desk, and that he herewith reported the same to the House.

The SPEAKER. The Clerk will report the words objected to in the Committee of the Whole House on the state of the

The Clerk read as follows:

I have seen him come out with a hand that only he possesses, a hand like a ham, and grasp this delicate instrument until it groaned from mad torture. I have seen him come on the floor and stamp up and down like a wild man.

The SPEAKER. The rule governing situations of this character provides as follows:

OF DECORUM AND DEBATE

When any Member desires to speak or deliver any matter to the House he shall rise and respectfully address himself to "Mr. Speaker," and, on being recognized, may address the House from any place on the floor or from the Clerk's desk, and shall confine himself to the question under debate, avoiding personality.

The words objected to and which have been taken down and read from the Clerk's desk very patently violate the rule, because the words alleged do involve matters of personal reference and personality.

Mr. SCHAFER of Wisconsin. Mr. Speaker, a parliamen-

tary inquiry.

The SPEAKER. The gentleman will state it.

Mr. SCHAFER of Wisconsin. Mr. Speaker, I do not believe the gentleman who had the floor had any intention of violating the rules. He was just carried away by the debate. I rise to ask if the words cannot be withdrawn by unanimous consent.

The SPEAKER. The words can be withdrawn by unanimous consent.

Mr. GEYER of California. Mr. Speaker, I wish to thank the gentleman from Wisconsin for his very generous attitude, and I ask unanimous consent to withdraw the words in question.

The SPEAKER. Is there objection to the request of the gentleman from California?

There was no objection.

The SPEAKER. The Committee will resume its sitting. Accordingly the House resolved itself into the Committee of the Whole House on the state of the Union for the further consideration of the bill H. R. 4852, with Mr. Buck in the chair.

The CHAIRMAN. The gentleman from California is recognized for $3\frac{1}{2}$ minutes.

Mr. MOTT. Mr. Chairman, a parliamentary inquiry.

The CHAIRMAN. Does the gentleman from California yield for a parliamentary inquiry?

Mr. GEYER of California. I do not yield, Mr. Chairman.

Mr. MOTT. A point of order, Mr. Chairman. The CHAIRMAN. The gentleman will state it.

Mr. MOTT. As I understand, Mr. Chairman, the proceeding just had takes the gentleman off the floor, and he may proceed only by unanimous consent.

The CHAIRMAN. The Chair may state that, by unanimous consent, the House permitted the gentleman to withdraw his words. That leaves the gentleman in the position he was before the words were uttered.

The gentleman from California will proceed.

Mr. MOTT. Mr. Chairman, a further parliamentary in-

The CHAIRMAN. Does the gentleman yield for a parliamentary inquiry?

Mr. GEYER of California. I do not care to yield for another one, Mr. Chairman.

Mr. MOTT. A point of order, Mr. Chairman.

The CHAIRMAN. The gentleman will state it. Mr. MOTT. Mr. Chairman, I make the point of order

that the time of the gentleman has expired.

The CHAIRMAN. The time of the gentleman has not expired. The point of order is overruled.

Mr. GEYER of California. Mr. Chairman, I think it is very fine of the gentleman from Wisconsin to take the attitude he has taken. I want to continue in the same vein without, of course, doing or saving anything that is unbecoming a Member in this Well.

Mr. MOTT. A point of order, Mr. Chairman.

The CHAIRMAN. The gentleman will state it. Mr. MOTT. Mr. Chairman, I make the point of order that the gentleman is not speaking to his amendment.

The CHAIRMAN. The gentleman will proceed in order. Mr. GEYER of California. So I wish to say to you that this matter of attacking these New Deal agencies

Mr. MOTT. Mr. Chairman, a point of order. The CHAIRMAN. The gentleman will state it.

Mr. MOTT. The gentleman is not addressing himself to his amendment.

The CHAIRMAN. The Chair overrules the point of order. The gentleman has not proceeded far enough for the Chair to ascertain whether or not he is speaking to the amendment. The gentleman will proceed in order.

Mr. MOTT. The gentleman just said he was proceeding along the same line.

The CHAIRMAN. The gentleman will proceed in order.

Mr. GEYER of California. This amendment to the Interior appropriation bill, which has been opposed by the splendid gentleman from Wisconsin, I believe is particularly-

Mr. MOTT. A point of order, Mr. Chairman. The CHAIRMAN. The gentleman will state it.

Mr. MOTT. I make the point of order that the gentleman is clearly not addressing himself to his amendment, which was to strike out the last word.

The CHAIRMAN. The gentleman's amendment is an amendment to the pending amendment. The gentleman may proceed and discuss the Interior appropriation bill.

Mr. HOOK. Mr. Chairman, a point of order. The CHAIRMAN. The gentleman will state it.

Mr. HOOK. Mr. Chairman, I make the point of order that the dilatory tactics of the gentleman from Oregon [Mr. Morri are out of order.

The CHAIRMAN. The gentleman will proceed in order. Mr. GEYER of California. Now, when it comes to deciding on this amendment, let us not be carried away by emotion. Let us remember little Spotty in the story of the Big Bad Wolf. Let us not worry about those, whoever they may be, in discussing this amendment that huff and puff and puff and huff as though they were going to blow the New Deal house in. [Laughter.] Let us remember that the New Deal is like Spotty's house, built out of brick and firm, and when the huffing and the puffing comes let us do as little Spotty did and let us remember like little Spotty that music hath charms to soothe even a wild beast-the big bad wolf. [Laughter and applause.] So let us say, along with little Spotty-

Who's afraid of the big bad wolf, The big bad wolf, the big bad wolf? Who's afraid of the big bad wolf? Tra-la-la-la-la-la.

So I hope that everyone here will not vote along with my splendid friend the gentleman from Wisconsin. [Laughter and applause.]

Mr. CARTER. Mr. Chairman, I make the point of order the House is not in order. The gentleman should be given a respectful hearing.

Mr. KNUTSON. Mr. Chairman, I submit that when the gentleman from California yodels the House ought to be in order. [Laughter.]

Mr. MOTT. Mr. Chairman, I submit that when the gentleman from California yodels he is not addressing himself to the amendment. [Laughter.]

The CHAIRMAN. The gentleman will suspend. The gentleman from California [Mr. GEYER] is entitled to a respectful hearing, and the Committee will be in order.

Mr. KNUTSON. Do we have to listen to the yodeling? Mr. GEYER of California. In conclusion, let me say this:

This fine gentleman from Wisconsin is one of the finest men on the floor, and to the people who are spectators I may say he really does not mean these things. He is being complimentary, and we love him; we love him, every one of us; but I do hope that you will remember which is the proper way to vote when it comes to the amendment on the matter which we have before us. [Applause.]

Mr. SCRUGHAM. Mr. Chairman, I rise in opposition to the amendment.

I have great respect and admiration for the gentleman from Oklahoma [Mr. Cartwright], who has done such splendid work in building up the road system of our country. As chairman of the Committee on Roads, he has been responsible in large degree for the legislation which has built the splendid network of highways throughout this broad country; but I suggest to him that this amendment is not exactly the right way to secure an addition to the road appropriations.

The committee has considered this item very carefully, we have gone over it very systematically, and we ask that the decision of the committee be sustained.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Oklahoma.

The question was taken; and on a division (demanded by Mr. Cartwright) there were—ayes 25, noes 100.

So the amendment was rejected.

The Clerk read as follows:

Paonia project, Colorado, \$300,000.

Mr. RICH. Mr. Chairman, I offer an amendment. The Clerk read as follows:

Amendment offered by Mr. Rich: On page 83, line 17, strike out

Mr. RICH. Mr. Chairman, I offer this amendment for the purpose of making a statement in reference to some of the items we have now on this page—the Gila project, the Colorado-Big Thompson project, Colorado, \$1,500,000; the Paonia project in Colorado, \$300,000.

All of these projects could be cut down 50 percent, and it would be for the best interest of the country, but I call

your attention particularly to this Paonia project.

When the committee put this amount in the bill there was no Budget estimate for it. The Bureau of the Budget had not acted upon it when we reported out the bill on March 8. On March 11 the President of the United States approved a Budget estimate for the item. It does not seem to me the committee should approve these items without having a Budget estimate previous to the time when the committee reports out the bill, even if the chairman of the committee requests it.

I want to call your attention to the fact also that we could offer numerous amendments here, but in view of the present temper of the House and the fact the Members want to get through with the bill, I question whether there would be any good consequences from such action. However, we are going to offer a motion to recommit this bill and ask for a certain percentage of reduction, and I hope the Members of the House. whether on the Republican or on the Democratic side, who are interested in economy will vote for the motion to recommit.

The genial chairman of this committee, the gentleman from Colorado [Mr. TAYLOR], has always been a friend to all the Members of the House, and he is very desirous of having this appropriation made, as it will probably be the last project he will ever ask for, and we all love him and we all think he is a fine gentleman, and I ask unanimous consent, Mr. Chairman, to withdraw my amendment.

The CHAIRMAN (Mr. WHITTINGTON). The gentleman from Pennsylvania asks unanimous consent to withdraw the pending amendment. Is there objection?

There was no objection.

The Clerk read as follows:

Tucumcari project, New Mexico, \$250,000.

Mr. RICH. Mr. Chairman, I move to strike out the last word. I do this to call the attention of Members of the House to this project, the Tucumcari project in New Mexico. They expended two and a half million dollars on that project

through the P. W. A. before the Budget would recommend going ahead with it. It does not seem right for us to squander two and a half million dollars before we bring a project to the point where the Bureau of the Budget would recommend further expenditure of funds upon it. I call it to the attention of the House to show some of the things we are doing. We ought to be careful and ought not to spend money foolishly, which we certainly are doing.

The Clerk read as follows:

General investigations: To enable the Secretary of the Interior, through the Bureau of Reclamation, to carry on engineering and economic investigations of proposed Federal reclamation projects, surveys for reconstruction, rehabilitation, or extensions of existing projects, and studies of water conservation and development plans, including Colorado River Basin investigations, such investigations, surveys, and studies to be carried on by said Bureau either independently, or, if deemed advisable by the Secretary of the Interior, in cooperation with State agencies and other Federal agencies, including the Corps of Engineers, National Resources Committee, and the Federal Power Commission, \$400,000.

Mr. GILCHRIST. Mr. Chairman, I offer the following amendment which I send to the desk.

The Clerk read as follows:

Amendment offered by Mr. Gilchrist: On page 84, strike out from lines 12 and 13 the words, "proposed Federal reclamation projects" and also from line 15, strike out the words "and development plans."

Mr. GILCHRIST. Mr. Chairman, I am quite conscious that what I have to say here will be like a voice crying in the wilderness. I am quite conscious that when it comes to these particular appropriations for reclamation, there is such an overwhelming vote from Members who represent reclamation States, that it is impossible to overcome that vote. I have heretofore spoken on such questions and have called the attention of the House to the inconsistency of taking land out of production and at the same time appropriating millions and millions of dollars for reconstruction and for irrigation and for construction of these projects that bring more land into cultivation. It seems to me that that is extremely foolish. We are either wrong at one end or at the other. It is well known that the farmers are in distress. That fact has been taught to you in a hundred speeches.

We know, for example, that if I tried to put a shoe factory in Massachusetts, to compete with the shoe factories already there, I would meet with extreme and perhaps violent opposition; but that is exactly what you are doing with the farmers of the districts such as I represent. I am not trying to prevent the continuance of the reclamation projects that have already been commenced or authorized. You have authorized them, and you ought, in fairness, to go ahead with them, because people have invested their money and their lives in these enterprises.

Mr. MURDOCK of Utah. Mr. Chairman, will the gentleman yield?

Mr. GILCHRIST. Yes.

Mr. MURDOCK of Utah. Let us take the Colorado River, for instance. Would the gentleman from Iowa prefer competition from reclamation projects in Mexico or from reclamation projects from the United States?

Mr. GILCHRIST. I am saying that I prefer no competition by public grants that my farmers must themselves help to pay. It makes no difference where it comes from. But we can cut off unfair competition from Mexico by adequate tariff; we cannot stop subsidized competition from New Mexico. On the other hand, we are compelled to help pay for this unfair competition ourselves. I do not want to appropriate money to bring in new projects at a time when there is no need to bring in more agricultural projects. I know that a hundred gentlemen here are interested in reclamation. My amendment does not affect them, because I am trying to stop huge appropriations for new proposed Federal reclamation projects only. It does not affect projects already authorized. That is as far as I am asking you to go; to stop appropriating for new projects at this time. What is the use of spending money to open up new or proposed reclamation projects, and of spending money for them when we know

that the area producing agricultural crops is already too large. and when we are making appropriations to cut that area down? Distressed farmers should not be put into competition with Federal grants of this kind. The farmers are entitled to consistency. If these people want to get new projects, they ought to be forced, exactly as we were in Iowa, to pay for them themselves. We paid for our reclamation districts out of our own pockets and we expended millions and millions of dollars. We did not come to this Congress to ask for a hand-out. So far as my amendment is concerned, it merely strikes out the provision for proposed new Federal reclamation projects and nothing else. [Applause.]

The CHAIRMAN. The time of the gentleman from Iowa

has expired.

Mr. MURDOCK of Arizona. Mr. Chairman, I rise to oppose the amendment. I believe that one thing which hampers us in our dealing with the great West is a lack of scientific knowledge on the part of this membership. I listened with much interest to the debate on items in this bill pertaining to Alaska. Since my schoolboy days I have been told that Alaska is a great treasure house of natural wealth and economic resources, but I believe we are overlooking that fact in our dealing with that far-off corner of our country. I feel that we ought to develop the mineral resources and also the grazing possibilities of that northern possession. To do that we need to know more about Alaska.

I know positively that the great West, the Rocky Mountain region from which I come, is a comparatively undeveloped portion of our country, and even we who live there do not know adequately the facts and resources and possi-bilities of that region. This provision which the gentleman from Iowa [Mr. Gilchrist] seeks to strike out appropriates funds for the further study of the development of that country in regard to reclamation and water facilities as it

should be developed.

Mr. RICH. Mr. Chairman, will the gentleman yield? Mr. MURDOCK of Arizona. I do not have time just now. Let me finish my statement, please. It is true that we have great reclamation projects, some completed. I feel that the premier reclamation project of the entire country lies in my State. I refer to the Salt River Valley project, begun away back under the law of 1902 with the Roosevelt Dam, named after Theodore Roosevelt; begun in 1906 and completed in 1911. It is true that we have numerous other projects like that in magnitude and in worth, but with all these we have barely begun to develop the West as it should be developed. This \$400,000 aims to give us a scientific study whereby we can go ahead properly with the development of the West.

I have gone to school at the University of Iowa. I know the country where the tall corn grows. I want to tell the gentleman from Iowa that we do not grow tall corn or short corn down in Arizona on the white man's reclamation projects, except that the Indians grew short corn there before white men grew tall corn in Iowa. We do not produce entirely our own food for the mining camps in Arizona on our irrigated land. It is true we produce some surplus of head lettuce and that sort of thing, but it is not in competition with the tall corn of Iowa.

Mr. MURDOCK of Utah. Does not every dollar that comes from the reclamation fund come from the public lands of the

West?

Mr. MURDOCK of Arizona. That is certainly true. This money comes originally out of the West and should be returned there. I thank God that in the last Congress we replenished that diminished fund, but we did so through the O'Mahoney-Hayden amendment, which provided funds from the oil resources of the West. I also want it understood that these reclamation items are reimbursable, so that they represent an investment and not a gift. We have "multiple use" of both water and money for water out West.

Mr. RICH. Mr. Chairman, will the gentleman yield? Mr. MURDOCK of Arizona. I yield to the gentleman from

Pennsylvania.

Mr. RICH. Does not the gentleman know we are having an investigation by the Army for these projects; that the Department of Agriculture is making an investigation; and

the Interior Department is making an investigation of the same things?

Mr. MURDOCK of Arizona. The Army engineers are making investigations concerning flood control, but this \$400,000 amendment would make an investigation into our further small-water developments; not all under the Bureau of Reclamation, but some under the Jones Act, for instance.

Mr. GILCHRIST. Will the gentleman yield?

Mr. MURDOCK of Arizona. Not now. Out in the West where water is life, where it means everything to us, the digging of a well is as important to us as it was back in Palestine in the days of Jacob and Abraham. "He went forth and digged a well" was said of one of the patriarchs. We need to do that west of the one-hundredth meridianover one-third or one-half of the area of the United States of America. We want to know where may these water resources be found. How can we best utilize our streams? Those are the things we want to find out from this investigation. It is money well spent when we survey these resources and discover our possibilities.

[Here the gavel fell.]

Mr. GILCHRIST. This amendment does not touch a study of the water resources at all.

Mr. MURDOCK of Utah. Mr. Chairman, I ask unanimous consent to revise and extend my remarks in the RECORD at this point.

The CHAIRMAN. Without objection, it is so ordered.

There was no objection.

Mr. MURDOCK of Utah. Mr. Chairman, I rise in support of the item beginning at line 10, on page 84, general investigations, for which the bill carries an appropriation of \$400,000, to be used to carry on engineering and economic investigations of proposed Federal reclamation projects in the Colorado River Basin and elsewhere. These surveys are intended to bring to light possible reclamation projects in the arid West, which would enable us to utilize the irrigation resources of our mountain streams and rivers. I desire to call attention to the fact that the Federal Government has already expended many millions of dollars in the construction and maintenance of Boulder Dam, resulting in equating the flow of the Colorado River below Boulder Dam. It is entirely possible, indeed probable, that unless new reclamation projects are undertaken in the Colorado River Basin the results accomplished at Boulder Dam and the millions spent by us will be taken advantage of by the people and Government of Mexico by appropriating Colorado River water through new reclamation projects. It should be constantly borne in mind that, under existing law, once Mexico establishes rights in and to the waters of the Colorado River, by the appropriation of such waters to beneficial use, the United States and the people of the West will be forever precluded from acquiring rights to such water. The potential agricultural wealth of the Rocky Mountain area is unlimited, providing water for irrigation is made available. But once we lose, by inaction or by mismanagement, the right to the water which now flows unused through our Western States, the possibility of further agricultural development of that-region is lost forever. We will throw away a priceless heritage if we fail to protect our rights in the Colorado River. We will place unnatural but inexorable limits on the progress and development of the West if we do not find ways and means to use the waters of that river for irrigation purposes.

I call attention to the fact, Mr. Chairman, that more than 60 percent of the water which flows in the Colorado River rises in the States of Utah and Colorado. In those States millions and millions of fertile acres await only adequate water to make them fabulously productive. Adequate irrigation water can be made available for these acres only by reclamation projects, and one question of transcendent importance to the people of the United States is, Where and how shall such water be made available? Countless sites for reclamation reservoirs may be found along our streams and The problem is to determine scientifically which of these sites are best; which can be made productive of the most good to the West and to the Nation. This problem can be solved only by proper investigation by the Bureau of Reclamation and other Federal agencies cooperating with the proper State agencies. It is the purpose of this item, "General investigations," to provide for such surveys. Mr. Chairman, this item will be a safe investment in the future greatness of the West. We have heard on the floor today speeches which indicate that the sectionalism which made the Civil War inevitable still exists in the minds and attitudes of some Members of this body. It is time the statesmen of America realized that the Nation as a whole is prosperous only as the component States which comprise it are prosperous. What benefits Utah benefits Iowa. What benefits California benefits New York. If we of the West sought apparent sectional benefits which would be detrimental to the rest of the country, we would be betraying the best interests of our own constituents. What harms America harms Utah, and what harms Utah harms America. Some of the Members who have spoken today seem to be of the opinion that if the farms of Arizona are sterilized by drought, that will aid Iowa; that if the farmers of Utah suffer for the lack of water, their suffering will react to the benefit of the farmers of Minnesota. Mr. Chairman, such an attitude is not statesmanship-it is blindness; and the sooner the deliberations of this body are divorced from narrow sectionalism, the sooner will its acts result in the promotion of the general welfare.

It is the solemn duty of the Congress of the United States to do everything in its power to make the West prosperous and productive. The appropriation of funds for reclamation surveys is one means of fulfilling that duty. It should be kept in mind that this appropriation will not come out of the pockets of the farmers of Iowa or the bankers of New York. The \$400,000 provided by this item will come out of the reclamation fund which was set up by the Reclamation Act of 1902, sponsored by Theodore Roosevelt. This fund is made up from revenues exclusively from the public lands of the West and of repayments accruing under reclamation projects, repayments made by farmers living and working on the projects constructed under the supervision of the Bureau of Reclamation. This fund is a revolving fund out of which comes the money with which we build reclamation projects, and into which goes the money repaid by the farmers living on and benefited by those projects. And it cannot be too often emphasized that western farmers have made their repayments practically without default. Every reclamation project shows repayments of practically 100 cents on the dollar expended, except during years when depressed conditions have made moratoria necessary. If there ever was a self-liquidating program in this country, it

In closing I desire to call the attention of the committee. and especially the attention of the Republican foes of reclamation, to two brief excerpts from the message of President Theodore Roosevelt to Congress in December 1901, in which he became the author of the reclamation program and policy of the United States. He said:

It is as right for the National Government to make the streams and rivers of the arid regions useful by engineering works for water storage as to make useful the rivers and harbors of the humid regions by engineering works of another kind. * * * Our people as a whole will profit, for successful homemaking is but another name for upbuilding of the Nation.

The CHAIRMAN. The question is on the amendment proposed by the gentleman from Iowa [Mr. GILCHRIST].

The question was taken; and on a division (demanded by Mr. Gilchrist) there were—ayes 65 and noes 79.

So the amendment was rejected.

The Clerk read as follows:

is reclamation.

Grand Coulee Dam project, Washington: For continuation of construction of Grand Coulee Dam and appurtenant works, \$23,-000,000, of which not to exceed \$350,000 may be used for the purposes set out in section 2 of the act of May 27, 1937 (50 Stat. 208): Provided, That this appropriation and the unexpended balances of appropriations heretofore made for the construction of this project shall be available until expended and shall be accounted for as one fund, entitled "Grand Coulee Dam project, Washington."

Mr. CULKIN. Mr. Chairman, I offer an amendment. The Clerk read as follows:

Amendment offered by Mr. Culkin: On page 89, in line 10, after the word "works", strike out "\$23,000,000" and insert "\$3,000,000."

Mr. CULKIN. Mr. Chairman, lest I be charged with being illiberal and opposed to the due and proper development of the West, I call the attention of gentlemen on both sides of the aisle to the fact that on yesterday I voted for the Bonneville project. [Applause.] That is a normal and correct development. The development of the Grand Coulee stands in a distinct and different category. The Grand Coulee is a reclamation project. If it is other than that, it is simply a scheme for decentralizing existing industry in the East and moving it to the West. I am opposed to it, because it will bring 1,200,000 acres of land into production in competition with the farmers now on the land. I call the attention of the gentlemen from the West or the Near West to the fact that I am making bold to speak today for the farmers not only on the lands of the East but the present farmers on reclaimed lands of the West. This amendment which I have offered proposes to cut this appropriation down \$20,-000,000. It leaves in the pot for the purpose of meeting existing contractual relations in this situation \$10,000,000.

I am not going to indulge in any discussion of the condition of the Treasury. Every Congressman knows about that.

Mr. WHITE of Idaho. Mr. Chairman, will the gentleman yield?

Mr. CULKIN. I cannot yield; I am sorry.

I want to call to the attention of the House, as I did the other day, that here is a definite place where Members on both sides of the aisle can stop, look, and listen, and save \$20,000,000.

I say that this project should cease until the hard-pressed farmers of the West and of the East have caught up. And now I want to read to you a letter which I received, if you please, from a resident of the district where Grand Coulee is. It came through Mr. Fred Brenckman, the legislative representative of the National Grange. The writer states:

The fixed charges on land in the Wenatchee district is \$599 per acre. A tabulation from the files of a similar project—the Yakima project—shows that they are capitalized at \$286 per acre.

I want the House to note the words of this hard-pressed farmer.

This information-

Says this writer to the representative of the National Grange—

should be of value to you in your effort to prevent further irrigation developments in the State of Washington. The placing of more lands under irrigation at this time is nothing short of confiscation of the homes and ranches of those people who have already invested their life savings in this State.

I have that letter in my files, and if the gentleman from Washington or any other Member of the House desires to see it and see the original signature thereon I shall be very glad to let him examine it.

I have another letter from a resident of Kennewick, Wash.—and note I am calling as witnesses the people from that very section. This writer says:

The pitiful feature of this whole mess is that the western irrigation farmer is never allowed to catch up. If the poor fellow imagines he sees daylight ahead his hopes are dashed by a new reclamation proposition starting somewhere. The Reclamation Service—

And he spells the word Reclamation "Wrecklamation"—should be in the Department of Agriculture, not in the Interior Department.

[Here the gavel fell.]

Mr. CULKIN. Mr. Chairman, I ask unanimous consent to proceed for 2 additional minutes.

The CHAIRMAN. Is there objection to the request of the gentleman from New York?

There was no objection.

Mr. CULKIN. And so, Mr. Chairman, I am making bold to speak not only for my farmers—who are like the farmers of the gentleman from Iowa [Mr. Gilchrist] when they do any reclaiming, as they have done for generations, they go down in their lean purses and do it themselves—but I am speaking also for those who have written me and are on the reclaimed lands of the West. If I had the time I would put in the Record a great number of other similar letters.

I am for the normal development of the West—do not mistake that—I am for giving the West all funds needed to feed its people, but this procedure here simply wrecks the eastern farmer, it wrecks the western farmer, and it wrecks the farmers on the reclaimed land.

Those are the human documents involved, and I mention rather more softly the fact that it is an unwarranted, bold, and audacious raid upon the Federal Treasury at this time when all patriotic Members should be watching expenditures. [Applause.]

[Here the gavel fell.]

Mr. DIRKSEN and Mr. WHITE of Idaho rose.

The CHAIRMAN. The Chair recognizes the gentleman from Illinois [Mr. Dirksen], a member of the committee, for 5 minutes.

Mr. DIRKSEN. Mr. Chairman, I rise in opposition to the amendment.

Mr. Chairman, I am sensible of the futility with which one often addresses himself to questions of economy in expenditure, but in connection with this Grand Coulee item I fancy I ought to submit what I deem to be a consistent design that the Congress must ultimately follow. We have been spending money with a lavish hand on hydroelectric projects. It is about time, in view of the fact that we are rushing along in a course of reckless expenditure, that we take a little inventory.

The first item in the inventory would seem to be the deficiency committee that is sitting right over next to this Hall contemplating a request for additional appropriations for the Works Progress Administration for \$150,000,000. Obviously it is going to add to the deficit which will probably reach \$4,000,000,000 for 1940, as well as \$4,000,000,000 for 1939.

Congress is faced with one of two alternatives: Either a decent and reasonable limitation upon expenditures and a policy of economy; or else we must find new sources of taxation in order to bridge this gap that is constantly widening before us. This brings me to what I really want to say this afternoon, and I want to hang my remarks upon three bills that were introduced yesterday. They are Senate 1796, introduced by Senator Norris; H. R. 5068, introduced by the gentleman from Mississippi [Mr. Rankin]; and H. R. 5069, introduced by the gentleman from Alabama [Mr. Sparkman].

These bills provide for the issuance of not to exceed \$100,000,000 in bonds by the Tennessee Valley Authority. For what purpose? For the purpose of purchasing the transmission lines and the properties of the Tennessee Electric Power Co. Having purchased them what will be the effect? The effect, according to the Taxpayers Association of Nashville, Tenn., will be that the State of Tennessee will lose over \$3,500,000 in revenue. Another effect will be that the Federal Treasury, through the loss of capital stock, excess profits, and gross energy taxes, and so forth, will lose more than \$1,200,000. Now, do you see the inconsistent position in which the Congress finds itself almost daily?

The funds derived from the sale of bonds as proposed in the bills, which I have alluded to, are to be used for the—

Construction or acquisition of dams with appurtenant facilities, generating plants, transmission lines, rural distribution lines, and other electric utility properties as authorized by this act, including the purchase of electric properties of the Tennessee Electric Power Co., and for the purposes of carrying out the provisions of section 12a of this act.

These bonds shall bear interest at a rate not in excess of $3\frac{1}{2}$ percent. Both the principal and interest on these bonds will become obligations of the taxpayers throughout the land.

The funds will be used to buy up the private utilities in Tennessee. When these properties pass to the Federal Government they no longer pay taxes. According to the Tennessee Taxpayers' Association, transfer of ownership will mean a loss of \$3,512,095 in revenues to the State, the municipalities, the counties, and the school districts. The Federal Government will lose \$1,204,346 in income taxes, capital-stock taxes, social-security taxes, and the excise tax of 3 percent on electrical energy. The over-all loss to the State and Federal Government will be more than \$4,700,000.

To compensate the State of Tennessee, the T. V. A. pays over to the State 5 percent on the gross sales of energy. According to the audit made on December 6, 1938, for the T. V. A. by Lybrand, Ross Bros. & Montgomery, certified public accountants of New York, at a cost of \$40,000—exhibit IV—total payment to the States of Alabama and Tennessee for the fiscal year ending June 30, 1938, under the 5-percent provision totaled \$93,246.69. Payments for the entire period of operation of the T. V. A., from 1933 to June 30, 1938, were only \$268,463.91. Assuming that one-half of this tax was paid to the State of Tennessee, it indicates that for a loss of more than three and one-half millions in revenues it received in return a trifle over \$46,000. T. V. A. engineers estimate that by 1945, which is 7 years hence, the 5-percent tax may return as much as \$645,000 per year to the State. This would amount to 17½ percent of the State's revenue loss.

How will the balance be provided? The answer is obvious. Additional State taxes will be imposed. Cheap power is supplied by means of appropriations out of the Federal Treasury and then the power consumers are handed extra taxes to make up for losses of State revenue. To say the least, it is a merry-go-round which makes the taxpayers dizzy and then assails them with extra taxes.

As for the Federal Government, it will lose more than \$1,200,000, which must be supplied from some other source. To date the House has enacted five supply bills which aggregate an increase of more than \$568,000,000 over 1938. With one hand we increase expenditures; with the other we propose to destroy existing sources of taxation. The result is what? A continuation of the dead-center stagnation which now besets the country.

[Here the gavel fell.]

Mr. WHITE of Idaho. Mr. Chairman, I move to strike out the last word.

Mr. Chairman, I was very much interested in the remarks made by the gentleman from New York [Mr. Culkin], in support of his amendment and in opposition to this particular item in the appropriation bill. I was also interested in the remarks made by the gentleman from Illinois [Mr. Dirksen].

The gentleman from New York [Mr. Culkin] went into the development of the West. Let me remind the gentleman of the history of the development of the West.

The Congress some time back gave in one land grant to one railroad company land 20 miles wide on each side of the railroad, the Northern Pacific Railway, all the way from Duluth, Minn., to Portland, Oreg., so that that railroad might be built. Every alternate section along that entire right-of-way was given to one railroad in order to get this country opened up. After the railroad was built the promoters and the stockholders went across the country to see this country. The land was a barren, undeveloped one. After the trip was made and the stockholders saw what they had, they were so disgusted with the country that had been opened up by the railroad that they discharged the promoter—Henry Villard.

It was not until reclamation came along; it was not until the people began to move in and settle on the land and bring water to the land that the West became one of the most prosperous sections of the country. I call the attention of the gentleman from New York to the fact that his factories and mills depend for a market on the great western country which has been developed slowly and brought into production by reclamation. It has brought the people to the land. It has built up production. Wonderful communities have been built up in the West which have made additional markets for the manufactured products of the industrial sections of the East.

If we were to strike down and undo the work that has been done in reclamation, his State would be one of the first to suffer. I do not think the gentleman from Illinois [Mr. Dirksen] or the gentleman from New York [Mr. Culkin] want to arrest progress in this country and thereby stop the development of new markets and production from new land.

I want to remind the gentleman from the great State of Illinois, who speaks of W. P. A. appropriations, that this money is being used to support the 10,000,000 unemployed. What are you going to do with them? Where are we going to place them? Let them go out on the land and take their substance out of the ground, as their forefathers did.

This is not spending money. It is making an investment. Let us make a distinction between putting money into this great conservation project, that will utilize the water that flows to the sea and build up a great, prosperous country, as we have in the past, and spending money for relief. Are we going to stop? Where will the gentleman from Illinois, with his corn, hogs, and his distilleries, find a market if we do not continue to build in this country?

Mr. DIRKSEN. Will the gentleman yield?

Mr. WHITE of Idaho. I yield to the gentleman from Illinois.

Mr. DIRKSEN. I regret my dear friend the gentleman from Idaho completely mistakes the premise I assumed, namely, if you are going to spend money, on the one hand, what a wholly silly and insensible thing it is to rub out the sources of existing revenue when we need that for the purpose of making the expenditure considered here, as well as for the ultimate balancing of the Budget.

Mr. WHITE of Idaho. The balancing of the Budget will be done through the payment of income taxes by prosperous business. We are making an investment today to develop industry and communities which will make this land a brighter, a more prosperous, and finer country. We will take the unemployed off relief rolls. We can put them on land, build up the country, and follow the great program started by the leaders of the gentleman's party, which has given us the country we have today. Let us continue and build up the communities. Let us put this barren land to work and put these 10,000,000 unemployed people on the land, so that they may build up finer communities.

Mr. DIRKSEN. I am glad to see my friend agrees with me that these funds must come from the income tax and other sources. We are taking over a lot of power properties and there will be no income taxes, no excess-profits taxes, no capital taxes. Those will all be gone.

Mr. WHITE of Idaho. The gentleman must remember new communities and new industries will add the tax income to meet Government expenses.

[Here the gavel fell.]

Mr. O'CONNOR. Mr. Chairman, I move to strike out the last two words.

Mr. Chairman, I shall address my remarks in opposition to this amendment to the necessity for more power, more electrical energy, in the northwestern country. In 1937 Montana was required to look to the State of Washington for electrical energy. The Missouri River was unprecedentedly low and the Montana Power Co. was unable to furnish the necessary power with which to run the mines at Butte and the smelters at Anaconda and Great Falls, also the contracted quota for Fort Peck. As a result of this dearth of power, mines in Butte had to be closed down, putting miners upon the streets and making hungry their families, and causing us to come to Congress for aid. In addition smelters were closed and smelter men were turned out of employment in the city of Anaconda and in the city of Great Falls, and their families were likewise made to want all because we did not have sufficient electrical energy.

You may say that is a local matter, but it is not, because when these people are working in the mines and in the smelters they are purchasing goods manufactured in the East. You may say this condition may never occur again. As the Montana Power Co. said, and truthfully so, the Missouri River was the lowest in its history. What was unprecedented at that time for aught we know may become

the normal and the usual thing in the future, hence we must guard against it. Our condition out there is reflected throughout the country.

I may say also in this connection that the farmers in that territory, numbering hundreds of thousands, are entitled to the use of electricity just the same as are the people in the cities. When we develop these power projects we are enabled by reason thereof to bring electrical energy to the farm homes at such a rate the farmers can afford to use it. The farmer's wife is just as much entitled to use electricity in washing her clothes and in washing her dishes and for lighting purposes as is the wife of the city dweller, and the farmer is entitled to use electrical energy for pumping water for irrigation and power purposes. So, from the standpoint of electrical energy alone, this appropriation should stand as it is because it is needed in the Northwest. We have to develop the Northwest in order that you in the East may have a market for your manufactured products, so the West's problem is your problem and your problem is our problem.

I want to say to the Members of this House I have never been prouder of my membership in this House than I have been in the last 2 days when I have seen Congressmen from the South and from the East and from the North supporting these western reclamation and irrigation projects. Even Members from the economy bloc have come to our aid. I am going to ask you this afternoon to support us in developing our western country.

Mr. RICH. Mr. Chairman, will the gentleman yield?

Mr. O'CONNOR. I yield to my distinguished friend from Pennsylvania.

Mr. RICH. Has the distinguished gentleman from Montana ever thought about balancing the Budget or voting for economy?

Mr. O'CONNOR. We will never balance the Budget or vote for economy as long as humanity needs a dollar, as far as I am concerned. This is a case of human beings against a dollar, and in my opinion, humanity rises above the dollar; and in the gentleman's own heart he thinks so.

Mr. RICH. After you wreck this Nation of ours and then the people have no business and no jobs, what are you going to do?

Mr. O'CONNOR. We are trying to make jobs in the East by developing the West. That is where you will have your market. I want to tell you we might as well not kid ourselves any longer. Our export trade is gone and we are going to have to live within ourselves. We may just as well start to do it.

Mr. RICH. I may say to the gentleman that if our export trade is gone, why not retain our own market for our own manufacturers and our own employment and our own industry. That is what we want to do.

Mr. O'CONNOR. I do not yield for a speech.

In developing the West we are making a market for the manufactured products of you in the East.

Mr. DUNN. Mr. Chairman, will the gentleman yield?
Mr. O'CONNOR. I yield to the gentleman from Pennsylvania.

Mr. DUNN. We have been informed, and the statement is true, that one-third of the people of the United States are in need of food, shelter, and clothing. It seems to me that we should consider balancing people's stomachs with good food before we consider balancing this mythical thing called the Budget.

Mr. O'CONNOR. The gentleman is absolutely right, and I thank him for his contribution. [Applause.]

Mr. Chairman and members of the Committee, in view of the legislative trends during the current session, the Seventysixth Congress will be placed in the pages of history for its attempt to bring Government economy to what may be termed a "boiling point." At this stage of the session and while that history is being made, we must guard against placing our constituents into what is known as "hot water."

A sound economy program is a distinguished brand to place on any session of Congress but at the same time economy at the expense of humanity is a sorrowful stigma. During our consideration of the Department of the Interior appropriation bill, many attempts were made to prune appropriations. Economy is an admirable trait, but we cannot conscientiously decrease the respective funds at the expense of the scientific and sound upbuilding of our natural resources and our country as a whole.

With the income tax filing deadline just past, it is readily understandable that we are concerned with economy in Government. However, we must not be accused of nearsightedness.

As a member of the Committee on Indian Affairs, I am not satisfied with the appropriations which we have set aside for the upbuilding and restoration of the Indian race. We must never forget that they are an involuntarily subjected race and we imposed a guardianship over the Indian and then contributed in the past to his race's becoming vanishing Americans. I entertain great prospects for the Indian in the future of our country when it is realized that with proper training and treatment he is the equal of the white man, and it is my belief that he should be given every consideration possible.

As I said in a way before, it is significant and inspiring to note the enthusiasm toward national duty of this Congress. Congressmen, from the South, from the West, from the North, and from the East are not confining their work to their respective districts. No longer are Congressmen from the South and East fighting our projects in the West. They all realize that the West is the market for what is manufactured or produced in the South and the East. Projects which tend to upbuild the West provide additional cash markets for the East and South. Each year we are becoming more of a self-sustaining Nation. And that has been brought about largely by the Congress's taking a national viewpoint rather than a smug sectional stand. I am prouder of my membership in this House more than ever before, after noting the splendid support given with alacrity to our reclamation projects by Congressmen from all sections.

We Members of Congress from the West have first-hand knowledge of the value of reclamation, irrigation, and the rehabilitation of the West. We know from personal experience that the sole hope for the future of the West lies in projects as covered in the appropriation bill we now have under consideration.

I need not point out the importance and necessity of land restoration, irrigation canals, water power, rural electrification, and other earmarks of a civilized country in the West. The Nation as a whole can never be stronger than each of the integral sections. Therefore, it is of indisputable value to our national standing that western projects be considered in the light of an all-embracing national program.

And if we prune appropriations below the figure deemed necessary by authorities, we then contribute to the weakness of our western United States, and the United States as a whole.

Again permit me to say that economy is an excellent procedure, but not at the expense of humanity. [Applause.]

Mr. JOHNS. Mr. Chairman, I rise in opposition to the pro forma amendment.

Mr. Chairman, I have been deeply interested in this proposal from the standpoint of our colleague from Iowa who spoke here. I do not know whether or not the Members of the House realize the condition of the farmers of this country, but I do know that if this project goes through—and I hope it will sometime, at the proper time, because I have been there, and I know about the projects out in that territory and have looked them over—more acres will be put into production, and to put more acreage into use in this country at the present time is a very serious matter.

I do not know whether or not the House realizes it, but in the State of Wisconsin, my own State, there were 779 foreclosures from January 1 to June 30, 1938. There were 21,599 foreclosures in the United States during the same period. Eighty-three percent of the Monroe County, Wis., farms are mortgaged; 44 percent of the mortgaged farms

in La Crosse, Monroe, and Juneau Counties are delinquent. Not only that, but the Government is holding a great many of these mortgages. So the question arises, What are we going to do with these farms that are being taken back by the Government? And up until last July 1 we had about 60,000 of them, and 100,000 homes.

The question arises, Should we take care of these farms the Government owns and put people on them who want homes, or should we put more acreage into production and let other farms go into default? The United States Government holds 40 percent of the farm-mortgage debts. This has increased from 12 to 40 percent in the last decade.

The Farm Credit Administration said on February 23 that about 35 percent of all farms in the United States carried mortgages in 1938. The debt was estimated at about \$7.082.-000,000. Federal land banks and land-bank commissioners held mortgages totaling \$2,835,900,000. The increase on Government holdings came, of course, through refinancing many of these farms in 1933 and 1934. Many of them are in

So at the present time the Government could take over a number of these other farms if it wanted to do so.

There is \$35,000,000 of default in mortgages outstanding in the State of Virginia, with 16,472 farm-mortgage loans.

It seems to me we should think seriously about this, because some of these days, and before very long, there is going to be a day of reckoning and we are going to have to take care of these losses.

I could take you up into the State of Wisconsin where, in a particular case which I investigated, I found a man had borrowed \$10,000 on 160 acres of land. He never paid anything on it, and they took a foreclosure judgment of over \$13,000 against him and then turned around and sold the property to an individual for \$3,000. Now, the question arises just how long can they continue with these farms and what the ultimate loss would be.

In the State of Wisconsin, in one day in one county, there were 16 farms that were foreclosed.

Barron County is one of the leading dairying counties of the State of Wisconsin, where they have a great number of cows and where the price of cheese has gone down to 11 cents a pound, where butter went down 31/2 cents a pound when the Government support was knocked from under it. where in 1920 to 1932, we received on the average 46 cents a pound for butterfat, at the present time we are receiving about 29 cents. Last August the price reached a low point of 28 cents a pound.

These are some of the things we must consider here when we are thinking of bringing more land into use at the present time.

[Here the gavel fell.]

Mr. HILL. Mr. Chairman, I move to strike out the last four words.

Mr. LEAVY. Mr. Chairman, I am wondering if we cannot reach an agreement as to time for debate on this amendment. There were some six or seven Members who stood up a moment ago and said they wanted to speak on this matter.

The CHAIRMAN (Mr. Buck). The Chair has the names of nine Members who expressed a desire to speak upon this amendment who have not yet spoken.

Mr. LEAVY. Mr. Chairman, I ask unanimous consent that all debate on this amendment and all amendments thereto close in 50 minutes.

The CHAIRMAN. Is there objection to the request of the gentleman from Washington?

There was no objection.

Mr. HILL. Mr. Chairman, Coulee Dam! I want to remind everybody who is listening that these two words mean the greatest thing ever conceived by the mind of man, and when it is finished it will be the greatest thing every constructed by the hand of man-greater than the Pyramids of Egypt, greater also than the Great Wall of China and greater than the Panama Canal.

I now want to correct an impression that was given by the gentleman from New York [Mr. Culkin] when he said that this is entirely and solely a reclamation project. Like so many of the statements of Members on the other side, this is untrue. It is a power proposition as well as a reclamation proposition, although it comes under the Reclamation Bureau. It will generate power and the sale of the power from the Coulee Dam in 40 years will pay for all the money that will be spent in the construction of the Coulee Dam.

Mr. BATES of Massachusetts. Mr. Chairman, will the gentleman vield?

Mr. HILL. Yes; if you have just a brief question.

Mr. BATES of Massachusetts. When the gentleman speaks about the amortization of these bonds, chargeable to power, what percentage of the total cost is going to be allocated to power?

Mr. HILL. I will leave that to the other gentleman from Washington, who will answer that question, as I have not the figures before me.

Mr. BATES of Massachusetts. I ask that question because yesterday on the Bonneville Dam we discussed that matter and I was amazed to hear that only 321/2 percent of the cost of the Bonneville Dam was being charged to power, when before the Committee on Rivers and Harbors 2 years ago it was stated then by those high in authority that the charge would be 50 percent.

Mr. HILL. I call the attention of the Members of the House to the fact that reclamation is the settled policy of the United States. It was begun by a great Republican, Theodore Roosevelt, and I sometimes wonder if there are not some members on the other side, and there must be, who have the same vision that Theodore Roosevelt had when he started reclamation. There were other Republicans like Mr. Goethals, and I might mention those who preceded us in the Senate and the House-Senator Jones and Congressman Summers. They were strong for reclamation. When my friends on the other side say we are taking this out of the Treasury and paying for this reclamation again, they are making misstatements. The reclamation projects in the Yakima Valley have paid back at least 95 percent of what has been paid in on those projects.

Mr. GILCHRIST. Mr. Chairman, will the gentleman yield?

Mr. HILL. The figures show that. I cannot yield.

Mr. RICH. Mr. Chairman, will the gentleman yield for a question?

Mr. HILL. For a brief question.

Mr. RICH. The gentleman means they paid it back into the reclamation fund, but that in turn is used for that particular purpose again.

Mr. HILL. In the first place, that money is paid out of the reclamation fund, that comes out of the reclamation States, and you are not paying anything out of the Treasury.

Mr. RICH. But the original amount was paid, and we never got it back and never will get it back.

Mr. HILL. If the gentleman studies the records in his hearings, he must know that that is not true and this is a misstatement like he made the other day.

That is not a misstatement. Mr. RICH.

Mr. HILL. When the Bituminous Coal Commission proposition was under consideration here on the floor of the House the gentleman said that we were spending money out of the Treasury, and the gentleman knew at the time that they were assessing the coal companies and employees, and he was making a misstatement then, as he is making it now.

Mr. RICH. I did not make it then and I am not making

it now, so why go on?
Mr. HILL. Read the RECORD, and the gentleman will see he made a misstatement with reference to the Coal Commission. It was not paid out of the Treasury. I want now to answer the gentleman from Illinois [Mr. Dirksen]. I lived in Illinois, was born there. I lived also in Wisconsin and I have also lived in the West. The gentleman made the statement that we are going to take off the tax rolls these private utilities, and turn them into public utilities and thus lose the taxes.

In the first place private utilities pay no taxes; they simply add that as overhead expenses. Every time we turn a switch we, the consumers, pay the taxes; the power companies are merely the collectors. Moreover, the taxes are inconsiderable. In the State of Washington some 20 years ago when the Bone power bill was up for a vote, a survey was made of power companies and their valuation. It was found that for rate-making purposes their valuation was 30 times as great as for taxation purposes. Thus they are avoiding their fair share of tax burden as compared to farmers and home owners. Furthermore, we who favor public utilities urge taxation of same—that is our policy in the State of Washington. For this reason the people of our great State favor Government ownership and operation of power utilities. [Applause.]

The CHAIRMAN. The time of the gentleman from Wash-

ington has expired.

Mr. CLEVENGER. Mr. Chairman, I rise in support of the amendment and in the interest of 100,000 of the best farmers in the world, and who live in my district. These men in most cases hewed out of the old black swamp of Ohio some of the finest farms in the world. They combated the ague and "shakes" and milk fever and all that went with pioneering. They have accepted every artifice of diverse farming to make it possible for them to live and exist under the competition put upon them. We have canning, poultry raising, stock feeding, milk condenseries, cheese and butter factories, and lately sugar. Since I came to Congress, the farmers of my district have written me in defense of a right to raise a little more sugar on their land that is lying idle because of crop restrictions. The Secretary of State suddenly filled the newspapers with stories of racketeers-sugar racketeers in the city of Washington. I wonder sometimes if some of you realize what being a farmer in one of these milk-cow States means. I am going to define what I mean by a milk-cow State. That is a State where you collect two or three dollars of Federal income for every one you leave in it and you build reclamation projects and dams and power projects, and you collect your money from States like Ohio, from Illinois to Massachusetts.

Mr. WHITE of Idaho. Mr. Chairman, will the gentleman yield?

Mr. CLEVENGER. In a moment. I have some figures comparing my State with what it gets and pays with three of these T. V. A. States. I will give you some of the high lights.

According to the 1930 census, the population of my State is 6,646,697 and the population of Tennessee, Mississippi, and Alabama combined is 7,272,625. In 1935 Ohio paid an income tax of \$58,476,000, Mississippi paid \$1,740,000, Tennessee \$7,342,000, and Alabama \$3,334,000. In the amount of money paid in the State to take care of her own citizens, Ohio pays \$28.26 per capita, Tennessee \$13.18 per capita, Mississippi \$12.96 per capita, and Alabama \$14.61 per capita. From January 1, 1937, to June 30, 1938, the Agricultural Adjustment Administration paid to the farmers of Ohio, the fourth agricultural State in the Nation, \$14,335,000; Tennessee, \$14,986,000; Mississippi, \$20,027,000; Alabama, \$15,239,000.

In the interest of John Q. Taxpayer, and in the interest of these Ohio men who want to save their homes and farms, I wish to say that last week we were called upon to provide millions of dollars we do not have and must borrow to put six or seven hundred thousand acres of rich bottomland in Tennessee and Kentucky under water, for power that we do not need, and this week we are called upon to provide millions we do not have and must borrow to irrigate a million acres in the State of Washington for farm land and power that we do not need. Next week we will be asked to provide hundreds of millions that we do not have and must borrow to retire millions of acres of natural farm lands from production that Mr. Wallace says we do not need.

With proper apologies to "Bugs" Baer I would like to inquire, "Who is crazy now?" [Applause.]

Mr. GIFFORD. Mr. Chairman, will the gentleman yield? Mr. CLEVENGER. I yield.

Mr. GIFFORD. I want to make the observation that these Members from the West are great boosters. I have watched them for 17 years, and they are such boosters that they generally get all they ask for. Why? She said to him "Thank you so much for this beautiful fur coat, it will keep me so warm." He replied. "Keep you quiet." [Laughter.]

so warm." He replied, "Keep you quiet." [Laughter.]
Mr. CLEVENGER. In conclusion, I want to say this: We know you will take our golden eggs, but in God's name do not perform a Caesarean section on our geese to get tomorrow's eggs. [Applause and laughter.]

[Here the gavel fell.]

Mr. ROBINSON of Utah. Mr. Chairman, almost a century ago the founders of my home State left their homes in the Mississippi Valley and pushed westward across the great unexplored domain beyond the frontier. This territory had previously been traversed only by Indian tribes and a few scouting parties, which returned with reports which were far from encouraging to a people seeking a home. While the land in this great region west of the hundredth meridian was oingreat fertility, because of the fact that rainfall was so infrequent during the growing season, sagebrush and scrub cedar were practically the only forms of vegetation which subsisted there.

A less hardy people would have been dismayed by the prospect which confronted these pioneers when they arrived in Salt Lake Valley and their leader told them that they had arrived at their destination. The hard, parched ground defled the entrance of a plow. For days on end the sun had shone brightly, the skies giving no promise of rainfall. The only moisture in evidence was that found in the small rivers and brooks which wended their way from the mountain canyons to the salty waters of the lake in the valley. But these streams, fed by the melting snows which had been deposited in the tops of the mountains the previous winter, proved the salvation of these people. By constructing small diversion ditches, they were able to turn the water in these streams from its natural channel and flood it over the hard ground, thus softening it and making it susceptible to cultivation. Soon the fields were plowed and the seeds planted. The growing crops were now supplied with moisture by irrigation ditches which ran between the rows. Thus was irrigation practiced in the arid West for the first time since the Aztec civilization in Mexico, 400 years before. The changes which were thus wrought were almost unbelievable. Land which had yesterday been barren and worthless was now fruitful. Green fields stretched where before there had been nothing but sagebrush. A people had raised a civilization from the barren floor of the great American desert.

Soon, however, the water available from the streams was entirely used, and only a small fraction of the available land was irrigated. The greater part of the water ran off during the first few warm days of spring and was lost to the farmers. Only the snow in the deeper canyons remained to sustain the streams during the summer. The problem of securing a sustained flow during the entire growing season was solved by constructing dams and impounding the spring floodwaters.

Reclamation of the arid lands, which was first practiced in the Salt Lake Valley, was quickly adopted by settlers throughout the West. Only by irrigation could the land be made to yield a livelihood. As the lands for which water was most easily available were occupied, it was necessary to build larger and more complex irrigation systems, often conveying water for long distances, from the reservoirs to the lands which it was to irrigate. Contrary to a popular belief, the money for the early development of irrigation projects was not furnished by the Government. Irrigation had been practiced for more than 50 years when the Government stepped into the picture in 1902 by the passage of the Reclamation Act. Since that time the Government funds have merely supplemented the flow of private capital into these productive enterprises. At the present time the total investment in irrigation projects in the West is approximately one and a quarter billions of dollars. Of this amount, the contribution of the Federal Government is only approximately 20 percent. Private investors still feel that these projects are excellent investments and are willing to purchase bonds of irrigation companies.

The total expended by the Federal Government on reclamation projects which are completed and in operation in September 1938, the latest date for which figures are available, was \$237,000,000. This money alone, apart from the almost \$1,000,000,000 expended by private capital, has built 34 irrigation projects, which serve 3,000,000 acres of land, and which support 900,000 people; 900,000 people who, without these Government irrigation projects, would be unable to earn a living.

It should not be supposed, however, that this money which has been expended for projects in the West has been a drain on taxpayers from other sections of the country. The Reclamation Act of 1902 does not call for appropriations from the general fund of the Treasury but rather from the reclamation fund, which is built up from money which rightfully belongs to the West, money obtained from the sale of public lands, oil leases, and Federal power. Only since 1933, at which time the public-works program was expanded to include reclamation projects, has the Government appropriated for the purpose of irrigation and funds other than those which came from the reclamation fund.

Neither should it be supposed that even the money appropriated from the reclamation fund has been given as a gift to those who settle on the irrigated lands. Every dollar which is expended on a reclamation project is secured by a lien on the lands which use the water, and every dollar will eventually be paid back into the Treasury.

The record of repayment to the reclamation fund is indeed a credit to the integrity of the people who settled on the irrigated areas. With the exception of the depression years, during which Congress granted a moratorium on repayments, over 98 percent of all money coming due under the repayment contracts has been repaid. It is doubtful if there is another type of Government project which is self-liquidating to this extent.

Even if the reclamation projects which are being constructed in the West were a direct drain on the pockets of eastern taxpayers, they would still be good investments for the people as a whole. To contend that this work benefits only the West and places a burden on the East is to disregard the complexity of our economic structure, to overlook the fact that it is impossible for one section of the country to be prosperous while another section is poor. Such an argument time after time has been advanced to oppose the development of new territory, and as many times as it has been advanced it has been proved false. If such an argument had been heeded by our predecessors in this body, the United States would still be but a narrow strip on the Atlantic coast, for when it was proposed to open the lands in the Ohio and Mississippi Valleys to homesteading at the beginning of the nineteenth century, the argument was presented on the floor of the House that if these new lands were brought under cultivation the crops which were produced on them would flood the markets and react to the detriment of the established agricultural areas. So fallacious has subsequent history proved this argument that it seems strange that it should have ever been raised. Without the agricultural region developed in the Midwest, the present industrial development of the East would obviously have been impossible.

I am satisfied that just as the growth of our Nation in the past has justified the opening of new lands by the homestead laws, the future development will justify the opening of new lands by reclamation.

From the very moment when construction is begun on a reclamation project, the entire county begins to reap benefits. While some may reasonably doubt the economic feasibility of a public-works program, because of the fact that it increases our debt, no one can doubt that while the projects are actually under construction business is benefited by the money expended. The money expended on reclamation projects goes to every part of the county. For example, for the construction of the Pine View Dam, a relatively small project in my home State, the Government purchased materials from most of the larger States. Twenty-seven cars of steel pipe came from New York; Pennsylvania sent 7

cars of piling; Illinois manufacturers sold 12 cars of steel pipe and reinforcing steel; and Alabama, Virginia, Ohio, Michigan, Indiana, Wisconsin, and Missouri all were given orders for carload lots. Railroads and truck lines which bring the materials from the place in which they are manufactured to the site of the construction receive huge benefits. Secondary industries throughout the country are stimulated by the pay rolls of the laborers on the projects.

These benefits, however, are no different from the benefits conferred by any public-works program. It is not until the reclamation project is completed and the impounded water is actually available for use upon the parched lands that the project begins to make its great and lasting contribution to the welfare of the country. The opening of the new lands opens a new life to people who were yesterday unemployed because industry had no place for them, and because all available agricultural lands were already taken. They now have means of productive employment. They now earn their own livelihood without having to rely on the Government for relief.

The argument has been advanced that because there is a surplus of farm products at present, those who settle on reclamation projects will not be able to make a living because there will be no market for their crops and in addition it will make worse the plight of farmers in other sections of the country. While this argument appears logical at first blush, it does not hold up when we examine the facts. Crops grown on the land served by these projects do not contribute to any surplus simply because there is no surplus of the majority of the crops which are produced there.

Approximately 70 percent of the land which is irrigated by these projects is devoted to alfalfa and other forage which supports the great livestock industry of the West. Seven percent of the reclaimed land is devoted to the raising of sugar beets. Of both sugar and livestock the United States is and has been for several years a heavy importer. Far from having a domestic surplus of these commodities, we are unable to produce enough to meet our demands. These crops which are grown on the western lands are not competing with any domestic producer, but rather with foreign producers. For every dollar's worth of livestock or sugar that is produced in the United States, a dollar is diverted from foreign producers to our own domestic channels of trade.

The remaining 23 percent of the irrigated land is devoted to a variety of crops, most of which are consumed by the people in the immediate vicinity of the place where they are grown. Prominent among these crops are fruit, garden vegetables, and wheat. Although there is a surplus of wheat, the reclamation projects are not adding to this surplus but are really reducing such a surplus, simply because most of the wheat which is produced in the projects is consumed by the people who live there and because wheat is the one crop which could be grown as a dry farm crop on these lands without the aid of irrigation. Therefore, if the land was not irrigated, much of it would be devoted to dry farm wheat, whereas when water is available for irrigation the owners of the land will be inclined to grow some crop of which there is not such a huge surplus.

Let us now look at the other side of the picture, to determine not what those who live on these projects produce and sell, but rather what they buy and consume. The 20,000,000 acres in the West which are at present irrigated form the major support for 12,000,000 people. Twelve million people who are customers for the products of the other States. From every State in the Union, agricultural as well as industrial, these people purchase farm products and manufactured products. They form a market which, if taken away, would very seriously cripple almost every industry in the United States. Yet without the reclamation projects which conserve for them the precious water supply, these people would be forced to leave this land and seek to earn their livelihood in the already overpopulated sections. Should our reclamation projects suddenly cease to function, it would merely mean that 12,000,000 people would be added to those already on relief.

Although much has already been done, a great deal remains to be done in the future to properly conserve the water supply of the West. Although the great majority of the 700,000,000 acres of arid land will forever be unreclaimable, a constructive program of reclamation can conserve enough water to at least add another 10,000,000 acres of land to the 20,000,000 already made available for farming by means of reclamation. Two and a half million additional acres, enough to support almost a million people, will be added to the available land when the projects which are now under construction are completed. New cities and towns will spring up on the land served by these projects, offering new opportunity to many who are now unable to earn a living.

A new and serious problem has been presented to the Nation in the past few years, by the development of the Dust Bowl in the prairie States. These lands, like the lands farther west, are arid, but unlike the lands to the west, they cannot be reclaimed by irrigation because the flat terrain offers no reservoir sites for the impounding of waters. Many who have lived in this area are finding it impossible to continue to reside there, both because the wind makes farming almost impossible and because the dust-laden air makes living most unpleasant. If these people desert the Dust Bowl, as many of them are doing, we must find somewhere for them to go. The answer to this problem lies farther to the west, where vast expanses of arid but fertile land await only construction of dams and canals to prepare it to offer its richness to the service of mankind.

It is probably difficult for those of you who are from sections where rainfall is plentiful to fully realize what reclamation means to us in the West. To you water is something that exists in as free an abundance as air, something which, while necessary to life, is always freely available and so is the subject of little thought. However, to the westerner water is something infinitely more valuable. The greatest gift which our mountains have to give to our people is not their mineral wealth but the water which they store. It is disheartening to see this water run off in streams swollen to torrents during the early spring, and then to see those same streams' beds dry during the parching heat of summer; to see the fields dry and bleached for want of the water which ran so freely but a few short months before.

The bill which we are now considering calls for appropriations to projects which have been declared by the best engineers available to be practical and sound. The money which we will appropriate is not an expense but an investment, an investment from which every dollar of the expended capital will be returned, and which will pay dividends in a richer opportunity and a fuller life for the hundreds of thousands of people who will be afforded a livelihood by the reclaimed land.

The CHAIRMAN. The Chair recognizes the gentleman from Oregon [Mr. Pierce].

Mr. PIERCE of Oregon. Mr. Chairman, never was there made a more misleading statement than that of my friend from Illinois [Mr. Dirksen], the brilliant debater on the Republican side, when he said that the private utilities pay taxes which publicly owned utilities avoid. Do you think that these taxes that utilities pay come from heaven or from their grandfather's estates? Are they sent from Wall Street's share? They are collected out of the people in excess rates and handed over called taxes; that is all; the people who use the electricity, the rate payers, foot the bill. When the utilities become tax collectors, they take an immense toll for their services. My colleague, a member of the District Committee, should investigate the utility conditions in Washington in order to learn just how seriously a private utility can mulct the public and go scot free.

At Tacoma there is a publicly owned plant today worth

At Tacoma there is a publicly owned plant today worth \$30,000,000, all paid for from earnings except six or seven million dollars, and with a lower rate than Washington, D. C.; still they pay 10 and 12 percent of their gross earnings toward maintenance of the city government. The city of Eugene, in my State, a city of 20,000 or 25,000, with a plant worth six

or seven million dollars, practically all paid for, with a lower rate than anywhere on the Atlantic border, pays the city by giving free light and other concessions which are more in amount than the taxes would be.

Never was there a more fallacious argument advanced by the brilliant debater than that taxes are all lost when public power plants are operated. Remember this fact, that electricity is, like water, a natural monopoly and should be owned and distributed by the people. Grand Coulee will have ultimately both irrigation and power, though for some years they can provide power only for their own irrigation pumping. If all the population in the Northwest were using electricity as they are using it in Winnipeg or Ontario, Canada, it would take double the installation of Bonneville and Grand Coulee to supply the people, particularly if electricity were taken to them by public transmission lines and distribution systems. The private utilities cover only thickly settled sections. They skim the cream. Why are they not using it freely? Because the price is so high. Lower the price and the people will use it. Prices could be lowered if utilities had been allowed to pay their debts instead of paying tribute to holding companies.

The day is past when we can abandon Grand Coulee. Millions upon millions have been invested. It is a great undertaking, and it has to be completed. The credit of this Government is at stake. It is not a question of passing judgment on a new undertaking.

Let me say to the gentleman from Iowa that products which will grow on Grand Coulee project are products that do not come into competition with the surplus commodities that you and I have to rack our brains over in the Committee on Agriculture. They will be products of which we have a deficit in this country, and will be consumed in the immediate vicinity. Yes; the day may be approaching in this country when we have got to live within ourselves, and the day is perhaps coming when we have to pass from the plan of made work. There is no better way to take care of a man than to put him on the land.

Mr. GILCHRIST. Mr. Chairman, will the gentleman yield?

Mr. PIERCE of Oregon. No; I am not yielding.

Mr. DIRKSEN. Will the gentleman yield?

Mr. PIERCE of Oregon. Yes; I yield to the gentleman from Illinois.

Mr. DIRKSEN. Where does the gentleman think this money comes from that he is using out of the Federal Treasury for this purpose?

Mr. PIERCE of Oregon. Why, it is just a loan. It is all repayable.

Mr. DIRKSEN. Why the hypocrisy of making them feel they are getting free power when you go right around and slap them over the head in the form of an additional State tax, and then take great glory and great credit for a humanitarian job well done, when it is just a lot of counterfeit hypocrisy?

Mr. PIERCE of Oregon. Had you been in the electric game as I was 25 years ago, when the big schemes were put over to put these electric-power plants all over the country and capitalize them far beyond the money invested, you would know differently and would not make the statements that you make now. The Federal Power Commission has shown us in their figures that the total amount of money invested in utilities in the United States is six and one-half billion. They are capitalized for thirteen billion.

The greatest material achievement of this administration is unquestionably the concrete dams on the Columbia River at Bonneville, Oreg., and Grand Coulee, Wash. When much of that which has attracted public attention and newspaper comment and all the controversy in Congress and out has passed into history these man-made constructions for the triple purpose of navigation, irrigation, and power will remain a standing testimonial to the forethought, intelligence, and effective planning for the future of those who fostered the developments. Credit will be given President Roosevelt, who made these great achievements possible.

The Columbia River is the second largest river in the United States. It has a regular flow, varying less than most rivers of comparable size, with falls from the high mountains from which it rises down to the sea level, making it the ideal power stream of all the world. It flows through one of the most richly endowed sections of the world, the Pacific Northwest, with its millions of acres of fertile soil. It has fine harbors opening to the great Pacific Ocean.

Bonneville and Coulee were conceived with different objectives. Bonneville is a navigation project with power as an incidental byproduct. Coulee is essentially an irrigation

The development of Coulee will place water on about one million and a quarter of the most fertile lands in this Nation. These lands were once the delta valley of the Columbia River when that stream, ages ago, was dammed by a glacier and found a temporary outlet through the Grand Coulee

Irrigation is of primary importance to the rapidly growing Pacific Northwest. Unfortunately there has been created a great deal of misconception concerning the extent and effect of irrigation crops. Agricultural interests in other sections need not fear the competition of these crops. This type of agriculture is complimentary rather than competitive. Those crops which create exportable surpluses are produced only in very limited amounts on the irrigated lands of the Northwest. Two types of crops are produced on such lands; namely, fodder and specialty crops.

The livestock industry uses the vast natural pastures existing in this region and the irrigated lands produce forage for winter feeding, without which the cattle could not be maintained on the ranges.

The specialty crops sustain the immediate population, which is beyond the reach of similar crops of other sections.

In the 2 power houses on either side of the Coulee Dam foundation provision has been made for the ultimate installation of 18 generating units. Only two of these flumes will be used for the immediate present. These units will furnish energy to pump irrigation water from the level of the Coulee Lake to the canals feeding the regulating reservoir located in the Grand Coulee. It will be at least one-quarter of a century before the full 18 units will be brought into production.

During previous depressions, the American people had faith and hope, for they knew that there existed a frontier to the west where opportunities could be found. A good many of our people now feel that this frontier has been pushed into the Pacific Ocean. This is not the fact. The Coulee project and our other irrigated regions are our immediate national frontier. It is a haven for our industrious people who wish to explore the wealth of the soil.

As a pure business proposition this project will be worthwhile, because it will place one and a quarter million acres on the tax roll. The money invested in the project is reimbursable, to be repaid over a period of 40 years with interest on the unredeemed balances. It is a wise investment. All who have vision will support the committee in its allotment for the continuance of this construction project.

The CHAIRMAN. The gentleman from Iowa [Mr. Gil-christ] is recognized.

Mr. GILCHRIST. Mr. Chairman, the Grand Coulee Dam, as I have been informed, has little if any navigation in it. For that reason it is a very doubtful constitutional support. The Grand Coulee Dam has in it 1,000,000 acres of land that they are going to reclaim and put into hogs and other products that compete with the natural farm lands of this country.

Grand Coulee Dam has already spent \$100,000,000, as my good friend, Governor Pierce, has stated, and it is going to cost \$300,000,000 more. For what?

Mr. HILL rose.

Mr. GILCHRIST. The gentleman did not yield to me; I will not yield to him until I get through. Then I would like to answer some of his heresies.

This vast sum of money will not go to the United States Treasury where it ought to be sent, and the farmers of Iowa in paying their share will find that their money will be used to put into competition with the very land upon which they depend for a living, other lands that never before have grown a crop. Since I have lived in Iowa—and I have lived there practically all my life—I have seen Iowa farm lands go from operator ownership into the hands of landlords, so much so that in my district 60 percent of the lands are not owned by the people who till them. Farmers have lost their heritage. Yet here you are creating a condition that will hereafter bring more and more land into competition against them, competition that is unfair and unreasonable, competition which they themselves have been forced to finance through the taxes they pay the Federal Government.

Awhile ago I introduced an amendment which was voted down. I did not suppose it would be voted up. In argument against the amendment something was said about the conservation of water. My amendment did not in any way affect water conservation. It would have permitted surveys for existing projects and studies of water conservation. It is a thing we must have, and I think we should have conservation in all other lines; but when you ask me to vote to put 1,000,000 or 2,000,000 additional acres of land into competition with the farmers in my State, it is simply unreasonable, unfair, and inconsistent.

Mr. BATES of Massachusetts. Mr. Chairman, will the gentleman yield?

Mr. GILCHRIST. I yield.

Mr. BATES of Massachusetts. Along the line the gentleman suggests as to the effect of this project on other agricultural sections of the country, according to evidence given to the Committee on Rivers and Harbors a year ago by the promoters of both the Bonneville and Grand Coulee projects, the construction of these dams and the distribution of power at such low rates was hoped to prove an incentive for industries to move into these power areas. So we are bound to suffer the same as the farmers in the gentleman's State.

Mr. GILCHRIST. I suppose that is true. I have not

Mr. GILCHRIST. I suppose that is true. I have not stressed that feature of it because I am interested primarily in the effect of this irrigation project on the farmers.

"Consistency, thou art a jewel." The author of this statement is not known to me, but it is a truism that has been used from earliest time, and states a plain common-sense proposition. I urge you gentlemen to understand that consistency is needed, and that you will not be consistent if you bring these lands into competition against us, as you will be doing when you appropriate money for this project. At the same time you are doing this you are also appropriating money to take lands out of production in order that these poor folks farming in the Middle West can continue to get some sort of a meager living for themselves and their families out of the 12 to 14 hours they work each day, including Sunday. Why talk about a 40-hour week. Talk about \$15 a week, the farmers of my State and your State in the Middle West work 70 hours a week. There is nothing to this proposal except to bring 1,000,000 more acres of land into competition with them and to make them pay for it. It is inconsistent and unfair.

[Here the gavel fell.]

 Mr. RANKIN. Mr. Chairman, I move to strike out the last word.

Mr. Chairman, it is rather interesting to listen to this debate. The distinguished gentleman from Illinois [Mr. Dirksen] complained a while ago because of the taxes in Tennessee. The trouble was the Tennessee Legislature the other day decided to impose some of those taxes on the liquor produced in his district, instead of on electricity, and all the breweries and all the liquor interests have been howling their protests from one end of the country to the other.

As a matter of fact, that trade down there in Tennessee was a compromise between the power company and the Tennessee Valley Authority—just what the enemies of the T. W. A. had been clamoring for and complaining that the T. V. A. would not grant.

I was surprised to hear the distinguished gentleman from Ohio complaining that this power program was injuring his farmers. Why, you will not have anybody on the farms if you do not wake up and get some electricity to them at rates they can afford to pay. You did not make more than 40,000,000 bushels of wheat in Ohio last year, yet you were overcharged \$40,000,000 for electric lights and power—about twice as much as your wheat crop brought.

The gentleman from New York [Mr. Culkin] complained about the effect of the bringing into cultivation of a few acres of land, yet the gentleman who followed him complained that it was taking land out of cultivation. Now, as a matter of fact, the gentleman from New York, like most New Yorkers, overlooks the fact that the primary purpose of land is for people to live on. This undertaking will establish homes. The land that will be irrigated will be for the benefit of the people who are to live in that area in the years to come.

You cannot accuse me of having any interest in Grand Coulee. It is a long way from where I live. I represent farmers, I represent the outstanding dairy district of the South. It is entirely probable that some of these farmers will have dairy cows, but only a small portion, a very small portion of their products would come into competition with either my farmers or the farmers of the gentleman from Ohio, or the farmers of the gentleman from New York.

The distinguished gentleman from Massachusetts rose a moment ago and said some factories might be established out in that country. That is what he is afraid of. He is afraid they will not be able to send manufactured articles 3,000 miles to sell to those people out there because they might start some small industries of their own. He is willing to deny them the right to make a living on their land; in other words, he would deny to them the right to use their own resources, to build up their own homes, to enable them to buy his manufactured articles for fear they might move a run-down factory from Massachusetts to the State of Washington.

Mr. BATES of Massachusetts. Will the gentleman yield? Mr. RANKIN. I yield to the gentleman from Massachusetts.

Mr. BATES of Massachusetts. I just want to make this brief observation, in reply to the gentleman's question. The thing the gentleman from Massachusetts objects to is the Federal Government with our money going out into those districts in which the dams are located and paying from 65 to 70 percent of the cost, when only 32 percent is paid by those who use the power.

Mr. RANKIN. I did not hear that protest from Massachusetts when they were building the Cape Cod Canal. We never hear those protests from Massachusetts when they are putting navy yards up in that country, where a navy yard never was needed and never will be needed. If you spent this money in Massachusetts for something not in competition with the gentleman's manufacturers, you would see the distinguished gentleman from Massachusetts supporting it 100 percent.

Mr. RICH. Will the gentleman yield?

Mr. RANKIN. I yield to the gentleman from Pennsylvania

Mr. RICH. Does the gentleman from Mississippi know they expect to put into cultivation 1,200,000 acres of ground when they finish the Grand Coulee project and that it will cost over \$170 an acre before they ever start to take the sagebrush off of it?

Mr. RANKIN. The gentleman from Pennsylvania has lowered the ante. The gentleman who is supposed to know about it said 1,500,000 acres.

Mr. RICH. I was conservative then when I said 1,200,000 acres.

Mr. RANKIN. No. Mr. Chairman, I will tell you what is behind all this—you need not camouflage it—the Power Trust that paid a lot of campaign expenses last year. That is what is behind it, and we are going to take the fight into every district in the United States, you need not worry about that. You have got a live wire now and you are not going to be able to turn it loose during the next 2 years.

Mr. THOMAS of New Jersey. What proof has the gentleman that the Power Trust paid any campaign expenses?

Mr. RANKIN. All right-

Mr. THOMAS of New Jersey. Let us have a little proof. Mr. RANKIN. We will give you the proof at the proper time.

Mr. THOMAS of New Jersey. The gentleman cannot bring in any proof.

Mr. RANKIN. Every man who rises up and fights this program always jumps on us because of the power question and we will take it to the people next year.

I hope the amendment will be voted down. [Applause.]

[Here the gavel fell.]

Mr. CULKIN. Mr. Chairman, I rise to a point of personal privilege. The gentleman stated that the Power Trust paid campaign expenses.

The CHAIRMAN. The gentleman may have the words of the last speaker taken down, if he desires.

Mr. RANKIN. I made no reference to the gentleman from New York [Mr. Culkin] in that connection.

The CHAIRMAN. The gentleman cannot rise to a question of personal privilege in the Committee of the Whole.

Mr. CULKIN. Then I demand that the words be taken down.

The CHAIRMAN. Will the gentleman from New York state the words he desires taken down, as near as he can recall them?

Mr. CULKIN. I understood the distinguished gentleman from Mississippi to say—I am more polite to him——

Mr. RANKIN. No; the gentleman is not polite to him as long as he leaves that statement in the Record.

Mr. CULKIN. The gentleman stated that the people who spoke on this question or spoke against this project were under the pay, or their campaign—

Mr. RANKIN. Oh, no; I did not say anything of the kind.

Mr. CULKIN. Or their campaign expenses were paid by the Power Trust; that is what I understood.

Mr. RANKIN. I not only did not say that, but I did not mean that. I said the influences behind this opposition—

Mr. BATES of Massachusetts. That is not what the gentleman said.

Mr. CULKIN. I call for the record, if that is in order. The CHAIRMAN. The gentleman has requested that the

The CHAIRMAN. The gentleman has requested that the words be taken down and the Clerk is preparing a transcript of them and will report them just as speedily as possible.

The Clerk will report the words complained of by the gentleman from New York.

The Clerk read as follows:

Mr. Chairman, I will tell you what is behind all this. You need not camouflage it. The Power Trust that paid a lot of campaign expenses last year. That is what is behind it.

The CHAIRMAN. The Committee will rise.

Accordingly the Committee rose; and the Speaker having resumed the chair, Mr. Buck, Chairman of the Committee of the Whole House on the state of the Union, reported that the Committee having had under consideration the bill (H. R. 4852), the Interior Department appropriation bill, 1940, certain words used in debate were objected to and on request were taken down and read at the Clerk's desk, and that he herewith reported the same to the House.

The SPEAKER. The Clerk will report the words objected to in the Committee of the Whole House on the state of the Union.

The Clerk read as follows:

Mr. Chairman, I tell you what is behind all this. You need not camouflage it. The Power Trust that paid a lot of campaign expenses last year. That is what is behind it.

The SPEAKER. Who made that statement?

Mr. RANKIN. I did.

Mr. CULKIN rose.

The SPEAKER. For what purpose does the gentleman from New York rise?

Mr. CULKIN. The complete text of what the gentleman said is not contained in that statement. The SPEAKER. The Chair may only rule on the language reported to the House by the Chairman of the Committee of the Whole House on the state of the Union.

The Chair is prepared to rule.

The Chair has listened very attentively to the reading of these words by the reading clerk and under the rule as announced by the Chair and read by the Chair heretofore this afternoon, the Chair cannot see in the language used any reflection or any personal reflection upon the gentleman from New York or any other Member of the House, and therefore holds that the words do not violate the rules or the proprieties of debate.

The Committee will resume its sitting.

Accordingly, the House resolved itself into the Committee of the Whole House on the state of the Union for the further consideration of the bill H. R. 4852, the Interior Department appropriation bill, 1940, with Mr. Buck in the chair.

Mr. HOFFMAN. Mr. Chairman, I move to strike out the last two words.

The CHAIRMAN. The Chair cannot recognize the gentleman for that purpose. The time has been allotted to Members.

The Chair recognizes the gentleman from California [Mr. Voornis] for 5 minutes.

Mr. VOORHIS of California. Mr. Chairman, I want to approach this problem from a slightly different angle than any that has been considered here this afternoon, as far as I know. I am referring to the problem of the Grand Coulee Dam.

We have in this country a general agricultural problem, to which reference has been made with telling effect this afternoon. In my opinion this problem centers in three or four factors. It centers in the manipulation of farm prices and the farmer's inability to control them; in the problem of fluctuations in the purchasing power of the dollar, which compels farmers in many instances to pay debts in dollars that are worth far more than when the money was borrowed; and finally in the problem of the effective demand, on the part of the people of this Nation, to buy the amount of farm commodities and, particularly, foodstuffs, which they really need.

For years we have not approached anything like the consumption on the part of the people of this Nation of the amount of farm commodities they really should consume. I cannot conceive that the opening up of a comparatively small acreage of land in the State of Washington is going to have a deleterious effect upon the general agricultural problem, which we all realize has to be solved. On the other hand, we have another kind of agricultural problem, another kind of human problem, which comes home to us in the Far West with very great force. That problem is the problem of exhausted lands in certain parts of the Nation. It is the problem of the attempt on the part of the people to farm lands that in some cases never should be farmed with the plow and are really only suitable for grazing and activities of that sort, the problem of lands that should be allowed to go back to grass. On the human side it is the problem of people who have been literally uprooted by these difficult conditions of the weather and the exhaustion of the soil, and the problem likewise of the industrialization of great areas where once large numbers of people farmed but where now the tractor has replaced them. These people, good people, fine American folks, are moving out of the country where they used to live because they have been uprooted from their homes and are looking for other places where they may settle. Most of them have gone to the Pacific coast. It seems to me it is only reasonable, proper, and wise that we should make it possible for new lands to be used for this purpose in order that we may be more nearly free to stop using and exhausting the soil of our country where that has become necessary.

Mr. HOFFMAN. Mr. Chairman, will the gentleman yield? Mr. VOORHIS of California. In just a moment. Those of us who have faced these people and known of

Those of us who have faced these people and known of the problem faced by our States, the problem of resettling these people and giving them another chance at a new home and a new self-supporting existence, are naturally interested in projects like this one. Meanwhile, the problem of their relief and of trying to fit them into the life of our States is very difficult.

I now yield to the gentleman from Michigan.

Mr. HOFFMAN. Is it not true we are appropriating millions of dollars to enable a Government corporation to buy surplus farm products?

Mr. VOORHIS of California. We have a Surplus Commodities Corporation, that is very true, which purchases certain surplus commodities and uses them for the purpose of meeting certain human needs that we have in this country on the part of certain people.

Mr. HOFFMAN. Is it not true we have a surplus of farm products?

Mr. VOORHIS of California. We have in some instances an apparent surplus over and above what the effective demand can take care of, but if you increase the prosperity of this country, if you make it possible for an increased number of people either in agriculture or in any other walk of life to carry on an effective and prosperous business you will have less of that than you have now. Furthermore, may I say the type of crops which are grown now on these lands in the West are not, generally speaking, the types of crops that will compete with the crops that are grown in other parts of the Nation.

Mr. HOFFMAN. Is it not true you are taxing the farmers in the East to provide money to buy these surplus products and using that money to put this other land into

competition with the eastern farmers?

Mr. VOORHIS of California. I am pleased the gentleman has raised that question. I doubt that I will have time to complete my answer, but I may say that over and over again that question is raised. We are asked how we are going to get the money to finance a project like Grand Coulee or Bonneville. I should like to reply to that by asking where the banking systems of this country got the money to buy the Government bonds they have bought in recent years. The total capitalization of the banks is about \$7,000,000,000, yet they have bought \$17,000,000,000 of bonds. The answer is that they utilized credit which they themselves manufactured in order to purchase Government bonds. Has not the Government of the United States credit enough to finance in like manner a project which will pay for itself in the course of time? [Applause.]

[Here the gavel fell.]

Mr. GREEN. Mr. Chairman, I move to strike out the last two words.

The CHAIRMAN. The Chair cannot recognize the gentleman for that purpose at this time.

Mr. PIERCE of Oregon. Mr. Chairman, I ask unanimous consent to revise and extend my remarks in the Record.

Mr. RANKIN. Mr. Chairman, I ask unanimous consent to revise and extend my remarks in the Record.

The CHAIRMAN. Without objection, the requests of the gentleman from Oregon and the gentleman from Mississippi will be granted.

There was no objection.

Mr. THOMAS of New Jersey. Mr. Chairman, I reserve the right to object.

The CHAIRMAN. To which request?

Mr. THOMAS of New Jersey. The request of the gentleman from Mississippi.

Mr. RANKIN. Mr. Chairman, the gentleman is too late. The request has been granted.

Mr. THOMAS of New Jersey. Mr. Chairman, I am very sorry, but I was on my feet when the request was made.

Mr. RANKIN. Mr. Chairman, I withdraw my request.

Mr. RICH. Mr. Chairman, I believe it would be wise to announce to the Members that on yesterday a request was made by the gentleman from Oklahoma [Mr. Johnson] that all Members speaking on this bill have 5 legislative days in which to revise and extend their own remarks in the Record.

The CHAIRMAN. The Chair is under the impression that request applied only to Members who spoke yesterday. Mr. RICH. I understood it applied to all Members who

have spoken on the bill.

Mr. JOHNSON of Oklahoma. No; only to those who spoke yesterday. I will make the general request later.

The CHAIRMAN. The Chair recognizes the gentleman from Oregon [Mr. ANGELL] for 5 minutes.

Mr. ANGELL. Mr. Chairman, I rise to speak briefly on this question, because of the fact that I am from the West. I am from Oregon, as many of you know, and that is not

a great way from this project, Coulee Dam.

I have been all over that country many times, and I am familiar personally with this project. We have before us today the proposition of appropriating additional funds to the amount of \$23,000,000 to apply toward finishing the project. The Congress has already appropriated \$96,000,000. One hundred and twenty-five million dollars, all told, will put the plant producing electric power, and will put it in a position to begin the development of the agricultural end, the irrigation and the reclamation of land. It seems to me. even from the standpoint of my brothers sitting on the left of this body, that we have passed a point when we should determine whether or not we should appropriate the necessary funds to continue the project. Personally, I am as much for economy as any of my associates on this side. I do believe, however, that we should consider each one of these projects on its merits.

We should not be carried away by hysteria; we should not determine that this country is going to the dogs and spending too much money and, therefore, that we should make no distinction between projects that come before us. On the contrary, we should exercise the power that we have to determine as to each project whether or not it is justified upon its merits. This project has been authorized, and as I said, we have spent \$96,000,000. An additional amount up to \$125,000,000 is all that is necessary to complete the dam and power projects for the first installation of power. It will be not only the means of bringing into cultivation 1,200,000 acres of tillable land, but it will also furnish immense quantities of electrical power. The revenues alone, at the rate already established by the Federal Power Commission, the income from the project, will go a long way toward completing the payment of the entire project. It will be seen, therefore, that eventually it will be self-

Considerable has been said that it is bringing this land into competition with other lands. Those of you who are familiar with conditions in the West know that in the last few years we have had a great influx of immigration, thousands and thousands of people, thousands of families having come to our country, Oregon, Washington, California, and the neighboring States from the East and the Middle West. They are destitute, many of them, trying to make a living. They are good honest Americans and they are entitled to your best judgment in determining what is best for them. They are there, they are looking for homes, they left your country. Many of you complain here about the farms they have left. They are with us, they are on our doorstep, and they need assistance. Would you not say that the honorable thing to do, after considering our investment there is to complete the project and put these Americans, these families, now stranded on this land which will produce crops with water and sunshine and equable climate available, so that they may rear their families and find homes and make useful and honorable citizens? Is it not wise to complete this project for their benefit and for the benefit of the Nation?

Mr. GREEN. Mr. Chairman, will the gentleman yield?

Mr. ANGELL. Yes.
Mr. GREEN. I have observed the situation as the gentleman has, and I deem with him that it is in the public interest to develop this and complete the project as outlined.

Mr. ANGELL. I thank the gentleman for his contribution. Mr. HILL. Is it not true that we are not producing enough for the consumption in our own country, that we need to produce more there, that we are importing things from the East?

Mr. ANGELL. That is true; and not only are we importing from the East, but we are importing from South America hundreds of thousands of pounds of beef, and we are importing grain from the north-Canada-and also pulpwood and various forest products, and our mills are idle. and hundreds of thousands of our workmen are out of work and have been without work for a long time. [Applause.]

The CHAIRMAN. The time of the gentleman from Ore-

gon has expired.

Mr. LEAVY. Mr. Chairman, of course, I feel deeply on this matter. I have grown up with this project as it were. I have watched the people out there for 30 years dream of its coming into being, and I have been one of them. It is in my district and that of my colleague, KNUTE HILL, who has fought so faithfully for it here today. Perhaps my views are colored by local interest, but I cannot, for the life of me, believe that the type of intelligent men and women such as I have met since I have been in Congress and who constitute the membership of this House, can take seriously the amendment proposed by the gentleman from New York [Mr. Culkin] to cut an appropriation from \$23,000,000 down \$3,000,000 when \$96,000,000 have been spent already, and when another appropriation of \$25,000,000 or \$30,000,000 will bring into being electricity to the extent of 320,000 kilowatts. which, if sold at 2 mills a kilowatt, will return to the Federal Treasury \$5,000,000 a year. To support this amendment will kill that project. It would leave it at a place where it is absolutely useless; a man-made mountain of cement, blocking the flow of the Nation's mightiest river, but wholly useless. It would not serve any purpose at all. It is now within a short distance of completion, so far as the utility features are concerned. The contract is out upon it, with the biggest contracting firms in America. Sixteen thousand people are down there, 6,000 of them engaged in the work.

The contract is 40-percent finished. This is the second contract, yet it is proposed to say "Pour in \$3,000,000 more

and let it go."

Mr. COFFEE of Washington. Will the gentleman yield?

Mr. LEAVY. I yield.

Mr. COFFEE of Washington. Was it not ex-President Herbert Hoover who just last fall very warmly praised this project?

Mr. LEAVY. I thank the gentleman. This cannot and should not be considered as a partisan matter. It is not a partisan matter, and for my friends on the Republican side of the House let me quote to you two statements made by ex-President Herbert Hoover within the last 6 months, 3 days before the election on November 8.

Mr. HOFFMAN. Mr. Chairman, will the gentleman yield? Mr. LEAVY. Not now. This is what he said, and we believed him then and we still believe him. On Saturday, November 5, 1938, quoting from the Spokane Chronicle, a paper of wide circulation, ex-President Hoover, speaking in that city that night, said this:

"I understand there is considerable discussion around here that Grand Coulee Dam will die if Republicans are elected," the former Chief Executive declared as he graciously received reporters in an informal press conference a few minutes after he arrived at the Spokane Hotel this noon.

"I was the first Cabinet officer sent into this district to investigate the feasibilities of Grand Coulee Dam" (this was in 1926 when

Mr. Hoover was Secretary of Commerce).

"As a result, the engineering plans and studies were taken specifically in hand. When the plans were advanced and it was shown that the project was feasible, I made the recommendation to a Democratic Congress that it be constructed.

"Having been responsible for the construction of Boulder Dam, I don't think we lacked the courage to tackle Grand Coulee.

"I will rejoice when it is completed. Certainly no Republican administration is going to drop that project for a minute.
"It is difficult to see how Grand Coulee can be termed exclusively a Democratic project or accomplishment except in the same fashion

they have acquired credit for Boulder Dam.

I am 100 percent in accord with the ex-President in his utterance in reference to finishing Grand Coulee.

I want to state further that no one, I do not care who you are, who will go and see this project and then understand only meagerly the nature of that development, could ever support this amendment. This is not a land-development project throwing on the market products of 1,200,000 acres of land next year, nor next year, nor even the next year. The first acre of land that would come in here would be in 1942. The last acre that would come in would be in 1960. Three mighty generators are now in process of manufacture and on their way. It takes 3 years to build them. Construction was commenced more than 1 year ago. Each generator is contracted for at a cost of \$4,000,000. Are you going to lose them? Are you going to refuse to complete the dam to the point where we can use these generators, which are being made here in the East?

At this point I desire to give you a break-down, showing where the last \$45,000,000 was spent, and how it helped 45 States. It is as follows:

FORTY-FIVE STATES BUILD GRAND COULEE DAM

The products of industry from 45 States, amounting to \$45,-997,682.68, have already become a part of Grand Coulee Dam, being assembled in the State of Washington.

Sources of construction equipment and supplies used by the contractors and United States Bureau of Reclamation in constructing the Grand Coulee Dam, Wash., from beginning of job through Dec. 31, 1938

Alabama	\$1,477,028.69
Arkansas	
Arizona	
California	
Colorado	
Connecticut	
Delaware	
Florida	
Georgia	
Idaho	
Illinois	
Indiana	
Iowa	
Kentucky	
Kansas	
Louisiana	
Maine	
Maryland	
Massachusetts	
Michigan	
Minnesota	
Missouri	
Montana	
New Jersey	
New Mexico	
New York	
North Carolina	
New Hampshire	
Nebraska	
Nevada	
Ohio	
Oklahoma	
Oregon	1, 293, 575. 86
Pennsylvania	
Rhode Island	
South Carolina	
Tennessee	
Texas	
Utah	
Vermont	6,000.00
Virginia	3, 895. 41
Washington, D. C.	266, 334. 92
Washington	
West Virginia	
Wisconsin	356, 614. 26
Wyoming	183. 30

45, 997, 682, 68 Now, briefly, I want to show you what this completed

THE GRAND COULEE DAM

project means as a new national asset.

The Grand Coulee Dam is the key to the development of the Columbia River and its resources.

Flood control and aid to navigation: By stabilizing the flow of the river it will be the major flood-control factor on the river and prevent recurrent flood damages. During low-water stages the Grand Coulee Dam will increase the depth of the lower river be-

tween 2 and 3 feet, thus aiding navigation.

Reclamation: It will provide water for the reclamation of 1,200,000 acres of fertile, but now arid, land in central Washington, and
will thus create American homes for the American standard of living. These homes will furnish a market for American manufactured material.

Rural electrification: An abundance of cheap power available for use on the farms.

Industrial, new industries: The large blocks of cheap power available, both prime and secondary, will make possible the development of the vast mineral resources in the area tributary to

velopment of the vast mineral resources in the area tributary to the dam and the conversion of native ores into raw materials needed by the large eastern industries. A partial list of the ores available and the metal they contain are:

Magnesite ore containing electrolytic magnesium metal.

Manganese ore containing electrolytic manganese metal.

Chromite ore containing electrolytic chromium metal.

Sphalerite (zinc) ore containing electrolytic zinc metal.

High alumina clays containing electrolytic zinc metal.

Phosphate rock (Idaho): Phosphate fertilizer for the farms; phosphorous, phosphoric acid.

Silica deposits: Fused silica (glass brick) for the building in-

Silica deposits: Fused silica (glass brick) for the building in-

I stated I would give you two quotations recently made by Mr. Herbert Hoover and as proof that he meant what he said about Grand Coulee being a splendid, feasible project, and that he would rejoice when it was completed. I give the following reiteration of the same idea in slightly different phraseology as he gave it to reporters of the Spokesman-Review. This statement was given to be printed in the Sunday edition of November 6, 1938, and appears on page 2. It is

In answer to a query about the claim made by the Democrats that Grand Coulee Dam would never be completed if Republicans were elected this fall, Mr. Hoover reminded his questioners that as a Cabinet officer in 1926 he was the first Federal official to start the studies of that project.

"The plans for this project were two-thirds completed at the end of my administration, and I recommended to a Democratic Congress that they be approved, but the Congress refused to act," he explained. "After having spent almost \$100,000,000 on Grand Coulee it is unthinkable to suggest that it will be stopped. It is no more a New Deal project than was Boulder Dam or the San Francisco Bridge."

This article was read by possibly one-half million people, and Republicans were led to believe their party was for Grand Coulee.

The Democrats and Republicans alike in the great Northwest, by reason of the widespread publicity given to the abovequoted remarks of ex-President Hoover just 3 days preceding the November 1938 election, were all sure that Coulee Dam had ceased to be a partisan matter. They were sure that upon the convening of the new Congress, when appropriations came up, there would be no partisan fight against it.

How disappointing it is to us here who know this project and realize how near it is to a reality, and a completed undertaking, to be here today and see this murderous assault made upon this appropriation on a purely partisan basis. If this amendment prevails, as I have heretofore stated, it means the end of this great project and the loss of more than \$100,-000,000 of invested capital by Uncle Sam, and its death must be chargeable to the Republican Party.

It is true that Republican Members from the West, some 8 or 10 in number, who know this undertaking just as ex-President Hoover knows it, are today supporting it; but with this exception every Republican on this floor is opposing Coulee, and when we come to vote, if it is saved today, it must be saved by a partisan Democratic vote from this side of the House. Personally, I regret deeply the fact that this great worth-while and deserving project has been dragged into the arena of partisan politics, and I am fearful that the National Republican Party will likewise have cause to regret in the future the attack today made on Grand Coulee.

With world affairs and national affairs as they are today, no greater single mistake could be made in this Congress than to suddenly bring to an end this useful, essential, and gi-gantic undertaking, which is exactly what would happen if the amendment by the gentleman from New York [Mr. CULKIN] should prevail.

I appeal to you to vote in the interest of our Nation and not as partisans, and if you will do this I am sure that you will vote down the amendment. [Applause.]

The CHAIRMAN. All time has expired.

The question is on the amendment offered by the gentleman from New York [Mr. CULKIN].

The question was taken; and on a division (demanded by Mr. Culkin) there were—ayes 62 and noes 102,

So the amendment was rejected. The Clerk read as follows:

For administrative expenses on account of the above projects, including personal services in the District of Columbia and in the field, \$700,000, in addition to and for the same objects of expendineid, \$700,000, in addition to and for the same objects of expenditure as are hereinbefore enumerated in paragraphs 2 and 3 under the caption "Bureau of Reclamation"; in all, \$34,700,000: Provided, That of this amount not to exceed \$50,000 may be expended for personal services in the District of Columbia.

Mr. CARTER. Mr. Chairman, I move to strike out the last word.

We have under consideration today the Interior Department appropriation bill which makes appropriations for the Bureau of Reclamation. There is no item in this bill of greater interest to the western part of the United States than one having to do with the Reclamation Service.

On June 17, 1775, the American colonial troops at Bunker Hill fired "the shot heard 'round the world" and laid the foundation of a great national government.

On June 17, 1902, 127 years later to the day, Theodore Roosevelt, as President of the United States, approved the Federal Reclamation Act and thereby paved the way for national treatment of the development and utilization of the arid lands and water resources of the western third of the country.

RECLAMATION NONPARTISAN IN ORIGIN

The movement which resulted in the Reclamation Act was nonpartisan in its origin and received support of different groups representing all sections of the country. Reclamation has continued to receive this support. The benefits of the act in creating homes and widening the home markets for the industrial and agricultural products of other sections have been realized.

While in its physical aspects reclamation is centered in the area west of the one hundredth meridian, where the rainfall is far below the average, its contributions to economic and social values are Nation-wide, and the results have justified the confidence and support accorded it by national administrations, from that of Theodore Roosevelt to that of Franklin D. Roosevelt.

The public statements of President Theodore Roosevelt, of Presidents Taft, Harding, Coolidge, Hoover, and President Franklin D. Roosevelt, answer criticisms leveled at the Federal reclamation program, and the endorsements by the political parties in the early part of the century do not attach partisan flavor.

URGED SETTLEMENT BUT WITHOUT SECURITY

In the more than a century and a quarter that intervened from 1775 to 1902, the frontier of the United States moved westward as the Government acquired, by purchase or cession, vast areas of land. Much of this land in the far West had a limited water supply. Individual States were carved out of the territory, but the National Government, as trustee for all of the people, held on to the wide expanse of public lands within these States. Settlement was encouraged under the homestead laws, but little, if anything, was done to add to the security of the homes in the area where the average annual rainfall varied from 3 to 20 inches.

Irrigation of arid lands was not new. The Indians in the Southwest practiced it before the coming of the white man. The Spanish settlers who came into the area by way of Mexico brought with them from the Mediterranean countries knowledge of the effectiveness of the application of water to the land. Farmers who had moved westward from the Mississippi and older areas carried on irrigation practices by individual effort, so far as limited resources would permit.

JOB TOO BIG FOR PRIVATE CAPITAL

The job, however, was proving too much for private initiative and private capital. The areas most easily irrigated had been taken up where water could be diverted from rivers and streams. The increasing need for storage of the spring floods was recognized by 1902. The young States, struggling with a meager population and with substantial parts of their resources, then, as now, untaxable by reason of Federal ownership, were unable to advance a program individually. Neither could they advance a program in cooperation with their neighbors, for interstate problems were involved that required the attention of Federal authority.

As a result, for nearly 25 years preceding the turn of the century there had been increasing interest in movements for national legislation designed to guide and provide actual leadership for the conservation and utilization of the land and water resources of this western area in which the whole country had a tangible and enormous interest. Opinion differed in the West as to the steps the Federal Government should take. Other sections of the country, at first largely uninterested, now awaited a definite program.

IRRIGATION BROUGHT EXPANSION

In the meantime the country was having a practical demonstration of the benefits arising from the progress of haphazard western development. The area, where now are 11 States of the Mountain and Pacific groups, had increased in population by 1900 to slightly more than 4,000,000, a total in excess of the number of inhabitants of the Thirteen Original States at the close of the War of the Revolution. No small part of this permanent growth was attributable to 7,500,000 acres of land then irrigated.

Homes were created, cities and towns developed from the desert, and the purchasing power that followed in the wake of stabilized farming operations was finding its way into channels of national trade. The country was seeking with renewed vigor outlets in foreign lands for its manufactured products and other materials, and, similarly, attention was being directed to the opportunities for broadening the home market by sound and logical development of a territory that had demonstrated it could support a still larger population and thus expand its purchasing power.

NATIONALIZATION OF RECLAMATION NOT NEW VENTURE

It was those practical phases of the economic situation that appealed to the thoughtful business, industrial, transportation, and labor interests of the country. Up to that time the United States was one of the few countries with any considerable area of arid lands that had not undertaken irrigation as a governmental enterprise.

Queen Semiramis in Egypt, more than 4,000 years ago, led her national government into turning the waters from the mighty Nile onto the thirsty soil of the desert. Her example had been followed by national leaders in other areas and other ages as community growth developed the need.

THREE POLITICAL PARTIES ENDORSE MOVEMENT

As the time for the national political conventions of 1900 drew near, the attention of the East, the South, and the Midwest turned toward the national aspects of reclamation. Largely as a result of a campaign of education in which business interests seeking a wider home market participated, three political parties of the day wrote planks of endorsement into their national platform as follows:

Republican: "In further pursuance of the constant policy of the Republican Party to provide free homes on the public domain, we recommend adequate national legislation to reclaim the arid lands of the United States, reserving control of the distribution of water to the respective States and Territorles."

Democratic: "We favor an intelligent system of improving the arid lands of the West, storing the waters for purposes of irrigation, and the holding of such lands for actual settlers."

Silver Republican: "We believe the National Government should lend every aid, encouragement, and assistance toward reclamation of the arid lands of the United States * * and we believe it to be the duty of the General Government to provide for the construction of storage reservoirs and irrigation works * * *."

struction of storage reservoirs and irrigation works

THEODORE ROOSEVELT'S POSITION

The subject was not new on the floors of the Congress and in debates on proposed legislation. The idea of nationalization of reclamation had been advanced by recognized leaders from the East and the West, among the former being the late Abram S. Hewitt, of New York. Western Senators and Representatives, however, had been unable to agree on the form the proposed legislation should take, and, beyond piecemeal attempts to reach a solution, nothing was accomplished until Theodore Roosevelt succeeded to the Presidency in the fall of 1901 and immediately considered reclamation as his first major task. In his first message to Congress in December of that year he declared:

It is as right for the National Government to make the streams and rivers of the arid region useful by engineering works for the storage of water as to make useful the rivers and harbors of the humid regions by engineering works of another character.

The reclamation and settlement of the arid lands will enrich

The reclamation and settlement of the arid lands will enrich every section of our country, just as the settlement of the Ohio and Mississippi Valleys brought prosperity to the Atlantic States. The increased demand for manufactured articles will stimulate industrial production, while wider home markets and the trade of Asia will consume larger food supplies and thus effectually prevent competition with eastern agriculture.

Indeed, the products of irrigation will be consumed chiefly in mining and other industries which would otherwise not come into existence at all.

Our people as a whole will profit, for successful homemaking is but another name for upbuilding of the Nation.

HAD NATIONAL VIEW OF PROBLEMS

In his analysis of the subject, President Theodore Roosevelt had the benefit of first-hand knowledge acquired while a young man residing on the plains of Wyoming and through his later associations in the East. Although in his message he did not favor any particular plan, he later, according to his autobiography, found his "interference" necessary in opposition to the ideas of those "who consistently fought for local and private interests against the interests of the people as a whole." He gave his support to the principles embodied in a bill originally introduced by Representative (later Senator) Francis G. Newlands, Democrat, Nevada, which provided for the segregation of the proceeds from the sales of public lands in 16 States into a revolving fund for the construction of self-liquidating projects under the direction of the Secretary of the Interior. This was the bill finally enacted on June 17, 1902.

How the prophecy of Theodore Roosevelt was fulfilled is demonstrated by the results of the program in the succeeding

PRIVATE INVESTMENT STIMULATED Entrance of the Federal Government into the field of reclamation instilled confidence in the future of the West, and by 1910 the population of the 11 Mountain and Pacific States had increased by 2,000,000 or more. Investments in private irrigation enterprises were stimulated, and by 1930 more than \$600,000,000 of private capital had been expended on these systems, while the Federal Government's outlay was less than half of that amount, including the cost of Indian irrigation projects.

The purchasing power of the West expanded with the growing populations supported by these irrigation projects. Equipment and materials for construction were purchased from eastern manufacturers. The home markets of all sections of the country were affected. Not only manufactured goods were in demand in the West but agricultural products as well, for production on the farms had not kept pace with the demands of the increasing population and the distance from eastern consuming markets had served to bar competition.

CONTRIBUTIONS TO NATIONAL WEALTH

From 1900 to 1938 the population of the 11 States in which major reclamation activities are centered had increased more than 300 percent, with the inhabitants not only consuming the greater share of the products of irrigated land but also buying substantial quantities of the agricultural produce of areas eastward. Instances of the influence which developments in the West have had on industrial and transportation agencies might be multiplied and compared with the returns arising from the distribution of insurance premiums collected in the West. Two out of every three dollars expended for insurance is paid to companies located east of the Mississippi River.

PRESIDENT TAFT APPROVED PROGRESS

Progress of the reclamation program was praised by President William Howard Taft in an address at Spokane, Wash., September 29, 1909, 7 years after Congress had enacted the law. In one address on conservation he said:

The plan of the Government to reclaim the arid and semiarid lands manifested in the Reclamation Act has been carried out most rapidly by the bureau charged with its execution. There are more than 30 projects which have been entered upon by the Reclamation Bureau, and I believe all of them are to be commended for their excellent adaptation to the purpose for which they were erected and for the speed with which the work has been done. * * *

The work has been well done and reflects credit on the engineers that have had charge of it.

that have had charge of it.

By the time President Taft made his observations on the western tour of 1909 there were 410,628 acres irrigated by Federal projects. By 1937, 1,725,463 acres were so watered and supplemental supplies provided for 1,389,187 acres under private ditches threatened with destruction before Government works came to their rescue under an expansion of the original law.

CONTRIBUTED TO WORLD WAR FOOD SUPPLIES

During the World War period reclamation and other irrigation projects responded to President Wilson's appeal for increased food supplies, and their records of production and their contributions to the national defense speak for themselves.

PRESIDENT HARDING FOR EXPANSION

President Harding, in a message to Congress on December 6, 1921, suggested expansion of reclamation:

There is yet unappropriated approximately 200,000,000 acres in the public domain, 20,000,000 acres of which are known to be sus-ceptible of reclamation and (being) made fit for homes by provision

ceptible of reciamation and (being) made in the development of its for irrigation.

The Government has been assisting in the development of its remaining lands until the estimated increase in land values in the irrigated sections is full \$500,000,000 and the crops of 1920 alone on these lands are estimated at \$100,000,000. Under the law authorizing these expenditures for development the advances are to be repaid, and it would be good business for the Government to provide for reclamation of the remaining 20,000,000 acres, in addition to expediting the completion of projects long under way.

The land use committee of the National Resources Board in 1934 estimated the maximum area in the West susceptible of economical irrigation to be approximately 26,000,000 acres more than that for which facilities were provided in 1930. Bureau of Reclamation surveys, however, have indicated that the grand total of land now irrigated and which can be irrigated economically will approximate 30,000,000 acres, or a little more than 10,000,000 acres in excess of the area watered in 1930.

The Department of Agriculture has placed the area of once productive farm lands impoverished or ruined by soil erosion at more than 200,000,000 acres, or 10 times that now irrigated in the West, while an additional 100,000,000 acres is actively affected by erosion and its productivity threatened.

URGED UTILIZATION OF WATER POWER

Subsequently, on July 22, 1923, at Spokane, Wash., President Harding, speaking on Development, Reclamation, and Water Utilization, called attention to the possibilities of multiple uses of water in connection with irrigation and power developments:

Our whole view of the relation of water to western development

has changed much in the last generation.

Only a few years ago these waters were looked upon as potentially useful merely for irrigation and agriculture. We entered upon a great program of irrigation enterprise in that era when we had but a vague notion about the dual purpose that water resources

ought to serve.

But now we know that the same water can, in most cases, be utilized both for power and irrigation.

The Bureau of Reclamation has constructed 24 power plants on 13 projects where two and one-half billion kilowatt-hours of electric energy were produced in 1937. Power developments are not only self-supporting but, in many instances, contribute materially to the payment of the cost of irrigation facilities.

Including Boulder Dam and projects under construction, the ultimate capacity of power plants to be installed by the Bureau of Reclamation exceeds 5,000,000 horsepower.

PRESIDENT COOLIDGE ENDORSES PROGRAM

President Calvin Coolidge, in a letter to the president of the American Mining Congress, September 17, 1924, gave reclamation his endorsement thus:

Some minor criticism has been made as to the policy of our unremitting development of these (reclamation) projects by those who have thought we were already overproducing in agricultural

products. They feel that these projects should be stayed until agricultural production had readjusted itself.

These criticisms lie in the lack of understanding that these projects take many years for development; that they furnish but a small portion of the increased food supply required even by our increased population; that the utilization of their supplies lies in the development of the West itself.

It is my purpose to unremittingly stimulate and encourage the development of these projects by every authority of the Federal

Government.

PRODUCTS INSUFFICIENT FOR WESTERN POPULATION

If all of the products of land watered by reclamation works were available for human consumption, they would be insufficient to provide subsistence for any considerable part of the increasing population of the West. On the reclamation farms and in the 254 cities and towns dependent on them are 900,000 persons. As a matter of fact, the products of approximately one-half of the irrigated acreage of Federal projects are consumed by livestock. Large quantities of foodstuffs required for the project and more densely populated areas of the West are imported from other sections of the country.

A survey has shown that 21 States outside of the reclamation area furnish food and other agricultural products for the West. From the Midwest alone the shipment of cornand-hog products to the reclamation area has averaged annually in value \$123,000,000. In addition, tobacco products consumed in the West annually amount to \$80,000,000, while the consumption of cotton textiles, in addition to those provided from the comparatively small areas of irrigated land, averages more than \$97,000,000 annually.

PRESIDENT HOOVER SEES NATIONAL BENEFIT

President Herbert Hoover, in a letter to western Governors in conference at Salt Lake City, June 30-July 2, 1930, took cognizance of the national significance of reclamation:

The undertaking (reclamation) has been of great benefit to this region (the West) and has been the cause of adding much wealth

to the Nation.

If the fundamental facts are properly appraised, it seems certain that the arguments of opponents of Federal reclamation will find satisfactory answer, and that they will no longer countenance the misleading information that is now being broadcast through different agencies.

Only 1 percent of the farm commodities raised in the United States are produced on Federal reclamation projects, and 90 percent of the quantity so produced is locally consumed.

The projects themselves furnish extensive markets for manufactured goods as well as for farm products not raised under irriga-tion and thus seem to afford material benefits rather than detriment to other sections. It may be further said that crops raised under irrigation are generally supplemental to rather than competitive with the products of other farms.

* * No valid arguments appear to oppose this constructive Federal undertaking. Rather, support should be given in the light of the contribution to the Nation's good.

PURCHASES IN OTHER SECTIONS OF COUNTRY

Recent surveys of two reclamation areas confirm Mr. Hoover's statement that the projects themselves furnish extensive markets for manufactured goods. On the Yakima project in Washington State more than 50 percent of the purchasing power was expended for articles manufactured in the Midwest, East, and South, including automobiles, farm machinery, equipment, household furniture, and practically every article used in agricultural production or home making. On the Boise project in Idaho approximately 70 percent of the incoming shipments, according to value, originated in States outside the reclamation area.

PRESIDENT ROOSEVELT'S BROAD POSITION

A little more than 30 years after the Reclamation Act went into effect Franklin D. Roosevelt brought to the Presidency a broad knowledge of the accomplishments of the reclamation program not only as a factor in the development of the West but as an influence on employment and economic conditions elsewhere in the country. While droughts were then just beginning to drive farm families from the Great Plains area to the West, the demand for irrigated land was even then greater than the supply, and by 1938 only 3,000 of 58,400 families migrating to the 7 far Western States in that period had been settled on self-sustaining farms.

RECLAMATION HAS "PROVEN ITS WORTH"

In a message to the National Reclamation Association at Boise, Idaho, in November 1933, he wrote:

Reclamation as a Federal policy has proven its worth and has a very definite place in our economic existence. Spread over one-third of the territory of the United States and creating taxable values and purchasing power affecting municipal, State, and Federal Governments and private industry, it is only reasonable that we should all take pride in its achievements and success.

NOT TOO MUCH "GOOD" FARM LAND

At Cheyenne, Wyo., September 24, 1937, President Roosevelt made the assertion that the reclamation program "would make available unnecessary farm lands and that there are enough good farm lands in the United States to take care of all the people who need them for 50 years to come."

"You and I know this is not so," he added. "You here * * know of the number of people—families—who have had to leave their farms in the drought area * * people who could not make a go of it on poor land, families forced to leave their homes to avoid starvation. These people have come farther West looking for a chance to earn a livelihood, looking for good land and not being able to find it.

"* * So, for all of those families. I believe the state of the son the son

"* * So, for all of those families, I believe it is the duty of the Federal Government and the State governments to provide them with land where it is possible to do it, where they can make

a living."

OPPORTUNITIES FOR NEW HOUSES IMPORTANT

Referring to the progress the general water conservation program, including reclamation, is making, President Roosevelt in October 1938, in a letter to Mr. O. S. Warden, president of the National Reclamation Association, emphasized further the fulfillment of the original purposes of the Federal reclamation program:

The providing of new opportunities to make homes and gain decent livings for a large number of our farmers through irrigation of western deserts serves to increase the wealth of the Nation and to cement us economically into a more perfect whole. I have felt concern for the large number of families which have been forced by drought and adversities from their homes in various sections. The construction now in progress in the West will, in part solve the problem

ous sections. The construction now in progress in the West will, in part, solve the problem.

The fact that these projects are expected to repay the cost of

their construction, through revenues from water and from power, when power is possible of development, is not to be overlooked nor underestimated. This makes it possible for me to justify expenditures on a scale commensurate with the needs for such

The scores of dams, the thousands of miles of canals, the many power plants and the thousands upon thousands of homes which have resulted from Federal reclamation are monuments to the sound plan which is being so ably executed by the Department of the Interior through the Bureau of Reclamation.

Since 1902 the Bureau of Reclamation has constructed 147 dams for the storage or diversion of water and each has stood the test of time and service; 20,000 miles of canals, ditches, and drains are serving more than 51,000 irrigated farms on Federal projects; and reservoirs with a capacity of 45,522,970 acre-feet provide water sufficient to cover the State of Nevada to a depth of 6 inches.

Of \$260,000,000 of construction costs of projects in operation in 1938, approximately \$60,000,000 has been repaid.

Crop values of approximately two and a half billions of dollars produced on land served by project works represent a contribution to the national wealth of nearly 10 times the actual cost of the projects making possible this production.

Active support of each administration has made possible the fruition of a program which has brought homes and happiness to great numbers, but continual support is necessary to insure and progressively further the purposes of the Federal reclamation program.

The Interior Department Appropriation bill under consideration at the present time provides money for carrying

on this work during the next fiscal year.

These projects mean a great deal not alone for the prosperity and well-being of the West, but for the entire country. I trust that the membership of this body will study carefully these important projects and their influence upon our national life. Such a study I am sure will convince an overwhelming majority that these improvements are well conceived, economically feasible, and should be supported by the membership of this House.

Mr. GIFFORD. Mr. Chairman, I rise in opposition to the pro forma amendment.

I just want a half minute. I felt sorry about the gentleman from Washington [Mr. Leavy] who said this should not be a partisan issue; and it is not. I personally feel very sympathetic toward the gentleman, but, in the matter of economy, it is now definitely shown that that is a partisan

The pro forma amendment was withdrawn.

The Clerk read as follows:

Buildings and grounds, Pittsburgh, Pa.: For care and maintenance of buildings and grounds at Pittsburgh and Bruceton, Pa., includor buildings and grounds at Pittsburgh and Bruceton, Pa., including personal services, the purchase, exchange as part payment for, operation, maintenance, and repair of passenger automobiles for official use, and all other expenses requisite for and incident thereto, including not to exceed \$5,000 for additions and improvements, \$95,000.

Mr. FITZPATRICK. Mr. Chairman, I offer a committee amendment.

The Clerk read as follows:

Amendment offered by Mr. FITZPATRICK: On page 100, after line

Amendment offered by Mr. Fitzpatrick: On page 100, after line 16, insert a new paragraph as follows:

"For the purchase of land at Bruceton, Pa., adjacent to the land now owned by the United States and occupied and used for the purposes of the explosives-testing station and experimental mine of the Bureau of Mines; the purchase of unmined crop coal, oil and gas in and under the land to be purchased and the land now owned and occupied in connection with the said testing station and experimental mine; the recording of deeds; and the purchase and erection of fences, including personal services, materials, and supplies, \$35,000."

The CHAIRMAN. The question is on the amendment offered by the gentleman from New York [Mr. FITZPATRICK].

The amendment was agreed to.

The Clerk read as follows:

. Total, Bureau of Mines, \$2,325,760.

Mr. FITZPATRICK. Mr. Chairman, I offer a committee amendment.

The Clerk read as follows:

Amendment offered by Mr. FITZPATRICK: On page 104, line 11, strike out "\$2,325,760" and insert in lieu thereof "\$2,360,760."

Mr. FITZPATRICK. Mr. Chairman, this is merely a correction of totals.

The CHAIRMAN. The question is on the committee amendment.

The committee amendment was agreed to.

The Clerk read as follows:

NATIONAL PARK SERVICE

Salaries: For the Director of the National Park Service and other personal services in the District of Columbia, including accounting services in checking and verifying the accounts and records of the various operators, licensees, and permittees conducting utilities and other enterprises within the national parks and monuments, and including the services of specialists and experts for investigations and examinations of lands to determine their suitability for national-park and national-monument purposes: Provided, That such specialists and experts may be employed for temporary service at rates to be fixed by the Secretary of the Interior to correspond to those established by the Classification Act of 1923, as amended, and without reference to the Civil Service Act of January 16, 1883, \$259,580, of which amount not to exceed \$19,200 may be expended for the services of field employees engaged in examination of lands and in developing the educational work of the National Park Service. Salaries: For the Director of the National Park Service and other

Mr. TABER. Mr. Chairman, a point of order. The CHAIRMAN. The gentleman will state it.

Mr. TABER. Mr. Chairman, I make a point of order against the language appearing in lines 3 and 4, on page 105, reading, "and in developing the educational work" on the ground that there is no law authorizing the Department to go into educational work.

The CHAIRMAN. Does the gentleman from Oklahoma

desire to be heard on the point of order?

Mr. JOHNSON of Oklahoma. I submit, Mr. Chairman, this is a part of the general duties of the National Park

Mr. RANKIN. Mr. Chairman, may I be heard on the point of order?

The CHAIRMAN. The Chair will hear the gentleman from Mississippi briefly on the point of order.

Mr. RANKIN. Mr. Chairman, as I understand, the gentleman from New York makes a point of order against the language in lines 3 and 4, on page 105, on the ground that it provides for educational work in the national parks. Am I correct in this understanding?

The CHAIRMAN. The point of order made by the gen-tleman from New York is against the language "and in developing the educational work" appearing in lines 3 and

4, on page 105.

Mr. RANKIN. Mr. Chairman, the truth of the business is that educational work has always been a part of the prerogatives of the National Park Service. That is what the national parks are for-educational purposes-and have been so used for years and years and years. That is why money is spent on them. School children, teachers, and other people visit these parks. For what purpose? For educational purposes; to learn of the things there exhibited. I know of nothing of greater educational value to a child than a visit to Yellowstone National Park, there to observe first-hand the great works of Nature as manifested in these geysers. Another example is Niagara Falls. Why do we go to Niagara Falls? We go for their educational value. To strike out the words "educational work" would be simply to kill that function of the Park Service.

Mr. TABER. Mr. Chairman, the point of order is made to stop propaganda. That is what the effect of it would be.

The gentleman realizes that.

Mr. RANKIN. Mr. Chairman, if that be what the gentleman is after, he is in the wrong place. He should jump on the newspapers and the radio and the Power Trust, if he wants to stop propaganda in this country. The Park Service is not the place to start. To pass them up and then try to stop the educational work of the Park Service on the ground that it is propaganda is too far fetched to be seriously considered

The CHAIRMAN. The Chair is ready to rule, unless the gentleman from Oklahoma desires to be heard further on the point of order.

Mr. JOHNSON of Oklahoma. I do wish to be heard further,

if the Chair will indulge me.

The CHAIRMAN. The Chair will hear the gentleman from Oklahoma.

Mr. JOHNSON of Oklahoma. Mr. Chairman, I do not care to make an extended statement, but I do call the attention of the Chair to title XVI of the Code, section 1, entitled "The National Park Service," which reads in part as follows:

The Service thus established shall promote and regulate the use of the Federal areas known as national parks, monuments, and reservations hereinafter specified, except such as are under the jurisdiction of the Secretary of War as provided by law, by such means and measures as conform to the fundamental purpose of said parks, monuments, and reservations

I call attention especially to the following language-

which purpose is to conserve the scenery and the natural and historic objects and the wildlife therein, and to provide for the enjoyment of the same in such manner and by such means as will leave them unimpaired for the enjoyment of future genera-

Mr. Chairman, I submit that a broad construction of this language would certainly cover educational purposes. For this reason I maintain that the language to which the gentleman objects is authorized by law, and that the point of order is not well taken.

The CHAIRMAN. The Chair is ready to rule. The section that the gentleman from Oklahoma has called attention to is the basic law governing the National Park Service, and provides for the enjoyment of the same in such manner and by such means as will leave it unimpaired for the enjoyment of future generations.

Certainly the education that may be offered by the National Park Service in dealing with its own features and wildlife is a means which will leave the parks unimpaired for the enjoyment of future generations.

In addition to that, may the Chair call the attention of the Committee to a ruling made on March 2, 1938, in the Committee of the Whole when it was considering the Interior Department appropriation bill, at which time a point of order was made against the paragraph that follows this one because of the motion-picture feature. The Chairman at that time ruled that this was a necessary incident to the carrying on of the activities of the National Park Service and certainly must be regarded as in part, at least, educa-

Under that precedent and with the Chair's present understanding of the purport of the basic law, the Chair overrules the point of order.

Mr. LAMBERTSON. Mr. Chairman, I offer an amendment, which I send to the Clerk's desk.

The Clerk read as follows:

Amendment offered by Mr. Lambertson: Page 105, line 4, strike out the period, insert a comma and the following: "Provided, That no part of the fund herein appropriated shall be used for the payment of salaries or expenses of experts or specialists employed in connection with the Jefferson National Expansion Memorial."

Mr. LAMBERTSON. Mr. Chairman, this amendment is offered to protect the Government of the United States against becoming further involved in the construction of a \$30,000,000 second memorial to Thomas Jefferson in St. Louis, Mo. St. Louis already has one Jefferson Memorial and we are building a beautiful one here in Washington right There are such things as carrying these memorials too far when people are jobless and hungry throughout the land. This is nothing short of a disreputable real-estate scheme and the land alone will cost more than \$6,000,000. This project has never been authorized by Congress and the time to disown this political orphan is right now.

Mr. Chairman, this amendment puts nothing in the bill and takes nothing out in money. The gentleman from Missouri [Mr. Cochran] the other day indicated he will never ask for a dollar for this St. Louis Jefferson Memorial. The Congress has not been asked for a dollar and it never was authorized by law. The President has given it \$6,750,000 relief money and they have spent pretty nearly all of that money, too, that St. Louis put up, two and a quarter million dollars, in paying 104 Park Service employees.

I want to guard against the taking of any Federal money which has not been authorized in case their money runs out in the next year.

Mr. COCHRAN. Mr. Chairman, I rise in opposition to the amendment offered by the gentleman from Kansas [Mr.

Mr. Chairman, this is only a gesture on the part of the gentleman from Kansas. I anticipated his amendment and I looked into the matter. Not one dollar of any funds appropriated by the Congress for the National Park Service or the Historical Site Division, of the Department of the Interior, is being used for this project. This comes to me from the Department officials.

Let me tell the gentleman what he is doing. If this project is going to proceed, like the gentleman, I do not want the Government to pay any more for the land than it actually should pay. If the property is purchased the owners are entitled to its fair value and not a dollar more. The courts have appointed appraisers, a set for each block, and two-thirds of the property has been appraised. Property owners have taken exception to the amount in some cases, and the Government has taken exception in others. We are proceeding under the Missouri law, and both sides will have an opportunity to be heard in the Federal court.

The Department of the Interior has an excellent gentleman in charge in St. Louis now, Mr. Nagle. He is not being paid out of any appropriation in this bill. Mr. Nagle is making a fine record. I have never been in his office, but I met him twice at lunch. He is scrutinizing every move with extreme care, and I can tell you no public official is running his office, other than his superiors here in Washington. I want that man to proceed in the way he has been doing in the past so that the gentleman from Kansas will have no ground to complain about him, or the work to which he has been assigned.

I want the gentleman from Kansas to stop for a moment and reflect and I am sure he will realize he is making a mistake. Let us assume it is necessary for some official of the National Park Service or of the Department of the Interior to go out to St. Louis on an important matter that requires investigation. I would want him to go if it was important and I know the gentleman would want him to go, but under the amendment offered by the gentleman, that man would not be able to go.

It matters not to me what you do with the amendment. I am not asking the Members to vote it up or down. Do as you please. However, I do not think you should tie the hands of a department official who might find it necessary to go to St. Louis and make an investigation which the gentleman himself might want. Enough has been said about the project already, and it is my hope that nothing will

occur in the future that will warrant criticism. Mr. LAMBERTSON. Will the gentleman yield?

Mr. COCHRAN. I yield to the gentleman from Kansas. Mr. LAMBERTSON. It is possible under the language of this bill to send out experts in different groups and of different kinds and pay them out of Government money.

Mr. COCHRAN. I do not want them to do that if it is for the purpose of permanently assigning them to duty, and I am sure the National Park Service does not desire to do so. But if it is necessary to send someone for a few days, this amendment prohibits it.

Mr. LAMBERTSON. St. Louis, of course, is paying for it now, but her money is gone. The city is broke and her bonds cannot be sold, and she will not put up any more money

Mr. COCHRAN. The gentleman states that the bonds of St. Louis cannot be sold. When he makes that statement he is absolutely talking about something he knows nothing about, because St. Louis has always been able to sell its bonds. Do not worry about that. I agree with the gentleman, I do not want any of this money to go directly to the memorial, but I say be careful, because you might find one of your Interior Department officials unable to fulfill an important mission.

Mr. RICH. Will the gentleman yield?

Mr. COCHRAN. I yield to the gentleman from Pennsyl-

Mr. RICH. Does the gentleman from St. Louis feel that the Government at no time in the future ought to appropriate any money for this new \$30,000,000 project in St. Louis?

Mr. COCHRAN. How many times have I told the gentleman and Members of the House I am not asking you to appropriate any money? This does not mean an appropriation. but it does mean it ties the hands of the National Park Service even to make an investigation, if found necessary. That is the point I am trying to make.

Mr. RICH. Will that hold good a year from now?

Mr. COCHRAN. I just told the gentleman this does not provide for any money. This amendment simply limits the annual expenses for the National Park Service.

Mr. RICH. I hope the gentleman will never ask for any and that he will fight it every time it comes up here.

Mr. COCHRAN. The time to criticize me is when you find me urging Congress to appropriate money. Just recently you had several votes, including roll calls, on an appropriation to construct a building to house the Census Bureau. About \$3,000,000 was involved, and it was shown if the building was not constructed it would be necessary in the end to pay more than this amount to rent quarters, which will be absolutely necessary to handle the 1940 census, which, under the Constitution, we are required to provide for. Is it not easy to realize what will happen, in view of what did happen in regard to the Census Building, if an effort was made to secure an appropriation of \$20,000,000 for a building in this proposed memorial park? My experience in this House tells me what will happen, and you know as well as I do. Compare this amount with the appropriation for the Jefferson Memorial in Washington. You know how long it took before Congress provided for the construction of that memorial and only a few million was involved.

The money to carry on this project is in the Treasury of the United States obligated for this specific purpose and it is limited. This amendment has nothing to do with that obligation but is directed at the expenses for administering the laws under jurisdiction of the National Park Service in the Washington office. It is merely a gesture on the part of the gentleman from Kansas, and in no way impedes progress on the project, but might prevent proper supervision by the officials of the National Park Service.

[Here the gavel fell.]

Mr. JOHNSON of Oklahoma. Mr. Chairman, I rise in opposition to the amendment. I am confident that it is unnecessary to make an extended statement at this time, but I want the Members to know there is not a dollar in this bill to be used for the purpose for which the gentleman has offered his amendment. The gentleman in his remarks stated it would not take anything from the bill or add anything to the bill. The gentleman might as well have offered the Ten Commandments or the Lord's Prayer. Both would be good reading and I would commend them especially to Members of Congress. Of course, there would be no particular point in attaching either to the pending appropriation bill. And yet that would be just as logical and practical as it would be for this body to adopt the amendment offered by my good friend, the distinguished gentleman from Kansas.

The gentleman from Kansas made an excellent speech, and I agree with much he said, but we assume he offered the amendment for the purpose of making the speech. Surely the gentleman was not too serious in offering the pending amendment.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Kansas [Mr. LAMBERTSON].

The amendment was rejected.

Mr. SECCOMBE. Mr. Chairman, I move to strike out the last word.

Mr. Chairman, I regret very much I do not have the statistics today from the Department of the Interior relating to the McKinley Memorial. Lest we forget, some 40 years ago a former Member of this House, a soldier, a lawyer, a statesman, and a beloved President, was assassinated by a known Communist. Later a beautiful memorial and mausoleum was built by the pennies and nickels and dimes of the school children and citizens of the United States. In loving memory of this beloved President former members of his Cabinet and neighbors formed a trusteeship known as the McKinley Memorial Trustees. Up to the present date out of their own pockets they have paid for the upkeep and the maintenance of this beautiful memorial.

I am positive many Members here could speak on this subject better than I. However, the memorial is in my home city, and I represent his district. Today I have a letter from Mr. Demaray, of the Department of the Interior, stating that Mr. John Nagle, the superintendent of the memorial, is making a survey of it with the hope that the National Park Service will take over this beautiful memorial and maintain it and keep it in proper repair.

It is needless for me to dwell at any length when we are speaking of national memorials on this great exponent and champion of a high protective tariff. It would be a fine thing for the present administration to read about the life and the achievements of this former President, inasmuch as some of my colleagues on this side have mentioned former President Hoover today, and follow along the lines of his example. I hope that when this bill goes to the Senate I may have a proper amendment drawn to include the amount necessary to maintain this great structure, so when we visit this beautiful mausoleum we can receive therefrom the inspiration of a man who had his ear to the ground and understood the common people. If he were alive today, I am positive we would not have turmoil in our land and would have a strict neutrality as regards foreign lands.

Mr. JENKINS of Ohio. Mr. Chairman, will the gentleman yield?

Mr. SECCOMBE. I yield to the gentleman from Ohio.

Mr. JENKINS of Ohio. Is it not true that the McKinley Memorial is fast decaying and needs repair very badly?

Mr. SECCOMBE. The gentleman is absolutely correct.
Mr. JENKINS of Ohio. Does the gentleman know how
much the school children and the citizens of this country
contributed in the first place to pay for the memorial?

Mr. SECCOMBE. I do not have the exact figures, but the Federal Government did not contribute one cent. The school

children and the citizens paid it all.

Mr. JENKINS of Ohio. As I understand, the memorial was paid for entirely from the contributions of school chil-

dren and societies of various kinds.

Mr. SECCOMBE. That is absolutely correct. I might state that this beautiful monument embraces some 26 acres and lies in a great park. At the present time the Federal Government has not spent 1 cent on this beautiful memorial, which on the outside around the plaza has deteriorated. The building proper contains not only the body of our beloved

which on the outside around the plaza has deteriorated. The building proper contains not only the body of our beloved former President but also the bodies of his beloved invalid wife, to whom he was so devoted, and his children. It is only proper that we should place in this bill an amendment providing funds to maintain this memorial in the same spirit that other memorials are being maintained. I am positive that if I had the figures from the superintendent I could offer the necessary amendment. However, I merely bring this to your attention at this time so that when this proposition is brought before you everyone will be familiar with exactly what is sought to be done. As has been stated, this should be carried on for educational purposes. I am sorry I do not have the amendment prepared at this time, but I bring this matter to your attention lest you forget a most beloved fighter and a most beloved President. [Applause.]

[Here the gavel fell.]

The pro forma amendment was withdrawn.

The Clerk read as follows:

National military parks, battlefields, monuments, and cemeteries: For administration, protection, maintenance, and improvement, including not exceeding \$10,000 for the purchase, maintenance, operation, and repair of motor-driven passenger-carrying vehicles, \$388,860: Provided, That no part of this appropriation shall be available for the payment of salaries or expenses for commissioners of the Guilford Courthouse National Military Park.

Mr. DURHAM. Mr. Chairman, I offer an amendment. The Clerk read as follows:

Amendment offered by Mr. Durham: On page 113, line 22, after "\$388,860", change the colon to a period and strike out the remaining part of the paragraph through the word "Park" in line 25.

Mr. DURHAM. Mr. Chairman, I do not desire time to speak on the amendment.

The CHAIRMAN. The question is on the amendment offered by the gentleman from North Carolina.

The amendment was agreed to.

The Clerk read as follows:

Not to exceed \$8,000 of the amount of \$100,000 appropriated in the Interior Department Appropriation Act, fiscal year 1937, for the development and improvement of the Appomattox Court House National Historical Monument, Virginia, in accordance with the provisions of the act approved August 13, 1935 (49 Stat. 613), is hereby made available for the acquisition of approximately 15 acres of land and improvements thereon within the proposed boundaries of the monument.

Mr. RICH. Mr. Chairman, I make the point of order against the paragraph, from line 8 to line 16, on page 114, authorizing the purchase of certain land; that it is not authorized by law.

The CHAIRMAN. Against what language does the gentleman make the point of order?

Mr. RICH (reading):

Is hereby made available for the acquisition of approximately 15 acres of land and improvements thereon within the proposed boundaries of the monument.

This is legislation on an appropriation bill.

The CHAIRMAN. Does the gentleman from Oklahoma desire to be heard on the point of order?

Mr. JOHNSON of Oklahoma. Mr. Chairman, if the gentleman from Pennsylvania will read the verbiage of the bill he will note it provides this is "in accordance with the provisions of the act approved August 13, 1935 (49 Stat. 613)." If the gentleman will read sections 2 and 3 of the act, he will find clear and distinct authorization. These sections of the act clearly authorize the appropriation of \$100,000 for the purpose of acquiring land.

The CHAIRMAN. Will the gentleman from Oklahoma

read to the Chair the language of the statute?

Mr. JOHNSON of Oklahoma. Mr. Chairman, it is my understanding that the purchase of land is authorized by the proviso to section 3 of the act to which I have referred and which the Chairman now has before him.

The CHAIRMAN. The Chair is ready to rule.

The Chair has examined the act of August 13, 1935, cited in the paragraph and finds the following provision in section 3:

The Secretary of the Interior be, and he is hereby, authorized to accept donations of land or buildings, structures, etc., within the boundaries of said park as determined and fixed hereunder, and donations of funds for the purchase and maintenance thereof, provided, he may acquire on behalf of the United States by purchase, when purchasable at prices deemed by him reasonable, otherwise by condemnation under the provisions of the act of August 1, 1888, such tracts of land in the park as may be necessary for the completion thereof, as authorized in section 2.

There appears to be ample authority for the appropriation made in this paragraph, and the point of order is overruled.

The Clerk read as follows:

Appropriations herein made for the national parks, national monuments, and other reservations under the jurisdiction of the National Park Service, shall be available for the giving of educational lectures therein; for the services of field employees in cooperation with such nonprofit scientific and historical societies engaged in educational work in the various parks and monuments as the Secretary, in his discretion, may designate; and for travel expenses of employees attending Government camps for training in forest-fire prevention and suppression.

Mr. RICH. Mr. Chairman, on page 116, at line 23, where it states "shall be available for the giving of educational lectures therein," I make a point of order against that language.

The CHAIRMAN. The Chair overrules the point of order for the same reason that a similar point of order has been overruled.

The Clerk read as follows:

Appropriations herein made for the National Park Service shall be available for the installation and operation of telephones in Government-owned residences, apartments, or quarters occupied by employees of the National Park Service, provided the Secretary determines the provision of such services are advantageous in the administration of these areas.

Mr. TABER. Mr. Chairman, I make a point of order against the paragraph on the ground it is not authorized by law and also because it imposes additional duties on the Secretary in the putting in of telephones in private houses.

Mr. JOHNSON of Oklahoma. Mr. Chairman, I concede the point of order and offer an amendment.

The CHAIRMAN. The point of order is sustained.

The Clerk will report the amendment offered by the gentleman from Oklahoma.

The Clerk read as follows:

Amendment offered by Mr. Johnson of Oklahoma: On page 117, after line 8, insert:

"Appropriations herein made for the National Park Service shall be available for the installation and operation of telephones in Government-owned residences, apartments, or quarters occupied by employees of the National Park Service."

Mr. TABER. Mr. Chairman, I make a point of order against that amendment in that it goes so far as to include quarters occupied by employees of the National Park Service, which is beyond the authority of the law.

Mr. JOHNSON of Oklahoma. Mr. Chairman, these are Government-owned residences, and this service is a necessary incident to the proper carrying out of the work of the Department of the Interior. If the residences in question were privately owned, there might be a question about the point of order, but certainly the language to which the gentleman objects could not possibly be construed as being subject to a point of order under the circumstances and facts stated.

The CHAIRMAN. The Chair is ready to rule.

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If the cottages, residences, and so forth, were privately owned, the point of order made by the gentleman from New York [Mr. Taber] might lie, but these are entirely Government-owned residences and the installation appears to be necessary and incident to the operation of the National Park Service, and for that reason the point of order is overruled.

The amendment was agreed to.

Mr. RICH. Mr. Chairman, I move to strike out the last word.

Mr. Chairman, if we want to close at 5 o'clock, I may suggest that the roads and trails item is going to be a controversial matter, and I would ask that we skip that part of the bill and go over to line 12, on page 119.

The CHAIRMAN. May the Chair suggest that the Chair has had advance notice that there are going to be some other controversial matters, and if it is the desire of the chairman of the subcommittee to rise at 5 o'clock, it might be just as well to read this paragraph and stop there.

Mr. RICH. It is perfectly all right with me to read this paragraph, so that we will have the privilege of presenting

amendments the next time it is taken up.

Mr. JOHNSON of Oklahoma. Is the gentleman willing to have the rest of the bill read, aside from the matter of roads and trails?

Mr. RICH. No; I think not, because there are several items there that will be discussed.

Mr. JOHNSON of Oklahoma. Then let us read this paragraph.

Roads and trails, National Park Service: For the construction, reconstruction, and improvement of roads and trails, inclusive of necessary bridges, in the national parks, monuments, and other areas administered by the National Park Service, including the Boulder Dam National Recreational Area, and other areas authorized to be established as national parks and monuments, and national park and monument approach roads authorized by the act of January 31, 1931 (16 U.S. C. 8a and 8b), as amended, including the roads from Glacier Park Station through the Blackfeet Indian Reservation to various points in the boundary line of the Glacier National Park and the international boundary, and for the acquisition of lands and interests in land and expenses inal thereto necessary for the construction of connecting parkways for the Colonial National Historical Park in accordance with the provisions of the act of Congress approved June 5, 1936 (49 Stat. 1493), as amended by the act of June 28, 1938 (Public Law No. 753, 75th Cong.), and pursuant to the authorization of the act of March 3, 1931 (46 Stat. 1490), the title and evidence of title to the lands or interests acquired to be satisfactory to the Secretary of the Interior, \$3,500,000, to be immediately available and to remain available until expended: Provided, That not to exceed \$60,000 of the amount herein appropriated may be expended for personal services in the District of Columbia during the fiscal year 1940.

Mr. TABER. Mr. Chairman, I make the point of order against the language in lines 10, 11, and 12, page 118, as follows:

The title and evidence of title to the lands or interests acquired to be satisfactory to the Secretary of the Interior.

It is legislation on an appropriation bill and an attempt to take the duty of passing on the title out of the hands of the Attorney General.

The CHAIRMAN. Does the gentleman from Oklahoma desire to be heard on the point of order?

Mr. JOHNSON of Oklahoma. No, Mr. Chairman. We concede the point of order.

The CHAIRMAN. Will the gentleman from New York advise the Chair whether the point of order goes only to the language he quoted?

Mr. TABER. That is all.

The CHAIRMAN. The point of order is sustained.

Mr. RICH. Mr. Chairman, I offer an amendment, which I send to the desk.

The Clerk read as follows:

Amendment offered by Mr. Rich: Page 118, line 12, after the word "Interior", strike out "\$3,500,000" and insert "\$500,000."

Mr. JOHNSON of Oklahoma. Mr. Chairman, I move that the Committee do now rise.

The motion was agreed to.

Accordingly the Committee rose; and the Speaker having resumed the chair, Mr. Buck, Chairman of the Committee of the Whole House on the state of the Union, reported that that Committee had had under consideration the bill H. R. 4852, the Interior Department appropriation bill, and had come to no resolution thereon.

ADJOURNMENT OVER

Mr. BULWINKLE. Mr. Speaker, I ask unanimous consent that when the House adjourns today it adjourn to meet on Monday next, March 20, 1939, at 12 o'clock noon.

The SPEAKER. Is there objection?

Mr. MARTIN of Massachusetts. Mr. Speaker, I reserve the right to object. As I understand it, we will take up the Consent Calendar first on Monday, and following that, resume the consideration of the Interior Department appropriation bill?

Mr. BULWINKLE. I understand that in all probability

there will be a few suspensions.

The SPEAKER. The Chair thinks it proper to announce at this time that the Chair has promised the gentleman from Virginia [Mr. Bland], chairman of the Committee on Merchant Marine and Fisheries, that he will recognize him to move to suspend the rules and pass one bill, and the Chair has been informed it will probably not take very long. Is there objection to the request of the gentleman from North Carolina?

There was no objection.

ELECTIONS TO COMMITTEES

Mr. CULLEN. Mr. Speaker, I offer the following privileged resolution which I send to the desk and ask to have read. The Clerk read as follows:

House Resolution 132

Resolved, That the following-named Members be, and they are

hereby, elected members of the standing committees of the House of Representatives, as follows:
Public Lands: T. V. SMITH of Illinois.
Election of President, Vice President, and Representatives in Congress: MIKE MONEONEY, Oklahoma; Lansdale G. Sasscer, Mary-

Pensions: WILLIAM H. LARRABEE, Indiana; JAMES F. O'CONNOR,

The SPEAKER. The question is on agreeing to the resolution.

The resolution was agreed to.

ST. PATRICK

Mr. CONNERY. Mr. Speaker, yesterday I was granted permission to address the House on Friday, tomorrow, for 20 minutes. Inasmuch as the House will not be in session, I ask unanimous consent that I may be permitted to insert my remarks at this point in the RECORD.

The SPEAKER. Is there objection?

There was no objection.

Mr. CONNERY. Mr. Speaker, tomorrow in all parts of the world men of Irish ancestry gather to pay tribute to St. Patrick, the beloved patron of their race. While some of these glorify Ireland as the land of song and story, or review its age-old culture, or, again, recount the valiant deeds of its heroes in their long centuries of struggle for freedom, it seems timely here to take a brief retrospective view of the part played by sons of Erin in our own good old U.S.A.

In colonial records there is abundant evidence that intrepid Celts came to these shores from the earliest times. All parts of our country, from the Atlantic seaboard, through the South and West, profited by the steady stream of Irish immigrants from the middle of the seventeenth century, and many of these "exiles of Erin," or their sons, in their new country distinguished themselves in all stations of life. To be precise, we might add that at the time of the inauguration of George Washington as first President of the United States, the South Carolina historian Ramsay wrote:

For the last 70 or 80 years no nation has contributed so much to the population of America as Ireland.

And Michael O'Brien, historiographer of the American Irish Historical Society, citing the words of Sir William Petty, English statistician, declares thatduring the decade from 1649 to 1659 about one-half of the entire population was Irish.

Backed by trustworthy evidence, O'Brien contends that in every way the Irish contribution in the first 200 years of this country's life "was far and away ahead of that of any two or three nations of Europe."

Of the early colonists another faithful historian writes:

The pioneers before whose hands the primeval forests fell prostrate; the builders by whose magic touch have sprung into existence flourishing towns and cities, where once no sounds were heard save those of Nature and her wildest offspring; the orators who roused the colonists into activity and showed them the way to achieve their independence; the schoolmasters who imparted to the American youth their first lessons in intellectuality and patriotism; all have their place in history, and of these we can claim that Ireland furnished her full quota to the American Colonies.

The glorious accomplishments of one of these early settlers, John Sullivan, are summed up in the following enviable

What other example stands on a level with that of John Sullivan, the Limerick schoolmaster, who taught the children of New England Puritans for more than 60 years? As a historical writer has so aptly described him, he was the father of a Governor of New Hampshire and of a Governor of Massachusetts, of an attorney general of New Hampshire, of a major general in the Revolutionary Army, and of four sons who were officers in that Army; he was a grandfather of a Governor of Maine and of a United States Senator from New Hampshire and an attorney general of that State; the great-grandfather of an attorney general of New Hampshire and of a judge of its courts; and the great-grandfather of a distinguished American officer in the Civil War. This man was of a noted family of Cork and Kerry, distinguished in Irish history. He was been in Limerick in 1696 and emigrated to New England in 1732. It is related of him that when he applied to the Reverend Doctor Moody, in the year 1732, for employment as a teacher, he wrote his application in seven languages. He exerted a remarkable influence among the people, and many of the Revolutionary worthies of New England were numbered among his pupils.

It is small wonder that a contributor of volume 133 of the

It is small wonder that a contributor of volume 133 of the Westminster Review, treating the subject the Irish-Americans, proposes to his readers these questions:

Is the American Republic in any way indebted to those Irish citizens? Have they, with their large numbers, high social standing, great places of trust, contributed aught to her glory or added aught to her commercial greatness, refined her social taste, or assisted in laying the foundations of the real happiness of her people, the real security of her laws, the influence of her civic virtues, which, more than anything else, give power and permanency to a naissant and mighty nation?

For answer to the inquiry we turn to history, "the high court of humanity, where truth must be heard and justice must be pronounced." A critical investigation into the past and present history of our country gives an affirmative answer to these pertinent questions.

Of the signers of the immortal Declaration of Independence, Thorton, Taylor, and Smith were natives of Ireland; McKean, Read, and Rutledge were of Irish parentage; Lynch and Carroll were grandsons of Irishmen; Whipple and Hancock were of Irish descent, while Robert Treat Paine was a great-grandson of Henry O'Neill, hereditary prince of Ulster who was forced to change his name in order to save his estates. The renowned document was first read, published, and printed by Irishmen. Irishmen, too, were Members of the First American Congress—1774-89—and were among the framers of the Constitution; they commanded brigades and regiments in the struggle for independence. It is beyond the scope of this review to list the many Gaelic names of illustrious generals and brave soldiers who flocked to Washington's standard, and so daringly maintained its honor in the Revolution.

During the venerable Franklin's journeys to Europe in the capacity of diplomatic agent, he twice visited Irelandin 1769 and 1771. In his accounts of these good-will tours, he was at pains to show the courtesy with which he was received in Dublin at a great dinner given in his honor by the "Irish patriots." He was not slow in making known to the leaders on this side of the Atlantic, the sympathetic attitude of the Irish toward the American cause, and explained, that stranger though he was, by unanimous consent, he was admitted to the floor of the parliament, instead of being relegated to the gallery, the usual place for outsiders. This fact he communicated to our Congress, esteeming it "a mark of respect for our country, and a piece of politeness" in which he hoped that our parliament "would not fall behind theirs whenever an occasion should offer." "Our parliament" did not fail in this respect, for cognizance of these civilities was taken by the Continental Congress at Philadelphia on July 28, 1775. From their Address to the People of Ireland the following extract gives objectives evidence of their approbation:

Accept our most grateful acknowledgments for the friendly disposition you have always shown to us * * *. We acknowledge with pleasure and gratitude that your nation has produced patriots who have nobly distinguished themselves in the cause of humanity and America.

No one more than the great Washington himself appreciated the valiant conduct of his Gaelic soldiers in the trying war days. On one occasion when the Irish soldiers, stung to the quick, were showing indigation at a slight offered them on the 17th of March, the Commander in Chief declared that he, too, was a lover of St. Patrick's Day and must settle the affair by making all the Army keep the day. We are all familiar with his gracious gesture of evacuation day, March 17, 1776, when he appointed General Sullivan the brigadier of the day, at the same time authorizing the word "Boston" as the parole and "Saint Patrick" as the countersign. Nor was this an isolated case, for diaries and other records show that on at least two other occasions St. Patrick's Day was celebrated with feasting and parade.

In the records of the Friendly Sons of Saint Patrick of Philadelphia is preserved Washington's courteous reply to the society's unanimous adoption of him as a member of the

society.

But it was not native Americans alone who appreciated the Irish but others as well. The Frenchman, Lafayette, on one occasion proposed the toast, "May the Kingdom of Ireland merit a stripe on the American standard." The Marquis de Chastellux, major general of Rochambeau's army in America, in his American Travels says:

An Irishman, the instant he sets foot on American ground, becomes ipso facto an American. * * On more than one imminent occasion Congress owed their existence, and America possibly her preservation, to the fidelity and firmness of the Irish.

The British man of letters Samuel Smiles makes the striking comment:

Of the Irish colonists in America, a large proportion everywhere stood foremost on the side of the patriots. It seemed as if Providence had mysteriously used the victims of Britain's cruelty to Ireland, the men whom her persecution had banished from the bosom of their own land, as the means of her final punishment and humiliation on a foreign soil. As the Irish Brigade struck down the British power at Landen and Fontency, so did the refugee Irish in the ranks of the American patriot army contribute to pluck from the haughty brow of Britain the palm of empire.

This same sentiment is voiced tersely in the British Lord Mountjoy's admission, "America was lost by Irish emigrants." These utterances but echo the angry outburst of George II, after the Battle of Fontenoy, "Cursed be the laws that de-

prived me of such subjects."

A parallel record of service is found in the story of the Mexican War with Generals Shields and Sweeney as outstanding figures. The former, of County Tyrone, even before entering the war had a distinguished political career, and afterward became Governor of Oregon and later enjoyed the unique privilege of representing in the United States Senate at different times three different States—Illinois, Minnesota, and Missouri.

Again in the war of secession the Irish proved themselves good citizens, ready to shed their blood in defense of American liberty. These Celts, more numerous in the Northern than in the Southern States, were not slow to range themselves on the side of national union. There were men of Irish blood in the Southern States, however, who, though disliking secession and hating slavery, believed that their allegiance was due, first of all, to their own State. They shared the opinion of their southern fellowmen that the foundation of civil liberty rested on the supreme sovereignty of each individual State. On the northern side it was calculated that 150,000

Irish fought. Generals Carey, Griffin, and Butler were of Irish descent, and also General Sheridan, "the most brilliant cavalry officer of his age." Yet it was in the purely Irish regiments in Corcoran's Sixty-ninth Regiment, or in the Irish brigade under Meagher, that the finest heroism of the war was displayed. Lee, from a key position of Marye's Hill, attacked the Irish brigade, who must have realized that they were marching to sure death, but like true soldiers they gave no sign of hesitation when ordered to advance. From the Times correspondent we get a flattering testimony of this attack:

Never at Fontenoy or at Waterloo was more undaunted courage displayed by the sons of Erin than during the six frantic dashes they directed against the almost impregnable position of their foes. The bodies which lie in dense masses within 40 yards of the muzzle of Colonel Walton's guns are the best evidence of what manner of men they were, who pressed on to death with the dauntlessness of a race which has gained glory on a thousand battlefields, and never more richly deserved than at the foot of Marye's Heights on December 13, 1862.

Only 200 remained of the "noble 1,200."

Even from an unfriendly pen comes another tribute to these heroes of this charge. In a letter, the Confederate General Pickett told that his heart almost stood still as he watched those sons of Erin fearlessly rush to their death in the brilliant assault beyond description. "We forgot that they were fighting us," he continued, "and cheer after cheer went up all along our lines."

With like fortitude, Col. James A. Mulligan, of the Chicago Irish Brigade, when mortally wounded in 1861 in a Confederate attack, cried to his men who tried to save him, "Lay me down and save the flag." Later the people of Chicago, treasuring in a faithful memory the heroism of their fellow

citizen, subscribed for a home for his widow.

The story of the World War is so present with us that we may dispatch, with a passing observation, the courageous action in the conflict, of soldiers of Irish extraction. Of the first three soldiers to be killed in action on November 3, 1917, one was Thomas Francis Enwright, of Pennsylvania. The first American officer to die in the field in the A. E. F. was Lt. William T. Fitzsimons of the United States Medical Corps. He was killed in a German raid on September 4, 1917. In his honor the Fitzsimons General Hospital at Denver, Colo., has been named. An Irish name stands likewise at the endof the casualty list. This Catholic chaplain, a worthy compatriot, holding the rank of lieutenant, bore the distinguished Irish name of William F. Davitt. Father Davitt, a native of Holyoke, Mass., went overseas and was killed on the morning of November 11, 1918, just 5 minutes before the armistice began. An American flag, which he had brought back from the fighting front, he had hung on a tree, by way of celebrating the arrival of the armistice hour, when an enemy's bullet struck him down.

But to stress the achievements of Americans of Irish blood in the role of fighters in a just cause is to give a one-sided picture of their story. In their ranks we find men of great force of character: "Preachers and teachers, statesmen and scholars, philanthropists and founders of institutions, scientists and engineers, historians and journalists, artists and authors, lawyers and doctors, of Celtic race and blood, while in the industrial field, as builders of steamships and railroads and promoters of public works, as merchants, manufacturers, and bankers, and in all other fields of endeavor we find the American Irish controlling factors in the upbuilding of the Republic." It is easy to understand why a prominent journalist could conclude that Irishmen, exercising in America this power of their moral force, were a leaven to be dreaded more by English statesmen than the armed rebellion of the same men or of their fathers in Ireland.

They have held eminent positions in our complicated political system. In six Presidents a Celtic strain is traced. The same strain is found also in many men who have exercised the authority of Governor in several States or who have acted as executives in their local governments. From the earliest times the Gael has been numbered among the representatives of the legislative Halls of the Capitol. One Darrah Kelly boasted of the unique privilege of a half century

of service in Congress. And Members of this House of Representatives, as well as our esteemed colleagues of the Senate, on this St. Patrick's Day proudly boast of their precious Gaelic heritage. Among the earliest judges of the courts are found Irishmen and their sons of Celtic stock. In the legal annals of America the names of Chief Justice of the Supreme Court Edward D. White and his able Associate, Joseph McKenna, together with such eminent lawyers as Charles O'Connor, James Brady, Daniel Dougherty, and Thomas Addis Emmet are representative. It has been said that there is no State in the Union in which an Irish-American lawyer has not distinguished himself.

Back in the days of President Jefferson, Richard O'Brien was American representative at Algiers; James Kavanagh, Minister to Portugal; and Louis McLain, Minister to England. In more recent years an O'Brien has represented American affairs in Italy and Japan; a Kerens in Austria, one Egan in Chili and another in Denmark, an O'Shaughnessy in Mexico, a Sullivan in Santo Domingo, an O'Rear in Bolivia, while at the present time a Kennedy carries on efficiently as Ambassador to the Court of St. James.

Although the subject is inexhaustible, there is a temptation to pick almost at random from other fields of endeavor a few conspicuous Celtic names that are household words in American life. In this list we might mention Theodore Vail, the projector of the great telephone system; Morse, the inventor of the telegraph; Henry O'Reilly, builder of the first telegraph line in the United States; John Mackay, president of the Commercial Cable Co.; John Holland, inventor of the submarine torpedo boat; and Cyrus McCormick, inventor of the reaping and mowing machine. In business and financial circles are the names of John McDonald, builder of New York subways; George Law, promoter of public works and steamship and railroad builder; John Keating, the first paper manufacturer of New York; A. T. Stewart, James J. Hill, and Thomas F. Ryan.

In the field of American journalism, Hugh Gaine founded the New York Mercury; John Dunlap, the first daily paper in Philadelphia; John Burk, the first daily paper in Boston; William Coleman, the New York Evening Post; Thomas Fitzgerald, the Philadelphia Item; Thomas Gill, the New York Evening Star; Patrick Walsh, the Augusta Chronicle; Joseph Medill, the Chicago Tribune; William Duane edited the Philadelphia Aurora; Henry Grady, the Atlanta Constitution; Michael Dee, the Detroit Evening News; Richard Smith, the Cincinnati Gazette; Edward Godkin, the New York Evening Post; William Laffan, the New York Sun; and Horace Greely, the New York Tribune.

But that the Irish in America or their descendants have not been found wanting in their contributions to the finer things of life is evidenced by the following summary:

Thomas Crawford executed the colossal statue of Freedom on the dome of the National Capitol while the Dublin man, Augustus Saint Gaudens was considered one of the greatest sculptors of modern times. Among America's most talented artists and portrait painters have been listed John Singleton Copley, George Healy, Henry Pelham, and William McGrath. In his day, Patrick Sarsfield Gilmore was Ireland's gift to Boston's music world. His spectacular career as an American bandsman, but above all, the innovations and originalities he introduced in military band organization, claimed for him the title, Father of the American band. In the light of present-day enthusiasm over music of this type, this fact is interesting. Gilmore established a brilliant musical record gaining an international reputation. His concert tours covering not only the United States, but Canada, Great Britain, and several continental cities, brought real melody to the The renowned Victor Herbert, and the gifted Edward A. McDowell still live in their musical creations that keep alive the spark of genius which is said to be a touch of the immortal and the divine. Charitable and educational institutions of our Fair Columbia have profited by the generous donations of such national benefactors as John O'Fallon and Bryan Mullanphy of St. Louis, John McDonough of Baltimore, and of William W. Corcoran, whose name must be linked forever with his famous Washington Art Gallery, on which institution as well as on others, he lavished millions. To Margaret Gafney Haughery, an Irishwoman, who gave so bountifully her time and fortune for the betterment of the orphans of New Orleans, stands a fitting memorial, the first public monument to be erected to a woman in America.

In addition to the above-mentioned might be cited numerous other worthy children of Erin, and great citizens of the United States who have been a glory and a credit to both these lands, which through their lives they have so nobly united. Their Irish valor, Irish decision, and Irish perseverance have filled the pages of American history with a story which has an appeal, not only for people of Gaelic stock, but for all Americans, who find inspiration and stimulation, on this St. Patrick's Day, as the truth is borne in on them that Irish blood, brain, and brawn have been a valuable acquisition to the building of the fabric of American institutions.

EXTENSION OF REMARKS

Mr. COFFEE of Washington. Mr. Speaker, I ask unanimous consent to extend my own remarks in the Record and to include therein a letter from a constituent.

The SPEAKER. Is there objection?

There was no objection.

WAR AND PEACE

Mr. ANGELL. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to extend my remarks in the RECORD.

The SPEAKER. Is there objection? There was no objection.

Mr. ANGELL. Mr. Speaker, the people of my district are peace-minded. They still hold vividly in mind the havoc wrought by the Great War and the results of our participation therein. It has been estimated that that war cost the United States over \$51,000,000,000, and the cost is mounting daily by reason of the huge expenditures we are making and will be required to make for years to come in caring for the injured, widowed, and orphaned as a result of that great contest. Five percent on \$51,000,000,000 would provide an annual income of \$2,500,000,000, sufficient to pension 2,125,000 old people at \$100 per month. The late President Coolidge estimated the total cost will reach more than \$100,000,000,000 before we are through paying for that war, or about the value, at the time the estimate was made, of all of the States west of the Mississippi. A parade of the dead killed in that conflict, marching 10 abreast, from sunrise to sunset, with a new rank passing every 2 seconds, would take 46 days to pass a given point. There were 10,000,000 killed, 20,000,000 maimed and injured, 13,000,000 missing, 10,000,000 refugees, and 6,000,000 children lost their fathers, and a daily loss of life of 16,585. Sixty to seventy cents of every tax dollar goes to pay for our past wars and for armaments and expenditures making ready for future wars.

Mr. Speaker, with these gruesome statistics in mind, we see why the men and women of America are determined that this Nation shall never again engage in a foreign war. They want to be prepared to defend our own country and its people, but they are equally determined to maintain a neutral attitude with respect to conflicts on foreign shores, and are insistent that their representatives respect their wishes in that determination.

A very acute problem has arisen in my State, Mr. Speaker, with reference to the sale of scrap iron to Japan. In keeping with this viewpoint I have expressed, many outstanding citizens and organizations of Oregon have gone on record as opposing this sale of scrap iron. A high-ranking official, having to do with the policies of the United States with respect to our defense, recently stated before a committee of which I am a member, in considering this matter, that it was a short-sighted policy for the United States to permit the sale and shipment to foreign countries of scrap iron from America. He stated that in preparing for our own defense it was important that this essential material needed in war preparation should be retained for our own use. My distinguished colleague from Michigan [Mr. CRAWFORD] recently introduced a resolution (H. J. Res. 42) providing that any proclamation by the President declaring an embargo on the export of arms, ammunitions, and implements of war, under the Neutrality Act of 1937, shall provide for an embargo on scrap iron and pig iron in addition to items enumerated in Proclamation 2163 of April 10, 1936. On January 30, last, the eminent gentleman from New York [Mr. Fish] introduced in the House a bill (H. R. 3419) providing-

That it shall be unlawful to export any pig iron, scrap iron, or scrap steel from the United States, or any Territory subject to the jurisdiction thereof, to any port or place in China or Japan, or to any other port or place for transshipment to China or Japan, to be used in the manufacture of implements of war or for military

In my State recently such demonstrations were made, and are now being made, upon the docks of Oregon ports where shipments of pig iron are being loaded for foreign transport so that commerce at these ports is being seriously interfered with. At a mass meeting held in Portland, Oreg., on March 10, 1939, which was attended by more than 2,500 Oregon citizens, a resolution was unanimously adopted deploring and condemning the shipment of essential war materials to foreign nations to be used in the infliction of death and destruction upon innocent noncombatants.

In view of the situation to which I have referred, it is important that we consider favorably these legislative proposals.

Following is a copy of the resolution referred to:

Resolution authorized by a mass meeting of citizens of Portland, Oreg., assembled at the Civic Auditorium, March 10, 1939, to protest shipment of scrap iron to Japan

At a mass meeting held in Portland, Oreg., at the Civic Auditorium Friday, March 10, 1939, which was attended by more than 2,500 persons, the undersigned committee was unanimously authorized to prepare a resolution embodying the sense of the meeting.

Whereas the citizens of Portland assembled desiring to promote peace among nations, deplore and condemn the shipment of essential materials and products out of which may be manufactured instruments to be used for infliction of death and destruction upon innocent noncombatants; and
Whereas American citizens of Chinese parentage, endorsed and

whereas american citizens of Chinese parentage, endorsed and encouraged by many individuals and organizations of the community are staging a peaceful demonstration of protest at terminal No. 4, Portland, against the loading of thousands of tons of scrap iron there assembled consigned to Japan; and Whereas in the face of this demonstration, longshoremen have

Whereas in the face of this demonstration, longshoremen have refused to load this scrap iron, with a resultant crisis threatening the continuous operation of our port; and Whereas the cessation of these shipments would, in our judgment, do much to prevent the infliction of further suffering upon millions of innocent noncombatants: Therefore be it Resolved, That proper governmental and private authorities be urged to take such action as may be necessary to prohibit such shipments: and be it further

urged to take such action as may be necessary to prohibit such shipments; and be it further Resolved, That copies of this resolution be forwarded to the President of the United States; to the Secretary of State; to the Secretary of War; to the Secretary of Navy; the Secretary of Commerce; the Secretary of Labor; to all Members of both Houses of Congress; to the Governor of the State of Oregon; to the board of county commissioners of Multnomah County; to the Waterfront Employers' Association of Portland, and to the press. Respectfully submitted. Respectfully submitted.

RESOLUTION COMMITTEE.

PAUL T. SHAW, Chairman,
By Mrs. Celeste L, Harris, Secretary.
Gust Anderson, secretary, Portland Central Labor Council; st Anderson, secretary, Portland Central Labor Council;
O. V. Bradley, county commissioner of Multnomah
County; A. A. Bailey, clerk, Multnomah County; J. E.
Bennett, city commissioner of Portland; Rabbi Henry
J. Berkowitz; C. A. Bigelow, commissioner of Multnomah
County; John Brost, president, Oregon State Industrial
Union Council, C. I. O.; Mrs. Verne Dusenbery; Mrs.
C. S. Jackson; Dr. T. D. Lee, president, China Society;
Rev. W. L. Van Nuys, secretary, Presbyterian Board of
Religious Education; Ralph Peoples, secretary, Oregon
State Industrial Council Union, C. I. O.; Rev. Dr. J. W.
Reed, pastor, Mt. Tabor Methodist Church; Rev. John
D. Rice, chaplain, Good Samaritan Hospital; David
Robinson, attorney; E. G. Robinson, president, Willamette Democratic Society; Frank Shull, county commissioner of Multnomah County; Mrs. Isaac D. Swett;
C. R. Wagoner, president, Civic Development League;
Rev. Raymond B. Walter, D. D., pastor, First Congregational Church.

EXTENSION OF REMARKS

By unanimous consent permission to revise and extend their own remarks was granted to Mr. Lemke, Mr. Mundt, Mr. FITZPATRICK, Mr. THOMAS F. FORD, and Mr. BATES of Kentucky.

GENERAL LEAVE TO EXTEND REMARKS

Mr. JOHNSON of Oklahoma. Mr. Speaker, I ask unanimous consent that all Members who have spoken on the bill H. R. 4852 today may have 5 legislative days within which to extend their own remarks.

The SPEAKER. Inasmuch as there have been several requests, would the gentleman modify his request to include all Members who speak on this bill up to the conclusion of consideration of the bill?

Mr. JOHNSON of Oklahoma. Yes, Mr. Speaker. I modify my request, that all Members who may speak on this bill may have permission to revise and extend their remarks.

The SPEAKER. Is there objection?

There was no objection.

LEAVE OF ABSENCE

By unanimous consent leave of absence was granted to Mr. RAMSPECK, for the remainder of the week, on account of important business.

SENATE ENROLLED BILLS SIGNED

The Speaker announced his signature to enrolled bills of the Senate of the following titles:

S. 218. An act for the relief of Manuel D. A. Otero, as administrator of the estate of Teresita S. Otero, deceased.

S. 219. An act for the relief of Emma Gomez.

ADJOURNMENT

Mr. JOHNSON of Oklahoma. Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to; accordingly (at 5 o'clock and 3 minutes p. m.), pursuant to the order heretofore made, the House adjourned until Monday, March 20, 1939, at 12 o'clock

COMMITTEE HEARINGS

COMMITTEE ON WAYS AND MEANS

Public hearings will continue on Friday morning, March 17, 1939, at 10 a. m., on social-security legislation, in the Ways and Means Committee room in the New House Office Building.

COMMITTEE ON INTERSTATE AND FOREIGN COMMERCE

There will be a meeting of the Committee on Interstate and Foreign Commerce at 10 a. m. Friday, March 17, 1939. Business to be considered: Railroad legislation-H. R. 2531.

There will be a meeting of the wool subcommittee of the Committee on Interstate and Foreign Commerce at 2 p. m. Friday, March 17, 1939. Business to be considered: Woollabeling bill-H. R. 944.

COMMITTEE ON NAVAL AFFAIRS

There will be a meeting of the Committee on Naval Affairs at 10:30 a. m. Friday, March 17, 1939, for the consideration of H. R. 4897, to authorize the Secretary of the Navy to proceed with the construction of a naval supply depot at Oakland, Calif., and for other purposes.

COMMITTEE ON THE PUBLIC LANDS

There will be a meeting of the Committee on the Public Lands on Friday, March 17, 1939, at 10 a. m., in room 328, House Office Building, to consider H. R. 3794, to establish John Muir-Kings Canyon National Park, Calif., to transfer thereto the lands now included in the General Grant National Park, and for other purposes.

There will be a meeting of the Committee on the Public Lands on Thursday, March 23, 1939, at 10 a.m., in room 328, House Office Building, to consider H. R. 3759, to authorize a National Mississippi River Parkway, and matters relating thereto.

COMMITTEE ON RIVERS AND HARBORS

The Committee on Rivers and Harbors will meet Friday, March 17, 1939, at 10:30 a.m., to continue hearings on H. R. 3222 and H. R. 3223, bills for the completion of the construction of the Atlantic-Gulf Ship Canal across Florida.

COMMITTEE ON COINAGE, WEIGHTS, AND MEASURES

The Committee on Coinage, Weights, and Measures will meet on Friday, March 17, 1939, at 10:30 a.m., holding an open hearing.

COMMITTEE ON THE POST OFFICE AND POST ROADS

There will be a meeting of the Committee on the Post Office and Post Roads at 10 a.m. Tuesday, March 21, 1939, to consider substitute employee bills.

COMMITTEE ON FOREIGN AFFAIRS

There will be a meeting of the Committee on Foreign Affairs Wednesday, March 22, 1939, at 10 a.m., in the committee rooms, the Capitol, for the consideration of the following: H. R. 3065, to amend Public Law No. 370, Seventy-fourth Congress (International Boundary Commission, United States and Mexico) and S. 1045, to give effect to the International Agreement for the Regulation of Whaling, signed at London, June 8, 1937, and for other purposes.

COMMITTEE ON THE JUDICIARY

Beginning at 10 a. m. on Wednesday, March 22, 1939, there will be a hearing held before the subcommittee No. 4 of the Committee on the Judiciary on House Joint Resolution 176, declaring the conservation of petroleum deposits underlying submerged lands adjacent to and along the coast of California, below low-water mark and under the territorial waters of the United States of America, essential for national defense, maintenance of the Navy, and regulation and protection of interstate and foreign commerce; reserving the same as a naval petroleum reserve, subject to any superior vested right, title, or interest; and authorizing appropriate judicial proceedings to assert, ascertain, establish, and maintain the right and interest of the United States of America in such reserve and to eject trespassers.

COMMITTEE ON MERCHANT MARINE AND FISHERIES

The Committee on Merchant Marine and Fisheries will hold public hearings in room 219, House Office Building, Washington, D. C., at 10 a. m., on the bills and dates listed below:

Tuesday, March 21, 1939:

H. R. 137, H. R. 980, H. R. 1674, relating to annuities for Panama Canal construction force.

Thursday, March 23, 1939:

H. R. 141, H. R. 142, H. R. 1819, miscellaneous Panama Canal bills.

Tuesday, March 28, 1939:

H. R. 197, relating to the clearance of vessels; H. R. 199, relating to the allotment of wages by seamen; H. R. 200, relating to foreign towboats towing between American ports;
 H. R. 1780, relating to penalties on certain undocumented vessels and cargoes engaging in the coastwise trade or the fisheries; H. R. 1782, relating to change of masters of vessels. Wednesday, March 29, 1939:

H. R. 198, relating to the measurement of vessels; and H. R. 132, authorizing the use of condemned Government vessels for breakwater purposes.

Tuesday, April 4, 1939:

H. R. 3209, making it a misdemeanor to stow away on vessels; H. R. 3398, regarding the down payment of construction of new vessels; H. R. 3935, relating to the discharge of seamen.

Wednesday, April 5, 1939:

H. R. 3052, uniform insignia for Naval Reserve radio operators; H. R. 1010, intercoastal subsidy bill (Welch).

Thursday, April 6, 1939:

H. R. 1011, acquisition of drydock facilities for United States Maritime Commission on San Francisco Bay (Welch); H. R. 2870, acquisition of drydock facilities for United States Maritime Commission at Los Angeles (Thomas F. Ford); H. R. 3040, acquisition of drydock facilities for United States Maritime Commission at Los Angeles (Geyer of California).

Tuesday, April 11, 1939:

H. R. 1783, inspection of hulls of sail vessels and barges (Bland); H. R. 1785, motorboat bill (Bland); H. R. 1795, motorboat bill (Hendricks); H. R. 1809, inspection of motorboats, 15 gross tons up (Magnuson); H. R. 2398, regarding pilots on yachts (Angell); H. R. 3837, inspection of motorboats, 15 gross tons up (Connery).

Thursday, April 13, 1939:

H. R. 4220, load-line bill for seagoing vessels (Bland).

Tuesday, April 18, 1939:

H. R. 2404, surgeon and hospital on vessels (Sirovich); H. R. 2660, limitation of liability (Sirovich); House Joint Resolution 153 and House Joint Resolution 194, investigate conditions pertaining to lascar seamen (Sirovich).

EXECUTIVE COMMUNICATIONS, ETC.

Under clause 2 of rule XXIV, executive communications were taken from the Speaker's table and referred as follows:

533. A letter from the President, Board of Commissioners, District of Columbia, transmitting the draft of a proposed bill to allow the District of Columbia to have 15 midshipmen instead of the present number; to the Committee on Naval Affairs.

534. A letter from the Acting Secretary of the Treasury, transmitting the draft of a proposed bill for the relief of Thomas A. Ross; to the Committee on Claims.

535. A letter from the Chairman of the United States Maritime Commission, transmitting the Maritime Commission's recommendation for legislation (H. Doc. No. 208); to the Committee on Merchant Marine and Fisheries and ordered to be printed.

536. A letter from the Chairman of the United States Maritime Commission, transmitting the Economic Survey of Coastwise and Intercoastal Shipping (H. Doc. No. 209); to the Committee on Merchant Marine and Fisheries and ordered to be printed, with illustrations.

537. A letter from the Secretary of War, transmitting a report of the Governor of the Panama Canal of his investigation of the means of increasing the capacity of the Panama Canal for the future needs of interoceanic shipping (H. Doc. No. 210); to the Committee on Merchant Marine and Fisheries and ordered to be printed, with illustrations.

538. A letter from the Secretary of War, transmitting a letter from the Chief of Engineers, United States Army, dated February 24, 1939, submitting a report, together with accompanying papers and illustrations, on reexamination of Winyah Bay, S. C., requested by resolution of the Committee on Rivers and Harbors, House of Representatives, adopted January 27, 1937 (H. Doc. No. 211); to the Committee on Rivers and Harbors and ordered to be printed, with two illustrations.

REPORTS OF COMMITTEES ON PUBLIC BILLS AND RESOLUTIONS

Under clause 2 of rule XIII,

Mr. JONES of Texas: Committee on Agriculture. S. 1363. An act to repeal subsection (4) of subsection (c) of section 101 of the Agricultural Adjustment Act of 1938; without amendment (Rept. No. 252). Referred to the Committee of the Whole House on the state of the Union.

Mr. MAY: Committee on Military Affairs. H. R. 3126. A bill to authorize the Secretary of War to pay certain expenses incident to the training, attendance, and participation of the equestrian and modern pentathlon teams in the Twelfth Olympic Games; with amendment (Rept. No. 253). Referred to the Committee of the Whole House on the state of the Union.

Mr. MAY: Committee on Military Affairs. H. R. 3221. A bill to authorize the Secretary of War to provide for the sale of aviation supplies and services to aircraft operated by foreign military and air attachés accredited to the United States, and for other purposes; without amendment (Rept. No. 254). Referred to the Committee of the Whole House on the state of the Union.

Mr. MAY: Committee on Military Affairs. H. R. 4087. A bill to amend an act entitled "An act for making further and more effectual provision for the national defense, and for other purposes", approved June 3, 1916, as amended by the act of June 4, 1920, so as to confer on the commanding general, General Headquarters Air Force, the same retirement privileges now enjoyed by chiefs of branches; without amendment (Rept. No. 255). Referred to the Committee of the Whole House on the state of the Union.

CHANGE OF REFERENCE

Under clause 2 of rule XXII, committees were discharged from the consideration of the following bills, which were referred as follows:

A bill (H. R. 4966) for the relief of Richard Macleod Hull; Committee on Claims discharged, and referred to the Committee on Military Affairs.

A bill (H. R. 5078) granting an increase of pension to Mary W. Osterhaus; Committee on Pensions discharged, and referred to the Committee on Invalid Pensions.

A bill (H. R. 5085) granting a pension to Anna O. Ward; Committee on Pensions discharged, and referred to the Committee on Invalid Pensions.

A bill (H. R. 5086) granting a pension to Mary V. Gesner; Committee on Pensions discharged, and referred to the Committee on Invalid Pensions.

PUBLIC BILLS AND RESOLUTIONS

Under clause 3 of rule XXII, public bills and resolutions were introduced and severally referred as follows:

By Mr. LEA:

H. R. 5093. A bill to provide for the training of civil aircraft pilots, and for other purposes; to the Committee on Interstate and Foreign Commerce.

By Mr. WEAVER:

H. R. 5094. A bill to authorize the sale of certain lands of the Eastern Band of Cherokee Indians, North Carolina; to the Committee on Indian Affairs.

By Mr. RAMSPECK:

H. R. 5095 (by request). A bill to place deputy United States marshals in the competitive classified civil service, and for other purposes; to the Committee on the Civil Service.

By Mr. RANKIN:

H.R. 5096. A bill to provide certain benefits for World War veterans and their dependents, and for other purposes; to the Committee on World War Veterans' Legislation.

By Mr. JENKINS of Ohio:

H.R. 5097. A bill to amend the Internal Revenue Code with respect to certain taxes on corporations; to the Committee on Ways and Means.

By Mr. IZAC:

H. R. 5098. A bill to authorize the President to enter into negotiations with the Republic of Costa Rica for the acquisition of Cocos Island; to the Committee on Foreign Affairs.

By Mr. LEMKE:

H. R. 5099. A bill to amend an act entitled "An act to provide for the fifteenth and subsequent decennial censuses and to provide for apportionment of Representatives in Congress," approved June 18, 1929; to the Committee on the Census.

By Mr. WOOD:

H. R. 5100. A bill for the relief of Seymore Consolidated School District No. 6, of Webster County, Mo.; to the Committee on Claims.

By Mr. STARNES of Alabama:

H. R. 5101. A bill to give honorably discharged veterans, their widows, and the wives of disabled veterans who themselves are not qualified, preference in employment where Federal funds are disbursed; to the Committee on the Civil Service.

By Mr. RAMSPECK:

H.R. 5102. A bill for the relief of the State Department of Public Welfare of Georgia; to the Committee on the Judiciary.

By Mr. SCHAEFER of Illinois:

H. J. Res. 219. Joint resolution to provide for the erection of a monument to the memory of the patriot priest, Father Pierre Gibault; to the Committee on the Library.

By Mrs. ROGERS of Massachusetts:

H. Con. Res. 13. Concurrent resolution to urge that the reciprocal-trade agreement with Czechoslovakia be abrogated and that the President demand that the Nazi Government

assume the debt of Czechoslovakia; to the Committee on Ways and Means.

By Mr. COX:

H. Res. 130. Resolution to provide for an investigation of the Works Progress Administration; to the Committee on Rules.

H. Res. 131. Resolution providing for the expenses of the investigation and study by the Committee on Appropriations under the authority of House Resolution 130; to the Committee on Accounts.

PRIVATE BILLS AND RESOLUTIONS

Under clause 1 of rule XXII, private bills and resolutions were introduced and severally referred as follows:

By Mr. BUCKLEY of New York:

H.R. 5103. A bill for the relief of Kurt Schene; to the Committee on Immigration and Naturalization.

By Mr. CLEVENGER:

H. R. 5104. A bill granting a pension to Hazel Kline; to the Committee on Invalid Pensions.

By Mr. COCHRAN:

H.R. 5105. A bill granting a pension to John Spaedy; to the Committee on Invalid Pensions.

By Mr. COX:

H. R. 5106. A bill for the relief of Mrs. Clinton Ward and Ester Ward; to the Committee on Claims.

By Mr. DARDEN:

H. R. 5107. A bill granting an increase of pension to Annie S. Wynne; to the Committee on Pensions.

By Mr. HARE:

H. R. 5108. A bill for the relief of Jesse A. Lott; to the Committee on War Claims.

By Mr. HARRINGTON:

H. R. 5109. A bill for the relief of Henry K. Gilman; to the Committee on Claims.

By Mr. HARTLEY:

H. R. 5110. A bill for the relief of Franz Land; to the Committee on Immigration and Naturalization.

H.R. 5111. A bill for the relief of Fred Spreen; to the Committee on Immigration and Naturalization.

H.R.5112. A bill for the relief of Carlo DePalma; to the Committee on Claims.

By Mr. HENNINGS:

H.R. 5113. A bill granting a pension to Amelia Walsh; to the Committee on Pensions.

By Mr. KENNEDY of Maryland:

H.R. 5114 (by request). A bill for the relief of Maria Enriquez, Crisanta, Anselmo, Agustin, and Irineo de los Reyes; to the Committee on Claims.

By Mr. REECE of Tennessee:

H.R. 5115. A bill for the relief of Harry W. Lyle; to the Committee on Claims.

By Mr. THOMASON:

H.R. 5116. A bill for the relief of Thomas Miralia and Betty Miralia; to the Committee on Claims.

By Mr. WOOD:

H. R. 5117. A bill granting an increase of pension to Almyra Vancil; to the Committee on Invalid Pensions.

PETITIONS, ETC.

Under clause 1 of rule XXII, petitions and papers were laid on the Clerk's desk and referred as follows:

1802. By Mr. ANDREWS: Petition of 175 citizens of Buffalo, N. Y., protesting against the imposition of processing tax on wheat; to the Committee on Agriculture.

1803. Also, resolution adopted by the Niagara Falls Central Labor Union, favoring amendment of the National Labor Relations Act in accordance with the recommendations of the American Federation of Labor at their last convention; to the Committee on Labor.

1804. By Mr. CURLEY: Resolution of the Bronx Board of Trade, Bronx, New York City, urging changes in the Wagner Act; to the Committee on Labor.

1805. By Mr. HART: Petition of the Board of Commissioners of the City of Newark, N. J., opposing any legislation

having as its purpose the taxing of municipal bonds; to the Committee on Ways and Means.

1806. By Mr. HAVENNER: Resolution adopted by the California Railroad Commission, relating to the reorganization of the Federal Communications Commission; to the Committee on Interstate and Foreign Commerce.

1807. By Mr. KEOGH: Petition of C. L. McQuagge, superintendent, Rocky Creek School, Lucedale, Miss., concerning the Harrison-Thomas-Larrabee Federal-aid bill for schools; to the Committee on Education.

1808. Also, petition of the Bethune School, Charlotte, N. C., concerning the Harrison-Thomas-Fletcher bill for Federal aid: to the Committee on Education.

1809. By Mr. LAMBERTSON: Petition of Mrs. J. W. Henderson and 41 other citizens of Topeka, Kans., urging the President of the United States and Congress to take every practicable means, direct or indirect, to bring an end to the traffic from our country which is compelling us to be a partner in the destruction of the Chinese people; to the Committee on Foreign Affairs.

1810. By Mr. MOTT: House Joint Memorial No. 7 of the House of Representatives of the State of Oregon (the senate concurring), memoralizing the Congress of the United States to pass such legislation and make the necessary appropriations to provide for the complete construction of the unfinished portion of the Lewis and Clark Highway, and that the Forest Service of the Department of Agriculture and/or the War Department and/or the Department of the Interior of the United States be authorized and directed to begin immediate construction thereon; to the Committee on

1811. Also, Senate Joint Memorial No. 7 of the Senate of the State of Oregon (the house of representatives jointly concurring), memorializing the Congress of the United States to favorably consider and pass legislation to prevent the introduction and to control the spread of and to eradicate plant diseases and insect pests, to regulate the importation of nursery stock and other plants and plant products, to enable the Secretary of Agriculture to establish and maintain quarantine districts for plant diseases and insect pests, and to permit and regulate the movement of fruits, plants, and vegetables therefrom, as provided in House bill 4036 of the Seventy-sixth Congress; to the Committee on Agriculture.

1812. By Mr. PFEIFER: Petition of the committee of Coast Guard, men, David Spratling, chairman, Tompkinsville, Staten Island, N. Y., favoring bills introduced by Senator Reynolds, Senate bill 595; Congressman O'Leary, House bill 2383; Congressman Warren, House bill 2543; and Congressman Barden, House bill 2558; providing for further increasing the efficiency of the Coast Guard; to the Committee on Appropriations.

1813. Also, petition of the New York State Forestry and Park Association, Albany, N. Y., urging appropriation of \$778,000 in the agricultural appropriations bill for Dutch elm disease eradication; to the Committee on Appropriations.

1814. By Mr. SCHAEFER of Illinois: Petition of the Egyptian Division, No. 512, Brotherhood of Locomotive Engineers, A. A. Bloemer, secretary, East St. Louis, Ill., opposing any movement to limit by legislation monthly mileage or maximum salary of train and enginemen on railroads; to the Committee on Interstate and Foreign Commerce.

1815. By Mr. SCHIFFLER: Petition of Anna Rozanski, secretary-treasurer, Local No. 812, P. R. C. U., Wheeling, W. Va., urging an amendment to the Social Security Act providing for total exemption of sublodges of fraternal organizations; to the Committee on Ways and Means.

1816. By Mr. SECCOMBE: Petitions of Edith M. Hunter and 32 other residents of Alliance, Ohio, opposing the Neely bill (S. 280) prohibiting the block booking of motion-picture films, and asking the enactment of legislation to prevent the use of resources of the United States to aid Japan in the invasion of China; to the Committee on Interstate and Foreign Commerce.

1817. Also, petition of Mrs. F. B. Moore and 36 other residents of Canton, Ohio, urging the cooperation of the Gov-

ernment in stopping the shipping of war materials to Japan, the aggressor nation in the present Sino-Japanese War, and urging that Japan's vital needs and the welfare of her country be given consideration if and when she shall have evacuated Chinese territory; to the Committee on Foreign Affairs.

1818. Also, petition submitted by Catherine Hykes, secretary-treasurer, Workers' Alliance of America, New Philadelphia, Tuscarawas County, Ohio, protesting against the lay-off of Works Progress Administration workers in that community, and also urging that the Works Progress Administration wage in Tuscarawas County be the same as in the neighboring county of Stark, namely, \$60.50 per month; to the Committee on Appropriations.

1819. By Mr. THILL: Telegram from Campbell Laundry Co., of Milwaukee, Wis., March 15, 1939, urging changes in unemployment compensation taxes; to the committee on Ways and Means.

SENATE

FRIDAY, MARCH 17, 1939

(Legislative day of Thursday, March 16, 1939)

The Senate met at 12 o'clock meridian, on the expiration of the recess.

The Chaplain, Rev. ZeBarney T. Phillips, D. D., offered the following prayer:

Quickening Spirit, inspiration of the Holy One, breathe upon our souls in this moment of silence and inspire us anew as we face the duties of another day. Waken us to the voice of those deeper things whispered only in the stillness, that by the hearing ear and the understanding heart we may be lifted above the cares that dim the mind when we are downbent in thought or mood.

Bless with Thy tenderest care those whom we have in our hearts: all who are laid aside in weakness and suffering; all who are weary under the burden and heat of the day; and those to whom the changes of life may bring sorrow or pain, we pray that Thou wilt sustain them with Thy heavenly comfort, O blessed Spirit, whom with the Father and Son together we worship and glorify as one God, world without end.

THE JOURNAL

On request of Mr. Barkley, and by unanimous consent, the reading of the Journal of the proceedings of the calendar day Thursday, March 16, 1939, was dispensed with, and the Journal was approved.

CALL OF THE ROLL

Mr. LEWIS. I observe the absence of a quorum, and I ask for a roll call.

The VICE PRESIDENT. The clerk will call the roll.

The Chief Clerk called the roll, and the following Senators answered to their names:

Adams	Danaher	King	Reynolds
Andrews	Davis	La Follette	Schwartz
Ashurst	Donahey	Lee	Schwellenbach
Austin	Downey	Lewis	Sheppard
Bailey	Ellender	Logan	Shipstead
Bankhead	Frazier	Lucas	Smith
Barbour	George	Lundeen	Stewart
Barkley	Gibson	McCarran	Taft
Bilbo	Gillette	McKellar	Thomas, Okla.
Bone	Glass	McNary	Thomas, Utah
Borah	Guffey	Maloney	Townsend
Brown	Gurney	Mead	Tydings
Bulow	Harrison	Miller	Vandenberg
Burke	Hatch	Minton	Van Nuys
Byrd	Hayden	Norris	Wagner
Byrnes	Herring	O'Mahoney	Walsh
Capper	Hill	Overton	Wheeler
Chavez	Holman	Pepper	White
Clark, Idaho	Hughes	Pittman	Wiley
Clark, Mo.	Johnson, Calif.	Radcliffe	
Connally	Johnson, Colo.	Reed	

Mr. LEWIS. I announce that the Senator from West Virginia [Mr. Holf] is detained from the Senate because of illness.

The Senator from Arkansas [Mrs. Caraway], the Senator from Rhode Island [Mr. GREEN], the Senator from Montana [Mr. Murray], the Senator from West Virginia [Mr. Neely], the Senator from Georgia [Mr. Russell], and the Senator from Missouri [Mr. Truman] are absent on important public business.

The Senator from New Jersey [Mr. Smathers] is unavoidably detained.

Mr. FRAZIER. I announce that my colleague the junior Senator from North Dakota [Mr. NyE] is absent because of illness.

The VICE PRESIDENT. Eighty-two Senators have answered to their names. A quorum is present.

PETITIONS AND MEMORIALS

The VICE PRESIDENT laid before the Senate the following concurrent resolution of the Legislature of South Carolina, which was referred to the Committee on Agriculture and Forestry:

Concurrent resolution memorializing Congress to request the Congress of the United States to extend financial relief to certain counties in South Carolina where the United States of America has purchased and condemned real estate therein

Whereas the United States has, pursuant to certain acts of Congress, acquired by purchase and condemnation title to approximately 100,000 acres of land situate in Chesterfield County, S. C., and vast areas of land in certain other counties of the State of

South Carolina; and
Whereas most of said lands were burdened with large amounts of bonded and other public debt; and
Whereas said lands are now exempt from State and local taxation and the burden of the payment of said public debt has been shifted upon owners of the residue of the lands of such counties; and

upon owners of the residue of the lands of such counties; and Whereas the debt load on said counties is a grievous burden fastened upon the taxpayers thereof; and Whereas said lands were purchased or condemned at prices much less than their intrinsic values; and Whereas it is just and equitable that the said lands should bear their just and proper proportion of said public debts: Now, therefore be it

fore, be it

Resolved by the house of representatives (the senate concurring),
That the Congress of the United States be, and is hereby, respectfully requested and urged to provide for the payment of the just and proportionate part of the public debt of the local tax districts and counties wherein said lands have been so purchased and condemned by the United States; be it further

Resolved, That copies of this resolution be sent to the Speaker of the National House of Representatives, the President of the Senate of the United States, and each member of the South Carolina delegation in the Federal Congress.

Mr. CAPPER presented resolutions adopted by the Workers Alliance of Chetopa and Local No. G-1509, Workers Alliance, of Cherryvale, in the State of Kansas, favoring an additional appropriation of \$150,000,000 for continuation of the Works Progress Administration program, which were referred to the Committee on Appropriations.

He also presented a memorial of sundry citizens of Lewis, Kans., remonstrating against the inclusion of religious bodies under the operation of the social-security system, which was

referred to the Committee on Finance.

He also presented a petition of sundry citizens of Coffeyville, Kans., praying for discontinuance of the shipment of war supplies to Japan, which was referred to the Committee on Foreign Relations.

He also presented a petition of sundry citizens of Jamestown and Concordia, Kans., praying that the United States adhere to the general policy of neutrality as enunciated in the act of August 31, 1935; that there be retained on the statute books the further and corollary principle enunciated in the act of May 1, 1937, and that the original act be extended to include civil as well as international conflicts, which was referred to the Committee on Foreign Relations.

Mr. REED presented a petition of 86 citizens of Cherokee, Kans., praying for an additional appropriation of \$150,000,000 for continuation of the Works Progress Administration program, which was referred to the Committee on Appropria-

He also presented a petition of 275 citizens of Baxter Springs, Kans., praying for an additional appropriation of \$275,000,000 for relief purposes, which was referred to the Committee on Appropriations.

He also presented a petition of 140 citizens of Kiowa County, Kans., praying for amendments to emergency farm credit acts so as to liberalize interest rates and Federal loans, which was referred to the Committee on Banking and Currency.

He also presented memorials of 31 citizens of Sedgwick County, 13 citizens of Wyandotte County, and 16 citizens of Lewis, all in the State of Kansas, remonstrating against the inclusion of religious bodies under the operation of the socialsecurity system, which were referred to the Committee on Finance.

He also presented petitions of 13 citizens of Sedgwick County and 65 citizens of Chanute, in the State of Kansas, praying for the enactment of House Joint Resolution No. 4. relating to the manufacture of intoxicating liquors by the Federal Government, which were referred to the Committee on Finance.

He also presented a petition of 171 citizens of Haviland, Kans., praying for the enactment of the joint resolution (S. J. Res. 84) proposing an amendment to the Constitution of the United States for a referendum on war, which was referred to the Committee on the Judiciary.

He also presented a petition of 79 citizens of Harvey and Sedgwick Counties, Kans., praying for the enactment of legislation to limit railroad employees to not more than 208 hours' service in 1 month, etc., which was referred to the Committee on Interstate Commerce.

He also presented a petition of 40 citizens of Sedgwick County, Kans., praying for the enactment of legislation fixing the compensation of substitute postal employees, which was referred to the Committee on Post Offices and Post

He also presented a petition of 68 citizens of Topeka, Kans., praying for the enactment of legislation providing that absence on Saturdays by certain postal employees be not charged against sick or annual leave, which was referred to the Committee on Post Offices and Post Roads.

He also presented petitions of 41 citizens of Topeka, 11 citizens of Washington, and 106 citizens of Osage County, all in the State of Kansas, praying that the United States take every practicable means to end the traffic in arms and supplies to Japan for use in operations in China, which were referred to the Committee on Foreign Relations.

BILLS INTRODUCED

Bills were introduced, read the first time, and, by unanimous consent, the second time, and referred as follows:

By Mr. McNARY:

S. 1839. A bill for the relief of Le Roy Breithaupt; to the Committee on Claims.

By Mr. BAILEY:

S. 1840. A bill for the relief of Mrs. Mance Hardy; and

S. 1841. A bill for the relief of the estate of Marvin Brewington, deceased; to the Committee on Claims.

S. 1842. A bill to authorize the construction of certain vessels for the Coast and Geodetic Survey, Department of Commerce, and for other purposes; and

S. 1843. A bill to provide for the assignment of medical officers of the Public Health Service for duty on vessels of the Coast and Geodetic Survey, and for other purposes; to the Committee on Commerce.

By Mr. CLARK of Idaho:

S. 1844. A bill to prohibit the display of the flag of the United States on merchant vessels outside of the waters of the United States, and to provide for a maritime flag to be displayed by merchant vessels of the United States; to the Committee on Commerce.

By Mr. ASHURST:

S. 1845 (by request). A bill to provide for the appointment of public defenders in the district courts of the United States; to the Committee on the Judiciary.

By Mr. BURKE:

S. 1846. A bill to incorporate the American National Institute (Prix de Paris) at Paris, France; to the Committee on the Judiciary.

S. 1847. A bill for the relief of Naomi Straley and Bonnie Straley; to the Committee on Claims.

S. 1848. A bill for the relief of Carl H. Bryner; to the Committee on Military Affairs.

By Mr. REED:

S. 1849. A bill to provide for establishing the United States Aeronautical Academy in Sedgwick County, Kans.; to the Committee on Military Affairs.

By Mr. BANKHEAD:

S. 1850. A bill to aid the States and Territories in making provisions for the retirement of employees of the land-grant colleges; to the Committee on Agriculture and Forestry.

By Mr. SCHWELLENBACH:

S. 1851. A bill for the relief of the Duwamish Tribe of Indians of the State of Washington; to the Committee on Indian Affairs.

By Mr. PEPPER:

S. 1852. A bill to promote the free flow of domestically produced fishery products in commerce, and for other purposes; to the Committee on Commerce.

S. 1853. A bill to provide for the appointment of an additional district judge for the northern and southern districts of Florida; to the Committee on the Judiciary.

By Mr. KING:

S. 1854. A bill to increase the number of midshipmen allowed at the United States Naval Academy from the District of Columbia; to the Committee on Naval Affairs.

By Mr. THOMAS of Oklahoma (for himself and Mr. McCARRAN):

S. 1855. A bill to relieve the existing national economic emergency by increasing agricultural purchasing power, to increase the national income, to make possible a balancing of the Budget, and, acting under the power conferred by section 8 of article I of the Constitution, to regulate the value of the dollar in the interest of the general welfare. and for other purposes; to the Committee on Agriculture and Forestry.

IMPORTATION OF SHINGLES FROM CANADA—CHANGE OF REFERENCE

Mr. HARRISON. Mr. President, I was not in the Chamber yesterday at the time unanimous consent was granted for the reference of Senate bill 1837 and Senate bill 1838 to the Committee on Foreign Relations. I cannot understand how it was granted, and I have sent for the Senator from Washington [Mr. Bone] who made the request. Two bills were introduced by the Senator from Washington, one dealing with the Negotiable Trade Agreements Act, the other pertaining to the tariff, both of which subjects have always been considered by the Committee on Finance. For some unexplained reason the bills were referred to the Committee on Foreign Relations.

I do not wish to make the request I have in mind in the absence of the Senator from Washington, but at the proper time I shall ask unanimous consent to have the Committee on Foreign Relations discharged from the further consideration of the bills and that they be referred to the proper committee, and if the request is not granted I will, of course, make the motion, at the first available opportunity, that the bills be so referred, because no one could possibly argue that the Committee on Foreign Relations would have jurisdiction of these matters.

The VICE PRESIDENT. For the information of the Senator from Mississippi the Chair will state that the bills were referred to the Committee on Foreign Relations at the request of the Senator from Washington.

Mr. HARRISON. I appreciate that, Mr. President. The unanimous-consent request was granted. I am sorry I was not in the Chamber at the time the request was made, because

there would have been at least one objection to it.

Mr. BONE subsequently said: Mr. President, on behalf of the Senator from Oregon [Mr. McNary] and myself on the 16th instant I introduced Senate bill 1837, relating to the importation of shingles, and Senate bill 1838, to amend the Tariff Act of 1930, as amended, with respect to the marking of lumber and timber imported from foreign countries. These bills have to do with the Reciprocal Tariff Agreement Act. I was not advised at the time that the original legislation had

been handled by the Committee on Finance, otherwise I would have suggested that the bills be referred to that committee. At this time I ask unanimous consent that the Committee on Foreign Relations be discharged from the further consideration of the bills and that they be referred to the Committee on Finance.

The VICE PRESIDENT. Without objection, it is so ordered.

REORGANIZATION OF EXECUTIVE DEPARTMENTS

Mr. TAFT submitted an amendment intended to be proposed by him to the bill (H. R. 4425) to provide for reorganizing agencies of the Government, and for other purposes. which was ordered to lie on the table and to be printed.

INVESTIGATION OF PRODUCTION, TRANSPORTATION, AND MARKETING OF WOOL

Mr. ADAMS submitted the following resolution (S. Res. 106), which was referred to the Committee to Audit and Control the Contingent Expenses of the Senate:

Resolved, That the special committee authorized by Senate Resonesoties, that the special committee authorized by Senate Resolution No. 160, Seventy-fourth Congress, agreed to July 10, 1935, to investigate the production, transportation, and marketing of wool, hereby is authorized to expend from the contingent fund of the Senate \$3,000 in addition to the amounts heretofore authorized for the same purpose.

RADIO ADDRESSES ON TWENTIETH ANNIVERSARY OF AMERICAN LEGION

[Mr. Davis asked and obtained leave to have printed in the RECORD a radio address delivered by Stephen F. Chadwick, national commander of the American Legion, and Watson Miller, director of the national rehabilitation committee of the Legion, in celebration of the twentieth anniversary of the American Legion, which appears in the Appendix.

RETURN BY IOWA OF FLAG OF REPUBLIC OF ALABAMA

[Mr. Hill asked and obtained leave to have printed in the RECORD an article by Grover C. Hall, Jr., published in the Montgomery (Ala.) Advertiser, and an editorial from the Des Moines (Iowa) Tribune, both relative to the return to the State of Alabama by the State of Iowa of the flag of the Republic of Alabama, which appear in the Appendix.]

REORGANIZATION OF EXECUTIVE DEPARTMENTS

The Senate resumed the consideration of the bill (H. R. 4425) to provide for reorganizing agencies of the Government, and for other purposes.

The VICE PRESIDENT. The question is on the first amendment reported by the committee, which the clerk will

The CHIEF CLERK. In section 3, on page 3, line 13, after the word "Army", it is proposed to insert "Mississippi River Commission", so as to read:

SEC. 3. No reorganization plan under section 4 shall provide—

(a) For the abolition or transfer of an executive department or all the functions thereof or for the establishment of any new executive department.

(b) In the case of the following executive agencies, for the transfer, consolidation, or abolition of the whole or any part of such agency or of its head, or of all or any of the functions of such agency or of its head: Civil Service Commission, Coast Guard, Engineer Corps of the United States Army, Mississippi River

The VICE PRESIDENT. Without objection, the amendment is agreed to.

The next committee amendment will be stated.

The next amendment was, on the same page, line 17, after the word "Commission", to strike out "United States."

The VICE PRESIDENT. Without objection, the amendment is agreed to.

The next amendment was, on the same page, line 18, after the word "Appeals", to strike out "United States Employees' Compensation Commission."

The VICE PRESIDENT. Without objection, the amendment is agreed to.

Mr. McNARY. Mr. President, the Senate is proceeding with such alacrity that I could not follow the two amendments that were read and which it was stated had been agreed to. May we have them recapitulated?

The CHIEF CLERK. On page 3, line 18, after the word "Appeals", it is proposed to strike out "United States Employees' Compensation Commission."

Mr. McNARY. Mr. President, I ask unanimous consent that the vote by which that amendment was adopted be reconsidered.

The VICE PRESIDENT. Without objection, it is so ordered.

Mr. BARKLEY. Mr. President, to what amendment does the Senator refer?

Mr. McNARY. I refer to the amendment proposing to strike out the words "United States Employees' Compensa-

tion Commission," beginning in line 18, on page 3.

Mr. President, I appeal to the able Senator in charge of the bill that he permit subdivision (b), on page 3, to be passed over until Monday. I will state that I think the vitals of the bill are found in that section and subdivision, in the so-called Wheeler amendment, and the substitute offered by the Senator from Virginia [Mr. Byrd].

There is hardly a working majority in the Senate present at this time. There is considerable opposition to removing from the House text the words "United States Employees' Compensation Commission." I take it that most of organized labor desires that Commission to be left independent of any Executive order. The amendment was read very hurriedly a moment ago, but the action taken on it has been rescinded. If the Senator is inclined to insist upon the amendment, I should like to have it go over until Monday.

Mr. BYRNES. I have no objection to that.

Mr. McNARY. If the Senator were willing to restore the original text of the House bill, I would not make the request.

Mr. BYRNES. I am entirely willing to comply with the Senator's request. I understood that any item which it was agreed was controversial and as to which there would likely be a division would be passed over. Therefore, I have no objection to passing over the amendment as to the United States Employees' Compensation Commission.

Mr. McNARY. I thank the Senator.

Mr. President, a parliamentary inquiry. Was action taken in regard to the Tariff Commission?

The VICE PRESIDENT. No. The only amendment of substance which has been agreed upon is the amendment in line 13, page 3, with reference to the Mississippi River Commission. The next amendment has been passed over at the request of the Senator from Oregon [Mr. McNary], so it is now the pending amendment. The amendment on line 17, striking out the words "United States," which is a technical amendment only, has also been agreed to, but the Senator from Oregon has requested and obtained unanimous consent to rescind the vote by which that amendment was agreed to.

Mr. McNARY. That is correct.

The VICE PRESIDENT. As the Chair understands, the Senator now desires to have the matter go over until Monday. Mr. McNARY. That is true.

The VICE PRESIDENT. Is there objection?
Mr. McCARRAN. Mr. President, in order that Senators in this part of the Chamber may understand the request, does it apply to all of subdivision (b) of section 3?

Mr. McNARY. That is my request—that it apply to all of

that section.

Mr. McCarran. I make the same request. Mr. Barkley. In that connection let me say that the committee has authorized the chairman to withdraw one of these amendments, and we might as well dispose of that matter.

Mr. McNARY. Yes.

Mr. BYRNES. Mr. President, as soon as the Senator from Oregon has concluded his statement, I desire to ask if we can have an understanding that as to the amendment relative to the United States Employees' Compensation Commission no action shall be taken; as to the other amendments of the committee to which there is no objection, we shall act upon them; but that the Senator from Oregon, or any other Senator, shall have the right on Monday to offer any amendment to this section.

Mr. McNARY. I do not want action taken on the amendment with regard to the United States Tariff Commission.

Mr. BYRNES. I shall ask, as I stated yesterday in my remarks, that the amendment of the committee be rejected.

That will settle that matter as the Senator from Oregon desires it settled.

Mr. McNARY. Was formal action taken by the Senate? Mr. BYRNES. I am going to ask that it be taken now. Mr. McNARY. Very well. I hope the Senator will do so.

Mr. BYRD. Mr. President, I should like the attention of the Senator from South Carolina [Mr. Byrnes]. As I understand, the entire bill will be open to amendment on Monday. Passing over this section will not preclude amend-

Mr. BYRNES. Only as to committee amendments. The entire bill will be open to amendment thereafter.

Mr. McCARRAN. That brings up the very question which the Senator from Oregon raised a few moments ago when he asked that subdivision (b) of section 3 go over. I join the Senator from Oregon in that request.

Mr. BYRNES. The Senator will have a right to offer

amendments to that section under my request.

Mr. McCARRAN. I understand that I may have a right to do so under the Senator's request; but why cannot that subdivision go over for either amendment or the adoption or rejection of committee amendments? I respectfully submit that inquiry to the Chair.

The VICE PRESIDENT. Let the Chair see if he understands the situation. The Senator from Oregon did not ask. as the Chair recalls, that all of subdivision (b) go over. He did ask that the amendment relative to the United States Employees' Compensation Commission go over. Now the Senator from Nevada supplements that request by asking that the entire subdivision (b) on page 3 go over. Is that the request?

Mr. McCARRAN. Mr. President, will the Senator from South Carolina yield?

Mr. BYRNES. Yes.

Mr. McCARRAN. That, as I understood, was the request of the Senator from Oregon [Mr. McNary], in which request I then joined and I now join.

Mr. McNARY. Mr. President, that was my request; but, inasmuch as there are two agencies included which I favor exempting, I should not object to the consideration of those agencies, namely, the Federal Deposit Insurance Corporation and the Board of Governors of the Federal Reserve

Mr. BYRNES. Mr. President, it was difficult for Senators in this part of the Chamber to hear the statement of the Senator from Oregon. The Senator from Nevada [Mr. McCarran] wants to offer certain amendments to this section. I am entirely willing that the section shall be open to amendment on Monday, so that the Senator from Nevada may offer any amendment he desires to offer at that time, and that no action now to be taken except on the request of the committee that the United States Tariff Commission be exempted, and the amendment proposing that the words "United States" be stricken out, and the last amendment, dealing with the Federal Deposit Insurance Corporation and the Board of Governors of the Federal Re-

Mr. McCARRAN. Mr. President, I want to say more than that. I propose to oppose the committee amendment with regard to the action of the committee in striking out the United States Employees' Compensation Commission.

Mr. BYRNES. Mr. President, it is understood that that amendment has not been acted upon, and will not be acted upon until Monday, so that the Senator will have an opportunity to oppose it.

Mr. McCARRAN. Very well.

The VICE PRESIDENT. Now, let the Chair again see if he understands what the request is.

The Chair understood the Senator from Oregon to ask unanimous consent in the first instance that the amendment relative to the United States Employees' Compensation Commission should go over; but the Senator from Oregon later on said that he asked that all of section (b) go over. The Chair would like to know just how he is to put the request.

Mr. McNARY. Mr. President, in view of the complexities that surround the matter, I suggest that the whole section go over. It will take only a short time to dispose of it on Monday.

Mr. McCARRAN. I join in that request.

Mr. BYRNES. Mr. President, the Senator from Oregon and the Senator from Nevada have no objection to action on the amendment as to the words "United States." The unanimous-consent request is that the amendment relative to the United States Employees' Compensation Commission shall go over until Monday-that is what the Senator from Nevada wants-and that final action upon the committee amendments to this section be not taken today, so that it shall be open for amendment on Monday. I make that request.

Mr. McNARY. Pardon me for just a moment. I have no objection to that; but, inasmuch as there is some difference of opinion, and it will not take long to dispose of the section, let it all go over without taking any final action today, and let us take it up when we return on Monday.

Mr. McCARRAN. I join in that request.

Mr. BARKLEY. Mr. President, the only things left in this section, so far as committee amendments are concerned, are the following: First, the amendment striking out the United States Tariff Commission, which the committee has withdrawn, and is asking that it be rejected. Certainly that is not controversial. The other two matters are the exemption of the Federal Deposit Insurance Corporation and the Board of Governors of the Federal Reserve System.

I do not see why we cannot agree to those amendments. Such action will not affect the right of any Senator to offer any kind of an amendment to the section as a whole; and those three propositions apparently are not in controversy.

Mr. McCARRAN. Mr. President, I believe the Senator from South Carolina has the floor, and I ask him to yield. My thought is-and, as I understand, it is also the thought of the Senator from Oregon-inasmuch as the matter is as simple as the able leader says, may not the whole subdivision go over, so that it may be subject to amendment or the adoption of committee amendments or the rejection of committee amendments on Monday next? I respectfully make that suggestion.

Mr. BYRNES. Mr. President, I submit a unanimous-consent request that only the amendments as to the Tariff Commission, the Federal Deposit Insurance Corporation, and the Board of Governors of the Federal Reserve System, be considered at this time, and that with the exception of those three items the consideration of the entire section go over

until Monday.

Mr. LOGAN. Mr. President, if the Senator will yield, I cannot consent to the adoption of the amendment exempting the Federal Deposit Insurance Corporation. That is about the only objection I have to the bill, so far as I can see. It will take a great deal of argument to convince methat the Senate amendment in that respect should be adopted; so I should like to ask that it go over.

Mr. BYRNES. Mr. President, that is one reason why I thought perhaps we could take up that amendment and

discuss it and act upon it at this time.

Mr. LOGAN. I have no objection to that. I merely did not want it to go through as a matter of course.

Mr. BYRNES. Oh, no.

Mr. LOGAN. I have no objection to taking it up.

Mr. BYRNES. My request is-

The VICE PRESIDENT. There is one request pending. Until it is withdrawn the Chair cannot put any other request

The Senator from Oregon has asked that subsection (b) on page 3, aside from the amendments already agreed to, go over until Monday. That is the only request the Chair can put until it is withdrawn or objected to.

Mr. OVERTON. Mr. President, a parliamentary inquiry. What action was taken on the amendment on line 13 of

The VICE PRESIDENT. That amendment, and the technical amendment on line 17 striking out the words "United States," have been agreed to. They are the only ones agreed to.

The Senator from Oregon has asked that the remainder of the section and the amendments go over until Monday. Is there objection? The Chair hears none, and it is so ordered.

The next committee amendment will be stated.

The next amendment of the Select Committee on Government Organization was, in section 3, page 4, line 3, after the word "as", to strike out "Secretary", followed by a period, and insert "Secretary; or."

The amendment was agreed to.

The next amendment was, on page 4, after line 4, to insert:

(d) For the continuation of any executive agency beyond the period authorized by law for the existence of such agency; or

The amendment was agreed to.

The next amendment was, on page 4, after line 7, to insert:

(e) For the continuation of any function of any executive agency eyond the period authorized by law for the exercise of such function; or.

The amendment was agreed to.

The next amendment was, on page 4, after line 10, to

(f) For authorizing any executive agency to exercise any function which is not expressly authorized by law.

The amendment was agreed to.

The next amendment was, on page 7, beginning in line 5, to strike out all of section 6, in the following words:

SEC. 6. No reorganization under this title shall have the effect—
(a) of continuing any executive agency or function beyond the time when it would have terminated if the reorganization had not

(b) of continuing any function beyond the time when the executive agency in which vested before the reorganization would have terminated if the reorganization had not been made.

The amendment was agreed to.

The next amendment was in section 9, on page 9, after line 8. to insert:

(b) Any transfer of personnel under this title shall be without tange in classification or compensation, except that this requirement shall not operate after the end of the fiscal year during which the transfer is made to prevent the adjustment of classification or compensation to conform to the duties to which such transferred personnel may be assigned.

The amendment was agreed to.

The next amendment was, on page 11, line 17, after the words "limited to", to strike out "20 minutes" and to insert "not to exceed 2 hours."

Mr. BYRD. Mr. President, I ask that this amendment be passed over for today.

Mr. BYRNES. Would not the Senator be willing to proceed and argue these two amendments?

Mr. BYRD. This amendment is one of the controversial amendments affecting the length of time, and it would have to be discussed.

Mr. BYRNES. The statement of the Senator from Virginia is correct.

Mr. McNARY. Mr. President, what is the request?

The VICE PRESIDENT. The Senator from Virginia asks unanimous consent that the amendment on page 11, line 17, which proposes to strike out "20 minutes" and insert "not to exceed 2 hours," go over until Monday. The Chair understood that to be the request.

Mr. BYRD. That is correct.

Mr. BYRNES. I have no objection.

The VICE PRESIDENT. Is there objection? The Chair hears none, and it is so ordered. The clerk will state the next amendment of the committee.

The CHIEF CLERK. On page 12, line 14, after the word "exceed," it is proposed to strike out "ten" and to insert "twenty."

Mr. BYRD. Mr. President, I make the same request with respect to this amendment.

The VICE PRESIDENT. Is there objection to the request

of the Senator from Virginia?

Mr. BYRNES. I have no objection.

The VICE PRESIDENT. The Chair hears no objection, and it is so ordered.

That completes the amendments of the committee, except those which have been passed over by unanimous consent.

Mr. BYRNES. Mr. President, I have sent an amendment to the desk, which I ask to have read and considered at this time. The VICE PRESIDENT. The Clerk will state the amendment

The CHIEF CLERK. It is proposed to strike out the word "executive" where it appears in the following places in the bill: Page 1, line 8; page 2, line 6; page 2, line 21; page 3, line 8; page 4, line 2; page 4, line 5; page 4, lines 8 and 9; page 4, line 11; page 4, line 16; page 4, line 17; page 4, line 19; page 4, line 21; page 5, line 6; page 5, line 23; page 6, line 1; page 7, line 20; page 7, line 21; page 8, line 2; page 8, line 6; page 8, line 13; page 8, line 17.

On page 2, line 9, before the word "agency," it is proposed

to strike out the word "such."

Mr. BYRNES. Mr. President, as the Senator from Virginia and the Senator from Oregon, members of the committee, know, the amendment is to change the designation from "executive agency" to "agency," to accomplish the purpose which members of the committee had suggested in order to avoid any misunderstanding about the agencies included.

The VICE PRESIDENT. The question is on agreeing to the amendment proposed by the Senator from South Caro-

lina.

The amendment was agreed to.

Mr. BYRD. Mr. President, I have offered an amendment to section 1, and I ask the clerk to state the amendment, so that it may be discussed.

The VICE PRESIDENT. The clerk will state the amendment.

The CHIEF CLERK. On page 1, line 7, it is proposed to strike out the words "The President" at the beginning of the section and to insert the following:

The Congress hereby declares that by reason of continued national deficits beginning in 1931 it is imperative to reduce drastically Government expenditures and that such reduction may be accomplished in great measure by proceeding immediately under the provisions of this act. Accordingly the President.

ESSENTIAL FUNCTIONS \$7,000,000,000

Mr. BYRD obtained the floor.

Mr. McNARY. Mr. President, is it the desire of the Senator that we consider and dispose of the amendment today?

Mr. BYRD. No; I merely asked that the amendment be stated, so that it could be discussed. I desire to discuss it.

Mr. President, it is a matter of record that as recently as January 3, 1938, the President of the United States held the belief that total expenditures of the National Government not to exceed \$7,000,000,000 annually would permit the operation of the Government without destroying "essential functions." In his message to Congress on January 3, 1938, the President said:

I have hitherto stated that, in my judgment, the expenditures of the National Government cannot be cut much below \$7,000,000,000 a year without destroying essential functions or letting people starve. That sum can be raised and will be cheerfully provided by the American people if we can increase the Nation's income to a point well beyond the present level.

This does not mean that as the Nation's income goes up the

This does not mean that as the Nation's income goes up the Federal expenditures should rise in proportion.

The President continued:

On the contrary, the Congress and the Executive should use every effort to hold the normal Federal expenditures to approximately the present level, thus making it possible, with an increase in the Nation's income and the resulting increase in tax receipts, not only to balance future Budgets but to reduce the debt.

It is very evident that in the fall of 1937 and the early months of 1938 the President was convinced that \$7,000,000,000 of Federal expenditures, exclusive of debt retirement, should be a "ceiling" for public spending.

The Secretary of the Treasury, Mr. Morgenthau, speaking in New York on November 10, 1937, advocated a balanced Budget and a reduction of at least seven hundred millions in Federal spending. In December 1937 Mr. Morgenthau repeated this advice to a congressional committee. Yet, for the fiscal year which will end the 30th of next June, the Federal Government will spend, without debt retirement, \$9,500,000,000—000—the largest peacetime expenditure in the history of America, and nearly 40 percent more than the President and

the Secretary of the Treasury believed about a year ago would be adequate to finance the operations of the Federal Government.

I well know that our Nation can never return to the Federal expenditures of predepression days, but we cannot operate for too long, without disaster, a government costing more than the ability of the people to pay. A Federal expenditure of \$7,000,000,000 annually is twice as much as was spent in the prosperous post-war years between 1920 and 1930, and is 10 times as much as the total expenditures of the Federal Government in 1916. Today the aggregate of the expenditures of all governments in the United Stateslocal, State, and National-is over 30 percent of the national income. Can we maintain our system of private enterprise if we exact from the net proceeds of American business \$1 out of every \$3 earned for the expense of gov-We are now actually collecting 20 cents out of every dollar of the national income in the combined taxation of local, State, and Federal Governments. The shortage between expenditures and tax collections is represented by deficits and is being added to the public debt.

APPROPRIATIONS \$10,000,000,000

The appropriations for the next fiscal year, beginning the 1st of July, will approximate \$10,000,000,000, setting a new record for peacetime spending. If \$7,000,000,000 was sufficient, by the President's own estimate, for the Federal Government a year ago, why is an amount from nine and a half billion dollars to ten billion dollars necessary now?

On January 4, 1939, the President said in his message to Congress that to reduce Federal spending was to "invite disaster." What has occurred in the past 12 months so greatly to change the situation? We are told that business is recovering, and certainly unemployment is no greater now than a year ago. The Federal Reserve index of business activity is higher now than a year ago.

Let us analyze the increase in expenditures between the years 1938 and 1939. For national defense only \$37,000,000 additional is being spent, so national defense accounts for about 2 percent only of the \$2,000,000,000 increase in 1939 over 1938. On social security, \$155,000,000 more will be spent, or about 7 percent of the increase. On unemployment relief, about \$750,000,000 more is to be spent in 1939 over 1938, or nearly 40 percent of the increase.

For ordinary expenditures of government \$600,000,000 more will be spent, or 30 percent of the increase. The increase in both ordinary and regular expenditures of the Federal Government since 1933 has been both consistent and alarming.

Exclusive of debt retirement, Federal expenditures since 1933 were as follows:

1983	\$3, 864, 000, 000
1934	6, 011, 000, 000
1935	7, 010, 000, 000
1936	8, 666, 000, 000
1937	8, 442, 000, 000
1938	7, 626, 000, 000
1939	9, 492, 000, 000

The ordinary expenses, meaning the cost of operating the regular departments of Government, have shown a most astounding increase. The cost of operating the regular departments of Government since 1933, exclusive of relief and all extraordinary expenditures, is as follows:

1933	\$2, 851, 000, 000
1934	2, 651, 000, 000
1935	3, 457, 000, 000
1936	6, 309, 000, 000
1937	4, 663, 000, 000
1938	4, 646, 000, 000
1939	5, 251, 000, 000

I am using the figures from the Budget submitted 60 days past by the President to the Congress.

Retrenchment in ordinary expenses may be even more difficult than in the emergency or extraordinary expenses; so it is alarming to know that such ordinary expenses have nearly doubled since 1933. In the extraordinary or in emergency expenses the progressive increase indicates the extent to which prodigal spending has become entrenched in every hamlet in America. Here are the figures: Expenditures for

public works have increased from \$472,000,000 in 1933 to \$1,229,000,000 in 1939; but in the emergency expenditures for unemployment relief, exclusive of public works, the increases have been the largest. For unemployment relief alone the following expenditures have been made:

1933	\$360,000,000
1934	1, 853, 000, 000
1935	1, 363, 000, 000
1936	2, 372, 000, 000
1937	2, 527, 000, 000
1938	1, 996, 000, 000
1939	2,741,000,000

So it is seen that in 1939, the year ending June 30 next, the largest relief expenditures will be made since the depression began.

After 9 years of continuous deficits, after 9 years of promises to accomplish a balanced Budget, we find ourselves farther away from balancing the income and outgo of the Federal Government than at any time since the deficit spending began under Mr. Hoover in 1931. The deficit for the current year is estimated to be \$3,972,000,000, the largest of all, excepting in 1936, when the soldiers' bonus was paid.

The public debt in 1931 was \$16,801,000,000. It is estimated that it will be \$41,132,000,000 on July 1, 1939, and approximately \$45,000,000,000 on July 1, 1940.

DEFICITS NOTWITHSTANDING NEW TAXES

And let us remember that these deficits have come notwithstanding the imposition of new taxes and constant increases in existing tax rates. The tax revenue during this period was as follows:

1933	\$2,080,000,000
1934	3, 116, 000, 000
1935	3, 800, 000, 000
1936	4, 116, 000, 000
1937	5, 294, 000, 000
1938	6, 242, 000, 000
1939	5, 520, 000, 000

These increases came in the main from increases in tax rates.

So in this fiscal year of 1939 we have the largest peacetime expenditures in our history, the second largest taxation in our peacetime history, and the largest debt in the entire history of America.

The interest on the public debt has increased from \$610,-000,000 in 1931 to \$1,050,000,000 for 1940, and this not-withstanding the lower interest rates made possible by existing business conditions. There is no certainty of continued low interest rates when bonds becoming due will have to be refinanced.

Today for every dollar obtained in taxation 20 cents is dedicated directly to the payment of interest. If the Budget were balanced now and the sum of \$500,000,000 paid each year on the Federal debt, it would take 56 continuous years to reduce the debt to where it was 8 years ago.

We are told in the President's Budget message that the increase in the public debt, amounting to more than \$28,000,000,000, represents in the main investments, and should be regarded as such. Of this deficit, \$16,231,000,000 was spent for unemployment relief, and this is certainly not a recoverable item. It is true that \$4,013,000,000 was spent for Federal public works, but a Federal building is not an asset in the ordinary business sense. In most instances the cost of maintenance and operation exceeds the rent paid before these buildings were constructed.

The effort to have two Federal budgets in order to justify deficit spending will not be convincing, as all must know that a government is not to be compared to a business corporation or private enterprise. The Government is not in business for profit; an investment in lands, buildings, or public works is not an asset which can be realized upon, but, in fact, places a new burden on the Government for maintenance and operation.

Again let me ask, if a \$7,000,000,000 Budget was adequate for governmental responsibilities and functions a year ago, why is nine and a half billion necessary now? The answer may lie in the Eccles theory that deficit spending stimulates private business and purchasing power and that prosperity

depends on debts and deficits rather than on the individual efforts and private enterprise of our citizens. This theory was fully enunciated by Chairman Eccles, of the Federal Reserve Board, in his public letter to me dated December 22, 1938. The letter from Mr. Eccles and my reply have both been inserted in the Appendix of the Congressional Record.

Chairman Eccles contends that a program of retrenchment to approach a balanced Budget is "not only a defeatist one but a program of retrogression and not of progression, and would jeopardize the salvation of democracy."

The essence of the Eccles fiscal philosophy is that deficit spending is essential to promote purchasing power and to stimulate business activity, and that such deficits must be financed by the sale of Government bonds to banks so that new bank credit will be created to increase what he calls purchasing power; and that the greater the debt we owe, the more the prosperity.

A STRANGE DOCTRINE

It is a strange doctrine that the head of America's banking system is preaching: that the American people will succeed better by reckless waste and thriftlessness than by saving and industry.

Under the leadership of Chairman Eccles, it appears that even the Federal Reserve Board has lent itself to act as an agent to propagandize for the philosophy of the benefits of deficit spending. The March bulletin of the Federal Reserve Board carries the statement that a "future growth in business activity" depends with other factors upon "greater public expenditures for construction or other purposes."

It is to me little short of amazing that the Federal Reserve System established to protect the financial stability of our country, should, in the face of our colossal and increasing debt, use its great influence to encourage further Government extravagances and greater Federal debts. Pump priming has been tried by nearly 9 years of continued deficit spending.

It has failed, and tragically failed. We have a staggering debt to pay, and our economic problems remain unsolved. The use of the great Federal Reserve System to exploit the fallacious views of its chairman cannot fail to injure the capacity of that agency of the Government at this perilous time to perform the functions for which it was created. The Federal Reserve System was not established to control the financial policies of Congress, to encourage greater and larger appropriations and debts, and its efforts, at public expense, to advance the deficit-spending theories of its chairman deserve severe condemnation.

Congress, I know, would be much interested in ascertaining whether the recommendation for greater deficit spending represents the views of the Board of Governors of the Federal Reserve System or merely the personal expressions of its chairman. The Federal Reserve bulletin, in which the statement was made, was issued by the Board of Governors of the Federal Reserve System, Constitution Avenue at Twentieth Street, Washington, D. C. Is that the considered and deliberate action of the Board of Governors? This, the country and the Congress, have the right to know. I call upon Chairman Eccles to state whether the recommendation for greater deficit spending was the decision of the members of the Board or whether he is using the facilities of the Federal Reserve System as an agency of propaganda to promote his own fiscal views regarding which so much publicity has lately been given.

The failure of public spending to put the unemployed back to work has caused such leaders as President William Green of the American Federation of Labor to call for a "sound economic policy" to remove "a lack of confidence and distrust in governmental, social, and economic procedure."

We have heard much lately about appeasement to business. The very foundation of our representative democracy rests upon the system of private enterprise, the right of every citizen to labor in his own interest. The support of the Government must come from the earnings of our citizens through their own industry and thrift. The sooner we realize that the Government itself has no wealth excepting the wealth of the individual citizens of our country, that the Government has no money to pay its bills excepting such

as comes from either the credit or taxation of our citizens, the sooner we will come to a realization of the disasters of continued deficits and increases in the public debt.

ACTS. NOT PROMISES

It is significant to me that no high official of the Federal Government has, since the announcement of the Eccles philosophy that the more we borrow and spend the more prosperous we are, said a single word about retrenchment and economy in our governmental affairs. If it is lack of confidence that has stalled the business motor of our country, that confidence can be more quickly restored by acts, not promises, gradually to bring our expenses within the ability of the American people to pay, and remove the fear that now exists that the longer deficit spending continues the greater will be the ultimate burden of taxation. As sensible people, we know that the extravagances of today must be paid by the greater taxation of tomorrow.

A reorganization of the Federal Government offers opportunities to begin retrenchment as a gradual approach to a balanced Budget. Deficit spending has gone too far, I realize, to balance the Budget immediately, but we must make a start soon. Substantial sums can be saved by a reorganization of the administrative machinery and the elimination of waste and of duplicated and overlapping activities. Many new agencies and new activities have been created in the past 6 years without any effort to coordinate such new activities with existing agencies, and as a result there is much duplicated and overlapping effort.

THE OPPORTUNITY

The Byrnes reorganization bill now pending differs from the Byrnes reorganization bill of last year in that the bill which then passed the Senate eliminated the power of the President to modify, abolish, or curtail functions of government. The present Byrnes bill now pending gives the President the power to abolish the whole or any part of any executive agencies, except departments or the functions or activities of government. This offers the opportunity substantially to reduce Federal expenditures. The President has requested authority to abolish or limit existing functions of the Federal Government and activities. In granting such authority, if it does, Congress can very properly direct that retrenchment begin as an approach to a balanced Budget.

It is an obvious fact that substantial retrenchment can best come by Executive leadership. Congress must act upon the Budget as submitted by the President. The Budget is coordinated and inclusive of all governmental functions. Economy and retrenchment effected in the Budget stand a much better opportunity of passage by Congress, as a proper and careful preparation of the Budget can balance any economies made so as to create a minimum of disturbance.

In the passage, therefore, of the pending reorganization bill, it is clearly within the right of Congress to adopt a strong declaration of purpose that in carrying out the authority granted under the bill, the President should be guided by motives of retrenchment and economy, declared in such unequivocal language that the support of Congress for a retrenchment program would be assured.

ACCOMPLISHMENTS AND NEEDS OF BUREAU OF MINES

Mr. DAVIS. Mr. President, at this time I desire to make a few brief remarks on the accomplishments and the needs of the Bureau of Mines of the Department of the Interior.

In these days, when we are trying new ideas and new remedies, there is grave danger that we may lose sight of the importance and value of the older Government institutions, such as the Bureau of Mines in the Department of the Interior. For this reason I should like again to call attention to some of the accomplishments and needs of this excellent organization.

Mr. President, perhaps many of us think first of safety when we think about the work of the Bureau of Mines. It is quite natural to think first of safety, in view of the Bureau's remarkable record of achievement in this field. Take coal mining, for example: During the 5 years before 1910, the year in which the Bureau was created, an average of 5.89 persons per million tons of coal produced were killed in the coal mines of the United States. Thanks in no small measure to the safety work of the Bureau of Mines, the rate during the past 5 years has been reduced to about 2.85 persons per million tons of coal. If the former rate had continued during the years from 1910 to the present, nearly 29,000 more persons would have been killed than was actually the case. Taking the relatively low figure of \$5,000 as the value of a human life, this represents a saving of \$145,000,000 to the industry and to the Nation through safer coal-mine operation. Other figures for the same period of years indicate a decrease of about 1,400,000 in the number of nonfatal accidents. Taking the very conservative figure of \$100 to cover the cost of compensation, hospitalization, and other expenses to the industry for an accident of this kind, we get a further saving of \$140,000,000.

However, Mr. President, this is not all; for these coldblooded, dollars-and-cents figures do not take into account the grief and misery of the families of the men who would have been killed, or the pain and suffering of the men who would have been injured. Furthermore the figures do not include earning ability that would have been stopped by death, or pay that would have ceased through lost time from nonfatal accidents. The last items represent a monetary saving directly to the workers themselves, or to their dependents, of at least \$500,000,000 more, bringing the total to \$785,000,000. I hope no one in the Halls of Congress looks upon the Bureau of Mines as a beggar standing hat in hand upon our doorstep. If there should be such a one, I ask him to compare the saving of \$785,000,000 in the coalmining industry alone with the total of only \$60,000,000 expended for the entire work of the Bureau during the same period of years. Is it not a stupendous return upon an investment?

Mr. President, training in first aid and in mine rescue is the most intimate and in some ways the most effective part of the Bureau's safety work, because it reaches individuals directly and in large numbers. I might mention, incidentally, that the Bureau of Mines is the only governmental organization in the world that gives such training directly

to the workmen themselves.

First aid not only teaches the miner what to do for an injured buddy in the first important minutes after an accident, when doing the right thing will often save a hand or a leg or even a life, but also teaches him that his carelessness may mean injury or death for others, even if he should himself escape. Mine rescue training teaches methods of exploring a mine that is on fire or has been wrecked by a disaster-methods which make it possible for the rescuers to go through the mine with the least danger to themselves and with the greatest chance of being able to help anyone who may yet be alive. Experience has shown that men who are trained to give first aid to others usually take good care that others will not have to give first aid to them. In other words, graduates of the Bureau's courses in first aid and mine rescue are much less likely than untrained men to take risks with themselves, with others, or with property.

Mr. President, the number of men trained since 1910 is well over the million mark—1,146,854 on the 1st of last July, to be exact—including 835,581 in coal mining, 130,280 in metal mining, 87,587 in the petroleum industry, 30,553 in metallurgical plants, 14,845 in nonmetallic mining, 13,553 in cement plants, 5,950 in tunnel driving, and 28,500 in miscellaneous mining activities. During the past fiscal year courses in first aid and mine rescue were given to 105,093 persons residing in 690 communities in 38 States. All of this has been accomplished by the voluntary cooperation of mine operators and workers with the Bureau of Mines, for the Bureau has no authority to enforce its recommendations or to enter mines or plants. The regulation of mining and other mineral industries is vested in the 48 individual States rather than in the Federal Government. Because of its proven value as an effective way to prevent accidents, the first-aid work is in much greater demand today than ever before, and the Bureau is swamped with requests for the services of instructors, which requests it cannot meet with

the men and funds at present available.

Mr. President, someone has said that the most precious thing that comes out of a mine is not coal, or iron, or even gold, but the miner himself, which is just another way of saying that human life is more important than great possessions. The Bureau of Mines from its very beginning has held this point of view, and a large part of its work has always been to see that the miner does come out of the mine safe and sound. In fact, one of the chief reasons for the creation of the Bureau in 1910 was the strong feeling that something must be done to prevent loss of life in coal-mine explosions, such as those that shocked the Nation by killing more than 1,100 men in the single year 1907. In view of the effective work the Bureau has done, and the consequent saving to the Nation, to the mining industry, and to the workers in the mines, I strongly believe that the Bureau should be provided with ample funds to extend its safety work, so that it can meet demands for service which it now cannot render as fully as it would like to do in preserving this most precious of our national resources.

Mr. President, most persons who have given the matter careful thought agree that safety and health are closely linked together and that both are necessary for efficiency in the mineral industries. Any person who loads 10 tons of coal or rock in a shift or who wrestles all day with a 200-pound drill or a several thousand pound mining machine, or who drives a mule in hauling scores of cars of coal, or who walks through miles of muddy, low, and frequently hot underground workings, or climbs several hundred feet of ladders, certainly must be a "he man." If his health fails so that he can no longer do his work efficiently he is usually relegated to the scrap heap. This is not only a loss to the man himself but it is also a further loss to the productive wealth of the Nation.

We should remember, too, that in addition to all the ills that are common to men who work above ground the miner has to contend with another set that are peculiar to his type of work. One of these ills is caused by dust in the air that he must breathe. Sometimes this dust is so fine that it can hardly be seen, but nevertheless it collects in the worker's lungs and causes irritation, which, if continued long enough, eventually results in "miner's consumption"—or silicosis, as the doctors call it—and the man is unfit for work even if he is not actually killed. This is not an imaginary danger. It is so real that the cost of compensation to injured workers and premiums on liability insurance that is required by law in many States are serious items in the cost to us as individuals and to the Nation as a whole for the minerals, metals, and other products of the mine that are so necessary to our daily comfort.

Mr. President, the Bureau of Mines has attacked the dust problem in four ways. First, by a study of just how the miner's lungs are damaged and by what kinds of dust; second, by devising instruments to measure the amount of dust in mine air; third, by finding ways of preventing or controlling the amount of dust that is made during mining operations; and fourth, by testing and developing safe, satisfactory, and reliable masks or other devices that men can wear when they have to work in dust-laden air. Commendable progress has been made, but the work required in order to get a final solution of the problem is much greater than the Bureau has been able to perform with funds thus far provided by the Congress.

Other matters which the Bureau cannot study as fully as they should be studied include the effect on health of the hot and moist air found in many mines, the danger from harmful and even poisonous gases often met with underground, and the question of sanitary conditions in and around mining communities. Some of this work can be done in the laboratory, and some will require surveys in actual mines or in mining districts, but all of it is vitally necessary to preserve the health of workmen in our mineral industries.

But, Mr. President, safety and health are not the only things in which the Bureau of Mines is interested. It is trying to find cheaper and safer methods of digging minerals from the earth and better ways of smelting and refining in

order to get better metals from the minerals; to prevent waste of our petroleum and other natural resources; to extract more and better gasoline and oils from the crude petroleum; to find out the best ways of using fuels; and doing a thousand and one other things that make for efficiency and economy in the use of minerals and metals.

Mr. President, we as a nation have a big stake in those minerals and metals. The farmer can plant pretty nearly anything he wants to and get some sort of a crop—some better than others—but this cannot be done with a crop of metals or of minerals. What is in the earth can be taken out; but, after that is once done, it is gone—used up—and there is not any more. And if it is wasted, if the most is not made out of what is there, no power on earth can grow a new crop of minerals. So it is up to us as a nation to know how the minerals that we inherited with this broad continent are being harvested and used. If we do not do this we may have a fight on our hands some day and find that we have not any metals for our weapons or, what is perhaps even more serious, our grandchildren may find themselves in a country that has not any fuel for their furnaces, any gasoline for their autos, or any other of the countless things that are made from minerals.

Mr. President, it should hardly be necessary to say once more that our daily comfort, our social and economic life, and even our very existence depend upon the products of our mines, quarries, and oil fields. The sturdy, lasting construction of our homes is made possible by brick, stone, concrete. steel, iron, copper, lead, zinc, and many other minerals and metals, all of which come first from a mine or quarry. Our houses are lighted by electricity, gas, or kerosene, since for most of us the day of the wax candle or tallow dip has passed. Illuminating gas and kerosene are mineral products; and the machines which generate electricity are made of steel and copper and are driven by engines that use coal or oil as fuel, or by water wheels made of metal, which, in turn, need dams made with products of the quarry. Steel and copper or aluminum are essential for the power lines which bring the electric current to our door; and tungsten, brass, lead, and glass are used in the familiar magic bulb that changes electricity into light.

The heating plant that keeps us warm in winter is made of steel, and coal, oil, or gas supplies the fuel. Paint, lino-leum, oilcloth, wallpaper, window shades, and many other things that make our homes attractive all contain minerals of one kind or another. To cook the food we eat we need utensils made of metal, glass, or porcelain, all of which are mineral products. Even our health is safeguarded from birth to death by hundreds of appliances made of porcelain, glass, metals, or metal alloys and by drugs and medicines derived from coal, petroleum, or other minerals.

Mr. President, there could be no modern railroads if there were no steel rails, steel car wheels, and steel, concrete, or stone bridges. Airplanes could not take the air without their metal engines; the telephone or telegraph, as we know them today, would not function without metal equipment and a great network of metal wires; and the radio could not have been invented if the metals used in making it had not been at hand and if their special uses had not been known. Although the farmer usually knows little of mining or smelting-and, perhaps, cares less-he, too, depends upon the mineral industries for potash, limestone, sulphur, and other minerals in his fertilizer and insecticides; for the metals in his plows, drills, tractors, and harvesting machinery; and for metals and other mineral products used in making and operating the truck, railroad car, or steamboat that carries his produce to the market. These are but a few examples of the way in which our modern world depends upon the mineral industries.

But, Mr. President, minerals do not grow on top of the ground, like grass or wheat or trees; they must be dug for in the earth. The large iron-ore deposits in Minnesota and Michigan are dug with huge steam or electric shovels after stripping off the layers of dirt and soil that cover them; and power shovels are sometimes used to dig flat beds of coal

where the covering soil, or overburden, is not too thick. Deposits of gold in sands and gravels of old stream beds are mined with dredges that float on the surface of an artificial pond and bring up the gold and gravel, sometimes from depths of 60 to 75 feet below the pond level. Ores containing gold, silver, copper, lead, or zinc that are found in narrow veins, or lodes, are mined by drilling and blasting, after the veins are tapped by tunnels or shafts that sometimes extend for thousands of feet into the earth. Beds of coal are mined through entries that on a map look very much like the streets and alleys of a modern city. But even when exactly the same mining method is used, the actual work of getting out the mineral is often done better and cheaper at some places than at others. So the Bureau of Mines devotes much of its time to technical problems of the mineral industries—to the problems of how to get the best mineral crop with the least harvesting expense.

Mr. President, some of the most real and important work of the Bureau is to study and describe the best mining methods so that the operators of all mines may be able to use them and produce their metals or minerals at a lower cost, thus reducing the price that all of us have to pay when we use these products in our daily life. This work is particularly helpful to prospectors and operators of small metal mines, who cannot afford to employ engineering help but who must be relied upon to a large extent for finding new mineral deposits and for the first work in developing new discoveries to prove their value.

Discovery of new deposits will result in the opening of new mines, and it follows that this will assist in providing employment in the mining industry. At present the number of employees whom the Bureau can put on this work is almost insignificant when one considers the size of the field included in the mining States, particularly those of the West, each with many separate mining districts, some of them almost inaccessible.

The Bureau also studies details of mining methods, such as the kind of alloy steel best suited for bits used in drilling ore and rock, the strength of pillars and arches that hold up the mine roof, the vibrations in the surrounding earth caused by blasting in mines and quarries, the possibilities of air-conditioning for deep and hot working places in metal mines, and the various kinds of machinery in use.

Mr. President, mechanical equipment for mining coal nas developed rapidly in recent years. Under some conditions the use of this machinery has made it possible to mine more of the coal in a given bed, and under other conditions it has decreased the percentage of recovery. The Bureau is trying to find out the best practices, and report upon them for the benefit of districts where a change in methods will result in better recovery. During the past year it has issued reports on the proper lay-out at shaft bottoms and slope bottoms where mechanical mining is employed, on the effects of working more than one shift per day with mechanical loading in underground coal mines, and upon the advantages and disadvantages of rail and truck haulage in open-pit or "strip" mines. But the flood of problems that has resulted from improvements in machinery and the increasing use of that machinery in mining operations is much greater than the Bureau is able to handle. This is particularly true for the anthracite industry, which, as you all know, is one of the major industries of my own State of Pennsylvania, and which is in dire need of help at the present time. Some 25 percent of the anthracite reserves have been mined, but to get the remainder will be more expensive unless new and cheaper methods of mining it are found. This demands a great deal of research and study, which can best be done by an unprejudiced agency like the Bureau of Mines. Instead of the 2 engineers that the Bureau so far has been able to detail to the work, provision should be made for at least 20 engineers who could give their entire time to the problems connected with improved coal-mining methods.

Nobody who looks after a furnace likes to carry out more ashes than he has to, and everybody who buys coal likes to get as much heat for his money as he can. In such things the United States Government does not differ from you or me or from our neighbor across the street. This is why the Bureau of Mines has analyzed more than 200,000 samples of coal, some of them taken from the walls of coal mines, some from railroad cars in shipment, and some from coal as it was being dumped into the bin at a Government power plant. These analyses show the amount of ash and other impurity in the coal, as well as its heating value. They are published from time to time to make it possible for any buyer of coal to know exactly what he is getting.

Mr. President, increased use of machinery in coal mining has introduced new problems in the washing and preparation of coal. When mechanical loading equipment is used, it does not throw out the rock and other impurities as a miner would do when loading by hand. Consequently the coal must be cleaned when it reaches the surface to remove sulphur and ash-forming material before shipment to the consumer. Research on this problem is extremely important if coal is to hold its own and recover from the losses it has suffered through competition from petroleum and natural gas. Such research should also include a study of methods of dustproofing coal to make it attractive to the consumer when he handles it in his basement. The Bureau, with the funds thus far placed at its disposal, has made some progress in the study of coal preparation, but a great deal more work is needed.

Mr. President, in order to get the most heat from coal, it must be burned in the right way and in the right kind of a furnace. So the Bureau of Mines has studied these things, too, to find out for any particular kind of coal how thick the fuel bed should be, how much coal should be thrown on the fire at a time, how much air is needed to get the best results, and just the right size and shape for the firebox in which the coal is burned. Some of these studies were made on battleships or in large power plants, some in small furnaces like those used in heating private houses, and some in special furnaces built in the Bureau's coal-testing laboratory. Because of the knowledge gained in this work, the Bureau of Mines is asked by the Bureau of the Budget for advice on burning fuels and the purchase and operation of equipment for Government plants. In 1938 alone adoption of the Bureau's suggestions resulted in economies totaling about \$600,000. This amount is more than one-fourth of the entire appropriation spent by the Bureau of Mines during that year-another return upon the investment, this time to the Treasury of the United States.

Mr. President, burning cleaner coal in the right way has a further advantage because it makes less smoke and soot. This means that those of us who live in cities have purer air to breathe, as well as a greater amount of health-giving sunshine, but it also means that we do not have to pay so much for laundry bills, and that the clothes we wear and the curtains, linen, rugs, and other interior decorations in our homes, do not wear out so fast.

Coal can be "carbonized" by heating it in an oven or tube that keeps out air. This is usually done to make coke, which is left after gas and tar are driven off. The most important use of coke is to furnish fuel in blast furnaces, but it is also valuable as fuel in the furnaces and cooking stoves of homes. The gas from coke making can be used for fuel and light, while the tar is such a mixture of chemicals that nobody yet has found out all the things that can be made from it, although we do know that it is the source of aspirin, laxatives, and other drugs, ammonia, dyes, photographic chemicals, perfumes, flavoring extracts, disinfectants, and even motor fuel, to mention only a few of them.

In studying the carbonizing of coal, the Bureau has tried to find out why the coke from some coals is hard and tough and so makes good blast-furnace fuel; why that from other coals is soft and brittle; and why some coals will not "coke" at all. It has studied the ways of saving and using the gas from coke making, and the ways of removing tar so the gas can be used to light our homes without clogging meters and pipes. It has found out and described the kinds of coke, gas, and tar that are made when different coals are carbonized and when different temperatures are used; and

it has studied the tars themselves, and the ways of making new and different products from them.

Mr. President, coal and lignite are by far the largest of our national fuel resources. Our known reserves of petroleum and natural gas are comparatively limited, and the fear is always with us that some day the supply will not meet the demand. Consequently, in the interest of conservation, we should try to use the more abundant coal wherever possible. On the other hand high-grade coking coals should not be used for ordinary heating purposes, because the supply of high-grade coal is limited, and will become exhausted long before the much larger supplies of medium and lowgrade coals. The best way to bring about the use of the cheaper, low-grade coals is through research to discover means of burning them just as effectively as the high-grade coals and just as conveniently as we now burn oil or gas. I believe that the Bureau of Mines, with its long experience in research on the use of coal, is eminently fitted to make these studies.

There is another way of using coal on which the Bureau has already done some excellent work. This is the process that the scientists call hydrogenation; but the underlying principle of it is not as formidable as its name. It is simply this: When finely powdered coal is heated with hydrogen gas in a suitable apparatus under great pressure and at a high temperature, it is possible to force the carbon in the coal to combine with the hydrogen and form a liquid that has practically the same chemical make-up as crude petroleum, and is, therefore, a possible source of motor fuel. All of the experts and economists agree that some day our natural supply of petroleum will be used up. Long before this occurs, however, petroleum will begin to be scarce, and we shall have to import it, or find substitutes, if we are to run our automobiles and trucks, keep our airplanes in the air, or continue to use oil in our warships. In the event of war, such imports might be cut off entirely, and we might have to depend upon petroleum substitutes. However, an industry that could supply these substitutes in the amounts needed could not be created overnight and the war might easily be won or lost in the meantime.

But, Mr. President, aside from this military point of view, an industry to make oil from coal will be needed for peace-time commercial purposes in the not far distant future. The creation of such an industry is a slow process. It took the American petroleum industry 44 years to produce the first billion barrels of petroleum, and other chemical industries have taken almost as long before commercial success was reached.

I believe the Bureau of Mines should be commended for its foresight and prudence and encouraged in its research to develop this process to the point where motor fuel can be made from American coal so efficiently and cheaply that, when petroleum supplies begin to fail, the transfer from the old fuel to the new can be made without drastic readjustments.

At present petroleum, natural gas, and the things that are made from them furnish more than a third of the entire value of the country's mineral production, and in some way touch every unit of the Government and of industry and every individual of the general public. So it is no surprise to find that these resources have been given a great deal of study by the Bureau of Mines. Petroleum-or crude oil, as it is often called-and natural gas are usually imprisoned deep in the ground, in some places as much as two miles and a half, and are brought up through wells that are drilled to tap and free them. From the wells the natural gas is piped to factories and homes for use as fuel, and the petroleum is piped to refineries where it is made into gasoline, kerosene, lubricating oils and greases, wax, tar, and asphalt, as well as products used in making soap, candles, candy, medicine, perfumes, and a number of other things.

Mr. President, it is not possible to get all of the oil out of the ground, even with the best methods in use today—usually as much as half of it is left behind—so the Bureau is trying to find ways of increasing the recovery in order to make our national resources of petroleum last just as long as possible. My own State of Pennsylvania, where many of the oil wells have ceased to flow of their own accord, represents a typical area where more and more dependence must be placed upon true information based upon scientific facts. According to the engineers, the problem includes a large number of technical items, such as the way oil and gas are combined at the high temperatures and pressures that are at present deep in the earth, and the way the oil and gas separate when brought up through the well to the temperature and pressure at the surface. Then, too, there is the question as to how oil flows through the sandstones or other rocks that make up the underground reservoirs, and as to the way in which water in such a reservoir interferes with oil production. Other items are the amount of gas that will dissolve in the oil and the separation of oil and water when they are mixed in what is called an "emulsion." Another feature is that of piping compressed air or compressed natural gas back into the well to force the oil up to the surface. And there is need for information on methods of pumping. This is not something that can be left to manufacturers of pumping equipment. The industry must have a knowledge of efficient and economic methods much broader than this, so that it will be possible to select the proper pumps and pumping methods to meet the actual conditions in a particular oil field. Then, too, there is the matter of reducing the number of unnecessary wells, which are said to cost from \$80,000,000 to \$100,000,000 annually. If we could have facts instead of opinions as to how far apart the wells could be spaced and still get all of the recoverable oil, much unnecessary expense for oil-well drilling could be saved.

Mr. President, the Bureau of Mines has made chemical analyses and tests of crude oils from all the important oil fields, because the value of crude oils and the products which can be gotten from them depend upon what is in them; it has led the way in drawing up a set of standards for use in buying and selling crude oil, gasoline, and lubricating oil; and it has made regular surveys of the kinds of motor fuel sold in different parts of the country, both in summer and in winter, to see whether the automobile owner is getting gasoline that is up to standard. The Bureau's studies of the ways of storing crude oil and gasoline have helped to prevent losses from evaporation, and its studies of the flow of gas and oil through pipe lines have reduced the cost of piping natural gas to the user and crude oil to the refinery.

At the refinery crude petroleum is made into gasoline, kerosene, and other things by fractional distillation—that is, by heating it to the different temperatures at which different products, or fractions, are driven off as vapors, which are then collected and cooled until they become liquids again—just as water can be turned into steam and back to water. The Bureau's studies of refining have shown many ways of cheapening the process and getting more of the desirable fractions, as well as ways of making better products.

Two engineers of the Bureau of Mines invented a method by which the crude oil is cracked by distilling it under pressure and at a high temperature. Without this and other cracking processes, which make it possible to get three or four times more gasoline from a barrel of crude oil than we were able to get 25 years ago, we would not have enough gasoline, at anything like the price we pay today, to run the millions of automobiles now in use.

Other Bureau studies of refining have shown how it is possible to get rid of sulphur in gasoline—which corrodes or eats away tanks and other metal things that it may touch—and to get rid of wax, thus making it possible to get good lubricants from a number of crude oils which otherwise could not be used for this purpose.

Mr. President, in Pennsylvania our oils are too valuable to spread on roads, but there are some sections of the country where the people still use their oils that way. Be this as it may, we all recognize the need for low-cost highways, especially what are known as feeders. The country has the raw material and the manufacturing equipment to make good asphaltic roads where needed, so the reason why folks in many communities do not come to town on market day, and

why pleasure driving is confined to the paved boulevards, must be lack of unbiased information about specifications and methods of making asphalts and road oils. We need to know what properties of asphaltic materials are suitable for various uses, so that specifications can be drawn on the basis of quality rather than by just a mumbo jumbo of opinions.

Some natural gas-chiefly that found in Texas-contains small amounts of helium, which is the only gas, except hydrogen, that can be used to make balloons and dirigibles float. Helium will not burn or explode, while hydrogen is very inflammable, and therefore dangerous because of the chance that it may be ignited by fire or even by lightning. Before the World War all airships were floated with hydrogen, and helium was a curiosity that had been made only in very small amounts and at a cost of more than \$2,000 a cubic foot. The Bureau of Mines first found out which natural-gas fields had helium in them and then worked out a process for getting out the helium cheaply. In this process the natural gas is cooled in much the same way that air is cooled to make liquid air, or carbon dioxide cooled to make dry ice. A very low temperature is used—300° below zero—and at this temperature all the other things in the natural gas become either liquids or solids; so the helium, which still remains a gas, can be separated and collected. The other things are then allowed to become gas again, but they are better than before, because the unburnable helium has been taken out. Today, in its plant near Amarillo, Tex., the Bureau is able to make helium at a cost of about 1 cent a cubic foot. By this work the Bureau of Mines has strengthened our national defense, because the United States is the only country that has a supply of the safe helium for its dirigibles, and has greatly reduced the cost to the taxpayer for the helium required by the Army and Navy.

Mr. President, although I am not an oilman myself, I am satisfied that every item of the Bureau's petroleum studies, no matter how technical it may seem, has a very practical use. Results are what count, and oilmen from my own State and elsewhere agree that the Bureau's work on oil and gas is very much worth while, and that it deserves increased sup-

port through appropriations from the Congress.

Some minerals, such as stone, coal, sand, and gravel, are ready for use as soon as they come from the earth, except perhaps for making them the size we need or taking out some slight impurity. But other minerals are only a small part of the ores in which they are found; so the ores must be crushed and concentrated to get rid of great and useless quantities of waste rock. Sometimes, as with lead and zinc ores of the Mississippi Valley region, this concentration is done by shaking the crushed ore in water, allowing the heavier minerals to settle to the bottom, where they are collected and saved. Sometimes, as in the cyanide process for extracting gold, chemicals are added to the crushed ore to dissolve the gold but leave the rock as waste. And sometimes, as in separating copper minerals, the ore is very finely powdered and churned in water with air, oil, and other so-called reagents to form millions of bubbles, which stick to the mineral particles, rather than the rock, and bring them to the surface of the water. The miners call this "flotation."

Mr. President, I am told that at least once in every generation improvements in methods of ore treatment make new mines out of old dumps, or revive abandoned mining districts. This happened in the nineties when a man named Wilfley developed a concentrating table that was far superior to the crude devices formerly used. During the first 10 years of the present century the cyanide process made it necessary to look over all minerals carrying gold and silver to see whether what was once unprofitable rock had become ore. In the next 15 years, the growth of the flotation process again pointed the way to cut costs and save losses that were unavoidable with earlier practice. The Bureau of Mines studies all of these concentrating methods to find out the best ways of using them with any particular kind of ore, and to see if some improvement in the method can be found that will increase the amount of mineral saved and thus prevent waste of resources which, once used, cannot be replaced. The Bureau also tests the various kinds of machines in use and finds out which one works best under given conditions—and why. But most important of all, the Bureau describes the results of these studies and publishes them, so they may be common property, and help in producing the minerals at a lower cost. This work is particularly valuable today, because many of the high-grade mineral deposits from which we have gotten our metals in the past are nearing exhaustion, and it is becoming more and more necessary to devise improved methods in order to concentrate deposits of lower grade or to invent entirely new processes of doing so.

Mr. President, in most of the minerals from which we get metals, the metals are combined with oxygen or sulphur or other things, and so the minerals cannot serve us-even after they are concentrated-until the metals are gotten out of them in a blast furnace or a smelter. Here, too, the Bureau studies ways and methods in order to make them better. For instance, it built a special blast furnace, with special measuring instruments, to find out exactly what happens from the time iron ore is put in at the top until it comes out a white-hot liquid at the bottom. This knowledge helps in reducing smelting costs and in producing a better metal. The use of the electric furnace for producing cast iron, steel, and zinc, for brass melting, and for making alloys has also been given a great deal of attention. But the Bureau's metallurgists do not stop here. They are constantly studying the metals themselves to find out the things that make them harder, tougher, or stronger-when hardness, toughness, or strength is needed; to see what happens when they are combined to make alloys, and what new and better properties the different alloys have; and to find out other facts that may show some new use, some cheaper method of production, or some way in which a cheaper alloy can do the work of some other more expensive metal.

Mr. President, in this work the Bureau studies first the underlying scientific facts about the mineral or metal being investigated. It then endeavors to find a practical application for these facts that may lead to a new method of treatment or the improvement in an old method. The method is then tried in the laboratory—and, if desirable, on a larger scale in what is known as a pilot plant—and the results are published as an incentive for the creation of a new metallurgical

industry.

The work on manganese affords an example of the results of this kind of study. On June 7, 1938, the Bureau received a patent on an electrical process invented by its research workers for making manganese that is 99.7 percent pure. Never before had manganese of this purity been available in quantity. The patent has been assigned to the United States Government, as represented by the Secretary of the Interior, so that it may be made available to the industry in general without monopoly. Two licenses already have been issued, and plants are under construction for commercial production. Similar research is under way on the metal called magnesium. If successful, this might lead to the establishment of another new industry—to provide lightweight metal for airplane construction and other uses of that kind.

Mr. LUNDEEN. Mr. President-

The PRESIDING OFFICER (Mr. TAFT in the chair). Does the Senator from Pennsylvania yield to the Senator from Minnesota?

Mr. DAVIS. I yield.

Mr. LUNDEEN. I am much instructed by the able speech of the Senator from Pennsylvania. I am informed that there are resources of manganese in this country sufficient for our needs if we would develop our domestic resources and cease importing foreign manganese into the country. I wonder what the Senator would say as to that?

Mr. DAVIS. The Bureau of Mines are now concentrating their efforts upon manganese; and I think it would be wise if the Senator would give some attention to the additional appropriations needed for the purpose of enabling the Bureau to carry on this work, and especially their laboratory work, and other investigations.

Mr. LUNDEEN. I am very much in favor of such appropriations.

Mr. DAVIS. I think we all are, and we should not be stingy with such appropriations, because the minerals of this country will be useful to the Nation in the years to come.

Mr. President, I am also told that there are many deposits of minerals near the large power dams in the West that have recently been built or are still under construction as Federal projects. The minerals in these deposits have to be smelted, but the mines are usually isolated and are so widely scattered that they would not support an ordinary smelter using fuel, because such a smelter would require a big investment in plant equipment and would have to have a large and steady supply of uniform ore to operate successfully. However, where power is cheap, smelting with an electric furnace can be done on a fairly small scale and with a much smaller investment for equipment. The Bureau of Mines has a laboratory at Boulder City, Nev., where the minerals from these deposits could be studied to see whether they are suitable for smelting in an electric furnace, but additional equipment and men are needed before the work could be undertaken. I might add that successful electric smelting of the minerals in these deposits would not only provide new uses for power generated at the dams but would create new industries in the

Here in the East the Tennessee Valley Authority would be willing to transfer its electrical laboratory at Norris to the Bureau of Mines if the Bureau were provided with funds to operate it. In such case the work, instead of being devoted to clays and pottery, as in the past under T. V. A., would include studies of the use of electric power in the treatment of other nonmetallic minerals as well. Some of the problems that the Bureau could investigate are electric melting in glassmaking to produce better grades of glass or possibly new ones; the production of paving stones from basalt and andesite, which are common rocks that are found near many power dams; the making of glassy quartz from sand; and the manufacture of special cements for which electricity would supply the heat. I understand that new funds for equipment would not be needed, merely a transfer of the laboratory from T. V. A. to the Bureau of Mines, but funds for operation would, of course, be required. It seems to me that this should be well worth while as part of the general problem of finding new uses for electric power and the creation of new industries.

Mr. President, I should like to mention just one more important function of the Bureau of Mines—its work on economics and statistics. We hear much these days about planned economy in the production of our mineral resources. But before we can do a single thing about it with any chance of success, we need to know how much we have produced in the past, how much we are producing at present, how much we have to import, and how much we send to other countries.

The Bureau of Mines supplies this need for facts by collecting and publishing figures showing production, imports, exports, value, and distribution of most of the 150 different minerals which we as a nation consume each year. Some of these figures are published every week or every month to supply up-to-the-minute facts. Other figures are published once a year to give a larger picture. All are widely used by industry and business in order to keep in touch with the mineral market, and to help in solving the problem of how or when to supply us with coal, metals, gasoline, building materials, and all the other mineral products. However, there are many economic features which the Bureau has not been able to deal with effectively thus far, because the funds appropriated could not be stretched to cover them. One of these is a detailed study of what are called deficient minerals—that is, raw materials from which we get manganese, chromium, tin, nickel, antimony, and tungstenwhich have important military uses and would be vitally needed in case of war, but which are obtained wholly or in part from foreign sources.

Another problem, Mr. President, has to do with the reclamation of scrap metal, while a third concerns the use of gold and silver in the monetary systems of the world. Then, too, there is a whole group of minerals, including stone, sand and gravel, cement, clay, lime, and gypsum, whose produc-

tion totals millions of tons each year. To what extent is the country's total ability to produce these minerals being utilized? Are there any opportunities to increase employment in these industries? Are new methods of production likely to decrease the cost, improve the products, or otherwise change the pattern of supply and demand? The Bureau of Mines already has the statistical facts which would be needed to answer these questions, but it does not have the funds to enable it to make a complete study of the facts.

Mr. President, these are just a few of the thousand and one things—for I have not time to tell of all of them—which the Bureau of Mines is doing and has been doing to give us better minerals, metals, and alloys. While its most vital aim has always been to make the miner's job a safer one, it has also tried in every way it could to prevent the waste of natural resources with which our land was so richly supplied. These resources are not inexhaustible, and so should not be wasted wantonly by any one generation, but should be looked upon as a trust for all. That is why there is not a single person in the United States who is not benefited by the Bureau's work in some way, and often in many different ways, although perhaps many people may not know about it.

The United States has the best mineral endowment among all the great modern nations, but in the past the very abundance of our resources has frequently led to their use in a prodigal manner. We have gone in for large-scale production, for savings in mining costs, and for cheapness of the resulting products, often without any regard for the conservation of the resources themselves. But now our country has passed the pioneer stage. Unplanned, excessive production can no longer be consumed by our present industrial civilization. Consequently, any forward-looking program today must add the conservation of our remaining resources to matters of cheapness in production and economy in use. It must give full consideration to the practical problems of the individual miner, the vast financial responsibilities of the mineral industry as a whole, and the needs both for today and tomorrow of the man in the city street or on the farm, whose daily comfort is built from mineral uses. It must take into account the costs of mining, but it must also count the cost of human life. But, above all, it must see to it that the rich mineral heritage of our people shall not perish from the earth through waste or folly.

Mr. President, that is why I believe that we must consider ourselves fortunate indeed to have an organization like the Bureau of Mines, created for and dedicated to safety, efficiency, and economy in the mineral industries. And that is why I believe that the excellent work it has already done deserves continued and substantial support, not only from us as Members of the Congress but from every man and woman within the United States.

Mr. FRAZIER. Mr. President, the Senator from Pennsylvania has made a very excellent speech in regard to the important subject of coal. However, I wish to correct a statement he made, a statement which is commonly made in the East. He refers to "coal and lignite." I wish to call attention to the fact that "lignite" is defined by Webster as a variety of coal.

Mr. DAVIS. I agree with the Senator. I did not want to give the impression to the Senate that lignite was not coal.

Mr. FRAZIER. I also wish to call the attention of the Senate to the fact that four States in the West contain lignite in abundance. North Dakota, Wyoming, Colorado, and Montana have 60 percent of all the coal in the United States. Those four States have 40 percent of all the coal in the world.

Mr. DAVIS. I called attention to the fact of the great deposits of lignite in the four States mentioned by the Senator from North Dakota.

RELIEF OF AGRICULTURE—COST OF PRODUCTION

Mr. FRAZIER. Mr. President, a bill dealing with agriculture, Senate bill 570, known as the cost-of-production bill, has been introduced in this body. It is sponsored by a number of Senators. A similar bill has been introduced in the House of Representatives. Hearings upon the bill have been held in the Agricultural Committees of both the Senate and

the House. The hearings of the Senate committee are printed and are now available.

I have in my hand a letter written by Mr. R. T. Stuart, of Oklahoma City. As I understand, Mr. Stuart is a large landowner in Oklahoma and Texas and knows the farming industry. He was in Washington recently and someone gave him a copy of Senate bill 570, the cost-of-production bill. He took it home and studied it. He referred the bill to economists of the State chamber of commerce and the Oklahoma University, and he encloses with his letter a memorandum furnished him by those economists.

I wish to quote one paragraph from Mr. Stuart's letter, as follows:

The thing we want to do is to get away from Government control and operation of industry, but we do want Government regulation and protection of industry. Regulation and protection of industry are functions of Government, but control and operation are not. We want Government only to regulate and protect industry so that every citizen is treated on a fair and equal basis, as an American citizen, and left free to exercise initiative and ability to do.

Mr. President, this memorandum on the farm bill is one of the best I have seen. It comes, as I said, from the economists of the University of Oklahoma, a great agricultural State, and from the economists of the chamber of commerce of that State.

I wish to read one sentence before I ask to have it printed in the RECORD. Under the heading of "General Comment" it savs

This bill is a protection to agriculture in general. It may work some hardship on the large producer, but for the average producer it will do the job.

Mr. President, I ask unanimous consent that the memorandum on Senate bill 570, to which I have referred, may be printed in the RECORD at this point in connection with my remarks.

The PRESIDING OFFICER. Without objection, it is so ordered.

The memorandum is as follows:

MEMORANDUM ON S. 570

Section 1 provides that crops of one year having a value of \$10,000,000 or more shall not be sold to domestic consumers for than the cost of production for that part consumed in the United States.

There will be no practical difficulty in administering the bill, because the first year's costs of production will be based on the conditions as they exist at this time, which will not vary greatly from year to year. The experiences of the first year will lay the foundation for a permanent program and for any minor changes needed.

Section 2 provides for determining the average costs of production

duction.

duction.

The efficient farmer will not be penalized nor the inefficient and marginal farmer favored, because this section of the bill sets out the factors to be used in computing the costs of production. Practical experience will overcome any difficulties encountered in determining these costs of production.

Section 3 provides that the Secretary of Agriculture shall estimate (1) the volume of production and (2) the volume required for domestic consumption.

The actual volume consumed will not vary greatly from the

for domestic consumption.

The actual volume consumed will not vary greatly from the estimated volume, nor will cheap substitutes be bought to the exclusion of superior products. When the consumer has the funds he will not buy inferior substitutes.

Section 4 provides (1) that the Secretary of Agriculture shall announce the cost of production as determined by section 2, (2) that dealers and others shall have to procure a license to operate, (3) that products in excess of the domestic requirements shall that in the case of cotton the excess shall be marked as excess and may be used to fill the producer's quota for domestic consumption the following year.

the following year.

The cotton farmers should be for this bill 100 percent because it gives them more protection than any other proposal thus far made, and the producers of other commodities will prosper when each group is guaranteed its share of the wealth produced in this country.

Section 5 provides that all warehouse reserves and export quantity.

Section 5 provides that all warehouse reserves and export quantities shall be delivered to the Secretary of Agriculture, who shall not sell any of them for domestic consumption except in case of a shortage, but may allow withdrawals for processing for export

purposes.

This provision will prevent dumping, market slumps, and manipulation of prices of farm products.

Section 6 provides that the holder of the excess receipts and certificates may be paid at the post offices.

This will prevent the long delays the farmers have experienced under the present and previous agricultural acts, and will reduce the costs of administration.

Section 7 provides that the Secretary of Agriculture shall administer the act, issue licenses to dealers and others, and prescribe the necessary regulations.

The act will have to be administered by someone, and the Secretary of Agriculture will have the aid of more agencies than any

other person or group.

Section 8 provides a penalty for any dealer paying less than the

cost of production. This section would put the fear of the Federal law into those who would dare violate the act.

would dare violate the act.

Section 9 provides that all warehouse reserves and export surpluses shall be disposed of only under the provisions of this act.

This closes the loopholes against speculators and chiselers.

Section 10 provides that the tariff on foreign-grown products sold or produced for less than our domestic products cost shall be raised to equal the difference plus 10 percent.

This will stop enriching the foreigners at the expense of the American ferrors.

American farmer

Section 11 provides that the act shall apply to 1939 production. Section 11 provides that the act shall apply to 1939 production.

Section 12 provides that this act shall not affect the Soil Conservation and Domestic Allotment Act, crop insurance loans on agricultural commodities, nor certain parts of the A. A. A. as amended. Farmers can still afford to protect their soil and leave it intact for the next generation under this bill.

Section 13 provides that the act is severable.

This means that if one part or clause of this act is tossed out by the courts the decision will not affect other provisions.

GENERAL COMMENT

This bill is a protection to agriculture in general. It may work some hardship on the large producer, but for the average producer it will do the job, and if agriculture is put on the proper base, the large producer will adjust his production to the law of supply and demand and agricultural labor will be taken care of in increased wages and compensation. Purchasing power will put farm labor on an equitable basis and the farmer will be able to pay his farm labor of adequate wages. adequate wages.

adequate wages.

This is the best proposal yet offered to solve the farm problem. Our American farmer has sold his crops in the open market at world prices in competition with low-priced labor and very low living standards. Everything the American farmer has bought has had to pay the costs of production plus a profit and protected against outside competition by the tariff laws. In short, the American farmer sells in an open market and buys in a closed market.

It is either this bill or one like it, or free trade which would have the same effect on the industrial worker that the present system has on the farmer. The industrial worker sells his product to the American consumer in a protected market and works only part time. He could sell a greater volume and work practically full time if the farmer, too, had a protected market.

This bill is an attempt to equalize conditions.

Mr. FRAZIER. Mr. President, I have before me an article printed in the Asbury Park (N. J.) Evening Press—the Evening News-of Saturday, March 11, 1939. The article is by a Mr. McCampbell. It is headed:

Claims Wallace blocks recovery. McCampbell says the success of the President's drive for more business awaits the fixing of prices on farm crops.

I ask unanimous consent that the article be printed in the RECORD at this point in connection with my remarks.

The PRESIDING OFFICER. Without objection, it is so ordered.

The article is as follows:

[From the Asbury Park (N. J.) Evening Press of March 11, 1939] CLAIMS WALLACE BLOCKS RECOVERY-M'CAMPBELL SAYS THE SUCCESS OF THE PRESIDENT'S DRIVE FOR MORE BUSINESS AWAITS THE FIXING OF PRICES ON FARM CROPS

(By Theron McCampbell)

(By Theron McCampbell)

The business boom so desired by the country and so needed by the New Deal is being sabotaged, innocently, by one man. Uncle Henry Wallace is that one man. The new recovery plans of the President and Secretaries Morgenthau and Hopkins will fail unless Secretary Wallace returns to his original plan for making the Nation prosperous by first restoring prosperity to the agricultural industry through price fixing of farm crops as now outlined in Senate bill 570. Henry Wallace made the big mistake of his life when he allowed his staff of economic professors to persuade him to adopt their weird and impossible scheme of crop control. Unless Henry Wallace has the courage to command a march back to his price fixing of farm crops, the New Deal and the Nation's economy will face an ignominious disaster.

Every clodhopper knows that the crop-control scheme devised by the professors has not, will not, and cannot solve the farm problem. Nearly every Member of the Congress recognizes this fact and admits that the farm situation is financially serious and politically dangerous. A majority in the Congress stand ready to pass Senate bill 570, with some amendments, as soon as Secretary Wallace or the President requests them to do so. Further, many Democratic Congressmen confess, in whispers, that unless the cost-of-production bill is passed at this session, to take effect with 1940 crops, the Republicans are likely to move into the White House in 1941.

Price fixing by governments and monopolies may not be good economic science. But look at the record. Not a single one of the many old acts of price fixing can be repealed. It was price fixing in the past that caused the price distortions between industry and agriculture which brought on the great depression. It was price fixing by tariffs that started America's economic troubles.

A thousand economists asked President Hoover not to fix higher prices by signing the Smoot Tariff Act. Economists call the wage-hour law, also the rigid wage scales, under limited hours and closed-shop rules, a form of price fixing. Price fixing of light, power, freight, and utility rates, on the basis of costs plus profits, is upheld by courts. Price fixing on industrial goods is legalized. Price fixing by canners and processors, as to payments for farm crops, is common practice. Price fixing on farm machinery, oil, and supplies used by farmers is universal. We must either repeal the existing price-

practice. Price fixing on farm machinery, oil, and supplies used by farmers is universal. We must either repeal the existing price-fixing acts or meet old price fixing in industry by new price fixing in agriculture. Now, under the old system, the market prices of farm crops are set by selfish buyers and the growers must accept, regardless of the costs of production.

The farmers have long been exploited by feeding the Nation with crops sold at less than costs of production. In effect they have been slaves to an unjust price and competitive system. They have been deprived of buying power to absorb the products of industry. Millions of farmers have been forced to reduce their living standards to a bare subsistence level. The only way left to protect the growers of food and fiber crops from continued exploitation is by fixing the prices of farm crops so as to insure them their costs, is by fixing the prices of farm crops so as to insure them their costs,

is by fixing the prices of farm crops so as to insure them their costs, plus modest profits.

Prosperity for the Nation must start with prosperity for the producers of foods and other raw materials. Every dollar paid for the raw materials classed as immediate necessities results quickly in about \$7 of national income. President Roosevelt will have his \$100,000,000,000 of national income yearly as soon as the gross yearly income of America's agricultural industry rises to \$15,000,000,000, and the only way to bring that about is to pass Senate bill 570. The consumers of foods would soon see that the increased employment and business activity, due to increased farm prosperity, offset any necessary increases in retail prices.

POLITICAL CONDITIONS IN EUROPE

Mr. KING. Mr. President, the Senate is ready to adjourn, and I shall occupy but a moment in referring to a great world tragedy which is taking place in Europe. It seems inconceivable that in this day of civilization, with the grim lessons of past ages which are recorded by history, there should be a recrudescence of the cruelties which characterized barbarous nations and filled the world with woes and deluged nations with blood.

We behold in Europe today conditions which are shocking to democratic and civilized peoples. We behold a patriotic and civilized people being overwhelmed by military force, and subjected to a ruthless and brutal alien rule. A great republic, born after the war, and in part due to this Republic, has been destroyed by the Nazi government. millions of people living in peace, in a fertile land, with no enmity toward other peoples or nations, are the victims of a military and barbarous regime, which seized their government, arrested thousands of peaceable citizens, and subjected them to brutal treatment, and conveyed many to concentration camps, where they will be the victims of cruel treatment which undoubtedly will result in many fatalities. The concentration camps of Germany and Austria, into which thousands of law-abiding, peaceable citizens were incarcerated, where many of them died from the inhuman treatment to which they were subjected, will undoubtedly receive many of the citizens of Czechoslovakia who have been seized by the cruel and barbarous Nazi regime.

Not only has the Republic of Czechoslovakia, which but a day or two ago was an independent and important democratic state, been destroyed by the armies of Hitler but the Government and the territory constituting the state have been occupied by military forces and brought under despotic military rule. Thousands of law-abiding citizens of this Republic, knowing of the cruelties inflicted by Nazi rule, have attempted to flee from their homes and country; but they have been intercepted, many imprisoned, and all made cognizant of the tyrannous government to which they are com-

pelled to submit.

Mr. President, I am not exaggerating when I say that Czechoslovakia, a great democratic state where liberty and justice prevailed, has been betrayed by nations which aided in its establishment and which, because of benefits to be derived from the establishment of a democratic republic in central Europe, had promised their support in the event that dictatorships should attempt its destruction.

At Munich recently Czechoslovakia's fate was sealed, and steps taken for its crucifixion. It had no voice in the conference which passed the sentence of death. It was denied opportunity to assert its rights. Hitler dominated the conference, and laid plans which have culminated in the destruction of a democratic republic which was holding high the standard of liberty and justice.

It is Czechoslovakia which is now murdered. Tomorrow it may be Memel, Poland, Yugoslavia, Hungary. The strategy of Hitler seems to ignore or defy inert and listless French and British statesmen. He administered potions which intoxicated or rendered them inert, if not stupid. Hitler's strategy works ceaselessly, by day and by night, and the foundations of governments are being undermined, and plots and plans laid for the dismemberment of states, the conquest of peoples, the destruction of nations.

A "Frankenstein" has been created. No one can tell when

the devouring process will end.

I have stated upon a number of occasions that, in my opinion, there has been a conspiracy between Hitler, Mussolini, and Japan, under the terms of which a large part of the whole world is to be divided into three parts. The Rome-Berlin-Tokyo axis contemplates the destruction of many governments and the subjection of hundreds of millions of people to the alien rule of Hitler, Mussolini, and Japan. Pursuant to this conspiracy, the Nazi and Fascist governments have pursued a course which has compelled Great Britain and France to retain substantially all of their fleets in European waters, thus affording Japan full opportunity to pursue her policy of aggression and conquest in Asia, to seize Hainan, and to plan the expulsion of French authority from southeastern China. The occidental nations are to be expelled from China and Pacific waters and China, politically and economically, is to be subjected to Japanese rule.

Under this tripartite arrangement, Hitler was to have a free hand in the conquest of Austria and to take such course as he deemed proper to destroy the Republic of Czechoslovakia, to seize Memel and other eastern and southeastern European territories as and when his plans were perfected. Undoubtedly the appetite of the Nazi regime is not satiated. notwithstanding that it was stated not many months ago that, with the addition of the territory occupied by the Sudetens, Germany had no further territorial designs. But, with the seizure of the portion of Czechoslovakia occupied by Germans, there was no "appeasement" of the Nazi regime. I use this word with apologies to the Senate, because it has many connotations, most of which are devoid of moral concepts and some of which may hide evil and malignant designs.

The Fascist government, if I properly interpret the tripartite understanding, is to have unquestioned rule over Ethiopia-its title, obtained by military force, is not to be questioned; and it is to have a free hand, supported, if need be, by the other parties to the agreement, in the Mediterranean and in north Africa.

Mr. President, the Hitler regime has been one of aggression and of contempt for democratic nations. It has flouted promises and agreements entered into with all the solemnity of treaties. The Nazi rule suppresses democracy. It is rule by force. It strikes at the moral and spiritual forces which should be regnant in the world. It seeks the annihilation of religion, and under the Nazi philosophy the state is supreme. The people are unimportant other than as instrumentalities to be moved by autocrats to create a superstate within which individuals are mere pawns.

So far as I am concerned, I should be glad to see our Government refuse to have commercial or diplomatic relations with a government which betrays democracies, attacks and destroys free republics, and seeks by force and brutal practices to rule millions of helpless victims.

The Nazi government has confiscated the property not only of Aryans but of Jews. It has robbed and plundered hundreds of thousands of non-Aryans in Germany, and but yesterday seized gold of the value of \$80,000,000 accumulated by the Czechoslovakia Republic, together with \$50,000,000 of exchange held in the treasury of the Republic.

I repeat, Hitler robbed hundreds of thousands of German citizens, and now, in his ruthless and piratical course, he is robbing Czechoslovakia and her people not only of their Government but of their material wealth. He is robbing the Jews of Czechoslovakia, and will visit upon them all the horrors and persecutions to which he has subjected non-Aryans in Austria and in Germany.

Mr. President, the policies of the Nazi regime are reminiscent of barbarous ages and deserve the condemnation, and indeed the execration, of mankind.

GREAT BRITAIN'S OBLIGATIONS UNDER THE BALFOUR DECLARATION

Mr. President, a few days ago a number of Senators issued a statement dealing with the problem of Palestine. I need not remind the Senate of the fact that our Government was a party to the Balfour declaration, and that we entered into a treaty regarding it in 1924. So we are concerned in the attitude of Great Britain toward Palestine and the Jews who have gone there to build their homeland. Unfortunately Great Britain is forgetting her trust, as I fear she has forgotten her obligations to Czechoslovakia.

The statement which the Senators signed, Mr. President, has been given currency in the newspapers, and I ask that it may be inserted in the RECORD as a part of my remarks.

The PRESIDING OFFICER (Mr. SHIPSTEAD in the chair). Is there objection to the request of the Senator from Utah? The Chair hears none, and the statement may be printed in the RECORD.

The statement is as follows:

Apparently reliable reports from London that the Government of Great Britain is contemplating the liquidation of the mandate for Palestine based on the Balfour declaration and the substitution by constitution of a new state dominated by a narrow majority is most disturbing to Americans who approved and applauded the cooperation of the United States of America in the piedge made to the Jewish people through the Balfour declaration.

President Wilson was consulted and his advice sought throughout the negotiations which preceded the adoption and publication

President Wilson was consulted and his advice sought throughout the negotiations which preceded the adoption and publication of the Balfour declaration. There was considerable correspondence between the President of the United States and the British War Cabinet with respect to the language to be used in the declaration, and President Wilson urged upon Great Britain the need of making Jewish rights in Palestine as broad as possible in order to facilitate the program for Jewish reconstruction. On October 17, 1917, he cabled to the British Government his approval of the Balfour declaration. On September 17, 1922, the instrument was approved by a joint resolution of the two Houses of the American Congress, and on December 3, 1924, our Government signed a treaty or convention with Great Britain defining American rights with reference to the British mandate for Palestine. Palestine.

Palestine.

Article 7 of this treaty reads as follows:

"Nothing contained in the present convention shall be affected by any modification which may be made in the terms of the mandate, as recited above, unless such modification shall have been assented to by the United States."

It is well to make clear and to emphasize at this time that the American Government is not unrelated to the modern history of Palestine. Our concern that the Balfour declaration and the mandate over Palestine be preserved unchanged springs not alone from our desire to protect the rights and interests of the Jewish people in Palestine, but also the rights and interests of the American people as defined in our treaty and understanding with Great Britain.

On many other occasions in the past the American people,

Great Britain.

On many other occasions in the past the American people, through public expression and through their Government, have revealed their sympathy for the reestablishment of the ancient Jewish homeland in Palestine, as well as their great concern for oppressed Jewish minorities, often made the innocent victims of blind hate and persecution. Humanitarian and Christian principles and impulses have often moved us to exert our effort in the defense of the homeless and the oppressed. Certainly that with regard to the Jewish people in Palestine this was both wise and reasonable is proved by the manner in which Palestine has come to be a haven of refuge for thousands of homeless Jewish families driven from countries that had been their home for many generations.

generations.

Palestine, too, presents to the world an example of a new and enlightened social order in the Near East. Our faith in the ability of the Jewish people to reconstruct there a life of dignity and permanence for themselves and for the many thousands more who are but awaiting the opportunity and permission to enter is being

are but awaiting the opportunity and permission to enter is being fully vindicated.

For the world to turn its back upon all this, and to reverse the whole process, seems to us a tragic waste as well as a tragic abandonment of a brave people in its hour of gravest need. The circumstances prompt the undersigned to give expression to their deep conviction that the program thus formally announced for the rehabilitation of the Jewish people by the common consent of the leading nations of the world should be maintained. It is our belief

that the Balfour declaration embodies a moral obligation, not only to the Jewish people but to the United States and to all governments which approved that instrument. We believe that the civilized forces of the world should give every assurance of support to Great Britain in a policy directed toward the preservation of the Balfour declaration and the redemption of the common pledge of establishing in Palestine a home of refuge and hope for the sorely oppressed Jewish people. We, therefore, venture to express our hope that the spirit and the letter of the Balfour declaration be preserved in all its integrity.

William H. King, Joseph C. O'Mahoney, Morris Sheppard, William H. Smathers, Joseph F. Guffey, M. M. Logan, Sherman Minton, James J. Davis, J. Hamilton Lewis, Henry F. Ashurst, Henry Cabot Lodge, Jr., Tom Connally, Burton K. Wheeler, Robert R. Reynolds, Arthur Capper, David I. Walsh, M. M. Neely, Edward R. Burke, James E. Murray, W. Warren Barbour, Robert F. Wagner, James M. Mead, H. H. Schwartz, Homer T. Bone, Clyde L. Herring, Francis T. Maloney, Elmer Thomas, Josh Lee.

Francis T. Maloney, Elmer Thomas, Josh Lee.

NATIONAL ACCIDENT-PREVENTION CAMPAIGN

Mr. CAPPER. Mr. President, during the last Congress, almost 1 year ago, I took occasion to call the attention of the Senate to our national accident problem. I particularly emphasized the appalling annual losses of life and injuries resulting from accidents on the streets and highways. I showed that as a matter of fact and as a matter of record preventable accidents have in a few years caused more deaths and injuries than war ever has brought to the American

Mr. President, I quoted some astounding figures of the human losses that this peaceful country has suffered through accidents. In more than 150 years the United States has engaged in six major wars. In all those wars the total loss of life of men killed in action and men who died of wounds was less than a quarter of a million—only 244,977 lives. Yet in the past 15 years, which measure only about one-tenth of our country's history, motor-vehicle accidents alone on the public thoroughfares have taken the lives of 416,000 men, women, and little children in the United States.

The red tide of slaughter had been steadily rising for 2 decades, ever since the motor vehicle had been produced in such quantities and at such moderate prices as to be generally used for convenience and for pleasure by great numbers of our people. I say "used for convenience and for pleasure," Mr. President; but it had become even a greater menace than war, a veritable Frankenstein monster that had turned on a peaceful people and destroyed hundreds of

Mr. President, I know that the country is deeply concerned over these appalling human and economic losses. No doubt the people will be interested to know what is being done by those in authority and in influence in our country to stop such tremendous and wholly preventable wastes. year ago I was able to report to you in considerable detail how intensive methods of organization had been devised in States, cities, and communities, and how a truly national movement was being carried on against accidents of all kinds. These organization procedures had been adopted and put in practice by a vast number of organizations, including many of the Federal Government departments, State governments, municipalities, industrial companies, the railroads. the automobile manufacturers, and miscellaneous other associations, societies, and clubs animated with a spirit of public responsibility and service. The national movement was led by the National Safety Council, a nonprofit, nonpolitical organization, which, through 25 years, has sought to coordinate and improve the effectiveness of accident-prevention measures along the fundamental lines of engineering, education, and enforcement.

Engineering: To improve the physical safety of roads and streets, to build safer vehicles, to provide adequate and uniform traffic signs and signals, to promote uniform reporting and investigation of the causes of accidents, and to enact such legislation as might control the operation of motor

Education: As a persistent country-wide campaign through schools, the press, the radio, and every other source of publicity to teach both the motorcar driver and the pedestrian everywhere the tragedy and the economic cost of accidents,

and impress upon them a sense of their personal responsibility for accident losses.

Enforcement: Which might secure the cooperation of all law-enforcement agencies throughout the community, State, and Nation; promote a strict interpretation of the traffic laws, supervise by trained traffic officers the use of the highways, carry out through the courts the provisions of the drivers' license laws to eliminate from the roadways the unfit and the willfully reckless, and insist upon the periodic inspection of the mechanical condition of every motor vehicle under State safety requirements.

Mr. President, today I am most happy to report to you that these forceful measures in the interest of human welfare are bringing results. The year 1938 stands as a remarkable demonstration of the effectiveness of cooperative action against accidents. The cumulative effect of all that has been done throughout the Nation can be measured in actual lives saved. For the first time in a long period of struggle to stop motor-vehicle accident fatalities our country has gone through an entire year, month by month reducing the losses in lives which were suffered in comparable periods during the previous year.

Figures compiled by the National Safety Council for the year 1938 show that the total number of traffic deaths in the United States was only 32,000, as compared with 39,643 in 1937—a decline of 19 percent for the year. The lives saved, therefore, through organized safety on our streets and highways in the year reached a total of 7,640.

Mr. President, there are some remarkable facts about this achievement that may well be brought to the attention of the Senate. It was not brought about, either wholly or in part, by any decline in motor-vehicle registrations or in use of the country's highways. People may not be buying as many new cars, but the old ones are still in service, and there are still more than 29,000,000 of them on our streets and highways. They travel about 250,000,000,000 gasoline-propelled miles per year.

The control of the millions of motor vehicles through their drivers and the control of many millions more of pedestrians in both urban and rural communities has been vastly improved. Through the three fundamental measures which I have already outlined, the safety campaign has been spread abroad until it has enveloped almost every community and its influence has been felt in some degree by almost every individual in the Nation.

This is proved by the fact that reductions in lives sacrificed in traffic accidents have been made in practically every State and throughout each State in the great majority of the communities. The ratio of reductions varies, of course, with the intensity and completeness of the safety organization. The National Safety Council has a list of 40 States in which consistent reductions have been made and which show decreases in number of fatalities from 37 percent in the highest ranking State down to 4 percent in the lowest ranking State. The actual numbers of lives saved range from as high as 668 in one State to as few as 6 in another State, in comparison with losses in the previous year, 1937. With respect to cities, it is notable that 7 out of every 10 cities of 10,000 population or more reporting to the National Safety Council have participated in the gains in lives saved during

Another accurate measure of country-wide participation in accident-prevention efforts is shown in a division of the country by regional changes in accident fatality rates. Eastern States made a reduction of 25 percent; Atlantic States, 15 percent; North Central States, 23 percent; South Central States, 20 percent; Mountain States, 16 percent; and Pacific States, 11 percent.

More specifically, Mr. President, it is possible to point to definite factors in safety organization which are responsible in a major degree for the lives saved in traffic. I select only 10 of the more outstanding factors:

First. Safer highways than ever before.

Second. Safer motor vehicles than ever before.

Third. More and better drivers' license laws than ever before and better administration of these laws. Fourth. More and better traffic engineers than ever before. Fifth, More and better trained traffic police than ever before.

Sixth. More and better school safety instruction than ever before.

Seventh. More and better information about accidents than ever before, especially about how and why accidents take place.

Eighth. More and better organized safety campaigning than ever before, both in the Nation, the States, and the cities.

Ninth. More and better publicity than ever before, through the newspapers, magazines, radio, and in many other ways.

Tenth. A better understanding than ever before of the tragedy and the economic cost of accidents and how to avoid them, on the part of more men, more women, and more children.

Mr. President, we are gratified that our organized efforts have been successful to this degree in saving lives; but Heaven forbid that we should assume any complacent feeling that we have arrived at our goal; that the battle against accidents is won. Everyone knows that in safety work it is only too easy to make a spurt, a temporary showing of improvement, and then slip back to a condition as bad or worse than before.

Let me recall that I said to the Senate a year ago that the 1937 traffic accident fatality losses of 39,500 were the highest ever recorded. If the lives saved during 1938 were 7,640, as we learn from authoritative reports, then last year our country still suffered a loss of 31,860 persons killed in wholly preventable street and highway accidents.

Mr. President, I submit that 30,000 or 20,000 or even 1,000 human lives wasted that might have been saved will be far too many in any future year of our country's history.

The safety leaders of our country have fought this losing battle against traffic accidents for over two decades. I call it a "losing battle" only because year by year the total losses have mounted higher. This, however, was only because year by year there were more automobiles on the roadways, more fine roads built on which to use them, and more people and more congestion in our cities and rural communities to increase the hazards.

Actually year by year these safety leaders were learning better methods of accident control and were perfecting the safety organizations that today are seen to be approaching a basis where accidents may be stopped altogether. We know that each year there would have been far greater numbers of fatal accidents and disabling injuries on our streets and highways if safety organization never had been attempted.

Mr. President, I know that, as legislators and also as warm-hearted citizens of our country, my fellow Senators are sincerely interested in the further reduction of traffic losses, especially those losses caused by the absence of suitable safeguards on the streets and highways. More than ever before, we now have the opportunity to endow our several States with a more orderly and efficient movement of vehicular traffic through the adoption of sound and uniform and life-saving traffic legislation.

Let me recall that it was under the leadership of the Federal Government, and with the active participation of Members of this national body, that the First National Conference on Street and Highway Safety was held in Washington a few years ago. That conference was followed by others, in all of which the deliberations had the benefit of the best brains and the most advanced thinking of safety leaders throughout all the States. Out of those conferences emerged as a most outstanding achievement the uniform vehicle code, with its provisions for a standard drivers' license law, uniform rules of the road, model traffic ordinance, and uniform signs, signals, and road markings.

Mr. President, none will dispute the right of the motorist, and also of the pedestrian, to expect that wherever he travels in our great country the traffic laws and regulations, the rules of the road, the signs, signals, and road markings will be of uniform character and similar to those he understands and instinctively obeys in his own community. It is unreasonable

to expect each motorist to be familiar with the kaleidoscopic pattern, or rather lack of pattern, of the laws and regulations now existing in some of the 48 States, some of which have no logical basis for existence.

Years of experience in those States with progressive legislation in complete harmony with the principles of the uniform vehicle code have established the value of these measures in improved facilities for traffic movement and in a continued decreasing fatality rate.

This code, therefore, is definitely commended as a guide and a model, to the end that public officials who are charged with the responsibility for public safety shall be provided with sound and adequate laws upon which to predicate their accident-prevention programs. It is most desirable that every influence be used to the end that State legislatures take prompt steps to enact adequate laws in substantial conformity with this uniform vehicle code.

Mr. President, this year of 1939 can mark a tremendous national advance in the fashioning of adequate "safety tools" for the prevention of traffic accidents. Just as the industrial worker must have proper and efficient tools for the production of perfect workmanship, so must the police, the courts, and other administrative and enforcement officers of our States and municipalities have proper and wholly efficient laws to aid them in saving traffic lives.

I am informed that in 44 of our States the legislatures will meet this year to make more perfect the structure of our several State governments. I submit to the earnest consideration of the Senate that no possible question of greater importance can come before any of these legislatures than the more adequate guarding of the people's lives.

It is true that a considerable number of the States have already enacted a drivers' license law, but I hesitate to differentiate and point out how many of these laws today fall far short of the standard set up in the uniform vehicle code. It will be sufficient for me to repeat that during the past year one group of States shows reductions in traffic fatalities ranging from 25 percent to as high as 37 percent, while another group of States has been able to reduce their traffic losses only by 4 percent or 6 percent or 10 percent.

For the whole of our country the reductions average 21 percent, and we have saved 7,640 lives. But consider what might have been done if the same kind of intensive safety organization, the same kind of adequate traffic legislation, had been effective in all the States so that the reductions over the whole country might have averaged 37 percent. I must emphasize also that even in those States which today have the best safety laws and the best safety organization, and where the best gains in lives saved are made, they consider that these gains are only the beginning of greater efforts during 1939.

Mr. President, I am informed that at least 24 of the States with legislative sessions this year need substantial improvements in driver licensing laws, in accident-reporting systems, or in both. Practically all the States need some changes in their regulations concerning equipment and rules of the road. Some of the States need entirely new traffic laws. Let us remember that it is a national rattern of traffic convenience and safety that we are trying to build and not be satisfied until this practical objective is attained.

The National Safety Council is offering country-wide assistance to all officials and organizations working for improved laws, for more effective safety organization, and for wider education of all the people in the causes of accidents and methods for their prevention.

There is in effect also a comprehensive seven-point program of highway safety for States, which has been recommended by 12 of the leading organizations working for safety throughout the country. These 12 organizations are: American Automobile Association, American Legion, Automotive Safety Foundation, General Federation of Women's Clubs, Harvard Bureau for Street Traffic Research, Highway Education Board, International Association of Chiefs of Police, National Automobile Dealers Association, National Congress of Parents and Teachers, National Grange, National Safety Council, and Northwestern University Traffic Safety Institute.

Briefly, this seven-point program embraces:

(1) Legislation: (a) Five acts of the uniform motor-vehicle code, particularly act II, driver's license, and act V, rules of the road; (b) model traffic ordinances; and (c) uniform signs, signals, and markings.

(2) Motor-vehicle administration: (a) Adequate uniform accident reporting system; (b) examination of all new drivers and drivers with bad records by trained examiners. Reexamination of drivers with bad records; (c) suspension and revocation of drivers' licenses by central department.

(3) Enforcement: (a) Adequately manned and equipped force for patrolling the highways; (b) modern enforcement in cities and counties; (c) cooperation of all prosecutors, judges, and enforcement departments.

(4) Engineering: (a) State traffic engineers to plan corrective treatment, advise on safety of new construction, facilitate traffic flow, advise cities and counties; (b) traffic engineer in cities of over 50,000.

(5) Education: (School) (a) Traffic safety instruction in grade and high schools, including driver training; (public) (b) driver and pedestrian education through newspapers, posters, contests, meetings, and so forth.

(6) Training personnel: (a) Traffic officers; (b) traffic engineers; (c) safety teachers; (d) safety organization personnel; all for work in States, counties, and cities.

(7) Research: (a) Studies of congestion and accident causes; (b) studies of effectiveness of safety measures; (c) cooperate in researches of universities, and in Federal, State, and local departments.

Mr. President, in closing I should like to point out a few specific lines of influence where it now seems to the safety leaders of our country the Members of the Senate could wield a most potent and much-needed force:

First. Support all good traffic legislation in the States from which they come.

Second. Continue to support appropriations to the Bureau of Public Roads which are needed for the improvement of our highways.

Third. Use their influence for the allocation of funds in their respective States to be used for organized safety work.

Fourth. Work for a better type of personnel in safety organizations in their respective States—in highway patrols, highway departments, motor-vehicle departments, and so forth.

Fifth. Use their influence for the continuation and expansion of active safety teaching in the schools.

Mr. President, I have presented in this brief summary of the national accident prevention campaign, a picture of lifesaving effort that, I am confident, finds a warm reception in all our hearts. I have particularly tried to give a true impression of the Nation-wide character of the program, as well as the appalling facts that show that no single home in city or country in all our land is safe from the daily menace of death under the wheels of a motor vehicle.

Mr. President, it is not necessary for men and women and little children to die in accidents. All the history of the struggle for safety through two and one-half decades shows that by determined scientific efforts we can stop these human and economic losses. We have in process today an organized plan calculated to double and triple the gains in lives saved during this present year. We have already enlisted the support and the active assistance of a vast number of organizations and individuals, powerful units that thickly dot a hopeful countryside.

The chief thing that the national safety movement needs today is more National and more State leadership. I do not detract one iota from the efficient and successful leadership of the individuals and organizations that already are in this fight for safety; they have done and are doing a splendid job; but, Mr. President, this is a struggle for an all-safe and an all-peaceful country. The tools have been fashioned in scientific plans and methods. But we need many more hands to use them. We need the most powerful influences in both State and Nation to continue and spread the successful organization of all the people. For we know that we shall never have a wholly safe country until every man, woman,

and little child is made an integral part of the Nation-wide safety efforts

I conceive, Mr. President, that there can be no more worthy and satisfying objective in the life of any one of us than to take the active part in this safety movement that our position and our responsibility in the National Government entail. Where we can lead, it surely is our part to lead. Where we can use our influence, certainly we shall make that influence felt. Where we can show by example and by daily act how we consider safety on the streets and highways supremely important to all our citizens and their families, we shall not fail.

Let us unite in providing leadership, and let us do all we can to unite the people everywhere in one solid phalanx of marching citizenry against the common enemy of accidental

CHAOTIC WORLD CONDITIONS

Mr. THOMAS of Utah. Mr. President, this is a day of contradictions. Even accepted slogans of the thoughtless fall much as the mighty and the secure among nations do. Events stagger all. A few halt to become thoughtful.

A nation of refinement, learning, and art turns upon itself and drives from itself many of its best. With them reason, historical fact, and the ability to discover new truth seem also to have gone. Self-destruction wins shouting approval. A great culture ready to bloom with new life stands retarded.

Spokesmen for a world-wide empire and an ancient despot plead with a fasting saint and offer in return for a broken

fast a changed policy of state. Weakness is triumphant.

A well-armed nation created by victors' decree, sustained by covenanted alliances and collect 7e agreement, is swallowed by a neighbor burdened by the weight of unrestrainable strength and the fever of success. Might prevails.

A student nation, maddened by the doctrines of a newer and supposedly wiser world, deliberately turns upon its ancient teacher and attempts to wipe out the culture, the art, and the wisdom of the longest-lived nation on the earth. Both teacher and student are destroying the best in each.

A proud people with enemies and friends both from within and without stand crushed by civil war. Our people take sides, but our Government stands aloof. A divided people dulls the voice and makes weak the moral and economic force of a nation. Where the people are divided even governments cannot act. This is a democracy's lesson to the rulers of the single-will states.

Attempts to obtain security through collective action, through alliance, through isolation, through a balance of power, through national armed might, through economic selfsufficiency, through imperial and ancient strength have all failed. They have failed because each in attaining national objectives did not recognize the interdependence and social nature of nations.

Like a voice crying in the wilderness, the annual report of President Nicholas Murray Butler to the trustees of the Carnegie Endownment for International Peace now comes to our desks.

Mr. President, I ask unanimous consent to have inserted in the RECORD as a part of my remarks an extract from Dr. Butler's report.

There being no objection, the extract referred to was ordered to be printed in the RECORD, as follows:

CARNEGIE ENDOWMENT FOR INTERNATIONAL PEACE [Extract from annual report for 1938 of the division of intercourse and education, by Nicholas Murray Butler, director]

FEBRUARY 15, 1939.

To the Trustees:

At no time in the history of mankind has peace been so universally extolled as at the present moment. All peoples are for peace. Every government, whether democratic, despotic, or otherwise, proclaims its devotion to peace and its insistence upon peace. Nevertheless, every people fears war and every government, whether Nevertheless, every people fears war and every government, whether democratic, despotic, or otherwise, is preparing for war at a rate and at a cost which are appalling. What is the explanation? It can only be found in the complete break-down of public morality in all that affects the policies and plans of governments and in the lack both of intelligence and of courage on the part of the democratic peoples themselves to insist that their governments act in constructive fashion to remove the causes of war. There is no need of elaborate argument on these points. The facts are spread before

As a result of these truly tragic conditions, the nations, whether

As a result of these truly tragic conditions, the nations, whether advanced or backward, are in a state of economic war which is impoverishing their peoples and wasting in colossal fashion the earnings and savings of the people themselves made through generations that are past. To all this there can be but one end if such conditions are allowed to continue indefinitely.

The sneering cynic and the pessimist take no interest in such a state of affairs; indeed, they rather applaud it as furnishing new material for their not very clever bitterness. The very considerable army which enrolls under the standards of envy, hatred, and malice is delighted with it all, since it offers opportunity for the constant expression of their exuberant and irrational feelings.

It is too early to anticipate the judgment of history upon all this, but there can be no doubt that the Thucydides, the Tacitus, the Gibbon, and the Mommsen of generations yet to come will treat

the Gibbon, and the Mommsen of generations yet to come will treat it with penetrating analysis and illuminating interpretation. Mean-while, what can be done about it?

It has been the carefully studied program of the Carnegle Endow-ment for International Peace to deal patiently, systematically, and persuasively with the education of public opinion in all parts of the persuasively with the education of public opinion in all parts of the world. That undertaking has not been in terms of emotion or of agitation, but, rather, realistically, in terms of persuasion and sound reasoning. The aim has been to make the different peoples more familiar with each other's history, literature, and institutions, with each other's modes of thought, with each other's legitimate ambitions and hopes, for the purpose of laying the basis of effective and permanent international cooperation, to the end that international prosperity and international peace may be established and safe-guarded. guarded.

guarded.

This civilized world is not without an indication of how these ends may be attained. The outstanding contributions to the history of this subject and the illuminating prophecies of a progressive, a liberal, and a constructive world future are the Rescript of the Czar of all the Russias made public by the Foreign Office at St. Petersburg on August 24, 1898, the Letter of Instructions of Secretary Root to the American Delegates to the Hague Conference of 1907 and the Joint Resolution adopted by unanimous vista of Secretary Root to the American Delegates to the Hague Conference of 1907, and the Joint Resolution adopted by unanimous vote of both Houses of Congress of the United States on June 24, 1910. From the first proceeded the First Hague Conference of 1899; from the second, the establishment of the Permanent Court of International Justice at The Hague; and from the third came the effort on the part of the President of the United States to secure the cooperation of European nations in making that Joint Resolution effective to establish international security. This attempt failed because such cooperation was either denied or indefinitely postponed. Then came the Great War to levy its toll upon humanity in terms not only of human life and human savings but in terms n terms not only of human life and human savings but in terms

of public morals.

The Carnegie Endowment for International Peace has not The Carnegie Endowment for International Peace has not weakened and will not weaken in its steady and uninterrupted pursuit of the ideal which Mr. Carnegie set before it. Plainly, much more time will be needed to achieve that ideal than Mr. Carnegie thought to be likely. Nevertheless, that ideal must be pursued with persistence, with intelligence, and with devotion. There is but one way to establish peace, and that is to bring about a situation in which public opinion will require governments not only to talk for peace but to act for peace. Nothing else is of avail. The practical steps to this end are to insist once more upon the action invited by the Czar's Rescript of 1898, to have the Government of the United States resume the leadership which it offered in 1907 and 1910, and to convince public opinion that the widely supported program of the conference held at Chatham House in March 1935 names the specific policies which it is essential for governments to follow if prosperity and peace are to be brought back to mankind. mankind.

It is many centuries since Theocritus wrote these notable words:
"As for weapons of war, may spiders weave over them their slender
webs, and of the war-cry the very name be forgot."

EXECUTIVE SESSION

Mr. BARKLEY. I move that the Senate proceed to the consideration of executive business.

The motion was agreed to; and the Senate proceeded to the consideration of executive business.

EXECUTIVE REPORTS OF A COMMITTEE

Mr. McKELLAR, from the Committee on Post Offices and Post Roads, reported favorably the nominations of several postmasters.

Mr. SHEPPARD, from the Committee on Military Affairs, reported favorably the nominations of sundry officers for appointment, by transfer or promotion, in the Regular Army.

The PRESIDING OFFICER (Mr. SHIPSTEAD in the chair). The reports will be placed on the Executive Calendar.

If there be no further reports of committees, the clerk will proceed to state the nominations on the calendar.

AMBASSADORS EXTRAORDINARY AND PLENIPOTENTIARY

The Chief Clerk read the nomination of William Dawson, of Minnesota, to be Ambassador Extraordinary and Plenipotentiary to Panama.

The PRESIDING OFFICER. Without objection, the nomination is confirmed.

The Chief Clerk read the nomination of Laurence A. Steinhardt, of New York, to be Ambassador Extraordinary and Plenipotentiary to the Union of Soviet Socialist Republics.

The PRESIDING OFFICER. Without objection, the nomination is confirmed.

FOREIGN SERVICE OFFICERS

The Chief Clerk proceeded to read sundry nominations promoting Foreign Service officers.

Mr. BARKLEY. I ask unanimous consent that the nominations involving the promotion of Foreign Service officers be confirmed en bloc.

The PRESIDING OFFICER. Without objection, the nominations are confirmed en bloc.

POSTMASTERS

The Chief Clerk proceeded to read the sundry nominations of postmasters.

Mr. BARKLEY. I ask unanimous consent that the nominations of postmasters be confirmed en bloc.

The PRESIDING OFFICER. Without objection, the nominations of postmasters are confirmed en bloc.

IN THE NAVY

The Chief Clerk proceeded to read sundry nominations promoting officers in the Navy.

Mr. BARKLEY. I ask unanimous consent that the nominations in the Navy be confirmed en bloc.

The PRESIDING OFFICER. Without objection, the nominations in the Navy are confirmed en bloc.

That completes the calendar.

AUTHORIZATION FOR REPORTING AND SIGNING OF BILLS. ETC., DURING RECESS

Mr. BARKLEY. Mr. President, as in legislative session, I ask unanimous consent that during the recess of the Senate following today's session all Senate committees may report bills, resolutions, and nominations; that the Vice President may sign bills that are ready for his signature; and that the Secretary of the Senate may receive messages from the House of Representatives.

The PRESIDING OFFICER. Without objection, it is so ordered.

RECESS TO MONDAY

Mr. BARKLEY. As in legislative session, I move that the Senate take a recess until 12 o'clock noon on Monday next. The motion was agreed to; and (at 2 o'clock and 5 minutes

p. m.) the Senate took a recess until Monday, March 20, 1939, at 12 o'clock meridian.

CONFIRMATIONS

Executive nominations confirmed by the Senate March 17 (legislative day of March 16), 1939

AMBASSADORS EXTRAORDINARY AND PLENIPOTENTIARY

William Dawson to be Ambassador Extraordinary and Plenipotentiary of the United States to Panama.

Laurence A. Steinhardt to be Ambassador Extraordinary and Plenipotentiary of the United States to the Union of Soviet Socialist Republics.

PROMOTIONS IN THE FOREIGN SERVICE

TO BE FOREIGN SERVICE OFFICERS OF CLASS 1

Eugene H. Dooman Joseph E. Jacobs

Leland B. Morris

TO BE FOREIGN SERVICE OFFICERS OF CLASS 2

Samuel W. Honaker

George A. Makinson

Graham H. Kemper

TO BE FOREIGN SERVICE OFFICERS OF CLASS 3

Henry H. Balch

Leslie E. Reed

Alfred W. Klieforth Robert B. Macatee

Warden McK. Wilson

TO RE FOREIGN SERVICE OFFICERS OF CLASS A

Austin C. Brady James G. Carter

James P. Moffitt Marshall M. Vance

Harry F. Hawley

TO BE FOREIGN SERVICE OFFICERS OF CLASS 5

Donald F. Bigelow Gilson G. Blake, Jr.

George H. Butler Reginald S. Castleman

Charles H. Derry

Fayette J. Flexer Robert Y. Jarvis Joseph C. Satterthwaite David Williamson

TO BE FOREIGN SERVICE OFFICERS OF CLASS 6

George Alexander Armstrong Charles E. Bohlen

Ernest E. Evans Walton C. Ferris Franklin C. Gowen Lawrence Higgins

Nelson R. Park J. Hall Paxton William L. Peck James W. Riddleberger Alan N. Stevne Edward G. Trueblood Clifton R. Wharton

TO BE FOREIGN SERVICE OFFICERS OF CLASS 7

Garret G. Ackerson, Jr. Cavendish W. Cannon Norris B. Chipman William P. Cochran, Jr. William M. Cramp Archibald E. Gray Perry N. Jester

George D. LaMont Edward S. Maney Kennett F. Potter W. Quincy Stanton Llewellyn E. Thompson, Jr. Joseph I. Touchette

Thomas C. Wasson

FOREIGN SERVICE OFFICERS OF CLASS 8 Theodore C. Achilles Daniel V. Anderson Jacob D. Beam John Willard Carrigan Merritt N. Cootes

Earl T. Crain John Davies, Jr. Walter C. Dowling Daniel Gaudin, Jr.

Allen Haden Miss Constance R. Harvey James E. Henderson Fred W. Jandrey

Douglas Jenkins, Jr. Foy D. Kohler

Henry P. Leverich Raymond P. Ludden Edward P. Maffitt Patrick Mallon Ernest deW. Mayer Shiras Morris, Jr. George W. Renchard Paul J. Reveley W. Garland Richardson

Halleck L. Rose Livingston Satterthwaite Francis Bowden Stevens

Tyler Thompson Robert F. Woodward

PROMOTIONS IN THE NAVY

TO BE COMMANDERS

Robert B. Dashiell Hugh St. Clare Sease Stanwix G. Mayfield, Jr. Ralph U. Hyde William J. Morcott John N. Walton John H. Jenkins James P. Conover, Jr. William McK. Reifel Rollin Van Alstine Failing Lloyd E. Clifford Paul E. Kuter Clyde Lovelace Mallery K. Aiken Charles A. Nicholson, 2d Harry R. Hayes Cyril T. Simard Byron J. Connell Edward H. Smith

TO BE LIEUTENANT COMMANDERS

John B. Moss William A. Bowers

TO BE LIEUTENANT

Edward M. Blessman

TO BE PASSED ASSISTANT PAYMASTER

Aubrey J. Bourgeois

TO BE CHIEF GUNNER

Gleason Sherman

TO BE CHIEF CARPENTERS

Herbert L. Chapman Harold C. Thomas

TO BE CHIEF PAY CLERK

Charles F. Ueltzen

TO BE LIEUTENANT COMMANDERS

Frederick J. Nelson
Joyce A. Ralph
James C. Guillot
William H. Hamilton
William D. Anderson
Murr E. Arnold
William M. Hobby, Jr.
William P. Burford
Philip R. Coffin
Wells L. Field
Marshall M. Dana
Kenneth D. Ringle

Stanley Leith
William D. Wright, Jr.
Homer Ambrose
Ralph W. D. Woods
William A. Graham
Robert S. Hatcher, an additional number in grade
Edward W. Clexton, an additional number in grade
Chester C. Wood
Clarence E. Ekstrom

POSTMASTERS

DELAWARE

Bennett H. Emory, Cheswold.

MATNE

Jerome G. Russell, Danforth.

MARYLAND

Anna G. Clatterbuck, Deer Park.

NEW YORK

Joseph J. Cruse, Poland.

SOUTH DAKOTA

Emma Peterson, Draper.
Ira H. Pinnell, Eagle Butte.
Ray W. Pitsor, Faith.
William J. Gassen, Gregory.
David K. Batchelor, Hot Springs.
William H. James, Martin.
Clyde M. McDonell, Murdo.
Hilda M. Baukol, Roslyn.
Arthur R. Siegmund, White River.

TEXAS

Daniel T. McElligott, Bells. George L. Keller, Dublin. Vernon May, Katy.

VIRGINIA

Susie A. Warburton, Dumbarton.

SENATE

Monday, March 20, 1939

(Legislative day of Thursday, March 16, 1939)

The Senate met at 12 o'clock meridian, on the expiration of the recess.

The Chaplain, Rev. ZgBarney T. Phillips, D. D., offered the following prayer:

O Lord most high, before whose infinite majesty and greatness we bow in deep humility as we acknowledge our littleness and our dependence: Cover us with the shadow of Thy wings, that we may learn to trust Thee even as our fathers trusted and were not afraid. May we never be confounded though the waters roar and are troubled, though the cup given to multitudes to drink be a cup of anguish, and our hearts ache with perplexity as we sorrow over them.

Out of Thy holy sanctuary compose and uplift our thought, and renew Thy peace in us, that, with childlike faith, we may cast the burden of our care upon Thy loving fatherhood, and find surcease from the pain and sorrow of this world beneath the shadow of the cross on which the Prince of Glory died, even Jesus Christ, Thy Son, our Lord. Amen.

THE JOURNAL

On request of Mr. Barkley, and by unanimous consent, the reading of the Journal of the proceedings of the calendar day Friday, March 17, 1939, was dispensed with, and the Journal was approved.

MESSAGES FROM THE PRESIDENT

Messages in writing from the President of the United States were communicated to the Senate by Mr. Latta, one of his secretaries.

CALL OF THE ROLL

Mr. LEWIS. I observe the absence of a quorum, and ask that the roll be called in order to secure a quorum.

The VICE PRESIDENT. The clerk will call the roll.

The Chief Clerk called the roll, and the following Senators answered to their names:

Adams	Danaher	La Follette	Russell
Andrews	Davis	Lee	Schwartz
Ashurst	Donahev	Lewis	Schwellenbach
Austin	Downey	Logan	Sheppard
Bailey	Ellender	Lucas	Shipstead
Bankhead	Frazier	Lundeen	Smathers
Barbour	George	McCarran	Smith
Barkley	Gerry	McKellar	Stewart
Bilbo	Gibson	McNary	Taft
Bone	Gillette	Maloney	Thomas, Okla.
Borah	Glass	Mead	Thomas, Utah
Bridges	Guffey	Miller	Tobey
Brown	Gurney	Minton	Townsend
Bulow	Harrison	Murray	Tydings
Burke	Hatch	Neely	Vandenberg
Byrd	Hayden	Norris	Van Nuys
Byrnes	Herring	O'Mahoney	Wagner
Capper	Hill	Overton	Walsh
Caraway	Holman	Pepper	Wheeler
Chavez	Hughes	Pittman	White
Clark, Idaho	Johnson, Calif.	Radcliffe	Wiley
Clark, Mo.	Johnson, Colo.	Reed	THE REPORT OF THE PARTY.
Connally	King	Reynolds	

Mr. LEWIS. I announce that the Senator from West Virginia [Mr. Holf] is detained from the Senate because of illness.

The Senator from Rhode Island [Mr. Green] and the Senator from Missouri [Mr. Truman] are detained on important public business.

Mr. FRAZIER. I announce that my colleague the junior Senator from North Dakota [Mr. Nye] is absent because of illness.

The VICE PRESIDENT. Ninety Senators have answered to their names. A quorum is present.

LIMITATION UPON PUBLIC-DEBT OBLIGATIONS

The VICE PRESIDENT laid before the Senate the following message from the President of the United States, which was read, and, with the accompanying paper, referred to the Committee on Finance:

To the Congress of the United States:

I am transmitting herewith a letter dated March 17, 1939, from the Secretary of the Treasury regarding the limitation placed upon the total amount of the public-debt obligations which may be issued and outstanding at any one time under authority of the Second Liberty Bond Act, as amended. You will note from this letter that the Secretary of the Treasury feels that there will be no necessity for increasing the present limitation of \$45,000,000,000 on the total public debt which may be outstanding at any one time, but does feel very strongly that it will be necessary to increase the present limitation of \$30,000,000,000,000 face amount of bonds which may be outstanding at any one time.

I recommend that the Congress take such action as may be necessary to give the Treasury the authority which will enable it to carry out its financing operations during the next fiscal year as may be for the best interest of the Government in line with market conditions at the time of such financing.

FRANKLIN D. ROOSEVELT.

THE WHITE HOUSE, March 20, 1939.

PAN AMERICAN UNION BUILDING

The VICE PRESIDENT laid before the Senate a letter from the Acting Secretary of the Interior, transmitting a draft of proposed legislation to rescind the permission granted to the Pan American Union to erect an office building in the District of Columbia, which, with the accompanying papers, was referred to the Committee on Public Buildings and Grounds.

CONTINUATION OF SPECIAL STATISTICAL STUDIES BY THE DEPARTMENT OF LABOR

The VICE PRESIDENT laid before the Senate a letter from the Secretary of Labor, transmitting a draft of proposed legislation to authorize the Department of Labor to continue to make special statistical studies upon payment of the cost thereof, which, with the accompanying papers, was referred to the Committee on Education and Labor.

CLAIMS OF CHOCTAW AND CHICKASAW NATIONS

The VICE PRESIDENT laid before the Senate a letter from the Chief Clerk of the Court of Claims, transmitting a certified copy of the special findings of fact and conclusions of the court in the case of the Choctaw and Chickasaw Nations against the United States, which, with the accompanying report, was referred to the Committee on Indian Affairs.

EXPORT TRADE AND BYPRODUCTS USES OF TOBACCO

The VICE PRESIDENT laid before the Senate a letter from the Secretary of Agriculture, transmitting, in response to Senate Resolution 291 (75th Cong.), a report pertaining to the export trade in and byproducts uses of tobacco, which, with the accompanying report, was referred to the Committee on Agriculture and Forestry and ordered to be printed, with illustrations.

PETITIONS AND MEMORIALS

The VICE PRESIDENT laid before the Senate the following joint resolution of the Legislature of Nevada, which was referred to the Committee on Mines and Mining:

Senate joint resolution memorializing Congress relative to the passing of appropriate legislation for the erection and construction of four custom milling plants in Nevada at Government expense under terms looking toward the payment to the Government of principal and interest of such investment over a period of years, after which title to the same would vest in the State

Whereas a survey has been made by the United States Bureau of Mines relating to mineral resources of the State of Nevada; and Whereas the findings of this survey suggest that the erection of at least four custom milling plants at points of assured ore deposits in Nevada, in addition to the opening up of new ore bodies by purchasing small lots of ore from prospectors for cash and to place the same on an organization plan is entirely feasible and practicable; and

Whereas the most advantageous points in Nevada for the erection of such milling plants have heretofore been located in consideration of transportation facilities, ore deposits, centers of population, and low-cost power by the United States Bureau of Mines; and Whereas it is conceived that the construction and operation of Whereas it is conceived that the construction and operation of the United States and Whereas it is conceived that the construction and operation of the United States as well as well as the United States as well as the United States as well as well as the United States as well as

Whereas it is conceived that the construction and operation of such plants under the supervision and administration of the United States Bureau of Mines for a length of time, at least equal to the time that the cash advances made by the Federal agency advancing the same are not fully repaid, is entirely feasible and would constitute a proper protection to the Federal Government or Federal agency which advances such sums; and

Whereas it is conceived that the Federal milling units or plants could remain encumbered to the Federal agency which would have advanced the cash for the building of the same, and at such time as the principal and interest of such investment might be fully repaid to the Government or Federal agency, as the case might be, after which title to such units would vest in the State of Nevada, thereby being of great material benefit to Nevada and its citizenry; and

thereby being of great material benefit to Nevada and its citizenry; and

Whereas after the cost of such milling units shall have been fully repaid to the Federal Government or Federal agency advancing such sums, together with interest thereon, such plants could be made to operate on a maintenance cost, or nonprofit basis, thereby reducing the cost of milling ores within the State, which would operate as a great stimulant to the mining industry; and

Whereas it is conceived by the investigation and survey thus made through the United States Bureau of Mines that four of such milling plants with a daily capacity of 50 tons each, located in a feasible and strategic point within the State of Nevada would not cost more than \$75,000 each in construction, and it is conceived that a revolving fund of \$25,000 for each unit to be used in the purchase of ore in small quantities and to be placed upon land now owned by the Government, or at small or no cost, would make a total maximum investment of not to exceed \$400,000, and the inception of such project which would be, consequently, over the years, amortized, being continually decreased; and

Whereas the buying of ores for cash from prospectors who produce in small quantities and tonnage only would finance prospectors on a basis more advantageous to them than they now enjoy and which would be decreased and new ore bodies would be located; and

Whereas the legislature is convinced by conferences formerly had.

located; and

located; and

Whereas the legislature is convinced by conferences formerly had
with the Government agency in Reno and with the Director of the
United States Bureau of Mines at Reno that the survey above mentioned has been carefully and capably executed, and that the proposed construction plan hereinbefore mentioned is entirely practicable and feasible, and that the investment of money through the
Government would be entirely secured and would promote the
prosperity and well-being of the entire citizenry of Nevada; and
Whereas the stimulation which would thus be gained by the
mining industry in Nevada would have a very beneficial effect upon
the agricultural and other industries of Nevada, which would
thereby increase the taxable property and taxable wealth of the
State: Now, therefore, be it

Resolved by the senate and assembly, jointly, That the Congress
of the United States be memorialized to pass appropriate legislation, presenting the conditions under which such milling plants

be constructed within the State of Nevada and the conditions under which the capital thus advanced is to be repaid to the Federal agency advancing the same; naming and prescribing the conditions under which title is to vest in the State of Nevada and under which Federal supervision and regulation of such plants

under which Federal supervision and regulation of such plants shall cease, and other matters properly connected with the financing, erecting, and supervising of the same; and be it further Resolved, That our Senators in the United States Senate and our Representative in Congress be requested to use all proper efforts to bring about the passage of laws covering the matters above referred to; and be it further Resolved, That the secretary of state be, and he is hereby, directed to transmit properly certified copies of this resolution to the President of the United States Senate and the Speaker of the House of Representatives in Congress and to each of our Senators and our Representative in Congress. Representative in Congress

The VICE PRESIDENT also laid before the Senate the following concurrent resolutions of the Legislature of Utah, which were referred to the Committee on Agriculture and Forestry:

Concurrent resolution relating to congressional action in liberalizing the terms and conditions of existing agricultural credit

Be it resolved by the Legislature of the State of Utah (the Governor concurring therein)—

Whereas the inadequate price of farm produce is now imposing undue economic burdens upon farm people; and
Whereas such inadequate prices make it impossible in many cases

for farmers to meet current principal and interest payments on their indebtedness; and

Whereas agricultural credit delinquencies are increasing to an alarming extent through no fault or neglect of the farm debtor;

Whereas the major agricultural creditor in this State is the Farm Credit Administration; and Whereas Congress is now in session and has power to alleviate

the credit emergency which faces a large number of farm people who are borrowing from this Federal agency: Now, therefore, be it

Resolved by the Legislature of the State of Utah, That we urge the Congress of the United States to enact legislation liberalizing the terms and conditions of Federal agricultural credit in favor of the debtor both with respect to manner of principal payments and rate of interest; be it further

Resolved, That a certified copy of this memorial be sent by the secretary of state to the President of the Senate and to the Speaker of the House of Representatives of the United States, and to each Senator and Representative in Congress from this State, and to the President of the United States.

Concurrent resolution relating to the approval of United States Senate bill 1179, by Mr. Muller, to amend section 56 of the Emergency Farm Mortgage Act of 1933, as amended, and provid-ing an interest rate of 3 percent per annum on loans to agricul-tural improvement districts

Be it resolved by the Legislature of the State of Utah (the Govnor concurring therein):

ernor concurring therein):

Whereas the various agricultural improvement districts are now paying interest at the rate of 4 percent per annum on their loans, the Federal Government has at the same time through the provisions of the Bankhead-Jones Act loaned to farmers some \$35,000,000, for the purpose of land, such loans bearing interest at the rate of 3 percent per annum; and

Whereas the difference of 1 percent in the annual interest rate will greatly aid the distressed farmers and would lessen the discrimination between the two classes of loans, one being to enable the farmer to purchase more land and the other to prevent the farmer from losing the land he now owns; and

Whereas the farmers within these agricultural improvement

farmer from losing the land he now owns; and

Whereas the farmers within these agricultural improvement
districts pay the same interest rate as farmers outside of the
districts on any loans they make through and from any governmental agency, in addition to the 4 percent they are now paying
on loans from the Reconstruction Finance Corporation. The interest on first mortgages and 4 percent on loans from the Reconstruction Finance Corporation make a total of approximately 9
percent that farmers who have first mortgages on their lands are
now paying, which is absolutely prohibitive under the present
prevailing low prices for farm products; and

Whereas the farmers in irrigation, drainage, levee, and like
districts must, in order to maintain the productivity of their land,
keep the districts' canals, levees, and works in a proper physical
condition; and

Whereas the creation of a permanent revolving fund from loans

Whereas the creation of a permanent revolving fund from loans already made to such districts as the loans are repaid in the form of principal and interest and said revolving fund used for the same purpose and in the same manner as the original appropria-

same purpose and in the same manner as the original appropria-tion, will greatly aid the farmers in the districts; and Whereas the creation of such revolving fund in such manner will not require any additional appropriation by the Congress but will enable economically sound districts to secure loans for re-habilitation purposes, such as dredging drainage canals, lining irrigation canals, strengthening levees, purchasing needed materials, etc.; and etc.: and

Whereas the producer's great problem is that of distribution and marketing and to secure the influence of a system which will bring the products of the soil in the freest and most economic way to

the consumer and thereby create a steady and continuous demand rather than a seasonal one; and
Whereas it is our sincere belief that agriculture, horticulture, and viticulture need every legitimate method of the widest distribution and sale so that the great mass of the consuming public can purchase such products at a price within its reach: Now, therefore, be it

be it

Resolved, That the Legislature of the State of Utah, the Governor concurring therein, declares its endorsement of United States Senate bill No. 1179 by Mr. Miller, and respectfully urges the Congress of the United States to enact said bill into the law and to further support such legislation as will reduce the interest charges of the above-mentioned districts from 4 percent to 3 percent per annum and establish a permanent revolving fund; and be it further

Resolved. That a copy of this resolution be forwarded by the

Resolved, That a copy of this resolution be forwarded by the secretary of the State of Utah to the President of the Senate and to the Speaker of the House of Representatives of the United States and to each Senator and Representative in the Congress from this State and to the President of the United States.

The VICE PRESIDENT also laid before the Senate the following joint memorial of the Legislature of Montana, which was referred to the Committee on Agriculture and Forestry:

Memorial to the Congress of the United States urging amendments to existing laws pertaining to agriculture affecting wheat pro-duction in Montana; requesting quotas in wheat production be changed from an acreage basis to a bushel basis; urging provi-sions of means for raising revenue for the purpose of insuring a parity price for wheat produced

Whereas a great majority of those engaged in the agricultural industry in the State of Montana produce wheat of a grade produced in only small areas of the wheat-producing sections of the United States: and

Whereas hard, high protein content wheat can usually only be produced under dry-farming conditions, with their attendant hazards of crop failures from drought and insect ravages; and Whereas the Montana wheat farmer cannot be limited by a quota

on an acreage basis if he is to continue to produce wheat for society as he must increase his acreage in years favorable to production to offset his failure to produce in unfavorable seasons, and production control on a bushel basis would more nearly equalize and stabilize production; and

Whereas it is manifestly impossible for the Montana wheat farmer

Whereas it is manifestly impossible for the Montana wheat farmer to produce this necessity for society unless he is assured of a price for his product in parity with the prices paid by society to the producer of any other necessity or implement of life; and

Whereas the farmer as a productive unit of society exercises little or no control over his product in the way of the price which it shall bring in the market and it has been found necessary to provide forms of benefit payments to him to make it possible for him to, in some degree, meet the costs of production and make it possible for him to continue to produce for society; and

Whereas the wheat farmer of Montana realizes that only by providing for the raising of revenue through the trade in his commodity, rather than depending on the changing temper of legislative bodies, can the assurance of funds needed for the stabilizing of the price for the commodity he produces on a parity with the

of the price for the commodity he produces on a parity with the market for other products be attained: Now, therefore, be it Resolved by the House of Representatives of the State of Montana (the Senate of the State of Montana concurring). That we petition and pray the Congress of the United States for the enactment of the following amendments to existing laws pertaining to expeculture: agriculture:

1. That production control be on a bushel instead of acreage

1. That production control be on a bushel instead of acreage basis.
2. That loan values and benefit payments on the wheat absorbed by domestic consumption be fixed at a figure which will compel a fair exchange for that wheat and bring about an honest and actual parity price.
3. That Congress, through taxation in the trade in wheat, provide revenue for assurance of a stable fund with which to meet such continuously a read arise in the parity price for wheat

contingencies as may arise in insuring a parity price for wheat.

Be it further

Resolved, That a copy of this memorial, duly authenticated, be sent by the secretary of state to the Secretary of Agriculture, the Senate and House of Representatives of the United States, and to each of the Senators and Representatives of Montana in Congress.

The VICE PRESIDENT also laid before the Senate the following memorial of the House of Representatives of Montana, which was referred to the Committee on Public Lands and Surveys:

Memorial urging the Congress of the United States to cause a completion of the Lewis and Clark Highway

o the Honorable Senate and House of Representatives of the United States of America in Congress assembled:
We, your memorialists, the House of Representatives of the wenty-sixth Legislative Assembly of the State of Montana, re-

spectfully represent that:

Whereas there exists within the Pacific Northwest a condition of economic distress which has caused widespread unemployment creating much suffering and want of necessities of life among a great many of the people of said area; and

Whereas the Pacific Northwest is without proper military protection in that the said section is wholly cut off from the East by the Bitter Root Mountains with only one passage through said range from the Canadian border to Bannock Pass, a distance of some 800 miles; and

Whereas it has become the public policy as well as the urgent need of the United States to take affirmative steps to relieve the conditions aforesaid; and Whereas the Lewis and Clark Highway follows a low elevation

water grade from Portland, Oreg., across the States of Oregon, Washington, and Idaho, through the Lolo Pass, the lowest pass in the Bitter Root range and which is centrally located, to Missoula, Mont., and will provide an adequate military and commercial route which is so badly needed; and

cial route which is so badly needed; and

Whereas the Lewis and Clark Highway has been completed with
the exception of only 50 miles which lies wholly within the national forests of Idaho and appropriations for forest roads in
national forests, which in Idaho cover 34,000,000 of its total 53,000,000 acres, are inadequate to provide for completion of said
highway from that source; and

Whereas these national forests are of the largest, most beautiful,
interesting, and valuable of the national forests, affording unsurpassed recreational opportunities for the people of the entire
Nation and are not accessible either by rail or national highway;
and

whereas this highway would be of great benefit to the States of Idaho, Montana, Washington, and Oregon to facilitate marketing of their products; would provide adequate military protection to the Pacific Northwest; would provide adequate employment to reduce the critical effect of the present economic distress in this area; and would stimulate national trade and commerce; and Whereas the Lewis and Clark Highway has been designated as eligible for Federal aid: Now, therefore, be it

Resolved, That the House of Representatives of the Twenty-sixth Legislative Assembly of the State of Montana, does most respectfully urge on the Congress of the United States that the said Congress pass such legislation and make the necessary appropriations to provide for the complete construction of the unfinished portion of said highway above mentioned, and that the Forest Service of the Department of Agriculture and/or the War Department and/or the Department of the Interior of the United States be authorized and directed to begin immediate construction thereon; be it further

Resolved. That the secretary of state of the State of Montana be authorized and is hereby directed to immediately forward certified copies of this memorial to the Secretary of Agriculture, the Secretary of War, the Senate and House of Representatives of the United States, to Senators and Representatives in Congress from the States of Idaho, Oregon, Washington, and Montana, and to the President, Franklin D. Roosevelt.

The VICE PRESIDENT also laid before the Senate the following concurrent resolution of the Legislature of the Territory of Hawaii, which was referred to the Committee on Immigration:

Whereas Hon. Samuel Wilder King, Delegate to Congress from Hawali, has introduced in the Congress of the United States of America a bill extending the privilege of legal entry into the United States to all alien wives married to American citizens prior to the year 1924; and

Whereas said bill will do justice and bring equality to American

Whereas said bill will do justice and bring equality to American citizens and their alien wives: Now, therefore, be it Resolved by the House of Representatives of the Twentieth Legislature of the Territory of Hawait (the senate concurring), That the Congress of the United States of America be, and it is hereby, urged to adopt said bill which provides for admission of alien wives into the United States of America who were married to American citizens prior to 1924; be it further Resolved, That copies of this concurrent resolution be transmitted to the President of the Senate of the Congress of the United States, to the Speaker of the House of Representatives of the Congress of the United States, to the Secretary of the Interior of the United States, and to the Secretary of Labor of the United States.

The VICE PRESIDENT also laid before the Senate a joint resolution of the Legislature of Wisconsin, memorializing the President and Congress to resume negotiations for a Great Lakes-St. Lawrence seaway treaty, which was referred to the Committee on Commerce.

(See joint resolution printed in full when presented today by Mr. WILEY.)

The VICE PRESIDENT also laid before the Senate a joint memorial of the Legislature of Montana, favoring the enactment of legislation to protect the citizens of the State of Montana against the importation of natural gas from the Dominion of Canada, which was referred to the Committee on Finance.

The VICE PRESIDENT also laid before the Senate resolutions adopted by Local No. 153, International Woodworkers

of America, of Kansas City, Mo., and Lodge No. 1728, Steel Workers' Organizing Committee, of Cincinnati, Ohio, protesting against amendment to the National Labor Relations Act, which were referred to the Committee on Education and Labor.

He also laid before the Senate a resolution adopted by Dille Lodge, No. 1098, S. W. O. C., of Cleveland, Ohio, favoring continuance of the investigation by the subcommittee of the Committee on Education and Labor investigating violations of civil liberties, and so forth, which was referred to the Committee on Education and Labor.

He also laid before the Senate a resolution adopted by the Board of Supervisors of Contra Costa County, Calif., favoring the permanent assignment of one-half of the fleet for operations in Pacific waters, with headquarters at San Francisco Bay, which was referred to the Committee on Naval Affairs.

He also laid before the Senate a resolution adopted at Harrisburg, Pa., by the National Committee on Wildlife Legislation, favoring creation of a permanent standing committee on the conservation of wildlife resources, which was referred to the Committee on Rules.

He also laid before the Senate a resolution adopted by the Central Labor Union of Philadelphia, Pa., favoring the enactment of House bill 4223, providing for placing special-delivery messengers under the civil-service system, which was referred to the Committee on Post Offices and Post Roads.

ORDER OF BUSINESS

Mr. PITTMAN addressed the Chair.

The VICE PRESIDENT. Let the Chair state the question before the Senate. When the Senate took a recess on Friday last there were passed over by unanimous consent certain amendments pending to the so-called reorganization bill, which is the unfinished business. The Chair understands that several Senators desire to present petitions and memorials, bills, and so forth, and the Chair thinks he should recognize the Senator from South Carolina [Mr. Byrnes], and he can then yield to other Senators for the purpose of presenting routine business.

Mr. BYRNES. I am glad to yield to other Senators for that purpose.

AMENDMENT OF NEUTRALITY ACT

Mr. PITTMAN. Mr. President, I spoke to the Senator from South Carolina having the pending bill in charge and asked him if it would inconvenience him if I should make a unanimous-consent request at this time. He said it would

Mr. BYRNES. Certainly, I yield to the Senator from Nevada for the purpose indicated by him.

Mr. PITTMAN. I introduce a joint resolution providing for certain amendments to the so-called Neutrality Act. The proposed amendments have been discussed considerably without the exact facts of the amendment being known.

Mr. REED. Mr. President, I make the point of order that we cannot hear on this side of the Chamber.

The VICE PRESIDENT. Sooner or later the Senator from Kansas will learn that in the early morning and evening Senators must have conferences, not having seen each other for at least 48 hours. [Laughter.] The Senate will be in order.

Mr. REED. We would like to hear just the same.

Mr. PITTMAN. I ask unanimous consent that the joint resolution be referred to the Committee on Foreign Relations. that it be printed in full in the RECORD for the information of the Senate, and that a statement which I broadcasted last night in attempting to explain the reasons for the joint resolution be published in the RECORD following the joint reso-

The VICE PRESIDENT. Without objection, the joint resolution will be received and referred, as requested.

The joint resolution (S. J. Res. 97), to be known as the Peace Act of 1939, was read twice by its title, referred to the

Committee on Foreign Relations, and ordered to be printed in the RECORD, as follows:

Resolved, etc.,-

PROCLAMATION OF ARMED CONFLICT BETWEEN FOREIGN STATES

SECTION 1. (a) That within 30 days after the outbreak of a declared or an undeclared armed conflict between foreign states President shall issue a proclamation naming the states involved; and he shall, from time to time, by proclamation, name other states as and when they may become involved in the armed conflict.

(b) Whenever the conditions which have caused the President to issue any proclamation under the authority of this section have ceased to exist, he shall revoke the same by proclamation.

COMMERCE WITH STATES ENGAGED IN ARMED CONFLICT

SEC. 2. (a) Whenever the President shall have issued a proclamation under the authority of section 1 (a) it shall thereafter be unlawful for any American vessel to carry any passengers or any articles or materials directly or indirectly to any state named in

articles or materials directly or indirectly to any state named in the proclamation.

(b) Whenever the President shall have issued a proclamation under the authority of section 1 (a) it shall thereafter be unlawful to export or transport, or attempt to export or transport, or cause to be exported or transported, from the United States directly or indirectly to any state named in the proclamation, any articles or materials until all right, title, and interest therein shall have been transferred to some foreign government, agency, institution, association, partnership, corporation, or national. The shipper of such articles or materials shall be required to file with the collector of the port from which they are to be experted a declaration under the port from which they are to be experted a declaration under oath that there exists in citizens of the United States no right,

oath that there exists in citizens of the United States no right, title, or interest in such articles or materials, and to comply with such rules and regulations as shall be promulgated from time to time by the President. Any such declaration so filed shall be a conclusive estoppel against any claim of any citizen of the United States of right, title, or interest in such articles or materials.

(c) Insurance written by underwriters on articles or materials included in shipments which are subject to restrictions under the provisions of this act, and on vessels carrying such shipments, shall not be deemed an American interest therein, and no insurance policy issued on such articles or materials, or vessels, and no loss incurred thereunder or by the owners of such vessels, shall be made the basis of any claim put forward by the Government of the United States. ment of the United States.

(d) Whenever the President shall have revoked any proclamation issued under the authority of section 1 (a) the provisions of this section shall thereupon cease to apply in respect to the State or States named in such proclamation, except with respect to offenses committed prior to such revocation.

AREAS OF COMBAT OPERATIONS

SEC. 3. (a) Whenever the President shall have issued a proclamation under the authority of section 1 (a), and he shall thereafter find that the protection of citizens of the United States so requires, he shall issue a proclamation, whereupon it shall be unlawful, except under such limitations and exceptions as the President may prescribe, for citizens of the United States or vessels flying the flag of the United States to proceed through any areas defined from time to time by the President to be areas of combat operations and so specified in his proclamation.

(b) The President may from time to time modify or extend his proclamation as changes in the situation may in his judgment warrant, and when the conditions which have caused him to issue his proclamation have ceased to exist he shall revoke the same and the provisions of this section shall thereupon cease to apply.

RED CROSS AND OTHER EXCEPTIONS

Sec. 4. The provisions of sections 2 and 3 shall not apply to travel SEC. 4. The provisions of sections 2 and 3 shall not apply to travel and trade on or over lands, lakes, rivers, and inland waters bordering on the United States. Furthermore, these provisions shall not prohibit the transportation by vessels under charter or other direction and control of the Red Cross, proceeding under safe conduct granted by states engaged in armed conflict, of officers and Red Cross personnel, medical personnel and medical supplies, food, and clothing, for the relief of human suffering.

TRAVEL ON VESSELS OF FOREIGN STATES

SEC. 5. (a) Whenever the President shall have issued a proclamation under the authority of section 1 (a), it shall thereafter be unlawful for any citizen of the United States to travel on any unlawful for any citizen of the United States to travel on any vessel of the state or states named in such proclamation: Provided, however, (1) That the provisions of this section shall not apply to a citizen of the United States traveling on a vessel whose voyage was begun in advance of the date of the President's proclamation, and who had no opportunity to discontinue his voyage after that date; (2) that they shall not apply under 90 days after the date of the President's proclamation to a citizen of the United States returning from a foreign state to the United States; and (3) that they shall not apply to officers, agents, and employees of the Government of the United States traveling on official business under specific authorization by the President.

Whenever the President shall have revoked any proclamation

Whenever the President shall have revoked any proclamation issued under the authority of section 1 (a), the provisions of this section shall thereupon cease to apply with respect to the state or states named in such proclamation, except with respect to offenses committed prior to such revocation.

ARMING OF AMERICAN MERCHANT VESSELS PROHIBITED

SEC. 6. Whenever the President shall have issued a proclamation under the authority of section 1, it shall thereafter be unlawful, until such proclamation is revoked, for any American vessel engaged in commerce with any foreign state to be armed or to carry any armament, arms, ammunition, or implements of war, except small arms and ammunition therefor which the President may deem necessary and shall publicly designate for the preservation of discipline aboard such vessels.

FINANCIAL TRANSACTIONS

SEC. 7. (a) Whenever the President shall have issued a procla-SEC. 7. (a) Whenever the President shall have issued a proclamation under the authority of section 1 (a), it shall thereafter be unlawful for any person within the United States to purchase, sell, or exchange bonds, securities, or other obligations of the government of any state named in such proclamation, or of any political subdivision of any such state, or of any person acting for or on behalf of the government of any such state, issued after the date of such proclamation, or to make any loan or extend any credit to any such government, political subdivision, or person: Provided, That if the President shall find that such action will serve to protect the commercial or other interests of the United States or its citizens, he may, in his discretion, and to such extent and under tect the commercial or other interests of the United States or its citizens, he may, in his discretion, and to such extent and under such regulations as he may prescribe, except from the operation of this section ordinary commercial credits and short-time obligations in aid of legal transactions and of a character customarily used in normal peace-time commercial transactions.

(b) The provisions of this section shall not apply to a renewal or adjustment of such indebtedness as may exist on the date of the

President's proclamation.

President's proclamation.

(c) Whoever shall violate the provisions of this section or of any regulations issued hereunder shall, upon conviction thereof, be fined not more than \$50,000 or imprisoned for not more than 5 years, or both. Should the violation be by a corporation, organization, or association, each officer or agent thereof participating in the violation may be liable to the penalty herein prescribed.

(d) Whenever the President shall have revoked any proclamation instead under the authority of section 1 (a) the provisions of this

(d) Whenever the President shall have revoked any proclamation issued under the authority of section 1 (a), the provisions of this section and of any regulations issued by the President hereunder shall thereupon cease to apply with respect to the state or states named in such proclamation, except with respect to offenses committed prior to such revocation.

SOLICITATION AND COLLECTION OF FUNDS

SEC. 8. Whenever the President shall have issued a proclamation under the authority of section 1 (a), it shall thereafter be unlawful for any person within the United States to solicit or receive any contribution for or on behalf of the government of any state

any contained of the behalf of the government of any state named in the proclamation.

Nothing in this section shall be construed to prohibit the solicitation or collection of funds to be used for medical aid assistance, or for food and clothing to relieve human suffering, when such solicitation or collection of funds is made on behalf of and for use by any person or organization which is not acting for or on behalf of any such government, but all such solicitations and collections of funds shall be subject to the approval of the President and shall be made under such rules and regulations as

(b) Whenever the President shall have revoked any proclamation issued under the authority of section 1 (a), the provisions of this section and of any regulations issued by the President hereunder shall thereupon cease to apply with respect to the States named in such proclamation, except with respect to offenses committed prior to such revocation.

AMERICAN REPUBLICS

SEC. 9. This act shall not apply to an American republic or republics engaged in war against a non-American state or states, provided the American republic is not cooperating with a non-American state or states in such war.

USE OF AMERICAN PORTS AS BASE OF SUPPLY

USE OF AMERICAN PORTS AS BASE OF SUPPLY

Sec. 10. (a) Whenever, during any war in which the United States is neutral, the President, or any person thereunto authorized by him, shall have cause to believe that any vessel, domestic or foreign, whether requiring clearance or not, is about to carry out of a port of the United States, fuel, men, arms, ammunition, implements of war, or other supplies to any warship, tender, or supply ship of a belligerent state, but the evidence is not deemed sufficient to justify forbidding the departure of the vessel as provided for by section 1, title V, chapter 30, of the act approved June 15, 1917 (40 Stat. 217, 221; U. S. C., 1934 ed., title 18, sec. 31), and if, in the President's judgment, such action will serve to maintain peace between the United States and foreign states, or to protect the commercial interests of the United States and its citizens, or to promote the security or neutrality of the United States, he shall have the power and it shall be his duty to require the owner, master, or person in command thereof, before departing from a port of the United States, to give a bond to the United States, with sufficient sureties, in such amount as he shall deem proper, conditioned that the vessel will not deliver the men, or any part of the cargo, to any warship, tender, or supply ship of a belligerent state.

(b) If the President, or any person thereunto authorized by him, shall find that a vessel, domestic or foreign, in a port of the United States, has previously cleared from a port of the United States during such war and delivered its cargo or any part thereof to a warship, tender, or supply ship of a belligerent state, he may prohibit the departure of such vessel during the duration of the war.

SUBMARINES AND ARMED MERCHANT VESSELS

SEC. 11. Whenever, during any war in which the United States is neutral, the President shall find that special restrictions placed on the use of the ports and territorial waters of the United States by the submarines or armed merchant vessels of a foreign state, will serve to maintain peace between the United States and foreign states, or to protect the commercial interests of the United States and its citizens, or to promote the security of the United States, and shall make proclamation thereof, it shall thereafter be unlawful for any such submarine or armed merchant vessel to enter a port or the territorial waters of the United States or to depart therefrom, except under such conditions and subject to such limitations as the President may prescribe. Whenever, in his judgment, the conditions which have caused him to issue his proclamation have ceased to exist, he shall revoke his proclamation and the provisions of this section shall thereupon cease to apply.

NATIONAL MUNITIONS CONTROL BOARD

NATIONAL MUNITIONS CONTROL BOARD

SEC. 12. (a) There is hereby established a National Munitions Control Board (hereinafter referred to as the "Board"). The Board shall consist of the Secretary of State, who shall be chairman and executive officer of the Board; the Secretary of the Treasury, the Secretary of War, the Secretary of the Navy, and the Secretary of Commerce. Except as otherwise provided in this act, or by other law, the administration of this act is vested in the Department of State. The Secretary of State shall promulgate such rules and regulations with regard to the enforcement of this section as he may deem necessary to carry out its provisions. The Board shall be convened by the chairman and shall hold at least one meeting a year.

(b) Every person who engages in the business of manufacturing, exporting, or importing any of the arms, ammunition, or implements of war referred to in this act, whether as an exporter, importer, manufacturer, or dealer, shall register with the Secretary of State his name, or business name, principal place of business, and places of business in the United States, and a list of the arms, ammunition, and implements of war which he manufactures, imports,

or exports.

or exports.

(c) Every person required to register under this section shall notify the Secretary of State of any change in the arms, ammunition, or implements of war which he exports, imports, or manufactures; and upon such notification the Secretary of State shall issue to such person an amended certificate of registration, free of charge, which shall remain valid until the date of expiration of the original certificate. Every person required to register under the provisions of this section shall pay a registration fee of \$100. Upon receipt of the required registration fee, the Secretary of State shall issue a registration certificate valid for 5 years, which shall be renewable for further periods of 5 years upon the payment for each renewal of a fee of \$100.

of a fee of \$100.

(d) It shall be unlawful for any person to export, or attempt to export, from the United States to any other state, any of the arms, ammunition, or implements of war referred to in this act, or to import, or attempt to import, to the United States from any other state, any of the arms, ammunition, or implements of war referred to in this act, without first having obtained a license therefor.

(e) All persons required to register under this section shall maintain, subject to the inspection of the Secretary of State, or any person or persons designated by him, such permanent records of manufacture for export, importation, and exportation of arms, ammunition, and implements of war as the Secretary of State shall prescribe.

(f) Licenses shall be issued to persons who have registered.

(1) Licenses shall be issued to persons who have registered as herein provided for, except in cases of export or import licenses where the export of arms, ammunition, or implements of war would be in violation of this act or any other law of the United States, or of a treaty to which the United States is a party, in which cases such licenses shall not be issued.

(g) No purchase of arms, ammuntion, or implements of war shall be made on behalf of the United States by any officer, executive department, or independent establishment of the Government from any person who shall have failed to register under the provisions of this act.

(h) The provisions of the act of August 29, 1916, relating to the sale of ordnance and stores to the Government of Cuba (39 Stat. 619, 643; U. S. C., 1934 ed., title 50, sec. 72), are hereby repealed as of December 31, 1937.

as or December 31, 1937.

(i) The Board shall make an annual report to Congress, copies of which shall be distributed as are other reports transmitted to Congress. Such reports shall contain such information and data collected by the Board as may be considered of value in the determination of questions connected with the control of trade in arms, ammunition, and implements of war. The Board shall include in such reports a list of all persons required to register under the provisions of this act, and full information concerning the licenses issued hereunder.

(i) The President is hereby authorized to receive the provisions of the state of the provisions of the president is hereby authorized to receive the provisions of the president is hereby authorized to receive the provisions of the president is hereby authorized to receive the provisions of the provisions of

(j) The President is hereby authorized to proclaim upon recommendation of the Board from time to time a list of articles which shall be considered arms, ammunition, and implements of war for the purposes of this section.

REGULATIONS

SEC. 13. The President may from time to time promulgate such rules and regulations not inconsistent with law as may be necessary and proper to carry out any of the provisions of this act; and he may exercise any power or authority conferred on him by this act through such officer or officers, or agency or agencies, as he shall

GENERAL PENALTY PROVISION

SEC. 14. In every case of the violation of any of the provisions of this act or of any rule or regulation issued pursuant thereto where a specific penalty is not herein provided, such violator or violators, upon conviction, shall be fined not more than \$10,000 or imprisoned not more than 5 years, or both.

DEFINITIONS

SEC. 15. For the purposes of this act—

(a) The term "United States," when used in a geographical sense, includes the several States and Territories, the insular possessions of the United States (including the Philippine Islands), the Canal

Zone, and the District of Columbia.

(b) The term "person" includes a partnership, company, association, or corporation, as well as a natural person.

(c) The term "vessel" means every description of watercraft (including aircraft) or other contrivance used, or capable of being

(including aircraft) or other contrivance used, or capable of being used, as a means of transportation on, under, or over water.

(d) The term "American vessel" means any vessel (including aircraft) documented under the laws of the United States.

(e) The term "vehicle" means every description of carriage (including aircraft) or other contrivance used, or capable of being used, as a means of transportation on or over land.

(f) The term "state" shall include nation, government, and

SEPARABILITY OF PROVISIONS

SEC. 16. If any of the provisions of this act, or the application thereof to any person or circumstance, is held invalid, the remainder of the act, and the application of such provision to other persons or circumstances, shall not be affected thereby.

APPROPRIATIONS

SEC. 17. There is hereby authorized to be appropriated from time to time, out of any money in the Treasury not otherwise appropri-ated, such amounts as may be necessary to carry out the provisions and accomplish the purposes of this act.

REPEAL OF ACTS OF 1935, 1396, 1937

SEC. 18. The act of August 31, 1935 (Public Resolution No. 67, 74th Cong.), as amended by the act of February 29, 1936 (Public Resolution No. 74, 74th Cong.), and the act of May 1, 1937 (Public Resolution No. 27, 75th Cong.), and the act of January 8, 1937 (Public Resolution No. 1, 75th Cong.), are hereby repealed.

The statement presented by Mr. PITTMAN is as follows:

ADDRESS BY HON. KEY PITTMAN, CHAIRMAN OF THE SENATE FOREIGN RELATIONS COMMITTEE, OVER THE COLUMBIA BROADCASTING SYSTEM ON SUNDAY, MARCH 19, 1939

ADDRESS BY HON. KEY PITTMAN, CHAIRMAN OF THE SENATE FOREIGN RELATIONS COMMITTEE, OVER THE COLUMBIA EROADCASTING SYSTEM ON SUNDAY, MARCH 19, 1939

Rapidly increasing threatening conditions in the world force upon Congress the duty to expedite legislation that will permit our Government to act justly and at the same time to eliminate as far as practicable any causes that might bring us into a controversy that would force us into war. The existing Neutrality Act and the amendments thereto constitute a change in our international policy as it existed at the time that we entered the World War. It prevents our citizens and our ships from enjoying their right on the high seas under international law during war. And yet, notwithstanding this change of policy, we hear distinguished Senators and learned men in other phases of life charging that we are drifting into the same conditions that led us into the World War. They even charge that Woodrow Wilson dragged us into the World War. And they intimate or charge that the statements of President Roosevelt indicate that he is dragging us into another world war if such war should occur. None of the charges are true.

Let us remember that for several months before Congress declared war prominent statesmen like Theodore Roosevelt were crying out against the violation of our rights as neutrals under international law and demanding that our Government declare war against Germany. The tolerance and the patience of our President, our Congress, and our people was exhausted when the German Government, in February 1917, established a submarine zone hundreds of miles out in the Atlantic Ocean covering the high seas from Norway and Sweden to Africa and notified our Government that every neutral ship of commerce, whether carrying contraband or not, whether carrying the American flag or not, whether engaged with neutrals or not, would be sunk without notice when it entered that zone. And when, between March 1, 1917, and the date that we entered the war, a number of our merchantmen engaged

The existing neutrality law constituted a surrender of those legal rights that we fought for in the World War. We have found out, however, that beginning with the last war not only were arms, ammunition, and implements of war declared to be contraband of war, but by reason of the fact that today wars are conducted by all the people of a country rather than by armies, that everything, even

foodstuffs, were designated as contraband of war.

We have discovered that the existing law in some particulars is unjust if not unneutral. Let us take, for example, the conflict be-

tween Japan and China. Had the Embargo Act been placed in effect upon both of those countries China would have suffered more than Japan. This, of course, no humane man or woman in this country Japan. This, of course, no numane man or woman in this country desired. The embargo would have only stopped the export of arms, ammunition, and implements of war, while all of the articles and materials used in the manufacture of arms, ammunition, and implements of war could be exported to both countries. China has no factories or munitions works with which to manufacture arms, ammunition, and implements of war, while Japan only requires the raw materials for such manufacture because Japan has ample factories and munition works at transform such manufacture into munition, and implements of war, while Japan only requires the raw materials for such manufacture because Japan has ample factories and munition works to transform such raw materials into weapons of war. This same injustice applies in every case where a manufacturing country is warring with a nonmanufacturing country. It has been urged by some pacifists that we amend the neutrality act so that there will be an embargo placed not only on arms, ammunition, and implements of war but upon all materials that are used in the manufacture of such weapons. That would include nearly every mineral and every chemical and many things like cotton. It must be perfectly evident that in the event of a World War our people are not going to make the sacrifice of discontinuing substantially all of their exports, particularly in a time of mounting surpluses, loss of domestic purchasing power, and tragic unemployment. Congress will respond to the will of the people in these matters. In my opinion, Congress would not pass such legislation. I have never seen the logic of prohibiting the sale of arms, ammunition, and implements of war to Japan while at the same time shipping her millions of tons of scrap iron to be manufactured into instruments of death with which to slaughter the innocent and helpless people of China.

The great emergency that is facing the world and inevitably our

helpless people of China.

The great emergency that is facing the world and inevitably our own country if the march of the totalitarian powers continues—and I now see nothing to stop such march unless it be stopped by the immediate and united action of the liberty-loving people of Europedemands our action. The emergency demands of our Government an expeditious and enormous increase of the capacity in this country for the production of materials and instruments of defense. It

demands our action. The emergency demands of our Government an expeditious and enormous increase of the capacity in this country for the production of materials and instruments of defense. It is totally impracticable, if not impossible, for our Government to sufficiently increase the capacity of Government works to meet any such emergency. Our Government must rely upon the expansion of the capacity of private industry. Private industry will not expand if it is denied the right and power to export its products. I am asked if placing in effect the cash-and-carry provision with regard to all materials would not be disadvantageous to China.

My answer is "no." Every port in China is controlled by Japan and nothing going into such ports can reach the Chinese Army. Whatever the Chinese Army receives must be overland from the west. Placing all materials under the cash-and-carry plan, and at the same time putting in force and effect the credit provisions of existing law, and which are retained in my resolution, as are the other provisions, would make it more difficult for Japan to import anything from the United States. China has not asked any credit in the United States. What she buys here she buys with silver, which we coin into money. It is also asked if placing all materials, including arms, ammunition, and implements of war, on the cash-and-carry basis would not benefit Great Britain and France. My answer, in the first place, is that that question is not a consideration in the passage of a Neutrality Act. The Neutrality Act has only one purpose, and that is to eliminate causes which might arouse controversies that would force us into a foreign war. Of course I must frankly admit that in the event of a world war that, so long as Great Britain and France control the seas, they alone will have access to our markets. But who can say how long one country or two countries will control the seas? Had we not entered the World War it is probable that Germany's submarines would have controlled the seas. Does it not seem unju

that there is maintained in Europe a substantial balance of power, because if any one group obtains absolute power over Europe and Asia then we are faced with the defense of the Monroe Doctrine in Latin America. I have feared this ever since I broadcast a speech from southern California in September when Mr. Chamberlain was holding his conference with Hitler. I stated in that broadcast that, if the taking over by Germany of Sudetenland was the last step in his conquest, the surrender might be justified, even though it would result in the violation of a pledge to Czechoslovakia. But I contended at that time that, knowing the ambitions of Hitler, as I believed I.did, that it would be but the first step in an advance that would mean the conquest of central Europe. In a broadcast over the National Radio Forum on the 20th of February I stated:

"Does any one doubt that Hitler has in his program the domination of Ukraina? In fact, does any one doubt that Hitler has the domination of Siberia in mind? If so, simply read his book

Mein Kampf. He is moving eastward at present. Is he succeeding? Hasn't Hungary joined his alliance? Did not the policy of appeasement of Great Britain surrender to the mercy of Hitler not only Czechoslovakia but Poland, Rumania, Yugoslavia, and Turkey? What is there to stop his domination, if not conquest, of these countries?" these countries?"

these countries?"

And then I gave the history of the acts and the expressed ambitions of the Japanese Government. And after that, speaking of the totalitarian governments, I stated:
"Their intent to dominate the world is evident to any unbiased thinking person."
I was attacked by the German press on the grounds that I was a war monger and by some in the United States as being provocative. I do not consider that a person can ever be charged with being provocative so long as he tells the truth in the resistance of wrong. But now the situation is clear. Prime Minister Chamberlain in his speech at Birmingham, England, on March 17, in speaking of Hitler's violation of his promises, said:
"What reliance can be placed upon any other assurances that

in speaking of Hitler's violation of his promises, said:

"What reliance can be placed upon any other assurances that come from the same source? * * * Germany under her present regime has sprung a series of unpleasant surprises upon the world: The Rhineland, the Austrian Anschluss, the severance of Sudetenland—all these things shocked and affronted public opinion throughout the world.

"Is this the last attack upon a small state, or is it to be followed by others? Is this in fact a step in the direction of an attempt to dominate the world by force?"

Even today Hitler is demanding special and exclusive privileges in Rumania.

And so while this resolution that I will introduce on Monday solely on my own responsibility places all exports on the cash-and-carry basis, and while I do not desire any extraneous amendments offered to the resolution, it must be understood that I do not commit myself not to offer further legislation increasing the emergent powers of the President.

Mr. LEWIS. Mr. President, at this moment I call the attention of the Senate to the fact that on the 8th instant I introduced a bill, S. 1745, which was referred to the Committee on Foreign Relations and printed in full in the RECORD, at page 2447, touching the matter of neutrality, and announced that I would later address the Senate thereon. Subsequently I called attention to the fact that, being engaged as a member of the conference committee on the so-called defense or airplane bill, I would defer the remarks I intended

Mr. VANDENBERG. Mr. President, in connection with the request submitted by the Senator from Nevada, I ask unanimous consent that a statement made by the senior Senator from Idaho [Mr. Borah] on the same subject be printed in the RECORD.

The VICE PRESIDENT. Is there objection?

There being no objection, the statement by Mr. Borah was ordered to be printed in the RECORD, as follows:

STATEMENT FOR THE PRESS BY WILLIAM E. BORAH, MARCH 19, 1939

The fact is that what we refer to as neutrality legislation is not in fact neutrality legislation. It is rather peace legislation. It abandons some of the most fundamental principles of neutrality as they had grown up through centuries of experience. If we are going to take up again legislation along the same lines, then I have reached the point where I should like to vote for a bill which would prohibit the sale, directly or indirectly, of all instrumentalities of war to any and all nations engaged in armed conflict. As soon as the proclamation of war is issued by the President as proposed, I would shut off absolutely the supplying of the instrumentalities of war.

The fact that the nations, or some of them, might have the ships and the money to come and get arms and carry them away should not be permitted to form an exception. We should say to all en-gaged in armed conflicts: We will furnish no loans. We will furnish no instrumentalities of war. We will not contribute in any way to mass murder.

way to mass murder.

The governments of the world extorted from their overburdened people last year \$15,000,000,000 for arms and armaments. In view of the awful situation, we can afford at least to refuse all help, directly or indirectly, after war is actually in progress. We should lodge discretion nowhere on that particular matter. We should refuse arms and armaments to those who are able to buy and have the ships to carry the same as to all others. In endeavoring to be neutral we should, insofar as possible, endeavor to be humane.

Mr. CLARK of Missouri subsequently said: Mr. President, in view of the fact that the Senate has just given unanimous consent to have printed in the RECORD the joint resolution introduced by the Senator from Nevada [Mr. PITTMAN] having to do with the Neutrality Act, and the Senator from Illinois [Mr. Lewis] having referred to his bill on the same subject, both measures, as I see the matter, being calculated to facilitate the United States drifting into war, I ask unanimous consent that there also be printed in the RECORD Senate Joint Resolution 84, recently introduced by the senior Senator from Wisconsin [Mr. La Follette] and 12 other Senators, designed to keep the United States out of war.

The VICE PRESIDENT. Is there objection? The Chair

hears none.

The joint resolution (S. J. Res. 84) proposing an amendment to the Constitution of the United States for a referendum on war is as follows:

Resolved by the Senate and House of Representatives of the United States of America in Congress assembled (two-thirds of each House concurring therein), That the following article is proposed as an amendment to the Constitution of the United States, which shall be valid to all intents and purposes as a part of the Constitution when ratified by the legislatures of three-fourths of the several States;

"Section 1. Except in case of attack by armed forces, actual or immediately threatened, upon the United States or its Territorial immediately threatened, upon the United States or its Territorial possessions, or by any non-American nation against any country in the Western Hemisphere, the people shall have the sole power by a national referendum to declare war or to engage in warfare overseas. Congress, when it deems a national crisis to exist in conformance with this article, shall by concurrent resolution refer the question to the people.

"SEC. 2. Congress shall by law provide for the enforcement of this section."

section.

"SEC. 3. This article shall become operative when ratified as an amendment to the Constitution by conventions in the several States, as provided in the Constitution."

Mr. SHIPSTEAD subsequently said: Mr. President, earlier in the day sundry matters were introduced in the RECORD in connection with the joint resolution of the Senator from Nevada [Mr. PITTMAN] and the bill of the Senator from Illinois [Mr. Lewis]. I ask unanimous consent to have printed in the RECORD in the same connection an excerpt from an address delivered last Saturday night at Canton, Ohio, by the former Under Secretary of State, Mr. Castle, relative to the same subject.

There being no objection, the matter referred to was ordered to be printed in the RECORD, as follows:

[From the New York Times of March 19, 1939]

Castle Cautions of Drift into War—In Address to Ohio Lawyers He Calls on Country to Mind Its "Own Business"—Scores "Mis-sionary Mind"—Denies Britain and France Have "Sum of Fair-NESS"-HOLDS POLICY TO LATINS UNFAIR

CANTON, OHIO, March 18.—Calling on the United States to "keep out of the European mess," William R. Castle, former Under Secretary of State, said in a speech here tonight:

"Let's mind our own business—and keep our powder dry—avoid all the ideologies which are contrary to our own good system."

all the ideologies which are contrary to our own good system."

Speaking at a dinner marking the close of the annual institute of law, sponsored by the Stark County Bar Association, Mr. Castle questioned the argument that it would prevent war if the dictatorships were notified that this country was prepared to defend the

democracies by force of arms.

"Is not this a notification to the democracies that, with the United States back of them, they need not make any compromises nor even try to satisfy any of the legitimate needs of the have-not countries?" Mr. Castle demanded.

"We cannot assert that the sum of wisdom and fairness is with Great Britain and France. They, too, have had their moments of imperialism. The people in this country who should have and do have the final voice when it is a question of war are not Government officials but the American people themselves.

NOT FAIRPLAY, HE CHARGES

"And I am dead certain that the American people have no desire to get into another European war. On the contrary, I am sure that they are determined to keep out. It is not, therefore, playing fair with the American people to lure them along a path which, although it is bordered with plous phrases, leads inevitably toward

war.

"This seems to be a time when the United States is again getting into a missionary frame of mind. We make up our minds what form of government is the best form and then want to force it on others, whether they want it or not.

"Today who would dare to say that the strenuous attempt of the American Government to persuade Latin-American countries not to trade with Germany and Italy, admirable and high-minded as the purpose is in statement, has not back of it—quite unconsciously so far as most American officials are concerned—the desire to get for ourselves the trade that Germany and Italy now have.

"If we could go to the Latin-American countries and say, "The totalitarian governments of Europe practice a doctrine which is abhorrent to American ideals. You are helping these nations to live and prosper through your trade. If you will buy only from us we shall be glad to take all your beef and your wheat as well as what we take now,' our position would be fair enough.

DEPLORES STIRRING UP HATE

"But it will not pay in the long run to go down there and stir up hate, try to disrupt trade with these European countries when we have not the slightest intention ourselves to step in and buy cotton and wheat and meat that we do not want and could

not use.
"I think the really good-neighborly thing to do would be to say to them that we intend to buy all we can and to sell all we can and that, as we are friends and neighbors, we intend also to facilitate their arrangements abroad so that they can sell the rest their products to the best advantage to themselves. What a surprise this would be to the totalitarian States. It would make their

prise this would be to the total tarian states. It would make their criticisms of us merely silly, would create a new atmosphere in which peace would have a chance."

Mr. Castle contended that this country's representatives abroad could fulfill their duty to promote democracy by proving to others the virtues of our own democracy. He added that they do not fulfill their duty when they attack others because then they become missionaries and endanger their own country.

Speakers at today's essions included Luther Day of Cleveland.

Speakers at today's sessions included Luther Day, of Cleveland, and former Representative Arthur Malneck, of Columbus.

ADDITIONAL PETITIONS AND MEMORIALS

Mr. BYRNES presented a concurrent resolution of the Legislature of South Carolina, favoring the enactment of legislation to extend financial relief to certain counties in South Carolina wherein the Federal Government has purchased and condemned real estate, which was referred to the Committee on Agriculture and Forestry.

(See resolution printed in full when laid before the Senate by the Vice President on the 17th instant, p. 2901, Congres-SIONAL RECORD.)

Mr. MALONEY presented the petition of the Greenwich (Conn.) Council of Women, praying that the United States take every practicable means to end the traffic in arms and supplies to Japan for use in operations in China, which was referred to the Committee on Foreign Relations.

Mr. TAFT presented a resolution adopted by the board of directors of the Ohio Chamber of Commerce, Columbus, Ohio, favoring balancing the Budget, a drastic reduction of Federal expenditures, and lowering the present tax burden, which was referred to the Committee on Finance.

Mr. CAPPER presented a resolution adopted by the Workers Alliance, of Fort Scott, Kans., favoring an additional appropriation of \$150,000,000 for the continuation of the Works Progress Administration program, which was referred to the Committee on Appropriations.

He also presented the petition of sundry members of Workers Alliance Local, G 1185, of Baxter Springs, Kans., praying for an additional appropriation of \$275,000,000 for the continuation of the Works Progress Administration program, which was referred to the Committee on Appropriations.

He also presented a petition of sundry citizens of Wakeeney, Quinter, Ellis, Collyer, and Ogallah, all in the State of Kansas, praying that the United States adhere to a policy of nonparticipation in aggression and take measures to discontinue the shipment of war supplies to Japan, which was referred to the Committee on Foreign Relations.

He also presented a resolution adopted by General James H. Shields Council, No. 1368, Knights of Columbus, of Garnett, Kans., favoring continuance of the Neutrality Act, which was referred to the Committee on Foreign Relations.

He also presented petitions of sundry citizens of Richmond, Princeton, Moran, and Greeley, all in the State of Kansas, praying that the United States adhere to a general policy of neutrality, which were referred to the Committee on Foreign

Mr. WILEY presented the following joint resolution of the Legislature of Wisconsin, which was referred to the Committee on Foreign Relations:

Joint resolution memorializing the President and Congress of the United States to resume negotiations for a Great Lakes-St. Lawrence seaway treaty.

Whereas a piecemeal approach to the settlement of the matters and issues involved in the joint use of the Great Lakes-St. Lawrence waterway would not fulfill the long-time needs of the Mid-

west or the country at large; and
Whereas a complete cooperation of all States and countries is
essential so that specific problems and usages may be determined and consummated by a comprehensive treaty containing
adequate and sufficient safeguards and provisions for mutually

compensatory objectives of inland waterways and defense bases;

Whereas the position of all interested parties should be indicated and declared so that our country will not be hampered by any uncertainty as to the future source and availability of supply

of cheap and adequate hydroelectric power; and Whereas the demands of national defense and productive power for our great industrial centers require multiple sources of hydro-

for our great industrial centers require multiple sources of hydroelectric power, and in an age so dependent upon power and
transportation disastrous consequences will follow a failure to
anticipate future needs of cheap power sources; and
Whereas such seaway will provide a means of transportation
connecting and unifying the agricultural sections of the Midwest with the industrial sections of the East by a reduction of
transportation costs that will be productive of expanded markets,
added industries, increased purchasing power of the United States
at large, improved capital and physical power plants for industry and defense, and stimulated employment; and
Whereas the Canadian and American Governments may extend
and continue an inspiring example of cooperation for constructive improvement instead of cooperation only for destructive purposes; and

whereas negotiations for a treaty should not be permitted to lapse and lull by reason of early failures caused by opposition created by special interests seeking to maintain their abilities to exploit the needs of the people: Now, therefore, be it

*Resolved by the senate (the assembly concurring). That the Legislature of Wisconsin memorializes the President and the Congress of the United States to resume treaty negotiations and to enact

of the United States to resume treaty negotiations and to enact necessary legislation for the procurement of a Great Lakes-St. Lawrence seaway; be it further

Resolved, That properly attested copies of this resolution be sent to the President of the United States, to both Houses of

Congress, and to each Wisconsin Member thereof.

Mr. MURRAY also presented the following joint memorial of the Legislature of Montana, which was referred to the Committee on Military Affairs:

Memorial to the Congress of the United States of America requesting the passage of House Resolution No. 3320 and Senate bill No. 572, both of which bills are identical in form, and are for the purpose of providing for the common defense by acquir-ing stocks of strategic and critical raw materials, concentrates, and alloys essential to the needs of industry for the manufacand the civilian population in time of national emergency, and for other purposes

To the Honorable Senate and the House of Representatives of the United States in Congress assembled:

Whereas there is now pending before the House of Representatives of the Congress of the United States, House Resolution No. 3320, and there is now pending before the Senate of the Congress of the United States Senate bill No. 572, which have for their purpose the purchase of strategic and critical raw materials, con-

purpose the purchase of strategic and critical raw materials, concentrates, minerals, and alloys essential to the national safety and for which there is at present an inadequate supply in the United States, and for the purpose of developing domestic deposits of strategic war minerals and materials necessary for industry; and Whereas extensive deposits of manganese, chromium, and other strategic war minerals exist within the State of Montana, and remain in a comparatively undeveloped condition; and Whereas it is the opinion of the legislative body of the State of Montana, the passage of these bills, or bills having similar object in view, are essential to the national safety of the United States Government and should be enacted into law by the Congress of the United States: Now, therefore, be it

*Resolved**, That the Twenty-sixth Legislative Assembly of the State of Montana, the Senate and House concurring, does hereby respectfully petition and request the Congress of the United States to enact into law House Resolution No. 3320 and Senate bill No. 572, or such other legislation now pending before the Congress of

572, or such other legislation now pending before the Congress of the United States of a like character; be it further

Resolved, That copies of this memorial be transmitted by the secretary of state of the State of Montana to the Honorable B. K. WHEELER, and the Honorable James E. Murray, United States Senators, and to the Honorable James F. O'Connor and the Honorable T. J. Thorkelson, United States Representatives from the First and Second Congressional Districts of the State of Montana,

Mr. MURRAY also presented the following joint memorial of the Legislature of Montana, which was referred to the Committee on Mines and Mining:

Memorial to the Congress of the United States requesting the enactment of legislation to bring about control of basic metals, to create a control board, and suggesting the powers of said

To the Honorable Senate and the House of Representatives of the United States in Congress assembled:
Whereas the sudden fluctuations in the ratio of supply to demand with resultant instability in the price of basic metals causes workers engaged in the production of the basic metals involved alterately the amplitude of the production of the basic metals involved alterately the amplitude of the state of the nately to be employed and laid off at intervals uncertain both as to time of inception and duration, periods respectively characterized by hope of overcoming insolvency and fear of garnishment of wages, and by again being pushed onto relief rolls into hardship and

discouraging indebtedness (basic metals as used in this resolution shall include, but not be limited to copper, manganese, lead, zinc, silver, arsenic, gold, bismuth, iron, and molybdenum in any form such as, but not limited to, ore, concentrate, matte, cinders, blistered or refined):

Whereas the consequent uncertainty of employment has caused and is causing a feeling of unrest and insecurity among said

workers; and

workers; and
Whereas national regulation of the production and importation
of basic metals would tend to equalize the discrepancies between
the supply and demand of said metals and to remedy in a greater
or lesser degree the evils above described: Now, therefore, be it
Resolved, That the Twenty-sixth Legislative Assembly of the State
of Montana, the senate and house concurring, hereby does petition
the Congress of the United States to enact legislation creating a
basic metals control board consisting of five members, one to be
appointed from the membership of the Mine, Mill, and Smelter
Workers one from the metal trades of the American Federation of Workers, one from the metal trades of the American Federation of Labor, one from the independent fabricators, one from the major mine owners, and one disinterested person, to be chairman, said

oard to have power:

1. To regulate the production in the United States of all basic

2. To prohibit importation of foreign basic metals when and as long as there are any domestic basic metals on hand;
3. To compel mining, metal-producing, and ore-refining plants to continue in operation when and if said board can prove that continuing operation will return a reasonable profit to the plant

in question;
4. To prevent interlinking of mining, metal-producing, and ore

4. To prevent interlinking of mining, metal-producing, and orerefining companies or trusts detrimental to any or all of the
workers employed in industries producing basic metals;
5. To recommend to Congress tariff rates to be imposed upon
basic metals imported to the United States.

Be it further resolved, That copies of this memorial be transmitted by the secretary of state of the State of Montana to the
Honorable Franklin D. Roosevelt, President of the United States;
the Honorable B. K. Wheeler and the Honorable James E. Murray,
United States Senators; and to the Honorable James F. O'Connor and the Honorable J. Thorkelson, United States Representatives of the State of Montana

REPORTS OF COMMITTEES

Mr. SMITH, from the Committee on Agriculture and Forestry, to which was referred the bill (S. 1096) to amend section 8c of the Agricultural Marketing Agreement Act of 1937, as amended, to make its provisions applicable to Pacific Northwest boxed apples, reported it without amendment and submitted a report (No. 181) thereon.

Mr. RUSSELL, from the Committee on Immigration, to which were referred the following bill and joint resolution, reported them each without amendment and submitted reports

S. 139. A bill for the relief of Maria Bartolo (Rept. No. 182); and

S. J. Res. 72. Joint resolution readmitting Mary Cohen Bienvenu to citizenship (Rept. No. 183).

Mr. HOLMAN, from the Committee on Immigration, to which was referred the bill (S. 1291) for the relief of William Carl Laude, reported it without amendment and submitted a report (No. 184) thereon.

Mr. MALONEY, from the Committee on Immigration, to which was referred the bill (S. 1394) for the relief of Johannes or John, Julia, Michael, William, and Anna Kostiuk, reported it without amendment and submitted a report (No. 185) thereon.

Mr. ANDREWS, from the Committee on Immigration, to which was referred the bill (S. 837) to admit Mrs. Henry Francis Parks permanently to the United States, reported it without amendment and submitted a report (No. 186)

Mr. SCHWELLENBACH, from the Committee on Immigration, to which was referred the bill (S. 1269) for the relief of Emil Friedrich Dischleit, reported it with an amendment and submitted a report (No. 187) thereon.

Mr. HUGHES, from the Committee on Immigration, to which was referred the bill (S. 808) for the relief of Calliope Minaca Pilavakis, reported it without amendment and submitted a report (No. 188) thereon.

Mr. BYRNES, from the Committee to Audit and Control the Contingent Expenses of the Senate, to which was referred the resolution (S. Res. 83) authorizing the Committee on the District of Columbia to hold hearings during the Seventysixth Congress (submitted by Mr. King on February 20, 1939), reported it without amendment.

Mr. HATCH, from the Committee on the Judiciary, to which was referred the bill (S. 499) to amend the act entitled "An act making appropriations for the naval service for the fiscal year ending June 30, 1910, and for other purposes", approved March 3, 1909, as amended, so as to extend commissary privileges to civilian officers and employees of the United States at naval stations beyond the continental limits of the United States or in Alaska, reported it without amendment and submitted a report (No. 190) thereon.

INCREASE OF AGRICULTURAL PURCHASING POWER

Mr. THOMAS of Oklahoma. Mr. President, from the Committee on Agriculture and Forestry I report back favorably, with amendments, Senate bill 1855, to relieve the existing national economic emergency by increasing agricultural purchasing power, to increase the national income, to make possible a balancing of the Budget and, acting under the power conferred by section 8 of article I of the Constitution, to regulate the value of the dollar in the interest of the general welfare, and for other purposes; and I submit a report (No. 180) thereon. The bill has to do with the agricultural problem, but it involves and relates to monetary affairs; so I ask that the bill and report be referred to the Committee on Banking and Currency for the consideration of that committee.

The VICE PRESIDENT. Without objection, it is so

Mr. THOMAS of Oklahoma. I also ask that a copy of the bill, together with a copy of the report, be printed in full at this point in the RECORD for the information of the

The VICE PRESIDENT. Is there objection to the request of the Senator from Oklahoma? The Chair hears none.

The bill and report are as follows:

Be it enacted. etc.,

DECLARATION OF POLICY

SECTION 1. That it is hereby declared to be the policy of the United States that the price level as shown by the Bureau of Labor Statistics shall be adjusted to 100, and it shall be the duty of the Board of Governors of the Federal Reserve System, the Secretary of the Treasury, and the other executive departments of the Government to cooperate in the work of adjusting such price level as herein provided, and thereafter to keep such price level as nearly stable at such point of 100 as is humanly possible.

GOLD DOLLAR WEIGHT FIXED

SEC. 2. The weight of the gold dollar is hereby fixed at 12.9 grains of gold, nine-tenths fine. Such gold dollar, the weight of which is so fixed, shall be the standard unit of value, and all forms of money issued or coined by the United States shall be maintained at a parity with this standard and it shall be the duty of the Secretary of the Treasury to maintain such parity.

CERTIFICATES AGAINST SURPLUS GOLD AUTHORIZED

SEC. 3. There is hereby created in the Treasury a special reserve fund. There shall be covered into such fund (1) any gold in the general fund of the Treasury, (2) an amount of gold equal to the increase in value (resulting from the first section of this act) of any gold held as security for gold certificates and as a reserve for any United States notes and for Treasury notes of 1890, and (3) any gold hereafter acquired by the general fund of the Treasury. Notwithstanding any other provision of law, the Secretary of the Treasury is authorized and directed to issue certificates against the gold in such fund. Such certificates shall be in such form as may be prescribed by the Secretary, shall have and possess all of the privileges and the legal-tender characteristics of silver certificates now in the Treasury of the United States or in circulation, and shall be redeemable in any lawful money of the United States: Provided, That all such certificates shall be issued and paid into circulation to meet maturing bills and in such a manner as to assist in carrying into effect the policy set forth in section 1 of this act.

RELATING TO SILVER

SEC. 4. That the Silver Purchase Act (Public Law No. 438, 73d

SEC. 4. That the Silver Purchase Act (Public Law No. 438, 73d Cong.) is hereby repealed.

The Secretary of the Treasury is authorized and directed to purchase at not less than \$1.04 per fine ounce all silver newly mined in the United States that may be offered for sale.

The Secretary of the Treasury is authorized and directed to purchase all foreign silver which may be tendered in payment for agricultural products of the United States, which agricultural products are purchased for export at a price which shall be 25 percent above the New York market price for foreign silver as of the date of sale of such agricultural products: Provided, however, That the price to be paid for all silver acquired pursuant to the provisions of section 4 of this act shall not be higher than \$1.29 per fine ounce.

The Secretary of the Treasury is hereby authorized and directed to issue silver certificates against all silver purchased under this act on the basis of the monetary value of \$1.29 per fine ounce.

The Secretary of the Treasury is authorized and directed to purchase silver, both foreign and domestic, pursuant to the provisions of this act, until the amount of silver held in the Treasury of the United States shall constitute 25 percent of the total metallic monetary reserves of the United States.

CERTIFICATES OWNED BY UNITED STATES TO BE KEPT IN CIRCULATION

SEC. 5. When certificates issued under section 2 of this act, and when silver certificates issued under the provisions of this or any other act are received into the Treasury (other than by redemption) from any source whatsoever, and belong to the United States, they shall not be retired, canceled, or destroyed, but shall be reissued and paid out again and kept in circulation; but nothing herein shall prevent the cancelation and destruction of mutilated certificates of the destruction of the latest the cartificates of the destruction. cates and the issue of other certificates of like denomination in their stead, as provided by law.

STABILIZATION FUND CONTINUED

SEC. 6. The sum of \$1,500,000,000 heretofore appropriated and covered into a stabilization fund, as provided by paragraph (6) of section 10, Public Law No. 87, Seventy-third Congress, approved January 30, 1934, is hereby reappropriated and covered into the general fund; and paragraph (c) of said section 10 of said Public Law No. 87, Seventy-third Congress, is hereby repealed.

SEC. 7. The short title of this act shall be the "Dollar Value"

Regulation Act of 1939."

The Committee on Agriculture and Forestry, to whom was referred the bill (S. 1855), as follows: "A bill to relieve the existing national economic emergency by increasing agricultural purchasing power, to increase the national income, to make possible a balancing of the Budget, and, acting under the power conferred by section 8 of article I of the Constitution, to regulate the value of the dollar in the interest of general welfare, and for other purposes," having considered the same, report thereon with the recommendation that it do pass, as amended, such amendments being as follows: On page 3, line 18, after the word "States" and before the word "at", insert "which agricultural products are purchased for export."

export."

Amendment No. 2. On page 3, line 23, after the word "of" and before the word "this", insert "Section 4 of."

Amendment No. 3. On page 3, line 23, after the word "shall" and before the word "be", insert "not." Such amendment being a transposition so that said line 23 will read as follows: "of section 4 of this act shall not be higher than \$1.29 per fine ounce."

Amendment No. 4. On page 5, line 4, change "Section 6" to read "Section 7"

"Section 7."

The bill has for its main purpose the raising of the general price level; hence, the raising of the prices of farm commodities.

The bill contains seven sections.

The first section is a declaration of policy, such policy being to adjust and regulate the price level to the point of 100, and thereafter keeping such price level adjusted to said point as nearly stable as is humanly possible.

Section 2 fixes the weight of the gold dollar by law definitely at 120 greaters of said print paths fine The present gold dollar parts.

12.9 grains of gold nine-tenths fine. The present gold dollar contains 15\%1 grains of gold, so that it is proposed to reduce the gold content of the dollar from 15\%1 grains to 12.9 grains.

If section 2 is adopted, then the new gold dollar will contain just one-half of the gold content of the old gold dollar in use from 1834 to 1934

to 1934.

Section 3 provides that all the free gold in the general fund of the

Treasury shall be used as the basis for the issuance of new currency. The free gold referred to is as follows:

(a) Gold in the general fund in the sum of approximately \$700,000,000; and

\$700,000,000; and
(b) Gold resulting from the devaluation as provided in section 2 in an estimated sum of \$2,700,000,000; and
(c) Any gold which might hereafter be acquired, either from domestic producers or in the due course of trade, and the sum of \$1,500,000,000 reappropriated by section 5 of the bill from the stabilization fund and covered into the general fund.

stabilization fund and covered into the general fund.

If section 2 and section 6 should be enacted, then we would have an approximate sum of \$4,900,000,000 of free gold in the general fund which will be converted into a special reserve fund to be held as the basis of a like amount.

Section 4 provides first for the repeal of the Silver Purchase Act of 1934 (Public Law No. 438, 73d Cong.).

Secondly, the section provides for the purchase of all newly mined silver from mines located in the United States at a price of \$1.04 per fine ounce.

The regular or coinage value of an ounce of fine silver is \$1.29

The regular or coinage value of an ounce of fine silver is \$1.29 per fine ounce so that on the basis of purchase as herein provided, the Government makes a profit from the seigniorage in the sum of 25 cents per ounce.

The plan of purchase is for the Government to issue silver certificates and exchange such certificates for all silver purchased

under the act.

The section further authorizes and directs the Secretary of the Treasury to purchase silver, both foreign and domestic, pursuant to the provisions of this act, until the amount of silver held in the Treasury of the United States shall constitute 25 percent of the total metallic monetary reserves of the United States.

Section 5 provides that all certificates issued under this act and all silver certificates issued against silver bullion in the Treasury shall not be retired, converted, or destroyed, but shall be reissued and kept in constant circulation.

Section 6 provides for the reappropriation of the sum of \$1,500,-000,000 from the stabilization fund and covering such sum into the special reserve fund for the purpose of currency issue. Section 6 repeals section 10 of Public, No. 87, Seventy-third Congress, which provides that the law creating the stabilization fund shall expire on June 20 1320.

fund shall expire on June 30, 1939.

If section 6 is enacted, then the stabilization fund is retained indefinitely with the sum of \$500,000,000 of the original \$2,000,000,000 left in such fund to be managed as provided by law.

RESULTS OF LEGISLATION

The bill, if enacted into law, will bring about the following

The bill, if enacted into law, will bring about the following positive and definite results:

First. It will reduce the weight, hence the value, of the gold dollar and fixes such weight definitely by law. On March 6 we had in the Treasury the sum of \$14,916,000,000 in gold; hence, the further devaluation of the gold dollar will result in a profit for the Treasury of approximately \$2,700,000,000.

Second. The bill, if enacted, will provide for the issuance of approximately \$5,000,000,000 of new currency against a like amount of free gold in the Treasury. Should this policy be adopted this money could be used to retire maturing obligations in the form of bond indebtedness and maturing bills. This would relieve the necessity of further borrowing and at the same time would make it unnecessary to raise the legal limit for the issuance of bonds above the present \$45,000,000,000.

Third. If the bill should be enacted, the amount of permanent, nonretirable currency in circulation would be increased by approximately \$5,000,000,000.

At the present time we have in actual circulation approximately \$1,000,000,000 in silver certificates, approximately \$275,000,000 of United States notes, and approximately \$4,000,000,000 of Federal Reserve notes.

Under the law and common practice Federal Reserve notes fluctuate widely. These notes are issued by the Federal Reserve banks upon collateral furnished by the member banks, and when the member banks pay their notes the currency is automatically

Under the present policy the silver certificates, the United States notes, and the Federal Reserve notes in actual circulation total only about \$5,275,000,000.

The silver certificates and the United States notes in the total sum of \$1,275,000,000 are the only nonretirable money we now have in circulation.

While the record shows that we have gold certificates, Treasury

notes of 1890, Federal Reserve bank notes, and national bank notes in circulation, the facts are that such notes have been ordered retired and the moment they appear in practical circulation or reach the banks, they are sent in to the Treasury for retirement and cancelation.

and cancelation.

This bill, if enacted, will increase the permanent, nonretirable currency in the approximate sum of \$5,000,000,000; however, it is provided specifically "that all such certificates shall be issued and paid into circulation to meet maturing bills and in such a manner as to assist in carrying into effect the policy set forth in section 1 of this act."

Fourth. The bill, if enacted, will make it possible to keep the silver mines of the United States in operation. Otherwise most, if not all of such mines, will have to suspend operation.

Silver and gold have been recognized as monetary metals since the dawn of civilization. The first unit of currency in our money of account was the silver dollar containing 371¼ grains of fine silver.

During all our national history this dollar, known as the stand-ard silver dollar, has never been changed or altered as to the silver

Today we have coined silver dollars in the sum of \$547,079,989, and have outstanding against a portion of such silver dollars and against silver bullion the sum of \$1,645,213,645 in the form of silver certificates.

Some 11 of our States produce silver, and while it has been the policy of our Government to help industry by tariffs and agriculture by subsidies, it cannot be charged that the policy herein suggested and provided is out of harmony with the general policy of the United States.

Fifth. In addition to raising the price level, which means agricultural prices specifically, and the placing of additional currency in circulation, the enactment of the measure will have the following effect upon our metallic monetary stock:

EFFECT UPON METALLIC MONEY STOCKS

By revaluation of the dollar our gold stock in the sum of approximately \$14,916,000,000 will become approximately \$17,-600,000,000.

At present we have a total silver stock, as valued in gold, in the sum of approximately \$1,675,000,000, and by adding the revalued gold stock to the present silver stock, we find that we have a total metallic monetary stock in the sum of approximately \$19,275,-

In passing, we might suggest that we are not issuing silver certificates against our metallic silver to the full extent of the law. We have sufficient silver in the Treasury which could be used for the issuance of an additional \$1,250,000,000 of silver certificates; hence, in the event this bill should become the law we would have acquired gold and silver stock sufficient to become the legal base dollar for dollar, of over \$20,000,000,000 of currency. However, should we follow the formula set forth in the Federal Reserve

Act, of issuing money against a certain percent of gold and a certain percent of liquid collateral, we would have ample gold and silver to become the legal base for approximately \$50,000,000,000 of currency.

MONEY UNCERTAINTY

Today the most serious problem confronting our people and our economic structure is monetary uncertainty. This uncertainty is brought about in the main by the changing value of the

The dollar is our monetary unit and serves two purposes: (a) As a medium of exchange, and (b) as a measure of value. In order to measure value we must have a standard. Public confidence is based upon just governmental policies and upon stability, and stability must be founded upon a standard.

DOLLAR CHANGES VALUE

All must admit that our monetary unit, the dollar, expands

All must admit that our monetary unit, the dollar, expands and contracts as a measure of value.

In 1920 the dollar, as a measure of value, was worth 64 cents.

In 1933 the dollar was worth 167 cents, in March of 1937 the same dollar was worth 112 cents, and today such dollar is worth 130 cents.

Based upon this record, this question suggests itself: How may we have stability when the yardstick of value—the dollar—by which we measure stability is itself unstable?

The main objective of this bill is to raise prices by regulating and adjusting the value of the dollar to that point which will serve the best interests of all the people, and your Committee on Agriculture and Forestry recommends that the dollar should be regulated and adjusted so that its value in terms of commodities and property will be 100 cents, as shown by the Bureau of Labor Statistics, and your committee further recommends that when such dollar value has been regulated and adjusted to 100 cents that such value be stabilized at such point.

CONGRESSIONAL MANDATE

CONGRESSIONAL MANDATE

The bill gives a mandate to our money managers to regulate and adjust the value of the dollar to 100 cents, and then a further mandate to keep such dollar regulated and adjusted to the said 100-cent value.

CONDITIONS TODAY

CONDITIONS TODAY

Cotton and wheat, two major farm products, are world commodities; hence, as such, they are measured constantly in terms of gold throughout the world. The prices of these two commodities, when measured in terms of gold, are today the lowest in history.

Were it not for the Federal loan policy, cotton would be selling for less than 5 cents per pound, and wheat would be selling for less than 30 cents per bushel.

The Government loan policy has raised the price of cotton to some 8½ cents per pound to the farmers and has raised the price of wheat to some 50 cents per bushel.

The Government cannot continue its present commodity loan program, and farmers cannot possibly live on 5-cent cotton and 30-cent wheat.

AGRICULTURAL COMMITTEE'S POLICY

In reporting the Agricultural Adjustment Act of 1933 your Committee on Agriculture and Forestry developed and announced its policy. On page 7 of such committee report the committee recompolicy. (

mended:

"That the purchasing power of the dollar should be fixed and stabilized at that point to serve the best interest of the people, trade, commerce, and industry, and that when such value is once fixed it should be stabilized at such value.

"We report further that no just, substantial, reliable, or permanent relief can be provided agriculture or any other industry until the money question is considered and adjusted."

DOLLAR VALUE NOT PROPERLY REGULATED

All must admit that to date the dollar value has not been satisfactorily regulated and adjusted.

As stated, the dollar value or purchasing power was reduced from 167 cents in February 1933 to 112 cents in March 1937. From March 1937 the dollar value has been increased from 112 cents to its present value of 130 cents as measured in commodities and

No one can conclude that such a value or purchasing power is a proper one. Our money managers have obviously adjusted and regulated the value or purchasing power of the dollar to 130 cents, but such value is not reducing unemployment, is not permitting of a balanced Budget, and is not providing even cost of production to the producers of raw material, including farm com-

1933 MONETARY PROVISIONS

Later, during the consideration of the bill in the Senate, the committee recommended that the said bill be amended to include monetary provisions calculated to cheapen the dollar and thereby raise prices.

Title III of said act was added to the bill on the floor of the

Senate, and such title carried the monetary adjustment provisions. This title conferred upon the President discretionary powers as

First. To have issued some \$3,000,000,000 in Federal Re notes.

Second. To issue \$3,000,000,000 in United States notes.

Third. To revalue the gold dollar by reducing its gold content by as much as 50 percent; and

Fourth. To provide for a wider use of silver in our monetary

ADMINISTRATION'S POLICY

During the first days of the new administration the President announced a policy of raising commodity prices. On May 6, 1933, over a Nation-wide radio hook-up, President Roosevelt said:

"The administration has the definite objective of raising commodity prices to such an extent that those who have borrowed money will, on the average, be able to repay that money in the same kind of dollar which they borrowed."

Again, on July 3, 1933, in a message to the London Economic Conference, the President said:
"Let me be frank in saying that the United States seeks the kind of dollar which a generation hence will have the same purchasing and debt-paying power as the dollar value we hope to attain in the near future."

And on July 5, 1933, in a second message to the World Economic

And on July 5, 1933, in a second message to the World Economic Conference in London, he said:

"The revaluation of the dollar in terms of American commodities is an end from which the Government and the people of the United States cannot be diverted. We wish to make this perfectly clear: We are interested in American commodity prices."

On October 22, 1933, in a Nation-wide radio address, the President

said:
"It is the Government's policy to restore the price level first."
Also, in this address he said:
"When we have restored the price level we shall seek to establish and maintain a dollar which will not change its purchasing and debt-paying power during the succeeding generation. I said that in my message to the American delegation in London last July, and I say it now once more."

The purpose of this recommended legislation is to carry into effect the definite and announced policy of the President as just set forth.
In support of the President's policy the committee calls attention to the platform declarations of the political parties of 1932 and 1934, 1936, and 1938. as follows:

In support of the President's policy the committee calls attention to the platform declarations of the political parties of 1932 and 1934, 1936, and 1938, as follows:

The Democratic platform of 1932 contains the following declaration: "We maintain the depression of 1920 and the depression (the bankers calling old loans and refusing to make new loans) of 1929 were due to the indefensible contraction of credit for private profit at public expense, and we pledge the Democratic Party to preserve a sound currency at all hazards. * * * We promise to restore property values and to endeavor to establish a dollar of uniform permanent debt-paying power. * * * We approve the objective of a permanent sound currency established so as to prevent the former wide fluctuations in value, injuring, in turn, the producers, debtors, and property owners on the one hand and wage earners and creditors on the other hand—a currency which will permit full utilization of the country's resources * * *."

The Republican platform of 1932 contains the following plank: "We pledge a sound currency at all hazards. We will restore to the Congress the authority lodged with it by the Constitution to coin all money and regulate the value thereof * * *."

The Republican platform of 1936 on money is as follows: "We advocate a sound currency to be preserved at all hazards. * * We will restore to Congress the authority lodged with it by the Constitution to coin all money and regulate the value thereof * * *."

The Progressive platform of 1938 declared as follows: "The Progressive platform of 1938 declared as follows: "Th

thereof * * ""

The Progressive platform of 1938 declared as follows:

"The ownership and control of money and credit without qualifications or reservations must be under public and not private control * * ""

The Farmer-Labor platform of 1934 likewise declared as follows: "Congress shall exercise the constitutional power to coin money and to regulate the value thereof."

The objective of the bill is to vitalize the provision of the Constitution wherein the Congress is given power to coin money and to regulate the value thereof.

The policy set forth by the President is the identical policy as set forth in the platform declaration of all of the political parties from

1932 to date.

In addition to the commitment of the President and the en-

dorsement of all political parties, we report that all of the farm organizations are on record as being in substantial support of the

organizations are on record as being in substantial support of the suggested legislation.

To carry out the policy announced and exercising in part the powers conferred, the President proceeded to cheapen the dollar, which had the effect of raising prices correspondingly.

EFFECT ON PRICES

With the passage of said act and the exercise of a part of the powers by the President farm prices began to improve, and by March 1937 farmers began to see the dawn of better days for agriculture. Because of the monetary-adjustment program and other enactments, the price of cotton was increased from some 6 cents to some 14 cents per pound, and the price of wheat was increased from some 50 cents to \$1 per bushel.

The following table shows the total increase in the farm income for the years succeeding 1932 to date:

for the years succeeding 1932 to date:

Farm income

1932	_ 87, 500, 000, 000
1933	_ 9, 100, 000, 000
1934	_ 10, 400, 000, 000
1935	_ 12,000,000,000
1936	_ 13, 500, 000, 000
1937	_ 13, 900, 000, 000
1938	_ 10, 600, 000, 000

The above figures were taken from a report prepared by the New York State Conference Board of Farm Organizations, embracing the

following: New York State Grange; New York State Horticultural Society; New York State Vegetable Growers' Association; New York State Federation of Home Bureaus; Cooperative G. L. F. Exchange, Inc.; Dairymen's League Cooperative Association, Inc.; New York

Inc.; Dairymen's League Cooperative Association, Inc.; New York State Farm Bureau Federation.

The New York State Conference Board further reports that "as the dollar's buying power goes up, farmers' and other basic producers' income goes down." Further, the report says:

"Between 1929 and 1933 the value of gold increased 140 percent, causing a very sharp drop in farm prices. Due to this monetary derangement, farmers of the United States have lost, between 1930 and 1937 to be the producer of the United States have lost, between 1930 and 1937 to be the producer of the United States have lost, between 1930 and 1937 to be the producer of the United States have lost, between 1930 and 1937 to be the producer of the United States have lost, between 1930 and 1937 to be the producer of the United States have lost, between 1930 and 1937 to be the producer of the United States have lost, between 1930 and 1937 to be the producer of the United States have lost, between 1930 and 1937 to be the producer of the United States have lost, between 1930 and 1937 to be the producer of the United States have lost, but the producer of the United States have lost, but the producer of the United States have lost, but the producer of the United States have lost, but the producer of the United States have lost, but the producer of the United States have lost, but the producer of the United States have lost, but the producer of the United States have lost, but the producer of the United States have lost, but the producer of the United States have lost, but the producer of the United States have lost, but the United States have lost, but the producer of the United States have lost, but the United States have lost the United States derangement, farmers of the United States have lost, between 1350 and 1937, inclusive, \$32,000,000,000 of their predepression average buying power. Producers of other basic commodities lost \$15,000,000,000 during the same period.

"Farmers and other basic producers comprise approximately 55,000,000 of our population. This reduction in income and buying power has caused urban unemployment."

CHANGES IN DOLLAR VALUE

The Bureau of Labor Statistics reports that in 1926 the dollar had The Bureau of Labor Statistics reports that in 1926 the dollar had a buying or purchasing power, in terms of commodities, in the sum of 100 cents. This Bureau further reports that by February 1932 the buying or purchasing power of the dollar had increased from 100 cents to 167 cents. This report further shows that, with the administration's program to cheapen the dollar and raise prices, the dollar's buying or purchasing power fell from 167 cents in February 1933 to 112 cents in March of 1937.

As the dollar increased in buying power from 1929 to 1933, farm income and national income decreased correspondingly, and from 1933 to 1937, as the dollar was cheapened, farm income increased correspondingly.

correspondingly.

FEDERAL RESERVE BOARD PRODUCED RECESSION

Then, in 1937, when the man-made recession was brought upon the country, farm income and national income again decreased.

Based upon this record the New York State Conference Board of Farm Organizations reports that during the 8 years from 1930 to 1938 the farmers lost a total income in the sum of \$31,665,000,000. This board also reports that other basic producers lost a total of \$15,100,000,000, making a total deficit for farmers and other basic producers in the total sum for the 8 years of \$46,765,000,000.

HIGH PRICE LEVEL PRODUCES HIGH INCOME

The record shows that a high price level produces high incomes. For example, take the year 1920 with the highest price level in recent years, we find the following record.

High price level

Farm income	\$13,000,000,000
National income	69, 000, 000, 000
Value farm property	66, 000, 000, 000
Value exports	8, 200, 000, 000
Amount Treasury income	6,000,000,000
Then take 1932, with a low price level, we have	ve the following

record: T Tama1

Low price level	
Farm income	\$5,000,000,000
National income	48, 000, 000, 000
Value farm property	36, 000, 000, 000
Value exports	1, 600, 000, 000
Amount Treasury income	2, 100, 000, 000

Amount treasury income—
with a high price level in 1920 wheat sold for \$2.50 a bushel,
cotton sold for 42 cents a pound, corn sold for \$1.90 per bushel, and
oats sold for \$1.04 per bushel.

In 1933, with a low price level, wheat sold for 30 cents per bushel,
cotton sold for 5 cents per pound, corn sold for 15 cents per bushel,
and oats sold for 10 cents per bushel.

EFFECT OF DOLLAR VALUE ON NATIONAL WEALTH

In 1929 the national wealth was estimated to be \$461,000,000,000, and as the dollar increased in value from 100 cents to a value of 167 cents in 1933, the national wealth declined correspondingly to the sum of \$213,000,000,000.

As the dollar became cheaper from 1933 to 1937, the national wealth again increased until 1937, when the recession came, and since that time the national wealth has been decreasing.

EFFECT OF DOLLAR VALUE ON BANK DEPOSITS

As the dollar became cheaper bank deposits incr	eased as follows:
1933	\$37,000,000,000
1934	41, 000, 000, 000
1935	45, 000, 000, 000
1936	51, 000, 000, 000
1937	53, 000, 000, 000
1938	52, 000, 000, 000

As stated, a high price level produces high income; hence, a high price level produces increased buying or purchasing power.

The following table shows the farm income under high and low

	1919-20 high price level	1932 low price level	1937 rising price level	1938 falling price level
Cash cotton-lint income Cotton lint and wheat Farm income from—	\$2,016,000,000 2,282,000,000	\$424,000,000 460,000,000	\$795, 000, 000 883, 000, 000	\$500, 000, 000 667, 000, 000
Wheat	1, 597, 000, 000 2, 433, 000, 000 1, 967, 000, 000 499, 000, 000	557, 000, 000 635, 000, 000	1, 140, 000, 000 1, 240, 000, 000	
Gross farm income	16, 935, 000, 000 259		9, 611, 000, 000 127	

STATUS OF GOLD AS MONETARY METAL

Section 2 of the bill proposes to reduce the weight, hence, the value, of the gold dollar.

From 1834 to 1934 the gold dollar contained 25.8 grains of gold, nine-tenths fine. In 1934, because of the increased value of gold, the weight of the gold dollar was reduced from 25.8 grains to 15\%; grains, nine-tenths fine.

In 1933 we had in the whole world a total of \$11,741,000,000 of monetary gold. When we revalued gold in terms of the new dollar content, we find that we have now in the world a total of some \$26,244,000,000 of monetary gold.

content, we find that we have now in the world a total of some \$26,244,000,000 of monetary gold.

Of the world's supply of monetary gold, we have in our Treasury as of date March 6, 1939, the sum of \$14,916,417,692.50, which constitutes 57 percent of the total monetary gold in the world.

World statistics show that gold, because of increased demand brought about by increased taxes, increased debts, increased interest, and expanded international trade intercourse, has increased in value some 140 percent.

If the United States has some 57 percent of the world's gold, then the other fifty-odd nations together have only 43 percent.

VALUE OF GOLD INCREASING

Because of conditions not necessary to detail here, gold is coming to the United States daily and as gold comes here our percentage of the world's supply is increased and the gold left among the other nations is decreased.

As gold becomes scarcer in other nations its value increases, and as more and more gold comes here its value, as measured in com-

modities and property, increases correspondingly.

WORLD'S EXCHANGE BASED ON GOLD

At this time all world or international exchange is based upon

At this time all world or international exchange is based upon gold; hence, with a diminishing supply among the other nations and with world trade increasing, the smaller the supply of world gold the greater will be its value.

In 1933 the old gold dollar of 25.8 grains had a purchasing power as measured in terms of commodities and property of 167 cents. Today if the domestic dollar is comparable in value to our new gold dollar, then the so-called 59-cent gold dollar has a buying power of 130 cents plus; hence, if section 2 is approved and the weight of the gold dollar is reduced to one-half the size of the former or old gold dollar, we will have a gold dollar weighing 12.9 grains, nine-tenths fine, but such gold dollar will have a buying or purchasing power of over 100 cents as measured in commodities and property.

MORE MONEY REQUIRED

MORE MONEY REQUIRED

Since 1933, taxes, debts, and interest have increased, making necessary more money with which to meet such increased overhead and fixed charges.

With the United States' share of the world's gold, in the sum of almost \$15,000,000,000, out of circulation and buried in Kentucky, we find that with standing increased world fixed charges there is less gold now available to back world currencies than before the several currency units were devalued.

WHAT PRICE GOVERNMENT?

The National Industrial Conference Board has made a report based upon the year 1936 showing the cost of government in the United States. From this report the following facts are reported: "The cost of all government—Federal, State, and local—was \$17,047,000,000.

"That was more than the year's yield in this country from soil and earth—crops, livestock, metals, coal, oil, lumber; more than we spent for food, clothing, and rent; more than one-quarter of the national income.

"Federal and State Governments cost \$11,009,000,000.

"That was far more than American farmers raised; almost as much as our factory workers earned; almost as much as investors and landlords received.

"Federal Government cost \$8,576,000,000.
"That was more than American farmers' cash income; almost as much as it cost the American people to eat.

"State governments cost \$2,433,000,000.

"That was more than rent; almost as much as clothing.

"Local governments cost \$6,038,000,000.

"That was more than investors' stock dividends; more than interest on bonds and mortgages; more than premiums paid on all forms of insurance; more than freight and passenger transportation; more than the year's automobile sales."

ECONOMIC LAWS

The same economic law which controls the value of commodities, such as cotton, wheat, corn, tobacco, and rice, controls the value of our dollars. When such commodities are plentiful they are cheap, and when they are scarce they are high as measured in other

The foregoing is the quantitative theory of value. This economic law has been recognized since man began to think. The farm-relief program of this administration has been predicated upon this law, as evidenced by the following:

(a) Cotton was plowed under to make cotton scarcer, hence higher in price.

(b) Wheat was plowed under for the same reason. (c) Hogs and cattle were killed in order to raise the price of

(d) The present farm law provides for limited and controlled production of farm commodities in order to enable farmers to continue to reside upon the land.

SINGLE GOLD STANDARD

The single gold standard means that money is based upon and redeemable in the single commodity of gold. Formerly the United States and many of the leading world powers were on such a standard. Today no nation, large or small, is on a gold standard. Perhaps our country is the nearest to such a standard. We have our basic dollar fixed by law at fifteen and five-twenty-firsts grains of gold, but our domestic currency is not redeemable in either coined gold dollars or gold bullion, so that domestically at least we are on a paper dollar or paper-currency standard.

ADVANTAGES OF COMMODITY DOLLAR

Since our money is not redeemable in gold, the only thing we can get for our dollars are other dollars or commodities or some

can get for our dollars are other dollars or commodities of some form of property.

So long as the dollar was redeemable in gold the value of such dollar was the value of the amount of gold contained in the dollar. Gold being a commodity fluctuated in value or in terms of other property the same as any other commodity fluctuates in value in terms of other property.

The record shows that when gold was used to redeem money and dead to the same proportion as taxes and debts increased.

and trade expanded, the value of gold was used to redeem money and and trade expanded, the value of gold remained stable, but at any time that a new gold field was discovered and gold came into circulation faster than the regular demand for money increased then gold itself became cheaper, the dollar fell in buying power, and prices increased and prices increased.

This statement is borne out by the discovery of gold in California,

In Alaska, and in South Africa.

In times of increased debts, taxes, and interest, if gold is not produced in increased proportion to such increased demand for money, then gold increases in value or buying power and prices fall.

GOLD NOT STABLE MEASURE OF VALUE

All now agree that any fixed quantity of the single commodity gold is not a stable measure of value. Every nation has a system for measuring value and such system is known as a commodity index. The number of commodities in the various systems varies. Some systems embrace but a few commodities, while our system, the Bureau of Labor Statistics, embraces some 784 commodities. All must agree that the average price of 784 commodities would be more stable than the price of any one of such number of commodities.

commodities.

The theory of a commodity index system is that should one commodity, such as gold, silver, copper, lead, iron, wheat, cotton, or corn, increase in value some other commodity in the system might lose value, so that the average would not be changed unless the standard by which such index was measured itself changed.

To the extent that the standard is changed, the price or value of the commodity or commodities which make up the index likewise

It is the standard or measure of value which is now too high, and it is this standard which the Congress has the power to regu-

and it is this standard which the Congress has the power to regulate, and your Committee on Agriculture and Forestry recommends that the value of such standard or yardstick of value be reduced to the end that prices may be increased correspondingly. This recommendation is not based merely upon the wish of your committee, but upon a positive necessity if our Budget is to be balanced, if our debts are to be paid, and if our form of government is to continue to exist.

The Budget has not been balanced, taxes have not been paid, and debts have not been reduced on a 130-cent dollar.

The owners of tax-exempt bonds and the managers of banks are

The owners of tax-exempt bonds and the managers of banks are acting neither in the public interest nor even in their own personal interest when they exercise their economic power to foster upon the country an impossible standard or yardstick of value. Our money managers are now working on fallacious premises.

They claim that the dollar value can neither be regulated nor stabilized. The answer is that Governor Strong did both. While he was governor of the New York Federal Reserve Bank he regulated the dollar value up from 64 cents to 100 cents and then maintained such value without material fluctuation during the remainder of his life.

Our money managers have obviously fixed the value of the dollar

Our money managers have obviously fixed the value of the dollar at 130 cents and for months past they have maintained such value without material fluctuation.

DIFFERENCE BETWEEN REAL DOLLARS AND CREDIT DOLLARS

Your committee recommends and demands that the dollar value such 100-cent value is reached that all necessary power be used to stabilize such value at such point as nearly as is possible.

Your committee further suggests that our money managers are

Your committee further suggests that our money managers are working on another fallacious premise. It is claimed by some in high places that an increase or decrease of credit or deposit dollars in circulation has the same effect upon prices as an increase or decrease of real dollars—gold, silver, or paper.

Since this depression came upon us the Government has issued bonds and pledged same for the creation of credit or deposit dollars to the extent of over \$30,000,000,000.

The increase in the national debt from \$16,000,000,000 to some \$40,000,000,000 accounts for \$24,000,000,000 of these credit or deposit dollars.

dollars

To the foregoing must be added the credit or deposit dollars created by the R. F. C. and the other agencies of our Government. Since March 1937, while credit or deposit dollars have been increasing by multiplied billions, the value of the dollar has increased from 112 to 130 cents where it is today. Some persons in high

places seemingly have no fear of an increase in the Nation's bonded indebtedness; hence, have no fear of an increase in the number of credit or deposit dollars which are being forced into circulation; however, when it is suggested that some of our free surplus gold be used as the basis for a few real currency dollars, then our money managers express the fear that inflation is on the way.

The difference between real dollars—gold, silver, or currency—and credit or deposit dollars is that real dollars are price-measuring units, while credit or deposit dollars are not price-measuring units. If credit or deposit dollars were price-measuring units, then the expansion of such units by some \$30,000,000,000 in the past few years would have reduced the value of such units rather than have increased their value.

years would have reduced the value of such units rather than have increased their value.

Your committee suggests and recommends that the expansion of the currency by real dollars will cheapen such dollars and that to the extent that such real dollars are made more plentiful, to a like extent prices will be raised. By such a program the price level can be raised to any given point.

No one can possibly deny that an increase in the currency in circulation will raise prices and that a decrease in such circulation will lower prices.

will lower prices.

At this time we are not on a gold standard domestically, so that the amount of gold in our dollar has little if any effect on domestic prices. This cannot be said of so-called world commodities such as cotton and wheat

domestic prices. This cannot be said of so-caned world commodities such as cotton and wheat.

Your committee suggests that when we were on an orthodox gold standard, with the gold content of the dollar definitely fixed by law, yet the price level could be changed at the will of the money managers without changing or altering the content of the gold in the dollar. The explanation and argument follows.

So long as we are able to buy and sell gold at the present price of \$35 per ounce, or at any fixed price, the dollar value in terms of gold will not change, but by expanding or contracting the currency in circulation we are able to raise or lower the price level, notwithstanding that the basic or redemption dollar is of gold with a fixed gold content.

For illustration: Today gold is worth \$35 per ounce and wheat is now worth 50 cents per bushel; hence, an ounce of gold is now worth 70 bushels of wheat. It cannot be denied that we can raise the price of wheat by expanding the currency in circulation. By adding new price-measuring units—real dollars; not credit or deposit dollars—to the circulation, we can raise the price level so that wheat will sell for \$1 per bushel.

Germany increased her circulation so as to make wheat sell for some 2,000,000,000,000,000 marks per bushel.

for some 2,000,000,000,000 marks per bushel.

for some 2,000,000,000,000 marks per bushel.

If by expansion of the currency wheat can be made to sell for \$1\$ per bushel, then without changing the gold content of the dollar the same ounce of gold is not worth 70 bushels of wheat, but instead is worth only 35 bushels of wheat.

It must be obvious to any student of money that whether we are on or off the gold standard we always have a managed currency. In 1919-20 we were on the orthodox gold standard, and at that time the dollar was worth only 64 cents as measured in commodities and property.

Likewise, in February 1933 we were still on the orthodox gold standard, and the same gold dollar as measured in commodities and property was worth 167 cents.

DUTY OF CONGRESS

The money question resolves itself into one issue, and that issue relates to the agency that is to manage our money. The Constitution says that the Congress shall have power to coin money and to regulate the value thereof. It is obvious that the Congress cannot perform this complicated task. The Congress works through committees, and no congressional committee has the time to devote to this all-important and highly technical matter.

matter.

The management of our money, namely, the regulation and stabilization of the value of the dollar, should be in the hands of the most capable men that the country has produced. These managers should have the most competent assistants that can be found and this task should be their first and only concern.

The Congress cannot possibly do this work, yet the Congress can create an agency to exercise its powers under a definite mandate to reach a certain and definite end.

The short and simple bill herein referred to sets forth the definite end to be reached, namely, the 100-point price level, and then provides additional power to existing Federal agencies to be used in reaching the end set forth.

While the bill is in the nature of an emergency measure, yet it is a necessary step in the matter of regulating the value of our money.

our money.

Again your committee suggests that there can be no possible return to prosperity until the value of the dollar is regulated downward, and that the sooner this is accomplished the sooner will better times come again to the people of the United States. Your committee recognizes that the Committee on Banking and Currency has jurisdiction over the subject matter embraced in S. 1855; hence, we recommend that the bill, with the suggested amendments and this committee report attached thereto, be referred to the said Banking and Currency Committee.

AMENDMENT OF TENNESSEE VALLEY AUTHORITY ACT OF 1933

Mr. NORRIS. Mr. President, from the Committee on Agriculture and Forestry I report back favorably, without amendment, the bill (S. 1796) to amend the Tennessee Valley

Authority Act of 1933, and I submit a report (No. 189) thereon. I ask unanimous consent that the report be printed in the RECORD.

The VICE PRESIDENT. The report will be received, the bill placed on the calendar, and, without objection, the report will be printed in the RECORD.

The report is as follows:

The Senate Committee on Agriculture and Forestry, to which was referred the bill (S. 1796) to amend the Tennessee Valley Authority Act of 1933, as amended, having had the same under consideration, beg leave to report it back to the Senate with the recommendation that said bill do pass.

The bill provides for the amendment of the Tennessee Valley Authority Act of 1933, as amended, by striking out of said act sections 15 and 15a, and inserting in lieu thereof section 15.

The nurrose of the bill is to make possible the consummation of

Authority Act of 1933, as amended, by striking out of said act sections 15 and 15a, and inserting in lieu thereof section 15.

The purpose of the bill is to make possible the consummation of the transaction in which the properties of the Tennessee Electric Power Co. and the Southern Tennessee Power Co. are to be purchased by the various municipalities and the Tennessee Valley Authority. All of the generating properties and transmission lines are to be purchased by the Tennessee Valley Authority. All of the distribution systems are to be purchased by the several municipalities. The negotiations for the purchase of these properties have been going on for more than a year between the Tennessee Valley Authority, on the one hand, and the Tennessee Electric Power Co. and the representatives of the Commonwealth & Southern Corporation, on the other, the latter in reality being the owner of the properties to be so purchased. These properties include local distribution systems, transmission lines, and generating plants. The local distribution systems, if the plan is completed, will be purchased and operated by the various municipalities. The transmission lines and generating plants will be purchased and operated by the Tennessee Valley Authority.

Under the existing Tennessee Valley Authority Act, as amended, the board of directors of the Tennessee Valley Authority are empowered to issue bonds and use the proceeds thereof for the construction of dams, steam plants, or any other facilities to be used for the generation and transmission lines and for making loans to municipalities and cooperative organizations for the purchase of existing transmission lines and distribution properties. The authority under the law to issue bonds for the purchase of existing generating plants is extremely doubtful. It is this defect in existing law which the proposed amendment is mainly designed to remedy. The Authority has now, under existing law, authority to issue bonds for the construction of generating plants, but there is no express au

The total amount of the bond authorization is not increased. Under existing law the Authority is authorized to issue a total of \$100,000,000 in bonds. Of this total, \$50,000,000 is authorized under section 15 for the construction of dams, steam plants, and other properties, and for the purchase of transmission lines, and \$50,000,000 is authorized under section 15a for loans to municipalities and cooperatives. The proposed amendment merely combines these two sections into one authorization of \$100,000,000, the proceeds of which may be used for the purposes already authorized under existing law and, in addition thereto, the one additional purpose of acquiring existing generating facilities.

Section 15 of the existing law provides that the bonds issued thereunder shall have all the rights and privileges of Panama Canal bonds. This provision is omitted from the proposed amendment. This omission is made because of the objection of the Treasury Department to the issuance of any more bonds having the rights and privileges of the Panama Canal bonds.

Under existing law the authority to issue bonds under section 15a The total amount of the bond authorization is not increased.

and privileges of the Panama Canal bonds.

Under existing law the authority to issue bonds under section 15a will expire on the 31st day of August, 1940. The proposed amendment would extend this time until the 1st day of January 1941. The Tennessee Valley Authority and the Commonwealth & Southern Corporation are now negotiating for the sale of some other properties now owned by the Commonwealth & Southern, and this extension of time is thought wise, in order to give more time for the perfection of such negotiations.

In trying to bring about the consummation of the agreement

the perfection of such negotiations.

In trying to bring about the consummation of the agreement referred to for the sale of the Tennessee Electric Power Co. properties, there is one comparatively small hydro-generating plant, located about 50 miles from Nashville, Tenn., on a tributary of the Cumberland River. This is one of the properties included in the proposed sale. While there is no express provision in the Tennessee Valley Authority Act of 1933, as amended, prohibiting the purchase of a generating plant on any stream other than the Tennessee River or any of its tributaries, it is nevertheless believed that all the powers of the Tennessee Valley Authority are confined either to the Tennessee River, or some tributary of the Tennessee River, and it is the opinion of your committee that the purchase of this one hydro-generating plant on a tributary of the Cumberland River is not authorized under existing law. The purchase of this hydroelectric plant on a tributary of the Cumberland River is of minor importance, but it is one of the properties of the Tennessee Elec-

tric Power Co., and it would be unfair to expect the Tennessee Electric Power Co. to sell its entire system of generation, transmission, and distribution of electric current and not dispose of this one minor generating plant. In fact, the Commonwealth & Southern Corporation, as owner of the Tennessee Electric Power Co., would not and could not be expected, in all fairness, to dispose of its other properties and have that property still remaining on its hands. its hands.

It can, therefore, fairly be stated that the proposed amendment, if enacted into law, would, in addition to the powers it now has under existing law, give to the Tennessee Valley Authority power

under easing law, given as follows:

(1) To purchase this one generating plant on the tributary of the Cumberland River;

(2) To issue bonds and use the proceeds thereof in the purchase of existing generating plants as distinguished from the construction of expecting plants:

(2) To issue bonds and use the proceeds thereof in the purchase of existing generating plants as distinguished from the construction of generating plants;

(3) To extend the power to issue such bonds from the 31st day of August 1940 to the 1st day of January 1941; and

(4) To eliminate from existing law the Panama Canal bond privilege now possessed by Tennessee Valley Authority bonds issued under section 15 of the Tennessee Valley Authority Act of 1933.

These are the only changes made in existing law.

Ever since the enactment of the Tennessee Valley Authority Act there has been a constant controversy existing in the courts between the Tennessee Valley Authority and the Commonwealth & Southern Corporation, representing its various subsidiaries, and a great deal of expensive litigation has been the result. The agreement reached by the Commonwealth & Southern Corporation and the Tennessee Valley Authority to carry out this sale of the Tennessee Electric Power Co. properties would end all such controversies and do away with any possible competition between the parties. The price agreed upon for the sale of these properties amounts to \$78,600,000, and has been agreed to by the representatives of the Tennessee Valley Authority and the Commonwealth & Southern. The proposed legislation is therefore agreeable to both the Tennessee Valley Authority and the private power companies. The principal objection that has always been made by the private power companies is that the Tennessee Valley Authority should purchase an entire system, such as the Tennessee Electric Power Co., at a value satisfactory to the private owner of the property, and thus refrain from doing an injury to the owner of such private electrical property. The tentative agreement of sale which the bill in question would approve meets this objection. The bill, therefore, is designed to give protection to the private owner and amend the law so that such protection can be brought about.

Therefore, the purpose of the proposed amendment is more for

agreement of sate winds the bill, therefore, is designed to give protection to the private owner and amend the law so that such protection can be brought about.

Therefore, the purpose of the proposed amendment is more for the protection of the private owner of electrical facilities in the Tennessee Valley than it is for the benefit of the Tennessee Valley Authority. The price agreed upon for the sale of these properties is liberal. It is admitted by Tennessee Valley Authority officials that the price is liberal and is probably greater than the value of the property to be purchased. When it was announced after the long negotiations that had taken place that an agreement for the sale of these properties had finally been reached, such agreement was given almost universal approval by the foes, as well as the friends, of the Tennessee Valley Authority. The price was admitted to be a very liberal one even by the enemies of the Tennessee Valley Authority agreed to such liberal price on the theory that it would end all litigation and useless and unnecessary, as well as destructive, competition. The committee feel, therefore, that the passage of this bill will give satisfaction to all interested parties.

Sections 15 and 15a of the Tennessee Valley Authority Act, as amended, and which this bill would repeal, are as follows:

"Sec. 15. In the construction of any future dam, steam plant, or other facility, to be used in whole or in part for the generation or transmission of electric power the Board is hereby authorized and empowered to issue on the credit of the United States and to sell serial bonds not exceeding \$50,000,000 in amount, having a maturity not more than 50 years from the date of issue thereof, and bearing interest not exceeding \$50,000,000 in amount, having a maturity not more than 50 years from the date of issue thereof, and bearing interest not exceeding \$50,000,000 in amount, having a be sold below par, and no fee, commission, or compensation whatever shall be paid to any person, firm, or corporation fo

shall bear such rates of interest not exceeding 3½ percent per annum, shall be subject to such terms and conditions, shall be issued in such manner and amount, and sold at such prices, as may be prescribed by the Corporation, with the approval of the Secretary of the Treasury: Provided, That such bonds shall not issued in such manner and amount, and sold at such prices, as may be prescribed by the Corporation, with the approval of the Secretary of the Treasury: Provided, That such bonds shall not be sold at such prices or on such terms as to afford an investment yield to the holders in excess of 3½ percent per annum. Such bonds shall be fully and unconditionally guaranteed both as to interest and principal by the United States, and such guaranty shall be expressed on the face thereof, and such bonds shall be lawful investments, and may be accepted as security, for all fiduciary, trust, and public funds, the investment or deposit of which shall be under the authority or control of the United States or any officer or officers thereof. In the event that the Corporation should not pay upon demand, when due, the principal of, or interest on, such bonds, the Secretary of the Treasury shall pay to the holder the amount thereof, which is hereby authorized to be appropriated out of any moneys in the Treasury not otherwise appropriated, and thereupon to the extent of the amount so paid the Secretary of the Treasury shall succeed to all the rights of the holders of such bonds. The Secretary of the Treasury, in his discretion, is authorized to purchase any bonds issued hereunder, and for such purpose the Secretary of the Treasury is authorized to use as a public-debt transaction the proceeds from the sale of any securities hereafter issued under the Second Liberty Bond Act, as amended, and the purposes for which securities may be issued under such act, as amended, are extended to include any purchases of the Corporation's bonds hereunder. The Secretary of the Treasury may, at any time, sell any of the bonds of the Corporation shall be treated as public-debt transactions of the United States. With the approval of the Secretary of the Treasury may, at any time, sell any of the bonds of the Corporation shall be reated as public-debt transactions of the United States. With the approval of the Secretary of the Treasury, the Corporation

amendatory act."

The new section which the proposed bill seeks to enact into law is as follows:

law is as follows:

"Sec. 15. With the approval of the Secretary of the Treasury the Corporation is authorized to issue bonds not to exceed in the aggregate \$100,000,000 outstanding at any one time, which bonds may be sold by the Corporation to obtain funds for the construction or acquisition of dams with appurtenant facilities, generating plants, transmission lines, rural distribution lines, and other electric utility properties as authorized by this act, including the purchase of the electric utility properties of the Tennessee Electric Power Co., and for the purpose of carrying out the provisions of section 12a of this act. Such bonds shall be in such forms and denominations, shall mature within such periods not more than 50 years from the date of their issue, may be redeemable at the option of the Corporation before maturity in such manner as may be stipulated therein, shall bear such rates of interest not exceeding 3½ percent per annum, shall be subject to such terms and conditions, shall be issued in such manner and amount, and sold at such prices, as may be prescribed by the Corporation with the ing 3½ percent per annum, shall be subject to such terms and conditions, shall be issued in such manner and amount, and sold at such prices, as may be prescribed by the Corporation with the approval of the Secretary of the Treasury: Provided, That such bonds shall not be sold at such prices or on such terms as to afford an investment yield to the holders in excess of 3½ percent per annum. Such bonds shall be fully and unconditionally guaranteed both as to interest and principal by the United States, and such guaranty shall be expressed on the face thereof, and such bonds shall be lawful investments, and may be accepted as security, for all fiduciary, trust, and public funds, the investment or deposit of which shall be under the authority or control of the United States or any officer or officers thereof. In the event that the Corporation should not pay upon demand, when due, the principal of, or interest on, such bonds, the Secretary of the Treasury shall pay to the holder the amount thereof, which is hereby authorized to be appropriated out of any moneys in the Treasury not otherwise appropriated, and thereupon to the extent of the amount so paid the Secretary of the Treasury shall succeed to all the rights of the holders of such bonds. The Secretary of the Treasury is authorized to use as a public-debt transaction the proceeds from the sale of any securities hereafter issued under the Second Liberty Bond Act, as amended, and the purposes for which securities may be issued under such act, as amended, are extended to include any purchases of the Corporation's bonds hereunder. The Secretary of the Treasury may, at any time, sell any of the bonds of the Corporation acquired by him under this section. All redemptions, purchases, and sales by the Secretary of the Treasury of the bonds of the Corporation shall be treated as public-debt transactions of the United States. With the approval of the Secretary of the Treasury, the Corporation shall have power to purchase such bonds in the open market at any time and at any price. No bonds shall be issued hereunder to provide funds or bonds necessary for the performance of any proposed contract negotiated by the Corporation under the authority of section 12a of this act until the proposed contract shall have been submitted to and approved by the Federal Power Commission. When any such proposed contract shall have been submitted to and approved by the Federal Power Commission. When any such proposed contract shall have been submitted to the said Commission, the matter shall be given precedence and shall be in every way expedited and the Commission's determination of the matter shall be final. The authority of the Corporation to issue bonds hereunder shall expire January 1, 1941, except that such bonds may be issued at any time after the expiration of said period for refunding purposes or to provide bonds or funds necessary for the performance of any contract entered into by the Corporation, prior to the expiration of said period, under the authority of section 12a of this act."

It will thus be seen from an examination of existing law and the proposed amendment, that this bill, in effect, reenacts section 15a as it now exists, in its entirety. The only changes made therein are to give authority to "purchase" existing generating plants, as well as to "construct" generating plants, and by its terms expressly authorizes the purchase of the properties of the Tennessee Electric Power Co., which corporation now owns the one hydroelectric generating plant, above referred to, on a tributary of the Cumberland River. It also increases the amount of bonds to be issued under said section to \$100,000,000, but inasmuch as the bill strikes out section 15 of the Tennessee Va

Act, there is no increase in the amount of bonds which can be issued.

If this bill is enacted into law it will decrease the amount of appropriation hereafter to be made by Congress for carrying out the objects of the Tennessee Valley Authority Act to make the Tennessee River navigable to the depth of 9 feet from Knoxville, Tenn., to the mouth of the river, because all of the purchase price of the properties included in the contemplated sale will be paid for by the Tennessee Valley Authority from the moneys received from the sale of electric power to municipalities. The largest hydroelectric plant included in the properties to be sold by the Commonwealth & Southern Corporation to the Tennessee Valley Authority is the Hales bar generating plant on the Tennessee River, a short distance below Chattanooga. This is the only privately owned dam on the Tennessee River, and in order to carry out the provisions of law included in the Tennessee Valley Authority Act it will be necessary for the Tennessee Valley Authority to purchase this dam and to increase its height, or to build another navigation dam between Hales Bar and the Chickamauga Dam, located a short distance above Chattanooga. If this sale is consummated, it will therefore follow that this dam will be purchased by money received from the sale of power, instead of by appropriations from Congress. It will thus lessen appropriations necessary to be made by the price of the purchase of Hales Bar Dam, or, in lieu thereof, the cost of a navigation dam between Hales Bar and Chattanooga. It is estimated that if this contemplated contract is consummated, moneys received from the sale of power will be increased in the neighborhood of \$5,000,000 per annum, with the result that the total revenue received by the Tennessee Valley Authority from the sale of electric power would be between \$11,000,000 and \$12,000,000 per annum.

The appropriations hereafter to be made by Congress to give effect to the Tennessee Valley Authority Act will also be greatly lessened by the purchas

received from the sale of power.

Notwithstanding the liberal price to be paid for the properties included in the contemplated sale, both the friends and critics of the Tennessee Valley Authority, as well as the Commonwealth & Southern Corporation, the real owner of the property to be sold, are satisfied with the price agreed upon for the sale of such properties. The elimination of potentially wasteful competition in this area would be a factor of major importance. An audit of the properties to be purchased, made by the engineers of the Tennessee Valley Authority, indicated that the value of the properties involved in the contemplated sale were not worth more than \$70,000,000. The difference between this sum and the total consideration of \$78,600,000 agreed upon can be regarded as the cost of eliminating this destructive competition, a competition

consideration of \$78,600,000 agreed upon can be regarded as the cost of eliminating this destructive competition, a competition damaging and injurious both to the Tennessee Valley Authority and to the private owner of the properties to be purchased.

It is extremely important, if this contract of purchase is to be made possible, that the legislation proposed be enacted into law as speedily as possible. Some of the municipalities in the area mentioned have already taken steps to build competing distribution systems. Such attempts are being held in abeyance, awaiting the consummation of the contract between the Commonwealth & Southern Corporation and the Tennessee Valley Authority. Chattanooga is an instance which illustrates the importance of speedy action. Something over 3 years ago, Chattanooga voted by an overwhelming majority to take Tennessee Valley Authority power, and, in order to do so, to issue bonds for the construction of a distribution system in Chattanooga, or to buy of the Tennessee Electric Power Co., through the Common-

wealth & Southern Corporation, the existing distribution system in that city. Lengthy negotiations between the municipality and the Commonwealth & Southern have not resulted in the sale of in that city. Lengthy negotiations between the municipality and the Commonwealth & Southern have not resulted in the sale of the distribution system, and the municipality has already commenced the construction of a municipal distributing plant, in order that it may get the benefit of cheap Tennessee Valley Authority power. This work is being held up until it is ascertained whether the tentative contract of sale will be carried out. But the city cannot wait indefinitely, and unless the legislation proposed is speedily enacted into law, the city must of necessity go ahead with the construction of the competing distribution system in Chattanooga, which would be to the detriment both of the city and of the Tennessee Electric Power Co.

The purchase of the properties involved in this tentative sale would bring to the municipalities of a large section of Tennessee Valley the cheap electric rates of the Tennessee Valley Authority, and thus save to the citizens of more than 100 municipalities millions of dollars in the purchase price of electric current.

Since the proposed change to be brought about by the enactment of this bill into law is agreed to by the officials of the Tennessee Valley Authority, is satisfactory to the private owner of the properties to be purchased, and is likewise agreeable to the public generally, and since the bill's enactment would reduce by many millions of dollars future appropriations to be made by Congress, your committee believe the speedy enactment of the bill into law is very desirable.

VIOLATIONS OF FREE SPEECH AND RIGHTS OF LABOR (PT. 3, REPT. NO. 6)

Mr. LA FOLLETTE. Mr. President, I ask unanimous consent to submit a report (pt. 3 of Rept. No. 6) from the subcommittee of the Senate Committee on Education and Labor, pursuant to Senate Resolution 266 of the Seventyfourth Congress, investigating violations of the right of free speech and assembly and interference with the right of labor to organize and bargain collectively, relating to industrial munitions, and ask that it be printed.

The VICE PRESIDENT. Without objection, the report submitted by the Senator from Wisconsin will be received

and printed.

ENROLLED BILLS PRESENTED

Mrs. CARAWAY, from the Committee on Enrolled Bills, reported that on March 17, 1939, that committee presented to the President of the United States the following enrolled bills:

S. 218. An act for the relief of Manuel D. A. Otero, as administrator of the estate of Teresita S. Otero, deceased: and

S. 219. An act for the relief of Emma Gomez.

BILLS AND JOINT RESOLUTION INTRODUCED

Bills and a joint resolution were introduced, read the first time, and, by unanimous consent, the second time, and referred as follows:

By Mr. GERRY:

S. 1856. A bill conferring jurisdiction upon the United States District Court for the District of Rhode Island to hear, determine, and render judgment upon the claim of George Lancellotta; to the Committee on Claims.

By Mr. McCARRAN:

S. 1857. A bill to provide for the training of civil aircraft pilots, and for other purposes; to the Committee on Com-

By Mr. BURKE:

S. 1858. A bill for the relief of Harry Goff; to the Committee on Claims.

By Mr. LEE:

S. 1859. A bill to provide more effective Federal employment and civil-service preference for certain veterans or their wives and widows; to the Committee on Civil Service.

By Mr. TOBEY: S. 1860. A bill relating to the military record of Paul Emory Tracy; to the Committee on Military Affairs.

S. 1861. A bill granting an increase of pension to Helen F. Blood: to the Committee on Pensions.

By Mrs. CARAWAY:

S. 1862. A bill to amend the Air Commerce Act to provide for the safety of passengers in aircraft; to the Committee on

S. 1863. A bill authorizing the appointment of Carl Ferdinan Janson as a boatswain in the United States Navy; to the Committee on Naval Affairs.

By Mr. WHEELER:

S. 1864. A bill for the relief of Zelma Halverson; to the Committee on Claims.

S. 1865. A bill granting a pension to Elizabeth Campbell; to the Committee on Pensions.

By Mr. WILEY:

S. 1866. A bill to amend the Internal Revenue Code with respect to the credit for dependents allowable against net income in computing income taxes; and

S. 1867. A bill to amend the Internal Revenue Code with respect to the personal exemption allowable against net income in computing income taxes; to the Committee on Finance.

By Mr. MEAD:

S. 1868. A bill for a Coast Guard station at or near Dunkirk, N. Y.; to the Committee on Commerce.

By Mr. WHEELER and Mr. TRUMAN:

S. 1869. A bill to protect interstate commerce from the dangers of unsound financial structures and to establish improved procedures and standards for financial rehabilitation of railroads engaged in interstate commerce, and for other purposes; to the Committee on Interstate Commerce.

By Mr. BROWN:

S. 1870. A bill for the relief of Dionis Moldowan; to the Committee on Immigration.

By Mr. HATCH, Mr. SHEPPARD, and Mr. AUSTIN: S. 1871. A bill to prevent pernicious political activities; to the Committee on Privileges and Elections.

By Mr. BARKLEY:

S. 1872. A bill granting a pension to Jesse Woods; to the Committee on Pensions.

By Mr. LOGAN:

S. 1873. A bill for the relief of Henry Cowgill, Jr.: to the Committee on Claims.

By Mr. ASHURST (by request):

S. 1874. A bill to amend the Criminal Code in regard to obtaining money by false pretenses on the high seas; and

S. 1875. A bill to provide for the transportation home of persons who have been arrested and subsequently released without conviction or convicted and placed on probation; to the Committee on the Judiciary.

By Mr. PEPPER:

S. 1876. A bill to readjust the commissioned personnel of the Coast Guard, and for other purposes; to the Committee on Commerce.

By Mr. SHEPPARD:

S. 1877. A bill for the relief of officers who failed to file application for benefits within the time limit fixed by the act of May 24, 1928; to the Committee on Military Affairs.

By Mr. O'MAHONEY (for himself and Mr. Schwartz): S. 1878. A bill to provide for the distribution of the judgment fund of the Shoshone Tribe of the Wind River Reservation in Wyoming, and for other purposes; to the Committee on Indian Affairs.

(Mr. PITTMAN introduced Senate Joint Resolution 97, which was referred to the Committee on Foreign Relations, and appears under a separate heading.)

CHANGES OF REFERENCE

On motion by Mr. SHEPPARD, the Committee on Military Affairs was discharged from the further consideration of the following bills, and they were referred to the Committee on Finance:

S. 1325. A bill to increase annual payments to State and Territorial homes for veterans; and

S. 1495. A bill to increase annual payments to State and Territorial homes for veterans.

TENNESSEE VALLEY AUTHORITY-PRINTING OF ADDITIONAL COPIES OF HEARINGS

Mr. DONAHEY submitted the following concurrent resolution (S. Con. Res. 7), which was referred to the Committee on Printing:

Resolved by the Senate (the House of Representatives con-curring), That, in accordance with paragraph 3 of section 2 of the Printing Act approved March 1, 1907, the special Joint Con-gressional Committee of the Congress appointed pursuant to

Public Resolution No. 83, approved April 4, 1938, to make a full and complete investigation of the administration of the Tennessee Valley Authority Act of 1933, as amended, be, and is hereby, empowered to procure the printing of 2,000 additional copies of the hearings held before the said committee during its investigation.

REDUCTION OF ARMAMENTS-MANUFACTURE AND SALE OF MUNITIONS

Mr. SHEPPARD submitted the following concurrent resolution (S. Con. Res. 8), which was referred to the Committee on Foreign Relations:

Whereas recent expressions from the administration here in Wash-Whereas recent expressions from the administration here in Washington and by constituted authorities of certain other nations make it appropriate at this time to bend every effort to avoid another general war during the present generation because such a conflict would be so deadly and such a burden for all nations that eminent authorities agree modern civilization in its present form could not survive such a catastrophe for even a few years; and

Whereas the United States of America has long pursued the policy of contributing to the furtherance of peaceful relations between various nations through its activities in the establishment of The Hague Tribunal, the furthering of the success of the Washington Conference called in this city in 1921, in its participation in the London Conference in 1930, and in addition, to other attempts, its action in the First General Conference for the Limitation of Armaments held in Congress 1932, and

London Conference in 1930, and in addition, to other attempts, its action in the First General Conference for the Limitation of Armaments, held in Geneva in 1932; and

Whereas the Secretary of State should be commended for his efforts through Geneva recently in advocating a reduction of armaments on the part of the great powers as a part of the program for peace advocated by the present administration, which said reduction in armaments will not only promote the mutual safety of all nations, but also will evoid further vast expenditures of tax money for armaments by the governments of peoples already poverty-stricken and tax-ridden; and

Whereas the experience of the World War as expressed at Versailles soon thereafter demonstrates that peace is also endangered most seriously by the inadequate restriction and control of the manufacture and sale of munitions of war, which matter was properly investigated by the Special Committee on Investigation of the Munitions Industry, authorized by the Senate; and

Whereas it is to the interest of the safety of society and the avoidance of another world war in the near future that the program of the administration for peace mentioned above should include the problem of restriction of the manufacture and sale of munitions of war: Now, therefore, be it

Resolved by the Senate (the House of Representatives concur-

Resolved by the Senate (the House of Representatives concurring), That the Secretary of State be, and hereby is, respectfully urged to include in his commendable program for peace the matter of a mutual restriction and control of the manufacture and sale of

or a mutual restriction and control of the manufacture and sale of munitions of war; and be it further Resolved, That the Secretary of State be, and hereby is, further respectfully requested to secure treaties with all the great powers under which there will be effected among other needed provisions a reduction in all phases of armaments and all types of armed forces and a concerted restriction on the manufacture and sale of munitions of war so that this industry will be strictly regulated in the interest of preserving peace.

FREIGHT RATES ON CERTAIN TEXAS COMMODITIES

Mr. SHEPPARD submitted the following resolution (S. Res. 108), which was referred to the Committee on Interstate Commerce:

Resolved, That the Interstate Commerce Commission is hereby directed to make the necessary investigation and submit to the Senate tables showing existing railroad rates in this country on shipments of sulphur and sulphur products; petroleum and petroleum products; cotton and cotton products; agricultural products, natural and processed, including fruits and vegetables; poultry and peultry products; moducts made wholly or partly of steel or iron; lumber and lumber products; wool and wool products; mohair and mohair products, from points in Texas to points in freight zones to which Texas does not belong; and railroad rates on such shipments for similar distances from points in such other zones either to other points in such other zones in which Texas is located.

SALE OF COTTON ABROAD BELOW COST

Mr. GEORGE. Mr. President, I submit a resolution which I ask to have read by the clerk.

The VICE PRESIDENT. Without objection, the resolution will be read.

The resolution (S. Res. 107) was read as follows:

Whereas the world is today confronted with an international crisis of the gravest magnitude; and
Whereas the market for American cotton is rapidly becoming de-

moralized: and

Whereas cotton is a vital commodity to national defense; and Whereas the United States Government is in possession of the largest quantity of raw cotton in the world; and Whereas there is now under consideration the disposal of American cotton to the foreign trade below the cost of production and considerably below its cost to this Government; and

Whereas such policy is fraught with the gravest dangers and injustices to the American farmers, American industry, and the national economy: Therefore be it Resolved, That it is the sense of the Senate that pending this world crisis no American cotton be sold to foreign purchasers at a

price below the actual cost of said cotton to the Government of the United States, and that the Secretary of Agriculture is directed to negotiate no sales of American cotton to the foreign trade below its cost to this Government without the approval of the Congress.

Mr. GEORGE. Mr. President, it is not my purpose to speak to the resolution at this moment, but to give notice that I shall bring it up at the earliest opportunity after the disposal of the pending bill.

Mr. McNARY. Mr. President, does the Senator desire the resolution to lie on the table?

Mr. GEORGE. I was about to make that request.
Mr. McNARY. May I anticipate the request? I assumed that the able Senator would ask that the resolution lie on the table. On account of its extreme importance, the fact that the Senator from South Carolina [Mr. SMITH] has a bill which he wishes to take up this week looking toward the export of some of our surplus cotton, the effect it will have upon loans, and otherwise, I suggest that the resolution go to the Committee on Agriculture and Forestry, because at this time that committee is giving intense study to the very problem involved in and suggested by the resolution of the Senator from Georgia

Mr. GEORGE. Mr. President, I have very great respect for the opinion of the distinguished Senator from Oregon. but I should much prefer to have the resolution remain on the table. It will in no sense conflict with the consideration by the Senate of the bill introduced by the distinguished Senator from South Carolina [Mr. SMITH], and that is not its purpose. It is a resolution expressing it as the sense of the Senate that no sales of American cotton to foreign purchasers should be made below the cost of production pending this world crisis without reference to Congress

I should like to have the resolution remain on the table, with the assurance that I shall bring it up at the earliest possible opportunity.

The VICE PRESIDENT. Without objection, the resolution will lie on the table and be printed.

Mr. THOMAS of Oklahoma. Mr. President, I submit for the RECORD a telegram just received from the president of the Oklahoma State Cotton Exchange, supporting the George resolution. I ask that the telegram be printed in the RECORD at this point.

The VICE PRESIDENT. Without objection, it is so ordered.

The telegram is as follows:

OKIAHOMA CITY, OKIA., March 20, 1939. Senator Elmer Thomas,
Senate Office Building:

Please support George resolution being introduced Senate today, directing Secretary not negotiate sale cotton without approval

W. M. HYNDS, President, Oklahoma State Cotton Exchange.

BLOCK BOOKING AND BLIND SELLING OF MOTION-PICTURE FILMS

Mr. NEELY. Mr. President, I move that the Committee on Interstate Commerce be discharged from the consideration of Senate bill 280, to prohibit and to prevent the trade practices known as compulsory block booking and blind selling in the leasing of motion-picture films in interstate and foreign commerce. This bill, which I introduced on January 4, was referred to the Committee on Interstate Commerce on that day. On the 2d day of February the bill was referred to a subcommittee, with instructions to conduct hearings thereon. But these instructions have not been obeyed. This motion must, under the rule, lie over 1 day.

The VICE PRESIDENT. The motion will lie over, under the rule.

NATIONAL LABOR RELATIONS ACT-ADDRESS BY SENATOR BURKE

[Mr. Burke asked and obtained leave to have printed in the RECORD a radio address delivered by himself on Saturday, March 18, 1939, on the subject What Shall We Do With the Wagner Act? which appears in the Appendix.]

ADDRESS BY SENATOR BRIDGES AT FOUNDERS' DAY CELEBRATION, LINCOLN, NEBR.

[Mr. Tobey asked and obtained leave to have printed in the Record an address delivered by Senator Bridges at Founders' Day celebration, Lincoln, Nebr., March 14, 1939, which appears in the Appendix.]

REMARKS BY SENATOR JOHNSON OF COLORADO ON PRESENTATION OF GAVEL TO REPRESENTATIVE TAYLOR OF COLORADO

[Mr. Adams asked and obtained leave to have printed in the Record the remarks of Senator Johnson of Colorado on the occasion of the presentation of a gavel to Hon. Edward T. Taylor, a Representative from the Fourth Congressional District of Colorado, which appears in the Appendix.]

GEORGE WASHINGTON-ADDRESS BY SENATOR PEPPER

[Mr. Byrn asked and obtained leave to have printed in the RECORD an address delivered by Senator Pepper at the Washington Day dinner at Richmond, Va., on February 24, 1939, which appears in the Appendix.]

ST. PATRICK'S DAY DINNER-ADDRESS BY SENATOR MEAD

[Mr. Maloney asked and obtained leave to have printed in the Record an address on the subject Democracy and the Irish delivered by Senator Mead at the one hundred and fiftyfifth anniversary dinner of the Society of the Friendly Sons of St. Patrick at the Hotel Astor, in the city of New York, on March 17, 1939, which appears in the Appendix.]

ADMISSION OF GERMAN REFUGEE CHILDREN

[Mr. Wagner asked and obtained leave to have printed in the Record a number of editorials advocating the enactment of legislation admitting German refugee children into the United States notwithstanding the quota, which appear in the Appendix.]

ACCOUNTING SYSTEM OF THE FEDERAL GOVERNMENT

[Mr. Mead asked and obtained leave to have printed in the Record an address on the accounting system of the Federal Government delivered by E. F. Bartelt, Commissioner of Accounts and Deposits, United States Treasury Department, before the National Association of State Auditors, Comptrollers, and Treasurers on November 16, 1938, which appears in the Appendix.]

RADIO REGULATION AND MONOPOLY—STATEMENT BY S. HOWARD EVANS

[Mr. Wheeler asked and obtained leave to have printed in the Record a statement by S. Howard Evans, secretary of the National Committee on Education by Radio, before the Federal Communications Commission during the week of March 14, 1939, which appears in the Appendix.]

PHILIPPINE INDEPENDENCE—EDITORIAL FROM NEW YORK HERALD TRIBUNE

[Mr. Gibson asked and obtained leave to have printed in the Record an editorial from the New York Herald Tribune on the subject of Philippine independence, which appears in the Appendix.]

REORGANIZATION OF EXECUTIVE DEPARTMENTS

The Senate resumed the consideration of the bill (H. R. 4425) to provide for reorganizing agencies of the Government, and for other purposes.

Mr. McNARY. Mr. President, before the Senate adjourned on Friday last I requested that subdivision (b) of section 3 of the pending bill go over until today. At that time the able Senator from South Carolina [Mr. Byrnes] was attempting to correct or modify the subdivision by some committee amendments. Will the Senator proceed along that line now, so that we may offer individual amendments?

The VICE PRESIDENT. If the Senator will pardon the Chair a moment, the Chair will ask the clerk to state the first amendment passed over by unanimous consent.

The CHIEF CLERK. On page 3, line 18, it is proposed to strike out the words "United States Employees' Compensation Commission."

Mr. McNARY. Mr. President, I hope the Senate will reject that amendment. I briefly expressed my view on that subject on Friday. I thought the able Senator having the bill in charge was willing to have the amendment rejected.

Mr. BYRNES. Mr. President, I stated that I did not think the Senate should reject the pending amendment. I said I was going to ask the Senate to reject the amendment as to the Tariff Commission.

Mr. McNARY. Mr. President, I am somewhat confused about the situation. For many years the distinguished Senator from South Carolina has specialized in the field of administration mechanics. He has a bill, with which I am more or less familiar, known as Senate bill 1265. On page 12 of that bill he attempts to transfer the United States Employment Service to the Social Security Board. In view of the fact that we are treating of the United States Compensation Commission, would the Senator be willing to include the United States Employment Service in the class exempted under the section we are now considering?

Mr. BYRNES. To include it in the exempting provision? Mr. McNARY. In the Senator's bill, which is now being considered by the select commmittee of which he is chairman, he attempts to transfer the United States Employment Service to the Social Security Board—a proposal which in itself has brought about much opposition in the country from organized labor and the employers of organized labor. Inasmuch as we are treating the subject of the employment situation and the service situation, would the Senator be willing to place in the section of this bill which we are now considering, subdivision (b) of section 3, a provision exempting the United States Employment Service from any Executive order that may be made by the President which would bring about a consolidation of that Service with another service?

Mr. BYRNES. Mr. President, I certainly should not be willing to make an agreement of that kind. As to the bill to which the Senator refers, on which hearings have been held, and with regard to which he and I know there is considerable difference of opinion, I will say that it was the thought of the Senator from South Carolina that whenever that bill is considered the committee will give consideration to the testimony, and determine whether or not, if the Unemployment Compensation Commission and the Employment Service are merged, they should be put in the Department of Labor, or in the Social Security Board, or in a public-works department, as urged by the Senator from Arizona. As a result of the hearings, the Senator from South Carolina will certainly enter into the consideration of that question with a more open mind than he had on the subject 6 weeks ago.

I see no reason at all why one bureau of one department should be exempted in this bill, and placed on an entirely different status from all other bureaus. I will say to the Senator from Oregon that the other bill has nothing to do with the United States Employees' Compensation Commission. I presume the Senator is discussing that matter only in connection with this one.

Mr. McNARY. I recognize the dissimilarity of the two agencies; but I am somewhat unhappy because the bill which is now being studied by the Senator's committee is in the nature of a reorganization bill, in that it deals with the creation of a new department of government and the transfer of a number of agencies.

Among those is the agency I now mention. In the bill providing for complete reorganization now pending broad functions are given to the President to abolish or transfer these agencies and the functions thereof. There is tremendous opposition throughout the country, as I view it, to placing the United States Employment Service under the Social Security Board. I thought we might meet that situation and remove all doubt by specifying in the pending measure that this agency of the Government should not be transferred. The purpose of the section we are now studying is to impose an inhibition against the employment of the executive functions of the Government to transfer any of these agencies, and the whole question can be settled now and forever if we include the agency mentioned by me in the subdivision we are now considering.

Mr. BYRNES. Mr. President, I certainly should not be willing to agree to that under any circumstances. While it is true that a number of persons have testified that they prefer

that the Employment Service should remain in the Department of Labor, there has not been one man who has given any study to the subject, there has not been a single witness, who has not said that if the United States Employment Service is ever to amount to anything, that Service and the Employees' Compensation Commission must be tied together. I have stated time and again in the committee, and have said so publicly in a statement, that I care not where it goes, except that I believe that in the interest of efficiency and in the interest of the workers of the Nation there should be one door through which a worker can go to report that he is out of a job, register for another job, and in the same place and at the same time file his claim for unemployment compensation; that he should not be made to run all around the town, to one office here and another office there, to different officials, presenting his case. So long as both services are placed in one bureau, I do not care in what department they are included. The Senator from Arizona urges with considerable force that they should be put into the Public Works Department, and I believe that matter certainly should be left to the consideration of the committee. I shall approach it with an open mind, and I think that the Senator will upon consideration agree with all of the witnesses. Even the Secretary of Labor made the statement before the committee that she was firmly of the opinion that the services should be put together; that she preferred that they should be placed in the Department of Labor; but that in the interest of the worker, and in the interest of the taxpayer, too, those two activities should be put together.

I hope the Senator from Oregon will not attempt to exempt this agency and provide that it shall never be touched, and place the Employment Service in the same status with the quasi-judicial organizations.

Mr. McNARY. Mr. President, I have great respect for the able Senator, who is in charge of the two bills to which I have referred, and I shall not attempt to direct his course. If he desires to make two separate issues, one in the consideration of the pending bill, and one in the consideration of the bill to come later, I shall yield to his wishes in the matter

Mr. BYRNES. I will say to the Senator frankly that nothing specific is said about the matter. We give the power to abolish or transfer. We do not know what power the President will exercise under the measure. When it comes to the four organizations referred to in the bill to which the Senator has made reference, W. P. A. and P. W. A., the Employment Service, and the Employees' Compensation Commission we might have the notion that Congress itself will act on the matter, and if it does not think they should go in, it would be entirely satisfactory to me. If it is thought they should go into the Department of Labor, that will be entirely satisfactory to me.

I must say that since the hearings have started on the bill I have seen many reasons why the Employment Service should be left in the Department of Labor, provided we place the Employees' Compensation Commission there, or that it might be put in Public Works. My only interest is to put the two together, so that the worker will have one place where he can go and present his claims.

Mr. HATCH. Mr. President-

Mr. McNARY. I shall be very happy to yield in just a

It would meet my notion better if the activity were covered in subdivision (b), but I shall not make the issue here, if it is the pleasure of the able Senator to have it raised in connection with the other bill. I shall be guided by his wishes in the matter, so I shall not again refer to it.

Mr. BYRNES. I hope the Senator will follow that course. I have indicated to him that I am open-minded on the subject.

Mr. McNARY. I yield to the Senator from New Mexico.
Mr. HATCH. In view of the agreement which has just
been reached between the Senator from Oregon and the Senator from South Carolina, there is no occasion for my interrupting further.

Mr. McNARY. Very well. In the matter of the United States Employees' Compensation Commission, this Commission was exempted by the House committee and by the action of the House. By the committee amendment it has now been excluded from the agencies exempted from the possibility of an Executive order, which implies that the present President, or some future President, may change the location of this agency of government.

I have received many protests in the last few days about excluding this Commission from the exempted list, and I should like to know from the able Senator what reason he has in mind which makes him so tenaciously cling to his view that the Employees' Compensation Commission should remain the target of any President who wishes to issue an Executive order.

Mr. BYRNES. Mr. President, I have no objection to telling the Senator at this point the reasons which actuated me in suggesting this course in the committee.

I have no information from anyone connected with the administration that the President has any idea of issuing any order about this Commission. I may say for the benefit of other Senators that I have never conferred with the President about the pending bill since December 7 last, and neither then nor at any other time has the President indicated to me what ideas he has had in mind about a reorganization plan.

The fact is that the Employees' Compensation Commission has three duties. One has reference to the Longshoremen's Act. Under that act the Commission performs no quasijudicial duty. Certain civil-service employees who are known as deputy commissioners are charged with the investigation of claims, and in the report of the Employees' Compensation Commission for the year ending June 30, 1938, this is what is said of that work:

Claims are handled by the deputy commissioner for the compensation district in which the injury occurred, and hearings are provided for where requested by any party in interest or deemed necessary by the deputy commissioner. A compensation order awarding compensation or rejecting a claim becomes final after 30 days from the filing of such order by the deputy commissioner. Within certain limitations—that is, on the ground of a change in conditions or on the ground of a mistake in a determination of facts, a deputy commissioner may review a compensation case at any time prior to 1 year after the date of the last payment. * *

No review by the Commission of the action of the deputy commissioner upon a claim is provided for in either act.

Therefore, under the law the Commission has no power to review the action of a commissioner, and it means simply the determination by an agent, a civil-service employee, in the field of a case or an action.

There is no department of government which has not the power to consider claims for damages not exceeding \$1,000. Such claims are considered every day in the Navy Department, the Department of Agriculture, and the Interior Department, and no one would think of saying that the claims divisions of the departments should be exempted from consideration. They are on the same status with the activity provided for here as to everything except Government employees. The only other function is the determination of claims of Government employees. If we take the claims by Government employees, we find that most of their cases now come under the emergency acts.

The number of new cases reported during the fiscal year 1938 under the Employees' Compensation Act was 37,000, but the Works Progress Administration had 188,150. They consider claims for injury to a truck or to an individual. I saw no reason why this activity should be placed in a class with the Interstate Commerce Commission, the Federal Trade Commission, or any of the other agencies which are set forth. I admit that when I read the Record of the House proceedings, and saw that the gentlemen on the Republican side of the House asked those in charge of the bill how in the world the Employees' Compensation Commission got into the exempted class along with these other agencies, and the Representatives in charge of the bill did not give an explanation satisfactory to me, I thought the organization should be excluded.

I have no idea that the President would ever touch it, but he might transfer to the Department of Labor the administration of the Longshoremen's Act, which is administered by deputies in the field, and thereby save some money. He might transfer to the Civil Service Commission the consideration of the claims of Government employees, instead of having a separate commission with offices and a library and a counsel and all of the other incidents which go to make up the expenses of a commission. That was my reason.

Mr. McNARY. Mr. President, I hope the Senate will reject the amendment. I ask unanimous consent at this point to have read into the RECORD a telegram I have received from Mr. William Green, the president of the American Federation

of Labor.

The PRESIDENT pro tempore. Is there objection? The Chair hears none, and the clerk will read.

The legislative clerk read as follows:

WASHINGTON, D. C., March 16, 1939.

Senator McNARY

Senate Office Building:

In behalf of the officers and members of the American Federation
Labor, I earnestly request that the United States Employees'
Labor, I earnestly request that the United States Employees' of Labor, I earnestly request that the United States Employees' Compensation Commission be maintained as a separate, independent organization. I urge that the action of the House of Representatives regarding this administrative body be approved by the Senate. We are strongly opposed to the provision which was incorporated in the reorganization bill by action of the Senate which provides that the Employees' Compensation Commission may be merged by order of the President with other governmental departments. Because of the public service the Compensation Commission rendered to Government employees, we are firmly of the opinion that it should be maintained as a separate, independent administrative body. administrative body.

WILLIAM GREEN President, American Federation of Labor.

Mr. McCARRAN. Mr. President, addressing myself to the language on page 3, lines 18 and 19, which was discussed by the able Senator from Oregon, and without any desire to hold the Senate for any great length of time, I wish to draw attention to the fact that labor throughout the entire country is today opposed to having the particular Commission in question transferred to any other agency, which may result in affecting, reducing, or destroying the functions of the Commission as labor has recognized those functions during the existence of the Commission.

Mr. President, there is nothing which more closely touches or is in more intimate relations with the toiler of America today than that which affects him when he is afflicted and comes under the provisions of this particular Commission as it was set up and as it has functioned. So for that reason, as expressed by the telegram from the president of the American Federation of Labor which was just read, labor is interested today that the Employees' Compensation Commission shall not be included in any other department, where sight may be lost of its functions.

From the expressions of the able Senator from South Carolina it is quite apparent that he does not know to what particular branch of the Government the Commission in question might be transferred by an Executive order. That lack of knowledge on his part is the very thing which arouses labor today to oppose anything that would take the Commission out of its position as an independent agency.

Especially is that so in view of the fact that Congress, under the provisions of the bill as it now stands, will have no say whatever as to what may be the future history of any par-

ticular agency in which labor may be interested.

We are now addressing ourselves to labor; we are addressing ourselves to the position in which a laborer finds himself when he becomes afflicted. For that reason I trust that the amendment offered by the committee may not be sustained by the Senate, and I shall ask for a record vote upon the amend-

Mr. FRAZIER. Mr. President, I have received a number of letters and telegrams from labor organizations and labor representatives in my State opposing the amendment of the committee to strike the Employees' Compensation Commission from the exempted list. They say they are well satisfied with the way the Employees' Compensation Commission is now administered. They say they do not know where it may be

placed. The Senator from South Carolina also says he does not know where it may be placed. If they knew where it was going to be placed they might take a different attitude toward the proposal, but so long as they do not know, and they are satisfied with it as it is, they want it to stay where it is, and do not want us to take the chance of its being placed in the Securities and Exchange Commission, or under the Social Security Board, or some other board or commission.

Mr. BYRNES. Mr. President, I wish to say only one word in response to what has just been said, and that is that Congress, of course, has no information that the Commission will ever be touched. Should it ever be included in any order Congress will have an opportunity to express its disapproval.

Mr. McCARRAN. I ask the able Senator from South Carolina upon what he bases that statement, in view of the fact that Congress, under the provisions of the pending measure, is excluded from all voice.

Mr. BYRNES. On the specific provision that any order which comes to the Senate will not become effective if the Congress-merely the House and Senate-by a resolution

Mr. McCARRAN. Those are not the terms of the bill as it now stands before the Senate.

Mr. BYRNES. Oh, yes. Those are exactly the provisions of the bill. Unless the Senate and the House disapprove it, the order becomes effective. So the House and the Senate, without the action of the President, can disapprove

Mr. McCARRAN. That is the point to which some of us are addressing ourselves, and will address ourselves later on. The bill provides that unless there be affirmative legislative action, a reorganization plan becomes effective by the executive order of the President.

The PRESIDENT pro tempore. The question is on the committee amendment on page 3, line 18.

Mr. LEWIS. Mr. President-

Mr. McNARY. I was about to suggest the absence of a quorum, but I see the Senator from Illinois has risen, and withhold the suggestion for a moment.

Mr. LEWIS. Mr. President, I wish to ask a question of the able Senator from South Carolina, the chairman of the committee and in charge of the bill. He is discussing the pending amendment of the committee, which provides for removing the particular labor agency completely out of jurisdiction of the Labor Department.

Mr. BYRNES. No, Mr. President, the pending amendment really has nothing to do with the Labor Department. The amendment has reference to a commission known as the Employees' Compensation Commission. As I have said, so far as I know no one has any knowledge that the Employees' Compensation Commission would be touched by anyone in any reorganization plan. The statement of the Senator from Oregon [Mr. McNary] was that he did not want to have the Employees' Compensation Commission eliminated from section 3, which exempts a number of agencies.

He wanted the Commission exempted. The Senator from South Carolina, as previously indicated, has no interest in the matter at all except to say that he believes that it is one Commission concerning which, if the President or anyone else was reorganizing the Government, he might well say, "Here are two activities of a labor character which belong in the Department of Labor, and should be placed there, and one activity looking to the Government employees that might be placed in the Civil Service Commission." I do not think it is a matter of much importance. The number of employees involved is relatively small. In any event any reorganization plan which may be adopted will not save much money. I am content to have the Senate express its views upon the question without a roll call.

Mr. LEWIS. I wish to ask a question of the Senator from Nevada [Mr. McCarran] and the Senator from Oregon [Mr. McNary], the leader of the minority. Do they conceive that the amendment removes certain labor elements from the administration of the Labor Department and transfers them

to some new department?

Mr. McNARY. Mr. President, the provision adopted by the House would prevent the inclusion of the Employees' Compensation Commission from any Presidential order. The Commission was placed by the House in the class of agencies with respect to which Executive action may not be taken. By the removal of the exemption the Commission can be transferred from one department to the other by an order of the President. That is what organized labor does not want, because it does not know to what agency it will be transferred. So I am asking that the Senate reject the amendment so that the Commission will remain in the prohibited class against which an Executive order cannot be

Mr. BYRNES. Mr. President, I will say to the Senator from Illinois that the amendment has absolutely no reference to the Department of Labor. The Employees' Compensation Commission has a relatively small number of employees. It has jurisdiction over and can make determination with respect to claims of longshoremen. It has jurisdiction over claims of certain persons in the District of Columbia, which claims are determined under the law by a deputy commissioner. The law provides that if anyone is aggrieved with the decision of the deputy commissioner he may ask for a review, not by the Commission but by the courts. That is why it seemed to me to be a function which really belonged in the Department of Labor.

If I were reorganizing governmental departments, I would take that function and put it in the Department of Labor, and I would take the function of handling the employees of the Government and put it in the Civil Service Commission which has to do with all governmental employees. That would be my idea of how to do it, simply in the

interest of efficiency.

I have not the slightest idea that anyone connected with the American Federation of Labor had the opportunity to go into the question along that particular line. I do not have to have second sight to know that the members of the Employees' Compensation Commission are just as human as are the members of any other commission in Washington, and within the last few days nearly every person connected with the Commission in Washington has been writing, and I am sure the Senator has had a chance to see the telegrams and letters on the subject. He has undoubtedly received telegrams from people in Washington, and from people in his home State. One who has a job in the Government is likely to say, "Well, there is not anything in that bill about me, but I do not know. They might reorganize here and merge, and I might be out of a job. There might be done just what the Senator from South Carolina says; an Executive order might turn over to the Labor Department longshoremen's claims, and turn the employees' claims over to the Civil Service Commission. If that were done, what would become of me? I would have to go home and practice law." He is convinced that he was drafted out of his law practice into the position he now holds. He did not want any job here; he was simply drafted out of his job; and now an unpatriotic Government, failing to recognize the importance of his services, will cause him to lose his job, and it just ought not to be done. So then he goes to some friend in the American Federation of Labor and says to him, "Save me. Send a telegram saying that you are opposed to it." I will wager that my dear friend, William Green, as busy as he is with important things, had not the slightest idea what was behind the whole matter. But I know how those things occur. I have my desk filled with telegrams from bankers and building and loan associations. If we quit taking affirmative action simply because we receive requests of this nature there will never be any reorganization. That is the trouble with such matters.

Mr. LEWIS. Does the Senator from South Carolina assume

that there is no foundation for the fears expressed by the

Senator from Nevada [Mr. McCarran]?

Mr. BYRNES. I think the Senator from Nevada is perfectly sincere. He has received a telegram. I know that the man who sent the telegram and gave him the information was sincere. I know what has happened during the recess of the Senate. Of course, members of the Commission would not send a telegram directly to me or to any other Senator, because they fear that if they did so they would get into trouble. So they go outside the Commission, to the fellow who has been asking them to do favors for him, and they say, "Whom can we persuade to get behind Senators and Representatives?"

Mr. McCARRAN. Mr. President, will the Senator yield?

Mr. BYRNES. I yield.

Mr. McCARRAN. If the telegram read by the Senator from Oregon bears the same date as the telegram which I received. and is of the same import, it was sent long before the time referred to by the Senator.

Mr. BYRNES. I know how such things occur.

The next thing I heard was from a man who has had considerable business with the Commission and who represents quite an extensive national interest. He began sending telegrams throughout the country, and almost immediately half a dozen Senators telephoned me that they had received twoand three-page telegrams, and asked me what it was all about.

We frequently receive such communications. Those who send such messages are obliged to do so in return for the favors done for them. Later the lobbyist will come back and say, "When you were in trouble, old sport, I helped you out,

I want you to do this for me."

We might as well understand how the executive departments act. The members of the Commission persuade their friends to act in their behalf, and the friends are obliged

So far as the particular question under consideration is concerned, I will say to the Senator that it is immaterial to me. There is nothing in the bill which says anything about merging the employees of any particular commission. The United States Employees' Compensation Commission is left in the same category with every other department of the Government. I have sufficient confidence in the President to feel that in a matter of this kind, if the Commission is performing a duty which should be performed as an independent agency, he will leave it as an independent agency. However, if he moves it, he never could move half of it anywhere except into the Labor Department. If Mr. Green knew the situation I think he would be in favor of the amendment. He could not know where the Commission might go. Government commissions and agencies do not want to be touched, because those at the top are afraid they will lose their jobs. That is all there is to it.

Mr. BARKLEY. Mr. President, I wish to make a brief

comment on the amendment. If it had not been for the fact that the House exempted the United States Employees' Compensation Commission from the operation of the bill, we probably would not have heard of this situation. The House exempted the Commission. For the reasons stated by the Senator from South Carolina, the committee felt that it was not a sufficiently important agency to take a position alongside the Interstate Commerce Commission and the Federal Trade Commission. The committee felt that it was not entitled to exemption from the power of the President to

consolidate or to transfer it.

I agree with the Senator from South Carolina that it is not very material one way or the other what we do with respect to the United States Employees' Compensation Commission. I doubt very much if any money will be saved whether it is left where it is or whether it is transferred to the Department of Labor or to some other department. I do not think the question is important enough for us to get into a row over it. As a member of the committee, I will say that, so far as I am concerned, I am perfectly satisfied to join the Senator from South Carolina and have the Senate vote on the question by viva voce vote. If the Senate decides to reject the amendment, we on the committee will accept the decision as an expression of the opinion of the Senate. I think we might as well vote on the amendment with that understanding.

Mr. KING. Mr. President, I am so much opposed to the multiplicity of agencies and departments that I believe they should be consolidated wherever possible. I am very much in sympathy with the position taken by my friend from Nevada [Mr. McCarran]; but I believe labor would fare better if this agency were placed in the Department of Labor than if it were to remain as an independent agency. If it were transferred to some organization hostile to labor, such action would be most inappropriate. However, I am sure that if any change is made it would be assigned to the Department of Labor, and I think that action would be to the advantage of the beneficiaries of the act.

Mr. NORRIS. Mr. President, I shall vote against the committee amendment. Inasmuch as my reasons may not be considered adequate by other Senators, I wish briefly to state

those reasons.

If I had my way about it, Mr. President, I would not have any exemptions. I would vote for a motion to strike subsection (b) out of the bill entirely, so that there would not be any exemptions. I do not know why it is feared that certain bureaus or certain offices in the Government are in danger of being injured or obliterated by a reorganization bill. Everybody wants a reorganization bill. The committee has reported a bill which exempts from reorganization certain agencies, bureaus, and offices named in subsection (b) on page 3 of the bill. I am not fully informed as to the duties and jurisdictions of the various exempted agencies. I do not suppose any Senator knows them all in detail.

However, in a general way, in my judgment, many of them ought not to be exempted, for the reasons which have here-tofore been given. So far as I have heard the reasons given, they would entirely disqualify from exemption more than half of the commissions included in subsection (b), if we were to apply the same reasoning to them that is now being applied to the United States Employees' Compensation Com-

mission.

If we are to exempt any agency, it seems to me the United States Employees' Compensation Commission ought to be exempted. It seems to me there is more reason for exempting it than for exempting many of the others included in the list of exemptions.

For these reasons, inadequate though they may appear to some, I shall vote against the committee amendment with respect to this particular agency. If we are to exempt other agencies which have not as good reasons to be exempted as has the United States Employees' Compensation Commission, then I wish to leave the Commission in the exempted list.

Mr. McKELLAR. Mr. President, will the Senator yield? Mr. NORRIS. I yield.

Mr. McKELLAR. How many employees and officers are there in the Commission?

Mr. NORRIS. I do not know.

Mr. McKELLAR. Can the Senator from South Carolina [Mr. Byrnes] tell us how many officers and employees there are in the United States Employees' Compensation Commission?

Mr. BYRNES. I do not know the exact number. I can obtain the information for the Senator. The Commission spends \$500,000 for administrative expenses. I do not know the number of employees.

Mr. McKELLAR. I imagine that no very great saving could be made in any event.

Mr. NORRIS. I do not think there would be any great saving, whether or not we exempted this particular agency. If there were no exemptions, I should not assume that the President of the United States would do anything radical or wrong in readjusting the agencies of the Government, which we wish to consolidate as much as possible.

I believe the President is just as anxious as are we to economize and to do nothing in the reestablishment, relocation, or remodeling of any of the agencies which would

be detrimental to the public service.

Mr. BARKLEY. Mr. President, will the Senator yield?

Mr. NORRIS. I shall be glad to yield in a moment. If we are to draw the distinction which the Senator from South Carolina said the other day was drawn—for which I admit there is some reason—so as to exempt quasi-judicial agencies, and if that is the guide by which we are to act, under that definition I think there are reasons why the United States Employees' Compensation Commission should

be exempted. Personally I would not exempt any of them, because I think the only way to get a scientific readjustment and realinement of agencies of the Federal Government is to have no exemptions. Now I yield to the Senator from Kentucky.

Mr. BARKLEY. There is a great deal of force in what the Senator from Nebraska says; I am inclined to agree with him that probably there ought not to be any exemptions; but, as the Senator from South Carolina [Mr. Byrnes] explained in his address the other day, it is a condition and not a theory that we face. Every time there has been a reorganization bill before either House of Congress someone has expressed a fear that the President was going to remove this division or this bureau or that bureau from where it is and place it under some other jurisdiction.

Mr. NORRIS. Yes.

Mr. BARKLEY. Take, for instance, the Engineer Corps of the United States Army, which is a part of the Army. I dare say not a President of the United States who ever served or one who ever will serve would take the Army engineers out of the Army and out of the War Department. That is where the Army engineers belong; they are part of the Army.

Mr. NORRIS. Of course they are.

Mr. BARKLEY. They are a part of the military set-up. Yet someone was so fearful that some President might take the Army engineers out of the Army and put them somewhere else that the Army engineers were included in exemptions.

Mr. NORRIS. I concede, I will say to the Senator from Kentucky, if exemptions are to be provided the Army engineers are entitled to be exempted, but I think that can be said

of every other agency of the Federal Government.

Mr. BARKLEY. I am inclined to agree with the Senator. Of course, the large list of exemptions found in the bill was included, I should say, in the House originally and has been agreed to, in the main, by the committee of the Senate in order to avoid controversies, some of them over moot questions, in order to get a bill through. It is a practical situation.

Mr. NORRIS. That is the theory on which the bill is drawn, and that is what the Senator from South Carolina very frankly admitted last week, that the exemptions were

put in in order to pass the bill.

Mr. BARKLEY. I should say that there is probably just as little likelihood of the United States Employees' Compensation Commission being transferred to some department as there is that the engineers of the Army will be taken out of the Army and put in the Navy or the Labor Department or anywhere else. So it is not at all difficult to put the United States Employees' Compensation Commission on a parity with some of the agencies that are exempted, although not all of them.

Mr. NORRIS. I suppose someone could become very much excited on the theory that, under this bill, if we should not exempt the Army engineers the President might put the Army engineers under the United States Employees' Compensation Commission; that would be possible; everyone has got to admit that, I think; or the President might put them under the Navy Department. That is possible. He might do all these things.

Mr. BARKLEY. If any President did that, I think the very fact that he did so foolish a thing might raise some question as to his qualifications for the other duties that are incumbent

upon him.

Mr. NORRIS. It certainly would. It seems to me that the best thing to do is to have no exemptions; but, no matter whether we have them or not, if we leave any bureau or agency unexempted we have got to have sufficient confidence in the President to think that he will not make a fool of himself.

Mr. WHEELER. Mr. President, will the Senator yield? Mr. NORRIS. I yield to the Senator from Montana.

Mr. WHEELER. I was going to say that I agree entirely with the Senator; but, if we are going to have some exemptions, why not exempt other bureaus? Here is the Reclamation Bureau. I agree that there should not be any exemptions, but the reason why people are demanding and asking for exemptions is that they are concerned as to what might

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happen; and then we would find ourselves in such a position that one branch of Congress might say that a given plan was all right and the other branch of Congress, the Senate of the United States, might say it was all wrong; but it would still be a law. That is the thing creating the fear; that is why if the fears for a particular agency are sufficiently powerful it has been exempted, and if they are not sufficiently powerful it has not been exempted. The whole legislation is based

upon the wrong theory.

Mr. NORRIS. I think it is. If there were no exemptions, Mr. President, I would feel more like supporting the amendment of the Senator from Montana, for whatever may be said about it it is more logical, it seems to me, than is subsection (b) which provides many exemptions without any reason for the exemptions that do not apply to the other bureaus and agencies that are left out of the exempted list. If we should undertake to draw a line, as the Senator from South Carolina said the other day, and exempt semijudicial agencies, while I do not believe that is necessary or desirable, we would have to say, it seems to me, if we were fair, that there was a reason given, and if we thought the reason was sufficient we ought to support it. As to this particular agency, I think that reason would leave it in the exempted class. I think it is a semijudicial agency, though not to the same extent as are some of the others that are in the exempted class. But if we are going to base our action on that theory, then it seems to me we ought to exempt it. although, it is conceded, I think, by all that its importance is probably overestimated.

I have mentioned the entire exempted list because when we put them all together the proposal becomes very important, for I think the exemptions take away, to a very great extent, from the good effect that this bill might have

if it did not contain the exemptions.

I do not believe we are justified, Mr. President, in exempting agencies merely for the purpose of getting votes of Senators and Members of the House of Representatives. It makes me think somewhat of the old public buildings bills and rivers and harbor bills which always went through the Congress because they were built up on the basis that every Member of Congress had a piece of pie in the measure, and his votes for everything were secured on that account. Fundamentally it is wrong. So far as I am concerned, I would rather see reorganization defeated entirely than to have it passed in an emasculated form; but, so long as we are in the exemption business, this particular agency, in my opinion, is much more entitled to be exempted than are a great many others that are in the exempted class in the bill as now framed.

Mr. ADAMS. Mr. President, it seems to me that if it were possible to determine the manner in which Congress is to have control over reorganization, it would be much easier to vote on these matters. If we could vote on the Wheeler amendment in advance of determining these exemptions, some of us would know better what we should do. In other words, I am interested in knowing what control Congress is going to have over reorganization. If, as a matter of fact, an affirmative vote by Congress is to be required in order to approve a reorganization plan, there is no need for any exemptions in the bill. On the other hand, if such a plan will go into effect unless there is an affirmative vote by both Houses, a different situation is presented. I do not know that it would be agreeable, but if the consideration of the Wheeler amendment could be advanced ahead of the committee amendments in subsection (b) of section 3, and the question of what control Congress is to have over any proposed reorganization could be decided, it would be much easier for us to decide the question now presented.

Mr. WHEELER. Mr. President-

Mr. ADAMS. I yield to the Senator from Montana.

Mr. WHEELER. So far as I am concerned, if the Congress had the right by affirmative vote to say whether or not the reorganization of this particular bureau or that particular bureau should take place, then I would say that I would be perfectly willing that all the exemptions should be stricken from the bill, because, after all, the Congress then

would have the right to say whether the exemption should be made. Why should a little group say, "We want to be exempted," and why should some other group say, "We want to be exempted"?

The President ought to send a reorganization plan to the Congress, and say, perhaps, that this commission should be reorganized and that one should be reorganized and this bureau should be reorganized, because such action would save money and result in more efficient and effective government. Then the Congress should vote affirmatively upon such a plan. If the bill were in such a form, then I would say take out all the exemptions and put all agencies upon an equal footing when they come before the Congress of the United States.

Mr. BYRNES. Mr. President, I would not disagree with the Senator's contention; indeed, if we should adopt the Wheeler amendment, I think it would be perfectly proper to strike out all after the enacting clause of the bill except the Wheeler amendment, because the Wheeler amendment simply says to the President, "You can send a message to Congress on the subject of reorganization." The Constitution of the United States already gives him that power; today the President can send a message making any recommendation he pleases about any agencies, and when it is sent here a bill has to be acted upon. I agree that if the Wheeler amendment is adopted we can strike out all the remainder of the bill.

Mr. ADAMS. Mr. President, I have this feeling as to reorganization: As the Senator from South Carolina has told us, we have talked reorganization ever since I have been here and it was talked long before I came here; the Senator from South Carolina in the other House urged reorganization, but there is one thing that has never been done either by Congress or the President and that is to submit a plan of reorganization in detail. We have always debated the question as to who was going to do the reorganizing.

I know that the Wheeler amendment, if adopted, would simply put reorganization upon the basis of every other piece of legislation. The President recommends to us day by day legislation which he favors and we then pass upon it.

I am not clear why there should be any difference in reference to reorganization. I do not think it is a sound, complete criticism of a reorganization bill that we ask the President to make a recommendation to us, as he does in reference to the Army, in reference to the Navy, in reference to our currency, in reference to agriculture, and in reference to every other thing that comes before the Congress. In those respects the President exercises his constitutional function to make recommendations to us. In this measure we seek to do something different—to delegate authority, and to tie our hands to pass upon the result of the delegation.

It seems to me Congress could well work out a plan of reorganization; but we have not done it. We say to the President, "You work it out"; and the President says, "You give me the authority, and I will work out the details." Apparently, there never has been a willingness on the part of the Executive or of the Congress to work out a practical, detailed plan of reorganization; but we are arguing back and

forth as to who is to do it.

Mr. KING. Mr. President, will the Senator yield?

Mr. ADAMS. Yes.

Mr. KING. Let me say to the Senator that which he already knows—that under the Bureau of the Budget bill, passed away back in 1922, the President was given unlimited power to organize and reorganize many of the branches of the Government. He has failed to do so, but he still has that power. I do not know why we should accord to him a disposition to do more in the future, when he has failed to exercise the authority which has been given to him in the past.

Mr. ADAMS. I will say to the Senator from Utah that the President has had the opportunity, and Congress has had the opportunity, and we have both failed. In other words, we all say that reorganization is desirable, but we do not set about doing it; and there are very practical reasons why we do not do it. If we set about a wholesale reorganization,

we bring in enough bureaus and enough outside influences to destroy every effort we make.

Congress naturally wants to put the burden back on the Executive, because, if we cut out the functions or the personnel of a bureau, down upon us come all the friends of the bureau; but I think we ought not to shirk our burden.

I do not think it is an answer to the need for reorganization for us to ask that authority be finally left in the Congress to assume the burden. We cannot delegate the power to pass legislation. There is no way in which we can do that. Bills which we pass, conferring powers upon the Executive, are sustained only when we lay down the rule that is to be applied. We cannot validly delegate the power to reorganize, any more than we can delegate to the President the taxing power.

We might say in an act of Congress, "The President of the United States shall levy such taxes as he thinks are in the public interest, and when he submits his tax measure to Congress it shall become effective unless by a concurrent resolution of both Houses it shall be disapproved"; but no one would contend that such a measure would be valid, because we cannot escape our responsibility. So, if we are not only going to give the President the power but are going to ask him to make a recommendation, I do not like to see us tie our own hands. I doubt if we can do it effectively.

Within the past few weeks we enacted a law in which we said to the President, "If you find certain things, we invite you to make a recommendation for the appropriation of additional money." The President did not wait long to take advantage of the invitation to make the request. If he has a definite plan for reorganization, I suggest that he set about doing greatly needed things. I am anxious to go ahead and have a reorganization which will be effective in increasing the efficiency of our governmental agencies, in reducing personnel, and in reducing expenses; and I am sure a majority of the Senate and of the House will sustain any reasonably fair reorganization plan. Apparently, by reason of numbers, we lack the ability to work out the details; but for that reason should we shirk the responsibility?

So, personally believing in reorganization and believing in the good faith of the Senate, I expect to vote for the Wheeler amendment if that shall be brought up first; and I shall then vote to leave to the President absolute and complete power, and cut out all of the exemptions from his recommendation

Mr. LEWIS. Mr. President, I summon the able Senator from Colorado to reflect upon his observation to this extent: If there should be carried out the intimation made by the Senator from Montana [Mr. WHEELER], and other Senators on the floor, including the Senator from Colorado, that the President should at once send down his designation of what bureaus are to be merged out and what particular ones are to take their places as substitutes, promptly what would arise? There would arise what heretofore arose in a similar case: Eminent Senators on this floor would promptly rise to accuse the President of the United States of seeking to make a dictator of himself. It would be said that he assumed to direct what should be done when he knew that it was the duty and privilege of Congress to do it. It would be said that he was seeking to usurp the functions of the Senate; that he was seeking to subordinate Congress, and seeking to constitute himself the supreme dictatorial power. That is the form of utterance which would come if such suggestions as the able Senators have made should be followed by the President of the United States.

Mr. MINTON. Mr. President, will the Senator yield?

Mr. ADAMS. I will yield in a moment, if the Senator will pardon me. I think the answer to the able Senator from Illinois is that it is not the President of the United States who is seeking to usurp powers. It is the Congress that is seeking to give him certain powers. The question we are discussing is, What powers we are going to give the President, whether or not we propose to make him a dictator; not that he proposes to assume authority, but what are we going to do? Are we going to delegate our authority or are we going to abdicate it? That is all that is involved in this matter.

Mr. WHEELER. Mr. President, will the Senator yield?

Mr. ADAMS. I yield to the Senator from Montana.

Mr. WHEELER. Of course there is nothing in any statement made by the able Senator from Colorado, or by me, which would indicate that we thought that anything the President was doing, or that anyone was seeking, was designed to make him a dictator. There is no intimation of that kind; and it seems to me unfortunate that we cannot legislate upon the floor of the Senate without that charge being brought into the matter in one way or another.

What we are now asking is that the Congress of the United States act in accordance with the Constitution of the United States. We are asking only that Congress legislate in the manner provided by the Constitution. I submit to the able Senator from the State of Illinois that when any lawyer who looks into the question will say, as Attorney General Mitchell said when President Hoover's bill was under consideration, that if the power is retained in one branch of the Congress to kill legislation by voting against it, such a course is unconstitutional. Legislation delegating legislative powers to the President is unconstitutional. And that is what we are doing-delegating to the executive branch of government the power to abolish functions of office and repeal laws, and then say that if one branch of the Congress approves the President's action and the other branch does not, it shall become the law. What lawyer upon the floor of the Senate will rise in his place and say that that would be constitutional? The fact that we con-demn that practice on the part not of President Roosevelt but of any President of the United States, whoever he may be, and say it is unconstitutional, furnishes no ground for saying that we charge any President with wishing to become

As I understand, the President is not asking for this legislation. This is legislation which was drafted in the House of Representatives and by that body sent over here. I submit that it is unconstitutional and is contrary to every fundamental principle of American Government.

Mr. LEWIS. Mr. President, the Senator from Montana forgets, I dare say, in the pressure of things occurring intermediately, what were the exact charges made against the President when the previous measure called the reorganization bill was pending in this body. The able Senator from Montana will not forget his own utterances, and the fears expressed on his own part and on the part of others that the President, in assuming to put this department and another department together and turn them into one, was creating for himself a power which gave to him peculiar arbitrary rights which were in violation of his own rights and those of the Senate of the United States.

Mr. WHEELER. I have never made the statement upon the floor of the Senate—

Mr. LEWIS. Where did the Senator make it?

Mr. WHEELER. I have never made the statement, either on the floor of the Senate or off the floor of the Senate, that the President of the United States was seeking dictatorial powers. I appreciate the fact that some Senators tried to put those words in my mouth, but never at any time have I said that; and I challenge the Senator to go back and read the Record and find any such utterance on my part.

Mr. LEWIS. If the Senator says so, I take his word, of course.

Mr. WHEELER. I challenge the Senator to go back and read the Record and find any place where I ever made the statement that the President of the United States wanted to become a dictator. I did say, and I repeat, that the people of the United States are jittery. I did say that we have given the present President of the United States more power that we have ever given to any other President in peacetimes. I did say, and I repeat, that the Congress of the United States ought to exercise its functions under the Constitution as the forefathers drafted the Constitution. We ought to have the intestinal stamina to stand up here and say that we can legislate. How can we expect the people of the State of Illinois, or the people of the State of Michigan, or the

people of the other States of the Union, to trust parliamentary government if we ourselves assert that we cannot trust

ourselves to legislate honestly?

Mr. LEWIS. What is all this talk I hear, this contradictory palaver around me constantly, assuming that the President is usurping something, always assuming that he is doing something offensive to the Constitution? It is asked Why does he not choose the executive departments he asks to have consolidated and those he asks to have abolished and send the list to the Congress? This has been constantly asserted, and now it is asserted that if he did so, he would be wholly within his rights, after he has been condemned completely because it is assumed he should have done so.

Mr. WHEELER. Let me say to the Senator that we stand on the floor of the Senate and say to the executive branch. "If you want some legislation, why do you not send a message to Congress and state what you want? Why do you not send your recommendations here?" The President has sent his recommendations to Congress upon every piece of legislation, practically, which he has desired. No one has criticized the President of the United States for sending recommendations to Congress. On the other hand, some Senators have stood on the floor of the Senate and criticised the President because legislation was drafted in the executive department of the Government. I have never been one of those. I say that it is perfectly proper for the executive department of the Government to draft legislation, and that they should send their proposals to the Congress. I do not condemn the executive branch for doing that. I do not condemn the President for doing it. I condemn any weak-kneed Senator who has not the intestinal stamina to stand up, if he disagrees with the executive department, and say to the President of the United States, to Mr. Ickes, to Mr. Wallace, or to any other officer, "I disagree with you." If at any time I have denounced, it has been a denunciation of the Congress itself because of its spineless attitude in voting as "yes" men for every piece of legislation, fearful, as some Members of Congress have said, of losing their patronage.

Mr. LEWIS. Then we have before us-

Mr. ADAMS. Mr. President— Mr. LEWIS. I beg the Senator's pardon.

Mr. ADAMS. I had the floor, and I desire to make an observation or two; then I shall be glad to yield.

Mr. LEWIS. I pause to hear the observation addressed

particularly to myself.

Mr. ADAMS. I did not have in mind to direct an observation entirely to the Senator from Illinois, except, if I may, I did want to point out that the Wheeler amendment, which is now on the table, and which can be taken up later, goes beyond the bounds the Senator from Montana is suggesting. We have not in that amendment reserved to ourselves full legislative control.

I have not read the Wheeler amendment for a year, but, as I recall, it provided that when the President sent a reorganization plan to Congress the only right to vote which Congress would have would be "yes" or "no" on the plan as a whole; that Congress would surrender its right to make amendments; and, more than that, that we would bind ourselves to take a vote within a very limited time; and, in the Wheeler amendment, we would be going beyond any legislative proposal that ever came out of this body when we permitted the President to send us a measure which we took as it was, without change, or rejected it without change.

It seems to me that we would be going a long way in the Wheeler amendment. To say that the Wheeler amendment merely gives to the President the right to make recommendations is not accurate. It gives him power to submit a plan. which may be comprehensive and inclusive, and leaves us without any right to include anything in the plan or exclude anything from it.

One further observation, corroborating what the Senator from Montana has stated: I happen to be one of those who have never denounced on the floor of the Senate anyone who does not happen to follow my line of thought. I have never criticized the President of the United States. I have never said anything about dictators. If I have any criticism-and it is not really criticism but comment-it is that Congress has the right to do as it pleases. The powers which the President of the United States enjoys, with the exception of very limited powers, come to him from the Congress. If we take the Constitution and scan the powers which the Constitution gives the President, we find his power as Commander in Chief of the Army and the Navy, his power to negotiate treaties, and to nominate officers; but, with very limited exceptions, every power he exercises is subject to the control either of the Congress or of the Senate.

There is not a Secretary in the President's Cabinet who does not owe his existence as such officer, and his salary, to an act of Congress. We can abolish all of the departments of the Government. Every Cabinet officer derives his position, his functions, his power, and his salary from the Congress. If Congress saw fit, it could strip the executive branch until all that remained of it was the President and the Vice President. They are the only constitutional officers in the executive branch. Whatever arbitrariness is exercised by the executive department is because Congress has vested the power and the opportunity in the Executive. Any complaint of dictatorship, of arbitrariness, is a complaint against Con-

gress and not against the President.

Mr. LEWIS. Mr. President, unless I wholly misunderstand the statement of the able Senator, it is that there is to be submitted, or it is assumed there is now pending to be submitted by the President, a proposal to amalgamate the departments as he thinks best for the service of the Government and for the purpose of reducing expenses; and, as the able Senator from Montana used as his basis, that he shall do so exercising his constitutional right. Yet, after he has done his duty as the President and exercised his constitutional right, he is to send the report of the action back to Congress under an amendment called "the Wheeler amendment" for supervision by the Congress, so that it may pass upon whether it regards his action as Presidential and discretionary. We are constantly to sit in judgment on him and take power to reverse whatever he does. Then we, the Senate, shall make suggestions and with such amendments as we desire pass the law again. Then he, the President, may veto that. Then the measure is to be sent back to us and the President's veto is to be overruled. Finally, we are to have the ceaseless cycle, heaping condemnations upon condemnations, until at the end the departments will have worn themselves out and all their salaries run for the period of lifetime before action is had, and then all is clear. This is a theory which is called "succinct," "economical," and "beneficial" to be carried out.

In the first place, I answer the Senator from Colorado. I concur with him that he does not denounce, that he proposes

wherever he can make suggestions of remedy.

In matters of finance he is literally a senatorial Euclid, who may present complete items of addition and subtraction and mathematical memoranda which I never can hope to understand. But in this other matter he has never so violated as to call for anyone's criticism, for the denunciation of anyone, or anything.

I insist now, however, that we have again this morning returned to the same ejaculations and expressions we indulged when the previous bill was before us, when everything was brought here on the theory that the President of the United States is an individual of such sinister design and dark intention and such hidden purposes that he is not to be trusted; that whatever he does he must return to Congress on the assumption that we are the sole depositories of all wisdom and virtue, and that we must pass on the wisdom of his actions or the honor of his intentions.

I say that such a method is wholly without patriotic sense. From that point of view it is not wise, it is not practical, it does not appear to me statesmanlike that a Senator should rise and say, "Why does not this man, as President, designate specifically what he wishes done in the matter of amalgamation and combination of this department and the other," and at the same time wait to say, if he should do that, that the President has committed such an offense against the Constitution, against his privilege, and in violation of the honor of his office that we should regard any action of his contemptuously, and then visit on him not only condemnation, but condemnation as one who is repudiated by the Senate as wanting in capacity and lacking in a sense of the dignity of his office.

That sort of thing we condemn. If we trust the President, say so, and do so. If we do not trust in him, let us say so, and not send the matters to him, but dispose of them completely in this body. If the President cannot be trusted in the discharge of his constitutional duties, let us withdraw him from cooperation in this task. Let us trust with confidence something to him, as he trusts us to perform our duties. It is that which I wish to press upon this honorable body as worthy of our present and great consideration.

Mr. ADAMS. Just one word more, Mr. President. In the matter of trust, the question is, Do we trust in the soundness of the Constitution of the United States? Do we believe in

the processes of government there laid down?

A legislative body is, as we see day by day, somewhat crude in its methods. We have difficulty in working out detailed legislation on the floor of the Senate, but in the final analysis we speak the voice of the people who sent us here, and it is the process of difference, of dispute, and of consideration, which ultimately results in making of the Congress of the United States the honest spokesman of the opinions of the people of the United States, crude and cumbrous in its processes, with no comparison in efficiency and in expedition with the executive branch.

Mr. WHEELER. Mr. President, the Senator from Illinois is a very able and distinguished lawyer.

Mr. LEWIS. I will not dispute that. [Laughter.]

Mr. WHEELER. I knew the Senator would not. He does not have to dispute it; he can admit it. I merely wanted to say to the Senator that if he will later, in the calm of his office and surrounded by his lawbooks, review the speech which he has just made, he will want to change it before he puts it into the Congressional Record, because, followed to its logical conclusion, his argument would be that if legislation is recommended and sent to Congress by the President and the distinguished Senator from Illinois disagrees with it, he, by that action, is saying to the country, "I do not trust the President of the United States."

Let me call the Senator's attention to the fact that other legislation which is advocated by the President of the United States is upon exactly the same basis as is the reorganization bill which has been recommended to the Congress. When Senators violently disagreed with the President with respect to some vital legislation which I proposed at the request of the President of the United States, and battled through the Senate, the Senator never heard me say that any Senator who disagreed with the President did not trust the President of the United States. An effort is now made to draw a red herring across the trail by saying to anyone who votes his convictions upon this matter and complies with the Constitution, "You do not trust the President of the United States."

I think the Senator from Illinois will want to amend his remarks when he comes to read them, because I believe that, able and learned as is the distinguished Senator, he does not wish to impute to any Senator, Democrat or Republican, that he does not trust the President of the United States merely because he votes against him or votes contrary to his views upon some legislative proposal.

Mr. President, since when has it come to pass in the United States Senate that a Senator cannot vote his convictions without the charge being made that he does not trust the President? It seems to me it is beneath the dignity of any Senator to make such a statement. If he will look at the record he will find that when it comes to progressive legislation I have as consistently voted with the President and with the present administration as has almost any other Member of the United States Senate. I resent the charge which is made that I do not trust the President of the United States. The Senator from Illinois entirely misconceives the legislation that is pending before us when he makes the statement he has made. I am sure that on

reflection, and upon a reading of the bill, and a reading of my amendment he will change his remarks in the RECORD.

Mr. LEWIS. Mr. President, there is no observation here made by me——

Mr. WHEELER. Mr. President, I still have the floor.

Mr. LEWIS. I beg the Senator's pardon. I thought the Senator turned to me and asked me respecting my correcting my statement.

Mr. WHEELER. I shall be glad to yield to the Senator from Illinois.

Mr. LEWIS. I will say there is nothing being stated about the legislation which comes from the President. There is nothing being said about the President sending down some recommendation of his for legislative action. I am referring, and specifically so stated, to the fact that the privilege is his under the Constitution to merge departments and agencies, and if he cares to undertake it, to do so on his own volition, or if he cares to do it by way of recommending that we do so by legislation, that is his privilege. But when that is within his power, when this body passes an act authorizing him to carry out that purpose, and when he does so and we require that he shall send his action back for our superior judgment, we reflect upon his action in a way that is unworthy, because that is not the tender of legislation. We would thereby propose to review his executive acts as President of the United States, performed within his power under the Constitution. That is the point and the distinction I make, I will say to the Senator from Montana.

Mr. WHEELER. Mr. President, it is a distinction without a difference. I am amazed that the Senator from Illinois would stand on the floor of the Senate and say that it is part of the executive duties of the President of the United States to merge the various agencies or other branches of the Government. The Congress of the United States created those branches. It was the Congress of the United States, not the President of the United States, that created the Forestry Service. It was the Congress of the United States that created the W. P. A. It was the Congress of the United States that created every single bureau, and not the President of the United States. Consequently when the question arises of repealing the laws creating those agencies, it is the duty of the Congress of the United States, as the representative of the sovereign people of this country, to say whether or not

those laws shall be repealed.

Mr. President, the statement has been made that Congress cannot do the reorganizing. The only excuse for turning over to the President the matter of reorganizing the Government departments is that Congress cannot do its duty under the Constitution, that Congress is impotent, that Congress cannot be trusted.

Mr. President, we are not saying to the President, "We want to interfere with you," or "We do not trust you." But we say to him, "Neither you nor any other President of the United States can possibly understand all of the problems that affect the West." The President of the United States cannot possibly understand some of the problems that affect some other portions of the United States.

Mr. President, who is going to do the reorganizing? Does the distinguished and able senior Senator from Illinois for one moment think that the President of the United States is going to sit down in the White House and work out the details of the reorganization plan? Certainly not. Who is going to do it?

Mr. LEWIS. After the legislation is passed by the Congress authorizing the President to reorganize the Govern-

ment departments it becomes his duty to do so.

Mr. WHEELER. The Senator knows the President of the United States himself cannot do it. There is no Senator who does not know that it would be a physical impossibility for the President, with all his other duties, to sit down and work out the details of a reorganization plan. To whom must it be delegated? It must be delegated to the same committee to which he delegated it before, or to some clerks in the departments, or some other men, and they will do it. If the President sends in a comprehensive plan, he will not

be able to read the whole plan. He cannot study and fully comprehend all the details of reorganization any more than he can fully understand and thoroughly examine the details of legislation which is sent here. It is a physical impossibility for any President to do it. And the distinguished Senator from Illinois, with his long and useful service in the Senate and in the House of Representatives, must know that that statement is correct.

Consequently we are not saying to the President of the United States, "We do not trust you," but we are saying to some little fellow in one of the Departments, "If you want legislation enacted to place the Forest Service in the Department of Agriculture, the Congress must approve it. The people in my State would say, 'We do not want that done, because we know how such a reorganization will affect us.'" If the House, with few Members representing such people, approves it, there is nothing I could do.

Mr. President, the House of Representatives contains relatively few Members from the West, as compared with the East. Let us assume that a request is sent to the House to abolish the Reclamation Bureau. We do not believe such a request will be made, but it could be made under the provisions of the pending bill. It might be said, "We want to abolish the Forest Service." We do not think any Government officials are going to do it, but they might want to do it. Or they might place the Forest Service under Mr. Ickes. Every stockman, every cattleman, and every farmer in my section would protest violently against such action. The House of Representatives might say, "We are in favor of it."

It would come over to the Senate, and a considerable number of Senators might vote against it, because there are relatively more Senators from the West in the Senate than there are Representatives from the West in the House. But the provision would still become the law, and our protest would not be heeded, our people would have no voice as to what should be done with reference to the legislation. That would be legislation with respect to a bureau which the Congress of the United States of America has created, a bureau which the President of the United States has not created.

Mr. President, it seems to me the idea, upon its face, is preposterous.

Mr. BARKLEY. Mr. President, we have gotten away from the matter which is pending in order to debate an amendment which seems to be in the offing.

Mr. WHEELER. That is true.

Mr. BARKLEY. But inasmuch as a constitutional question has been raised as to the power of the Congress to delegate to the President the right to reorganize the executive branches of the Government subject to a veto of Congress, I wish merely to observe that we have time and time again constituted the President as the agent of Congress to execute some duty that might be legislative in a sense. Congress can undoubtedly reorganize the departments; that is, it can legally do it. It has created them. If when it created separate agencies it had located them in some department, we probably now would not be confronted with the confusion and the chaos of duplication and all the difficulties that bring this proposed legislation to the floor.

What is the constitutional difference between delegating to the President the authority to regroup or transfer the agencies that we have created, and the passage of a law providing for a certain number of public buildings in the United States, and authorizing the President to determine

where they are to be located?

In former days Congress, by what the Senator from Nebraska [Mr. Norris] this morning referred to as the old "pork barrel" method, provided in legislation the location of post offices and other public buildings. Finally, years ago Congress decided not to do it in that way. It provided for buildings. It made the appropriation, but it delegated its authority to locate those buildings to the President of the United States. No one has questioned the constitutionality of that delegation any more than now is questioned the delegation to the Interstate Commerce Commission of the

authority to make rates which Congress constitutionally and legally can do, but physically and politically cannot do.

Wherein lies the difference between making the President our agent to shift one bureau from one department to another, or to take into some department those that are floating around, like Halley's comet, all tail and no head, and authorizing him to do all the things we authorize him to do in the construction of public buildings, whether under the P. W. A., the W. P. A., or the annual appropriations we have provided for the construction of public buildings, wholly Federal, all over the United States? We have done the same thing as to flood control. We have passed flood-control bills authorizing the President, out of the funds appropriated, to decide where the flood-control devices shall be located and which shall have priority over the others. In a sense, those are legislative matters. Congress could have specified all the details in the act, but it did not see fit to do so. It delegated administrative authority to the President to decide the details. Wherein lies the difference?

Mr. WHEELER. I am very glad indeed that the Senator called my attention to that situation, because I think there is no doubt in the world that we have authority to delegate to the President of the United States, if we desire to do so, the power to shift bureaus back and forth. I say that fundamentally we should not do it. However, we have the authority to do so.

Mr. ADAMS. Mr. President-

Mr. WHEELER. If the Senator will pardon me, I shall be glad to yield in just a moment. However, when we say to the President, "You may abolish functions of office," we give him authority to repeal any law which we have placed upon the statute books.

Mr. LEWIS. Mr. President, that is not the issue before us. Mr. WHEELER. I said to the Senator a moment ago that if he had read the bill he would not have made the argument which he did make.

Mr. LEWIS. I am referring to the amendment of my friend.

Mr. WHEELER. I will call the Senator's attention specifically to the bill, so that he will understand it. At the last session of the Congress the Senate took out of the bill the power to abolish functions of office. In the pending bill it is proposed to put it back. In the last session of the Congress the Senate said, "We will not give the President the power to abolish functions of office, or to create new functions of office." In the pending bill it is proposed to grant that power.

Mr. ADAMS. Mr. President, will the Senator yield?

Mr. WHEELER. I yield.

Mr. ADAMS. I wish to venture a word as to the two analogies submitted by our distinguished majority leader.

With respect to public buildings, Congress appropriates a certain sum of money. However, Congress does not appropriate a lump sum of money for the heads of the departments to construct any building they please. Congress specifies the localities in which the buildings may be erected, and the amount that may be spent on each of them. What Congress does is to establish a list of public buildings, which is a larger list than the money will cover, and to say to the Secretary of the Treasury and the Postmaster General, "You may select public buildings from the approved list."

In the matter of flood control the same situation exists. A lump sum of money is appropriated, but it may be expended only upon projects which are approved by Congress. A flood-control bill contains a specification of individual projects and their costs.

Mr. WHEELER. I thank the Senator.

When we come to certain other Federal functions, speaking of the Tariff Commission or of the Interstate Commerce Commission, those are specific arms of the legislative branch of the Government. They are not arms of the executive branch of the Government. So I say to my distinguished leader that there is a vast difference between the functions of an arm of the legislative branch of the Government and those of an arm of the executive branch of the Government.

Let us lay aside entirely the constitutional question. Is the Congress of the United States impotent to act? I think

we ought to answer that question. When I find myself in disagreement with the learned Senator from South Carolina [Mr. Byrnes], I always doubt the correctness of my view, because he is so often correct. However, when he stands before the Senate and says that we cannot act, we cannot legislate, I ask, "What are the people in Europe fighting for at the present time?" We are told that they are fighting over ideologies. They are fighting over the question whether more power shall be given to the executive branch of the Government, or whether parliamentary government shall be preserved. People are giving their lives over that kind of an ideology. What do we find down through Anglo-Saxon history? The fight that has been made from the beginning of Anglo-Saxon history has been in behalf of retention of power by the parliaments. If we take the history of Norway, Sweden, and the other Scandinavian countries, what do we find? We find that the fight that has been going on from time immemorial is the fight over the question whether or not the power of the king shall be taken away. When the power of the king was taken away, I have no doubt that some who were subservient to the king stood on the floor of the parliament and said, "You do not trust the king, and so you want to take away this little power and that little power until finally you have a democracy."

The whole course and trend today in Europe, and the whole trend in the United States of America, is towards giving up parliamentary government and turning the power over to the executive branch of the government. I say that such a trend is wrong, and as long as I remain in this body I shall continue to fight that sort of thing, regardless of whether or not I am charged with not trusting the President of the United States.

Mr. LEWIS. Mr. President, will the Senator permit me to ask him a question?

Mr. WHEELER. Certainly.

Mr. LEWIS. Would the Senator say that if the Constitution of the United States vests a certain power in the President, and he proceeds to execute it, in that respect it is not his right to do so? Is not such a power a direct gift from the people themselves? It does not come from legislation; nor can legislation take it away from him.

Mr. WHEELER. The Senator is asking me whether or not it is a violation of the Constitution for the President of the United States to exercise a power granted to him. Of course it is not a violation of the Constitution, but will the Senator point out to me where in the Constitution of the United States the President is granted the power to abolish the functions of offices created by the Congress of the United States? Where in the Constitution is there a provision that the President of the United States has the right to repeal laws placed upon the statute books? Where has he the right under the Constitution to shift around bureaus which are created by the Congress of the United States?

Mr. LEWIS. Where is there any effort on his part to assume to do so?

Mr. WHEELER. There is none.

Mr. LEWIS. Then where is the foundation of the condemnation of assumptions of actions which have never transpired?

Mr. WHEELER. None, except as the Senator is trying to

Mr. LEWIS. Why does the able Senator assume a condition and give it out to the world as an offense that the President is about to commit, and state that for that reason he will stand in this body as the one great guard at the bridge, to guard against the invasion and destruction of the country by the individual called the President of the United

Mr. WHEELER. After I listened to the discourse by the Senator from Illinois, I thought it was necessary to make that kind of a statement.

Mr. RUSSELL. Mr. President, some of us who are very anxious to go along with the Senator from South Carolina and the committee with respect to the amendments have very grave doubts as to the advisability of striking the United States Employees' Compensation Commission from the exempted class. I understood the Senator from South Carolina to say that no great economy would be effected one way or the other. I wonder if the Senator would not be willing to withdraw his insistence on this amendment, in order that we may make progress with the bill.

Mr. BYRNES. Mr. President, I said several times that I did not believe that any great economies could be effected. I do not know that the United States Employees' Compensation Commission will ever be touched by any reorganization plan. I had no idea that the subject would provoke 2 hours of discussion. Of course, the discussion has not been on the amendment. The discussion has been on another feature of the bill.

I must admit that I am extremely eager to answer about a dozen statements of the distinguished Senator from Montana [Mr. Wheeler]. Of course, the time to answer them is when an amendment is pending relevant to the subject. I will agree to ask that this particular amendment be rejected.

The PRESIDENT pro tempore. The question is on agreeing to the committee amendment, on page 3, line 18, striking out "the United States Employees' Compensation Commission."

The amendment was rejected.

The PRESIDENT pro tempore. The clerk will state the next amendment passed over.

The next amendment passed over was, in section 3, subsection (b), on page 3, line 19, to strike out "United States Tariff Commission.'

Mr. KING. Mr. President, the bill as it passed the House included the United States Tariff Commission as one of the agencies which should not come under the provisions of the bill for reorganization. The Senate committee amended the House provision by striking out, on page 3, lines 19 and 20, the words "United States Tariff Commission."

I have prepared an amendment striking out the Senate committee amendment. I have conferred with the Senator in charge of the bill and am advised that he will ask that the Senate committee amendment be rejected. Anticipating that there might be some opposition to my amendment, I have prepared a statement in support of my amendment referring to the duties and responsibilities of the Tariff Commission and the absolute necessity, if it is to be maintained, of keeping it as an independent body. In view of the assurance I have received that the committee amendment will be rejected, I shall not take the time of the Senate to make the statement which I have prepared, but I ask that it be inserted in the RECORD as a part of my remarks.

The PRESIDENT pro tempore. Without objection, the statement may be printed in the RECORD.

The statement is as follows:

As the bill passed the House subsection b of section 3 of part I, title I, exempted the United States Tariff Commission from the agencies which the President might reorganize under the bill.

The Senate Reorganization Committee now proposes to treat the Tariff Commission as one of the agencies the President may reorganize under the bill. The Tariff Commission should not be included in the plan for reorganization and therefore should be specifically exempted by name in subsection b of section 3 of part I, title I, as is provided for in the bill as it passed the House.

Certainly the Tariff Commission is one of the independent agencies of the Government that Congress should maintain as independent as possible. The maintenance of its independence is essential to the accomplishments of the purposes for which it was organized. Without that independence it might as well be abolished entirely.

polished entirely.

Before the establishment of the Tariff Commission, the Congres Before the establishment of the Tariff Commission, the Congress was generally dependent upon interested parties, or upon political sources, for information with respect to tariff questions. In order to remedy this situation, the Tariff Commission was created in 1916 for the purpose of providing the Congress with a source of authentic foreign trade and tariff information. Since its establishment, the Tariff Commission has functioned continuously as an analysis of the company observed with the duty of secretaring and ment, the Tariff Commission has functioned continuously as an independent agency charged with the duty of ascertaining and reporting directly, without the intervention of any political officer, to the Congress and to the President facts regarding the operations and economic effects of our commercial policies and tariff laws and pertinent facts concerning proposed changes therein. On a subject so highly complex and so much a matter of sectional and party controversy as the tariff, it is essential that the fact-finding body shall be as nonpartisan, unbiased, and as independent as it can be made. It was from a realization of this that the Congress provided that the Tariff Commission, unlike any other governmental board, be composed of an even number of members and that not

more than half of them be members of the same political party. If the Congress desires to be assured of a source of objective data and independent judgment on questions of foreign trade and tariff policy, it would seem essential that the Tariff Commission be continued as an independent agency.

As an extension of its fact-finding functions, the Commission, under the so-called flexible tariff provision (sec. 336 of the Tariff Act of 1930), "finds" differences in costs of production and in doing so exercises independent judgment and discretion in passing upon difficult questions of cost determination which at the same time involve important questions of public policy. Examples are decisions as to comparability of foreign and domestic products, as to methods of cost allocation, and cost averaging, and as to the selection of markets to be used in computing transportation costs. With respect to findings under this section, the President has only the power of approval or disapproval.

In addition, the Commission has certain functions which are formally quasi-judicial in character. Under section 337 of the Tariff Act of 1930, prohibiting unfair methods of competition in connection with imports, the Tariff Commission acts in a quasi-judicial capacity and its findings, before going to the President, are subject to review on questions of law by the United States Court of Customs and Patent Appeals. Its findings on questions of fact, if supported by evidence, are conclusive.

In my opinion, the authority should not be given to transfer the Tariff Commission to the State Department, the Department of Commerce, or the Department of the Treasury and put it under someone in one of those agencies. To do so would destroy the Tariff Commission and its usefulness to the Congress. Its reports would then be considered to be biased and partial to the policies of the particular political administration in power, and they would be opposed by all of those who are opposed to those policies. With six members of the Commission, not more t used with certainty that the full facts have been stated without bias or partisanship. If there is a difference both sides may state their positions in a report and, consequently, the full facts are bound to be reported and made a record of. Therein lies the special value of the strictly bipartisan independent Tariff Com-

Furthermore, a brief analysis of the functions of the Tariff Commission will show that it has not been itself a general regulatory authority and, with one exception, section 337, does not exercise quasi-judicial functions. Therefore, no need exists for takcise quasi-judicial functions. Therefore, no need exists for taxing from the Commission any of its administrative functions and, in particular, the control over the selection and promotion of its personnel. Furthermore, the analysis will also show that such a course would seriously impair the usefulness of the Tariff

Commission.

Section 337 of the Tariff Act of 1930 which is still in effect, authorizes the Commission to investigate unfair acts or practices in importation and sale of commodities. The functions the Commission under this section are quasi-judicial. The Commission makes findings of fact and law, and its findings of fact, and law, and its findings of fact, and law, and its findings of fact.

mission makes findings of fact and law, and its findings of fact, if supported by evidence, are conclusive. Its findings on questions of law alone are reviewable by the Court of Customs and Patent Appeals. The work of the Commission under all other sections of law is essentially fact-finding. The Commission is essentially a research body, finding the facts, and reporting those facts fully, frankly, and without bias or partisanship.

The Commission is primarily an agency for the collection of reliable and unbiased information that is needed for a full objective consideration of tariff questions. Although the mere existence of a vast body of factual data is not a guaranty that all tariff action will be determined on a factual rather than a political basis, it is certain that without such information the Congress in adopting legislation, and the President in exercising the authority granted him regarding tariff matters, will be deprived of the best means of judging the merits of various proposals for tariff changes and the merits of information submitted in relation thereto by pressure groups.

Facts relative to tariff making, in order to be of use to the

Facts relative to tariff making, in order to be of use to the President, to the Congress, and to the public must fulfill the following requirements:

(1) The data must be gathered and developed impartially. The reports of the Tariff Commission have earned a high reputation in this respect; the public and all political parties have confidence in them not only because of the bipartisan membership of the Commission but also because of its nonpolitical and objective approach to tariff questions and because of the caliber, training, and experience of its economic, technical, and statistical staff.

and experience of its economic, technical, and statistical staff.

(2) It is not sufficient merely to gather facts; they must be interrelated so as to show in their proper perspective the various factors affecting the competition between imported and domestically produced commodities. Other governmental bodies gather some of the data pertinent to tariff problems, but none of them is equipped to present the data in such a way as to throw light on the various elements entering into this competition. To do that is the special province of the Tariff Commission. It uses all the official statistics of the Departments of Commerce and Agriculture and the Census Bureau, but uses them only as a starting point in its analytical studies. Nearly always it finds it necessary also to obtain special information on its own initiative by field work and by questionnaire. In this way it obtains data as to costs, prices, and many aspects of the competitive situation.

The objective analysis of problems as complex as those which relate to tariffs involve a steady succession of qualitative judgments. If these judgments are made on a thoroughly disinterested basis and if the facts are fully developed and interrelated by experienced and competent analysts, the conclusions usually are unmistakable. The unprejudiced and sound exercise of these judgments requires a board rather than an administrative head of the organization and a nonpartisan composition of that board.

Whatever party and administration may be in power, and what-

Whatever party and administration may be in power, and whatever may be the future vicissitudes of tariff policy, there will be no lessening of the need for a reliable and an unbiased factual basis for tariff making.

Mr. BYRNES. Mr. President, I desire to ask that the pending amendment be rejected.

The PRESIDENT pro tempore. The question is on agreeing to the committee amendment, on page 3, line 19, striking out the "United States Tariff Commission."

The amendment was rejected.

The PRESIDENT pro tempore. The clerk will state the

next passed-over amendment of the committee.

The next amendment of the Select Committee on Government Organization was, on page 3, line 22, after the word "Board", to insert "the Federal Deposit Insurance Corpora-tion, or the Board of Governors of the Federal Reserve System."

The PRESIDENT pro tempore. Without objection, the amendment is agreed to.

Mr. TAFT. Mr. President

The PRESIDENT pro tempore. Does the Senator from Ohio desire to address himself to the amendment last stated? Mr. TAFT. No; I have an amendment of my own that comes in at this point.

The CHIEF CLERK. The next amendment of the committee

is on page 4

Mr. McNARY. Mr. President, would it not be better if we should, after completing the consideration of the committee amendments to subsection (b), consider all individual amendments to that subsection? I ask the Senator from South Carolina if he would have any objection to such procedure?

Mr. BYRNES. The only objection is that there are a number of amendments, and it will be sought to exempt practically every department. I thought we could dispose of the committee amendments in a very short time and then could recur to subsection (b).

Mr. McNARY. Very well.
The PRESIDENT pro tempore. The clerk will state the next amendment passed over.

The CHIEF CLERK. In section 24, page 11, line 17, after the words "limited to", it is proposed to strike out "20 minutes" and insert "not to exceed 2 hours", so as to read:

(a) If the committee to which has been referred a resolution with respect to a reorganization plan has not reported it before the expiration of 10 calendar days after its introduction (or, in the case of a resolution received from the other House, 10 calendar days after its receipt), it shall then (but not before) be in order to move either to discharge the committee from further con-

order to move either to discharge the committee from further consideration of such resolution, or to discharge the committee from further consideration of any other resolution with respect to such reorganization plan which has been referred to the committee.

(b) Such motion may be made only by a person favoring the resolution, shall be highly privileged (except that it may not be made after the committee has reported a resolution with respect to the same reorganization plan), and debate thereon shall be limited to not to exceed 2 hours, to be equally divided between those favoring and those opposing the resolution. No amendment to such motion shall be in order, and it shall not be in order to move to reconsider the vote by which such motion is agreed to or disagreed to.

The PRESIDENT pro tempore. The question is on agreeing to the amendment just stated.

The amendment was agreed to.

The PRESIDENT pro tempore. The clerk will state the next amendment passed over.

The CHIEF CLERK. In section 25, page 12, line 14, before the word "hours", it is proposed to strike out "ten" and insert 'twenty", so as to make the section read:

SEC. 25. (a) When the committee has reported, or has been discharged from further consideration of, a resolution with respect to a reorganization plan, it shall at any time thereafter be in order (even though a previous motion to the same effect has been disagreed to) to move to proceed to the consideration of such resolution. Such motion shall be highly privileged and shall

not be debatable. No amendment to such motion shall be in order and it shall not be in order to move to reconsider the vote by which such motion is agreed to or disagreed to.

(b) Debate on the resolution shall be limited to not to exceed 20 hours, which shall be equally divided between those favoring and those opposing the resolution. A motion further to limit debate shall not be debatable. No amendment to, or motion to recommit, the resolution shall be in order, and it shall not be in order to move to reconsider the vote by which the resolution is agreed to or disagreed to.

The PRESIDENT pro tempore. The question is on agreeing to the amendment.

The amendment was agreed to.

The PRESIDENT pro tempore. There was an amendment proposed by the junior Senator from Virginia [Mr. Byrn] which was pending when the Senate took up the committee amendments today. The amendment offered by the Senator from Virginia will be stated.

The CHIEF CLERK. On page 1, line 7, it is proposed to strike out "The President" and insert:

The Congress hereby declares that by reason of continued national deficits, beginning in 1931, it is imperative to reduce drastically Government expenditures and that such reduction may be accomplished in great measure by proceeding immediately under the provisions of this act. Accordingly, the President.

Mr. BYRD. Mr. President, I ask unanimous consent to modify my amendment by striking out the word "imperative" and substituting therefor the word "desirable."

tive" and substituting therefor the word "desirable."

The PRESIDENT pro tempore. The Senator has the right to modify his amendment.

Mr. BYRD. Then, I desire to strike out the word "drastically" and insert the word "substantially" in lieu thereof.

The PRESIDENT pro tempore. The amendment will be modified accordingly.

Mr. McNARY. Mr. President, may I inquire what was the last request of the Senator?

Mr. BYRD. To change the word "drastically" to "substantially." I also ask to modify the amendment by changing the word "great" to "some."

The PRESIDENT pro tempore. The amendment will be modified as requested by the Senator from Virginia.

Mr. BYRD. Mr. President, the amendment, as modified, reads:

The Congress hereby declares that by reason of continued national deficits, beginning in 1931, it is desirable to reduce substantially Government expenditures and that such reduction may be accomplished in some measure by proceeding immediately under the provisions of this act. Accordingly, the President.

Mr. BYRNES. Mr. President, will the Senator from Virginia yield to me?

Mr. BYRD. I am glad to yield to the Senator from South Carolina.

Mr. BYRNES. I will say to the Senator that to his amendment as modified I have no objection.

Mr. BYRD. Mr. President, my purpose in offering this amendment is to obtain a clear declaration from the Congress that the expenditures of the National Government today are excessive and should be substantially reduced. The amendment, as modified, carries out that declaration. I ask for the immediate consideration of the amendment.

The PRESIDING OFFICER (Mr. MILLER in the chair). Let the clerk report the amendment as it now reads as modified.

The CHIEF CLERK. As modified the amendment now reads:

The Congress hereby declares that by reason of continued national deficits, beginning in 1931, it is desirable to reduce substantially Government expenditures and that such reduction may be accomplished in some measure by proceeding immediately under the provisions of this act. Accordingly, the President.

The PRESIDING OFFICER. The question is on agreeing to the amendment offered by the Senator from Virginia, as modified.

Mr. BARKLEY. Mr. President, I wish to say just a word. As offered originally the amendment of the Senator from Virginia carried with it the implication of a sort of self-condemnation on the part of Congress because none of these expenditures could have been possible without the action of

Congress. Notwithstanding the recommendations of any President, unless Congress appropriates the money the expenditures cannot be indulged in.

It seemed to me also that as originally offered the Senator's amendment carried with it a compulsory connotation that might not be possible of accomplishment. We all desire retrenchment in the expenditures of our Government. Of course, such retrenchment ought to be consistent with the efficiency of the Government. For that reason I agreed as a member of the committee to the amendment as modified by the Senator from Virginia. We all realize that it is desirable that expenses should be reduced, and while we may be too optimistic with respect to the amount of economy that can be brought about under any reorganization bill, I think we all hope that automatically very substantial economies will be effectuated. So I am glad to join with the Senator from South Carolina [Mr. BYRNES], the chairman of the committee which reported the bill, in accepting the amendment as modified by the Senator from Virginia, and I wish to express my appreciation to the Senator from Virginia for his willingness to modify the amendment.

Mr. BYRD. Mr. President, if the Senatory from Kentucky is anxious to avoid the implication that the expenditures of the Government are excessive, then my modified amendment does not do that. In fact, it specifically states that "Congress hereby declares that by reason of the continued national deficits beginning in 1931 it is desirable substantially to reduce governmental expenditures," and to this extent is a condemnation of deficit spending as authorized by Congress. I want the Senate to understand that in supporting this amendment that the Members are voting to declare that the present expenditures of the Government are excessive and should be reduced.

Mr. McNARY. Mr. President, a parliamentary inquiry. The PRESIDING OFFICER. The Senator will state it.

Mr. McNARY. Does that complete the committee amendments?

The PRESIDING OFFICER. The pending amendment of the Senator from Virginia, as modified, has not as yet been acted upon. It is not a committee amendment.

Mr. McNARY. I appreciate that.

The PRESIDING OFFICER. The Chair is advised that the committee amendments have all been acted upon.

Mr. KING. Mr. President, with reference to the observations made by the Senator from Virginia [Mr. Byrn] and the Senator from Kentucky [Mr. Barkley], may I say that this bill, if it should be enacted into law, will not, in my opinion,

Mr. McNARY. That was the nature of my inquiry

work very great economies so long as the Congress yields to the importunities, as it has done for years and is now doing, of groups and organizations in all parts of the United States to take over functions of States and municipalities and to have the Federal Government exercise a sort of omnipotent power and assume the duties of a kind of benevolent despot to rule and control all the affairs of this Republic?

I am not blaming the executive department so much for expenditures; I blame the Congress. We close our ears to appeals for economy and rush to pass laws increasing expenditures for many purposes not within the power of the Federal Government. There are bills now pending before Congress for authorizations which, together with appropriations which will be made for the ordinary expenses of the Government for the next fiscal year, will reach \$14,000,000,000 or \$15,000,000,000. Before this session of Congress adjourns I have no doubt that there will have been appropriated at least \$10,000,000,000 and authorizations amounting to three or four or five billion dollars. The fault is with Congress. The Congress is failing, in my opinion, in its duty. It is too anxious to please the people, too anxious to make appropriations for every conceivable and for many inconceivable subjects. People are rushing to Congress for funds to aid in building houses and to assist in various private activities. Many citizens are losing their initiative and those fine qualities which were the basis of the progress and development of this great Republic.

So I agree with my friend, if I understood his statement, that we will be disappointed in the economies which this bill will effectuate. The President may act as wisely and as economically and as patriotically as he desires, but we will not accomplish the objectives which we are declaring we seek when we lend ourselves to all kinds of wild and visionary schemes that demand appropriations from the Treasury aggregating, as I have said, \$14,000,000,000 for the next fiscal year.

Mr. BARKLEY. Mr. President, I wish to say a word in regard to what the Senator from Utah said a moment ago. I would be in favor of economy in the expenditures of the Federal Government even if there were no deficit. The only reason why there is a deficit is because the Congress has not raised the amount of revenue necessary to pay the expenses of our Government. But whether there were a deficit or not, I would always be in favor of reducing expenses insofar as they could be reduced consistently with the efficient operation of the Government. It may be that there have been times in the history of the country during the last 40 or 50 years when, even though the Budget was balanced and there was a surplus, the Congress could have reduced expenditures below what they were. So there is no difference between the Senator and myself as to the desirability of a reduction wherever it can be brought about without affecting the efficiency of the Government's operations.

Mr. KING. Just a word, Mr. President. If I understand my friend from Kentucky, there is an implication that we have neglected to impose taxes sufficient to bridge over the chasm which we have created by inordinate expenditures. It was only a few years ago when the revenue of the country was approximately from \$800,000,000 to \$1,000,000,000 a year. We have during the past 6 years under the present administration and during the last year or two of the preceding administration, by increasing taxes, augmented the revenues by between 500 and 600 percent. Taxes have become so heavy that individuals, corporations, and business generally have experienced a great depression and have failed to expand their activities and to increase the number of their employees in the various departments of activity in which they are engaged.

Mr. BARKLEY. Mr. President, will the Senator yield?

Mr. KING. I yield.

Mr. BARKLEY. I did not mean by my observation to criticize the Congress for not raising sufficient revenue so as to make unnecessary a deficit. I recognize that times come in the history of governments when they have to expend more than they raise in revenue, and that it would be unwise to make the burden of taxation sufficiently heavy to enable the Government at all times to meet with its revenues the expenses incurred.

Of course, in wartime we did that on the theory that the expenditures were protecting and preserving the liberties, the institutions, and traditions of our Government, which would be as valuable to future generations as they were to the generation that was alive at the time of the war. Even back before that, however, back in the nineties, it became necessary for the Government to borrow money on the theory that in the midst of a depression it was not wise to increase taxation sufficiently to enable the Government to meet its expenses, which at that time were almost insignificant in comparison to what they now are.

I am not in any sense criticizing Congress, because I think now and then there arise in all nations great crises, the solution of which is of benefit to future generations, when a part of the expense of the solution of the problem may be passed on. I am not one of those who would insist that Congress now ought to raise enough revenue to keep our expenses current and keep the Budget balanced, so long as we have an emergency the solution of which, if we can solve it, may be infinitely more valuable to those who are to come after us than to us who are alive today.

When I referred to the cause of a deficit being that the Congress had not raised enough money to pay what it had expended, I did not want the Senator to understand that as a criticism in any way of Congress for not doing so.

Mr. KING. I think I correctly understood the Senator. I am complaining of the persistent demands for the interven-

tion of the Government in matters outside of the jurisdiction of the Federal Government. There was a demand a short time ago—and it came, as I am advised, from various agencies in the executive departments—that we increase the bonded indebtedness to \$50,000,000,000, and I saw a statement from one of the most reputable of our newspaper correspondents—and they are all reputable, I may say—that we should go, or perhaps might go, to \$75,000,000,000 of public expenditures.

Demands for appropriations of such an amount are so fantastic as to receive the derision of all honest people; the figures of but \$50,000,000,000 are so excessive as to demand

opposition.

A few years ago, if anyone had suggested that the Federal Government would increase its taxes five or six hundred percent and, notwithstanding that enormous increase, would increase its expenditures from 1,000 to 1,200 percent, and would increase its national debt to forty or forty-four billion dollars, such a person would have been regarded as an enemy not only of economy but of democratic government, because these enormous expenditures, if continued, can result only in inflation, and inflation imperils, if it does not destroy, democratic government.

Mr. VANDENBERG. Mr. President, will the Senator yield?

Mr KING. I yield.

Mr. VANDENBERG. I should like to call the attention of the Senator to just two rather dramatic figures to sustain his point of view, and certainly to sustain the pending amendment.

The total cost of Federal, State, and local government in the United States in 1937 represented the equivalent of every penny of income enjoyed west of the Mississippi River; and the total cost of Federal Government represented the complete confiscation of every penny of personal income in excess of \$5,000 in the United States. We not only are in the position that the Senator describes, we not only are in need of the pious declaration contained in the pending amendment, but we are very definitely in need of doing something about it, instead of merely talking about it.

Mr. KING. Mr. President, I recall some of the figures

Mr. KING. Mr. President, I recall some of the figures mentioned by the Senator from Michigan, and he has not exaggerated the situation. The burden of taxation last year imposed by the Federal Government, the State governments, and the subdivisions of the States, amounted to approximately 25 percent of the gross income of all the people of the United States. The gross income was substantially \$60,000,000,000, and 25 percent of that was taken from the people for the purpose of meeting the expenses of our various governments.

Mr. BYRD. Mr. President, will the Senator yield?

Mr. KING. In just a moment. This year, in my opinion, the governmental appropriations will call for 30 percent of the gross income of all the people of the United States.

I now yield to the Senator from Virginia.

Mr. BYRD. The Senator has made the point I intended to make—that the actual expenditures of government now are 30 percent of the total earnings of the people of the United States.

Mr. BARKLEY. The Senator now is referring to all governments?

Mr. KING. Yes; I stated that I referred to the National Government, the State governments, and their political subdivisions. But the expenditures of the National Government—which will this year, in my opinion, be approximately \$11,000,000,000—are a large part of the gross income of the people of the United States.

I am merely protesting against the failure of Congress to do its duty. We respond to the demands of the executive departments, and every executive department is asking for increased appropriations. I have examined the hearings of every subcommittee of the House Committee on Appropriations, and the hearings of the various subcommittees of the Appropriations Committee of the Senate this year; and I am within the bounds of accuracy when I say that substantially all witnesses who testified asked for increased appropriations.

I do not recall that any Members of either branch of Congress appeared as witnesses to oppose appropriations. Most of the testimony was given by persons in the executive departments; and substantially all of them were appealing for increased authority in their respective departments and agencies, and for increased appropriations, and in many instances for increased salaries.

It is unfortunate that in the consideration of appropriation bills, representatives of economy are not selected to appear before the committees and oppose demands for increased appropriations. There used to be, in the ecclesiastical courts, a "devil's advocate." There should be, in our hearings upon appropriation bills, active and energetic persons to elicit the facts and to oppose all demands for inordinate and wholly unjustifiable appropriations.

We have today upon the Government pay rolls, including of course the C. C. C. and the W. P. A., more than 5,300,000 employees; and the compensation of that enormous army aggregates something like eight or ten billion dollars. We are going on blithely appropriating more and more, however; and an examination of the appropriations bills this year will indicate, I believe, that we are increasing the appropriations by from one to two billion dollars over the appropriations for the preceding year.

Mr. TYDINGS. Mr. President, I can see no real reason for a reorganization bill in the form of that which is pending before the Senate, even if the Wheeler amendment should be

adopted thereto.

Under our form of government, the President may formulate a reorganization plan without any act of the legislature, and he may submit it to the Congress with a message showing its need and merit, and the Congress may either accept it in whole or in part or reject it. No law is needed to accomplish the submission of a reorganization plan to the Congress by the President. On the other hand, the Congress itself, after appropriate hearings, may initiate a plan to reorganize the Government, pass it through both Houses of Congress, and submit it to the President for his approval. If he approves it, it becomes the reorganization plan of our Government. If he disapproves it, he may veto it, and then the law fails unless enough Members of both Houses vote to pass it over his veto, in which case it becomes the law anyway.

This is a Government in which legislation is supposed to originate in one of the two Houses of Congress, and not with the Executive. It is the Executive's mission to suggest or recommend appropriate legislation which may be needed from time to time. There is need for reorganization of the Government; but I insist that there is no need or excuse for abandoning the time-honored and constitutional ways of

carrying out the objective we have in mind.

Already, I believe, one of the great causes of unrest in this country has been the transference of legislative power to separate and independent agencies, which in effect is creating a fourth branch of our National Government, not that of legislation, not that of judicial or executive functions of the Government, but administrative legislation within supposed limits fixed by Congress in passing various acts. As I have observed the workings of these legislative administrative agencies, they not only fill the country with uncertainty, but they allow a single man not elected by the people, not a Member of either House of Congress, in effect to pass laws in the name of Congress. We find that situation in the case of the National Labor Relations Board, in the case of the Wage and Hour Act, and in the case of various other activities of the Federal Government.

I am not at this moment complaining against any of the purposes for which the National Labor Relations Board was set up, or against the Wage and Hour Act, or other similar legislation. I am complaining that instead of Congress performing its legislative duties, it is more and more and more transferring in bulk to the executive branch of the Government our power to legislate. In times of great emergency that plan must always, to some extent, be adopted.

In times of great stress, when the welfare of the Nation depends upon quick action, we must to some extent surrender temporarily some of our legislative functions, perhaps, in the interest of saving the Nation. But does such a condition now exist, in the case of the reorganization bill, as when the banks were closed in 1933, and it became necessary to hand over Wide power in order to produce an economic flow of such strength as the slow and deliberate legislative action could not provide? No; such a condition does not exist. Of course, the need for reorganization exists; but even if no reorganization shall be effected at all at this session of Congress, the Government and the Nation will still endure. There is no real emergency, in the sense in which I use that word, and the President should either formulate some tentative plan for the reorganization of the Government and submit it to the Congress for such action as we may see fit to take, or we should initiate it and pass a bill through the two Houses of Congress and submit it to the Executive for such action as he may see fit to take.

Here we have a legislative proposal which transfers to the President, to some extent, and by our approval, the right of Congress to legislate, and leaves us only the slim authority of approving or disapproving any plan the President may propose. If the plan submitted should meet 90 percent with our approval and 10 percent with our disapproval, we would have no opportunity to correct the 10 percent which we did not like. We would adopt the plan in order to get 90 percent of what we might desire, when by the regular legislative processes we could get 100 percent if we desired.

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Mr. SHIPSTEAD. Mr. President-

Mr. TYDINGS. I yield to the Senator from Minnesota. Mr. SHIPSTEAD. I am sure the Senator is aware of the fact that we have for some time submitted to the practice of departments themselves writing bills.

Mr. TYDINGS. That is correct.

Mr. SHIPSTEAD. They come here and present them and ask Congress to pass them, and I have known of instances where they requested Congress not to restrict or to define what they have in mind too closely, but to leave wide discretion to the department in the administration and interpretation of what the law actually means.

Mr. TYDINGS. I do not wish to go afield, but let me support what the Senator has just stated by a concrete illustration.

Congress passed an act providing that on certain governmental contracts only concerns could bid which paid the minimum wage found to exist in the community by the Department of Labor. In my State the highest wage for common labor was paid by a concern employing 15,000 to 18,000 people, and it was 561/2 cents per hour. But the Department found that the highest wage paid ordinary labor in Pittsburgh was 62 cents an hour. So the whole State of Maryland was blanketed into the Pittsburgh area, notwithstanding the fact that there was not one concern in the entire State of Maryland, I am advised, which paid more than 561/2 cents an hour. In other words, the Department found that the prevailing wage for ordinary labor in Maryland was 62 cents an hour, when not one concern in Maryland paid over 561/2 cents an hour for ordinary labor. That is an example of the application of the legislative authority vested in the Department of Labor by this very Congress itself. That shows the abuse of legislative authority. It shows how we are really legislating, not on the floor of Congress but in the depart-

Of course a reorganization bill is going to result in many conflicting points of view. Perhaps no two Senators will agree 100 percent as to how the whole Government should be reorganized; they will disagree even on the President's proposal, if we authorize him to take action, and he submits a plan to the Congress. But, incidentally, he needs no authorization. He can recommend a particular plan to us in a message to the Congress without this legislation being passed at all, and why should we give up our legislative authority in this left-handed manner to the executive branch of the Government, when we ourselves are sitting here and, I believe, are perfectly competent to write our own reorganization bill?

I am not casting the slightest reflection or intending to cast any reflection upon the good will of the Executive, upon his desire to reorganize the Government in a proper and economical and efficient manner; I do not mean to make any such implication. What I am attempting to say is that if there is need for reorganization, Congress having created the agencies which are to be reorganized, or consolidated, or eliminated, then Congress should do its job; it should initiate the legislation here and pass it on to the Executive for his approval or disapproval.

Of course, the proposal of the able Senator from Montana [Mr. Wheeler] is better, in my judgment, than to have no legislative right to have a voice in the matter at all, and I think he is on sound ground when he says that the act of Congress will contravene its constitutional authority if we allow a reorganization plan to stand if only one House disapproves it, because under our Constitution legislation must receive the approval of both Houses of Congress, and I believe Attorney General Mitchell was on sound ground in so advising a former Congress.

Mr. BORAH. Mr. President-

The PRESIDING OFFICER. Does the Senator from Maryland yield to the Senator from Idaho?

Mr. TYDINGS. I yield.

Mr. BORAH. I desire to ask the Senator a question which I think relates to the point he is discussing. Suppose we should pass the pending bill as it is now before us, as offered by the able Senator from South Carolina, and suppose the President should send a plan to the next Congress, we will

Mr. TYDINGS. In pursuance of the proposed legislation. Mr. BORAH. Yes; and suppose that Congress should say, "We do not propose to be bound by that legislation. We will proceed with this matter in the full powers of the Congress, and deal with it as we would deal with an ordinary bill which comes here." What would prevent them from doing so?

Mr. TYDINGS. Not a thing in the world. The next Congress could undo entirely what this Congress is doing in this or any other bill.

Mr. BORAH. It seems to me so.

Mr. BYRNES. Mr. President, will the Senator yield?

Mr. TYDINGS. I yield. Mr. BYRNES. I would agree that the Congress could change the rule; but unless Congress did change the rule, they would have to proceed in accordance with the rule laid down in the pending bill. If the Wheeler amendment should be adopted, the same situation would exist. If Congress could say, "We will pay no attention to the rule of the Wheeler amendment, which rule is that when the order of the President comes to the Congress it is not referred to a committee but is immediately made a special order for the consideration of the Senate or the House, and is not subject to amendment and must be voted on by the tenth day. That is the Wheeler amendment. That would have to be done unless the Congress said, "We have changed our mind," and should bring in a different rule, which, if a majority of the Congress adopted it, would be the law.

Mr. BORAH. I think I entirely agree with the Senator. What I was seeking to develop was the idea that it would be impossible for this Congress to lay down a rule as to legislation, as to how we should proceed, and so forth, which would bind the next Congress.

Mr. TYDINGS. The Senator is correct.
Mr. BYRNES. We cannot lay down a rule even to bind this Congress, if Congress wants to change its mind.

Mr. BORAH. I agree with that, too; and I am quite sure. from my observation in the past, that no plan will reach this Congress. It will take a much longer time than that to formulate a plan and send it here.

Mr. TYDINGS. How ludicrous it is for us as a legislative branch of the Government to say that one of the great problems before this Nation is the necessity of reorganizing and consolidating and taking other action in respect to the functions of the executive branch of the Government, in the interest of economy and efficiency, but that we do not intend to do a thing in the world about it except to pass a resolution inviting the President of the United States to legislate for us, and that whatever way he legislates will be satisfactory to us if we do not act on the plan within 10 days after he submits it.

Under the amendment of the able Senator from Montana we could not amend the President's plan, we could not dot an "i," we could not cross a "t." we could not take out a line or a paragraph. We would have either to vote it up or vote it down. If we agreed that 75 percent of it was good and that 15 percent was questionable and that 10 percent was bad, we would be bound to vote either "yes" or "no." would have no chance to eradicate an injustice or a bit of inefficiency which might creep into a plan proposed by the President. Whereas if we act here in this body, after full debate, in the light of full discussion, we can correct, if we think desirable, any phase of a plan in the interest of efficiency or economy, or justice to the persons who are working in the bureaus.

Why should Congress abdicate its functions? There is no great emergency. The German Army is not at Bladensburg. No cities are being bombed. The farmers will not get any more for their wheat whether we reorganize or do not reorganize. The unemployed will still be unemployed. There will be millions on relief. The banks will still be functioning. The railroads will not be any worse off than they are. The slums will still be present, and only a gradual program of rehabilitation will be operating. Where is the emergency, that we should take our legislative power and hand it over to the Executive, who is not the legislative branch of this Government, and say, "We do not care to legislate on this particular proposal"?

Although we are the legislative branch of the Government. Constitution or no Constitution, tradition or no tradition, orthodox way or unorthodox way, we are going to let you do it for us, and even though we do not like the plan which you formulate, we will have no right to turn it down, to correct it, if we agree that a considerable part of it is good.

If that is the way to run a great government such as ours, then I think we ought to abdicate entirely, and let the President have any neutrality act he wants; let him take care of the raising of taxes; let him appropriate what he wants for relief; let him have all the money he wants, and let him carry out all the plans he has for helping the farmer, and for carrying on all the other phases of government.

Mr. President, if there is need for reorganization, we should write the plan in Congress. Let it go through the normal processes of government up to the Executive, and have him approve it or disapprove it. If we feel there is no need for reorganization we should do nothing at all.

We ought not to abuse the various executive activities of the Federal Government on the floor of the Senate, and hold this branch and that branch up to ridicule and abuse, and then continue to allow more legislative authority to be transferred to the executive branch of the Government.

I want to reorganize the Government as much as does anyone else; I am going to vote for the Wheeler amendment rather than not have reorganization; but, unless the Congress takes the initiative in this matter, I am not going to vote for any plan to reorganize the Government, because the executive branch has no right to become the legislative branch of this Government.

What I am about to say has no particular reference to the present administration, and I hope that no one who listens to these few sentences will think I mean to make any reference to the present administration; but there is something to be gained from the lessons of history. I remember when Germany lived under the constitution of Weimar. Germany had as chancelor a very good man named Bruening. The Reichstag, or German Congress, could not function, so Mr. Bruening decided that he would issue a few decrees under his police powers, because of the emergency that existed. So for a short while Germany was governed by decrees issued by the Chancelor.

Then Mr. Hitler came to power, and Mr. Hitler felt that what Mr. Bruening could do he could do, and he has been doing it ever since, and we have seen the results of all the power being confined in the executive branch of the government and its ramifications in what is taking place in Europe and elsewhere today.

Mr. President, ours is a democracy. Let us quit talking about democracy unless the legislative branch of our Government is going to pass the legislation. There is no use beating our breasts about democracy and in a time when there is no stress, when there is no real emergency, handing over unlimited power to the executive branch of the Government, which, under our Constitution, has no right to legislate in behalf of the Congress.

Mr. SHIPSTEAD. Mr. President, will the Senator yield?

Mr. TYDINGS. I yield.

Mr. SHIPSTEAD. The Senator from Maryland is aware, although he did not mention it—and I think it ought to be mentioned—that the Reichstag of Germany granted Chancelor Bruening the legislative power and right to issue decrees.

Mr. TYDINGS. I thank the Senator for his contribution. Yes; just as we are doing here, the Reichstag in Germany did under Mr. Bruening. It gave him the right to issue temporary decrees in his name; but that is not the American system of Government.

Mr. HATCH. Mr. President, will the Senator yield?

Mr. TYDINGS. I will yield in just a moment.

Mr. HATCH. I was interested in the point just raised by the Senator. How did the Senator say that right arose in Germany?

Mr. TYDINGS. To what right does the Senator refer?

Mr. HATCH. The right of the chancelor to issue executive decrees.

Mr. TYDINGS. I understand the Reichstag adopted a resolution providing that during the time it was not in session the chancelor could issue such decrees as he deemed necessary to cover the period of the emergency.

Mr. HATCH. Was it not a constitutional right?

Mr. TYDINGS. No. The constitution of Weimar was a democratic constitution which lodged the legislative power in the Reichstag, or the German Congress.

Mr. SMITH. Mr. President, will the Senator yield?

Mr. TYDINGS. I yield.

Mr. SMITH. Under the present proposal we do not have to pass any law. We simply acquiesce and let the Executive

run the business. That is the only difference.

Mr. TYDINGS. Mr. President, the radio these days is full of appeals for democracy, appeals against the totalitarian states, appeals against authoritarianism, appeals against dictatorships. What, in essence, is the difference between dictatorship and democracy? Countries under a dictator have tax laws; we have tax laws. They have railroad legislation; we have railroad legislation. They have relief programs; we have relief programs. They have rearmament programs; and so do we. In effect, the dictatorship countries do the same things that we do. They carry out governmental programs. What, then, is the essential difference between their program and our program? It is one of method; that is all.

Our method of carrying out those programs, our method of formulating those programs, our method of operating government is different from theirs. We have a representative government. The chosen representatives of the people form the legislative branch, and in that branch resides all the legislative power possessed by the Federal Government. The Executive cannot pass a law or a resolution, or formulate a policy, or spend a dollar, or do one thing that we do not empower him to do. That is all the difference there is between the two forms of government. Yet, while we are condemning the authoritarian states, we are bit by bit adopting their methods which we condemn.

We go on the air; we arouse the country to the danger, and then we pursue the exact methods that the authoritarian states pursue. Is that not true? Who will rise to say that that is not true? Who will take issue with my statement? While we are talking about preserving democracy, while we are appropriating billions of dollars to save democracy, we are shooting democracy to death right here on the floor of the United States Senate and perhaps, also, at the other end of the Capitol.

Where is the emergency? There is no foe at the gate. There exists no such emergency today as existed in 1933, 1934, and 1935. The worst days of the depression, happily, are behind us. The banks are still open. Why cannot we legislate on this important subject? Why must we turn it over to the executive branch? Are we incompetent? Are we unable to do so?

Oh, I know the argument. It is said, "You cannot write a plan to reorganize the Government to which the House and Senate will agree." Who said that? Who can produce any proof to support that point of view? That is a mere supposition. I believe the Congress can write a plan, and I believe if that were done and the plan were presented to both Houses of Congress it could be adopted and would go to the Chief Executive, who would perform his regular function of approving or disapproving the plan.

Have we not gone far enough in handing over power to the executive branch of the Government? Many powers had to be handed over, perhaps. There may be just argument to support what has been done; but why hand this power over? Where is the emergency? There is no emergency. If we hand this power over, if we pass the bill, we simply write on the statute books of our country that the legislative branch of the Government is incompetent to

legislate.

Furthermore, while we are on the subject, let me say that I do not want too much neutrality legislation, either. I would rather see Congress stay in session all summer, if need be-that is what we were elected for-and all fall, and all winter, and deal with these questions as they come up. Good man though the Chief Executive may be, and though his intentions may be of the very best, and his acts may be in the interests of the whole people—I do not want to reflect on him-yet I do not want to give to the Chief Executive the power to declare war, because the Constitution says that the Congress shall have the sole power to declare war. Bit by bit we have been handing him the power, bit by bit we have surrendered one after the other all the legislative powers which we heretofore exercised—the two-billion-dollar equalization fund; the right to reorganize the Government; the right to spend billions of dollars in any way that the President approves; the right to spend billions of dollars under W. P. A., not as you think or I think, but as he thinks.

There may have been some justification for that in 1933, 1934, and 1935, but I submit that the time has come when we ought to say where the money is to be spent and what action the Government may take which will lead to the pathway of war. Likewise we ought to say what plan of reorganization is to be adopted, because that is what we are

here for.

Congress goes home in the summertime. When a great emergency exists I would rather have Congress continue in session, or we could come here each Monday morning, after our routine work is done, and consider the international situation from day to day, from week to week, and know where we are going, than to write a blank check which might be all right and might not be all right, and might be contrary to the action we would have taken had we acted as a legislative body should act rather than to have delegated power to the executive branch.

So, Mr. President, although I realize that the Senator from South Carolina has worked hard and long, and has done excellent and constructive work in trying to reconcile warring opinion, I rise merely to say that in my judgment, even though we may have made some headway, the question of passing legislation that we may not want, or somebody else may not want, has nothing to do with the issue. We must do our job; and I hope no Senator, either Democrat or Republican, will again rise on this floor and talk about bureaucracy or the inefficiency of an executive bureau, or dictatorship, or the loss of democracy all over the world, and then, when his name is called, vote for a bill which takes the legislative power away from us and hands it over, lock, stock, and barrel, to the Executive, with the excuse that we have saved our face because 10 days after the plan is submitted, although we cannot amend it or change it, we can take it or leave it. In other words, we may be voting for a plan of reorganization to which a majority

of the Senate is opposed.

Mr. MALONEY. Mr. President, I had not intended to make any remarks during the course of the discussion on the bill. I am sorry that I must so soon set aside the expressed hope of the distinguished Senator from Maryland that no Senator would again rise on the floor of the Senate and talk about the abuses of bureaucracy.

Mr. President, I was among those who resisted the reorganization bill last year. I was bitterly opposed to it because it seemed to me that it was a delegation of power without an easy recapture. However, it seems to me that the objections to the bill of last year have been overcome, and that those who led the fight last year have won the fight. So, because I am hateful of bureaucracy—because I detest its growing power and unfair influence-I propose to help bring about

reorganization of the Government.

It is true that no real emergency, as such, exists. As I see it, there can be no emergency in the matter of reorganization. There comes before that the final catastrophe. For 150 years bureaucracy has grown; and, much as I dislike to be the one to admit it on the floor, Mr. President, Congress finds itself unable to cope successfully with the matter of reorganization. This is because of the wide difference of opinion here, because of the wide difference of interests over the land, because of sectionalism, or because one Senator or another has a favorite bureau, institution, commission, or organization.

Mr. President, I have concluded that the only way reorganization can come is by delegating the power to the Chief Executive, and at the same time retaining, as best we can,

the influence and the power of Congress.

Earlier in the day some thought that a suggestion was made-and I think it was misinterpreted-that failure to vote for the bill would be evidence of a mistrust of the President of the United States. I am sorry there was such an implication. I have stated before that I thought President Roosevelt was the greatest leader of our generation. I have said that I thought he saved this Republic. I have said that I believed he would burn at the stake for his opinion. I do not take any of that back. I continue to insist that I was right. However, I reserve the right to resist any legislation without having it implied that I mistrust the President of the United States. I believe our solemn and sacred duty as Members of the Senate is to abide completely by our own convictions.

I agree with the thought and purpose within the Wheeler amendment. I propose to vote for the Wheeler amendment, and, if the opportunity is afforded, to vote for what appear to me to be other corrections and perfections in the bill. Because bureaucracy is a despicable thing, because there is a need for moving toward economy in government, and because I am firmly convinced that it is a subject so big and so unwieldy that Congress alone will not meet the situation, I propose to vote for the best reorganization bill we can devise.

Mr. CAPPER. Mr. President, I desire to speak briefly in support of the amendment offered by the Senator from Virginia [Mr. Byrd] to the pending executive reorganization bill.

This amendment would formally declare that the purpose of the bill is to effect reorganizations in the interest of reductions in governmental costs.

I say that this amendment should be adopted, by all means. I can see no logical reason for opposing it, unless the proposed reorganization is to be merely a shifting around and reshuffling of executive agencies, without any gain to the

Mr. President, I was discouraged, and I believe the majority of people in the country were discouraged, 2 years ago when President Roosevelt declared that the Federal Government could not function efficiently on less than \$7,000,000,000

Today we are running on a basis of practically \$10,000,-000,000 a year; and the President informs us that any decided retrenchment in Government expenditures will seriously impede recovery. That statement is extremely discouraging.

It is proposed in the bill to give very broad powers to the Chief Executive in reorganizing departments. These broad powers could be used by the President to simplify the administration of the executive departments, and also materially to reduce the cost of administration. However, these same broad powers, if not restrained in some way, could also be used greatly to increase the functions of government, and greatly to increase the cost of administration.

Frankly, in the light of the experience of the past 6 years in increasing Government bureaus, boards, commissions, and other spending agencies-many of these increases and expansions having been accomplished by Executive orders without specific approval of Congress, I can see much prospect of increasing bureaucracy and increasing expenditures under

this measure, unless it is properly safeguarded.

One safeguard would be to adopt the amendment offered by the Senator from Virginia [Mr. Byrn] and to set out plainly in the act itself a direction to the President to effect the reorganization in the interest of economy, with the express object of reducing Government expenditures.

There should be one more safeguard, if the proposed powers are to be given to the President at all. That safeguard should be the retained power of the Congress to pass on whatever reorganization plan is worked out by the Presi-

dent and his advisers.

This second safeguard—and I consider it a more effectual one than merely the direction to the President to use the proposed powers to effect governmental economies-is provided in the amendment offered by the Senator from Montana [Mr. Wheeler], which would require affirmative action by Congress before the proposed executive reorganization program could become effective.

Mr. President, I admit that any effective plan of executive reorganization probably will have to be initiated by the Executive, rather than by Congress. However, I also contend that in the last analysis Congress should have and should retain and zealously guard the power finally to pass on any proposed reorganization.

The Nation has had several unfortunate experiences through the tendency of Congress in the past few years to delegate too much power, and especially too much legislative power, to the Chief Executive.

I give the present Chief Executive entire credit for sincerity of purpose and a real desire to serve the best interests of the Nation.

In its present form the bill gives him too much power to be entrusted to one man, no matter who the President may be.

The PRESIDING OFFICER. The question is on agreeing to the amendment offered by the Senator from Virginia [Mr. Byrn], as modified.

The amendment, as modified, was agreed to.

Mr. TAFT. Mr. President, I send to the desk an amendment, which I ask to have stated.

The PRESIDING OFFICER. The amendment offered by the Senator from Ohio will be stated.

The Legislative Clerk. On page 3, line 22, after the words "Railroad Retirement Board", it is proposed to insert the words "Federal Home Loan Bank Board, Federal Savings and Loan Insurance Corporation."

Mr. TAFT. Mr. President, among the exempted agencies which the committee included in the bill are the Federal Deposit Insurance Corporation and the Board of Governors of the Federal Reserve System. My amendment proposes to include also the Federal Home Loan Bank Board, which performs approximately the same functions for the building and loan associations that the Federal Reserve Board performs for the banks, and the Federal Savings and Loan Insurance Corporation, which insures building and loan deposits in the same manner that the Federal Deposit Insurance Corporation insures bank deposits.

I do not know the reasons which led the committee to include the Federal Deposit Insurance Corporation and the Board of Governors of the Federal Reserve System. They had not been included by the House. Whatever the reasons

are, it seems to me they must apply equally to the organizations which perform the same functions for the building and loan associations.

Mr. GLASS. Mr. President, the Senator knows, does he not, that the Federal Reserve System does not cost the Government a penny? The salaries of the Board itself are paid out of assessments on the banks. The Federal Reserve System is purely a private institution, except for the supervisory power of the Federal Reserve Board. The System does not cost the Government a penny. Neither does the Federal Deposit Insurance Corporation cost the Government a penny.

Mr. TAFT. In the first place, the Savings and Loan Insurance Corporation does not cost the Government a penny, either. I am not sure about the Federal Home Loan Board. But if we think the cost ought to be imposed on the building and loan associations Congress is perfectly at liberty to do so. I do not see that there is any distinction as to the function performed, which is the only question we are considering in this particular amendment. The Federal Home Loan Bank Board supervises about nine banks which then finance building and loan associations. Those building and loan associations are today financing about 40 percent of the new-home construction in the United States. They represent an important function in the general program. Of course for years there has been a hostility between the banks and the building and loan associations. They are jealous of each other. In every State of which I know the distinction is recognized. They are under different supervisory powers. So there is every reason for preventing a reorganization which would put building and loan associations under the banks, which is what they fear under a reorganization of the kind proposed, when the banks are excepted and the organizations referred to are not excepted.

It seems to me, in fact, the organizations referred to in my amendment perform a limited function. They supervise only building and loan associations. I myself see much more reason to include the Federal Reserve Board and the Deposit Insurance Corporation under the reorganization. because in the case of those organizations there is a great duplication of power. There are three different bodies supervising banks. There is much less objection, it seems to me, to exempting from this bill the operation of this concern which is limited to a particular group of institutions, administering a policy about which there is no question, administering a policy which, so far as I can see, could not possibly be administered any more cheaply or any better if it were put under some other department. Consequently, the very reasons that lead to the exemption of the list of institutions now appearing in the bill applies with redoubled force to the building and loan associations organization.

Mr. BYRNES. Mr. President, the Federal Reserve bank stock is owned by the member banks; the expenses of the Federal Reserve bank are paid by assessments upon the banks; and its funds never go into the general fund of the Treasury. There is a difference between the Federal Reserve Board and the Federal Home Loan Bank Board.

Under the reorganization bill passed in March 1933, the President ordered a reorganization of farm-credit institutions, and a splendid service was rendered. We had then, just as we have now, Federal land banks, cooperative banks, and the seed-loan organization. They were merged and were put under a governor who has charge of the Farm Credit Administration. A great service was rendered, in my opinion, in bringing together those agencies affecting loans upon farms.

I do not think the organization referred to by the Senator from Ohio should be exempted. The Government now has the Federal Home Loan Bank Board, the Federal Savings and Loan Association, the United States Housing Authority, and the Federal Housing Administration. Members of the Senate who are now opposed to or who have been opposed to he pending bill, such as the Senator from Oregon [Mr. McNary], the Senator from Delaware [Mr. Townsend], the Senator

from Wyoming [Mr. O'MAHONEY], and others, members of the committee presided over by the distinguished Senator from Virginia [Mr. Byrd], made an investigation, and, so far as my knowledge goes, the one bill that was introduced as a result of that investigation proposed "to establish the Federal Home Credit Administration, to coordinate the housing activities of the United States, and for other purposes."

Mr. CLARK of Missouri. Mr. President, will the Senator

yield?

Mr. BYRNES. I yield to the Senator from Missouri.

Mr. CLARK of Missouri. Is it not true that the various housing activities and housing authorities and housing commissions created by law are outside, perhaps, of accounting matters, the outstanding examples at the present time of institutions in connection with which great savings might be made under the United States Government by the simplification and consolidation of activities?

Mr. BYRNES. I know nothing about the views of the Executive, but certainly if I had the task of bringing about a reorganization I would have in mind the suggestion of the Senator from Missouri. Today the people in this country say, "You have a United States Housing Authority, a Federal Housing Administration, the Federal Loan and Insurance Corporation referred to by the Senator from Ohio." If there ever was an instance of reorganization being desirable and practicable this appears to me to be such an instance. We talk about Congress doing it, but let me say there was a bill introduced by the Senator from Virginia, with the backing of the committee of which the Senator from Oregon [Mr. McNary] and the Senator from Delaware were members. That bill was introduced on May 6, 1937, and here we are in March 1939, and no action has been taken. I will read what the Senator from Virginia said about it. I am sorry that Senator is not on the floor, because I know he would agree with me. The Senator from Virginia said:

I have introduced a bill, though I have not been able to secure any consideration of it—

The Senator from Maryland [Mr. Tydings] is not present. I wanted to read this for his benefit, because it could have been said 25 years ago and it will be said 25 years from now. The Senator from Virginia, as earnestly advocating a reorganization of the Government as I have done throughout my service in Congress, pleading in the Senate, said:

I have introduced a bill, though I have not been able to secure any consideration of it, providing for the consolidation of the Home Owners' Loan Corporation and the Federal Housing Administration, and I am advised by experts that the enactment of that bill alone would save—

To the taxpayers—

What is going on? The Banking and Currency Committee of the Senate has pending before it a bill with reference to the Federal Housing Administration. Who is opposing it? The Home Owners' Loan Corporation. The subcommittee of the Banking and Currency Committee has been sitting day after day. Why? Because that bill might take some little power away from the Home Owners' Loan Corporation. Therefore, the Banking and Currency Committee has held hearings day after day on a subject involving two housing activities, two lending agencies, each fighting for power; and when it comes to a bill which does not even mention institutions referred to by the Senator from Ohio, there is not a Senator on the floor who has not received telegrams from home. These have been sent out-prepaid telegrams—so somebody is paying for them—begging the Senate to vote for the amendment offered by the Senator from Ohio. Why? Because, perchance, somebody in the administration at some time might propose a reorganization plan. If any reorganization plan is proposed, I hope this is one place it will reach.

If, as the Senator from Virginia says, in the opinion of experts, by the merger of only two institutions \$25,000,000 could be saved, I want to know whether the Senate, at the

behest of building and loan associations that are acting merely at the suggestion of a telegram sent by their lobbyist here in the city of Washington, will adopt this amendment and thus prove to my good friend from Maryland that the Senate is incompetent.

Mr. BARKLEY. Mr. President, will the Senator yield?

Mr. BYRNES. I yield.

Mr. BARKLEY. The Federal Home Loan Bank Corporation was created in the beginning, very largely, to bale out the building and loan associations, put them on their feet, and enable them to function again. If the amendment which is now pending should be agreed to, the President, ihe saw fit, might combine the Home Owners' Loan Corporation and the Federal Housing Administration and the United States Housing Authority which is now a bureau in the Department of the Interior, and all other housing activities, but he could not touch the Federal Home Loan Bank Board, which is set up for the aid of building and loan associations.

Mr. BYRNES. It is not intended by the man who holds the job that it shall be touched. I know what has been done during the last week. The question is whether this agency has the power that is behind other agencies so that when they say it cannot be touched it shall not be touched.

Mr. TAFT. Mr. President-

Mr. BYRNES. I will yield to the Senator in a moment. In the case of the Federal Insurance Loan Corporation there is no privately owned stock. There are \$100,000,000 of Government capital and \$16,000,000 of surplus owned by the Government. To say that because telegrams are sent throughout the country by one man in the city of Washington we should not act upon a question such as this is to confess omnipotence, which I certainly am not going to admit at this time. I will wait until the vote is taken.

Mr. TAFT. Mr. President, will the Senator state on what principle the other agencies in this long list are exempted?

Mr. BYRNES. That has been stated several times. I stated it with the frankness that I generally employ. They are quasi-judicial organizations, with the exception of the Veterans' Administration, and they are exempted because the Senator from Ohio would have voted to exempt them.

Mr. TAFT. Which one?

Mr. BYRNES. The Veterans' Administration. Will the Senator say he would not vote to exempt that organization? The Railroad Retirement Board is also exempted because the Senator would have voted to exempt it.

Mr. TAFT. Is not the reason that these organizations perform particular functions which Congress does not want to have interfered with?

Mr. BYRNES. They perform particular functions, and certainly Congress is not going to interfere with them; a majority would not do so. The Senator from South Carolina would vote against any exemption, but the Senator from Ohio would not. Another one is the Engineering Corps of the Army. The three organizations referred to have been exempted because not only the Senator from Ohio but Senators from practically all the other States would vote to exempt them, and, rather than spend 3 or 4 days discussing the question, as I told the Senator from Nebraska, the committee last year exempted them and the House exempted them. I do not have to ask why the House did it. The House did it for the reason I have indicated.

It is all right for us to stand here and say, "Look back through the political history of the country, and we must agree that parliamentary government is at stake; and, parliamentary government now being at stake, we cannot say that we cannot act."

Well, what are you going to say? Did you act? For 25 years every Republican President has been demanding action. Did you act? No. When this bill came up in the House of Representatives, every Republican when his name was called voted against it, with the exception of six or seven. Did the Republicans act this time? They did not, because the bill was submitted during a Democratic administration. The same thing happened when Mr. Hoover submitted the proposal during a Republican administration.

The Senator from Maryland [Mr. Typings] says we must not admit that we are incompetent to act. I say when the proposal was submitted then, it was defeated. What happened during the Harding administration? A joint committee was created. The Senator from Mississippi [Mr. HARRISON], the then Senator from New York [Mr. WADS-WORTH], and a number of Members still in the House or Senate sat for nearly a year and submitted a detailed plan of organization which Members today say ought to be submitted to the Congress. What happened? When it was submitted various amendments were offered, just as the distinguished Senator from Ohio [Mr. TAFT] now offers this amendment, and in a few minutes another amendment will be offered for civil aeronautics, and in a few minutes thereafter another one, and today we have had the amendment about the Employees' Compensation Commission. The Senators who offered the amendments and voted to exempt various governmental agencies in the Harding administration looked at the plan of reorganization and said, "No, no; not us. Not one vote for it. We are for reorganization, but we are not going to do this, because it touches the department in which we are interested."

Senators tell me today, "You know old So-and-so?"
"Yes." "He is a fine old fellow, and he has just been to see
me." I said, "Yes; he is a fine old fellow. He has been to
see me, too." They say, "Have you looked into civil aeronautics?" "Yes." The telephone companies in South Carolina have made money in the last few days simply reporting on long-distance telephone calls. These calls were inspired by the aviation companies; and why? Because the
men who hold the jobs here, knowing that it would be unwise for them to do it, get the representatives outside to
do it; and from the Pacific to the Atlantic they are busy

at this very minute.

Since I have been on the floor I have had Members tell me about efforts that have been made to get them to vote to exempt certain agencies. That is why we cannot legislate on the matter; and when we exempt them we get into the difficulty of having our friends at home, in the building and loan associations, ask us to exempt agencies. If it is done, we might as well exempt all the others.

I want to say just one more thing to Senators who believe, as does the Senator from Virginia [Mr. Byrd], who has devoted a great deal of time to this question, that one bill he reported from his committee, recommending the merger of these housing activities would save \$25,000,000. I want to know if we are going to deny to the President even the chance to consider saving \$25,000,000 by merging the various housing activities and agencies that are lending money, when the people of the United States at this time cannot even distinguish between them, because we have so many lending agencies.

Mr. CLARK of Missouri. Mr. President, will the Senator yield?

Mr. BYRNES. I yield to the Senator from Missouri.

Mr. CLARK of Missouri. If the Senator were President, and a measure were passed authorizing the President to get up a scheme of consolidating Government agencies, with the exemption of the various housing authorities which have been agreed upon on all sides as the classical illustration of a place where a saving could be made, would the Senator know where to begin on putting a program of economy into effect?

Mr. BYRNES. Mr. President, I should not know where to begin. I dare say the Members of the Senate themselves cannot distinguish between the activities of the United States Housing Authority and the Federal Housing Administration, and they are up here fighting each other to try to hold some power and to hold a little prestige. To exempt them is just an admission that the Congress cannot do anything toward reorganization.

Mr. TAFT. Mr. President, I have sufficient sympathy with the general purpose of the pending bill so that if the committee had not included the Board of Governors of the Federal Reserve System and the Federal Deposit Insurance Corporation, I should not have offered the pending amend-

ment. Nothing in what the Senator has said, however, seems to me to draw any distinction between the inclusion of those two agencies and the inclusion of the two agencies which I suggest, except that these two agencies are interested in financing and controlling a limited number of building and loan associations, whereas the other agencies control banks. I see nothing in the argument which would justify the inclusion of one without including the other.

I do not know how any money can be saved by abolishing this organization, or by consolidating it with another agency. It is an agency which simply finances a great many existing private organizations. It does not go out and build any houses. We are not going to affect in any way a Government housing program. The Government itself is not doing any financing. It is simply a group which is interested in protecting and building up the building and loan associations; and I may say to the Senator that this is no question of telegrams. This is no question of lobbyists. I have many organizations in my State. I have known the members of those organizations for years. They feel as strongly on this subject as anyone could feel, as strongly as the veterans feel on the subject of the Veterans' Administration. The Senator, in effect, says that because the veterans are strong we are afraid of them and we ought to exempt them, and because the building and loan associations are weak we ought not to exempt them.

Mr. GLASS. Mr. President, the Senator is hopeless if he cannot understand the difference between the Federal Reserve System and these other systems. It has been stated here that experts have given the opinion that \$25,000,000 can be saved by these consolidations. The Federal Reserve System, since its foundation 25 years ago, has cost the Government only \$50,000, and that was to set up the banks. Every single, solitary penny that is expended by the Federal Reserve System is exacted in fees from the banks, and the Government does not have to pay a dollar. The stock is privately owned. The Government does not own one dollar of the stock, but it does own stock in these other corporations.

The PRESIDING OFFICER. The question is on agreeing to the amendment offered by the Senator from Ohio [Mr. Taft].

The amendment was rejected.

Mr. WHEELER. Mr. President, I have already sent to the desk an amendment which I offer.

The PRESIDING OFFICER. The amendment offered by the Senator from Montana will be stated.

The LEGISLATIVE CLERK. On page 6, beginning with line 16, it is proposed to strike out all down to and including line 4 on page 7 and in lieu thereof to insert the following:

SEC. 5. The reorganization specified in the plan shall not become effective until after the enactment of a joint resolution specifically approving such plan. Any such joint resolution shall provide for the approval of such plan as a whole, without modifications, and shall contain no other provisions. If any such joint resolution providing for the approval of any such plan is introduced in either House, it shall at once become the special order therein and that House shall proceed to its consideration, without reference to a committee; and, not later than 1 hour after that House meets on the tenth calendar day (Sundays excepted) after the day on which such joint resolution was introduced, a vote shall be taken in that House on the question of the passage of a joint resolution approving such plan. If any such joint resolution is passed by one House, it shall be sent to the other House, and that House shall immediately proceed to its consideration, without reference to a committee. Not later than 1 hour after that House meets on the tenth calendar day (Sundays excepted) after it has received such joint resolution, a final vote shall be taken in that House on the question of the passage of such joint resolution. No notice or motion to reconsider the vote shall be in order.

On page 9, strike out all of part 2 down to and including line 2 on page 14.

Mr. WHEELER. Mr. President, this amendment of mine has been argued here, prior to the time of its offer, for so long and so vehemently by some Senators that I do not know that it is necessary for me even to take up much of the time of the Senate in discussing it. I do, however, wish

to call attention to some statements which have been made with reference to the amendment.

First of all, it has been said by my distinguished friend from South Carolina [Mr. Byrnes] that if this amendment should be adopted, we might just as well not have any legislation on the subject at all. As a matter of fact, I agree with much that the Senator from South Carolina has said with reference to reorganization. I know, just as well as he does, the difficulties of getting through legislation to reorganize a department, because several years ago-even before the Senator from South Carolina came to the Senate, I think-I introduced, during a Republican administration, a resolution for the purpose of making a study of certain reorganization plans which I felt would save the Government a considerable amount of money. But when we are talking about saving the money for the Government of the United States, let me say that we do not need any reorganization plan to save the Government a great deal of money in a number of the departments.

We can go to the Coal Commission and cut down a great number of employees who have been employed by that Commission, and we can save hundreds of thousands of dollars, without any reorganization bill. If we desire, we can go to the Civil Aeronautics Authority and save thousands upon thousands of dollars without any reorganization plan. We can go into the Federal Housing Authority and save thousands of dollars without any reorganization plan. We can go into dollars without any reorganization plan. We can go into every one of the departments, and, without any reorganization plan, without any legislation of any kind or character, if we really want to do the job, we can do it without any legislation of the kind now proposed.

I say this without attempting to reflect on the administration. Never in my memory has there been such extravagance and such waste as there has been in the new departments which have been set up in the Government under the emergency acts. I challenge anyone who has been in the Senate any length of time to stand on the floor of the Senate and deny that there has not been more waste and more extravagance under these new departments than there ever was in any department of the Government since he has been a Member of the Senate. Notwithstanding that fact, I wish to see a reorganization bill passed. The charge is always made against the reorganization bill that if it comes in there will be a filibuster; that it is not possible to get anything done because some Senator or some group of Senators can occupy the floor of the Senate and debate it and debate it until the proposed legislation is killed.

Under the amendment I have proposed I have suggested that when a proposed plan comes before us we will take it as it comes from the President of the United States; that we will agree to debate it not more than 10 days; that we will not permit it to go to a committee, to be held up in committee, but it will have to come on to the floor of the Senate immediately, and will have to be made a special order of business, and within 10 days voted upon by the House of Representatives and likewise by the Senate.

All I am attempting to do under my amendment is to reserve the right to the Senate and to the House of Representatives to indicate, after debating the proposal for 10 days, whether or not Congress desires to have the plan adopted. By the amendment we would agree to invoke cloture, for after the proposal was discussed for a limited time, the Senate would vote.

Let me read a statement that was made in the House of Representatives by the Honorable Hatton W. Sumners. I think everyone will agree that Mr. Sumners is unquestionably one of the ablest lawyers in the House of Representatives, not only one of the ablest lawyers but recognized by everyone as being one of the outstanding Members of the House. In speaking with reference to this matter he said:

Mr. Speaker, while the House has technically lost jurisdiction of the reorganization bill, that bill is still in process; and if the Members of the House should become convinced, as I am convinced, that some such amendment as that offered by me in the

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House when the bill was under consideration here should be incorporated before the bill becomes law, that result would probably take place.

The House, by its own bill, has cut itself off from the opportunity itself to prevent the going into effect of a reorganization plan which it may believe to be contrary to the public interest. There can be no question about that.

To quote further:

There is a very definite similarity in relationship and in responsibility between the submission to the Houses of Congress by the President of proposed legislation and the submission by him of a proposed reorganization. Under the Constitution, if the President dent submits proposed legislation, either House of Congress is possessed of the power and charged with the duty to prevent its enactment if in its judgment the proposed legislation is contrary to the public interest

Let me interrupt the reading of the statement long enough to say that the Senator from South Carolina has stated, in reference to this particular proposed legislation, that President Taft urged it, that some other Presidents urged a reorganization legislation. Then the Senator asked, "Did Congress act?" And he said: "Because Congress did not act upon these proposals made by a Republican President, and again by a Democratic President, and again by another Democratic President, the Congress of the United States has shown itself to be incompetent to pass legislation of this

Mr. President, I challenge that statement. I say that that is not any indication whatsoever that the Senate or the House of Representatives is incompetent to legislate. President Taft undoubtedly sent proposed legislation to Congress which one branch of the Congress or the other said should not become a law, because in their judgment it was not in the public interest. President Wilson sent a proposal to the Congress which Democratic Senators and Democratic Representatives, as well as Republican Representatives and Senators, said should not become a law because it was not in the public interest. President Roosevelt has sent a legislative proposal here and Senators have rejected it, at least some of it, because they felt it was not in the public interest.

But because various Presidents of the United States have sent proposals for legislation to the Congress which a majority of the Congress has said was not in the public interest does that mean that Congress is incompetent to legislate and incompetent to do a particular job? Is the fact that some President of the United States has recommended a reorganization bill, or because several of them have done so, any reason for saying that we are incompetent to act, when a majority of the Congress has said the proposals were not in the public interest?

We hear men criticizing the Congress, denouncing the Senate, saying that we are incompetent to act, and that the Congress ought to be abolished. That is what is being said, that Congress ought to be abolished. When we stand before the American people and say that we are incompetent, they are going to quote the speeches we make. I am not one of the Members of the Senate who want to foul their own nest, particularly at this time.

Representative Sumners of Texas, in speaking of the constitutionality of the proposed legislation, proceeded to say:

That arrangement is much older than our own Constitution. It

That arrangement is much older than our own Constitution. It began with the beginning of the British Parliament. That arrangement in the long history of Anglo-Saxon government has helped to preserve stability in government.

This reorganization bill ignores the philosophy of that arrangement, and the House by its own legislation cuts itself off from the opportunity independently to prevent a reorganization from going into effect which in its judgment would be contrary to the public interest.

Just stop and think what the Senate would be doing. We are saying that we are to pass some legislation and turn it over to the executive branch of the Government, and when it comes back we will not be able to stop it even though 99 percent or 100 percent of us think it is contrary to the public interest.

Mr. OVERTON. Mr. President, will the Senator yield?

Mr. WHEELER. I yield. Mr. OVERTON. I do not know that I follow the Senator in that contention. It seems to me that the Congress would

not be surrendering its legislative power by the enactment of the pending bill. It would retain its power of legislation. If, under the proposed legislation, the President should send to the Congress a plan of reorganization, and if, as the Senator has pointed out, 99 percent of the Members of the Congress should be opposed to the plan-

Mr. WHEELER. Ninety-nine percent of the Senate.

Mr. OVERTON. Of the Senate? Then I beg the Senator's pardon. The point I am making is that the Congress does not surrender its power of legislation, because if a majority of the Congress should disapprove of any plan which the President may prepare and may send to the Congress, Congress would still have the affirmative power of enacting legislation which would completely do away with the proposed plan.

Mr. WHEELER. Then it would have to be done by a twothirds vote.

Mr. OVERTON. No.

Mr. WHEELER. Oh, yes; because the President could veto the action of the Congress, and there would have to be a two-thirds vote to override his veto.

Mr. OVERTON. No; the Congress, by a majority vote of both Houses, could enact any legislation with reference to any particular plan, or could enact any legislation repeal-ing the provisions of the pending bill, if it should be enacted into law, in whole or in part.

Mr. WHEELER. Oh, no.
Mr. OVERTON. The Congress of the United States cannot, and does not, by the provisions of the pending bill, surrender its legislative power. The only way in which the Congress of the United States can be deprived of its power of legislation is by a constitutional amendment and not by an act of one Congress as against what another Congress may do.

Mr. WHEELER. I agree that from the constitutional standpoint the Senator is correct. There is no power under the Constitution to do what is sought to be done in the proposed legislation. I agree with the Senator 100 percent in reference to that.

Mr. BARKLEY. Mr. President-

Mr. WHEELER. But I am saying that if what is being sought by the proposed legislation is constitutional, then we would deprive one branch or the other of Congress of the opportunity to keep from going into effect legislation upon which 100 percent of the Members of that body thought was contrary to the public interest.

Mr. BARKLEY. Mr. President, will the Senator from Montana yield?

Mr. WHEELER. I yield.

Mr. BARKLEY. I think the Senator misunderstood the Senator from Louisiana when he referred to the fact that the pending bill provided that the President might veto a resolution condemning a plan submitted by him to the Congress, and that it would take a two-thirds vote to override the veto. The bill provides for the adoption of a concurrent resolution, and concurrent resolutions never go to the President.

Mr. WHEELER. I understand.
Mr. BARKLEY. There would not be any question of veto.
Mr. WHEELER. The Senator and I were discussing an entirely different situation.

Mr. BORAH. Mr. President, will the Senator yield?

Mr. WHEELER. I yield.

Mr. BORAH. I quite agree with what the able Senator from Louisiana [Mr. Overton] has said, that, notwithstanding any legislation we may enact, the present Congress or a subsequent Congress may enact such legislation as it chooses, whether or not it conforms with the pending measure. But then what is to be gained by passing the proposed legis-lation? What are we to gain by it? The President, for instance, could send in a reorganization plan without our authority; it is not necessary for us to tell the President that he may send it in. There is nothing gained in that respect by passing the proposed legislation. Then, when the plan reaches Congress we may do with it what we please. So, what is gained by passing the proposed legislation?

Mr. WHEELER. I agree with what the Senator from Idaho has said. If the legislation is constitutional, then by its very terms the Senate is depriving itself of the power of preventing legislation going into effect when it itself says that in its judgment it is against public policy.

Mr. OVERTON. Mr. President, will the Senator yield

further?

Mr. WHEELER. I yield.

Mr. OVERTON. I was simply taking issue with the Senator in what I understood to be the statement made by him that if we pass the bill we are surrendering and abandoning legislative authority.

Mr. WHEELER. We are if the bill is constitutional. Mr. OVERTON. I understand we are simply giving the power to the President of the United States to initiate reorganization in the form of a plan, and that plan will go into effect unless it meets with the disapproval of both Houses.

Mr. WHEELER. Yes; but I am sure the Senator does not

follow it through.

Mr. OVERTON. I think I understand the theory of the bill.

Mr. WHEELER. I made a suggestion to the Senator the other day. I said, suppose the plan is sent to Congress by the President of the United States, and the House of Representatives should approve the plan, but the Senate should disapprove the plan; it would still become law.

Mr. OVERTON. That is correct.
Mr. WHEELER. Consequently I say, without fear of contradiction, that we would be depriving either House of the Congress of the United States of its constitutional right affirmatively to pass upon legislation, if the bill now under consideration should pass.

Mr. OVERTON. To that extent I agree with the Senator. Mr. WHEELER. Of course.
Mr. BARKLEY. The same thing might be said about any

proposal for legislation. One House might adopt it unanimously, but if the other takes no action on it we have no law. Every law that is enacted to some extent interferes with the status quo. So if one were to use that argument against the right of Congress to veto a plan which the President had been authorized to submit, he might as well argue that although both Houses have not passed a measure, by reason of the fact that one of them passed it, it should be law.

Mr. WHEELER. Just the reverse of the situation is true.

Mr. LOGAN. Mr. President, will the Senator yield?

Mr. WHEELER. I yield.

Mr. LOGAN. If I correctly follow the argument of the Senator from Montana, it seems to me his contention is that we delegate to the President the power to do certain things which we have no right to delegate to him, and if a Presidential order comes back to the Congress, and the Congress does not disapprove it, then it becomes a fixed order, without the approval of Congress, and if attacked in the courts perhaps would be held unconstitutional.

Mr. WHEELER. I think so.

Mr. LOGAN. While under the plan proposed by the Senator from Montana the President makes the reorganization, and then Congress affirmatively passes a resolution approving it after it has been done, thereby retaining its own legislative power, and exercises its own legislative power.

Mr. WHEELER. That is correct. The Senator has stated my exact position better than I myself could have stated it. I want to say that it is not my position alone, but every lawyer in this body with whom I have talked, who has examined the proposal, has come to the same conclusion with respect to it.

Mr. TYDINGS. Mr. President, will the Senator yield?

Mr. WHEELER. I yield.

Mr. TYDINGS. I think the Senator and all other Members of the Senate will agree that if no act were passed at all, and the President had at this time on his desk a complete plan for reorganizing the Government, he could submit it to the Senate and the House with the recommendation that we incorporate it into law. Is that not true?

Mr. WHEELER. That is true.

Mr. TYDINGS. In that event we could examine the plan and take it all or change it. In the event we pass the pending legislation, and the President submits a plan to both Houses, have we the right to change it?

Mr. WHEELER. No.

Mr. TYDINGS. If we should vote it down the whole gesture would be a complete nullity, would it not?

Mr. WHEELER. Yes. Mr. TYDINGS. We would be right where we are today.

Mr. WHEELER. Yes.

Mr. TYDINGS. Then why, I ask, does not the President, who wants a reorganization, submit a plan to the Senate and the House, such as he thinks will be wise, with the recommendation that we incorporate it into law? Why is not that done, rather than to proceed in this indirect man-

Mr. WHEELER. I agree with the Senator that that is what ought to be done, and I have said that I am willing to go along, because I want to see reorganization. Argument was made on the floor of the Senate when the previous reorganization bill was under consideration that the President could not accomplish any reorganization because Senators would filibuster against it, and debate it, so that the measure would not have a chance. So I said, "We will limit debate to 10 days." Then it was said, "But it may go to the committee, and the committee may hold it up." In reply I said, "We will provide that it shall not go to committee, and that it will be taken up in the Senate." I said. "We will agree that it will be voted upon without amendment. We will take it up and debate it for 10 days, and then Congress will either vote it up or vote it down." Of course, there are those who do not want to see Congress take affirmative action, and act to deprive one branch of the Congress of its legislative right, and even provide that if one branch acts favorably and the other does not the plan shall become the law. That would be quite the contrary, just the opposite from what the Senator from Kentucky said a moment ago.

Mr. LOGAN. Mr. President, will the Senator yield?

Mr. WHEELER. I yield.

Mr. LOGAN. I recall that some years ago, soon after I came to the Senate, I made the statement that we create bureaus and that was the last control we had over them: that after that they controlled the Congress. If the President should send to the Congress a reorganization bill which should be placed before the Congress without any limitations at all, other than under such rules as we have, of course we would never get such a bill through Congress at all. But the simple amendment proposed by the Senator from Montana brings the legislation within the Constitution. In addition, he compels action within a reasonable time on any reorganization plan submitted by the President.

Mr. MINTON. Mr. President, will the Senator yield?

Mr. WHEELER. I yield.

Mr. MINTON. I understand the Senator views as unconstitutional the provision now in the bill, which provides that any reorganization measure shall be sent to Congress by the President, and unless Congress objects, it shall become law

Mr. WHEELER. Yes; I think there is no doubt about it. Mr. MINTON. Let me direct the Senator's attention to action of the Congress when, with respect to the rules of procedure in the highest court of the land, it passed legislation at a former session to permit the Court to formulate the rules which were to go into effect unless the Congress took adverse action before the adjournment of the last session. We provided that the Supreme Court should adopt those rules of court and submit them to the Congress and if the report of the Court should stay on our desks in Congress until the last session adjourned, and we took no action about the rules, they should become the law of the land, and they are the law of the land, because we took no action concerning them. I take it that the Supreme Court of the United States would not have been a party to a proceeding of that kind had they thought that the whole thing was a nullity.

Mr. WHEELER. I do not think that is a parallel case at all, in that it does not deal with substantive law. It simply deals with the rules of practice before the Court itself. That seems to me quite a different proposition from dealing with substantive law.

Mr. MINTON. It deals with the whole law of procedure. Mr. WHEELER. Let us assume that the Senator is correct in that statement; is that any excuse whatever for taking away from the Congress of the United States the power to pass upon questions of public policy which perhaps vitally affect the people of the State of Indiana, or the people of Montana? I will repeat what I said before. The West is vitally interested in reclamation; it is vitally interested likewise in the Forest Service, because of the vast forests in the West. In the House of Representatives there are, relatively speaking, few Members from the West, because the Western States are sparsely settled. Legislation affecting that section, to do away with the Reclamation Bureau, might very easily be passed by the Congress of the United States, because I would say that a large part of the Eastern States are opposed to irrigation and reclamation.

Suppose, however, that the House approved a reorganization plan doing away with irrigation and reclamation, and it came over to the Senate of the United States, and because of the numerical strength of the West in the United States Senate we said, "We will not approve it." It would still be the law of the land, notwithstanding the fact that both branches of the Congress had not approved that particular legislation.

Mr. TYDINGS. Mr. President, will the Senator yield? Mr. WHEELER. I yield.

Mr. TYDINGS. I think it is accurate to say that the Court, as a matter of its own inherent right, makes rules of court without any reference whatever to Congress. However, the President of the United States cannot reorganize the Government without action by Congress.

Mr. WHEELER. That is correct.

Mr. TYDINGS. I do not believe the analogy drawn by the Senator from Indiana [Mr. MINTON] is a correct one. The Court may act on its own initiative, but the President may not do so.

Mr. MINTON. Mr. President, will the Senator yield?

Mr. WHEELER. I yield. Mr. MINTON. The Court may not make rules of court which have the force of law unless Congress says it may make them, or unless the Congress has failed to provide for rules and the necessity requires rules. The courts have no inherent power to make rules, except as a matter of necessity. Otherwise, they would be a legislative body.

Mr. WHEELER. The Congress of the United States has always delegated to the Interior Department and to other departments of the Government the right to enact rules and regulations for the government of the particular departments in carrying out legislation, the details of which we cannot attend to. That course has been held to be constitutional. For example, the Department of the Interior makes rules and regulations with reference to public lands in the carrying out of the public-land laws.

Mr. BYRNES. Mr. President

Mr. WHEELER. I shall be glad to yield in just a moment. So it is with every other department. We delegate to the departments the power to make rules and regulations. However, we do not delegate to the departments the power to change the substantive law of the United States of America in making those rules and regulations. When we delegate the power to make rules and regulations we do it with reference to a specific piece of legislation which we enacted. We do not grant general power to change the law or to abolish functions of office. We give no department the power to abolish the functions of office. I never heard of such an instance except the one to which the Senator called my attention the other day. If we did it in that instance, in my judgment, we did something that we should not have done, something that we had no right to do.

That instance is then cited as a reason why we should give the President of the United States the right to abolish functions of office and to repeal any law upon the statute books

Mr. BARKLEY, Mr. BYRNES, and Mr. McKELLAR addressed the Chair.

The PRESIDING OFFICER. Does the Senator from Montana yield, and, if so, to whom?

Mr. WHEELER. I yield to the Senator from Kentucky. Mr. BARKLEY. I should like to return to the analogy stated a moment ago by the Senator from Indiana [Mr. MINTON]. Undoubtedly the Supreme Court would have inherent authority to fix regulations of some sort with respect to the time counsel might occupy in argument, and various minor functions of that sort. However, the Supreme Court would have no authority, without the consent of Congress. to adopt a code of practice applicable not only to it but to all other Federal courts. The Congress authorized the courts practically to establish a code of practice in the Federal courts of the United States, with the provision that unless Congress should see fit to act otherwise by a certain date, or on the happening of a certain contingency, those rules and regulations should become substantive law. Otherwise, it was not necessary for Congress to authorize the Supreme Court to do what it could have done anyway.

Mr. McKELLAR. Mr. President— Mr. WHEELER. I yield to the Senator from Tennessee. Mr. McKELLAR. On that very point, let me read the provision of the Constitution which has something to say about this very subject. I quote from article III, section 2:

In all the other cases before mentioned, the Supreme Court shall have appellate judisdiction, both as to law and fact, with such exceptions, and under such regulations as the Congress shall

In other words, the Constitution requires that such regulations be adopted by Congress before they can become the

Mr. LOGAN. Mr. President, will the Senator yield?

Mr. WHEELER. I yield.

Mr. LOGAN. There is no similarity between the case referred to by the Senator from Tennessee [Mr. McKellar] and that referred to by the Senator from Kentucky [Mr. BARKLEY]. The Supreme Court enacted no law. It provided rules of procedure relating to the conduct of cases in the respective courts.

Mr. WHEELER. That is correct.

Mr. LOGAN. The Court did so pursuant to the powers vested in the Court by the Congress of the United States.

Mr. WHEELER. That is correct.

Mr. LOGAN. After the rules of practice had been prescribed, there was no change in the law. The rules were referred back to Congress, perhaps merely as a matter of courtesy. However, I think it goes without saying that the Supreme Court undid nothing which the Congress of the United States had done. The Congress of the United States has not attempted to prescribe any rules and regulations for the Supreme Court. The Supreme Court in its rules did not enlarge its jurisdiction or the jurisdiction of any other court.

Mr. WHEELER. Of course not.

Mr. LOGAN. It simply said, "A case shall be handled by this particular method or through this channel when it comes into any of the Federal courts."

Mr. WHEELER. I entirely agree with the Senator. Suppose the Congress of the United States had said to the Supreme Court of the United States, "We will give you the power to diminish the jurisdiction of the lower Federal courts," or "We will turn over to you the power to diminish your own jurisdiction, or to increase your own jurisdiction," I should say immediately that unquestionably we would have no authority under the Constitution to do anything of that kind. We say to the Court, "You may make rules and regulations pertaining to the practice in the Court." That is an entirely different thing. One situation deals with substantive law. The other deals with rules of practice before the courts, which is an entirely different thing.

Mr. BYRNES. Mr. President, will the Senator from Montana yield?

Mr. WHEELER. I yield.

Mr. BYRNES. I seldom interrupt. I am always willing to have the Senator interrupt me.

Mr. WHEELER. The Senator is welcome to interrupt. Mr. BYRNES. Evidently Congress thought differently about it, because the Congress did not provide that it be advised as a matter of courtesy. I quote the law:

The Court may at any time unite the general rules prescribed by it for cases in equity with those in actions at law so as to secure one form of civil action and procedure for both: Provided, however, That in such union of rules the right of trial by jury as at common law and declared by the seventh amendment to the Constitution shall be preserved to the parties inviolate. Such united rules shall not take effect until they shall have been reported to Congress by the Attorney General at the beginning of a regular session thereof and until after the close of such session. session thereof and until after the close of such session.

In order to preserve trial by jury, Congress thought it was necessary to provide that the merger of actions in equity and actions at law should be submitted to the Congress, and should not become effective until the end of a session, in order to give Congress the right to take action.

Mr. WHEELER. Will the Senator agree that the merger of common law and equity cases is not substantive law?

Mr. BYRNES. I agree to that statement.

Mr. WHEELER. The Senator will agree that that is not a matter of substantive law. It is a matter of practice.

Mr. BYRNES. I agree. What I say is that in the bill we provide that an order shall take effect at a certain time unless there is negative action. There has been considerable discussion of that provision. What I have stated is exactly what was done by the Congress. The rules became effective at the end of the session if Congress did not act in the meantime.

Mr. WHEELER. There is a vast difference between delegating to the Supreme Court, or to the head of one of the departments, the right to make rules of practice before that body, and changing the substantive law upon the statute books of the United States.

Mr. BYRNES. I agree; and I think there is an entire difference between Congress attempting to say what a court shall do, and Congress delegating to the head of the executive department the right to rearrange departments in the executive branch of the Government and submit an order to the Congress, that order not being effective if a majority of the House and Senate say it shall not become effective.

Mr. WHEELER. That is an entirely different thing. Mr. LOGAN. Mr. President, will the Senator yield.

Mr. WHEELER. I yield.

Mr. LOGAN. I desire to make a further observation. In the law as read by the Senator from South Carolina [Mr. Byrnes], there is no suggestion that the Congress shall act in one way or the other. I said a moment ago, and I repeat, that the Court was given authority to do certain things, with the proviso that certain rights should not be denied. The rules were submitted to Congress as a matter of courtesy. The time at which the rules were to become effective was extended so that Congress could see whether anything had been done outside the authority conferred upon the Court by the act, and for no other purpose.

Mr. WHEELER. I thank the Senator very much. Mr. GEORGE. Mr. President, will the Senator yield?

Mr. WHEELER. I yield.

Mr. GEORGE. Let me make a suggestion to the Senator from Montana. As he and all other Senators will recall, the question of the revision of the rules was a matter of debate and controversy for a long time. It was discussed in the Senate. The Senator's former colleague, the distinguished Thomas J. Walsh, was then a Member of the Senate, and was very much interested in the matter. There was no delegation of power to the Justices to change substantive law. There was merely the power to prescribe the rules of practice and procedure in the courts. It was thought by some that the Court might go beyond the scope of its power, and might infringe somewhat upon substantive laws and rights; and so, out of an abundance of caution, the provision which the Senator from South Carolina [Mr. Byrnes] read was put into the act, that if in consolidating

the equity and common-law jurisdictions there was any attempt to circumscribe the right of trial by jury which obtained in common-law actions, the Congress itself should have the right to review and scrutinize the action.

As the distinguished Senator from Kentucky [Mr. Barkley] well points out, the rules and regulations prescribed by the Court were not to come back to Congress for any act of the Congress to give them validity. They were to come back to the Congress and remain with the Congress for a period of time merely because it was not contemplated that there should be any change whatever from the substantive law. In the meantime, if the Justices had gone beyond their powers during the period when their work was before the Congress for scrutiny and supervision, Congress, of course, was at liberty to take any action it wished to take. It was not the affirmative action or negative action of Congress that gave power to the rules. The law itself provided that the rules would not become effective until a certain event had taken place.

Mr. WHEELER. I thank the Senator very much for his statement

Mr. MINTON. Of course, the Senator knows that for 150 years the Congress of the United States has been making what the Senator has referred to as "procedural law" for the Federal courts of this country?

Mr. WHEELER. The Senator is assuming a great deal. Mr. MINTON. No; I do not think so. The Senator knows that the Congress of the United States has been making that kind of law. The Senator may make the distinction that lawyers make between procedural law and substantive law: and there is such a distinction, but nonetheless it is law.

The Supreme Court of the United States by promulgating a rule, which when applied and is applicable, becomes a law of the land, has taken over this function of Congress. It is done under an act of Congress which contains fewer safeguards, as the Senator from Georgia has just pointed out, than does the bill we are now considering, because under the bill any proposed plan must come back to the Congress, and, if it is to be set aside, there can be some action or check on the part of Congress, whereas the action of the Supreme Court under the legislation to which I have referred could come back to Congress, but there was not any requirement that Congress should take any action at all. So there was far more delegation of authority to the Supreme Court than there is to the President under this proposed act.

Mr. WHEELER. I cannot agree with the Senator's statement with reference to that matter at all. However, let us assume, for the sake of argument, that we delegated to the Supreme Court the power to make the rules of procedure. Then, if the Senator desires, let us assume that we perhaps should not have done that, although I think the Senator from Georgia [Mr. George] and the Senator from Kentucky [Mr. Logan], both of whom are very able and distinguished lawyers, both of whom have served as judges, agreed that we had a perfect right to do it.

Let us assume, however, we did not have any such right. What kind of an argument is it to say because we did it with reference to the Supreme Court of the United States that now the Congress ought to delegate its power-

Mr. MINTON. Mr. President, will the Senator yield?

Mr. WHEELER. If the Senator will let me finish the sentence then I will yield—to delegate its power to abolish the functions of offices to the executive branch of the Government, and give to Congress, not the perfect power of veto as some Senators have stated, for the bill does not do that, but rather merely provides that if one branch of the Congress approves a plan of reorganization then it becomes a law? It becomes a law if one branch of the Congress approves of it, although the other branch of the Congress disapproves it. Where is there any veto power in the Congress of the United States under those circumstances?

Mr. WAGNER. Mr. President, will the Senator yield? The PRESIDING OFFICER. Does the Senator from Montana yield to the Senator from New York?

Mr. WHEELER. I yield.

Mr. WAGNER. I do not know that what I am about to say presents an exact analogy, although I think in the particular case the restriction which Congress has imposed upon itself is quite as effective as the restriction proposed by the pending measure. I refer to the Interstate Commerce Act. Mr. WHEELER. Oh, no.

Mr. WAGNER. Let me make my point, and if I am mistaken the Senator will, of course, dispose of the argument. The making of freight rates is strictly a legislative function.

Mr. WHEELER. That is correct.

Mr. WAGNER. Both the Legislature and the Executive, when they prescribe rates, perform a legislative function.

Mr. WHEELER. That is correct.

Mr. WAGNER. But Congress decided long ago that that rate making was too intricate a problem for it to deal with in committee or upon the floor. So the Congress delegated the authority to make rates, a pure legislative function, to a commission.

Mr. WHEELER. That is correct.
Mr. WAGNER. And the Congress imposed upon itself the restriction that it would not change the finding of the Interstate Commerce Commission except by the concurrence of both Houses. After the Interstate Commerce Commission sets a rate and it is approved as having been made in the proper exercise of their functions within the standards prescribed, such act of the Commission is final, and the Congress itself has said so.

Mr. WHEELER. Of course. Mr. WAGNER. May I follow that argument up?

Mr. WHEELER. Certainly.

Mr. WAGNER. And the Congress cannot amend the finding of the Commission unless both Houses determine by legislative vote that the Commission should have found some other rate.

Mr. WHEELER. That is correct.

Mr. WAGNER. So even though one House says, "We are going to stand by the Commission; the rates of the Commission are correct," if the other House says "no," the rates fixed by the Commission remain in force.

Mr. WHEELER. That is correct.

Mr. WAGNER. That is exactly what would happen under

Mr. WHEELER. I have repeatedly pointed out, at the last session and the present session, a distinction. Does not the Senator distinguish between the delegation of a power to a legislative arm of the Government—and that is what the Interstate Commerce Commission is—and the delegation of a power to the executive branch? There is that distinction. That is why a number of quasi-judicial bodies are exempted from the bill. If the Senator will follow the decisions of the Supreme Court, he will find that they distinguish between the delegation of power to an arm of the legislative branch of the Government and the delegation of power to the executive branch of the Government.

Mr. WAGNER. Mr. President-

Mr. WHEELER. Wait a moment. There is, it seems to me, a fundamental principle involved which is vastly important. In the one instance we are delegating power to a branch of our own, an agent of the Congress. Under the pending bill it is proposed to delegate it to the executive branch, to the President of the United States of America, whose duties are fixed by the Constitution, and it is proposed to delegate to him a right or power which belongs to the Congress of the United States. It is proposed to repose in the executive branch of the Government a power that belongs to the Congress. When the forefathers wrote the Constitution of the United States, why did they set up the legislative branch of the Government? They set it up because they wanted to have the legislative branch separate and distinct from the executive branch. There is no such distinction in Germany; there is no such distinction in Italy; there is no such distinction in Russia; and that is the system that is being advocated by some in the United States of America.

Mr. WAGNER. I may say to the Senator that we have done exactly that in the case of the Interstate Commerce Commission. In the first place, what we were dealing with was rates which are much more substantive than the creation or transfer of departments, for the fixing of rates affects the welfare and interests of all the people of the United States. In that action the President also was included, for when he signed the bill delegating that power he was performing a legislative function.

Mr. WHEELER. No. Mr. WAGNER. He was, because the legislation affected rates.

Mr. WHEELER. When the President signed his name he was performing an executive function; he was not performing a legislative function.

Mr. WAGNER. If the Senator will read the decisions, he will find that the making of rates is a legislative function.

Mr. WHEELER. Of course it is.
Mr. WAGNER. And to the extent the Executive participates in that function he is also performing a legislative function.

Mr. WHEELER. I beg the Senator's pardon. I challenge him to find me any decision of any court to that effect.

Mr. WAGNER. I think I can find it. But, irrespective of that, in the case of rates which, as I say, involve much more substantive matter than is involved in the bill now pending, the Congress has said that if either House favored the particular rates fixed, Congress could not change the action of the Interstate Commerce Commission.

Mr. WHEELER. That is correct. Mr. WAGNER. That is exactly what we are doing in this instance. We are saying that if one House of Congress approves a reorganization plan, the plan shall become effective, while if both Houses disapprove the plan it is wiped out. That is exactly what is done under the Interstate Commerce Act and under the Tariff Commission Act.

Mr. WHEELER. I have tried to explain to the Senator that there is a distinction which the courts have repeatedly

Mr. WAGNER. I have tried to show the Senator that there is not any distinction, so I think we are not persuading one another.

Mr. WHEELER. Unfortunately for the Senator from New York, the Supreme Court and every other court in this land that has passed upon the question has pointed out the difference that I have pointed out to this body.

Mr. BARKLEY and Mr. ADAMS addressed the Chair. The PRESIDING OFFICER. Does the Senator from Montana yield, and, if so, to whom?

Mr. WHEELER. I yield to the Senator from Kentucky.

Mr. BARKLEY. Waiving the question as to whether the President's signature to an act of Congress is a legislative or executive act, which may not have anything to do with the matter under consideration-

Mr. WAGNER. I did not say that; the Senator misunder-

Mr. BARKLEY. I do not accuse the Senator of saying that; but the question of whether the signature of the Chief Executive to an act of Congress is a legislative act or an executive act may be open to debate. However, the Senator from Montana will not deny, I presume, that inasmuch as the power to regulate commerce set out in the Constitution includes rate making, which is a legislative act, and includes wages and hours on transportation systems, which is a legislative act, we have recognized the physical impossibility as well as the undesirability that Congress shall attempt to make rates, and therefore, we have set up an agency to per-form that function. Now let us assume that the transfer of bureaus from one department to the other is a legislative act; then if we have the power to set up a commission to make rates for us because we cannot do it wisely, could we not set up a commission as the agent of Congress to transfer and consolidate and rearrange all departments; and, if we can set up an independent agency of Congress to do that, can we not make the President the agent of Congress to do it, just as we have made him the agent of Congress for the purpose of entering into trade agreements with other nations, which is a legislative matter, inasmuch as

Congress has the power to regulate commerce with foreign nations? We have set up or we could have set up an independent agency; but we made the President of the United States the agent of Congress to enter into these trade agreements between our country and others for the regulation of foreign commerce.

Mr. WHEELER. Yes; and how many Senators would

vote for that again?

Mr. BARKLEY. I am not talking about the desirability of it; but I am one who would.

Mr. WHEELER. I am not. Mr. BARKLEY. The Senator from Montana would not. We understand each other, then. I am talking, however, about the question of constitutionality, about the ability of Congress to set up an agency of its own to carry out a legislative function or a legislative mandate. My contention is that we may designate the President of the United States as the agent of Congress no less than we may set up an independent agency like the Interstate Commerce Commission, the Federal Trade Commission, or any of the other agencies that we have.

Mr. ADAMS. Mr. President, may I venture an interrup-

tion at this point?

The PRESIDING OFFICER. Does the Senator from Montana yield to the Senator from Colorado?

Mr. WHEELER. I do.

Mr. ADAMS. The Congress of the United States did not give to the Interstate Commerce Commission unqualified power to make rates. The Congress laid down certain rules and standards, and those rates can be made only within those rules and standards.

Mr. WHEELER. That is correct. Mr. WAGNER. I said the same thing.

Mr. GEORGE. Mr. President-

Mr. WHEELER. I yield to the Senator from Georgia. Mr. GEORGE. I rose merely to make the observation

made by the Senator from Colorado [Mr. ADAMS].

The power delegated to the Interstate Commerce Commission is not wholly legislative. The original jurisdiction to prohibit unjust rates is judicial. It is recognized as one of the judicial functions. The courts always had the power to say when a rate was discriminatory or when a rate was confiscatory, and in the protection of other and broader rights the power of the Interstate Commerce Commission rests in part upon the exercise of a judicial function; and, as the Senator from Colorado [Mr. ADAMS] has pointed out, the Interstate Commerce Commission and the Tariff Commission exercise no legislative power. They merely act as an agent of the legislative branch of the Government, under rules and regulations.

It will be recalled that when the Supreme Court finally sustained the validity of the so-called flexible provision of the Tariff Act in the Hampton case, it put its decision squarely on the ground that the Congress had not delegated legislative power to the Tariff Commission, but it had appointed the Tariff Commission its agent to exercise an administrative function under rules and regulations which theoretically at least were capable of precise and exact application. That is, of course, the state of our law.

There is no support for the contention that Congress may delegate legislative power. It may not do so. The single test of the validity of the act of the Congress, when that question is involved, is whether Congress has undertaken to delegate legislative power, or merely the power to apply a legislative formula that may at least theoretically be

exactly applied.

As I read this bill-and I am asking now for information-no attempt is made to lay down rules and regulations under which the President shall proceed, beyond the general broad rule of effecting economies, and so forth, and, as I understand the bill, it does provide for the abolition of functions of government.

Mr. WHEELER. That is correct.
Mr. BARKLEY. Mr. President, may I ask the Senator from Georgia a question?

Mr. GEORGE. I shall be glad to answer it if I can.

Mr. WHEELER. I yield for that purpose.

Mr. BARKLEY. Under the power of the Constitution conferred upon Congress to regulate commerce among the States and with foreign countries, Congress, by legislative enactment, could legally have done everything that the Interstate Commerce Commission has done; could it not?

Mr. GEORGE. Oh, yes; beyond all doubt. Mr. BARKLEY. Then, of course, it was a legislative matter. Then, to the extent to which Congress has surrendered the details of working out the final rules by which commerce shall be regulated, Congress necessarily has surrendered part of its legislative authority, assuming that it legally and constitutionally could have done so.

Mr. GEORGE. Oh, no; Congress has delegated none of its legislative power, and it is not within the power of Con-

gress to delegate it.

Mr. BARKLEY. If Congress had done all the things that had been done under the Commission-

Mr. GEORGE. Presumably it could have. Mr. BARKLEY. Would not that have been legislation, all of it?

Mr. GEORGE. Not at all.

Mr. BARKLEY. Why not? Mr. GEORGE. The Commission acts as the administrative agent of the Congress in accomplishing the legislative

Mr. BARKLEY. Congress has jurisdiction to do everything it may authorize its agent to do.

Mr. GEORGE. Yes, certainly; and the Congress may authorize its agent to perform a ministerial or administrative act, but it may not give to its agent the power to legislate.

Mr. BARKLEY. Of course that draws a distinction as to whether fixing a rate on a railroad from Chicago to San Francisco is a mere ministerial act, or whether it is legislation, assuming that Congress legally and constitutionally could have fixed that rate in an act of its own.

Mr. GEORGE. Certainly Congress could have done it, because we do have the affirmative power under the power to regulate commerce. But what I said in the first instance was that much of the power to regulate rates is to control the making of the rates. The validity of an act of the Interstate Commerce Commission depends upon whether it has acted within the delegated power; whether it has applied the formula prescribed by the Congress under which it is authorized to act. If so, its act becomes valid. But it is a confused statement to say that Congress may delegate legislative power. It may not do so. It must prescribe the formula which its agent may apply to reach the legislative end or purpose.

Mr. BYRNES. Mr. President, will the Senator from Montana yield to me at that point?

Mr. WHEELER. Just a moment. I want to thank the Senator from Georgia, and say to him that he is entirely correct

Mr. BYRNES. Will the Senator yield to me just at that point?

Mr. WHEELER. Let me finish my statement. The Senator from Georgia is entirely correct; and, if it will be recalled, the Supreme Court of the United States, in holding some of the New Deal laws unconstitutional, held them unconstitutional because there were not sufficient standards set up, and because of the fact that the Congress was attempting to delegate the power to legislate.

Mr. BYRNES. But the Senator from Montana will agree that the standards set forth in this bill are based on the identical standards of the 1932 act. The Supreme Court, in each of two cases in which the standards were attackedthe cases of Isbrandtsen-Moller Co. v. United States (14 Fed. Supp. 407) and Swayne & Hoyt, Ltd., v. United States (10 American Mar. cases 1790)—upheld the standard as sufficient. The theory of the House of Representatives, where this bill was drawn, was in accord with the statement of the Court as cited by the Senator from Georgia, based upon the Hampton case, which was cited with approval in the tobacco case, the decision being rendered in January of this year, in which the President was acting as the agent of the Congress, carrying out the declaration of the Congress

in accordance with the standards; and the standards had been previously upheld in the two cases to which I refer-

Mr. WHEELER. Let me say to the Senator that Attorney General Mitchell, in the case in which Congress enacted legislation during the Hoover administration, said that the restrictions imposed by the Congress were unconstitutional. If that legislation was unconstitutional, then certainly this is unconstitutional. That matter was called to my attention only today, and for that reason I have not yet read the Attorney General's decision; but the reason why we entered this argument was because of a revival of the Supreme Court issue. The reason the Supreme Court issue was injected was because some of those taking part in the debate wanted to show, perhaps, that some of us favored the Supreme Court, and we would not grant the same power to the President.

Mr. BYRNES. I do not say that.

Mr. WHEELER. No; I know the Senator from South Carolina would not say it, and he would not think it; and that is not the real reason. I have tried to explain to the Senate that this is not a question of not having confidence in the President of the United States. If that were the question, let me read the bill. Let me read the exemptions.

The Civil Service Commission is exempted. Why was it exempted? I suppose somebody would say it was exempted because those who were interested in the civil service did

not trust the President of the United States!

The Coast Guard was exempted, I suppose, because some Senator or some Representative, or those who drafted this bill, and the Senator from South Carolina, did not trust the President of the United States!

The Engineer Corps of the United States Army was exempted, I suppose, because of the fact that the drafters of the bill in the House of Representatives did not trust the President of the United States.

The Mississippi River Commission was exempted because of the fact that the people living along the Mississippi River did not trust the President of the United States!

The Federal Communications Commission was exempted for the same reason!

The Federal Trade Commission, the General Accounting Office, the Interstate Commerce Commission, the National Labor Relations Board, the Securities and Exchange Commission, the Board of Tax Appeals, the United States Maritime Commission, the Veterans' Administration, the National Mediation Board, the National Railroad Adjustment Board, the Railroad Retirement Board, the Federal Deposit Insurance Corporation, and the Board of Governors of the Federal Reserve System were exempted for the same reason; and I assume that the reason why it was provided in the bill that there shall not be a change in the name of any executive department was because we did not trust the President of the United States; and the reason why the next provision (d) was inserted, forbidding the continuance of any executive agency beyond the period authorized by law for its existence, was for the same reason, that we did not trust the President of the United States!

There is not in the slightest degree any question of not trusting the President of the United States. If the bill were based upon that principle, if that were the reason, let me say to you that I would trust the President of the United States. It is not a question of that kind with me. I do not think the President will do all that ought to be done in the way of reorganization. I do not believe very much will be done, or can be done, under this bill; but I submit that what we ought to do is to give the President the power. and say to him, "Go ahead and reorganize any of these bureaus, any of these branches, any of these divisions that you want to see reorganized; send the bill down to the Congress of the United States, and then we will discuss it for only 10 days, and we agree that either the House or the Senate shall vote on the matter within 10 days." Take out all the exemptions. Those who put in the exemptions are the ones who should be accused of not trusting the President of the United States.

I am saying, let him approve it and send it to Congress, and let the Congress do its duty under the Constitution.

Mr. WAGNER. Mr. President, will the Senator permit me to make a statement, in view of what the Senator from Georgia said, so that I may not be misunderstood?

Mr. WHEELER. Yes.

Mr. WAGNER. The statement I made was that the fixing of rates is purely a legislative function. Of course, when that is delegated to a commission of some kind, the delegation must always prescribe standards, so that, strictly speaking, when the commission acts it acts in an administrative capacity. The result of their action is legislation. The court has no power to fix rates. The judicial function is to determine whether the rates are reasonable or not; and that is all the Court can do.

Mr. WHEELER. That is correct. I am glad to have the

Senator explain it.

Mr. WAGNER. We meant the same thing.

Mr. WHEELER. Yes. There is no analogy between the Interstate Commerce Commission Act and this proposed legislation, because in the pending bill we say to the President, "You can abolish any function or office in any of the departments not exempted." We do not say that to the Interstate Commerce Commission, we do not say it to the Tariff Commission, and do not say it to any other body.

I wish to call attention again to the brief argument that was presented by Representative Hatton Sumners in the

House of Representatives. He said:

There is a very definite similarity in relationship and in re-ponsibility between the submission to the Houses of Congress by sponsibility between the submission to the Houses of Congress by the President of proposed legislation and the submission by him of a proposed reorganization. Under the Constitution, if the President submits proposed legislation, either House of Congress is possessed of the power and charged with the duty to prevent its enactment if in its judgment the proposed legislation is contrary to the public interest. That arrangement is much older than our own Constitution. It began with the beginning of the British Parliament. That arrangement in the long history of Anglo-Saxon government has helped to preserve stability in government. This reorganization bill ignores the philosophy of that arrangement.

That is the point I am trying to impress upon the Members of the Senate, that the pending bill disregards the fundamental principles upon which this Government is based as a representative Government.

As I stated a while ago, I do not think the bill is so important; I do not think that the President will do too much under it. I want to see him do more than I expect he will be able to do under it. But I say that if a Republican President, and a conservative one at that, should be elected in 1940 as may very well happen, what would he do? He would say, "I want this power extended for 2 more years, or 3 more years, or 4 more years, because I want to carry out the reorganization of the departments which Mr. Roosevelt did not have power to do." What are you Democrats going to say? Are you going to say that you will not turn the power over to some conservative or reactionary Republican? You would not give it to him today. You would not give it to Harding; you would not give it to Hoover; you would not give it to Coolidge. Will you give it in 1940?

What are you going to do about it? You are going to say. "I will not do it because I do not like him, because he is a Republican, and I am not going to trust him because he may repeal all of the progressive legislation that was passed dur-

ing the Roosevelt administration."

Mr. PEPPER. Mr. President, will the Senator yield?

Mr. WHEELER. I yield.

Mr. PEPPER. I should like to ask the Senator from Montana of what does the legislative power consist? What is the exercise of the legislative function?

Mr. WHEELER. I do not quite understand the question.

Mr. PEPPER. I mean by that, when the legislative power of the Government is vested in the Congress, how does the Senator define the legislative power? The Constitution vests the judicial power in the Supreme Court and such inferior courts as the Congress shall from time to time establish.

Mr. WHEELER. That is correct.
Mr. PEPPER. We have a historical predicate upon which to form a definition of what constitutes the judicial power. What is the essence of the legislative power? Does it mean that the Congress shall initiate and define every detail of legislation to which it gives approval, or does it mean the legislation shall not be effective until it is submitted to the approval of the people's chosen representatives, with the privilege of debating it?

Mr. WHEELER. I agree; but that is not being done in this instance. It means, under our system of government, that the Congress of the United States shall affirmatively, in both Houses, enact and approve legislation. That is the fundamental principle upon which our Government is founded, and that is the thing for which people have been fighting in the Anglo-Saxon countries for hundreds of years. Now it is proposed that we reverse that and give the power back.

Mr. PEPPER. What is the thing for which the people have been fighting for hundreds of years? What is the essential fundamental and quality of the legislative power? If the Congress of the United States has an executive proposal laid before it, and the Congress has untrammeled power of debate over that proposal, and the Congress votes in the regular way upon whether or not it will approve the proposal, can the Senator say that, so long as that power is exercised by the Congress, there has been any abdication of the legislative power?

Mr. WHEELER. Of course not; and that is not in the

proposed legislation.

Mr. PEPPER. It is.

Mrs. WHEELER. If the Senator makes that statement, then I cannot argue with him.

Mr. PEPPER. Let me see if I correctly understand the situation.

Mr. WHEELER. I am sure the Senator does not understand it, if he makes such a statement as he has just made.

Mr. PEPPER. I should be very glad to be enlightened, because I have one vote on the bill, which I should like to cast.

Mr. WHEELER. Let me show the Senator what would take place under the proposed legislation. The President submits his plan.

Mr. PEPPER. Yes.

Mr. WHEELER. I think perhaps the Senator was out of the Chamber when I explained it a moment ago. Let us take a concrete example. The people of my State are vitally interested in irrigation and reclamation; they are vitally interested in forestry, and they are vitally interested in mining. A great many of the people of the Eastern States, who have an overwhelming vote in the Congress, from New York and Pennsylvania and New England and New Jersey, all the great States in the East, are not at all interested in reclamation. If the Senator will read the Record he will find that speeches are repeatedly made by representatives from Pennsylvania and New York to the effect that we should not appropriate money for irrigation and reclamation, that the reclamation law should be repealed.

Let us assume, for the sake of argument, that we had a President who was unfriendly to irrigation and reclamation. Of course, President Roosevelt is very friendly; so I am not saying he would do such a thing; but let us assume we had a President in the White House who was unfriendly, and who would send an order to the Congress that had for its object the abolition of the Reclamation Bureau or providing for a curtailment of its powers, so that it would be of no importance. The bill would get to the House of Representatives, and they could debate it for 2 days and then take a vote on it. There would be no general discussion of it; it would be passed, and they would say, "We are in favor of the President's plan to abolish the Irrigation and Reclamation Bureau." The matter comes to the Senate, and we say that we want the Reclamation Bureau, and there are so many Members of the Senate from the West and Middle West who are in favor of it that there is an overwhelming majority against that order which destroys the Reclamation Bureau. But, notwithstanding the fact that the Senate may have voted overwhelmingly, perhaps 100 percent, against this reorganization order, it becomes the law of the land. Is that a parliamentary method of procedure? Is that the Senator's conception of the things for which the people in the Anglo-Saxon countries and in the Scandinavian countries have been fighting for hundreds of years? Is that what they have sacrificed their blood for? Is that why they have gone out and fought for their ideologies?

Mr. PEPPER. The thing for which those people during all those generations have been fighting is an opportunity for the people to give or withhold their approval of proposed legislation and proposed governmental action. When the people's representatives express themselves and exercise that power, and when Congress refuses to reject a proposal, having the power to do so, it certainly has not been deprived of the right to exercise legislative power.

Mr. WHEELER. Congress does not have the power in this bill, as I have repeatedly stated. If both branches of the Congress were required to approve the order rather than one, I should say there was something to the argument.

Mr. PEPPER. To cite a typical case, if the Senator has an agent with whom he entrusts his business, and that agent is given authority to act, with the proviso that the agent's action shall not become effective until submitted to the principal and the principal has an opportunity for scrutiny of the action, and an opportunity to veto it, if he does not approve it, can it be said that the principal abdicates his authority? That is exactly what happens in this case.

Mr. WHEELER. Let us suppose it is a partnership, and there are two partners, and one approves and the other does not. What would the Senator say about the agent then?

Mr. PEPPER. I will answer the question.

Mr. WHEELER. Let me finish my question. Before legislation becomes effective under our Constitution, both branches must affirmatively approve it. It is not possible to legislate by negative vote under the Constitution of the United States.

Mr. PEPPER. Mr. President, there is nothing involved which has to do with the legislative power. The Senator may not approve of the particular method of exercising the power, but I ask the Senator, if the dictators of the world, before they could put into effect any of their executive fiats, had to submit them to a free legislative assembly, and offer the opportunity of free and untrammeled debate, and then they were permitted to put those things into effect if the assembly did not veto them or reject them or withhold approval from them, could the Senator say that the legislative function had been abdicated?

Mr. WHEELER. Of course, in the case of the dictatorships, in some countries there are things which call themselves parliaments, there are those they call members of parliament. Mr. Mussolini has what he calls a parliament; Mr. Hitler has one, and Mr. Stalin has one, and they call them "parliaments."

They submit matters to them, and the "parliaments" vote on them. But they vote as it is intended they should vote. I would suppose under the theory of the Senator he would say that they had parliamentary government.

Mr. PEPPER. The Senator perhaps would say that those were just pseudo-parliamentary acts.

Mr. WHEELER. We would have a pseudo policy under this theory of legislation

theory of legislation.

Mr. PEPPER. Let us take the British Parliament, if the

Senator wishes to choose that. If the Prime Minister embarks upon a legislative course, the Parliament has the privilege of stopping that procedure, or reviewing it, or criticizing and vetoing it, before it goes into effect. Can the Senator say that that ancient Parliament has ceased to be the citadel of parliamentary procedure?

Mr. WHEELER. In the United States it takes action by both branches of the Congress before a law becomes effective. The Senator wants a law to become effective after one branch of the Congress says it will not stand for it.

Mr. PEPPER. No; neither I nor the bill say that.

Mr. WHEELER. Then there is no use of arguing with the Senator.

Mr. PEPPER Let me say to the Senator that I should like to present one point of view. The bill simply says that governmental reorganization is a very complicated matter; that it involves a great deal of detail; that it involves perhaps the executive function of analysis and criticism and experimentation, and the like; and we are going to authorize an agent of ours to put into effect a reorganization plan which is perfectly within the scope of the legislative authority. We can delegate any legislative power of this sort that we care to. Then we delegate to what we regard as a competent agency this portion of our legislative power. Even if we stopped there, that would still be no violation of our legislative authority or abdication of our legislative power. But we go even further than that, and we say, "However, this delegation of power cannot be consummated and effectuated until the proposed exercise of it is laid before the Congress for examination, debate, and judgment."

It makes no difference how we exercise our authority to legislate. If we choose to have a viva voce vote instead of a vote by roll call, it is just as much an exercise of legislative power. The sentiment of this body every day is exercised by a negation, because the Presiding Officer sits in his chair and says, "Without objection, the bill is passed," and the Senate can pass any bill it chooses by negative action if the question

is properly put by the Chair.

That is all we are doing in the present case. Can the Senator from Montana say that because the Vice President says, "Without objection, the bill is passed," it is not legally passed? It may be the most important piece of legislation to come before this body. Yet the Senator says that because we do not go through the more routine procedure we have abdicated the legislative power.

When the President sends down a proposal, and it is submitted from the Vice President's chair, and he says, "Without objection, the proposal goes into effect," is that an

abdication of the legislative power?

Mr. WHEELER. Mr. President, I do not want to continue an argument when the Senator takes the position that in parliamentary government under our Constitution laws can be passed by negation. I just cannot follow that philosophy at all. It is absolutely contrary to every teaching I have ever heard or read of, and consequently, if that is the philosophy of the Senator from Florida I cannot agree with him

Mr. PEPPER. Mr. President, the Senator has been a Member of the Senate for a long time. Since I have been on the floor of the Senate we have passed at least 500 laws

Mr. WHEELER. Not at all. We pass them by affirmative action, because any Senator can rise and object when the Vice President makes the statement as to unanimous consent. A measure is passed by unanimous consent.

Mr. PEPPER. But by negation.

Mr. WHEELER. No. How can a Senator say it is passed by negation simply because it is done by unanimous consent?

Mr. ADAMS. Mr. President, will the Senator yield?

Mr. WHEELER. I yield.

Mr. ADAMS. It seems to me the argument that has been made is based entirely upon a false premise. There is one general clause in the Constitution of the United States. It happens to be in the first section.

Mr. WHEELER. Let me say to the Senator from Colorado that to some Senators the Constitution does not mean anything any more.

Mr. ADAMS. There are a few of us with obsolete opinions. Will the Senator indulge me a moment? The Constitution

All legislative powers herein granted shall be vested in a Congress of the United States, which shall consist of a Senate and House of Representatives.

The validity of a reorganization plan, so far as it comes back to Congress for action under a concurrent resolution. is not dependent on the exercise of legislative power. It is an enactment of law which becomes effective upon a condition. In other words, the fact that the two Houses concur in the matter does not make it legislation. It could just as validly have been provided that it would become effective when the three city Commissioners of the city of Washington approved it. That is, either we have given to the President authority to make a reorganization to become effective upon a condition or it is not valid at all. And the Congress can fix any condition it pleases as to the going into effect of the law.

The same situation exists in connection with local option laws. A law is passed providing that when a certain thing takes place in the community then the law becomes effective there. We are not delegating legislative authority if we are merely delegating the authority to administer a law. That is all we can do. We cannot give to the President, we cannot give to anyone else, the authority to make laws. We can merely give him the authority to administer the law and put it into effect. The proposed reorganization law cannot be sustained upon any theory if in fact what the President does is in the nature of legislating. We could attach to the act, assuming it is valid, a condition upon which a plan would go into effect, but it would not be the action of either or both bodies of Congress.

Mr. WHEELER. I thank the Senator.

Mr. SHIPSTEAD. Mr. President, will the Senator yield to me for a question?

Mr. WHEELER. I yield.

Mr. SHIPSTEAD. I ask the question for my own information because it is one which rises in my mind. If legislative power is vested in Congress, we are in possession of that power under the Constitution. Can we delegate that power to any extent at all? If we can, can we then also say, "We delegate to the President all legislative power imposed in us by the Constitution? We will go home. Whatever action you take, whatever legislation you may see fit to make throughout the summer, shall be the law, provided we come back in the fall and either one of two Houses agrees." Does that question

Mr. WHEELER. If the philosophy of the Senator from Florida is correct, then the Senator would be correct in assuming that what we could do would be to say to the President of the United States, or to any executive officer of the Government, to Mr. Ickes or to Miss Perkins. "We authorize you to appropriate for your department whatever money you need or whatever you want to spend." And we could say to the President of the United States, "You can appropriate whatever money you want to appropriate for W. P. A., or P. W. A., or anything else, and then we will come back, and you submit to the Congress of the United States a report as to what you have done, and if one House of Congress says that it is all right and the other says it is not, then your action becomes the law and the appropriation is sustained."

Mr. BYRNES. Mr. President, will the Senator yield?

Mr. WHEELER. I yield.

Mr. BYRNES. I want to ask the Senator from Montana if he agrees with the Senator from Colorado that the Congress can authorize the President to sign an Executive order, and that we can say, "Your Executive order shall not be valid unless it receives the unanimous approval of the Republican Members of the United States Senate," or impose any other condition, as the Senator suggested just now. Does the Senator agree?

Mr. WHEELER. I do not agree with that.

Mr. BYRNES. That is what the Senator from Colorado said on the floor.

Mr. WHEELER. I did not hear what he said in respect

Mr. BYRNES. The Senator stated that the Supreme Court said in January that we could say substantially that a law should not become effective unless the tobacco growers in a referendum agreed upon it. But, of course, the Senator from Colorado was only using an illustration when he made reference to unanimous approval by Members of the Senate.

Mr. WHEELER. Why argue about the theory of the question? Why argue as to whether we have a right to do it? I do not think we have. I have taken up a great deal of time. I think the American people want to see the legislative branch of the Government of the United States maintained; they want to see us maintain our authority and our power. I believe they are tired and weary of having us delegate our power to the executive branch of the Government. If Senators do not think that they are weary and tired, then let

them read the election returns of the last election. I think that is one of the best answers to the question.

Let me tell Senators that if they continue to delegate their power, and turn it over to the executive branch of the Government, when the next election comes around the boys who have delegated that power and said that they were incompetent to act will find that the voters will agree with them and leave them home; and, in my judgment, they probably should do so.

Mr. BYRNES. The Senator will agree that Congress in 1903 established a new department, and, with respect to certain matters, delegated and surrendered and abdicated and gave up its power, and told the President of the United States that under the act then passed he could transfer all statistical and scientific bureaus from any department of the Government to the Department of Commerce and Labor. The Senator knows that the people did not become excited about it. Years afterward President Coolidge exercised his privileges under that law. It is the law today. The people have not become excited about it or evinced any opposition to it. The Senate has not done a thing to repeal it, has it?

Mr. WHEELER. I did not know that it was on the statute books. The Senator did not know that it was on the statute books until he looked it up the other day.

Mr. BYRNES. The Senator is absolutely mistaken. Mr. WHEELER. Then I withdraw the remark.

Mr. BYRNES. The Senator from South Carolina referred to the act of 1903 a year ago in the debates.

Mr. WHEELER. I think I remember it.

Mr. BYRNES. The Senator thinks he now remembers it. A moment ago he did not remember it, and was not even willing to admit that I might remember it.

Mr. WHEELER. What difference does it make?

Mr. BYRNES. It means only that the Congress then gave to the President the right to transfer bureaus and activities to the Departments of Commerce and Labor without even notifying the Congress by letter of his action. Today, because that law is still in existence, the President may transfer from any of the other departments any bureaus of a scientific or statistical nature. Neither the Senator from Montana nor the Senator from South Carolina would ever know of it. Yet when we talk about giving the President power to make a transfer, and to send his plan to the Congress, when we know that the plan does not become effective until we have an opportunity to act upon it, it is called an abdication, a surrender, and a forfeiture of all the rights of parliamentary government.

Mr. WHEELER. The Senator has told us that two or

three times.

Mr. BYRNES. I thought the Senator did not know it.
Mr. WHEELER. The last part of what the Senator said
he told me yesterday, and he told the Senate today.

Mr. PEPPER. Mr. President, will the Senator yield? Mr. WHEELER. Not for a speech. I am becoming weary, and I should like to conclude.

Mr. PEPPER. I assure the Senator that I shall not im-

pose upon his generosity.

I desire to discover whether the Senator opposes the bill on the ground that what we propose to do is unconstitutional or on the ground that it is undesirable from a legislative point of view.

Mr. WHEELER. Both.

Mr. PEPPER. Does the Senator think the Supreme Court would hold that we had abdicated the legislative power if we should detach from the bill entirely our right of veto subsequent to the President's proposal?

Mr. WHEELER. I do not know that I quite understand the

Senator's question.

Mr. PEPPER. If the bill should merely delegate to the President the authority to reorganize the executive branch of the Government without any exceptions, would the Senator say that the Supreme Court would not sustain that law?

Mr. WHEELER. I think it does not make a particle of difference whether or not there are exceptions in it.

Mr. PEPPER. In the Senator's opinion, would the Supreme Court sustain such a law or invalidate it?

Mr. WHEELER. I am quite certain that the Supreme Court would not sustain an act of Congress in the language of the present bill.

Mr. PEPPER. The Senator has that constitutional doubt. However, if the Senator should admit that the Supreme Court would sustain such a law, that would amount to a decision that we have not abdicated our legislative authority or duty; would it not?

Mr. WHEELER. The fact that the Supreme Court might hold that we had not violated our constitutional duty would not mean that we had not abdicated. It seems to me that is not the question at all. The question is whether or not Congress should delegate to the executive branch the powers which belong to Congress under the Constitution. When the Constitution was drafted, the framers said, "We will have an executive, a legislative, and a judicial branch."

We are now proposing to turn over to the executive branch of the Government the right to abolish functions of office. Once functions of office are abolished, the laws upon the statute books of the United States are repealed. I cannot understand how anyone can take any other view of the

question

I should like to finish reading what the distinguished Representative from Texas [Mr. Sumners] stated. He said:

What answer can there be when this action on our part is examined other than that we are afraid to trust ourselves in reorganization matters with our ordinary constitutional powers and responsibilities? And the question seems pertinent that if we are afraid to trust ourselves with that responsibility and power with regard to reorganization, why should the public trust us with them with regard to legislation?

Of course, as I said at the outset of my statement, many persons might say that because President Taft sent some proposed legislation to Congress which the Congress rejected, therefore Congress was not capable of legislating. It might be said that because President Wilson sent proposed legislation to Congress, which we did not enact, therefore, we were not capable of legislating. The same thing might be said with respect to Presidents Coolidge, Harding, and all the rest of them. However, when we say that we are not competent to vote on reorganization legislation, are we not saying in the same breath that we are incompetent for the same reason to pass upon ordinary legislation which comes before the Congress?

The Senator from South Carolina [Mr. Byrnes] said that a group of labor organizations would swarm down upon us, urging us to preserve this particular agency. Bless my soul! When the Guffey coal bill was before the Congress of the United States we passed it. Why did we pass it? Because of the fact that labor organizations demanded it, because they swarmed down upon the Congress of the United States demanding that we pass that legislation. Was it because the operators swarmed down on us? Or did some Members believe in its merits?

Organizations swarm down upon us in connection with every single bit of legislation. Other groups swarm down on us, including labor, business, farmers, and others. If we have not the courage to stand up and resist that pressure we ought to abolish the Congress and go home because we are not competent to legislate. If we are incompetent in one respect because we are afraid of labor organizations or afraid of this power or afraid of that we are in exactly the same position with reference to all other legislation that comes before the Congress.

I wish to read one more paragraph. Representative Sum-

This thing which the House proposes to do to itself, to its power, and its responsibility is far more important than its relationship to the particular item of legislation. We know that fundamental changes in governments like ours are brought about by precedents and practice. When we put our feet into the road and begin to walk we are going somewhere, and where we arrive depends upon the direction we take. This bill unamended leads in the wrong direction. It is a bad precedent.

There is no question that in formulating this bill we of the House could either keep or surrender this constitutional power without interfering with the efficiency of the Executive in carrying out the purposes of the bill. Any assumption to the contrary must be based upon the notion that the House as an institution

is unfit to be trusted with the exercise of its constitutional powers. We raise the question ourselves that if the House cannot be trusted with its constitutional powers with regard to reorganization, as we seem to believe, why should the House be trusted with regard to legislation?

I submit, Mr. President, that the reason why I am opposed to this legislation is not because of the effect of this particular piece of legislation. I say that we are traveling in the wrong direction, and we have been traveling in the wrong direction when we have been turning over the legislative power to the executive branch of the Government.

Some Senator said a moment ago that there was no objection in 1922 when we turned over certain legislative powers to Mr. Coolidge. It was said that there was no objection when we turned over such powers to Mr. Wilson, or to some other President. That was true. Why? Because of the fact that the people of the United States of America were not disturbed by world conditions. They did not see, as we see today, the trend of world affairs. They did not see a dictatorship in Italy which threatens the world. They did not see Hitler in Germany about to involve the world in war. They did not see a Stalin in Russia and they did not see the people of Japan under the iron heel of a dictatorship. They did not see the world on the brink of war. The whole trend of legislation throughout the world has changed.

Today men call themselves liberals who want to abolish constitutional parliamentary government step by step. They call themselves liberals when they seek to abolish parliamentary government. Liberals have fought and have always been designated as liberals, because they have been willing to sacrifice their lives for parliamentary government and representative government throughout the World.

So I submit that there is nothing liberal about the proposed legislation. It is reactionary. It is a step backward. It should not be passed by the Congress of the United States unless the Congress has a right affirmatively to say whether or not it wants the plans proposed by the Executive branch of the Government to become law.

Mr. McNARY. Mr. President, may I appeal to the Senator from Kentucky to take a recess at this time?

Mr. BARKLEY. Has the Senator from Montana concluded?

Mr. WHEELER. Yes.

Mr. BARKLEY. I have no desire to hold the Senate in session longer.

Mr. McNARY. I thank the Senator.

FARM CREDIT LEGISLATION-CHANGE OF REFERENCE

Mr. BARKLEY. Mr. President, a number of measures have been introduced dealing with the questions of farm credit and home owners' loan banks, which were created by legislation which came from the Committee on Banking and Currency. One of the bills was introduced by the Senator from Wisconsin [Mr. WILEY]. That bill has been referred to the Committee on Banking and Currency. Another of the measures, a joint resolution, was introduced by the Senator from Minnesota [Mr. Shipstead]. That measure has been referred to the Committee on Agriculture and Forestry. A third bill has been introduced by the Senator from Idaho [Mr. CLARK]. His bill has been referred to the Committee on Agriculture and Forestry.

Inasmuch as the Committee on Banking and Currency has always had jurisdiction of such proposed legislation, and has a regular subcommittee to consider it, I have taken up with the Senator from Minnesota [Mr. Shipstead] and the Senator from Idaho [Mr. Clark] the question of re-referring their measures to the Committee on Banking and Currency. It is my understanding that it is agreeable to the authors of the measures that they be referred to the Committee on Banking and Currency, which has always had jurisdiction of such proposed legislation.

I will say to both Senators that in connection with such legislation there is a standing subcommittee of the Banking and Currency Committee, of which I am a member, and of which I think the Senator from Idaho [Mr. CLARK], the author of one of these bills, is also a member; and that

we can guarantee to the authors of the measures prompt hearing and consideration if the measures are re-referred.

Mr. SHIPSTEAD. Mr. President, I desire to follow the usual procedure of the Senate whenever I can do so. We have a certain situation as the result of farm-credit measures that have been reported from the Banking and Currency Committees of the Senate and the House, and passed by the Congress, for the purpose of extending credit to farmers. From investigations I have made, I have come to the conclusion that the result of that legislation has been to bail out the banks at the expense of the farmers, and it has not brought about any improvement in farm credit. For that reason I have introduced a joint resolution to remedy farm-mortgage-foreclosure sales and the taking of deficiency judgments.

Sixty thousand farms were foreclosed on in the past 4 years. We are making a propertyless farm class. Because it is an agricultural question and a social question rather than a banking question, I asked that the joint resolution be referred to the Committee on Agriculture and Forestry. However, I do not want to be obstreperous in the matter. I have a great deal of respect for the majority leader and for the standing committees of the Senate, and I am willing to yield, and to have the joint resolution go to the Banking and Currency Committee, with the hope that we shall receive a more sympathetic hearing than we have had up to this time.

Mr. BARKLEY. Mr. President, I will say to the Senator that in my opinion the Committee on Banking and Currency has always given thoughtful and sympathetic consideration to every farm problem. We reported, almost by unanimous vote at the last session of Congress, a bill reducing the interest rates provided for by law, which resulted in a charge upon the Treasury of the United States. We did that in a desire to help the farmers to meet their obligations. I think the record of the Banking and Currency Committee on farm credit matters has not been such as to justify any feeling that it would not give prompt and fair consideration to any bill dealing with this subject, and I do not understand the Senator from Minnesota to make any such insinuation as that.

Mr. SHIPSTEAD. I do not question the sympathy or the good will of the Banking and Currency Committee. I am talking about the results of legislation that has been passed here, judging from the reports I get from governmental sources, on the question of farm mortgages.

Mr. BARKLEY. Mr. President, I have not the numbers of the two measures; but I ask unanimous consent that the Committee on Agriculture and Forestry be discharged from the consideration of the joint resolution introduced by the Senator from Minnesota [Mr. SHIPSTEAD] and the bill introduced by the Senator from Idaho [Mr. CLARK], and that they be referred to the Committee on Banking and Currency.

Mr. GURNEY. Mr. President, will the Senator yield?

Mr. BARKLEY. I yield.

Mr. GURNEY. I have before the Senate a bill-Senate bill 1278—on the amortization of past-due feed-and-seed loans. May I have that bill also included in the Senator's request?

Mr. BARKLEY. Yes; that is entirely agreeable. All of the measures ought to be considered at the same time.

The PRESIDING OFFICER. Without objection, the pill and joint resolution referred to by the Senator from Kentucky and the bill referred to by the Senator from South Dakota will be-

Mr. HATCH. Mr. President, what was the request about the seed-loan bill? We have always handled those matters in the Agricultural Committee.

Mr. BARKLEY. The Senator from South Dakota [Mr. GURNEY] asked that a bill which he had introduced, with respect to seed loans, be also included in my request.

Mr. HATCH. The Senator from South Dakota requested that that be done in the case of his own bill?

Mr. BARKLEY. Yes.
Mr. McKELLAR. Mr. President—
Mr. BARKLEY. Has the request I made been granted?

The PRESIDING OFFICER. The request has not yet been acted upon. Without objection, the Committee on Agriculture and Forestry will be discharged from their consideration of the two measures referred to by the Senator from Kentucky and the bill referred to by the Senator from South Dakota and they will be referred to the Committee on Banking and Currency.

Mr. McKELLAR. Mr. President, if the Senator will yield, I desire to ask the Senator from New Mexico [Mr. HATCH] who is on the Agricultural Committee, whether a seed-loan bill has been reported this year.

Mr. HATCH. I think not.

Mr. McKELLAR. Has any such bill been introduced?

Mr. HATCH. Not to my knowledge. Mr. GLASS. Mr. President, I do not see why the seedloan bill should be referred to the Banking and Currency Committee. That never has been done heretofore.

Mr. BARKLEY. The bill provides for loans on seed through certain agencies which are now in existence, as I understand.

Mr. GURNEY. No; the bill to which I refer asks for an amortization program on past due seed and feed loans.

Mr. GLASS. Such bills never have been referred to the

Banking and Currency Committee.

Mr. BARKLEY. Mr. President, I think the bill of the Senator from South Dakota is a different matter. Heretofore such legislation has come from the Committee on Agriculture and Forestry, and the bill probably ought to remain there. I had no objection to its going to the Committee on Banking and Currency; but it would be taking away from the Committee on Agriculture and Forestry a matter of which it heretofore has had jurisdiction. I thought the Senator's bill provided for some form of amortization through the Federal land banks and the other lending agencies set up by the Farm Credit Administration. If it does not do that-

Mr. GURNEY. It does refer to money that has previously

been loaned by the Farm Credit Administration.

Mr. WAGNER. Mr. President, as chairman of the Banking and Currency Committee, may I clarify the situation? Those loan measures heretofore have been considered by the Committee on Banking and Currency in connection with the Agricultural Adjustment Act.

Mr. BARKLEY. That is true.

Mr. WAGNER. So I think the bill ought to go to that committee.

Mr. HATCH. Mr. President, because of the confusion on the floor it was impossible for me to learn what happened about the seed-loan bill.

The PRESIDING OFFICER. It has been referred to the Committee on Banking and Currency by unanimous consent.

Mr. HATCH. I made no objection at the time because the author of the bill requested that that be done. My recollection is, however, that each year the Agricultural Committee has considered seed-loan bills. As a member of that committee I wish to interpose an objection at this time to the bill's being referred to any other committee than the Committee on Agriculture and Forestry.

Mr. McKELLAR. Mr. President, I thought the bill had already been referred to the Committee on Banking and Currency.

Mr. HATCH. I ask that the action of the Senate referring Senate bill 1278 to the Committee on Banking and Currency be reconsidered.

The PRESIDING OFFICER. Is there objection?

Mr. McKELLAR. I understand that it has already gone to the committee.

Mr. BARKLEY. The Senator is referring only to the bill of the Senator from South Dakota [Mr. GURNEY]?

Mr. HATCH. That is correct.
The PRESIDING OFFICER. Is there objection to the request of the Senator from New Mexico to reconsider the action discharging the Committee on Agriculture and Forestry from the consideration of Senate bill 1278, the bill of the Senator from South Dakota, and its reference to the Committee on Banking and Currency? The Chair hears none, and the action is reconsidered.

Mr. HATCH. Now, I request that the bill be referred to the Committee on Agriculture and Forestry.

Mr. WAGNER. I make no objection. Mr. BARKLEY. It is already there.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. McKELLAR. Mr. President, I desire to request the Senator from New Mexico to look after the seed-loan bill and see that some action is taken on it.

Mr. HATCH. I may say to the Senator from Tennessee that the Agricultural Committee has always treated seed-loan bills with the utmost favor, and the program has been an entire success.

Mr. McKELLAR. It has. I know that the statement just made by the Senator from New Mexico is absolutely true.

At the request of Mr. BARKLEY, the Committee on Agriculture and Forestry was discharged from the further consideration of the following bill and joint resolution, and they were referred to the Committee on Banking and Currency:

S. 1250. A bill providing for a moratorium on mortgages held by the Farm Credit Administration, and for other pur-

poses; and

S. J. Res. 65. Joint resolution relating to deficiency judgments against borrowers from Federal land banks, and for other purposes.

EXECUTIVE SESSION

Mr. BARKLEY. I move that the Senate proceed to the consideration of executive business.

The motion was agreed to; and the Senate proceeded to the consideration of executive business.

XECUTIVE MESSAGES REFERRED

The PRESIDING OFFICER (Mr. Lucas in the chair) laid before the Senate messages from the President of the United States submitting the nomination of William O. Douglas, of Connecticut, to be an Associate Justice of the Supreme Court of the United States, vice Louis D. Brandeis, retired, and sundry other nominations (and also withdrawing a nomination), which nominating messages were referred to the appropriate committees.

(For nominations this day received, see the end of Senate proceedings.)

EXECUTIVE REPORTS OF COMMITTEES

Mr. McCARRAN, from the Committee on the Judiciary, reported favorably the nomination of Robert P. Patterson, of New York, to be a judge of the United States Circuit Court of Appeals for the Second Circuit, vice Martin T. Manton,

Mr. McKELLAR, from the Committee on Post Offices and Post Roads, reported favorably the nominations of sundry postmasters.

The PRESIDING OFFICER. The reports will be placed on the Executive Calendar.

If there be no further reports of committees, the clerk will state the nominations on the Executive Calendar.

The legislative clerk proceeded to read sundry nominations of postmasters.

Mr. McKELLAR. I ask that the nominations of postmasters be confirmed en bloc.

The PRESIDING OFFICER. Without objection, the nominations of postmasters are confirmed en bloc.

ROBERT P. PATTERSON

Mr. WAGNER. Mr. President, a favorable report has been made today on the nomination of Judge Robert P. Patterson to be judge of the United States Circuit Court of Appeals for the Second Circuit. The nomination has been pending in the committee for some 7 weeks. I have consulted the leaders in the Senate and have consulted the chairman of the Committee on the Judiciary and the chairman of the subcommittee to which the nomination was referred, and they

are all agreeable to the immediate consideration of the nomination. This is really a promotion. Judge Patterson has made a brilliant record for a period of over 10 years in the Federal court of the southern district of New York. He is not of my political faith, but I took very great pleasure because of his unusual record in recommending his nomination, and because the circuit court of appeals has been without the services of one of the judges for some weeks, and it is probably the busiest circuit court of appeals in the United States, I ask that the nomination be immediately considered. It is unanimously reported by the committee.

unanimously reported by the committee.

Mr. McNARY. Mr. President, I have looked into the case, and I think a real emergency exists; so I should like to see action on the nomination today.

The PRESIDING OFFICER. The clerk will state the nomination

The legislative clerk read the nomination of Robert P. Patterson, of New York, to be judge of the United States Circuit Court of Appeals for the Second Circuit.

The PRESIDING OFFICER. Without objection, the nomination is confirmed.

Mr. WAGNER. I ask that the President be immediately notified of the confirmation of the nomination.

The PRESIDING OFFICER. Is there objection? The Chair hears none, and the President will be notified.

The clerk will state the next nomination on the Executive Calendar.

IN THE ARMY

The legislative clerk proceeded to read sundry nominations in the Army.

Mr. SHEPPARD. I ask that the Army nominations be confirmed en bloc.

The PRESIDING OFFICER. Without objection, the Army nominations are confirmed en bloc.

That concludes the Executive Calendar.

RECESS

The Senate resumed legislative session.

Mr. BARKLEY. I move that the Senate take a recess until tomorrow at 12 o'clock noon.

The motion was agreed to; and (at 5 o'clock and 12 minutes p. m.) the Senate took a recess until tomorrow, Tuesday, March 21, 1939, at 12 o'clock meridian.

NOMINATIONS

Executive nominations received in the Senate March 20 (legislative day March 16), 1939

ASSOCIATE JUSTICE OF THE SUPREME COURT OF THE UNITED STATES

William O. Douglas, of Connecticut, to be an Associate Justice of the Supreme Court of the United States, vice Louis D. Brandeis, retired.

DEPARTMENT OF LABOR

Elmer F. Andrews, of New York, to be Administrator of the Wage and Hour Division, Department of Labor.

APPOINTMENTS BY TRANSFER IN THE REGULAR ARMY
TO ADJUTANT GENERAL'S DEPARTMENT

Capt. John Baylis Cooley, Cavalry, with rank from August 1,

TO CAVALRY

First Lt. Loren Boyd Hillsinger, Air Corps, with rank from August 1, 1935.

APPOINTMENT IN THE NAVY

Pay Director Ray Spear to be Paymaster General and Chief of the Bureau of Supplies and Accounts in the Department of the Navy, with the rank of rear admiral, for a term of 4 years from the 1st day of April 1939.

CONFIRMATIONS

Executive nominations confirmed by the Senate March 20 (legislative day of March 16), 1939

UNITED STATES CIRCUIT COURT OF APPEALS

Robert P. Patterson to be a judge of the United States Circuit Court of Appeals for the Second Circuit.

Appointment, by Transfer, in the Regular Army Capt. Philip James Henderson to Quartermaster Corps. Promotions in the Regular Army

Harry Rex MacKellar to be colonel, Medical Corps.
Donald Carl Snyder to be major, Medical Corps.
Merritt Gartley Ringer to be major, Medical Corps.
Claude Benjamin White to be captain, Medical Corps.
Andrew Fredrick Scheele to be captain, Medical Corps.
Clark Bolton Meador to be captain, Medical Corps.
Maurice Edson Washburn to be captain, Dental Corps.
William Richard Arnold to be chaplain with the rank of colonel, United States Army.

POSTMASTERS

NEW YORK

Katherine A. Colligan, Halesite.

PENNSYLVANIA

Stephen A. Bodkin, Pittsburgh.

VIRGINIA

F. Cleveland Davis, Lexington.

WASHINGTON

John H. Field, Newport.

WITHDRAWAL

Executive nomination withdrawn from the Senate March 20 (legislative day of March 16), 1939

POSTMASTER

Hazel May Peterson to be postmaster at Nashua, in the State of Montana.

HOUSE OF REPRESENTATIVES

Monday, March 20, 1939

The House met at 12 o'clock noon.

The Chaplain, Rev. James Shera Montgomery, D. D., offered the following prayer:

Almighty God, fount of all goodness and source of all power, we rejoice that the Eternal Mind was in the Incarnation. Into a harsh and benighted age this ideal type of Teacher came to infuse a holy conception of truth and brotherhood into the human life of this world. His age-old voice, yet new as the breath of the morning, still declares that the crushing afflictions, overwhelming as they are, in the balance of time are light and for the moment. His banner of the dawn will yet wave in triumph over the ruins of a vanishing night. Blessed Lord, may we trust in Thy strength and guidance. Endue us with clear thinking, cool judgment, and spiritual heroism; there is a humanity being brooded over by divine care. Heavenly Father, we turn our face to Thee while sin-seared minds are contriving unknown highways of death and destruction. O help us to work and pray, to live and die for the luminous truth of the world's Saviour, whose thought may we breathe, whose power may we exhale, and whose life may we live. In His adorable and holy name.

The Journal of the proceedings of Thursday, March 16, 1939, was read and approved.

MESSAGE FROM THE PRESIDENT

A message in writing from the President of the United States was communicated to the House by Mr. Latta, one of his secretaries, who also informed the House that on the following dates the President approved and signed bills of the House of the following titles:

On March 15, 1939:

H. R. 2868. An act making appropriations to supply deficiencies in certain appropriations for the fiscal year ending June 30, 1939, to provide supplemental appropriations for the fiscal year ending June 30, 1939, and for other purposes.

On March 16, 1939:

H. R. 3743. An act making appropriations for the Executive Office and sundry independent executive bureaus, boards,

commissions, and offices for the fiscal year ending June 30, 1940, and for other purposes.

MESSAGE FROM THE SENATE

A message from the Senate, by Mr. Frazier, its legislative clerk, announced that the Senate had agreed without amendment to a concurrent resolution of the House of the following title:

H. Con. Res. 12. Concurrent resolution authorizing the printing as a document of the congressional proceedings held in the House of Representatives on March 4, 1939, in commemoration of the one hundredth and fiftieth anniversary of the commencement of the First Congress of the United States under the Constitution.

FEDERAL HOUSING

Mr. FITZPATRICK. Mr. Speaker, I ask permission to address the House for 1 minute.

The SPEAKER. Without objection, it is so ordered.

There was no objection.

Mr. FITZPATRICK. Mr. Speaker, last Thursday while discussing the appropriation for the United States Housing Authority, the gentleman from Wisconsin [Mr. Schafer] asked me if I had heard from John L. Lewis. I replied to him in the negative. However, later in the afternoon, Mr. Anthony Wayne Smith, assistant counsel of the C. I. O., called me up and said they were opposed to the White amendment.

From the information I have received, if the White amendment remains in the bill it means the United States Government will have to cancel contracts with the local authorities amounting to almost \$400,000,000 and will throw thousands of mechanics and laborers out of work.

I appeal to the Members when the Interior bill is reported back to the House to vote against the White amendment and save the jobs of thousands of workers throughout the United States. [Applause.]

WASHINGTON, D. C., March 16, 1939.

Hon. James H. FITZPATRICK,

WASHINGTON, D. C., March 16, 1933.

United States Capitol:

Urgently request you do everything which may lie within your power to obtain reconsideration by House of alterations in section of Interior Department appropriations bill governing expenditures by United States Housing Authority. Full amount provided in committee report should be restored by reinstating provisos permitting expenditures up to one and a half million on site to be repaid to United States Housing Authority. Unless this is done, appropriation is, in effect, reduced by million and half below committee report and appropriation to Authority is cut by one-third. New proviso limiting use of Federal funds to \$3,500 per family must be eliminated if Housing Authority is to function. Sponsors of this limitation have shown themselves completely ignorant of the housing problems with which they profess to deal. Believe it imperative that these items be corrected before final passage. The C. I. O. and organized labor generally is heartily behind the United States Housing Authority and the act, and regrets all tampering with the appropriation.

Anythony Wayne Smith,

Assistant Counsel of C. I. O.,

Executive Secretary, C. I. O. Committee on Housing.

AMERICAN FEDERATION OF LABOR, Washington, D. C., March 16, 1939.

Hon. James F. Fitzpatrick, Washington, D. C.

My Dear Congressman Fitzpatrick: I am writing to you with further reference to the White amendment to the appropriation bill, which limits the over-all cost of U. S. H. A. projects to \$3,500per-family houses.

per-family houses.

In the telegram sent to you earlier I made reference to the low average construction costs attained by the U. S. H. A. It seems to me important for Members of Congress to realize that the average construction cost of dwelling units in the U. S. H. A. aided projects have been forced to a low level through rigid economies. The average dwelling unit net construction costs upon which main construction contracts have been approved average \$2,830 per unit, or more than \$1,000 lower than the average cost of housing built in the same localities by private enterprise.

or more than \$1,000 lower than the average cost of housing built in the same localities by private enterprise.

It is equally important for Members of Congress to realize that the White amendment limits the total and final cost per family to \$3,500. This over-all cost included not only construction but also land, nondwelling facilities, and equipment. The average estimated cost per dwelling unit for U. S. H. A. aided projects is \$4,507, excluding slum clearance. This over-all cost also reflects the economies attained by the U. S. H. A., being \$1,023 less than the average value of new housing insured by F. H. A. It is obvious in the light of these figures that the White amendment would eliminate practically all the 140 projects under construction, making it impossible

to do slum clearance and build low-rent housing projects in almost every part of the United States.

It is also important to note that the over-all cost of \$4,507 on the U. S. H. A. projects is an average cost and that on many projects this average cost will have to be exceeded. Even so, this cost does not include slum clearance, which under the act must be carried out as part of the program. The \$3,500 imposed as a maximum over-all cost by the White amendment implies that good housing can be built under this figure, including not only land, nondwelling facilities, new construction, and equipment, but also including the cost of slum clearance. We are convinced that no good housing can be built within this limitation, and that the adoption of the White amendment would prevent the U. S. H. A. from completing the 140 projects it has already initiated and prevent the U. S. H. A. from doing additional slum clearance and from building additional decent housing in any substantial part of the country. The amendment would inevitably scrap the whole U. S. H. A. program, deprive the building mechanics and laborers of the opportunity this program offers to secure private employment at fair labor standards, and would wipe out the prospects of rehousing in decent homes the men, women, and children who now live in the slums and blighted areas of the Nation.

The American Federation of Labor has backed the U. S. H. A. also important to note that the over-all cost of \$4,507 on the

The American Federation of Labor has backed the U. S. H. A. program from the beginning. The Houston convention of the American Federation of Labor, held in October 1938, unanimously approved the expansion of this program, which it held to be most vital to the Nation at this time. On behalf of the American Federation of Labor, I express my sincere hope that the friends of labor in the House of Representatives will support our view and defeat this destructive amendment.

Sincerely yours

Sincerely yours.

HARRY C. BATES

Chairman, Housing Committee, American Federation of Labor.

Mr. Speaker, I ask unanimous consent to revise and extend my remarks and to include therein communications I received from the A. F. of L. and the C. I. O.

The SPEAKER. Without objection, it is so ordered.

LICENSING OF CIVILIAN MILITARY ORGANIZATIONS

Mr. SMITH of Virginia. Mr. Speaker, I ask unanimous consent to address the House for 1 minute.

The SPEAKER. Without objection, it is so ordered. There was no objection.

Mr. SMITH of Virginia. Mr. Speaker, I have today introduced a bill entitled "An act to make unlawful attempts to overthrow the Government of the United States: to require licensing of civilian military organizations; to make unlawful attempts to interfere with the discipline of the Army and Navy; to require registration and fingerprinting of aliens; to require deportation of certain aliens; to enlarge the jurisdiction of the United States circuit court of appeals in certain cases and for other purposes."

I offer this bill because I am confident that the great majority of loyal American citizens believe that legislation should be enacted now, at this session, to curb, prohibit, and punish some of those most flagrant, offensive, persistent, and organized subversive movements against our constitutional form of democratic government.

Many bills have been offered at this and previous sessions aimed at different phases of the subject. The bill which I present, and which is subdivided into five titles, includes the objectives of much of the legislation heretofore proposed. I have included in it only such provisions as I believe that every Member of Congress, irrespective of party, approves and can wholeheartedly support.

I recognize that many proposals of a controversial nature on this subject of un-American activities have been offered that would meet with opposition from one group or another. Such provisions I have eliminated with the idea that the bill here presented affords a fairly wide range of proposals for the beginning of needed legislation. I realize that if this bill becomes a law it will need revision and amendment, but feel confident that when the investigation of the Committee on un-American Activities has been completed we will have a clearer picture of the whole subject upon which to base comprehensive legislation.

In the meantime, the enactment of this legislation at this session of Congress will materially aid the Dies committee in carrying out the purposes of its investigation.

I claim no originality for the provisions of this bill. In fact, I have examined the provisions of numerous bills introduced by others in the House and in the Senate and have drawn freely from the language of such bills. All I

have sought to do is to codify the many proposals contained in other bills, eliminating those which I regarded as too controversial, and have tried to incorporate only those provisions that would meet with universal approval as being needful legislation. I have undertaken to present a bill in support of which we could all meet on common ground. The bill contains, in a large measure, proposals submitted and bills offered by Mr. DEMPSEY, of New Mexico; Mr. TAY-LOR of Tennessee; Mr. Fish, of New York; Mr. Voorhis of California; Mr. May, of Kentucky; Mr. McCormack, of Massachusetts; Mr. RANDOLPH, of West Virginia; Mr. DICKSTEIN, of New York; Mr. Brown of Georgia; Mr. Starnes of Alabama; Mr. Hobbs, of Alabama; and many others; and some modest suggestions of my own.

There are millions of loyal American citizens who are being offended and alarmed daily by the persistent and overwhelming barrage of publications, pamphlets, and public utter-ances attacking our system of government, and by the known presence of paid agents of other governments fomenting disturbances in our midst; and these citizens are beginning to wonder why Congress does not enact some law or take some action to prohibit and to punish some of these more obvious attempts to undermine our constitutional form of government.

I am submitting this statement to the House in order to invite the attention of the Members to the provisions of this bill while it is being considered in committee, and I urge every Member to read the bill and, if you have any constructive criticism or amendment, to submit the same while the bill is under consideration by the committee, in order that unintentional hardships or injustices that may have been inadvertently included may be eliminated by committee amendment before the bill comes to the floor of the House.

I realize that there are those who will seek to sabotage any effort to suppress this wave of un-American and subversive activities, and the chief method of doing so is to call such bills "red baiting." This term always seems to have some magical effect on some people. Personally, I do not see anything against "red baiting." I myself am for "red baiting." The "reds" have been baiting loyal Americans and the American form of government constantly, and a little "red baiting" by good, patriotic, red-blooded American citizens with the same kind of poison bait that is being used to weaken our system of government meets with my full approbation. I am strong for the old philosophy of "fighting the devil with fire."

As I have stated before, I have no pride of opinion in the provisions of this bill, because they are to a large extent the work and the language of others, but I do hope that this appeal may bring forth constructive and helpful suggestions to perfect and strengthen the bill while it is being considered by the committee. Certainly I shall welcome any proposed change that would accomplish that purpose.

The bill is subdivided into five titles, and its provisions may be briefly analyzed as follows:

TITLE I

Section 1 makes it unlawful to advocate overthrow of the Government by force.

Section 2 makes it unlawful to publish or distribute literature

advocating overthrow of the Government by force.

Section 3 makes it unlawful to defend assassination by word or

writing of any officer of the Government.

Section 4 makes it unlawful to affiliate with any organization advocating overthrow of the Government by force.

TITLE II

Section 5. Makes it unlawful to organize or join civilian military

Section 5. Makes it unlawful to organize or join civilian military organization without a license from Secretary of War. Section 6. Secretary of War may investigate such organizations and require statement of purposes and objects under cath. Section 7. Definition of civilian military organization. Section 8. Exceptions.

Section 9. Makes it unlawful to advise member of Army or Navy to disobey orders.

Section 10. Gives power to seize literature advocating such. Section 11. Definition of Army.

TITLE III

Section 12. Person not to be naturalized who advocates any other form of government for the United States.

Section 13. To prohibit aliens from commuting to United States

or employment.
Section 14. Deportation of criminal aliens.

Section 15. Registration of aliens. Section 16. How to register.

Section 16. How to register.
Section 17. Immigration service to require registration.
Section 18. Fingerprinting aliens.
Section 19. Forms for registration.
Section 20. First registration within 60 days.
Section 21. Commissioner of Immigration to keep records.

Section 22. To be deported for failure to register.

TITLE IV

Section 23. Unlawful to attempt or to conspire to commit viola-

Section 24. Punishment and deportation of any alien violating the act.

Section 25. Country refusing reentry of deported aliens to have quota suspended.

TITLE V

Sections 26 to 31. Provide for internment of certain aliens and enlarges jurisdiction of circuit court of appeals in certain cases.

I cordially invite constructive criticism for the improvement of the terms of the measure and the cooperation of all members in its enactment into law.

Mr. GEYER of California. Mr. Speaker, I rise to submit two unanimous-consent requests.

The SPEAKER. The gentleman will state them.

EXTENSION OF REMARKS

Mr. GEYER of California. Mr. Speaker, I ask unanimous consent to extend my remarks in the RECORD and to include therein a radio speech by Paul Scharrenberg on the subject of Federal aid to education.

Mr. RICH. Mr. Speaker, reserving the right to object, will the gentleman tell us again who made this address?

Mr. GEYER of California. Paul Scharrenberg, of the American Federation of Labor.

Mr. RICH. Is the gentleman willing to permit addresses made by anybody outside of Congress to go in the Congres-SIONAL RECORD as part of our record?

Mr. GEYER of California. I think the other side has been

doing it, have they not?

Mr. RICH. The Democrats are responsible for this RECORD. If the publication now known as the Congressional RECORD is to be filled with speeches of everybody else in the country, it will cease to be a record of the proceedings of Congress

Mr. GEYER of California. Is the gentleman objecting? Mr. RICH. Does the gentleman think this speech ought to go in?

Mr. GEYER of California. I think it ought to go in, or I would not have asked that it go in.

Mr. RICH. Why does the gentleman think it ought to go in the RECORD?

Mr. GEYER of California. I think it ought to go in the RECORD because it is educational in value. I think it ought to go in the RECORD because the American Federation of Labor have a right to let the world know what they want.

Mr. RICH. Is the Congressional Record a publication for the American Federation of Labor, or is it a record of the proceedings of Congress?

Mr. GEYER of California. Answering the gentleman, I may say it is just as much a vehicle for matters such as I now ask to have inserted as it is a vehicle for the Inglewood Daily News to put things in against Towne Neilander which perhaps are not true.

The SPEAKER. Is there objection to the request of the gentleman from California?

Mr. TABER. I object.

SHINGLE QUOTA AND MARKETING OF IMPORTED LUMBER

Mr. SMITH of Washington. Mr. Speaker, I ask unanimous consent to address the House for 1 minute.

The SPEAKER. Is there objection?

There was no objection.

Mr. SMITH of Washington. Mr. Speaker, I am introducing a bill to restore the 25-percent quota on importation of red-cedar shingles from Canada which became effective under the N. R. A. and was continued satisfactorily under the reciprocal-trade agreement with Canada. However, it was abrogated under the recent new treaty to the great detriment of the people of my district and the Pacific Northwest and it ought to be reinstated in the interests of

the workers and industries. We have asked President Roosevelt to give notice to Canada under paragraph (b), article X of the Canadian Trade Agreement for a revision of paragraph 1760, to bring this about and we have high hopes that the President will act favorably. If this is not done, we shall have to press for the enactment of this legislation, which is similar to that introduced in the Senate by the Senators of Washington and Oregon.

I am also introducing a bill to reenact the important and very essential lumber-marking proviso of the Tariff Act of 1930, as amended, which was enacted in the last Congress but also nullified under the last reciprocal-trade agreement negotiated with Canada. This would require imported forest products to be marked showing the country of origin, instead of being exempted from such marking provision.

The bills are as follows:

A bill (H. R. 5124) relating to the importation of shingles

Be it enacted, etc., That notwithstanding the provisions contained in any foreign-trade agreement heretofore or hereafter entered into, whenever any organization or association representing the producers of more than 75 percent of the red-cedar shingles produced in the United States during the previous half-year period shall request the President to limit the importation of red-cedar shingles from Canada, and the President finds from available statistics that the total quantity of red-cedar shingles produced in the Dominion of Canada which is entered, or withdrawn from warehouse, for consumption in the United States, during any given half of any calendar year exceeds or will exceed 25 percent of the combined total of the shipments of red-cedar shingles by producers in the United States and the imports during the preceding half year, the President shall issue an order limiting for the 6 months immediately following the half of the calendar year in which said excess occurred the quantity of red-cedar shingles to be imported from Canada to 25 percent of the combined total of the shipments and imports of red-cedar shingles for such preceding half calendar year. The President shall issue a new order for each half of the calendar year thereafter with the same limitations as hereinbefore set forth. Be it enacted, etc., That notwithstanding the provisions contained

A bill (H. R. 5125) to amend the Tariff Act of 1930, as amended, with respect to the marking of lumber and timber imported from foreign countries

Be it enacted, etc., That the proviso contained in subdivision (J) of section 304 (a) (3) of the Tariff Act of 1930, as amended, is hereby amended to read as follows: "Provided, That this subdivision (J) shall not apply to sawed lumber and timbers, telephone, trolley, electric-light, and telegraph poles of wood, and bundles of subtrales."

shingles."

SEC. 2. The provisions of section 304 of the Tariff Act of 1930, as amended by this act, shall be effective after the thirtieth day following the date of enactment of this act, notwithstanding any provision to the contrary contained in any foreign-trade agreement heretofore or hereafter entered into under the authority of section 350 of the Tariff Act of 1930, as amended and supplemented.

STATEMENT OF THE UNITED STATES RED-CEDAR SHINGLE INDUSTRY, INC., RELATING TO THE 1939 RECIPROCAL-TRADE AGREEMENT WITH CANADA

The United States Red Cedar Shingle Industry, Inc., with its principal offices at Seattle, Wash., desires to present the following for your consideration in connection with the reciprocal-trade agreement with Canada.

ment with Canada.

The 1936 agreement provides for the free importation of shingles from Canada, but the United States reserved the right to limit importations of red-cedar shingles to 25 percent of the domestic requirements. In accordance with this reservation, Congress provided in section 811 of the Revenue Act of 1936 for the imposition of the 25-percent limitation during the continuance of the 1936 agreement. The 1939 agreement provides (par. 1760 of schedule II) that shingles may be imported free, but reserves the right of the United States to impose a duty, not exceeding 25 cents per square, on red-cedar shingles imported in excess of 30 percent of the domestic consumption.

sumption.

Even before ratification of the new agreement by the Canadian Parliament the threat of the impending change with regard to red-cedar shingles has produced dire results for our industry.

cedar shingles has produced dire results for our industry. Imports of shingles in 28 days of January 1939 amounted to 303,675 squares. This is an increase of 60.5 percent over the average of the three January imports covered by the 1936 agreement. The figures are as follows: January 1936, 153,566 squares; January 1937, 168,779 squares; January 1938, 229,505 squares; an average of 183,950 squares; January 1939, 303,675 squares.

The immediate effect, however, was felt in November 1938, following the public announcement of the new agreement. The market broke approximately 17 percent, or 40 to 55 cents per square, and the combination of break in price and cancelation of orders caused a large percentage of mills to be shut down, thereby throwing many hundreds of men out of work and causing a confused situation for the manufacturers.

The next effect of the proposed agreement was vastly increased activity among Canadian mills, many of which (those having a suf-LXXXIV-188

ficient log supply on hand), started running two shifts per day, 6 days per week, or 96 hours weekly, preparatory to dumping enormous quantities of red-cedar shingles on the American market in the spring of 1939. As logs became available other mills started up and the first result is the large increase in imports as indicated by the largue features. January figures.

January figures.

The final effect will be a drastic reduction of our wage scale or the virtual abandonment of the American market to the Canadians. Each year since 1933 has seen an increase in wages in the industry, the average wage in 1938 being 92.3 cents per hour. Since that year, 1933, the industry has become completely unionized and, therefore, individual bargaining is no longer available to the manufacturers in the United States, as it is to Canadian operators.

The United States wage average is approximately 35 cents per hour higher than the Canadian average, or in percentage our average is approximately 60 percent greater than the Canadian average. Another important factor in establishing Canadian control of the American market is the cost of the raw product—cedar logs. Our cost has been \$18 per thousand feet, whereas the Canadian manufacturer has been paying from \$12 to \$16. The lower log price in Canada, caused by a wage scale much inferior to the American loggers' scale, gives the Canadian shingle manufactured shingles; taking the two items together—namely, labor cost and log cost—the Canadian mills enjoy a cost advantage of from 45 cents to 80 cents per square. cents per square.

cents per square.

The final element of cost which may be compared is that of transportation of the finished product. The cedar-bearing section of Canada and that of the United States is approximately the same distance from the domestic market, and therefore there is parity in rail rates. The Canadians, however, enjoy an advantage in water shipments. According to law we must use American bottoms at established rates, whereas the Canadian mills are free to use the ships of any nation and may drive bargains where possible.

From the foregoing it is evident:

1. The new agreement has created a competitive situation which

1. The new agreement has created a competitive situation which has broken the market and caused a serious curtailment of domestic production.

2. It has caused the import of an abnormal quantity of red-cedar shingles as compared with imports under the 1936 agreement.

3. It promotes labor disputes because the new condition makes necessary a substantial reduction in wages and an increase in hours

CONCLUSIONS OF THE UNITED STATES RED-CEDAR SHINGLE INDUSTRY

CONCLUSIONS OF THE UNITED STATES RED-CEDAR SHINGLE INDUSTRY
That action be taken under paragraph (b), article X of the
Canadian trade agreement, and a proposal be made to revise
paragraph 1760 to provide for the right to limit the total quantity
of red-cedar shingles which may be entered, or withdrawn from
warehouse, for consumption during any given half of any calendar
year, to a quantity not exceeding 25 percent of the combined total
of the shipments of red-cedar shingles by producers in the United
States and the imports of such shingles during the preceding half
year, and for the right to impose an ad valorem duty of 25 percent on all red-cedar shingles imported into the United States in
excess of the 25 percent quota aforesaid.

We believe the foregoing restriction would be fair to the red-

excess of the 25 percent quota aforesaid.

We believe the foregoing restriction would be fair to the redcedar shingle industry in the United States and in Canada and
to the domestic market. Twenty-five percent of the American
market gives to Canada the same proportion of our shingle market
it enjoyed during the years when manufacturing costs were on a
parity. An ad valorem customs duty of 25 percent will amount to
sufficient to reasonably equalize costs, thereby giving the domestic
market red-cedar shingles produced under competitive conditions
and in amounts in accordance with the demand.

We are attaching hereto a summary of facts in support of the

We are attaching hereto a summary of facts in support of the proposed change together with charts on the wage situation in the United States and in Canada.

UNITED STATES RED CEDAR SHINGLE INDUSTRY, INC., By DAVID M. WILLIAMS, Secretary-Manager.

MEMORANDUM-PROPOSED CHANGE IN RED-CEDAR SHINGLE PROVISION OF CANADIAN TRADE AGREEMENT

OF CANADIAN TRADE AGREEMENT

The President to give notice to Canada under paragraph (b), article X of the Canadian trade agreement, signed November 17, 1938, of a proposal to revise paragraph 1760, as follows:

Provide for a reservation of the right to limit the total quantity of red-cedar shingles which may be entered, or withdrawn from warehouse, for consumption during any given half of any calendar year, to a quantity not exceeding 25 percent of the combined total of the shipments of red-cedar shingles by producers in the United States and the imports of such shingles during the preceding half year, and for the right to impose an ad valorem duty of 25 percent on all red-cedar shingles imported into the United States in excess of 25-percent quota aforesaid. cess of 25-percent quota aforesaid.

SUPPORTING FACTS FOR PROPOSAL TO REVISE CANADIAN TRADE AGREEMENT

- The mill price of shingles dropped approximately 50 cents per square immediately following announcement of the Canadian trade agreement.
- 2. Canadian red-cedar shingle mills which have logs available have been running two 8-hour shifts per day, 6 days per week, or 96 hours weekly since January 1, 1939, preparatory to dumping enormous quantities of red-cedar shingles on the American market in

the spring. Other Canadian mills plan to run double shifts as soon as they can get a sufficient supply of logs in the spring.

- 3. Imports in January 1939 were 60.5 percent greater than the average of the 3 identical months under the old agreement: January 1936, 153,566 squares; January 1937, 168,779 squares; January 1938, 229,505 squares; average, 183,950 squares; January 1939, 303,675 squares.
- 4. The wage differential between American and Canadian mills is
- and Canadian mills is more than 30 cents per hour (see charts attached hereto).

 5. The price of raw materials—cedar logs—in the United States is \$18 per thousand feet, or \$1.50 per square of manufactured shingles, compared to \$12 to \$16 per thousand feet, or \$1 to \$1.35 per square of manufactured shingles in Canada.
- 6. The two items—labor and logs—constitute the Canadians of from 45 to 80 cents per square. -constitute a cost advantage to
- 7. American mills have adequate machinery and labor to supply the entire American market. If there had been no imports of shingles during the past 3 years, the total amount of wages received by American workingmen in the industry would have been increased 42.6 percent in 1936, 36.6 percent in 1937, 34.4 percent in 1938.

- 8. If American mills had supplied the entire United States market, the entire industry would have been employed 83 additional days in 1936, 71 additional days in 1937, 64 additional days in 1938.

 9. Under the 1936 trade agreement, 25 percent of the American market gave the Canadians the same proportion of our shingle consumption they enjoyed during many years of wage parity, as found by the Tariff Commission in their 1934 report on the red-cedar shingle industry.

 10. An ad valorem duty of 25 percent would amount to from
- shingle industry.

 10. An ad valorem duty of 25 percent would amount to from 60 to 70 cents per square. This would enable the American producer to maintain present hours and wage scale and compete with Canadian shingles or imports over a 25-percent quota—yet Canadian shingles could always be imported.

 11. A change in this part of the agreement with Canada will not involve any other government, as red-cedar shingles are not exported from the United States and are only imported from Canada.

 12. American mills operate on a 6-hour day, 6-day week schedule, whereas Canadian mills work 8 hours per day, 6 days a week.

 13. Present conditions necessitate protection for American mills or a reduction of 50 percent in wages and an increase in hours of

- or a reduction of 50 percent in wages and an increase in hours of

Red-cedar shingle industry—Wage schedules in British Columbia, January 1939—6 mills located at Vancouver and Westminster, 1 at
Port Moody (outlying mills would average 5 to 10 cents per hour less)

	British Columbia							Average of	United
	Mill No. 1	Mill No. 2	Mill No. 3	Mill No. 4	Mill No. 5	Mill No. 6	Mill No. 7	7 British Columbia mills	States union scale
Sawyers:	\$1.07	\$1, 11	***						POUNT.
White	.92	1.11	\$0.92 .92	None \$0.92	None \$0.851/2	None \$0.92	\$1.031/2	\$0.9834	\$1, 281
Packers:		1111	.02	φ0. 82	\$0.0072	\$0.92	None	,	
White	.63	. 581/2	. 54	None	None	None	. 63	253	1.3
Chinese	. 54	. 581/2	.54	. 54	.491/2	. 54	None	. 563/4	. 941
Filer	1.10	1.05	1.00	1.00	.80	1.00	.671/2	. 941/6	1.54
Fitter	.75	.75	.70	.70	. 60	. 65	.371/2	. 6416	1.05
Millwright	. 55	. 65	.70	. 65	. 55	. 65	.40	. 591/4	. 93
Engineer	. 50	. 60	.65	.60	. 65	. 60	. 65	.61	.93
Firemen	.45	. 50	. 45	.45	. 50	. 45	. 50	.47	.71
Cut-off men	. 60	. 65	. 65	. 65	. 60	.60	1, 10	. 69	.84
Splitter	. 50	. 60	. 55	. 50	. 50	. 55	.65	. 55	1.00
Bolter	. 65	. 65	.50	. 65	. 65	. 65	. 65	. 63	1,00
Deckmen	.40	.50	.45	.40	.40	.45	. 45	. 431/2	.75
Slipmen	.40	. 50	.40	.40	. 40	.40	.45 .	.42	71
Boom men	. 50	.50	. 50	. 50	. 50	. 50	(?)	.50	.86 .77 .73 .673
Talleymen	.40	. 50	.45	. 45	. 40	. 40	.40	.43	.77
Car loader No. 1	.45	.50	. 50	. 50	. 50	. 50	. 50	. 491/2	. 73
Car loader	.40	.40	.40	.40	.40	. 40	. 40	.40	. 671
Oiler		.40	.40	. 40	. 40	. 40	. 40	.40	.70
Band nailer	.40	.40	.40	None	None	None	. 36	. 221/4	. 671
Common labor	. 40	. 40	.40	. 40	. 40	. 40	.40	.40	. 671
Average								. 547	. 87
Number of employees:				VALUE OF STREET					
White labor per shift	17	40	22	50	30	55	96		
Chinese labor, per shift	30	30	22 37	49	35	50	None		
Number of shifts per day	2	2	2	20	9	9	110116		
Hours per shift	8	8	8	. 8	9	8	0		
Days per week	6	6	6	6	6	6	6	0	TEG II A
Days per week. Machines in each mill	12	18	15	24	16	24	24		
Piece work, per square:				7-7-2			-		
Sawyers:	Cents	Cents	Cents	Cents	Cents	Cents	Cents	Cents	Cents
White	25-20	26-21	22-17	707	Cerus	Come	24-20	Centra	30-2
Chinese	22-17	26-21	22-17	22-17	20-16	22-17	None		None
Packers:	10000	100000000000000000000000000000000000000			20 10	22 11	140116		14011
White	14	13	12	None	None	None	14	and the second	2
Chinese	12	13	12	12		11	None		None
CHIHOSO-1-1-1-1-1-1-1-1-1-1-1-1-1-1-1-1-1-1-	12	10	12	12	11	Control of all	None		No

Mr. SMITH of Washington. Mr. Speaker, I ask unanimous consent to extend the remarks I just made and to include therein the two bills to which I have referred, which are very short, also a statement from the United States Red Cedar Shingle Industry, Inc.

The SPEAKER. Is there objection to the request of the gentleman from Washington [Mr. SMITH]?

There was no objection.

PERMISSION TO ADDRESS THE HOUSE

Mr. JENKINS of Ohio. Mr. Speaker, I ask unanimous consent to proceed for 1 minute.

The SPEAKER. Is there objection to the request of the gentleman from Ohio [Mr. JENKINS]?

There was no objection.

Mr. JENKINS of Ohio. Mr. Speaker, I am today introducing a bill which provides for the payment of \$1,338,160.92 to the State of Ohio. A copy of this bill is as follows:

Be it enacted, etc., That the Secretary of the Treasury is authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, to the State of Ohio, the sum of \$1,338,-160.92, being the amount of payments with respect to old-age assistance under title I of the Social Security Act for the month of October 1938 not paid to such State on account of the refusal of the Social Security Board to certify such amount for payment to such State.

My reason for introducing this bill is that this amount is actually owing to the State of Ohio from the Federal Government. The facts are about as follows: For some few months before October 1938 there was considerable confusion and misunderstanding between the Governor of the State of Ohio and the Social Security Board. The Board claimed that the Governor was not administering the old-age pensions properly in Ohio and the Governor maintained the contrary. As a result of this conflict the Social Security Board refused to come forward with its installment for the month of October 1938. The amount of that installment was \$1,274,438.97 designated as assistance and \$63,721.95 designated as a grant. Together these make the total of \$1,338,160.92.

When the Social Security Board refused to come forward with its payment which would match the payment to be made by the State of Ohio it became evident that the beneficiaries of the old-age pension law in Ohio might not receive their October installment. The Governor of Ohio so manipulated the situation as to effect a transfer of State

funds in Ohio with the result that Ohio paid both its own share and the share of the Federal Government. The oldage pensioners were not denied their October installment.

Whatever the trouble was that existed between these two agencies was later satisfactorily adjusted because the November installment was paid and every installment from that time has come forward from the Federal Social Security Board without interruption.

In other words the State of Ohio paid \$1,338,160.92 that should have been paid by the Federal Government. This bill asks that the State be reimbursed as it should be. There can be no question about the validity and the honesty

of the claim of the State of Ohio.

Members of Congress and the Senators from Ohio in collaboration with the attorney general of Ohio and the Governor of Ohio have been negotiating with the Social Security Board in an effort to secure the payment of this sum. Negotiations have not been concluded and are still pending. This bill is introduced so as to protect the interests of the State in case this adjustment is not finally and promptly concluded. If developments indicate that our only chance for adjustment is through legislation then we will be well on our way with such legislation for this bill will have been referred to the proper committee and we will be that much further toward a final conclusion. Personally I hope that this matter may be adjusted. I confidently believe it can. It is a just claim and I feel the Government should come forward with a payment of this amount of money for the State has paid the Government's share and naturally expects to be reimbursed.

EXTENSION OF REMARKS

Mr. TREADWAY. Mr. Speaker, I ask unanimous consent to extend my remarks in the Record by including therein a letter which I recently addressed to the Secretary of the Treasury relative to subsidized German imports, together with his reply thereto, and also a ruling just issued by the Treasury Department imposing countervailing tariff duties on such imports in accordance with the accompanying opinion of the Attorney General.

The SPEAKER. Is there objection to the request of the gentleman from Massachusetts [Mr. Treadway]?

There was no objection.

Mr. THOMAS of New Jersey. Mr. Speaker, I ask unanimous consent to extend my own remarks in the Record and to include therein certain correspondence between the Attorney General and myself.

The SPEAKER. Is there objection to the request of the gentleman from New Jersey [Mr. Thomas]?

There was no objection.

Mr. LELAND M. FORD. Mr. Speaker, I ask unanimous consent to extend my own remarks in the Record and to include therein a statement from the Guaranty Survey on the subject "Will Government Investment Promote Business Recovery?" This is a very fine analysis of existing conditions, and I believe it will benefit every Member of the House to read and analyze this statement.

The SPEAKER. Is there objection to the request of the gentleman from California [Mr. Leland M. Ford]?

Mr. SABATH. Mr. Speaker, reserving the right to object, this is a statement by whom?

Mr. LELAND M. FORD. It is a statement by the Guaranty Survey of New York City.

The SPEAKER. Is there objection to the request of the gentleman from California [Mr. Leland M. Ford]?

There was no objection.

Mr. GIFFORD. Mr. Speaker, I ask unanimous consent to have printed in the RECORD a letter received from one of my constituents.

The SPEAKER. Is there objection to the request of the gentleman from Massachusetts [Mr. Gifford]?

There was no objection.

Mr. GEHRMANN. Mr. Speaker, I ask unanimous consent to extend my own remarks in the Record, and to include therein a joint resolution passed by the Wisconsin Legislature pertaining to the Great Lakes waterways.

The SPEAKER. Is there objection to the request of the gentleman from Wisconsin [Mr. Gehrmann]?

There was no objection.

Mr. ALEXANDER. Mr. Speaker, I ask unanimous consent to extend my own remarks in the Record, and to include therein an excerpt from the Associated Press and from the International News Service regarding our foreign affairs.

The SPEAKER. Is there objection to the request of the gentleman from Minnesota [Mr. ALEXANDER]?

Mr. GEYER of California. Mr. Speaker, I object.

PERMISSION TO ADDRESS THE HOUSE

Mr. BOLLES. Mr. Speaker, I ask unanimous consent to proceed for 1 minute.

The SPEAKER. Is there objection to the request of the gentleman from Wisconsin [Mr. Bolles]?

There was no objection.

Mr. BOLLES. Mr. Speaker, I intend to make some remarks today on the pitiful plight of the dairy farmer in my district. We are versatile in the producing and marketing of milk. These are real farmers, keenly alive to all the most modern in farm practice. They have great milk plants, silos, barns, stables—all sanitary herds free from tuberculosis and Bang's disease. In most of the five counties fluid milk is sold in the Chicago market, where 35 indictments have been returned against milk dealers and others on charges of conspiracy in the distribution of milk. What we want to know is when these persons are going to be brought to trial? I cannot answer but I hope the Attorney General of the United States will take cognizance of this at once.

In this connection let me say that last week the retail price to the consumer in the city of Milwaukee was cut from 12 to 10 cents a quart. How was that brought about? Not by any philanthropy by the milk monopolies but by cutting the price paid the producer from \$2.71 a hundred to \$2.10 a hundred. It will be noticed that the distributor's profit remains the same while the consumer's benefit is taken out of the pocketbook of the dairy farmer.

In the last 4 days I have received near a thousand reports from farmers in my district. They hope I can do something for them. I would like to but I seem to be in a helpless minority to impress upon the Agricultural Department any necessity of attention to the dairy which produces 20 percent of the agricultural value of the farm production.

I want Members of Congress to read some of these letters. I hope they will give greater understanding of the dairy farmer's situation. The spread between the price to milk producer and the consumer is far too great. Why should people in Washington pay 14 cents a quart for milk when it can be bought from the dairyman for from 2 to 3 cents a quart? Answer that. Somebody is being robbed at a profit.

Here is the story of Charles Morris, Sr., a good businessman of Sharon, Wis. Every Member of this House should read this letter. It gives a better picture of our circumstances in the First District of Wisconsin than I could paint. Think of the comic tragedy of spending a million dollars for Arctic reindeer when there are cows needing consideration—wealth-producing cows. Mr. Morris writes me:

I have two good farms, one in Rock County, 160 acres, and one in Walworth, 140 acres, very good farms, good buildings, and cash rent for both \$6 per acre, fairly good tenants, but they just cannot make them pay out. I am at present back on taxes also interest and no possible way to meet or overcome our present financial worries unless Congress finds a credit plan to help the farmers out. No buying, no chance to borrow money from the banks only on very short terms, and short terms are no good to the farmers. Of course, Stephen, you know that an act of God or from Congress must be coming forth at once or the poor farmers are gone. I am telling you of myself, but I am speaking for all farmers and small-business men. We are done, I tell you, providing Congress don't move, the grain rotted in the field before they threshed it, therefore the seed will not grow this spring and the farmer has no credit and no money to pay for seed. Now, then, what can they do? A great number of farmers right here in this community took out Federal loans in 1933, whereby as you know they gave away all their securities. Therefore, they have nothing to offer for credit and they are stifled, broke, up against a stone wall. Owing to untoward

circumstances which have arisen a few years back we are in dire want and pecuniary embarrassment. Being unable to meet our honest debts, what can be done? I want your suggestions, also every man in the House of Representatives. You boys must be able to work out some kind of a constructive program whereby we can have some buying power.

We have a small business here at Sharon but no buying power.

We have a small business here at Sharon but no buying power. Can't buy any stock to go ahead with, therefore we are at a standstill. What are we going to do, or what is Congress going to do? If people cannot pay taxes things are more serious than we think, my dear Stephen. As I have told you, I am talking for several other farmers and businessmen. Very soon interest is due, also taxes. These men are all over 65 years of age and May I they expect, myself included, to lay down and let the Federal land bank foreclose, pitch the property to hell and get an old-age pension. They mean business, Stephen. What do you think?

W. B. Sherman, of the Lake View Bee and Honey Farm, Elkhorn, says:

May I say I cannot believe many of the Members of Congress or the Senate realize how little income the farmers are receiving. I have a good farm and my milk check runs from \$50 to \$100 permonth. I pay a hired man \$40, house rent, garden, and about 150 pounds of pork, besides expenses of feed, repairs, insurance, taxes \$170, threshing, silo filling and shredding bills, and how much do you imagine my wife and I get for our labor? We are receiving now about \$1 a hundred or 2 cents a quart for milk. The Milwaukee Journal published a report last fall showing earnings of the large milk trusts of five to ten million dollars. If Roosevelt wants to help business, would it not be wise to start at the bottom?

Then comes a plea from Joseph E. Vodas, in one of Rock County's excellent farm sections-Milton, Wis.:

County's excellent farm sections—Milton, Wis.:

Mr. Bolles, as a Member of Congress, I wish to appeal to you if it would be in your power to help give us farmers a break. It is getting so that we farmers will not be able to exist with these low prices we are getting for our milk, etc., but what we must buy is still high, especially farm machinery or repairs for same. It really is no joke—the farmer won't be able to buy a new pair of overalls. All they got left is to keep up repairing the old ones and they won't stand that long any more either. What then? I believe there are plenty of people on relief without forcing the farmers on relief, which our Government will do if they don't do something about farm prices very soon. Taxes are going up right along. Now the farmers are getting very desperate and they will not stand for it long. All the Government is doing is investigating. Some of us farmers have been farming from 20 to 50 years and never had a Government investigator to come to our farm and ask any questions, etc., regarding how we are getting along. We farmers often wonder where they are investigating. The trouble is the farmers don't give any tips or commission. We farmers believe the Government has used this alibi long enough. It is about time they used some action. We are to be proud of our Government, but how can we when we receive such poor credit for our hard work?

JUST A ROCK COUNTY FARMER.

JUST A ROCK COUNTY FARMER.

And here is another letter, one of several hundred of like tenor and import, from Emmett Wright, of my own county:

DEAR MR. BOLLES: For God's sake, see what can be done to get farm machinery down in price where it belongs or else get produce prices up to where they belong. One or the other is out of line, and we farmers believe it's farm products. We can't subsist and pay high prices and get so little for ours much longer. Something has to be done, and done quick. We don't kick on taxes or interest, but we must get our share of prices for milk and farm produce. Us farmers don't kick enough. If you want to do something worth while, look into this and act. This is the consensus of all the farmers out this way.

Now, what, I ask, is Congress to do with these questions? The question cannot be answered by laughing it off. Are we going to save these farmers of the type of Michael Kerkman, of Racine County, or let them to the relief rolls-

Do you know if the Government will bring to trial those that were indicted in the Chicago milk business? Something must be done. We received a 10 cents per 100 pounds cut in January, which left us \$1.50 per 100 pounds less 12 cents per 100 pounds for trucking to plant, or \$1.38 net. What will we receive in the flush period if that is all they will pay us now? In 1938 I produced 10,000 pounds more milk than in 1937 and received \$360 lees money. I also know of other farmers that found the same results. With taxes rising and farm income declining we can't make both ends meet and we will farm income declining, we can't make both ends meet and we will all soon be on relief.

And I close with another type of letter, from John Brandt, of Brodhead, Wis., in the cheese belt:

I am a farmer and have been farming for myself for 40 years, and I am considered a good farmer and I live on my farm. Now, this is the problem that I want solved: My age is 64—not able to farm, cannot hire, the farm will not produce enough to pay a man a living wage, say nothing about my wife and myself. Then comes taxes, insurance, fences, house, and barn and other upkeep. This is the road to destruction. I am on this road with lots of company. If I could get a pension, say, \$1 per day, I could take one family off relief and let the young man and wife do the work on this farm and I could live in town. But in this locality the young people live in town and the old, crippled farmer must do the work.

EXTENSION OF REMARKS

Mr. MUNDT. Mr. Speaker, I ask unanimous consent to extend my own remarks in the RECORD and include therein a radio address delivered by the Governor of South Dakota.

The SPEAKER. Is there objection to the request of the gentleman from South Dakota?

There was no objection.

PERMISSION TO ADDRESS THE HOUSE

Mr. GRISWOLD. Mr. Speaker, I ask unanimous consent that on Tuesday next after the disposition of business on the Speaker's desk and following the legislative program of the day and any special orders heretofore entered I may be permitted to address the House for 25 minutes.

The SPEAKER. Is there objection to the request of the

gentleman from Wisconsin?

There was no objection.

Mr. THILL. Mr. Speaker, I ask unanimous consent to address the House for 1 minute.

The SPEAKER. Is there objection to the request of the gentleman from Wisconsin?

There was no objection.

Mr. THILL. Mr. Speaker, events in Europe during the past week indicate that the game of bluff and counter bluff which the diplomats have been playing is now at an end. Present indications are that Hitler's 7-league boots will lead to another European conflagration. America must make up her mind today whether she will stay neutral or not. I, as one Representative in Congress, declare that I will never vote to embroil the United States in the coming European

The ominous war clouds which are gathering in Europe should be a warning to us to prepare our internal economy and our war mechanism for defense alone. An adequate standing army, an efficient navy, and a competent air force are needed for protection. In addition to that, a reserve officers' corps of good proportions should be maintained.

The United States must be more than careful to avoid any entangling alliances with any European powers. [Ap-

NATIONAL DEFENSE

Mr. MAY submitted a conference report and statement on the bill (H. R. 3791) to provide more effectively for the national defense by carrying out the recommendations of the President in his message of January 12, 1939, to the Congress.

PERMISSION TO ADDRESS THE HOUSE

Mr. SNYDER. Mr. Speaker, I ask unanimous consent to address the House for 1 minute.

The SPEAKER. Is there objection to the request of the gentleman from Pennsylvania?

There was no objection.

Mr. SNYDER. Mr. Speaker, Ralph Waldo Emerson said: Beware when the great God lets loose a thinker on the earth,

Seventy-nine years ago the 19th of March the great God let loose a thinker in the humble home of Judge Silas Bryan at Salem, Ill. Thirty-six years after he was born William Jennings Bryan was nominated by the Democratic Party for President of the United States over the opposition of a Democratic administration.

By the profoundness of his thought, his passion for the common man, his devotion to private and public righteousness, his courageous advocacy of that which he believed to be right, William Jennings Bryan held the leadership of the political party with which he affiliated for almost two decades. Three times his party nominated him for the Presidency, when, under another leader elevated to leadership through Bryan's influence, the Democratic victory came to the Democratic Party. William Jennings Bryan was called to the high post of Secretary of State, where his devotion to the ideals of peace endeared him to the civilized world.

I had the honor of entertaining Mr. Bryan in my home in 1908. Yesterday I had the privilege of standing at the foot of the bronze statue of this Great Commoner overlooking the Potomac River in this Capital City of the Nation. Arm uplifted in characteristic gesture, yet not as the great orator, not as the profound statesman, not as the leader of a great political party, but rather as the advocate of the ideals of the Prince of Peace. William Jennings Bryan will live in the affection of his countrymen and in the admiration of the world.

Bryan's contributions to the welfare of mankind and to the realization of the ideals of democracy in the United States are so varied in form and multiplied in number that one cannot in the brief time permitted me so much as enumerate them. But outstanding in the achievements of democracy which he accomplished or to which he contributed much are the equitable principles of the income tax, the establishment of a Department of Labor in the Presidential Cabinet, the lifting of the womanhood of America from classification with the insane, the alien, and the convict by granting her the self-expression and protection of the ballot and the enduring wedge of democracy in the United States Senate by providing for the election of Senators

by the vote of the people.

With his deply rooted religious convictions it was but natural that the attempt of an atheistic science to substitute a molecule for a Maker should stir his nature to its very depths and lead him to devote his declining years to making clear the harmony between the works of God and the word of God. In the earnestness of this great purpose he overtaxed the superb physical powers with which he was endowed and which he used so unsparingly in his battles for the right as he visioned it. Thirteen years ago the great heart ceased, the eloquent lips closed, and the virile intellect lost its channels of expression. On this memorial of his birth he still lives in the institutions of his country, the love of the American people, and the respect of the world. Many in this House on this commemoration of the birthday of William Jennings Bryan can say with countless thousands who knew and loved him-

I cannot say, and I will not say
That he is dead; he is just away;
With a cheery smile and a wave of the hand
He has wandered into an unknown land And left us dreaming how strangely fair It needs must be, since he lingers there; Think of him just the same, I say; He is not dead, he is just away.

LEAVE OF ABSENCE

Mr. RANKIN. Mr. Speaker, I ask unanimous consent that my colleague the gentleman from Mississippi, Mr. McGehee, may be granted an indefinite leave of absence as he has been called out of town on account of a death in his family.

The SPEAKER. Is there objection to the request of the gentleman from Mississippi?

There was no objection.

EXTENSION OF REMARKS

Mr. MAGNUSON. Mr. Speaker, I ask unanimous consent to revise and extend my own remarks in the RECORD and to be allowed 15 days to do so.

The SPEAKER. The gentleman from Washington asks unanimous consent to revise and extend his remarks within 15 calendar days. Is there objection?

Mr. RANKIN. Mr. Speaker, a parliamentary inquiry.

The SPEAKER. The gentleman will state it.

Mr. RANKIN. Mr. Speaker, as I understand, when a Member obtains permission to extend his remarks in the RECORD that permission lasts 30 days. Is that correct?

The SPEAKER. That is correct.

Mr. MAGNUSON. Thirty days or 30 calendar days? The SPEAKER. Thirty days.

Mr. MAGNUSON. Then, Mr. Speaker, I withdraw that part of my request relating to the 15 days.

The SPEAKER. The gentleman from Washington asks unanimous consent to revise and extend his own remarks in the RECORD. Is there objection?

There was no objection.

Mr. O'BRIEN. Mr. Speaker, I ask unanimous consent to extend my own remarks in the RECORD and include therein an address delivered by me at the Tomb of the Unknown Soldier on March 17.

The SPEAKER. Is there objection to the request of the gentleman from New York?

There was no objection.

Mr. RUTHERFORD. Mr. Speaker, I ask unanimous consent to extend my own remarks in the RECORD and include therein an editorial from the Philadelphia Inquirer on Social Security.

The SPEAKER. Is there objection to the request of the gentleman from Pennsylvania?

There was no objection.

PERMISSION TO ADDRESS THE HOUSE

Mr. McCORMACK. Mr. Speaker, I ask unanimous consent to address the House for 1 minute.

The SPEAKER. Is there objection to the request of the gentleman from Massachusetts?

There was no objection.

Mr. McCORMACK. Mr. Speaker, in the New York Times of this morning appears a news item stating that 75,000 telegrams have been sent to the President as follows:

Appalled at Franco's brutal reprisals in conquered territory and outraged by Chamberlain's callous betrayal of Spanish Republic, American people urge you publicly denounce rebel regime as forcibly as you did Nazi outrages last November. In name of democracy we urge continued firm stand against recognition of Franco.

I simply wish to call the attention of the House to the fact that this is nothing but propaganda. I have in my hand a communication sent out within the past several days to various persons urging them to send telegrams to the President and enclosing therein the form of the telegram, which is exactly the same as those sent to the President. It is nothing but an organized drive, in other words, organized propaganda of the most contemptible kind. It simply shows how far some people and organizations will go to manufacture a false public opinion. So far as the city of Washington is concerned, that drive was under the leadership of the Washington Friends of Spanish Democracy. On Friday last I was informed that this drive was going to occur. I was given a copy of the telegram that would be sent to the President. On the communication sent out by this organization, if it is a bona fide one, which is doubtful, was a memorandum which reads as follows:

This is a sample of the 2,500 telegrams we are sending President Roosevelt as Washington's quota of the national 100,000-wire campaign. The telegrams cost only 10 cents each. They must reach the President by Sunday night, March 19. This is a rush order, but imperative. Can you make yourself responsible for at least 10 signatures and 10 dimes and get the signatures into this office immediately? The telegrams will be sent from here.

A few days later and on Friday or Saturday last another communication was sent out on a post card, as follows:

Have you collected your share of the signatures on the wire campaign to President Roosevelt? You received the sample wire yesterday urging him to speak out against Franco reprisals and to continue to deny recognition to the rebels. Our office will open all day Saturday and Sunday to receive the signatures that you have collected. Phone them into us immediately and bring the dimes when you can. You still have time. Washington's quota of 2,500 must be fulfilled.

WASHINGTON FRIENDS OF SPANISH DEMOCRACY, 1410 H Street NW.

Such efforts should be exposed. Such efforts are interesting to show the lengths that some movements will go to create an artificial public opinion, or to try and manufacture group pressure, and in this case directed toward the President of the United States.

I refer to this pressure campaign so that its methods, and by whom employed, and the purposes sought will be known to my colleagues in the House. [Applause.]

MESSAGE FROM THE PRESIDENT OF THE UNITED STATESON PUBLIC DEBT (H. DOC. NO. 213)

The SPEAKER laid before the House the following message from the President of the United States, which was read, and, with the accompanying papers, referred to the Committee on Ways and Means and ordered to be printed:

To the Congress of the United States:

I am transmitting herewith a letter dated March 17, 1939, from the Secretary of the Treasury regarding the limitation placed upon the total amount of the public debt obligations which may be issued and outstanding at any one time under authority of the Second Liberty Bond Act, as amended. You will note from this letter that the Secretary of the Treasury feels that there will be no necessity for increasing the present limitation of \$45,000,000,000 on the total public debt which may be outstanding at any one time, but does feel very strongly that it will be necessary to increase the present limitation of \$30,000,000,000 face amount of bonds which may be outstanding at any one time.

I recommend that the Congress take such action as may be necessary to give the Treasury the authority which will enable it to carry out its financing operations during the next fiscal year as may be for the best interest of the Government in line with market conditions at the time of such financing.

FRANKLIN D. ROOSEVELT.

THE WHITE HOUSE, March 20, 1939.

Mr. RICH. Mr. Speaker, I ask unanimous consent to proceed for 1 minute.

The SPEAKER. Is there objection to the request of the gentleman from Pennsylvania? [After a pause.] The Chair hears none.

The Chair will state that in order that we may get along with the program the Chair will not recognize other Members making requests for time after this request.

The gentleman from Pennsylvania is recognized for 1

minute.

Mr. RICH. Mr. Speaker, you can see by the request of the President that we are not going to increase the limit on the national debt beyond \$45,000,000,000, but the administration wants the privilege of increasing the sale of Government bonds.

If the President of the United States and the Congress wanted to do what is for the best interest of this great Nation of ours, they would economize in their expenditures, though they would not have to sell a great many more bonds and therefore would not have to ask for permission in the very near future to increase our national debt from \$45,-000,000,000 to some point way beyond that amount, a travesty to American future generations. If you will read the Treasury's statement each day you will see that we are in a perilous condition and the sooner we act in an economical manner the better the country will be. We are going to have some requests here today for expenditure of funds. Such expenditures should not be made by the Federal Government and I want the Members of Congress to take recognition of that fact and act accordingly. Will you do it? [Applause.]

ORDER OF BUSINESS

Mr. WOODRUM of Virginia. Mr. Speaker, I ask unanimous consent to proceed for 1 minute.

The SPEAKER. Is there objection to the request of the gentleman from Virginia?

There was no objection.

Mr. WOODRUM of Virginia. Mr. Speaker, the Committee on Appropriations has concluded hearings on the second deficiency bill and there are some items in it of great urgency. I have discussed with the gentleman from New York [Mr. TABER], the Speaker, and the acting majority leader the question of when we may get it taken up on the floor. We cannot report the bill today, but we could have it ready for Wednesday; and therefore, Mr. Speaker, I ask unanimous consent that the business in order on Calendar Wednesday be in order on tomorrow.

In this connection I may say that the Committee on Banking and Currency has the call, and I have consulted the gentleman from Alabama [Mr. STEAGALL], and the gentleman from Michigan [Mr. Wolcott] is present. The gentleman from Alabama has no objection. If this consent is granted,

we should like to call up the second deficiency bill on Wednesday and dispose of it, which would give the right-of-way, then, on Thursday and Friday to the Department of Agriculture appropriation bill.

The SPEAKER. The request assumes, of course, we will finish the Interior Department bill before the Department of Agriculture appropriation bill is taken up.

Mr. WOODRUM of Virginia. Yes.

Mr. MARTIN of Massachusetts. Reserving the right to object, Mr. Speaker, I would like to have a clearer understanding of what the Banking and Currency Committee is going to bring up. As I understand, they do not have any bill that they can call up.

Mr. WOODRUM of Virginia. Perhaps they do not. I could not get in touch personally with the gentleman from Alabama, but he sent me a message on the telephone stating he had no objection to making the business in order on Wednesday in order on Tuesday. I do not know what the gentleman has to bring up.

Mr. MARTIN of Massachusetts. If they do not claim the right to use Calendar Wednesday, are we going any further in

the call of committees?

Mr. WOODRUM of Virginia. I cannot answer the gentleman about that.

Mr. MARTIN of Massachusetts. I think we ought to have some information concerning that matter.

Mr. TABER. Mr. Speaker, will the gentleman from Massachusetts yield to me?

Mr. MARTIN of Massachusetts. Certainly.

Mr. TABER. The next committee on call would be the Committee on Coinage, Weights, and Measures, and the next one the Committee on Interstate and Foreign Commerce, followed by the Committee on Rivers and Harbors. I mention this, thinking it might help to find out what might be taken up.

The SPEAKER. The Chair may state that at this stage of the session it is usual to call at least one committee on Calendar Wednesday, and it may be agreeable to the other committees to waive the call on Wednesday so that we may go ahead with the appropriations bill.

Mr. MARTIN of Massachusetts. I would suggest that if the Banking and Currency Committee does not particularly want to claim the day we could set the day aside entirely.

Mr. WOODRUM of Virginia. Mr. Speaker, if that is

agreeable, I ask unanimous consent that business in order on Calendar Wednesday next be dispensed with.

Mr. CANNON of Missouri. Mr. Speaker, it is my understanding that the majority leader insists that the Calendar Wednesday rule be observed. The agricultural bill is ready, and has been ready for some time. We can take up the bill on Calendar Wednesday or on Thursday or the following Monday.

Mr. WOODRUM of Virginia. Mr. Speaker, I understood it would be agreeable if we could get the deficiency bill out of the way by Thursday so that the agricultural bill could be considered on Thursday and Friday.

Mr. Speaker, I ask unanimous consent that business in order on Calendar Wednesday next be dispensed with.

Mr. CANNON of Missouri. Mr. Speaker, reserving the right to object, is it the understanding that Tuesday will be taken up with other business?

The SPEAKER. If the agricultural bill is ready on Tuesday, the Chair knows of no reason why it should not be con-

tinued until later in the week.

Mr. CANNON of Missouri. Then I would have to object to dispensing with Calendar Wednesday.

Mr. JONES of Texas. The gentleman from Missouri states he does not want to start on Tuesday and then stop the consideration of the bill.

Mr. CANNON of Missouri. It would be perfectly agreeable to me to dispense with Calendar Wednesday if we could start with agriculture on Thursday.

Mr. WOODRUM of Virginia. That was my understanding, and I was not trying to interfere with that plan.

The SPEAKER. The Chair, of course, is somewhat embarrassed in answering the question. In the absence of the majority leader, the gentleman from North Carolina [Mr. Bulwinkle] is acting temporarily as majority leader. The Chair sees no objection to the request proposed by the gentleman from Virginia [Mr. WOODRUM].

Mr. JONES of Texas. Mr. Speaker, as I understand it, the gentleman from Missouri [Mr. Cannon] does not object to dispensing with Calendar Wednesday, provided his bill will not be called tomorrow.

The SPEAKER. Is there objection to the request of the gentleman from Virginia [Mr. WOODRUM] under the circumstances? [After a pause.] The Chair hears none, and it is so ordered.

CONSENT CALENDAR

The SPEAKER. This is Consent Calendar day, and the Clerk will call the first bill on the calendar.

AMENDING SOIL CONSERVATION ACT

The Clerk called the bill (H. R. 3800) to amend section 8 (e) of the Soil Conservation and Domestic Alltoment Act, as amended.

The SPEAKER. Is there objection?

Mr. JONES of Texas. Mr. Speaker, in deference to one of the Members who wanted to be present to present an amendment, I ask unanimous consent that the bill go over without prejudice.

The SPEAKER. Is there objection?

There was no objection.

AGRARIAN CLAIMS COMMISSION, UNITED STATES AND MEXICO

The Clerk called House Joint Resolution 114:

Authorizing appropriation for expenses of a representative of the United States and of his assistants, and for one-half of the joint expenses of this Government and the Government of Mexico, in giving effect to the agreement of November 9-12, 1938, between the two Governments providing for the settlement of American claims for damages resulting from expropriations of agrarian properties since August 30, 1927.

Mr. MARTIN J. KENNEDY, Mr. BEAM, and Mr. KRAMER objected and the resolution was stricken from the calendar. ADDITIONAL APPROPRIATION, FEDERAL PARTICIPATION, NEW YORK WORLD'S FAIR

The Clerk called House Joint Resolution 141, to authorize the appropriation of an additional sum of \$1,046,000 for Federal participation in the New York World's Fair, 1939.

Mr. KRAMER, Mr. RICH, Mr. GORE, and Mr. WOLCOTT objected and the joint resolution was stricken from the calendar.

PRIVATE CHARTER OPERATION

The Clerk called the bill (H. R. 2382) to amend section 704 of the Merchant Marine Act of 1936, as amended, and to amend section 706 (a) of the Merchant Marine Act, 1936.

The SPEAKER. Is there objection?
Mr. WOLCOTT. Mr. Speaker, I reserve the right to object. This seems to be a very important bill. I have tried to understand the bill and do not, perhaps, because of my limited knowledge of the Merchant Marine Act. I do not understand what the legislation provides for. Will the gentleman from Virginia [Mr. BLAND] explain briefly?

Mr. BLAND. Mr. Speaker, when the United States Marine Commission was appointed there were four lines, perhaps five, that were then Government owned and were being operated by operating agents. Section 704 was amended. The first provided they should not be continued in operation longer than 1 year after the passage of the bill. The bill was amended in 1937 to continue the time and also give a preference to operators. The Maritime Commission has advertised three of those lines for sale. Bids have been received from one concern, the United States Lines, and the Maritime Commission takes the position that it has no authority to negotiate with the present owners, which will be necessary according to our view, in order to recognize the preference that has been accorded not only in the act of 1937 but also since 1920. The proposed bill simply gives the Maritime Commission authority to negotiate. Only one bid has been received, and we feel that it is in the interest of the public that the Commission should have the right to negotiate, but it is not mandatory in any respect that the Commission shall accept the bid or after negotiation give preference to the present operators; in other words, in negotiating with the present bidders or the present operators or anybody else in the interest of carrying out the provisions of the law it is not mandatory that they shall accept the bid of any one person.

In other words, we want to vest the Maritime Commission with sufficient authority, because there is only one bid, and because of preferences that have been accorded, to consider all of the different interests, and then determine with respect to its decision as the best interest of the country demands, and we feel this is more in keeping with the settlements that have been made with the ocean-mail contract than it would be to accept the bid of one bidder, with complete control of the entire shipping under the American flag between the ports affected from north of Cape Hatteras to the Maine-Canada boundary.

Then, as I understand it, unless this bill Mr. WOLCOTT. is passed the Maritime Commission is bound to accept this lone bid.

Mr. BLAND. No; I do not say it is bound to accept, but, according to their views, they would have to reject the present bid and could not negotiate with anybody else. say as the law is now written it compels competitive bidding.

Mr. WOLCOTT. Of course, it is to be presumed that in negotiations they would not accept an amount less than the bid which they received.

Mr. BLAND. I do not know about that.

Mr. WOLCOTT. This merely allows a little more latitude? Mr. BLAND. Yes; it gives them more latitude in the disposition of the bid. It is an emergency measure by reason of the fact that they now claim they have no right to

Mr. MAPES. Mr. Speaker, is this the bill for which a rule was requested from the Committee on Rules?

Mr. BLAND. Yes; it is the bill. The rule is pending, but that was not pressed because we hoped to have a Calendar Wednesday before that time.

Mr. MAPES. Mr. Speaker, my understanding was that the Committee on Rules was to hear the gentleman from Virginia and others interested in the legislation, and that a meeting of the committee was called for that purpose, and that at the request of the gentleman the hearing was postponed. I never knew just why the hearing before the Committee on Rules was postponed.

Mr. BLAND. Because we hoped to get the bill up on Calendar Wednesday. I had the assurance of the majority leader that we would be reached on the next Calendar Wednesday.

Mr. MAPES. It was not because of any request from the Maritime Commission or suggestion from the Commission that there were some things in connection with the legislation that needed to be straightened out?

Mr. BLAND. No. No request from the Maritime Commission to that effect.

Mr. MAPES. The minority leader has suggested this question: Is this the bill with respect to which there has been some talk that the gentleman might secure recognition to move to suspend the rules and pass the bill?

Mr. BLAND. This is the bill.

The SPEAKER. Is there objection?

There was no objection.

The Clerk read the bill, as follows:

The Clerk read the bill, as follows:

Be it enacted, etc., That section 704 of the Merchant Marine Act of 1936, as amended (U. S. C., title 46, sec. 1194; 49 Stat. 2008, as amended April 1, 1937, ch. 64, 50 Stat. 57), is amended by striking out "and all operation of the Commission's vessels by private operators under such operating agreements shall be discontinued within 1 year after the passage of this act: Provided, That nothing herein contained shall prevent private operators, under such operating agreements, commencing voyages prior to said expiration date and completing them thereafter: Provided further, That nothing contained herein shall be construed as limiting or affecting the power of sale under provisions of section 705 of this act," and inserting in lieu thereof: "Provided, That the Commission shall first negotiate for the charter of said lines with the present operators, respectively, giving them preference in the awarding of the charter."

The first sentence in section 706 (a) of the Merchant Marine Act of 1936 (U. S. C., title 46, sec. 1196; 48 Stat. 2009), is amended by

inserting at the end thereof before the period, a comma and the following: "except as otherwise provided in section 704 of this act, as amended."

With the following committee amendment:

Strike out all after the enacting clause and insert:
"That section 704 of the Merchant Marine Act, 1936, as amended
(U. S. C., 1934 ed., Supp. IV, title 46, sec. 1194), is amended to

"That section 70 of the Merchant Marine Act, 1936, as amended (U. S. C., 1934) ed., Supp. IV, title 46, sec. 1194), is amended to read as follows:

"Sac. 704. All tessels transferred to or otherwise acquired by the Commission in any manner may be chartered or sold by the Commission in any manner may be chartered or sold by the Commission in any manner may be chartered or sold by the Commission in any manner may be chartered or sold by the Commission of this act. Pending such charter or sale the Commission of this act. Pending the case of any line being operated by the Commission on February 1, 1939, preference in the operation, sale, or charter thereof shall be given to the agent operating such line for the account of the Commission on such date. Before advertising any such line for sale or charter, and notwithstanding any advertisement prior to February 1, 1939, for such sale or charter, the Commission shall negotiate with the agent who on such date was operating such line for the account of the Commission for sale or charter of such line to such person. The Commission, pursuant to such negotiation, may enter into an agreement or agreements for such sale or charter upon such terms and conditions as will give preference to the operator who was operating such line on February 1, 1939, insofar as it may be possible to do so consistent with the purposes and policy of the schame of this act. Togg in the first the read of the schame of the read as follows:
"'SEC. 704. All vessels transferred to or otherwise acquired by the

act, as amended—

"(a) The Commission shall award the charter to the bidder proposing to pay the highest monthly charter hire unless the Commission shall reject such bid for the reasons set forth in sub-

Commission shall reject such bid for the reasons set forth in subsection (b) of this section.

"'(b) The Commission may reject the highest or most advantageous or any other bid, if, in the Commission's discretion, the charter hire offered is deemed too low, or the Commission determines that the bidder lacks sufficient capital, credit, or experience to operate successfully the line; but the reason or reasons for rejection of any bid, upon request of the bidder, shall be stated to such bidder in writing.

"'(c) If the highest bid is rejected, the Commission may award the charter to the next highest bidder, or may reject all bids and readvertise the line: Provided, however, That the Commission may operate the line until conditions appear to be more favorable for a reoffering of the line for private charter.'"

The committee amendment was agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

The title was amended so as to read: "A bill to amend sections 704, 705, 706, and 707 of the Merchant Marine Act, 1936, as amended."

Mr. BLAND. Mr. Speaker, I ask unanimous consent at this point to extend my remarks in the RECORD and to include excerpts from certain statutes.

The SPEAKER. Without objection, it is so ordered.

There was no objection.

Mr. BLAND. Mr. Speaker, section 704 of the Merchant Marine Act, 1936, as it was originally passed, provided that all vessels transferred to or otherwise acquired by the Commission in any manner may be chartered or sold by the Commission pursuant to the further provisions of that act. The section read further:

All vessels transferred to the Commission by this act and now being operated by private operators on lines in foreign commerce of the United States may be temporarily operated by the Commission for its account by private operators until such time and upon such operating agreements as the Commission may deem advantageous, but the Commission shall arrange as soon as practicable to offer all such lines of vessels for charter as hereinafter provided, and all operation of the Commission's vessels by private operators under such operating agreements shall be discontinued within 1 year after the passage 'if this act.

Nothing in section 704 provided preference to the then operators of Government-owned lines. In 1937 this section was amended, and the amendment provides for preference to the operators.

The 1937 amendment provided that the Commission shall arrange as soon as practicable to offer all such lines of vessels for charter as hereinafter provided, and added affirmatively: "Preference to be given to present operators."

The above law has never been repealed.

The intent and purpose of the Congress was (a) to deal fairly with the operators; (b) to protect the outer ports from monopolies and operation by one or more lines with headquarters in distant ports, where the interests of those operators might be in the ports of their headquarters and not general; (c) to encourage patronage of American-flag ships by diversity of operations; and (d) to build up business through the outer ports.

PREFERENCE PROVIDED IN OTHER SECTIONS OF THE ACT

The preference sections above recited are not the only provisions of the 1936 act looking to preference. While the preference to present operators did not expressly appear in section 704 until the 1937 amendment, yet section 809 of the 1936 act is in the same form now as when the law was enacted in 1936. It reads as follows:

SEC. 809. Contracts under this act shall be entered into so as to equitably serve, insofar as possible, the foreign trade requirements of the Atlantic, Gulf, and Pacific ports of the United States. In awarding contracts under this act, preference shall be given to persons who are citizens of the United States and who have the support, financial and otherwise, of the domestic communities primarily interested. marily interested.

It will be observed that the language comprehends contracts of charter as well as sale, contracts of Governmentowned and operated lines as well as others, and requires that preference shall be given to persons who have the support, financial and otherwise, of the domestic communities primarily interested.

Moreover, this section requires equitable distribution among ports in order to protect outer ports.

Section 402 of the act of 1928 required, in the certification of ocean-mail routes and in the establishment of such services, that such services should be distributed so as equitably

to serve the Atlantic, Gulf, and Pacific coast ports.

Section 7 of the act of 1920 gave the same preference which is provided in section 809 of the act of 1936. It reads as

Provided, That preference in the sale or assignment of vessels for operation on such steamship lines shall be given to persons who are citizens of the United States who have the support, financial and otherwise, of the domestic communities primarily interested in such lines if the Board is satisfied of the ability of such persons to maintain the service desired and proposed to be maintained, or to persons who are citizens of the United States who may then be maintaining a service from the port of the United States to or in the general direction of the world-market port to which the Board has determined that such service should be established.

HOW PREFERENCE TO BE RECOGNIZED—MANIFESTLY NEGOTIATION IS REQUIRED

The Commission very recently has held that legally it cannot undertake private negotiations with present owners of Government-operated lines either before or after bids, and that the only way in which the preference can be allowed is in the case where the present operator and the outsider submit equally or nearly equal bids. To pursue this course is to deny to present operators the preference given (a) under section 704, as amended, and (b) under section 809, where the Commission is specifically required—

In awarding contracts under this act, preference shall be given to persons who are citizens of the United States and who have the support, financial and otherwise, of the domestic communities primarily interested.

Any construction of the law which makes it mandatory to accept the highest bid without regard to the preference granted by law violates the preference accorded by the law and defeats the express language of the law.

It is contended that by section 707 (a) the Commission is required to accept the highest bid unless the bid is rejected for the reasons set forth in subsection (b), which is when the bid is too low or the bidder lacks sufficient capital, credit, or experience to operate successfully the line.

If the highest bid is rejected, the Commission, by subsection (c) of section 707, may award the charter to the next highest bidder, or may reject all bids and readvertise the line.

The Commission concludes that it has no power of negotiation; and to remove all doubt, the O'Leary bill permits those negotiations which may be found to be necessary to give effect to the existing law.

INVITATION TO BID UNCERTAIN

There were obviously three prospective bidders in the market. They were the United States Lines, the Cosmopolitan Shipping Co., and the Southgate Nelson Corporation. The existing subsidy awards to the United States Lines and the services operated by them from and to other more highly developed ports such as New York and London, gave them an advantage. They could afford to take chances which less favored bidders would find impossible. No one else without their advantage could take such a chance.

In the invitation to bid under the heading "Information and instructions," under the subtitle "(3) Substitution of vessels," it is provided that the Commission may substitute for any of the vessels awarded or chartered, or vessels owned by the operator substituted therefor, presently existing or newly constructed cargo vessels satisfactory to the operator, and upon such substitution all the provisions of the charterparty agreement, including provisions with respect to the payment of an operating-differential subsidy, should be applicable thereto, subject to the provisions of law then in effect; provided, however, that such adjustments of the basic charter hire may then be made (1) as may be necessary to conform to the provisions of law then in effect, and (2) as the Commission may deem fair and equitable. In the event of the failure of the operator to agree to pay such charter hire for any vessel so substituted by the Commission, the charter-party agreement shall terminate forthwith and the operator shall forfeit all rights thereunder and also pay to the Commission as liquidated damages a sum equal to 121/2 percent of the aggregate amount of any subsidies previously

The uncertainty of these terms gave an advantage to the line which would obtain a monopoly. It is certain that all of the ships to be operated are so old that their useful and economic life in a few years will completely end. The Maritime Commission is building ships, and of those now being built and soon to be launched some will be required for substitution. The Commission, at the time of the substitution, will know the provisions of law then in effect. The invitation shows that they do not know now what the law will be then. Bidders should know what they are bidding on, and

this contemplates terms and conditions as well as physical and tangible property. The terms of substitution were uncertain. Obviously the bidders could not know them. Therefore the bidders were required by the invitation to guess the best they could and then were obligated to terms to be imposed in the future. They were required to bind themselves to obligations later to be determined, and obligate themselves if they could not accept those terms to a penal provision of 12½ percent of the aggregate amount of any operating differential subsidy previously paid.

An operator who was already operating extensive and favored services, who was already receiving subsidies, and whose bid would give him complete control of all American-flag services from Cape Hatteras north to the boundaries between Maine and Canada, manifestly could afford to take a gambler's chance. He was the only operator who could take such a chance.

No one else did take that chance, and the persons entitled by law to preferential consideration found themselves denied the preference given them by law.

In hearings before the Senate and House committees great stress is laid by the Commission upon the equitable principle of equal rights to all and special privileges to none. With that abstract principle we agree, but when the law gives a preference to a particular person, and that law has not been repealed, it is binding.

The O'Leary bill provides a means of giving to all a fair chance and equal opportunity. It provides a means of carrying into effect existing law. Surely a commission that has negotiated contracts involving many millions may negotiate these contracts. Certainly the only bidder who responded to this invitation to bid should not complain of negotiations. It was by negotiation that that bidder received its present services first under the old Shipping Board and then under the Maritime Commission, that it then disposed of its interests in the lines now constituting the Good Neighbor Fleet. and that it secured a termination of the European services for the Baltimore Mail Line and finally secured the transfer of that line to intercoastal service. That bidder would appear to be estopped from denying the right of negotiation to others. All that the O'Leary bill does is to accord to operators who have been carrying on against terrific odds an opportunity to deal on equal terms with existing subsidized lines.

The O'Leary bill provides equality of justice and opportunity to all.

SALE BY NEGOTIATION PREFERABLE

Great importance is attached to the so-called fundamental principle of disposing of Government property by public auction or by competitive bids. It is manifest that there are occasions when in justice to all this cannot be done, and when recourse must be had to negotiations. It is not often the case that insolvent railroads are sold by public auction or by sealed bids. Negotiations by officers of the court with interested parties are usual. In its enforcement of its own liens on vessels, the Maritime Commission found that such procedure was required to be followed. This was because long experience had shown that such procedure was necessary for the protection of all interests, and such procedure had become the law of the land. The same essential procedure is preferable in the case of the disposition of these services.

It is true that the Government owns the ships, but there is more at issue than mere sale or charter of ships. There are involved elements such as these: First, the right of all the ports affected to equitable service; second, the right of the Nation to have all of the ports of the Nation developed in the interest of trade promotion and development of facilities for the purposes of trade and national defense; third, the preference provided by law for the present operators, and repeatedly prescribed by law for citizens of ports in the area affected; fourth, the good will of these operators built up through the most trying years in the Nation's history; fifth, the business affiliations, connections, and agencies established at home and abroad by all who desire these lines, and the improvement or impairment of foreign-trade services that

may result from the final disposition of the lines; sixth, the local support of the ports interested and that disposition which will serve primarily the interests of the American merchant marine and secondarily the local interests; seventh, the geographical areas reached through each of the ports, the transportation connections, and economic possibilities of these areas, their part in a comprehensive scheme of national defense, and the best means of promoting the interests of those areas and economically serving them; and eighth, whether it is better to have a few big shipping companies serving many localities, or to have a larger number of more or less local companies serving their respective localities, contributing their time, efforts, means, money, and energies in promoting foreign trade, and by their collective efforts more effectually serving the Nation than a few monopolies in the shipping business.

There are many more factors that should enter into the final decision. These factors transcend all rivalries between lines or the continued existence of different services. They are of first importance and enter into the establishment and maintenance of services. These are questions that cannot be answered by competitive bidding or by public auction as the sole means of reaching these ultimate and superior objectives

The argument made in this case that the Maritime Commission can always protect the outer ports carries little weight if the agencies for effectuating that protection are first destroyed. That is a question worthy of consideration by the Commission. The question of the best manner and means of accomplishing this end is not one to be answered always by competitive bidding.

All that the O'Leary bill does, in the limited number of instances cited in the bill, is to allow negotiations. After negotiation the decision is with the Maritime Commission to act as, in its opinion, under the law, the best interest of the country demands.

The proponents of this legislation feel that they can trust the Commission. The great work done by the Commission should assure the American people and the opponents to this measure that the Maritime Commission may be trusted. Of course the Commission may trust itself.

NEGOTIATION AUTHORIZED IN MERCHANT MARINE ACT, 1936, FOR SOME CONSTRUCTION CONTRACTS

In the Merchant Marine Act, 1936, provision is made under other circumstances for negotiation of construction contracts. See section 502 (b), wherein it is provided that—

In any case where the Commission finds that the construction differential exceeds $33\frac{1}{3}$ percent of such cost—

Construction cost of the vessel paid by the Commission, excluding the cost of national-defense features as provided in said section—

and the lowest bid of a responsible domestic shipbuilder is unreasonable, excessive, or collusive, the Commission may negotiate and contract with the view to construction in a domestic shippard that is not unreasonable or excessive in cost or collusive in character. Where the Commission finds that the construction differential exceeds 50 percent of such cost, the Commission may negotiate and contract on behalf of the applicant to build such vessel in a domestic shippard at a cost which will reduce the construction differential to 50 percent or less.

Section 502 (f), which permits allocations to different yards to provide necessary facilities for national defense, in addition, says:

In the allocation of construction work to such yards as herein provided, the Commission may, after first obtaining competitive bids for such work in compliance with the provisions of this act, negotiate with the bidders and with other shipbuilders concerning the terms and conditions of any contract for such work and is authorized to enter into such contract at a price deemed by the Commission to be fair and reasonable.

Again, in section 502 (f), provision is made for the allocation of construction work if the Commission shall find that the existing shipyards, including the navy yards, do not provide adequate facilities to meet necessary requirements for purposes of national defense and national emergency, with special regard to providing facilities for the national defense at strategic points.

It is provided that the Commission, after taking into consideration the benefits accruing from standardized construction, the conditions of unemployment, and the needs and reasonable requirements of all shipyards, may, with the approval of the President, allocate construction work to such yards and in such manner as it may determine to be fair, just, and reasonable to all sections of the country, subject to the provisions of said subsection. The act then provides:

In the allocation of construction work to such yards as herein provided, the Commission may, after first obtaining competitive bids for such work in compliance with the provisions of this act, negotiate with the bidders and with other shipbuilders concerning the terms and conditions of any contract for such work, and is authorized to enter into such contract at a price deemed by the Commission to be fair and reasonable.

We find that Charles Edison, Assistant Secretary of the Navy, recently told Senator Barbour of New Jersey that he was considering carefully a proposal that in building for the Navy shipbuilding contracts might be awarded on an allocation or assignment basis rather than on the basis of competitive bidding.

A detailed plan to that effect was submitted recently by John Green, president of the Industrial Union of Marine and Shipbuilding Workers of America, for the reason that it was believed that the plan would provide employment in such a way that the labor supply would be stable and adequate for the entire period of construction.

Assistant Secretary Edison advised Senator Barbour, according to newspaper reports, that in spite of the benefits that might be derived under the method proposed, it does run counter to the usual and accepted procedure in awarding public contracts in this country. He said, however, that if proper safeguards could be devised, such a method might be entirely in the public interests of efficiency and economy.

There is no such sanctity attached to competitive bids that other methods of procedure may not be followed where those methods are in the interest of efficiency or economy, good business, prevention of monopoly, sanctity of obligation, implied or express, observance of affirmative provisions of law under which persons have acted, or otherwise desirable.

The Commission which has served with such distinction in settling claims involving millions may be safely trusted with these negotiations. That same Commission adjusted many matters involving millions with the only bidder who responded to the invitation for bids involved in this legislation. It can safely be trusted to conduct the negotiations provided in this legislation.

Mr. Speaker, I ask unanimous consent that the gentleman from New York [Mr. O'Brien], a member of the committee, may have permission to extend his remarks in the Record at this point and include certain quotations.

The SPEAKER. Is there objection?

There was no objection.

Mr. O'BRIEN. Mr. Speaker, I have given careful study and consideration to the O'Leary bill, H. R. 2382, and to the background of the proposition involved therein. To me the bill appears to be entirely fair and equitable and in keeping with precedents of the past and the declared policy of Congress that we have and maintain an adequate and well-balanced merchant marine.

The question before us has reduced itself to the proposition of whether we are going to scuttle and scrap two or three small but efficient American shipping organizations, which have been operating Government-owned ships for many years, and turn these vessels and these businesses over to a single large combine. The Merchant Marine and Fisheries Committee, after exhaustive hearings, has unanimously declared itself against such a proposition and has gone on record in favor of maintaining these smaller organizations as a part of the American merchant marine wherever consistent with the best interests of the Government.

This action has been taken for two major reasons: First, it is merely carrying out the consistently declared policy of Congress; and, secondly, failure to enact this legislation would mean the destruction of these small but efficient ship-

ping units and the placing of these businesses in the hands of a larger single combine, the United States Lines, which itself has a notorious record for dipping deeply into the coffers of the Federal Treasury at the expense of the American tax-naver

With reference to the first reason, namely, that this bill is merely carrying out the consistently declared policy of Congress, I refer back to the various shipping acts in which Congress has repeatedly stated that in the charter or sale of the Government-owned lines that preference should be given to the present operators thereof. Section 704 of the Merchant Marine Act, as amended, carries specific language to that effect. Unfortunately, however, Congress has never defined the term "preference," and hence the Maritime Commission, as well as the operators of these lines, have never had a clear and definite declaration of what Congress intended by granting this preference. The O'Leary bill does, to a large extent, define that preference.

Of particular significance with reference to this point, I desire to refer to a letter directed to the President of the United States on December 3, 1930, by a special committee appointed by him to investigate and recommend what disposition should be made of the American Diamond Lines and the America-France Line, taking into consideration that the then operators of the services had been outbid in competitive bidding for these services. This special committee consisted of Ira A. Campbell, H. D. Dalton, Edward N. Hurley, George S. Jackson, and Clarence M. Woolley. These gentlemen recommended that these services be sold to their then operators, namely, the American Diamond Lines, to the Black Diamond Steamship Corporation, and the America-France Line to the Cosmopolitan Shipping Co., despite the higher bid for these services placed by the United States Lines, the only other bidder.

Certain phases of this report are extremely pertinent and are very timely to the present situation here presented. I quote from certain passages of this report:

Our conclusions that the public interest would best be served by the sale of the American Diamond Lines to the Black Diamond Steamship Corporation and the America-France Line to the Cosmopolitan Shipping Co. are based upon the following considerations, namely:

1. The Shipping Board has followed the sound policy in consonance with the views of the framers of the legislation, which has made possible the upbuilding of our merchant marine, of placing the various Government services in the hands of different operators. This has resulted in the creation of new shipping concerns, many of them in ports other than New York. The United States has needed and still needs to develop as many substantial and capable organizations and executives in the shipping business as possible. It has been the recognition of this need and the confidence that they would be developed that has brought to constructive shipping legislation the support of Members of Congress, regardless of party lines, and of commercial and agricultural interests throughout the United States. The same policy should be followed wherever soundly applicable in the sales of the Government at the America Hannes Line which

With specific reference to the America-France Line, which is operated by the Cosmopolitan Shipping Co., one of the lines under consideration in the O'Leary bill, the report continues:

The Cosmopolitan Shipping Co. has a good organization in the United States, with its principal office in New York and agencies in other cities, from which comes the largest part of its business. It has an unusually fine and active organization in France, with agents in every important commercial center from which it draws its foreign business.

The officers and agents of the company have devoted their efforts largely to the development of this particular service, extending over a period of 14 years. The company has built up a goodwill in the trade. This is evidenced not only by the way it has developed and held its business, but also by the very excellent letters of endorsements which have been presented to us.

So far as we can ascertain, no criticism has ever been made of the efficiency of the Cosmopolitan Shipping Co.'s management. The Shipping Board has recognized its efficiency by rating the company at its highest classification as an operator. If it had not been efficient, undoubtedly the Board would have changed the management long ago, for it could have turned it over to the United States Lines, which was operating to Cherbourg, or to other operators.

It seems to me that the forceful logic of the Campbell report applies to the present situation. If it was to the best interests of the Government and in keeping with sound public policy to continue the operation of the America-France Line in the hands of the Cosmopolitan Shipping Co. then, and out of the hands of the United States Lines, the highest bidder, it is certainly more so today, for reasons I will show as we look into the past record of the United States Lines.

As to the second reason why the O'Leary bill should be passed, I return to my point that failure to enact this legislation will mean the loss of these small but admittedly efficient shipping units and undoubtedly the placing of these lines under the domination of the United States Lines, resulting in a monopoly for the United States Lines of Government-aided services in the North Atlantic and covering the United Kingdom, French, and German ports. Certainly this is not to be tolerated by the Congress. Better, indeed, is it that we foster and protect for our American merchant marine, as was said in the Campbell report, as many substantial and capable organizations as possible.

I have taken occasion to familiarize myself to some extent with the background of the Southgate Nelson Corporation and the Cosmopolitan Shipping Co., the companies involved under this bill, and I find that these two organizations are doing a splendid job in advancing the interests of the American merchant marine; that their cost to the Government does not at all compare unfavorably with the cost of the many other privately owned lines receiving Government subsidies. As is said in the Kennedy report made on November 10, 1937, giving an economic survey of the American merchant marine at page 34:

From the foregoing it is clear that, although the Government lines are maintained at a net loss, their record compares not unfavorably with that of certain of the subsidized lines.

As far as I have been able to learn, the record of the Southgate Nelson Corporation and the Cosmopolitan Shipping Co. has been open and honest. The record of the United States Lines who are now trying to take over these services and to monopolize Government subsidies is not nearly so wholesome. You are all familiar with the Black investigation. You are all familiar, I am sure, with the Leviathan case. In a stinging letter dated April 14, 1934, addressed to the advisory committee one of the present members of the Maritime Commission, Thomas M. Woodward, scored the International Mercantile Marine and the United States Lines for the attempted bargain they were trying to drive at the expense of the United States in regard to the Leviathan case. An enlargement of the facts may be advisable here.

Can we then be at all sure that these same drains on the Federal Treasury will not be continued? And what position would we be in to stop them if we permitted a monopoly to be set up? Where else could we turn in case of failure of this monopoly or how could we avoid succumbing to its demands? This is something to ponder over. Sufficient thought will bring us to the true thought behind the O'Leary bill.

TEMPORARY DETAIL OF UNITED STATES EMPLOYEES TO GOVERN-MENTS OF AMERICAN REPUBLICS AND THE PHILLIPPINES

The Clerk called the next bill on the Consent Calendar, H. R. 3134, to amend the act entitled "An act authorizing the temporary detail of United States employees possessing special qualifications to governments of American republics and the Philippines, and for other purposes," approved May 25, 1938.

The SPEAKER. Is there objection to the present consideration of the bill?

Mr. STEFAN. Mr. Speaker, reserving the right to object, I would like to have this bill explained. What has it to do with employing additional American technicians in the Philippine Islands?

Mr. MAY. The purpose of the bill is this: In connection with certain trade agreements and commercial transactions between our outlying possessions and between the South American republics we have been detailing employees to the various governments from this Government. The only thing this bill provides is that when funds have been allocated to the Department of the Interior, for instance, to send some mining man down to Brazil—

Mr. STEFAN. Well, what will these specialists do in the Philippine Islands? In view of the fact that we are leaving the Philippines in 1946, what are they doing there now?

Mr. MAY. I do not know if they have one there, but, if so, it is undoubtedly in connection with the sugar transactions with the Philippines Islands. The only thing is to enable them to pay back to the particular department from their government.

The SPEAKER. Is there objection to the present consideration of the bill?

There being no objection, the Clerk read the bill, as fol-

Be it enacted, etc., That the act entitled "An act authorizing the temporary detail of United States employees, possessing special qualifications, to governments of American republics and the Philippines, and for other purposes", approved May 25, 1938, be, and the same is hereby, amended to read as follows:

"That the President of the United States be, and hereby is, authorized, whenever he finds that the public interest renders such a course advisable, upon agreement with the government of any other American republic or the government of the Commonwealth of the Philippine Islands, or the Government of Liberia, if such government is desirous of obtaining the services of a person having special scientific or other technical or professional qualifications, other than those persons covered by the act of May 19, 1926 (44 Stat. 565), as amended by the act of May 14, 1935 (49 Stat. 218), to detail for temporary service of not exceeding 1 year under such government any such person in the employ of the Government of the United States: Provided, That the President may, in extraordinary circumstances, extend the period of such detail for one or more additional periods of not to exceed 6 months each: extraordinary circumstances, extend the period of such detail for one or more additional periods of not to exceed 6 months each: And provided further, That while so detailed, such person shall be considered for the purpose of preserving his rights and privileges as such, an officer or employee of the Government of the United States and of the department or agency from which detailed and shall continue to receive therefrom compensation, and he shall receive additional compensation from the department or agency from which detailed not to exceed 50 percent of the compensation he was receiving as an officer or employee of the United States at the time of detail, and shall receive from the United States reimbursement for travel expenses to and from the place of detail and the time of detail, and shall receive from the United States reim-bursement for travel expenses to and from the place of detail and monthly allowances determined by the President to be adequate for quarters and subsistence during the period of such detail. The additional compensation, travel expenses, and other allowances authorized by this act to be paid to any such officer or employee shall be paid from any appropriations available for the payment of compensation and travel expenses of the officers and employees of the department or agency from which he is detailed: Provided, however, That if any of the governments to which details are authorized by this act shall express the desire to reimburse this Government in whole or in part for the expenses of such details, the President is authorized, when he deems it in the public interest, to President is authorized, when he deems it in the public interest, to accept such reimbursement and the amounts so received may be credited to (a) appropriations current at the time the expenses of details are to be or have been paid, (b) appropriations current at the time such amounts are received, or (c) in part as provided under (a) and in part as provided under (b) hereof; and such amounts shall be available for the purposes of the appropriations to which credited: Provided further, That if any of the governments to which details are authorized by this act shall express the desire to provide advances of funds to be used by this Government, in whole or in part for the expenses of such details, the President is authorized, when he deems it in the public interest, to accept such advances of funds, and the amounts so received may be established as trust funds, to be available for the purpose and under lished as trust funds, and the amounts so received may be established as trust funds, to be available for the purpose and under the provision of this act until the termination of the detail, any unexpended balance of the trust fund to be returned to the foreign government making the advance."

Mr. WOLCOTT. Mr. Speaker, I offer an amendment. The Clerk read as follows:

Amendment offered by Mr. Wolcott: On page 2, line 13, after the words "Government of the United States", insert "whose services can be spared."

The amendment was agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

VESSELS FOR THE COAST AND GEODETIC SURVEY

The Clerk called the next bill, H. R. 138, to authorize the construction of certain vessels for the Coast and Geodetic Survey, Department of Commerce, and for other purposes.

The SPEAKER. Is there objection to the present consideration of the bill?

Mr. WOLCOTT. Mr. Speaker, reserving the right to object, 2 weeks ago when the calendar was called I enunciated what was to be the policy of the three Members appointed by the minority to supervise this calendar.

I sincerely regret that we have had to apply that policy to this bill, because I think the bill is meritorious. In keeping with the policy we have established I shall have to ask unanimous consent that the bill go over without prejudice.

The SPEAKER. Is there objection to the request of the gentleman from Michigan that the bill be passed over without prejudice?

There was no objection.

MAILING OF REVOLVERS TO OFFICERS OF COAST GUARD

The Clerk called the next bill, H. R. 3231, to authorize the mailing of pistols, revolvers, and other firearms capable of being concealed on the person, to officers of the Coast Guard. There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That section 1 of the act entitled "An act declaring pistols, revolvers, and other firearms capable of being concealed on the person nonmailable and providing penalty, approved February 8, 1927 (44 Stat. 1059; U. S. C., title 18, sec. 361), is hereby amended by inserting the words "Coast Guard," after the word "Navy," in the first proviso thereof.

The bill was ordered to be engrossed and read a third time. was read the third time, and passed, and a motion to reconsider was laid on the table.

NATIVE EMPLOYEES IN GOVERNMENT SERVICE ABROAD

The Clerk called the next bill, S. 1523, to authorize the payment of burial expenses and expenses in connection with last illness and death of native employees who die while serving in offices abroad of executive departments of the United States Government.

Mr. MARTIN of Massachusetts. Mr. Speaker, reserving the right to object, will the gentleman from New York [Mr. BLOOM] inform the House how much this will cost us?

Mr. BLOOM. It will not cost very much. It applies only to native employees in the Foreign Service. I believe it will not amount to more than \$1,000 a year.

Mr. MARTIN of Massachusetts. How many native employees do we have in our Foreign Service?

Mr. BLOOM. I do not have those figures with me.

Mr. MARTIN of Massachusetts. Mr. Speaker, this is a new departure involving expenditure of money for a new purpose. I think I shall have to ask that the bill go over without prejudice.

Mr. BLOOM. Mr. Speaker, if the gentleman will yield, this money comes out of the present appropriation; this does not call for an additional appropriation.

Mr. MARTIN of Massachusetts. The phrase in the bill "last illness" might mean the physician's bill.

Mr. BLOOM. No. This is only for the death of the em-

Mr. MARTIN of Massachusetts. But the bill reads: "expenses in connection with the last illness and death" of the employee.

Mr. BLOOM. Illness and death are combined, but a limitation of not to exceed \$100 in any one case is embodied in

Mr. MARTIN of Massachusetts. Mr. Speaker, I ask unanimous consent that this bill may go over without prejudice at this time.

The SPEAKER. Is there objection to the request of the gentleman from Massachusetts?

There was no objection.

BRIDGE ACROSS MAHONING RIVER, YOUNGSTOWN, OHIO

The Clerk called the next bill, H. R. 1661, granting the consent of Congress to the city of Youngstown, Ohio, to construct, maintain, and operate a free highway bridge across the Mahoning River at or near Marshall Street, Youngstown.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the consent of Congress is hereby granted Be it enacted, etc., That the consent of Congress is hereby granted to the city of Youngstown, Ohio, to construct, maintain, and operate a free highway bridge, and approaches thereto, across the Mahoning River, at a point suitable to the interests of navigation, at or near Marshall Street, Youngstown, Mahoning County, Ohio, in accordance with the provisions of an act entitled "An act to regulate the construction of bridges and other structures over navigable waters," approved March 23, 1906, and subject to the conditions and limitations contained in this act.

Sec. 2. The right to alter, amend, or repeal this act is hereby expressly reserved.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

BRIDGE ACROSS MAHONING RIVER, YOUNGSTOWN, OHIO

The Clerk called the next bill, H. R. 1962, granting the consent of Congress to the city of Youngstown, Ohio, to construct, maintain, and operate a free highway bridge across the Mahoning River at or near Cedar Street, Youngstown. Ohio.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the consent of Congress is hereby granted Be it enacted, etc., That the consent of Congress is hereby granted to the city of Youngstown, Ohio, to construct, maintain, and operate a free highway bridge, and approaches thereto, across the Mahoning River, at a point suitable to the interests of navigation, at or near Cedar Street, Youngstown, Mahoning County, Ohio, in accordance with the provisions of an act entitled "An act to regulate the construction of bridges and other structures over navigable waters," approved March 23, 1906, and subject to the conditions and limitations contained in this act.

SEC. 2. The right to alter, amend, or repeal this act is hereby expressly reserved.

expressly reserved.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

BRIDGES IN CADDO PARISH, LA.

The Clerk called the next bill, H. R. 2192, to extend the time for commencing and completing bridges across Cross Bayou, Twelve Mile Bayou, and Caddo Lake, in Caddo Parish, La.

Mr. PLUMLEY. Mr. Speaker, reserving the right to object, will the gentleman from Louisiana [Mr. Brooks] inform us of the necessity for extending the time for the completion of these bridges?

Mr. BROOKS. Mr. Speaker, I may say to the gentleman from Vermont that as soon as the original bill was passed last year the highway commission began to get the rightsof-way cleared up. They were delayed. They are now prepared to go ahead, however, and let the bids on these particular bridges and begin their construction. The time runs out on August 1, I believe, and the bridges cannot be completed by that time. That is the reason for the request for the extension of time.

The SPEAKER. Is there objection to the present consideration of the bill?

There was no objection.

The Clerk read as follows:

Be it enacted, etc., That the time for commencing and completing the construction of bridges across Cross Bayou at Shreveport, La.; across Twelve Mile Bayou, approximately 3 miles north of Shreveport, La.; and across Caddo Lake at or near Mooringsport, La., authorized to be built by the Louisiana High Commission and/or the Parish of Caddo, La., for the purpose of operating free highway bridges and approaches thereto, approved August 19, 1937, in Public Act 318 of the Seventy-fifth Congress entitled "An act to authorize the construction of bridges in Caddo Parish, La."; is hereby further extended 2 years from this date, provided that the agencies above mentioned may construct the bridges herein authorized. ized.

SEC. 2. The right to alter, amend, or repeal this act is hereby expressly reserved.

With the following committee amendments:

Strike out all of section 1, after the comma, following the word "Louisiana", in line 9, page 1, and in lieu thereof insert "by an act of Congress approved August 19, 1937, are hereby extended, with respect to each bridge, 1 and 3 years, respectively, from August 19, 1939."

Also, in line 3, page 1, change the word "time" to "times."

The committee amendments were agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

BRIDGE ACROSS ALLEGHENY RIVER, WESTMORELAND COUNT, PA.

The Clerk called the next bill, H. R. 2635, granting the consent of Congress to Westmoreland County in the State of Pennsylvania to construct, maintain, and operate a free highway intercounty bridge and approaches across the Allegheny River, connecting Valley Camp in Westmoreland County and East Deer Township in Allegheny County, to connect State Highway Routes No. 28 and 56.

There being no objection, the Clerk read the bill, as follows:

Be it enacted., etc., That the consent of Congress is hereby granted to Westmoreland County in the State of Pennsylvania to construct, maintain, and operate a free highway bridge and approaches thereto across the Allegheny River, at a point suitable to the interests of navigation, connecting Valley Camp in Westmoreland County and East Deer Township in Allegheny County, to connect State Highway Routes No. 28, which runs from East Pittsburgh to Tarentum, East Deer Township, Allegheny County, and No. 56 (Freeport Road), Lower Burrell Township, Westmoreland County, in accordance with the provisions of the act entitled "An act to regulate the construction of bridges over navigable waters," approved March 23, 1906, and subject to the conditions and limitations contained in this act.

SEC. 2. The right to alter, amend, or repeal this act is hereby expressly reserved.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

BRIDGE ACROSS ST. LAWRENCE RIVER AT OR NEAR OGDENSBURG, N. Y.

The Clerk called the next bill, H. R. 2661, to extend the times for commencing and completing the construction of a bridge across the St. Lawrence River at or near Ogdensburg. N. Y.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the times for commencing and completing the construction of a bridge across the St. Lawrence River at or near Ogdensburg, N. Y., authorized to be built by the St. Lawrence Bridge Commission and its successors and assigns, by an act of Congress approved June 14, 1933, and heretofore extended by acts of Congress approved June 8, 1934, May 28, 1935, April 11, 1936, and August 12, 1937, are hereby extended 1 and 3 years, respectively, from the date of approval of this act.

Sec. 2. The right to alter, amend, or repeal this act is hereby expressly reserved.

expressly reserved.

With the following committee amendment: Page 2, line 1, after the word "hereby", insert "further."

The committee amendment was agreed to.

The bill was ordered to be engrossed and read a third time. was read the third time, and passed, and a motion to reconsider was laid on the table.

AMENDMENT TO ACT RELATING TO NATURALIZATION OF CERTAIN WOMEN BORN IN HAWAII

The Clerk called the next bill, H. R. 159, to amend an act entitled "An act relating to the naturalization of certain women born in Hawaii," approved July 2, 1932.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the act entitled "An act relating to the naturalization of certain women born in Hawaii," approved July 2, 1932, is amended to read as follows: That for the purposes of subdivision (b) of section 3 of the act entitled "An act relative to the naturalization and citizenship of married women," approved September 22, 1922, as amended, a woman born in Hawaii prior to June 14, 1900, shall be considered to have been a citizen of the United States at birth.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

PERMITTING ADMISSION OF CERTAIN ALIEN WIVES OF UNITED STATES CITIZENS

The Clerk called the next bill, H. R. 160, to permit alien wives of American citizens who were married prior to the approval of the Immigration Act of 1924 to enter the United States.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That part (4) of subdivision (c) of section 13 of the Immigration Act of 1924, as amended by an act of June 13, 1930, is hereby amended so as to read as follows: "or (4) is the alien wife of an American citizen who was married prior to the approval of the Immigration Act of 1924, approved May 26, 1924."

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

BRIDGE ACROSS THE OTTAWA RIVER AT OR NEAR TOLEDO, OHIO The Clerk called the next bill, H. R. 3225, authorizing the Department of Highways of the State of Ohio to construct,

maintain, and operate a free highway bridge across the Ottawa River at or near the city of Toledo, State of Ohio.

The SPEAKER. Is there objection to the present consideration of the bill?

Mr. WOLCOTT. Mr. Speaker, reserving the right to object, I notice that section 2 of this bill seeks to authorize the State of Ohio to condemn private property needed for the construction of this bridge. I assume the only lands involved are the lands upon which the approaches are to be built. I think it is rather presumptive on the part of the Congress of the United States to seek to authorize a sovereign State to exercise a prerogative which is given to it under its own constitution.

There are two questions with respect to these bridges which should be given consideration. They both involve need for legislation authorizing the construction of bridges. I presume the Congress of the United States gets its jurisdiction over the erection of bridges due to the fact that it retains control of the navigable streams. We seek in many bills to determine the manner in which bonds may be retired.

It seems to me a rather long way from determining whether a bridge will be an obstacle to navigation to determine how the bonds to construct that bridge will be paid. Likewise, it seems to me farfetched, and as I said presumptive on our part to seek to authorize a sovereign State to condemn property for the construction of approaches to a bridge under our general jurisdiction over streams.

I wonder if any member of the Interstate and Foreign Commerce Committee will explain to the House the justification for the provision in this bill under which we seek to give authority to the State to condemn for the construction of these approaches? I am not going to object to the bill, but it seems to me if the Committee on Interstate and Foreign Commerce is going to continue to presume we have authority to authorize the States to condemn, there should be some basis for it and some discussion must have been had in the committee which would be interesting to the House.

Mr. HOLMES. Will the gentleman yield?

Mr. WOLCOTT. I yield to the gentleman from Massa-

Mr. HOLMES. I will try to explain. Usually these bridge bills are drafted on what is known as the regular bridge laws. In order to construct this bridge it is necessary for the State to get the consent of the Congress.

It will be noticed that section 1 provides-

That in order to facilitate interstate commerce, improve the Postal Service, and provide for military and other purposes, the department of highways of the State of Ohio be, and is hereby, authorized to construct, maintain, and operate a free highway bridge and approaches thereto across the Ottawa River.

That is the language of the bill under consideration at the present time. It also goes further and gives them the authority or right to condemn. We appreciate that the State has this authority now.

Mr. WOLCOTT. Why do we seek, then, to presume we have authority to give to it, if the State already has the

Mr. HOLMES. As the gentleman raises the point, it is a question whether or not it is necessary for the Congress to

Mr. WOLCOTT. Why do we presume to give them the authority, if it is not necessary? I can appreciate an occasion where a man wants to build an industrial plant along a navigable stream, or a man wants to build a home along a navigable stream, or a man wants to build a summer cottage on one of our inland lakes which is navigable. Does not the gentleman think it is rather presumptive on the part of the Congress of the United States to tell him the type of building he shall build along a navigable stream or on any of the hundreds of lakes or on any of the connecting waters? If the gentleman does think so, is it not just as presumptive to tell the State of Ohio or any other State what construction they may place upon the banks of any navigable stream on land over which the United States Government has no control?

Mr. HOLMES. I think the gentleman has brought up illustrations that are entirely foreign to the question of an approach to a bridge which will facilitate traffic and will be used for postal, military, and other services.

Mr. WOLCOTT. It surely cannot be for the reason that the approach is a part of the Federal highway system, because the Federal Highway Act expressly provides that the States shall acquire the right-of-way before they may participate under the Federal Highway Act.

Mr. HOLMES. This authorizes them by congressional act to condemn property in connection with approaches to the bridge.

Mr. WOLCOTT. That is the point. By what authority do we seek to give the State of Ohio the authority to do something which under its own constitution it already has the right to do?

Mr. HOLMES. Under the general laws on which these bridge bills are drawn and recommended to the House.

Mr. WOLCOTT. I see the gentleman's point. I wish the Committee on Interstate and Foreign Commerce would give some consideration to this broad question whether we have the constitutional right or any other right to regulate the manner in which land will be acquired for the approaches to these bridges, and also the other question as to what authority we have to tell a State how it shall retire an indebtedness attending the construction of a bridge.

Mr. HINSHAW. Will the gentleman yield? Mr. WOLCOTT. I yield to the gentleman from Cali-

Mr. HINSHAW. It is my memory that there was a slight complication because of the fact that this bridge took a little nick out of the State of Michigan and another out of the State of Indiana. It is a peculiar location. I may be incorrect as to the exact facts.

Mr. WOLCOTT. Of course, the Federal Government would have no authority to give to the State of Ohio the right to condemn the property of another sovereign State, so we get right back where we started.

Mr. HOLMES. If the gentleman will yield, I should like to make the correction that this one is entirely within the

The SPEAKER pro tempore (Mr. WARREN). Is there objection to the present consideration of the bill?

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That in order to facilitate interstate commerce, improve the postal service, and provide for military and other purposes, the Department of Highways of the State of Ohio other purposes, the Department of Highways of the State of Ohio be, and is hereby, authorized to construct, maintain, and operate a free highway bridge and approaches thereto across the Ottawa River, at a point suitable to the interests of navigation, at or near the city of Toledo, in accordance with the provisions of the act entitled "An act to regulate the construction of bridges over navigable waters," approved March 23, 1906, and subject to the conditions and limitations contained in this act.

conditions and limitations contained in this act.

Sec. 2. There is hereby conferred upon the Department of Highways of the State of Ohio all such rights and powers to enter upon lands and to acquire, condemn, occupy, possess, and use real estate and other property needed for the location, construction, operation, and maintenance of such bridge and its approaches as are possessed by railroad corporations for railroad purposes or by bridge corporations for bridge purposes in the State in which real estate or other property is situated, upon making just compensation therefor, to be ascertained and paid according to the laws of such State, and the proceedings therefor shall be the same as in the condemnation or expropriation of property for public purposes in such State.

purposes in such State.

SEC. 3. The right to alter, amend, or repeal this act is hereby expressly reserved.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

MUSKINGUM RIVER CANAL

The Clerk called the next bill, H. R. 3375, to authorize M. H. Gildow to construct a free, movable, pontoon footbridge across Muskingum River Canal at or near Beverly, Ohio.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That M. H. Gildow is hereby authorized to construct, maintain, and operate a free, movable, pontoon footbridge and approaches thereto across the Muskingum River Canal

at or near Island Park, in Beverly, Ohio, at a point suitable to the interests of navigation, in accordance with the provisions of the act entitled "An act to regulate the construction of bridges over navigable waters," approved March 23, 1906, and subject to conditions and limitations contained in this act.

SEC. 2. The right to alter, amend, or repeal this act is hereby expressly reserved.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

BRIDGE ACROSS CUMBERLAND RIVER, TENN.

The Clerk called the next bill, H. R. 3418, granting the consent of Congress to the highway department of Davidson County, of the State of Tennessee, to construct a bridge across Cumberland River, at a point approximately 13/4 miles below Clees Ferry, connecting a belt-line highway in Davidson County, State of Tennessee, known as the Old Hickory Boulevard.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the consent of Congress is hereby granted to the highway department of Davidson County, of the State of Tennessee, and its successors and assigns, to construct, maintain, and operate a bridge and approaches thereto across the Cumberland River at a point suitable to the interests of navigation, at a point approximately 134 miles below Clees Ferry, connecting a belt-line highway in Davidson County, State of Tennessee, known as the Old Hickory Boulevard, in accordance with the provisions of the act entitled "An act to regulate the construction of bridges over navigable waters," approved March 23, 1906.

SEC. 2. That the right to alter, amend, or repeal this act is hereby expressly reserved.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

WACCAMAW RIVER, N. C.

The Clerk called the next bill, H. R. 3589, granting the consent of Congress to the State Highway Commission of North Carolina to construct, maintain, and operate a free highway bridge across the Waccamaw River between Old Dock and Ash, N. C.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the consent of Congress is hereby granted Be it enacted, etc., That the consent of Congress is hereby granted to the State Highway Commission of North Carolina to construct, maintain, and operate a free highway bridge and approaches thereto across Waccamaw River, at a point suitable to the interests of navigation, between Old Dock and Ash, in the counties of Columbus and Brunswick, State of North Carolina, in accordance with the provisions of an act entitled "An act to regulate the construction of bridges over navigable waters," approved March 23, 1906.

SEC. 2. The right to alter, amend, or repeal this act is hereby expressly reserved.

expressly reserved.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

NATURALIZATION OF ALIEN WORLD WAR VETERANS

The Clerk called the next bill, H. R. 4167, to extend further time for naturalization of alien veterans of ineligible race who served in the armed forces of the United States during the World War.

There being no objection, the Clerk read the bill, as follows:

Be it enacted etc., That section 1 (h) of the act approved June 24, 1935 (49 Stat. 397), entitled "An act to authorize the naturalization of certain resident alien World War veterans" is hereby amended to read as follows: "The petition for certificate of citizenship shall be filed with a court having naturalization jurisdiction prior to January 1, 1941."

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

APACHE TRIBE OF THE MESCALERO RESERVATION, N. MEX.

The Clerk called the next bill, S. 876, to authorize the purchase of certain lands for the Apache Tribe of the Mescalero Reservation, N. Mex.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the Secretary of the Interior be, and he is hereby, authorized in his discretion to purchase with any available funds heretofore or hereafter appropriated pursuant to authority contained in section 5 of the act of June 18, 1934 (48 Stat. L. 984), lots 1, 2, 3, and 4, north half northeast quarter southwest

quarter northeast quarter, north half southeast quarter northeast quarter, north half southeast quarter southeast quarter northeast quarter, section 24, township 15 south, range 16 east, and lots 4, 5, and 6, section 19, township 15 south, range 16 east, New Mexico principal meridian, New Mexico. Title to the lands shall be taken in the name of the United States in trust for the Apache Tribe of the Mexico.

The bill was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

THE INDIAN SERVICE

The Clerk called the next bill, S. 1477, to repeal section 9 of the act of March 3, 1875 (18 Stat. L. 450), as amended,

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That section 9 of the act of March 3, 1875 (18 Stat. L. 450), as amended (U. S. C., title 25, sec. 95), providing for the submission by bidders of certified checks or bonds in the amount of 5 percent of each proposal in excess of \$5,000 for goods, supplies, transportation, etc., for and on account of the Indian Service, is hereby repealed.

The bill was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

INDIANS OF THE WINNEBAGO AGENCY

The Clerk called the next bill, H. R. 2971, for the relief of certain Indians of the Winnebago Agency.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the Secretary of the Treasury be, and he is hereby, authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, the sum of \$38,352.84 to the Treasurer of the United States for deposit in the official disbursing account of the superintendent and special disbursing agent of the Winnebago Indian Agency, Nebraska, to replace a deposit of individual Indian money in like amount with the State Bank of Winnebago, Nebr., defunct: Provided, That any sums, not exceeding in the aggregate the amount of this appropriation, recovered from said bank or the sureties on the bonds thereof, shall be deposited into the general fund of the Treasury.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

CHOCTAW AND CHICKASAW SANATORIUM AND GENERAL HOSPITAL

The Clerk called the next bill, H. R. 3703, to provide for conveying to the United States the land, buildings, and improvements comprising the Choctaw and Chickasaw Sanatorium and General Hospital.

The SPEAKER pro tempore. Is there objection to the

present consideration of the bill?

Mr. COSTELLO. Mr. Speaker, I ask unanimous consent that a similar Senate bill (S. 1104) may be considered in lieu of the House bill.

Mr. WOLCOTT. Reserving the right to object, Speaker, I assume the Senate bill is identical with the House bill as amended?

Mr. COSTELLO. I believe it is similar. There is some change in the language. I could not say the language is identical.

Mr. WOLCOTT. Is there any material change?

Mr. COSTELLO. No; the change is practically a matter of language only. It is not a change of any material thing. The SPEAKER pro tempore. Is there objection to the

present consideration of the bill?

There being no objection, the Clerk read the Senate bill, as follows:

Be it enacted, etc., That the principal chief of the Choctaw Nation and the governor of the Chickasaw Nation be, and they are hereby, authorized to grant and convey to the United States of America, with the consent and approval of the Secretary of the Interior, not less than 160 acres and all buildings and improvements thereon comprising the Choctaw and Chickasaw Sanatorium and General Hospital.

The bill was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

A similar House bill (H. R. 3703) was laid on the table.

PAYMENT OF ATTORNEYS' FEES FROM OSAGE TRIBAL FUNDS The Clerk called the next bill, H. R. 4117, to provide for the payment of attorneys' fees from Osage tribal funds.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That, pursuant to the terms of a contract approved by the First Assistant Secretary of the Interior July 3, 1933, between Fred Lookout, principal chief of the Osage Tribe of Indians, and certain attorneys therein named, modified pursuant to Osage Council Resolution No. 21, dated June 24, 1935, and extended for a period of 5 years from July 3, 1938, there is hereby authorized to be expended from any funds collected as a result of any suit or suits brought under said contract such sum as may be necessary to pay the fee provided for the attorneys so employed, not to exceed 12½ percent of such amount as may be recovered and collected for the Osage Tribe, as provided in the terms of the contract.

With the following committee amendment:

On page 2, in line 2, after the word "exceed", strike out "121/2" and insert "10."

The committee amendment was agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

AMENDMENT OF SOIL CONSERVATION AND DOMESTIC ALLOTMENT ACT

The Clerk called the next bill, S. 1098, to amend section 12 of the Soil Conservation and Domestic Allotment Act, as amended, by authorizing advances for crop insurance.

There being no objection, the Clerk read the bill, as

Be it enacted, etc., That section 12 of the Soil Conservation and Domestic Allotment Act, as amended, is amended by designating the existing previsions of said section 12 as subsection (a) and by adding at the end thereof the following new subsection (b): "The Secretary is authorized to make advances to producers for the purpose of assisting them to insure their crops with the Federal Crop Insurance Corporation. The Secretary shall remit the amount of any such advances to a producer directly to such Corporation in payment of the premium on the insurance for which the producer has made application. Advances shall only be made to producers who are participating or who agree to participate in a program formulated pursuant to section 8. Except as otherwise provided in this subsection, the terms and conditions of such advances shall be fixed by the Secretary. The appropriation made in the Department of Agriculture Appropriation Act, fiscal year 1939, under the item entitled 'Conservation and Use of Agricultural Land Resources, Department of Agriculture,' shall be available during the fiscal year 1939 for advances authorized by this subsection."

The bill was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

ALTERATIONS AND REPAIRS TO CERTAIN NAVAL VESSELS

The Clerk called the next bill, S. 829, to authorize alterations and repairs to certain naval vessels and for other purposes.

Mr. CHURCH. Mr. Speaker, I ask unanimous consent that this bill may be passed over without prejudice.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Illinois?

There was no objection.

ACQUIREMENT AND CONVERSION OF CERTAIN AUXILIARY VESSELS FOR THE NAVY

The Clerk called the next bill, S. 828, to permit the President to acquire and convert, as well as to construct, certain auxiliary vessels for the Navy.

Mr. CHURCH. Mr. Speaker, I ask unanimous consent that

this bill may go over without prejudice.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Illinois?

There was no objection.

PAYMENT TO NON-INDIAN CLAIMANTS

The Clerk called the next bill, S. 1476, to authorize an appropriation to pay non-Indian claimants whose claims have been extinguished under the act of June 7, 1924, but who have been found entitled to awards under said act as supplemented by the act of May 31, 1933.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That there is hereby authorized to be appropriated, out of any money in the Treasury not otherwise appropriated, a sum to compensate white settlers or non-Indian claims ants whose claims have been extinguished under the act of June 7, 1924 (43 Stat. L. 636), but who have been found by the Secretary of the Interior, in conformity with the proviso to section 3

of the act of May 31, 1933 (48 Stat. L. 108, 109), to be entitled to increased compensation by reason of errors in the amount of award previously allowed, or entitled to original awards by reason of errors in the omission of legitimate claimants, the non-Indian claimants, or their successors, as found and reported by the Secretary of the Interior, to be compensated out of said appropriation to be disbursed under the direction of the Secretary of the Interior in the amounts found to be due them as follows: within the pueblo of Taos, \$10,733.05; within the pueblo of San Felipe, \$93; in all \$10,826.05.

Vith the following committee amendments:

On page 2, line 8, after the word "them", insert "including \$1,000 to be paid to Alberto Cruz for his house."

Line 10, after the word "Taos", strike out "\$10,733.05" and insert "\$9,733.05."

Line 11, after the word "all", strike out "\$10,826.05" and insert "\$9,826.05."

At the end of the bill insert: "Provided, That no part of the amounts appropriated in this act in excess of 10 percent thereof shall be paid or delivered to or received by any agent or attorney on account of services rendered in connection with these claims, and the same shall be unlawful, any contract to the contrary not-withstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding \$1,000."

The committee amendments were agreed to.

The bill was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

CHOCTAW INDIANS, MISSISSIPPI

The Clerk called the next bill, H. R. 3367, to define the status of certain lands purchased for the Choctaw Indians, Mississippi.

There being no objection, the Clerk read the bill, as fol-

Be it enacted, etc., That title to all lands purchased by the United States for the benefit of the Choctaw Indians of Mississippi under authority contained in the act of May 25, 1918 (40 Stat. L. 573), and similar subsequent acts, not under contract for resale to Choctaw Indians, or on which existing contracts of resale may hereafter be canceled, is hereby declared to be in the United States in trust for such Choctaw Indians of one-half or more Indian blood, resi-dent in Mississippi, as shall be designated by the Secretary of the

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

ROCKY BOY INDIAN RESERVATION

The Clerk called the next bill, H. R. 4535, to add certain public-domain land in Montana to the Rocky Boy Indian Reservation.

The Clerk read the title of the bill.

The SPEAKER pro tempore. Is there objection to the present consideration of the bill?

There was no objection.

Mr. O'CONNOR. Mr. Speaker, I ask unanimous consent that a similar Senate bill (S. 877) be considered in lieu of the House bill.

Mr. WOLCOTT. Mr. Speaker, reserving the right to object, may I ask the gentleman if it is an identical bill?

Mr. O'CONNOR. It is an identical bill; yes.

There being no objection, the Clerk read the Senate bill, as

follows:

Be it enacted, etc., That there is hereby withdrawn from the public domain and added to the Rocky Boy Indian Reservation in Montana, subject to all valid existing rights and claims, all public-domain land in the following-described area: Sections 19 to 36, inclusive, township 31 north, range 14 east; sections 1 to 5, inclusive, sections 8 to 17, inclusive, sections 20 to 29, inclusive, sections 30 to 36, inclusive, township 30 north, range 13 east; township 30 north, ranges 14 and 15 east; west half southeast quarter section 6, section 7, west half west half section 8, west half north-west quarter, southwest quarter section 17, section 18, section 19, west half west half east half section 20, sections 29 to 32, inclusive, township 30 north, range 16 east; sections 1 to 5, inclusive, sections 8 to 17, inclusive, sections 20 to 29, inclusive, sections 32 to 36, inclusive, township 29 north, range 13 east; township 29 north, range 14 east; northeast quarter, west half southeast quarter, west half section 5, section 6, section 7, west half west half northeast quarter, southeast quarter section 8, sections 17 to 20, inclusive, sections 1 and 2, township 28 north, range 13 east, sections 1 to 30, inclusive, township 28 north, range 13 east, sections 1 to 30, inclusive, township 28 north, range 13 east, sections 1 to 30, inclusive, township 28 north, range 13 east, sections 1 to 30, inclusive, township 28 north, range 13 east, sections 1 to 30, inclusive, township 28 north, range 13 east, sections 1 to 30, inclusive, township 28 north, range 13 east, sections 1 to 30, inclusive, township 28 north, range 13 east, sections 1 to 30, inclusive, township 28 north, range 19 east, and sections 1 to 30, inclusive, township 28 north, range 19 east, and sections 29 and 30, township 28 north, range 19 east, and sections 29 and 30, township 28 north, range 19 east, sections 29 e

The bill was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

A similar House bill (H. R. 4535) was laid on the table.

CELEBRATION OF OPENING OF PANAMA CANAL

The Clerk called House Joint Resolution 163, providing for the participation of the United States in the celebration of the twenty-fifth anniversary of the opening of the Panama Canal.

There being no objection, the Clerk read the joint resolution, as follows:

Resolved, etc., That in commemoration of the twenty-fifth anniversary of the opening of the Panama Canal to the commerce of the world, the 15th day of August 1939 is hereby made a public holiday in the Canal Zone, and all officers and employees of the Federal Government on the Isthmus of Panama whose services are not required by the demands of the public service may be excused from duty all day on that day without loss of the pay which they would receive for an ordinary day's work

SEC. 2. That the Governor of the Panama Canal may authorize suitable ceremonies in commemoration of the twenty-fifth anniversary of the opening of the Panama Canal, and he is hereby authorized to expend not exceeding \$5,000 out of any moneys appropriated or allotted for the maintenance and operation of the Panama Canal for any expenses connected with such ceremonics. including the printing and issuance of a suitable memorial booklet.

The joint resolution was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

DELEGATION OF AUTHORITY WITHIN DEPARTMENT OF AGRICULTURE

The Clerk called House Joint Resolution 188, authorizing the delegation of certain authority within the Department of

There being no objection, the Clerk read the joint resolution, as follows:

Resolved, etc., That the Secretary of Agriculture may designate in writing the Director of Finance of the Department of Agriculture or, in his absence, the officer acting in his stead, to sign requisitions upon the Secretary of the Treasury for disbursing funds, and such requisitions shall be as valid as if they had been signed by the Secretary of Agriculture.

The joint resolution was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider laid on the table.

UNDER SECRETARY OF AGRICULTURE

The Clerk called House Joint Resolution 189, to define the status of the Under Secretary of Agriculture, and for other

There being no objection, the Clerk read the joint resolution as follows:

Resolved, etc., That the Under Secretary of Agriculture is authorized to exercise the functions and perform the duties of the first assistant of the Secretary of Agriculture within the meaning of section 177 of the Revised Statutes of the United States (U.S. C., title 5, sec. 4) and shall perform such other duties as may be required by law or prescribed by the Secretary of Agriculture.

The joint resolution was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider laid on the table.

EXPORTATION OF TOBACCO SEED

The Clerk called the bill H. R. 2378, to prohibit the exportation of tobacco seed and plants, except for experimental purposes.

The SPEAKER pro tempore. Is there objection?

Mr. MILLER. Mr. Speaker, I reserve the right to object, to have somebody explain the purpose of the bill.

Mr. KERR. Mr. Speaker, this bill prohibits the exportation of tobacco seed from a certain area in the South, the area known as the flue-cured tobacco area. It has become a business racket to take these seeds to all parts of the world, and plant them, and produce a substitute for our tobacco which is exported to these countries. These foreign growers have to send back every 2 years to get American seed. This is a measure to protect our export business. If the gentle-man from Connecticut will read the report filed with this bill, he will readily see the importance of this legislation.

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It is, in my opinion, one of the most important measures proposed at this term of Congress.

Mr. MILLER. This is for the benefit of the tobacco grower?

Mr. KERR. Yes. Tobacco growers of this country. There is legislation of this kind in other countries which prohibits the exportation of their tobacco seeds for commercial purposes.

The SPEAKER pro tempore. Is there objection?

There was no objection.

The Clerk read the bill, as follows:

Be it enacted, etc., That it shall be unlawful to export any tobacco seed and/or live tobacco plants from the United States or any Territory subject to the jurisdiction thereof, to any foreign country, port, or place, unless such exportation and/or transportation is in puror place, unless such exportation and/or transportation is in pursuance of a written permit granted by the Secretary of Agriculture. Such permit shall be granted by the Secretary only upon application therefor and after proof satisfactory to him that such seed or plants are to be used for experimental purposes only.

Sec. 2. Any persons violating any of the provisions of this act shall be guilty of a misdemeanor and shall be punished by a fine of not more than \$5,000 or by imprisonment for not more than 1 year, or by both such fine and imprisonment.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider laid on the table.

COTTON POOL PARTICIPATION TRUST CERTIFICATES

The Clerk call the bill (H. R. 3801) to extend the time for retirement of cotton pool participation trust certificates.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the appropriation of \$1,800,000 made in the Department of Agriculture Appropriation Act, 1939, under the item entitled "Retirement of Cotton Pool Participation Trust Certificates" shall remain available until December 31, 1939, and the authority of the manager, cotton pool, to purchase and pay for participation trust certificates, Form C-5-I, shall extend to and include the 30th day of June 1939, but after the expiration of said limit the purchase may be consummated of any such certificates tendered to the manager, cotton pool, on or before June 30, 1939, but where for any reason the purchase price shall not have been paid by the manager, cotton pool.

The bill was ordered to be engrossed and read a third time. was read the third time, and passed, and a motion to reconsider was laid on the table.

AGRICULTURAL ADJUSTMENT ACT, 1938

The Clerk called the bill (H. R. 3955) to amend section 335 (d) of the Agricultural Adjustment Act of 1938.

The SPEAKER pro tempore. Is there objection?

Mr. CHURCH. Mr. Speaker, I ask unanimous consent that the bill go over without prejudice.

The SPEAKER pro tempore. Is there objection?

There was no objection.

Mr. COSTELLO. Mr. Speaker, that concludes the call of the bills on the calendar eligible for consideration today.

AMENDING SOIL CONSERVATION ACT

Mr. JONES of Texas. Mr. Speaker, I ask unanimous consent to return to the first bill on the calendar, the bill (H. R. 3800), to amend section 8 (e) of the Soil Conservation and Domestic Allotment Act, as amended. We have agreed upon an amendment to that bill.

The SPEAKER pro tempore. Is there objection?

Mr. CHURCH. Mr. Speaker, I reserve the right to object, Which bill is this?

Mr. JONES of Texas. It is the bill H. R. 3800, the first bill called on the calendar today, that was passed over at my request.

The SPEAKER pro tempore. Is there objection?

Mr. CHURCH. Reserving the right to object, Mr. Speaker-

Mr. WOLCOTT. Mr. Speaker, this bill went over without prejudice when it was called.

The SPEAKER pro tempore. Is there objection to the present consideration of the bill?

Mr. CHURCH. Mr. Speaker, I object.

INTERIOR DEPARTMENT APPROPRIATION BILL, 1940

Mr. JOHNSON of Oklahoma. Mr. Speaker, I move that the House resolve itself into the Committee of the Whole

House on the state of the Union for the further consideration of the bill (H. R. 4852) making appropriations for the Department of the Interior for the fiscal year ending June 30, 1940, and for other purposes.

CALL OF THE HOUSE

Mr. RANKIN. Mr. Speaker, I make the point of order there is no quorum present.

The SPEAKER pro tempore. The Chair will count. [After counting.] One hundred and thirty-two Members are present, not a quorum.

Mr. JOHNSON of Oklahoma. Mr. Speaker, I move a call of the House.

A call of the House was ordered.

The Clerk called the roll, and the following Members failed to answer to their names:

[Roll No. 36]

Andrews	Evans	McKeough	Risk
Arnold	Fenton	McMillan, John L	. Rockefeller
Bender	Fish	McReynolds	Seger
Blackney	Goldsborough	Maas	Shafer, Mich.
Bolton	Grant, Ind.	Marshall	Shannon
Brown, Ohio	Harrington	Martin, Ill.	Short
Byron	Healey	Mason	Smith, Me.
Casey, Mass.	Izac	Monkiewicz	Smith, Ohio
Cluett	Keller	Murdock, Ariz.	Sweeney
Corbett	Kirwan	Murdock, Utah	Taylor, Tenn.
Creal	Kleberg	Osmers	Winter
Curley	Knutson	O'Toole	
Doughton	LeCompte	Rayburn	
Drewry	McGehee	Reece, Tenn.	1 5 3

The SPEAKER. Three hundred and seventy-six Members have answered to their names; a quorum is present.

Mr. BULWINKLE. Mr. Speaker, I move that further proceedings under the call be dispensed with.

The SPEAKER. Without objection, it is so ordered. There was no objection.

EXTENSION OF REMARKS

Mr. DONDERO. Mr. Speaker, I ask unanimous consent to extend my own remarks and include a letter from the Tennessee Taxpayers' Association.

The SPEAKER. Is there objection?

There was no objection.

Mr. CULKIN. Mr. Speaker, I ask unanimous consent to revise and extend my own remarks.

The SPEAKER. Is there objection?

There was no objection.

INTERIOR DEPARTMENT APPROPRIATION BILL, 1940

The SPEAKER. The question is on the motion of the gentleman from Oklahoma [Mr. Johnson] that the House resolve itself into the Committee of the Whole House on the state of the Union for the further consideration of the bill H. R. 4852.

The motion was agreed to.

Accordingly the House resolved itself into the Committee of the Whole House on the state of the Union for the further consideration of the bill H. R. 4852, with Mr. Buck in the chair.

The Clerk read the title of the bill.

The CHAIRMAN. When the Committee rose there was pending an amendment offered by the gentleman from Pennsylvania [Mr. RICH] on page 118, line 12.

Does the gentleman from Pennsylvania desire recognition? Mr. RICH. Mr. Chairman, I do desire recognition, but I would like to have the amendment read.

The CHAIRMAN. The Clerk will report the amendment.

The Clerk read as follows:

Amendment offered by Mr. Rich: On page 118, line 12, strike out "\$3,500,000" and insert "\$500,000."

Mr. RICH. Mr. Chairman, in offering this amendment to cut out \$3,000,000 for roads and trails in the national parks I do so for the reason that we have appropriated millions of dollars in the past 5 or 6 years for this particular purpose. The New Deal has spent millions under W. P. A. and P. W. A. for the same purpose. We have built more roads and more trails in the national parks than in any other 20 years of the history of this Government. We have increased those roads to the extent that the parks are well taken care of. Now to come here and ask you to appropriate \$3,500,000 to continue this work is not justified. Only the Park Commission knows what the money is to be expended for. Members of the Park Commission before our committee refused to tell us what this money was to be expended for. I think we, as Members of Congress, have a right to know what it is to be expended for, and each and every Member should know where it is to be spent before the money is appropriated. When that question was brought up at the hearing they appeared before the committee and I asked for the information, they said they would submit it to us. I understand they gave the clerk of the committee a list of the projects on which this money would be expended. Not a Member of this House, when the bill came to the floor, knew what this money was being spent for until after the Clerk gave a list of the projects to us here in the House. They offered to give it to me, provided I would not say anything about it. I said, "If I have to have it under those conditions, I do not want to know what it is."

I think I am giving you the absolute truth—that there was not a member of the subcommittee who knew what the expenditure of these funds was for at the time we reported the bill out. You understand, a list of the items had been given to the subcommittee since we have been here. I object to the National Park Commission, and I object to any branch of the Federal Government trying to spend money when the Members of Congress do not know prior to the time the money is granted by the Appropriations Committee what it is

to be spent for. The Members of Congress should know where this money is to be spent. They refused to give me that information in the hearings. You have given too much money to Government officials to spend without knowing what it was for. If you are going to permit a bureau of this Government to request money and then to allocate it according to their idea of what is wise and proper, you should vote down my amendment. If you want to show the National Park Service or any other branch of the Government that the Members of Congress should know what they are spending the money for, then you should vote for my amendment.

You should vote for my amendment for another reason. I think you should vote for the amendment for the reason we have spent more money in the national parks in the last 5 years than we have in any other 20 years. A greater amount of money was expended through Executive order than has been expended by direct appropriations of Congress. The Park Commission is now rendering adequate service to the people of this country from the standpoint of roads and trails. You must realize that the more we spend to build new roads the more we will have to spend to keep up those roads. I think we have gone a little too far and a little too fast not only in our Park Service but in other lines of improvement of conditions in this country.

Mr. WARREN. Mr. Chairman, will the gentleman yield? Mr. RICH. Yes. I yield for a question.

Mr. WARREN. I call the gentleman's attention to the fact that when we passed the Federal-aid road bill last year we very substantially and materially reduced the authorizations not only as to the amount of aid that went to the States, but all the way down the line on this bill.

Mr. RICH. We may have reduced that.

Mr. WARREN. We reduced this particular item.

Mr. RICH. But I say to the gentleman and to others on his side that they should not increase these appropriations without very substantial reason being shown why they should be increased.

Mr. Chairman, I hope the amendment will be adopted. [Applause.]

[Here the gavel fell.]

Mr. SCRUGHAM. Mr. Chairman, my district has but little direct interest in this item of the bill. However, I cite this fact in justification of the proposed expenditure, during the past year 16,233,688 people visited the national parks. If we assume an average Federal gasoline tax paid by each of these people of only 20 cents, the amount would practically equal the total of this item. It must be remembered further in this connection that the Government received something like \$1,180,745 from automobile tourists paid in

as fees from automobiles entering the parks. Further we should bear in mind that this item affords a substantial amount of relief through employment. The money will chiefly be spent and the work done in Alaska, Arizona, California, Maine, Oregon, Tennessee, Utah, Virginia, Washington, Wyoming—those are the major projects—and in a number of minor projects of which I have two or three pages listed, but with which I will not burden the Record.

The amount carried for roads and trails in last year's bill was \$5,991,120. This year the item is for \$3,500,000,

which constitutes a reduction of almost \$2,500,000.

Mr. Chairman, I submit that this amount is not excessive. It is appropriated in response to a demand from the people who patronize the parks, and in this connection remember that more than 16,000,000 visit our parks every year. I ask that the amendment be defeated.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Pennsylvania.

The question was taken; and on a division (demanded by

Mr. Rich) there were—ayes 68, noes 110.

So the amendment was rejected.

Mr. McCORMACK. Mr. Chairman, I move to strike out the last word.

Mr. Chairman, in voting on the amendment offered by the gentleman from Ohio [Mr. White] limiting the over-all cost of the United States housing projects—

Mr. RICH. Mr. Chairman, I make the point of order that the gentleman is out of order in that he is not speaking to the amendment.

Mr. McCORMACK. Mr. Chairman, I ask unanimous consent to proceed out of order.

The CHAIRMAN. Is there objection to the request of the gentleman from Massachusetts?

Mr. RICH. Mr. Speaker, the gentleman will have an opportunity later on to talk about this subject. We are very desirous of finishing the bill today.

The CHAIRMAN. The gentleman from Massachusetts asks unanimous consent to proceed out of order for 5 minutes. Is there objection?

Mr. RICH. Mr. Chairman, we will let the gentleman proceed.

The CHAIRMAN. The Chair hears no objection. The gentleman from Massachusetts is recognized for 5 minutes.

Mr. McCORMACK. Mr. Chairman, in voting on the amendment of the gentleman from Ohio [Mr. White], an amendment limiting the over-all cost of United States Housing Administration projects to \$3,500, it is well for us to pause for a moment and realize what we are doing.

To those who are opposed to slum clearance and low-cost housing projects, who are opposed to a modern, progressive, humane, and practical consideration of the serious problems which generally exist throughout the United States, to those who close their eyes and ears to the demands and necessities for this great program which our country undertook years after other enlightened democracies did, what I or others may say is of little moment. To those of the opposite political party who feel that some political advantage might be obtained—although I cannot see it—what might be said against the White amendment might be of little moment.

Those, however, who are interested in this great program should realize what the White amendment does. For all practical purposes it so limits the operation of this great, humane program as to make it ineffective. At the present time there are about 140 projects under construction in at least 100 cities. This amendment, if enacted into law, would make it impossible to do slum clearance and low-cost construction work in most parts of the country.

The amendment limits the over-all cost of United States Housing Authority projects to \$3,500 per dwelling unit.

The existing limitation is \$1,000 per room and \$4,000 per dwelling unit in cities under 500,000, and \$1,250 per room and \$5,000 per dwelling in cities over 500,000 population.

This limitation applies to dwelling facilities.

This limitation does not include cost of land, street or sidewalk construction, if any; it includes what a builder calls ordinary construction costs of a building. It does not include any furniture that is installed in an apartment.

The United States Housing Authority has kept within the limitation that now exists by law, but the present limitation is not an over-all limitation. The over-all cost of new housing, which includes land, nondwelling facilities, construction costs, and equipment, has been \$4,507. The White amendment would allow only \$3,500.

It must be borne in mind that this would also include the costs of slum clearance—demolition—which the present lim-

itation does not include.

In the case of cities of less than 500,000 population, the White amendment is a reduction of much more than \$500. In the case of cities of over 500,000 it is greater than \$1,500.

The White amendment applies to all cities without regard to population, and the different problems that such a condition creates. This amendment will place this humane program in a strait jacket from which it cannot extricate itself. Not only will its adoption prevent the United States Housing Authority from completing the 140 projects under construction, but it will result in this program being ineffective in the future. The program will be paralyzed. As Mr. Straus told me on Saturday last:

In other words, this \$3,500 limitation has the effect of placing a limitation upon the cost of slum clearance, land, nondwelling facilities, demolition, and new construction \$500 lower in smaller places, and \$1,500 lower in larger places, than the statutory limit placed in the act in 1937 upon the cost of dwelling facilities alone excluding land demolition, and nondwelling facilities. It therefore does not reduce the present statutory limits upon costs by only \$500 and \$1,500 respectively. In effect, as shown by table II, it reduces these limitations, as they affect over-all costs, by from \$1,500 to \$2,500. With this limitation no slum clearance projects at all could be undertaken, and new housing projects could be undertaken in only a few very small communities with unusually low levels of wages and prices. It is safe to say that under the proposed amendment no projects could be built in any city in the United States with the population of more than 25,000 people.

people.

For these reasons the proposed amendment is equivalent to a suspension of the United States Housing Authority program.

When the amendment was voted upon in the Committee of the Whole, among those present at that time only one Republican voted against the amendment. Undoubtedly many voted for it under the impression that it reduced the present limitation by \$500. Such an impression is incorrect. It reduces the present limitation directly and indirectly in cities of less than 500,000 in excess of \$1,250, and in cities over 500,000 in excess of \$2,200.

The service of this program is without regard to the political considerations or leanings of the people of the different cities. That is as it should be. Money has been allocated to cities whose people vote Republican as well as Democratic. Under existing law local housing authorities select the sites and operate and manage the projects. They are locally administered. This amendment in fact injures the cities by preventing the Federal Government in carrying out its loaning of the funds necessary and permissible under existing law. It will be the cities interested in such projects who will actually suffer. I hope this question, when we get into the House, will not be voted on from a partisan angle, although the fact that in the Committee of the Whole every Republican present but one voted for this amendment would justify the inference that at that time at least the policy of the Republican Party in the House is in opposition to the slum-clearance and low-cost housing program.

A vote for the White amendment is a vote against the slumclearance program and the great humane results that will flow from its continuance. A vote against the amendment is a vote for the continuance of this humane program.

I hope when we enter into the House that this destructive amendment of a great humane program will be defeated. [Applause.]

Mr. SMITH of Ohio. Mr. Chairman, I ask unanimous consent to speak out of order for 5 minutes on the same subject.

Mr. JOHNSON of Oklahoma. Mr. Chairman, reserving the right to object, and I shall not in this instance, as the gentleman from Pennsylvania just stated, we want to finish this bill today. We hope, therefore, there will be no further requests to speak out of order.

The CHAIRMAN. Is there objection to the request of the gentleman from Ohio?

There was no objection.

Mr. SMITH of Ohio. Mr. Chairman, I repeat and emphasize here is one piece of legislation that will not stand the light of day. I repeat the United States Housing Act is one of the worst political rackets that ever was perpetrated upon the poor people anywhere in the world. Not only does it not benefit the poorest section of our population, but it foists upon them the most savage injustice.

Think of it-the very poorest people-W. P. A. workers, widows washing for a living, the aged poor, those with the most meager incomes, are driven by this communistic beast out on to the streets and then are compelled to pay taxes to maintain the rent of those people who are already able to pay their rent, and to pay high salaries to the politicians

running the project.

Eighty-five percent of all taxes always, no matter upon whom levied, are paid by these groups—the poor people. Why? For the same reason that white sheep give more wool than black sheep-because there are more white sheep. Consequently, it is these groups who pay the bulk of the taxes that supply the capital for the projects and the annual Federal contributions used to liquidate said capital invested and the interest thereon.

Therefore, it is the grossest deception that these are low-rent houses. They are the highest rent houses in the United States and this highest rent is charged through

taxation to the very poorest people in the land.

The United States Housing Authority, the local authorities, and the State housing authorities are deliberately making the people believe that the rental charges liquidate the capital invested and pays the interest. The rent does not go for those purposes at all. Actually, in the end, the rent charged for these houses pays no part of the capital invested or the interest. The rent charged actually is only about sufficient to maintain the upkeep of the project and to pay deserving poli-

ticians for running it.

The people in Ohio, and I suppose in the other States also, are being deceived into believing that there is a local housing authority that has control of the housing projects. The only thing any city has to do with one of these projects is that the mayor of the largest city in the housing district, the county commissioners, the probate judge, and the common pleas judge appoint the five members on the so-called Metropolitan Housing Authority. Reappointments are made only every 5 years. Just the moment these appointments are made, the Metropolitan Housing Authority is responsible to nobody in the world but the United States Housing Authority. The housing area has its own mayor, its own city solicitor, its own council over which the local people have no more control than they have over the operation of the United States Navy.

I have gone all through this and know exactly whereof I

The time has just about come when the poor people of this country need somebody to rescue them from this cold-blooded bureaucracy that is devouring them.

We have had just about enough of this hypocritical sobbing for the poor. I am sure just as quickly as the public learns the truth about this United States Housing Act, it will disappear from our statute books as quick as a snowball in Hades. [Applause.]

The Clerk read as follows:

The Clerk read as follows:

Blue Ridge and Natchez Trace Parkways: For continuing the construction and maintenance, under the provisions of section 8 of the act of June 8, 1938 (52 Stat. 635), of the Blue Ridge and Natchez Trace Parkways, including not exceeding \$3,100 for the purchase, maintenance, operation, and repair of motor-driven passenger-carrying vehicles, to be immediately available and remain available until expended, \$4,000,000, of which amount not to exceed \$50,000 shall be available for personal services in the District of Columbia: Provided, That \$1,200,000 and any other sums received from other sources for said Natchez Trace Parkway shall be allotted and expended ratably between the States of Mississippi, Alabama, and Tennessee according to mileage of said parkway in each respective State and said allotments shall be

used for no other purpose: Provided further, That the Secretary of the Interior shall make a detailed statement of expenditures from this appropriation to the Senate and House Committees on Appropriations at the beginning of the next regular session of

Mr. REES of Kansas. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. Ress of Kansas: On page 118, line 17, strike out the remainder of page 118 and all of page 119, down to and including line 11.

Mr. REES of Kansas. Mr. Chairman, this is a motion to strike from this bill an item of \$4,000,000. We have heard a lot on the floor of this House about economy, cutting expenses, and balancing the Budget-but here is a bill that contains more things we do not really need at this time than almost any bill that has been presented. It provides for a grand total expenditure of \$165,583,093.23. The committee in charge takes considerable credit for reducing the amount \$6,000,000 under Budget estimates. But, do not forget this, we are spending \$14,855,991.87 more under the present measure than we spent last year under a similar bill.

I realize a number of these items are necessary to carry on the affairs of our Government. But a good many of them are items of extravagance. If the membership of this House really want to economize, they can pare it down to the bare items of necessity and save the taxpayers a lot of money.

Here are some items of extravagance included in this bill: Last year we appropriated \$783,000 for the operation and maintenance of public buildings outside the District of Columbia. This measure increases that amount by \$205,000.

Here is an obscure little item providing three-quarters of a million dollars for the maintenance, repair, and operation of automobiles for Indian Field Service employees, and the transportation of Indian school pupils. The hearings do not disclose the number of children receiving such transportation, but there are only 200,000 Indians-men, women, and children-in the whole country.

But here is the particular section of the bill to which I want to direct your attention, and which I shall ask to have stricken from the measure. It provides for the expenditure of \$4,000,000 for the Blue Ridge-Natchez Trace Parkways. The sponsors call it a parkway so it would seem to attach itself to our national-park system. It is conceded that it does not now connect national parks. It does not connect with any transcontinental highway. I agree with the Member who stated that it is only a subterfuge to get the Federal Government to construct and maintain this road.

If and when it is completed, it will be just a scenic highway which will have cost the Government something over \$60,000,000 for the particular benefit of the "leisure class" and a few tourists. Let me remark right here that the sponsors of this project started it by getting the administration to dip into relief funds to the tune of a million and a half dollars.

Last year the committee approved an expenditure of \$2,000,000 for these parkways, but the House saw fit to override the committee and raised it to \$7,000,000. As the distinguished gentleman from Oklahoma observed at that time, it was right there that the camel got his nose under the tent.

Ordinarily, Federal funds for highway construction are matched with funds from local communities or States. Here you are asking the Government to foot all the bills for the building and maintenance of a local highway, where there is neither necessity nor demand, except from the peo-ple in that particular vicinity. We are told that these States have given the right-of-way, which is nothing more or less than mountain scenery, as their contribution toward this

In passing, you will also observe a comparatively small item of \$50,000 to be spent for "personal services of certain officials" in Washington, D. C. The only explanation given for this item is from Mr. Demaray, of the National Park Service, who said the \$50,000 is for clerical personnel to keep proper records of this additional \$4,000,000 we are spending.

The report states there are 22.5 miles of the Natchez-Trace Parkway and 130 miles of the Blue Ridge Parkway under construction. So, apparently it would cost \$300 per mile just for the Washington bookkeepers on this project. Rather high-priced bookkeeping, it seems to me.

While there is such a real need for farm-to-market roads in this country, I just do not see how Members of this Congress can justify their vote for this extravagant expenditure of additional millions just to build a local, scenic highway which begins in the mountains and ends in the mountains.

Last year when the sponsors of this project secured an additional \$5,000,000 they made it seem more altruistic by suggesting that the parkway be constructed in the memory of Andrew Jackson, who traversed part of it with his troops on his way to New Orleans. Poor Andrew Jackson would turn over in his grave if he knew that more than 120 years later, after we had already plunged our country into a forty-four billion dollar debt, as an excuse for going into debt a few million more we did it in his name.

This is a fair example of a "pork barrel" bill. It contains provisions for the expenditure of stupendous sums in the great Northwest. We are spending millions for the Grand Coulee Dam, ostensibly for navigation but which will actually bring a vast acreage into cultivation to compete with our present crop surpluses. The bill also provides for an outright expenditure of millions for the construction of expensive apartment houses in the slum sections of our cities.

When the roll is called on the parkway section of this measure, to which I am objecting at this time, the Members from the Pacific States will join with the Members from our great cities in supporting this particular provision, because they will expect and receive the same cooperation from the Members of the States who are receiving these special benefits.

The newspapers in my part of the country have lauded a great Senator from Mississippi, who belongs to the majority party, who said: "The time has come when we must practice economy." When this appropriation bill gets to the Senate, containing the provision for this extravagant expenditure within his own State, do you think he will practice economy at that time? I hardly think so.

I hope you will support my amendment to strike this unnecessary item of \$4,000,000 for the Blue Ridge-Natchez Trace Parkways from this bill. I also hope we can eliminate other unnecessary items. I am serious when I tell you if you vote this appropriation bill without eliminating the unnecessary pork barrel provisions, you not only inflict an additional, unnecessary hardship upon the people of this country in a crucial time but you create a feeling throughout the country that Congress has no regard for the taxpayers, who just cannot pay the bill.

Mr. RANKIN. Mr. Chairman, I rise in opposition to the amendment offered by the gentleman from Kansas [Mr. Rees] by which he proposes to strike out the appropriation for the Blue Ridge Parkway and the Natchez Trace.

The gentleman from Kansas misunderstands the situation. In the first place, one of these parkways is 19 percent finished and the other one is 49 percent finished. He tells you they do not connect with any transcontinental highways. I am surprised that he should make such a mistake in his argument on the floor of this House.

Mr. REES of Kansas. Will the gentleman yield?

Mr. RANKIN. For a question.

Mr. REES of Kansas. I said they did not directly connect with transcontinental highways; that is, did not attach themselves to any transcontinental highways.

Mr. RANKIN. Both of these parkways cross several transcontinental highways. How much more completely could they connect with them than to cross them?

I want to speak particularly with reference to the Natchez Trace, which has been under consideration for some time. This appropriation has already been cut a million dollars or more and certainly should not be further reduced. A great deal of the right-of-way has been acquired and the construction of this great parkway has been started.

The gentleman from Kansas spoke rather sarcastically about this being the road over which Andrew Jackson marched on his way to New Orleans. That is true; it is not only the road over which Andrew Jackson marched but this parkway is dedicated to the Choctaw and Chickasaw Indians, the best friends the white people of these United States ever had, at a time when friends were needed.

In the War of 1812, when we were in a desperate situation, when Winchester had been defeated in the North, when Washington had been invaded, when this Capitol and the White House had been burned by a ruthless enemy, when the Tories of New England had met in convention at Hartford and passed a resolution of secession from the Union, old Andrew Jackson marched down through that country and enlisted the aid of these Choctaw and Chickasaw Indians, who not only threw their territory open to him but also joined his forces and marched with him to victory.

Chief Pushmataha, who sleeps out here in the Congressional Cemetery, raised a regiment of Choctaws and Chickasaws who went with Jackson and fought in the Battle of New Orleans where they won a victory that thrilled the

world.

As Sergeant S. Prentiss once said, they taught the newly fledged American eagle to match his talons with the lion's strength and raised America for the first time to the dignity of a world power.

Mr. REES of Kansas. Will the gentleman yield?

Mr. RANKIN. For a question.

Mr. REES of Kansas. Does the gentleman think that Andrew Jackson would approve the expenditure of \$4,000,000 here and now for this highway, 120 years afterward, when the country is \$44,000,000,000 in the red?

Mr. RANKIN. Yes; if he heard the debate against it, I think he would vote for it. [Laughter and applause.]

We might have been worse than "in the red" if the British had won that war. It is a shame that we have waited 120 years to honor those brave defenders of our country.

I want to pay my tribute, not only to the Choctaw and Chickasaw Indians, but to Pushmataha, chief of the Choctaws, who was of Chickasaw descent. He was a great Indian, a great patriot, a great American.

Tecumseh, the great Shawnee chief, came down there and tried to line up the Choctaws and Chickasaws on the side of the British. They had a great meeting, and he laid before them the reason why they should join the English. If they had done so, Andrew Jackson never could have got to New Orleans, and the chances are that the western half of this continent would have been lost.

Pushmataha replied that what Tecumseh said might be true, but that had not been their experience, living in friendship with the people of the United States. He said the whites were their neighbors. They had taken care of their sick. They had taught their women to work and paid them for it and had built cotton gins and bought their material. "When we have been sick," he said, "they have come and administered to us."

He stated further that Tecumseh could do as he pleased, but that they proposed to cast their lot with the Americans. And he did; and in my opinion he contributed more to the success of the American armies than any other man, except Andrew Jackson himself.

This great national parkway is not only a monument to the valor of Andrew Jackson but it is also a monument to the patriotism and loyalty of those Indians whom the United States later rewarded by taking their land away from them and driving them beyond the Mississippi River.

I can hear the old Indian's piteous lament, expressing the fate of the Choctaws and Chickasaws when he said:

I will go to my tent and lie down in despair,
I will paint me with black and will sever my hair,
I will sit on the shore where the hurricane blows
And reveal to the God of the Tempest my woes.
I will weep for a season on bitterness fed,

For my kindred are gone to the hills of the dead. They died not of hunger nor ling'ring decay, But the steel of the white man has swept them away!

Mr. RICH. Will the gentleman yield?

Mr. RANKIN. I yield to the gentleman from Pennsylvania.

Mr. RICH. What does the gentleman think Thomas Jefferson would say about this great orgy of spending?

Mr. RANKIN. If he could hear the debate on this item he would certainly vote for it. [Applause.]

It may be of interest to the Members of the House to know that the debate which took place between Tecumseh and Pushmataha was one of the ablest contests of its kind ever staged on this continent.

Tecumseh was a brave and an able man. He thoroughly believed that the white man would destroy the Indians unless they were successfully resisted. At this meeting he related how the white man had beguiled the Indians along the Atlantic coast to part with their lands for a few trifling beads and a little firewater, leaving them beggars, vagabonds, peons, and strangers in their own land, to be scorned and despised by their paleface neighbors. He told how the Shawnees and other northern tribes were being stripped of their patrimony. He laid down the principle that the Great Spirit had given the Western Hemisphere to all red people in common and that no particular tribe had anything more than the right of possession to any lands and, therefore, asserted any relinquishment of title by one tribe to be null and void, because many of the owners had not joined in the transfer.

These wrongs he declared had been made possible by the ingenuity of the whites in attacking only one tribe at a time, but if all Indians would join and combine their forces in one attack at one time, the white man could be driven back over the mountains whence he came; that the golden opportunity was now at hand to join hands with the British and forever scourge from their revered hunting grounds the hated paleface. He closed his eloquent address with a stirring appeal to the patriotism of the Choctaws and Chickasaws, asking if they would await complete subjugation or would they now join hands and fight beside the Shawnees and other tribes rather than submit.

Evidently Tecumseh's purpose had been fully accomplished. His magnetic words seemed to arouse every vindictive sentiment within the souls of the Choctaw and Chickasaw warriors; their savage enthusiam had been stirred to white heat when Pushmataha calmly strode before the council fire and began his reply. What a pity that no accurate account of this debate between these two giant primitive orators was at that time preserved. Lincecum, Pickett, Randall, and other historians have left us brief excerpts; Cushman undertakes to give Pushmataha's speech in full; but his recital does not even do faint justice to the original and in no measure conforms to the Choctaw's account of it. For many years it was handed down from generation to generation by tradition to the Choctaws and Chickasaws, but it can be easily understood how that method might fail to preserve all the virile force and eloquence of this wonderful address. I will undertake to give it to you in part as nearly as possible, as related by the Honorable Charlie Carter, a former Member of this House, who was a descendent of a Chickasaw chief and who got it first hand from old Indians of the Chickasaw

PUSHMATAHA'S REPLY TO TECUMSEH

tushkahoma ho chukma hashche yumma. Anumpa Omiske, tushkal tilofasih ish huko.

tilofasih ish huko.

(Attention, my good red warriors. Hear ye my brief remarks.)

The great Shawnee orator has portrayed in vivid picture the wrongs inflicted on his and other tribes by the ravages of the paleface. The candor and fervor of his eloquent appeal breathe the conviction of truth and sincerity, and, as kindred tribes, naturally we sympathize with the misfortunes of his people. I do not come before you in any disputation either for or against these charges. It is not my purpose to contradict any of these allegations against the white man, but neither am I here to indulge in any indiscreet denunciation of him which might bring down upon my people unnecessary difficulty and embarrassment.

The distinguished Shawnee sums up his eloquent appeal to us with this direct question:

with this direct question:

"Will you sit idly by, supinely awaiting complete and abject submission, or will you die fighting beside your brethren, the Shawnees, rather than submit to such ignominy?"

These are plain words, and it is well they have been spoken, for they bring the issue squarely before us. Mistake not, this language means var. And war with whom, pray? War with some

band of marauders who have committed these depredations against band of marauders who have committed these depredations against the Shawnees? War with some alien host, seeking the destruction of the Choctaws and Chickasaws? Nay, my fellow tribesmen. None of these are the enemy we will be called on to meet. If we take up arms against the Americans, we must of necessity meet in deadly combat our daily neighbors and associates in this part

in deadly combat our daily neighbors and associates in this part of the country near our homes.

If Tecumseh's words be true, and we doubt them not, then the Shawnees' experience with the whites has not been the same as that of the Choctaws. These white Americans buy our skins, our corn, our cotton, our surplus game, our baskets, and other wares, and they give us in fair exchange their cloth, their guns, their tools, implements, and other things which the Choctaws need but do not make. It is true we have befriended them, but who will deny that these acts of friendship have been abundantly recipbut do not make. It is true we have befriended them, but who will deny that these acts of friendship have been abundantly reciprocated? They have given us cotton gins, which simplify the spinning and sale of our cotton; they have encouraged and helped us in the production of our crops; they have taken many of our wives into their homes to teach them useful things, and pay them for their work while learning; they are teaching our children to read and write from their books. You all remember well the dreadful epidemic visited upon us last winter. During its darkest hours these neighbors whom we are now urged to attack responded generously to our needs. They doctored our sick; they clothed our nours these neignbors whom we are now urged to attack responded generously to our needs. They doctored our sick; they clothed our suffering; they fed our hungry; and where is the Choctaw or Chickasaw delegation who has ever gone to St. Stephens with a worthy cause and been sent away empty handed? So in marked contrast with the experience of the Shawnees, it will be seen that the whites and Indians in this section are living on friendly and mutually beneficial terms.

Forget not, O Choctaws and Chickasaws, that we are bound in peace to the Great White Father at Washington by a sarred treaty

mutually beneficial terms.

Forget not, O Choctaws and Chickasaws, that we are bound in peace to the Great White Father at Washington by a sacred treaty and the Great Spirit will punish those who break their word. The Great White Father has never violated that treaty and the Choctaws have never yet been driven to the necessity of taking up the tomahawk against him or his children. Therefore the question before us tonight is not the avenging of any wrongs perpetrated against us by the whites, for the Choctaws and Chickasaws have no such cause, either real or imaginary, but rather it is a question of carrying on that record of fidelity and justice for which our forefathers ever proudly stood, and doing that which is best calculated to promote the welfare of our own people. Yea, my fellow tribesmen, we are a just people. We do not take up the warpath without a just cause and honest purpose. Have we that just cause against our white neighbors, who have taken nothing from us except by fair bargain and exchange? Is this a just recompense for their assistance to us in our agricultural and other pursuits? Is this to be their gracious reward for teaching our children from their books? Shall this be considered the Choctaws' compensation for feeding our hungry, clothing our needy, and administering to our sick? Have we, O Choctaws and Chickasaws, descended to the low estate of ruthlessly breaking the faith of a sacred treaty? Shall our forefathers look back from the happy hunting grounds only to see their unbroken record for justice, gratitude, and fidelity thus rudely repudiated and abruptly abandoned by an unworthy offspring?

We Choctaws and Chickasaws are a peaceful people, making

We Choctaws and Chickasaws are a peaceful people, making our subsistence by honest toil; but mistake not, my Shawnee brethren, we are not afraid of war. Neither are we strangers to war, as those who have undertaken to encreach upon our rights

our subsistence by honest toil; but mistake not, my Shawnee brethren, we are not afraid of war. Neither are we strangers to war, as those who have undertaken to encroach upon our rights in the past may abundantly testify. We are thoroughly familiar with war in all its details, and we know full well all its horrible consequences. It is unnecessary for me to remind you, O Choctaws and Chickasaws, veteran braves of many fierce conflicts in the past, that war is an awful thing. If we go into this war against the Americans, we must be prepared to accept its inevitable results. Not only will it foretoken deadly conflict with neighbors and death to warriors, but it will mean suffering for our women, hunger and starvation for our children, grief for our loved ones, and devastation of our beloved homes. Notwithstanding these difficulties, if the cause be just we should not hesitate to defend our rights to the last man, but before that fatal step is irrevocably taken, it is well that we fully understand and seriously consider the full portent and consequences of the act.

Hear me, O Choctaws and Chickasaws, for I speak truly for your welfare. It is not the province of your chiefs to settle these important questions. As a people it is your prerogative to have either peace or war, and as one of your chiefs it is mine simply to counsel and advise. Therefore, let me admonish you that this critical period is no time to cast aside your wits and let blind impulse sway; be not driven like dumb brutes by the frenzied harangue of this wonderful Shawnee orator; let your good judgment rule, and ponder seriously before breaking bonds that have served you well and ere you change conditions which have brought peace and happiness to your wives, your sisters, and your chifdren. I would not undertake to dictate the course of one single Choctaw warrior. Permit me to speak for the moment, not as your chief but as a Choctaw warrior weighing this question beside you. As such I shall exercise my calm, deliberate judgment in behalf of those mos tomahawks on this side of the council fire with me.

Mr. Carter tells us that at this point the air resounded with the clash of tomahawks cast on the side of Pushmataha; only a few warriors seemed still undecided.

Tecumseh, seeing the purpose of his mission thwarted, and thinking that Pushmataha could not understand his language, spoke to his warriors in his native tongue, saying:

Pushmataha is a coward and the Chickasaw and Choctaw braves

But Pushmataha had traveled a great deal and knew a smattering of many Indian languages. He understood Tecumseh and realized the force of his insult. He turned to him and said:

Halt, Tecumseh! Listen to me. You have come here, as you have often gone elsewhere, with a purpose to involve peaceful people in unnecessary trouble with their neighbors. Our people have had no undue friction with the whites. Why? Because we have had no leaders stirring up strife to serve their selfish, personal amount of the company had no leaders stirring up strife to serve their selfish, personal ambitions. You heard me say that our people are a peaceful people. They make their way, not by ravages upon their neighbors but by honest toil. In that regard they have nothing in common with you. I know your history well. You are a disturber. You have ever been a troublemaker. When you have found yourself unable to pick a quarrel with the white man, you have stirred up strife between different tribes of your own race. Not only that, you are a monarch and unyielding tyrant within your own domain; every Shawnee man, woman, and child must bow in humble submission to your imperious will.

The Choctawa and Chickasaws have no monarchs. Their chief-

to your imperious will.

The Choctaws and Chickasaws have no monarchs. Their chieftains do not undertake the mastery of their people, but rather are they the people's servants, elected to serve the will of the majority. The majority has spoken on this question, and it has spoken against your contention. Their decision has therefore become the law of the Choctaws and Chickasaws, and Pushmataha will see that the will of the majority, so recently expressed, is rigidly carried out to the letter. If, after this decision, any Choctaw should be so foolish as to follow your imprudent advice and enlist to fight against the Americans, thereby abandoning his own people and turning against the decision of his own council, Pushmataha will see that proper punishment is meted out to him, which is death. You have made your choice; you have elected to fight with the British. The Americans have been our friends, and we shall stand by them. We will furnish you safe conduct to the boundaries of this Nation as properly befits the dignity of your office. Farewell, Tecumseh. You will see Pushmataha no more until we meet on the fateful warpath.

Thus ended the conference; thus parted two of the greatest and bravest Indians their race has ever produced.

It is most interesting to read their words in the light of subsequent events.

As I said. Pushmataha joined the Americans and went with General Jackson to New Orleans where he fought for the United States. Tecumseh went his way and died fighting with the British.

In after years, when he thought his people were being mistreated. Pushmataha came to Washington to protest to the President. While here he took sick and died. Before his death he made the request that when he was dead they would "fire big guns" over him-which they did.

He was buried with full military honors under a large purple beech tree in the old Congressional Cemetery at the end of East Capitol Street where he fittingly sleeps among

the Nation's great of his day and generation.

There is nothing we can do for him and his brave followers now, but we can honor their memory, along with that of Andrew Jackson, by the construction of this great national parkway, and by so doing manifest our gratitude for their patriotic services in helping to defend the integrity, as well as perpetuate the honor and glory, of these United States.

Mr. HOFFMAN. Mr. Chairman, I move to strike out the last word.

Mr. LAMBERTSON. Mr. Chairman, will the gentleman yield for a question?

Mr. HOFFMAN. I yield to the gentleman from Kansas.

Mr. LAMBERTSON. I am familiar with the origin of the Natchez Trace, and I may say Andrew Jackson's name was not connected with it in any shape or form.

Mr. RANKIN. The gentleman has heard of the Battle of New Orleans, has he not?

Mr. LAMBERTSON. The fact is that the Natchez Trace runs through the district of the gentleman from Mississippi, that is all.

Mr. RANKIN. Of course it does. Does the gentleman expect me to move away just for that reason?

Mr. HOFFMAN. The gentleman from Mississippi always makes a very eloquent plea when he wants us to spend money, but he does not always confine himself to the facts or the issues. The other day, when we were talking about an amendment and some on the left were opposing an appropriation, the gentleman made this remark-Record, page

I will tell you what is behind all this-you need not camouflage Trust, that paid a lot of campaign expenses last year. That is what is behind it.

The gentleman was taunting us with the charge that the Power Trust, which seems to be his private bogeyman, contributed toward the campaign expenses of Republicans who were elected last year, and who now oppose the grant of additional fabulous sums to the T. V. A., the gentleman's pet baby, into which so many dollars contributed by northern taxpayers have gone-dollars spent in the gentleman's country. Oh, it is a wonderful thing to be charitable with other people's money, to be generous—yes, lavish—with it when it does not cost you anything.

I now ask the gentleman to place in the RECORD some time within the next week some evidence that the Power Trust paid any expenses last year or the year before or the year before that toward the election of any Republican Congressman. This is a fair request, because the gentleman meant the House and the galleries to understand that those on the left-the Republicans-had been elected with the aid of money contributed by the Power Trust. I challenge that statement, and I repeat that the gentleman place in the RECORD proof of his charge made on the floor of this House.

So today on this amendment, instead of talking about the question at issue, the gentleman delivered an oration about the Indians. He eulogized the Indians and Andrew Jackson. What relevancy has the valor of the Indians, long dead and gone, or the virtues of Andrew Jackson, to the discussion of the question now before us? What has that to do with whether or not we should now make this appropriation or vote for or against the amendment? The fact of the matter, if what has been said on the floor of the House and by the administration is true and in accord with the facts, is that we are in a desperate financial and economic situation. The people need shelter, they need clothing, and they need food; yet when we on our side try to economize so some of the money we have or the money we may be able to borrow can be devoted to the purchase of food, clothing, shelter, you come along with appropriations like these. When our people ask for bread and meat and potatoes you want to give them ice cream and cake and hors d'oeuvres, or even less substantial things.

Mr. FORD of Mississippi. Mr. Chairman, will the gentleman yield for a question?

Mr. HOFFMAN. I decline to yield,

We have only so much money. There is not enough to go around to pay for all the things we want. Why should we not spend what we have for the necessities of life, the things we must have, and let these other things, no matter how good they may be, which yet are not necessaries, which are not essential to our welfare, go until we are back once more on a sound financial basis? When people need homes, when they need money for the very existence of life, as we have been told so frequently they do need money, why spend millions to build superhighways through parks? If the housewife needs a new washing machine, why buy her flowers? Undoubtedly she would appreciate the flowers, but she needs the washing machine.

Mr. RANKIN. Mr. Chairman, will the gentleman yield?

Mr. HOFFMAN. I yield to the gentleman from Mississippi. Mr. RANKIN. I want to put the gentleman on a real trail. While the gentleman is waiting for me to dig up the Republican campaign expenses I wish he would look into the question of why the Republican Legislature of Michigan outlawed rural electrification the other day, or virtually did so?

Mr. HOFFMAN. Why they did?

Mr. RANKIN. Yes.

Mr. HOFFMAN. I can only attend to my own duties down here. As the gentleman knows, we had a Democratic Governor out there who left us some million dollars in debt and then came down here to run the Department of Justice.

Mr. RANKIN. Why did that Republican administration shut the door of hope in the faces of the farmers of Michigan and destroy what we had done to secure rural electrification for them? That is a fair sample of what the Republican Party stands for.

Mr. HOFFMAN. Our legislature is opening wide the door which will lead our people back to a sound business administration. Once more we are getting back on the road toward recovery. Our farmers are far more interested in legislation which will enable them to pay their taxes, meet their debts, retain their homes, avoid mortgage foreclosures, than they are in electric lights.

If Democratic Governor Frank Murphy had been reelected and continued on the course which he was following, if the gentleman from Mississippi had his way and the Federal Government appropriated sufficient funds, it may be possible that we would have had electric lines throughout rural Michigan so that all farmers would have been able to obtain electricity had they been able to pay for it.

But it is more than probable, it is far more likely that if Murphy, with his little New Deal, had continued in control in Michigan, and if the Federal Government, this New Deal administration here in Washington, continued to follow the course which it had outlined, the farmers would have had no homes, no barns, no farms on which the electricity generated under the gentleman's plan might be used. An electric light, power for farm machinery, would be small consolation if there was no home left for the farmer in which to put his light bulbs, no barn in which to house the machinery which might be operated by electricity.

It is the solid things of life, the essential things of life, that the people of Michigan place first. It is the homes of the Michigan farmers, their ability to maintain themselves and to meet their taxes, that are of the first importance to us

For our own selves we are glad that the President took Murphy out of Michigan. We feel sorry that he has inflicted him upon the Nation as a whole. Now that he and his methods have been kicked out of the State, Michigan is on the road back to prosperity; and if, at the coming election in Michigan, the people get out and show their faith in the Republican Party by voting a Republican ticket next April, we will, by the time the next general election rolls around, have Michigan well on the road toward a balanced budget, toward that prosperity which it has always enjoyed under Republican Governors.

Then, under sound business management and methods, farmers will enjoy not only the necessities of life, those things which enable them to live, but, because of the savings made in the State government by a Republican administration, they will have money left to purchase recreation, to buy electricity for their homes and their farm operations. [Applause.]

[Here the gavel fell.]

Mr. WEAVER. Mr. Chairman, I rise in opposition to the pro forma amendment.

Mr. Chairman, I hope very much the Blue Ridge Parkway, in which I am so vitally interested, will not get mixed up in this political discussion. Of course, we are greatly and vitally interested in the completion of this parkway, which, in my opinion, will be the greatest scenic highway in the world. I have not time now to undertake to tell the House the history of this movement, but I can say to my Republican friends that under Secretary Works, a great Secretary of the Interior, we established two national parks east of the Rocky Mountains, one known as the Great Smoky Mountains National Park and the other the Shenandcah Park. The States of North Carolina, Tennessee, and Virginia purchased the lands for the parks and turned them over to the United States. The States not being able to furnish all the funds, the John D. Rockefeller Foundation,

realizing the splendid value of these parks, contributed another \$5,000,000, with which we completed the purchases.

This parkway has been established to join these two great national parks. It is a going concern. The gentleman from Michigan talks about food and clothing. Mr. Chairman, the work that is today being given to the people in these back mountain stretches who have been isolated for so many years is being given to them through employment on this great scenic highway, the appropriation for which it is now sought to strike entirely from this bill.

We have already spent more than \$8,000,000 on the Blue Ridge Parkway and we have allocated several million dollars more which is being spent under contracts already made. More than 735,000 people visited the Great Smoky National Park alone last year. This park offers advantages of health and recreation and I want to plead with my friends here today to yote down the proposed amendment.

This is not a local matter and it is not for any individual Congressman. It runs through my district and through the district of Mr. Doughton and the district of Major Bulwin-kle, as well as through some Virginia districts. However, it is no more local than were the Grand Canyon of the Colorado or the Great Yosemite National Park. It will belong to the people and will give those who live in the congested areas of the East opportunities for healthful recreation and outdoor life.

Mr. REES of Kansas. Mr. Chairman, will the gentleman yield?

Mr. WEAVER. I yield to the gentleman.

Mr. REES of Kansas. Does not the gentleman think in view of the fact you overrode the committee to the tune of \$5,000,000 at the time this question came up, you can well afford, for the benefit of the country at large, to pass up this appropriation of \$4,000,000 at this time?

Mr. WEAVER. I may say to my friend, we did not do

Mr. REES of Kansas. I am thinking about the taxpayers of the country.

Mr. WEAVER. We asked the House for the appropriation. It was presented on its merits by Mr. Doughton, myself, and the entire North Carolina delegation, and also the Virginia delegation, and the House gave us the money which has been allocated and is now being spent, and unless we now have the rest of the money the work will simply be slowed up.

Let me say to my friend that if he will just come down there once and see what we are doing, and if my friend from Pennsylvania, Mr. Rich, will also come down there sometime and see what we have to offer the American people, I am sure they will never offer another amendment to destroy this great and valuable enterprise.

Mr. REES of Kansas. Will the gentleman yield a little further?

Mr. WEAVER. Yes.

Mr. REES of Kansas. With respect to this great and fine monument the gentleman has just described, does the gentleman think the ordinary or average taxpayer, the fellow way back home, who is going to have to foot the bill, can begin to appreciate it and how can he expect to get any benefit from this fine monument the gentleman has described, and I appreciate the fact it is a very fine monument.

Mr. WEAVER. As someone has said, the tax that will just come in from oil and gas consumed in going over that road will help to pay its cost.

Mr. REES of Kansas. Is that the excuse the gentleman is offering—the oil and gas money will pay this bill?

Mr. WEAVER. No; I am offering it to the people because it is a great, outstanding enterprise for the American people, and for its value to the generations that shall come after us. [Applause.]

Mr. CARTER. Mr. Chairman, I move to strike out the last two words.

Mr. Chairman, the effect of this amendment which strikes out the entire paragraph relative to the roads connecting these parkways is to prevent them from getting any appropriation whatever in this appropriation bill. Last year about \$7,000,000 was appropriated for the purpose of carrying on this construction. This year the committee cut it down to \$4,000,000.

Now, this project is an established project. It is under way, and it is going to be completed. It is simply a question of how fast we want to complete it, and while I am interested in cutting down expenditures wherever possible, I believe that in reducing the amount \$3,000,000 under what they received last year, we have made a very substantial cut.

Mr. REES of Kansas. Mr. Chairman, will the gentleman yield?

Mr. CARTER. I yield for a brief question.

Mr. REES of Kansas. Does not the gentleman from California, who has these great parks in his own district, really believe though that in view of the fact we handed this crowd \$5,000,000 extra money the last time, he could well help the country a little by withholding \$4,000,000 now?

Mr. CARTER. I believe they should be given a reasonable amount to continue this work.

Mr. JOHNSON of Oklahoma. Mr. Chairman, will the gentleman yield?

Mr. CARTER. I yield.

Mr. JOHNSON of Oklahoma. In answer to the statement of the gentleman from Kansas [Mr. Rees] that the House increased this appropriation last year \$5,000,000, it is only fair to advise the gentleman and also the Members of this body that the appropriation was not increased one dime over the Budget estimate.

What happened was that a supplemental estimate for an additional amount was sent up from the Budget Bureau last year and this additional sum, amounting to \$2,000,000, was included in the second deficiency bill in accordance with the supplemental Budget estimate. The mere fact that in the beginning I opposed this legislation certainly is not applicable now. This great project is now not only started, but well on its way to completion. Congress has spoken and we, of course, cannot stop this project now.

Mr. REES of Kansas. But the gentleman well remembers that on the floor of the House he did tell this House—

Mr. CARTER. I decline to yield further at this time.

Mr. Chairman, I think we must go on with this construction work, and I believe in view of all the facts and circumstances cutting the amount down to \$4,000,000 is as far as we should go this year. This is a project that is under construction and it would be folly to abandon it. This amendment striking out the paragraph should be defeated.

Mr. RICH. Mr. Chairman, I rise in support of the amendment.

Mr. JOHNSON of Oklahoma. Mr. Chairman, I wonder if the gentleman would suspend for a moment, so that I may submit a unanimous-consent request.

Mr. RICH. I yield, if it is not to be taken out of my time.

The CHAIRMAN. It will be taken out of the gentleman's

Mr. RICH. Then I cannot yield.

Mr. Chairman, when we had a Budget estimate increased last year, if you knew the pressure that was put upon the Budget officer by the men who are interested in this project, including Senators and Members of the House, you could appreciate why the Budget Bureau could not resist such pressure. The Budget officer had to yield or get out.

Greater pressure has been brought on this project, the building of these two highways, 800 feet wide, than any projects that I know of. Think of 800-foot highways traversing through this valley. The fact is that today they have money for these projects for many months to come. If we want to economize in governmental expenditures, we should certainly do it at this point, but I forecast one thing: While the committee cuts this down \$1,000,000, I tell the Members of the House now that when it goes over to the Senate they will see the \$1,000,000 restored, and there will be no cut in this bill.

Mr. REES of Kansas. Mr. Chairman, will the gentleman yield?

Mr. RICH. Yes.

Mr. REES of Kansas. The gentleman will remember that when this measure was under consideration before the gentleman from Oklahoma [Mr. Johnson] referred to the sponsors of this amendment as the camel getting its head under the tent; and does the gentleman remember when the matter came up for consideration, that at that time he said he was not so much in sympathy with this appropriation of \$5,000,000?

Mr. RICH. Mr. Chairman, the gentleman from Kansas knows the facts with reference to the Blue Ridge and the Natchez Trace Parkway, and it has been disclosed here that Andrew Jackson did not know anything about such a parkway as we are to have, and I am wondering who is getting mixed up in his history, whether it is the gentleman from Mississippi [Mr. Rankin], who is interested in having this parkway constructed through his State.

Mr. RANKIN. Mr. Chairman, will the gentleman yield? Mr. RICH. Mr. Chairman, I love the gentleman from Mississippi. The only trouble with him is that he cannot keep the Government out of business. He wants the Government in business all of the time and in every way.

Mr. RANKIN. And let me say this to the gentleman from Pennsylvania: He said just now that when the bill got over to the Senate they would put this cut back. If you strike this out, they certainly will, and they will put the whole thing back.

Mr. RICH. They will put back the amount stricken out; and not only that, but they will put back every item that was stricken out by this Committee; and when we come to conference, see if that does not happen. They are not going to be for economy and this House is not going to be for economy; not until the people of this country get a new Congress that will vote for economy in government will we get it.

Mr. LAMBERTSON. Oh, certainly, the senior Senator from Mississippi will not be for putting this cut back, surely.

Mr. DONDERO. Mr. Chairman, will the gentleman yield? Mr. RICH. Yes; to the gentleman from Michigan.

Mr. DONDERO. Mr. Chairman, Andrew Jackson's name has been brought into this discussion. I happen to be reading his life at the present time, and I have discovered that he said that he was one man who did not believe a national debt is a national blessing.

Mr. RICH. That ought to be news to some Members on the Democratic side, and I am glad the gentleman stated that to them, because they have been extolling Andrew Jackson of late, and they should do as he stated.

Mr. LEAVY. Mr. Chairman, will the gentleman yield? Mr. RICH. Oh, just a moment, until I give them a little of this history. They loved Thomas Jefferson for a time, but they went away from him because he said so much about economy in government. They could not follow Jefferson any longer, so that they have taken up Andrew Jackson, and now I ask the gentleman from Michigan [Mr. Dondero] to once more repeat that statement so that Members on the Democratic side of the House will know that he was for economy.

Mr. DONDERO. He said that he was one man that did not believe that a national debt is a national blessing.

Mr. RANKIN. Mr. Chairman, will the gentleman yield?
Mr. RICH. I am glad now that the gentleman from
Mississippi should extol the things that Andrew Jackson
stood for. Now let the gentleman from Mississippi follow
Andrew Jackson in all things.

The CHAIRMAN. The time of the gentleman from Pennsylvania has expired.

Mr. BULWINKLE. Mr. Chairman, I rise in opposition to the amendment.

Mr. JOHNSON of Oklahoma. Mr. Chairman, will the gentleman yield for me to make a unanimous-consent request? Mr. BULWINKLE. Yes.

Mr. JOHNSON of Oklahoma. Mr. Chairman, I ask unanimous consent that all debate upon this section and all amendments thereto close in 5 minutes.

Mr. LAMBERTSON. Mr. Chairman, I shall have to object to that.

Mr. STEFAN. Mr. Chairman, I want 1 minute.

Mr. JOHNSON of Oklahoma. Mr. Chairman, I move that all debate on this paragraph and all amendments thereto close in 16 minutes.

The CHAIRMAN. The question is on the motion of the gentleman from Oklahoma that all debate upon the paragraph and all amendments thereto close in 16 minutes.

The motion was agreed to.

Mr. BULWINKLE. Mr. Chairman, I would not undertake to rise at this moment except for the fact that the gentleman from Pennsylvania [Mr. RICH] was in error in one of his statements. I think that he made the error unintentionally. but he ought not to say that the roadway is built 800 feet wide, for it is not.

Mr. RICH. I said parkway.

Mr. BULWINKLE. Oh, the gentleman said roadway; that it was 800 feet wide.

Mr. RICH. I meant the parkway.

Mr. BULWINKLE. And the reason that I am addressing the House is that what the gentleman said was a mistake. This parkway is 49 percent completed. I know the gentleman from Pennsylvania does not agree with this amendment offered by the gentleman from Kansas.

He knows, as well as the rest of us, the history of this project. Dr. Temple, who was formerly a Member of this House from Pennsylvania, who was a member of this committee, which established the Shenandoah and the Smoky Mountains Parks, when in North Carolina, told me that what he hoped to see eventually was a great scenic highway connecting these parks. Forty-nine percent completed, and then throw that away? Surely the gentleman does not mean that. Surely the gentleman from Kansas [Mr. REES] does not mean to do that.

Mr. COLMER. Mr. Chairman, will the gentleman yield? Mr. BULWINKLE. Not right now.

I have never, in all my experience in the House, at any time voted for or made a speech in favor of increasing an appropriation over the Budget estimate, both under Republican and Democratic administrations. In the 18 years I have been a Member of this House, not once have I appeared before the Committee on Appropriations asking for an appropriation. But I say to you, my fellow Members, that this is a just and fair appropriation, the first great project in two great States. All we ask of you is to go down there and see this parkway that you have built for the people of the United States, and I say you will be proud of the work that has been done.

Mr. RICH. Mr. Chairman, will the gentleman yield further?

Mr. BULWINKLE. Yes; I yield.

Mr. RICH. Is not this parkway 800 feet wide?

Mr. BULWINKLE. The right-of-way, only in places.

Mr. RICH. And is this not beautified with shrubbery?

Mr. BULWINKLE. Now, just a minute. Let me answer one question at a time. The right-of-way is 800 feet wide in some places. In some others it is not. As to the beautification; yes. How? By native shrubs and by native trees being planted along there. If you could, if you would, sometime go there and look this roadway over, you will be

Mr. RICH. I will say to the gentleman that if you build a parkway 800 feet wide and beautify it, it ought to be a finelooking roadway.

Mr. WHITTINGTON. Will the gentleman yield for a question?

Mr. BULWINKLE. I yield.

Mr. WHITTINGTON. Is it not true that where the parkway is 800 feet wide that is furnished by local interests?

Mr. BULWINKLE. Yes.

Mr. WHITTINGTON. And the parkway does not cost the Government anything?

Mr. BULWINKLE. The State furnishes it.

Mr. WHITTINGTON. And is it not true that the actual width of the highway connecting these parks is the same as the width of the actual roads at the entrance of the parks west of the Mississippi River?

Mr. BULWINKLE. Yes, sir.

Mr. RICH. Will the gentleman yield again?

Mr. BULWINKLE. I yield.

Mr. RICH. Is it not a fact that we have two highways now down through Virginia not far distant from this parkway, which will make three highways between Shenandoah Park and the Smoky Mountain National Park?

Mr. BULWINKLE. There is no road in the world that is

practically on the top of the mountains.

Mr. KELLER. Mr. Chairman, will the gentleman yield?

Mr. BULWINKLE. I yield.

Mr. KELLER. Is it not true that if you go down that parkway you will see more Pernsylvania licenses than you do Virginia licenses? [Laughter.]

Mr. BULWINKLE. From Pennsylvania, as well as every State in the Union.

[Here the gavel fell.]

The CHAIRMAN. The Chair recognizes the gentleman from New York [Mr. Lord] for 3 minutes.

Mr. LORD. Mr. Chairman, there has been a great deal of agitation over this highway and considerable praise for the Choctaw Indians. I would like to get back to the highway. There has been some question over the width of it. The right-of-way of the parkway is to be 800 feet wide, except where it crosses Government land, and there they cut it down to 200 feet. When completed I suppose this will reach from Washington to the Gulf of Mexico. It was first to connect the parks. The parks were some four or five hundred miles apart. We have a road here much more than 1,000 miles in length. It is to be constructed entirely at the cost of the Federal Government. It is to be maintained by the Federal Government. For whom? For those who want to tour through that section. I do not blame these gentle-men who want this highway, but it is a big bill to pay in times when we do not have the money. I had the pleasure of driving over a portion of that road this summer, down through the Blue Ridge Mountains, where our friend has told us about these wonderful Choctaw Indians, but in place of living there, they have driven every living person, be they whites or Choctaw, out of the mountains. They drove them down into the valleys and they will not even let them live up there as they have in the past. I have talked with some of these people, and they are mourning still because they cannot stay in the mountains where they have lived during all their lives.

In the Seventy-fourth Congress we appropriated \$25,000,-000 to build farm-to-market roads for our farm population. What happened in our last Congress? That was cut down to \$15,000,000 by the Chief Executive; yet we increase the amount of money to build these scenic highways that are of little, if any, value to the farmers of this Nation. I want to build highways, but let us build them where they will do some good. Let us build them where they will help our farmers. I was talking with a farmer from the West recently, and he said that what we need to help housing is roads to our back farms. We have plenty of farm homes where the farmers have left because in the muddy season they cannot get out to market. We should be building highways to help them to stay on the farms instead of building scenic highways all down through this mountain region.

[Here the gavel fell.]

Mr. LAMBERTSON. Mr. Chairman, I have a prejudice for all the projects that have been started by relief money. Both the Natchez-Trace and the Skyline Drive got their first support of the President from relief money. Neither was started by appropriation by Congress.

There are two other things I want to recall that have not been mentioned about these two parkways today: First, it is

the first 100-percent Federal-aid road constructed in the United States. It is a violation of the old agreement on Federal-aid highways built in the States, that they should be built on a 50-50 basis. This is the first violation of that policy; this is the first 100 percent federally constructed highway in the United States. I have nothing against the Smoky Mountain Park. I have been there. I have been in the Shenandoah Park, too. If you want a scenic drive you will go over the Skyline Drive, but you will not take that route to go to the Smoky Mountains 500 miles away.

Mr. WHITTINGTON. Mr. Chairman, will the gentleman

vield?

Mr. LAMBERTSON. No; I have not time or I would yield. The other thing that is pernicious about these authorizations that came about in a left-handed way is that they can build approaches to these parkways indefinite in length and number to connect other highways, a thing that is perfectly ridiculous. Think of it, it is a scheme whereby they can build highways to connect other highways with the Skyline Drive. That is all contained in this plan; and there is no limit on the length these approaches may be.

As I said a while ago, it is the first violation of the 50-50

policy of Federal-aid highways.

Mr. Chairman, this scenic highway is not a road that anybody will take when driving between the two parks.

This sets a precedent. It opens up the proposition of building parkways clear across the United States between national parks. It gives them the same authority,

practically.

I know this item is going to pass because there are not sufficient Members here who will vote against it. This highway proposition had its first victory on this floor a couple of years ago when the Central Valley, Calif., project was under consideration, a project where the Government is going to spend hundreds of millions of dollars to finish in California the tunnel across the Divide in Colorado, the one involving the Gila project in Arizona, another one for the St. Louis Jefferson Memorial, and the Coulee Dam. These, coupled with the Skyline Drive and the Natchez-Trace, constitute one grand and dignified pork barrel, and there are not enough Members here who have sufficient fighting interest in economy for saving the taxpayers' dollars to beat this gigantic pork barrel. [Applause.]

[Here the gavel fell.]

The CHAIRMAN. The gentleman from Nebraska IMr.

STEFAN] is recognized for 4 minutes.

Mr. STEFAN. Mr. Chairman, I think the most of this item has been covered, and I do not like to take much of th; time of the Committee except to say that the people in my State, especially in my district, are for economy in road building and are very much interested in farm-to-market roads. I feel in this item we are breaking a precedent. I feel we should proceed with caution and that roads built by Federal aid should be built in accordance with the regular established plan and in an orderly way. I feel that people of other States should not be discriminated against, as they are in this instance, because here is an 800-foot parkway hundreds of miles long, being constructed by the Federal Government entirely out of Federal funds, with no participation by the States whatever; a highway to be maintained forever at the expense of the Federal Government by taxpayers of my State and other States. So far as my people are concerned, they are opposed to this method and manner of building roads because it breaks the orderly procedure of building Federal-aid highways. We in Nebraska must match road funds dollar for dollar. Why should these few States get a preference?

Mr. CRAWFORD. Mr. Chairman, will the gentleman yield

for a question?

Mr. STEFAN. I yield.

Mr. CRAWFORD. Does the gentleman think this is the proper way for Government expenditures to be made, in that the money is not spent in a manner which increases production; namely, the opening of farm-to-market roads over which the farmer could get more goods to market and get back to his farm?

Mr. STEFAN. The gentleman is absolutely correct. The farmers are interested in farm-to-market roads. We need these farm roads. It is my feeling that when highways are built they should be built in an orderly and regular manner. that when Federal-aid highways are built they should be built after the program which Congress has laid down. my State, Nebraska, is required to match dollar for dollar the money spent by the Federal Government in the construction of highways, I feel that the precedent should not be broken in this instance, and the people in Nebraska should not be discriminated against in favor of one or two States in the South

Mr. SABATH. Mr. Chairman, will the gentleman yield? Mr. STEFAN. I yield. Mr. SABATH. The gentleman from Nebraska is well in-

formed and takes a great deal of interest in the farmers and their problems. I know he will put in the RECORD the number of thousands of miles of farm-to-market roads that have been built under this administration. As a matter of fact, it runs into the thousands of miles, as the gentleman knows. He has the facts. Will he not put in the RECORD the number of thousands of miles of farm-to-market roads that have been built for the benefit of the farmers throughout the entire United States?

Mr. STEFAN. I may say to the distinguished gentleman from Illinois, for whom I have the very greatest respect, that we in Nebraska are thankful for the few miles of farm-tomarket roads built in our State. The figures have been in the RECORD time and again and are available to the gentleman. But we have no such gigantic projects paid fully by the Government.

Mr. SABATH. I will supply the figures myself, then.

Mr. WHITTINGTON. Mr. Chairman, will the gentleman

Mr. STEFAN. I yield.

Mr. WHITTINGTON. Is it not true that at Federal expense the entrances to the parks west of the Mississippi River have been constructed, altogether to the extent of several hundreds of miles, and that the construction of these entrances began before the starting of the Shenandoah Park or the Great Smoky Park?

Mr. STEFAN. But that is very small in extent compared to what is being spent here in the Southeast. Those are actual connections to national parks. This item is a gigantic

highway in itself.

Mr. WHITTINGTON. I beg the gentleman's pardon. Is it not true that altogether about 900 miles of entrance roads have been constructed into those parks?

Mr. STEFAN. I wish the gentleman would let me pro-

ceed. After all, this is my time.

Mr. WHITTINGTON. I am perfectly willing that the gentleman should proceed, but I want him to get the facts.

Mr. STEFAN. I am willing to admit that something has been done in the matter of building entrances to the western parks, but not to nearly the extent it is being done in the case of this huge parkway.

Mr. WHITTINGTON. It amounts to just about the same mileage, I may say to the gentleman from Nebraska.

Mr. STEFAN. The gentleman is usually well informed on roads. He has helped me in my work on farm-to-market

Mr. RANKIN. If the gentleman will yield, when the bill comes before the House I will aid the gentleman in increasing

the item carried for the farm-to-market roads. Mr. STEFAN. The gentleman has always helped out in the matter of farm-to-market roads and I thank him for his

help.

Mr. RANKIN. That is involved in this item.
Mr. STEFAN. Farm-to-market roads are practical.
Mr. RANKIN. Farmers live along this road.

The CHAIRMAN. The Chair recognizes the gentleman from Washington [Mr. LEAVY].

Mr. LEAVY. Mr. Chairman, we have been discussing this matter of the parks-to-parks highway from so many differ-ent angles that it is very easy to be under a misapprehension. Everyone must know that not one dollar taken off of this appropriation will go to farm-to-market roads. It is in no way prejudicial to farm-to-market road development. This is a parkway development and it is giving to the crowded East just what the great West has, a playground for the people here, to which they are entitled. No one can say how damaging on human character is the effect of crowding teeming millions of human beings into our great cities of this eastern section, but all agree that giving our citizenship the privilege of spending a day or two close to Nature, as these parkways, pays real dividends in human character and happiness.

I am frank to say that I would be willing to see this parkway extended across Pennsylvania and New York, on up across New England, to the Canadian border. It is not a utility road. Every State that it traverses is required to donate 150 acres of land for every mile that the road crosses. This land is used entirely for scenic and recreational purposes.

We people of the West know too well that the folks in the East, those who are underprivileged, are entitled to go out occasionally and enjoy the best that Nature has to give them. That is the purpose of this project. In the northern part, through Virginia and North Carolina, it is 40 percent completed. To say now that we will cut off the appropriation would be the height of folly, just as the other day, when we acted unwisely and rapidly on an amendment concerning the Federal Housing Authority. After we have acted we discover it was not a wise thing to stop a project that has been under way for 3 years, and which the people want, not as a partisan group but in order to build a better citizenship. To adopt this amendment, in my opinion, would be highly inconsistent with the patriotic motives that I am sure actuate all of us.

Mr. REES of Kansas. Will the gentleman yield?

Mr. LEAVY. I yield to the gentleman from Kansas.

Mr. REES of Kansas. The gentleman suggested it would be a great thing for the Eastern States. As a member of the committee, did anybody from any eastern city appear before the committee and ask for the \$5,000,000?

Mr. LEAVY. I cannot say, offhand. It depends on what you call East.

Mr. REES of Kansas. Did anybody from the East request this appropriation?

Mr. LEAVY. It was assumed that we were going to make it because of its merit.

Mr. SABATH. Will the gentleman yield?

Mr. LEAVY. I yield to the distinguished gentleman from Illinois.

Mr. SABATH. Does not the gentleman think it would be a blessing and a benefit to the people of New York to make trips over our country and see the wonders and the advantages of our country instead of spending money going to Europe? Rather than spend money going over in these palatial boats that they use, would it not be of greater benefit to them to make a few trips through the South and West and familiarize themselves with the beauty of our own country?

Mr. LEAVY. I am certain any American who knows his America is a better American citizen by reason of that knowledge. [Applause.]

[Here the gavel fell.]

The CHAIRMAN. The question is on the amendment offered by the gentleman from Kansas [Mr. Rees].

The question as taken; and on a division (demanded by Mr. Rees of Kansas) there were—ayes 7, noes 118.

So the amendment was rejected.

Mr. WHITE of Ohio. Mr. Chairman, I ask unanimous consent to return to page 15 of the bill for the purpose of offering the following amendment:

On page 15, following the amendment offered by me and adopted by the Committee of the Whole, strike out the period after the word "house" and insert a semicolon and the words:

Provided further, however, That the foregoing limitation shall not apply upon construction under contracts entered into prior to the date of the enactment of this act.

The CHAIRMAN. Is there objection to the request of the gentleman from Ohio [Mr. White]?

Mr. LEAVY. Mr. Chairman, reserving the right to object, may I ask the gentleman, would not the effect of the amendment be to limit for all time in the future, after this fiscal year, the cost of a housing unit to \$3,500?

Mr. WHITE of Ohio. The effect of the amendment would have nothing to do with that. This amendment would take care of the thing that several of the gentlemen have talked about today—namely, exempt existing contracts from its effect.

Mr. MARCANTONIO and Mr. HOOK objected.

The Clerk read as follows:

Historic sites and buildings: For carrying out the provisions of the act entitled "An act to provide for the preservation of historic American sites, buildings, objects, and antiquities of national significance, and for other purposes," approved August 21, 1935 (49 Stat. 666), including personal services in the District of Columbia, \$24,000: Provided, That hereafter the authority of the Secretary of the Interior contained in such act, to acquire by gift on behalf of the United States any historic site, building, object, and antiquity of national significance, shall not be effective until an appropriation has been made for the operation and maintenance thereof subsequently to such proposed acquisition.

Mr. BLAND. Mr. Chairman, I desire to make a point of order against the proviso, commencing with the word "Provided," line 17, page 119, down to the end of the paragraph, in that it is legislation on an appropriation bill. According to the report, it expressly changes the language of the act.

The CHAIRMAN. Does the gentleman from Oklahoma

[Mr. Johnson] desire to be heard?

Mr. JOHNSON of Oklahoma. Mr. Chairman, I concede the point of order.

The CHAIRMAN. The point of order is sustained.

Mr. LAMBERTSON. Mr. Chairman, I move to strike out the last word.

Mr. Chairman, I would offer the same amendment as I offered about 10 pages back, in regard to historic sites and the St. Louis memorial, but I know it would not pass, although it should pass.

Mr. Chairman, we have 104 Federal employees of the Park Service now in St. Louis. The money from which they are being paid is about exhausted and apparently the President of the United States is not going to give them any additional relief money. The gentleman from Missouri has insisted during the last week or so in two or three speeches that he will never ask a dollar from the Treasury of the United States for the St. Louis memorial.

Now, here is the ridiculous situation in which we find ourselves. There is proposed here a historic site to be preserved, although we are creating an additional historic site in St. Louis, and we have 104 Federal employees there. The money to pay them is about gone, and this has amounted to two and a quarter million dollars. The Government has spent six and three-quarter million dollars for real estate. About the only purpose of the memorial anyway was to sell the real estate. Now, why not give this thing a decent burial instead of permitting it to live on like it is?

Let St. Louis know, let the Government know, and let the Park Service know that this thing is going to be ended in a decent and dignified manner. We should not allow any of this \$24,000 to go to pay the salaries of these 104 employees, but there is no use in offering an amendment to that effect.

Mr. RICH. Mr. Chairman, will the gentleman yield? Mr. LAMBERTSON. I yield to the gentleman from Pennsylvania.

Mr. RICH. Does not the gentleman believe they are making preparation for giving this proposition a decent burial and that is the reason we have this casket up here in the House now? We are going to carry it out before the session is ended.

Mr. LAMBERTSON. The mayor evidently has lost his influence with the President. His real-estate firm has been barred from the realty board of St. Louis.

The source that put the proposition over with the President is not in the best of repute. The project cannot succeed because Congress will never appropriate for it. The sponsors do not dare ask for money. They did not even dare, after 4 years of legal existence, to ask the Budget for

a dollar. They plan as long as this President is in office to get money year by year from relief funds to keep this proposition alive.

Across the river are two packing houses. An elevated railroad has to be taken down and a tunnel dug for it under the city, according to Mr. Ickes, before this memorial can be constructed. A lot of obstacles have to be overcome. Why not give this project a decent burial instead of letting it linger like this? [Applause.]

[Here the gavel fell.] The Clerk read as follows:

Salaries and general expenses, public buildings and grounds in the District of Columbia: For administration, protection, maintenance, and improvement of public buildings, monuments, memorials, and grounds in the District of Columbia under the jurisdiction of the National Park Service, including the National Archives Building; per diem employees at rates of pay approved by the Director, not exceeding current rates for similar services in the District of Columbia, and such employees in emergencies may be entered on duty subject to confirmation by the Secretary of the Interior; rent of buildings; demolition of buildings; expenses incident to moving various executive departments and establishments in connection with the assignment, allocation, transfer, and survey of building space; traveling expenses and carfare; leather and rubber articles and gas masks for the protection of public property and employees; furnishings and equipment; arms and ammunition for the guard force; not exceeding \$37,400 for purchase, repair, and cleaning of uniforms for guards and elevator conductors; and the purchase, maintenance, repair, exchange, storage, and operation of four motor-propelled passenger-carrying vehicles; \$7,950,962, of which amount, not to exceed \$500,000, shall be available for major repairs and improvements to public buildings, monuments, memorials, and grounds in the District of Columbia.

Mr. RICH. Mr. Chairman, I offer an amendment. The Clerk read as follows:

Amendment offered by Mr. Rich: On page 121, line 4, strike out "\$7,950,962" and insert "\$6,950,962."

Mr. RICH. Mr. Chairman, we are diligently trying to cut down this appropriation bill, but it seems as if we are getting nowhere fast. We called your attention to the fact that we want to cut down \$1,000,000 on the rentals we are paying here in the District of Columbia. Let me call your attention to the fact that in the hearings on the first deficiency appropriation bill we gave a list of the buildings in the District in which space was rented by the Government, the number of people employed by the new agencies, the number of square feet occupied, and the annual rental. The totals are as follows:

Persons employed in the various New Deal organizations that have been set up and are now occupying rented buildings number 22,711. The number of square feet occupied is 3,664,716. The annual rental is \$3,432,711.41. Think of it! We are paying \$3,400,000 and more for rentals in the District of Columbia mostly for New Deal agencies. Let me call your attention to the fact that this rental amounts to over \$150 a year per employee.

I wish to direct your attention to some of the buildings that are being rented. For instance, let us consider the Standard Oil Building, at 261 Constitution Avenue. We rent 37,195 square feet in that building, at a cost of \$68,810 per year. This is almost \$2 a square foot. Then there is the Tower Building, at Fourteenth and K Streets NW., occupied by the National Bituminous Coal Commission. We rent 7,714 square feet and pay a rental of \$14,193 a year. This is an exorbitant rent.

In the District National Bank Building, for the Accounts and Deposits, where 20 people are employed, a rental of \$22,745 per year is paid for 1,830 square feet. This is a most exorbitant rental.

At the Tower Building, at Fourteenth and K, the Committee on Enrollment and Disbarment occupies 14,022 square feet, at a rental of \$23,838 a year.

At 1331 to 1341 U Street NW. the Internal Revenue Bureau occupies 76,045 square feet and pays a rental of \$103,038.72.

I dare say if a Member of Congress had a business of his own or was looking after a business for someone else he could go out in the District of Columbia and rent space in buildings at a cost of less than one-half what we are paying for space in some of these office buildings. Let me call your attention to 1001 Vermont Avenue, where the Federal Housing Administration occupies 100,414 square feet, for which we are paying an annual rental of \$155,000. This is an exorbitant rental.

Mr. KELLER. Mr. Chairman, will the gentleman yield? Mr. RICH. I yield to the gentleman from Illinois.

Mr. KELLER. I should like to know how the gentleman arrives at that conclusion?

Mr. RICH. I take it from the figures given by the Interior Department. When the first deficiency bill was under consideration, the Department of the Interior was requested to submit a list of buildings, together with the number of square feet occupied by them and the price paid for the space. If you will refer to the hearings on the first deficiency appropriation bill, you will find all this information.

Mr. KELLER. But does it show that we are paying twice as much as would the gentleman for personal rental?

Mr. RICH. They do not say that; but if we had any brains at all, we would know it. It is too much for any building rental for office space in Washington, D. C.

Mr. KELLER. How does the gentleman know it?

Mr. RICH. Does the gentleman believe for a minute that anyone who pays \$2 a square foot for space in the District of Columbia is not paying an exorbitant rental for space for these New Deal agencies? What we want to do is cut out about half the New Deal agencies, and then we will get some place. [Applause.]

[Here the gavel fell.]

The CHAIRMAN. The question is on the amendment offered by the gentleman from Pennsylvania.

The amendment was rejected. The Clerk read as follows:

All appropriations for vocational education under the Office of Education in this act shall be used exclusively for vocational education purposes.

Mr. KRAMER. Mr. Chairman, I ask unanimous consent to return to page 113, line 12, for the purpose of offering an amendment.

Mr. REES of Kansas. Mr. Chairman, reserving the right to object, will the gentleman explain the nature of his amendment?

Mr. KRAMER. Yes. The reason I am making this request is because I was absent last week and did not have an opportunity to present it at that time.

The amendment would provide an appropriation of \$8,500 for Joshua Tree Park, in California. This is a monument which was dedicated by the President in 1936 and without this appropriation nothing can be done with it.

The appropriation would be used for the employment of rangers and for constructing roads and getting the park into operation.

Mr. REES of Kansas. Further reserving the right to object, do I understand that this request has not been considered by the committee?

Mr. KRAMER. I understand the request has been considered by the committee and the members of the committee on this side had no objection.

Mr. REES of Kansas. What I want to know is whether or not there has been any hearing on this item or whether the matter has been presented to the committee.

Mr. KRAMER. I do not know whether the matter has been presented to the committee or not, but I mentioned it to the subcommittee.

Mr. REES of Kansas. Mr. Chairman, I do not like to object to a request of this kind, but it seems to me this is another amendment for a further expenditure of money and an unnecessary expenditure, and just one more item of extravagance, spending \$8,500 for nothing at all.

Mr. KRAMER. This is not an extravagance but a necessity in order to put this park into operation.

Mr. REES of Kansas. In all kindness to the gentleman from California, it seems to me this is a matter that should go through the committee in regular order.

Mr. KRAMER. I have told the gentleman what it is for. It is for the services of two rangers and for the purchase

of pick-up trucks and necessary office equipment during the period of next year.

Mr. REES of Kansas. Does not the gentleman still think it is a matter that ought to have gone before the committee and had some hearing on it?

Mr. KRAMER. I do not see where there is any significance in that, because the Committee of the Whole is here and there is nothing different in this amendment from any other amendment that might be offered. I am sure the gentleman would not oppose the amendment if it were brought to his attention.

Mr. REES of Kansas. Further reserving the right to object, is not this a matter that can come before the deficiency committee for consideration?

Mr. KRAMER. I do not know about that. I recall taking it up with the committee and they suggested that I might offer it in this way.

Mr. REES of Kansas. I believe this is a matter that could go before the deficiency subcommittee for its consideration and I therefore must object.

The CHAIRMAN. Objection is heard.

The Clerk read as follows:

COVERNMENT OF THE VIRGIN ISLANDS

GOVERNMENT OF THE VIRGIN ISLANDS

For salaries of the Governor and employees incident to the execution of the acts of March 3, 1917 (48 U. S. C. 1391), and June 22, 1936 (48 U. S. C. 1405v), traveling expenses of officers and employees, necessary janitor service, care of Federal grounds, repair and preservation of Federal buildings and furniture, purchase of equipment, stationery, lights, water, and other necessary miscellaneous expenses, including not to exceed \$5,000 for purchase, including exchange, maintenance, repair, and operation of motor-propelled passenger-carrying vehicles, and not to exceed \$4,000 for personal services, household equipment, and furnishings, fuel, ice, and electricity necessary in the operation of Government House at Saint Thomas and Government House at Saint Croix, \$127,250.

Mr. RICH. Mr. Chairman, I offer an amendment. The Clerk read as follows:

Amendment offered by Mr. Rich: On page 133, line 15, strike out "\$127,250," and insert "\$67,250."

Mr. RICH. Mr. Chairman, I am trying to cut down the expense of the Virgin Islands. That is the place where the Government has put you all in the rum business. I have here a bottle of Government House rum that was manufactured in the Virgin Islands. Every individual citizen of the United States of America is a stockholder in this enterprise. The Government has spent, under the guise of relief, \$2,000,000 or more for the purpose of taking over the old rum plant, taking over two sugar plantations, and now we have every citizen of America manufacturing this Government House rum.

After they formed this company and spent two and a half million dollars on it, they incorporated it at \$30. Think of it. A \$30 incorporation after the Government had spent over \$2,000,000. One share is owned by the Secretary of the Interior, one share by the Assistant Secretary of the Interior, and one share by the Governor of the Virgin Islands, and with this enormous capitalization of \$30, they have been going in the red. Last year shows that you have gone in the red and that you are not able to make a dollar on this capitalization. A travesty to a business venture by the Federal Government. They compete with our American rum manufacturers who are taxed high for the privilege of manufacturing rum. Why should the Government compete with them? Why should the Government get into any business that competes with its citizens, whether it be transportation, whether it be electricity, or whether it be sugar growing, or whether it be rum manufacturing?

Mr. FITZPATRICK. Mr. Chairman, will the gentleman yield?

Mr. RICH. Yes. I yield to the gentleman from New York City.

Mr. FITZPATRICK. Is it not a fact that the Government does not make one cent of appropriation for the manufacture of rum?

Mr. RICH. Well, the Government has a rum factory. We made our appropriation, and the rum factory has its money, and now you are trying to camouflage the issue by appropriating to the municipalities, and the money goes also to the operation of these plants.

Mr. FITZPATRICK. Oh, I ask the gentleman to answer the question

Mr. RICH. You are trying to camouflage the issue, that you are in the rum industry. I do not yield any more. You know you are losing money in the rum business. You have to support it some way sooner or later by more gifts.

Mr. FITZPATRICK. Why not answer the question?

Mr. RICH. You have made your appropriation, and you are going in the red now. You are camouflaging it, and if this rum industry were any good, if you could get along and make a profit, you would not have to appropriate \$127,000 now to run the government of the Virgin Islands. You would take the profits to pay your bills, but when you come in here and ask for aid, for each one of these islands to be appropriated the sum of \$127,000, you are only camouflaging the issue as to what the money is used for.

Mr. SABATH. Mr. Chairman, will the gentleman yield? Mr. SCHAFER of Wisconsin. Who imports and retails this Uncle Sam rum?

Mr. RICH. Uncle Sam is importing this himself.

Mr. SCHAFER of Wisconsin. And does he collect the whisky tax on this rum also?

Mr. RICH. Uncle Sam is collecting the whole business. The gentleman is a stockholder. He is in the rum business. Every man, woman, and child in America, every Sunday school scholar, every citizen of America has an interest in that rum plant.

Mr. SABATH rose.

Mr. RICH. I cannot yield now. The Secretary of the Interior on April 26, 1937, sent every one of the members of the subcommittee a bottle of this rum. I still have mine. I do not know whether each of the others has his

Mr. LEAVY. Mr. Chairman, will the gentleman yield? The CHAIRMAN. The gentleman from Pennsylvania declines to yield further.

Mr. RICH. I cannot yield. I want to show you what the rum plant is doing. They are afraid to put in the statement of what the rum plant has been doing. They say they cannot operate the sugar industry unless they have the rum plant, and when you have the rum plant it shows that you have gone in the red this year. Now, we come in and these men would have you believe that we are asking for this \$127,000 to run the municipality. The Government competes with the rum industry of America There is no reason why they should compete with the rum industry of this country. That is setting the Government up in business, and I am opposed to it. I do not care whether it is in the manufacture of rum or in the 101 other things the Government is engaged in.

The CHAIRMAN. The time of the gentleman from Pennsylvania has expired.

Mr. FITZPATRICK. Mr. Chairman, on page 956 of the hearing on the Interior appropriation bill, the acting chairman of the subcommittee, the gentleman from Oklahoma, Mr. Johnson, asked Governor Cramer, of the Virgin Islands, if there was any money recommended in the appropriation bill toward the rum business, and here is his answer:

Mr. CRAMER. There is no money in this appropriation for the Virgin Islands Co.

So the statement made by the gentleman from Pennsylvania is not correct according to the statement of Governor Cramer, of the Virgin Islands, and I ask the Members to vote down the amendment.

Mr. SCHAFER of Wisconsin. Mr. Chairman, I rise in support of the amendment. For many years prior to the repeal of prohibition I had taken an active part in the fight to bring about repeal. I was somewhat surprised to find today that all of those who served in the dry forces, including many of the present Members of the House, are now in the rumproducing business under a general partnership with all of the American people. Our New Deal wets and drys have put Uncle Sam in the rum business in a big way. Our former dry leaders can vote to keep Uncle Sam in the Government

rum business. I am opposed to subsidies from the taxpayers' Treasury to permit Uncle Sam to engage in fields of private business endeavors. The gentleman from Pennsylvania [Mr. Rich], who exhibited a bottle of Uncle Sam's Government rum, correctly indicated that every American is a partner in Uncle Sam's rum business. I therefore find myself in strange company today-in partnership with Bishop Cannon, that great dry leader, in the Government rum-producing business. We should adopt the pending amendment and get Uncle Sam out of his Government rum business.

Mr. HOOK. Mr. Chairman, I rise to a point of order. The CHAIRMAN. The gentleman will state it.

Mr. HOOK. There seems to be a lot of rum talk going on here, but there is no rum in this amendment. Therefore I make the point of order that the gentleman is not talking to the amendment.

The CHAIRMAN. The point of order is well taken, and the gentleman will proceed in order.

Mr. SCHAFER of Wisconsin. I am talking directly to this

The CHAIRMAN. The amendment is to strike out the sum of \$127,250 and substitute \$67,250.

Mr. SCHAEFER of Wisconsin. Mr. Chairman, this amendment reduces the appropriation for the operation of various Government activities, including the government rum business in the Virgin Islands. Therefore I am in order, the facetious interjection of my colleague from Michigan [Mr. Hook] to the contrary notwithstanding.

Mr. HOOK. Mr. Chairman, a point of order.

The CHAIRMAN. The gentleman will state it.

Mr. HOOK. The gentleman is violating the ruling of the Chair, who ruled he was speaking out of order. I insist on the point of order.

Mr. SCHAFER of Wisconsin. I am talking in favor of the pending amendment to reduce the appropriation from the Federal Treasury for the Government subsidized rum business in the Virgin Islands. This subsidized Government competition is unfair to competing American private business and to the American taxpayers.

I hope the pending amendment will be adopted so that private business will have notice that this Congress is in favor of ending subsidized Government competition with private business. We must encourage legitimate private business to expand or the time will soon be at hand when private business will not be able to employ millions of our people who need jobs and will not be able to produce the tax dollars for our New Deal Government spendthrifts.

Mr. LORD. Mr. Chairman, I rise in support of the

Mr. JOHNSON of Oklahoma. Mr. Chairman, will the gentleman yield for me to propound a unanimous consent request?

Mr. LORD. I yield.

Mr. JOHNSON of Oklahoma. Mr. Chairman, I ask unanimous consent that all debate on this paragraph and all amendments thereto close within 5 minutes.

Mr. LORD. Well, Mr. Chairman, the gentleman from Michigan [Mr. Crawford] would like to speak on this amendment.

The CHAIRMAN. The Chair would like to inquire whether there are any other Members, aside from the gentleman from New York, who desire to be heard. Does any member of the committee desire to be heard?

Mr. JOHNSON of Oklahoma. I think not, Mr. Chairman. The CHAIRMAN. The gentleman from Oklahoma [Mr. JOHNSON] asks unanimous consent that all debate on this paragraph and all amendments thereto close in 5 minutes. Is there objection?

There was no objection.

Mr. LORD. Mr. Chairman, we have heard a great deal of discussion with regard to the Virgin Islands. I wanted to speak about our unfairness to the Virgin Islands by imposing a tax on sugar. I think if we should cut this down in the amount proposed by the amendment perhaps it would be unnecessary to impose an export tax of \$8 on sugar. That

tax is not demanded of any other possession in any other part of the United States.

These islands, under Danish rule, got along very well. They got along very well under the government we gave them under the Danish form. I think we have tried to go too far in governing the Virgin Islands. We have injected too much "domination from Washington" into their affairs and this interferes with their custom of making their "own way." I do not think we have been fair in our treatment of them. Of course, we went into this rum industry. We took the sugar factories out of production and put them into the manufacture of rum and the deal has not proven much of a financial success and it brings into the Islands entirely too much dictation from Washington. They have not prospered so well under the "rum program" and the manufacture of rum as when they produced cane for the manufacture of sugar, regardless of the tax. At the present time they export a great deal of sugar on which they have to pay export tax. While I do not want to advocate anything that will be detrimental to the islands, I do hope that this discussion has brought attention to the fact that we are not treating the islands with the regard we should treat them, and I hope it may bring about taking off this export tax on sugar so that they will be on an equality with other parts of the United States.

Mr. STEFAN. Mr. Chairman, will the gentleman yield?

Mr. LORD. I yield.

Mr. STEFAN. Do I understand they must import sugar into the Virgin Islands?

Mr. LORD. No.

Mr. STEFAN. Instead of making sugar out of their sugarcane they are turning it into rum?

Mr. LORD. Yes; they are turning it into rum.

Mr. RICH. Mr. Chairman, will the gentleman yield?

Mr. LORD. I yield.

Mr. RICH. I just want to call attention to what Mr. Brown said in answer to the gentleman from Washington [Mr. LEAVY]. He said:

The sugar-refining business of itself cannot carry on satisfactorily?

Mr. Brown. The raw-sugar business by itself cannot make ends meet. It requires the rum business to be identified with it. The West Indies sugar factory failed. It did not have the rum business.

Now, the American public, interested in this Virgin Island company has failed, because they have gone into the red this year. Every member of the subcommittee knows they have gone in the red to make rum.

Mr. LORD. They must make it into rum, because we put such a tax against the sugar, an export tax of \$8 a ton, that they cannot manufacture sugar. We are really forcing them to manufacture rum that they do not want to manufacture. If we would lift this tax it would greatly assist the entire situation in the islands and make the growing of sugarcane and production of sugar more profitable to the individual operator. As it is being worked, I fear there is danger that the Government's rum program may tend to drive all of the private industry now engaged in the sugar business into a position where they will have to submit to Federal domination and produce raw products for the use of the Virgin Islands Co.—the federally owned enterprise. If this happens, it will be bad for the people generally. We all know that any people left to their own enterprise and free will can and will maintain a higher standard of living than they will ever enjoy for a long period of time under Federal domination and planned economy.

The CHAIRMAN. The time of the gentleman from New

York [Mr. LORD] has expired. All time has expired.

The question is on the amendment offered by the gentleman from Pennsylvania [Mr. RICH].

The question was taken; and on a division (demanded by Mr. Rich) there were—ayes 68, noes 91.

So the amendment was rejected.

The Clerk read as follows:

ST. ELIZABETHS HOSPITAL

For support, clothing, and treatment in St. Elizabeths Hospital for the Insane of insane persons from the Army, Navy, Marine Corps, and Coast Guard, insane inmates of the National Home

for Disabled Volunteer Soldiers, persons charged with or convicted of crimes against the United States who are insane, all persons who have become insane since their entry into the military and naval services of the United States, insane civilians in the quarter-master service of the Army, insane persons transferred from the Canal Zone who have been admitted to the hospital and who are indigent, American citizens legally adjudged insane in the Dominion of Canada whose legal residence in one of the States, Territories, or the District of Columbia it has been impossible to establish, insane beneficiaries of the United States Verterans' Administration, and insane Indian beneficiaries of the Bureau of Indian Affairs, including not exceeding \$27,000 for the purchase (including 1 at not to exceed \$1,200), exchange, maintenance, repair, operation of motor-propelled passenger-carrying vehicles for the use of the superintendent, purchasing agent, and general hospital business, and including not to exceed \$1,200, including cooperation with organizations or individuals in scientific research into the nature, causes, prevention, and treatment of mental illness, and including maintenance and operation of necessary facilities for feeding employees and others (at not less than cost), and the proceeds therefrom shall reimburse the appropriation for the institution; and not exceeding \$1,500 of this sum may be expended in the removal of patients to their friends; not exceeding \$1,500 in the purchase of such books, periodicals, and newspapers as may be required for the purposes of the hospital and for the medical library, and not exceeding \$1,500 for the actual and necessary expenses incurred in the apprehension and return to the hospital of escaped patients: Provided, That so much of this sum as may be required for the purposes of the hospital and for the medical library, and not exceeding \$200 additional may be paid to two employees to provide mail facilities for patients in the hospital: Provided further, That no part of this for Disabled Volunteer Soldiers, persons charged with or convicted of crimes against the United States who are insane, all persons by check to the Superintendent, upon his written request, either in advance or at the end of each month, all or part of the estimated or actual cost of such maintenance, as the case may be, and bills rendered by the Superintendent of St. Elizabeths Hospital in accordance herewith shall not be subject to audit or certification in advance of payment; proper adjustments on the basis of the actual cost of the care of patients paid for in advance shall be made monthly or quarterly, as may be agreed upon between the Superintendent of St. Elizabeths Hospital and the District of Columbia government, department, or establishments concerned. All sums paid to the Superintendent of St. Elizabeths Hospital for the care of patients that he is authorized by law to receive shall be the care of patients that he is authorized by law to receive shall be deposited to the credit on the books of the Treasury Department of the appropriation made for the care and maintenance of the patients at St. Elizabeths Hospital for the year in which the support, clothing, and treatment is provided, and be subject to requisition upon the approval of the Secretary of the Interior.

Mr. RICH. Mr. Chairman, I move to strike out the last

I would like to say to the members of the Committee that St. Elizabeths Hospital has made a request for additional funds for the improvement of their property. They wanted to construct several buildings, and from the number of patients they have in this hospital, it looks as if they should have the improvements; but when they suggested-

Mr. HOOK. Mr. Chairman, will the gentleman yield? Mr. RICH. I cannot yield.

Where are you going to get the money?

Mr. HOOK. Where are you going to get the money?
Mr. RICH. When they suggested these improvements, the only place they could suggest for the construction of any buildings was within their own grounds, and when they did that they admitted that to build any buildings there would naturally take away from the beauty and from the benefits which their patients now receive from the sunlight which they enjoy in going around over the grounds and sitting in parkways now on the grounds.

The committee cut this down, believing they should investigate as to whether it would not be better to acquire property away from the present site. For this reason the appropria-tion they asked for increased facilities was delayed for 1 year. Next year, no doubt, they will make other recommendations which will be for the best interests of St. Elizabeths Hospital. I congratulate the committee in deferring this proposition 1 year until proper investigation can be made for additional housing at St. Elizabeths. [Applause.]

Mr. JOHNSON of Oklahoma. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. Johnson of Oklahoma. On page 136 the end of line 4, after the word "repair", insert the word "and."

Mr. JOHNSON of Oklahoma. Mr. Chairman, this is merely an amendment correcting a typographical error.

The amendment was agreed to. The Clerk read as follows:

COLUMBIA INSTITUTE FOR THE DEAF

For support of the institution, including salaries and incidental expenses, books and illustrative apparatus, and general repairs and improvements, and including not to exceed \$11,000 for improvement to the power, heating, and lighting system, \$150,950.

Mr. JOHNSON of Oklahoma. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. Johnson of Oklahoma: Page 138, line 5, strike out the word "institute" and insert in lieu thereof the word "institution."

Mr. JOHNSON of Oklahoma. Mr. Chairman, this is an amendment that merely corrects the spelling of a word. changing the word "institute" to the word "institution."

The amendment was agreed to.

The Clerk concluded the reading of the bill.

Mr. WHITE of Ohio. Mr. Chairman, I move to strike out the last word.

The CHAIRMAN. The gentleman from Ohio is recognized for 5 minutes

Mr. WHITE of Ohio. Mr. Chairman, I ask unanimous consent to proceed out of order for 5 minutes.

Mr. HOOK. Mr. Chairman, I object.

Mr. WHITE of Ohio. Mr. Chairman, will the gentleman not reserve his objection? Numerous requests to proceed out of order have been granted today to enable Members to speak on the housing amendment. I want to speak on it myself in a reasonable way for 5 minutes, and in according me this privilege it will be nothing more than has been accorded several Members on the Democratic side.

Mr. HOOK. Mr. Chairman, I withdraw my objection. The CHAIRMAN. Is there objection to the request of the gentleman from Ohio?

There was no objection.

Mr. WHITE of Ohio. Mr. Chairman, the other day my friend from New York [Mr. FITZPATRICK] read a telegram from Mr. Bates. My answer to Mr. Bates is that I believe this amendment is necessary in fairness to the rank and file members of the organization he represents. They are the people who have to pay for these so-called slum dwellings-more costly and more elaborate under present plans than their own homes which they bought themselves through toil, thrift, and sacrifice.

If this was merely a question of what could be gotten out of the U.S. H. A. program in construction costs, that would be one thing. But it is more fundamental than that. The merit of the case should rest upon the underlying purpose of providing living quarters for the ill-nourished, the illclad, and ill-housed-and on a basis that is practical and fair to all other citizens. You cannot do that unless you keep the costs within the reach of the slum-family income. That is not being done today. The plain fact is that a slum family, notwithstanding the Government subsidy, cannot afford to pay the rent on a five- or six-thousand-dollar apartment. If you want this program to hit its real target. my amendment should be retained.

Of course the average costs for the country are much less than those of a great big city, like New York, for example. But why should the country, as a whole, be penalized by the costs in New York? This amendment has nothing to do with loans and grants. It deals only with the annual contribution plan. It is designed to apply to the costs borne by the Federal Government. The local participation is not included. It puts all communities on the same basis, and those with highest costs can still meet extra requirements by the local Housing Authority making up the difference in cases above this average.

Now then, is not our great responsibility that of examining the matter of fairness to the average American citizens who are the backbone of the Nation, who carve out the progress of every community, who send us to Congress, and who depend upon us for equitable representation?

Beginning on page 162 of the hearings you will find tables of costs for projects under this program. Under the old set-up some of them cost as high as twelve and seventeen thousand dollars per family. Under the present set-up Mr. Straus, on page 165, cites an average cost of \$5,484 without demolition or clearance.

Do not forget another thing. These figures represent the original cost of construction only. They do not include the charges of the 60-year annual contributions. That runs into real money, too, because a complete application of the complicated formula of annual contributions shows that the Federal Government furnishes more than a million and a half dollars for every million-dollar project. Think of that. It means the full cost of the project and a half million more from Uncle Sam to be used to pay the interest charged by him.

The previous limitations apply only to dwelling-room facilities. You can see that substantial costs can be omitted if

they are not classified as dwelling-room facilities.

Even so, let us take a look at the figures listed in the hearings. There are four projects at Boston with an average cost of \$6,017 per family; three at Cleveland averaging \$5,981; three in New York averaging \$6,385, four in Detroit averaging \$6,243. How do those total costs compare with the home of the average citizen clear across the country-of the farmer, the wage earner, the merchant, in small towns and big citiespeople who do not get homes from the Government and furthermore have to pay this bill?

Do the citizens in Milton, Fla., Burley, Idaho, Ironwood, Mich., Meridian, Miss., Corydon, Iowa, Bryan, Ohio, Manchester, Pa., Tuscaloosa, Ala., Bloomington, Ill., Bath, N. Y., LaGrande, Oreg., Horicon, Wis., Waltham, Mass., or, for that matter, the average of the big cities, live in homes of such value? If not, then it stands to reason that homes of greater cost should not be built at their expense for others under

Government aid.

[Here the gavel fell.]

Mr. WHITE of Ohio. Mr. Chairman, I ask unanimous consent to proceed for 2 additional minutes.

The CHAIRMAN. Is there objection to the request of the gentleman from Ohio?

There was no objection.

Mr. FITZPATRICK. Mr. Chairman, will the gentleman vield?

Mr. WHITE of Ohio. I yield.
Mr. FITZPATRICK. Is the cost to which the gentleman just referred cost under the United States Housing Authority or under P. W. A.?

Mr. WHITE of Ohio. Under the United States Housing

Mr. FITZPATRICK. Not one of the Housing Authority projects has yet been completed. According to their estimate the highest, I believe, is \$5,600; and according to the figures of the Department of Labor a dwelling unit cannot be constructed in any part of the United States for less than \$4,000.

Mr. WHITE of Ohio. Answering the gentleman from New York, I refer him to the table on page 164 of the hearings. There he will find the complete answer. They are the new estimates of U.S. H. A. itself, and I have quoted you their own figures.

Mr. REED of New York. Mr. Chairman, will the gentleman yield?

Mr. WHITE of Ohio. I yield.

Mr. REED of New York. The survey shows that the potential market for houses costing \$4,000 has dropped from 54 percent to 24 percent within the last 5 or 6 years.

Mr. WHITE of Ohio. I think that is true.

In conclusion-

Mr. MARCANTONIO. Mr. Chairman, will the gentleman

Mr. WHITE of Ohio. I regret it, but my time is almost up. I cannot yield for the moment.

Mr. Chairman, in conclusion, let me call attention to the fact that the purpose of this amendment is to bring the cost LXXXIV-190

within the range of the slum dweller, as expressed in the last sentence of an editorial which appeared in Sunday morning's Post. This editorial said:

Drastic reduction of the outlays and subsidies appears to be the only way of continuing this important social work.

[Here the gavel fell.]

Mr. HOOK. Mr. Chairman, I move to strike out the last

Mr. Chairman, I listened with interest to the statement of the gentleman from Ohio who just preceded me on the question of housing. I call the gentleman's attention to the fact that for many, many years past we have subsidized housing in the United States, not through Government subsidies but by virtue of the fact that we allowed real-estate sharks to run rampant throughout the United States and flood the country with spurious real-estate bonds. You and I and the others who bought those bonds subsidized housing throughout the United States. Old people with small savings, widows with small life-insurance benefits were urged to purchase and did purchase, these bonds, with the result that their entire savings were swept away. The United States Government is striving to eliminate slums, and I think it is about time we stepped into this field and properly subsidized housing for the people of this Nation.

Mr. MARCANTONIO. Mr. Chairman, will the gentleman

yield?

Mr. HOOK. I hope the gentleman will pardon me just a minute.

Inasmuch as the gentleman from Ohio mentioned the residents of the city of Ironwood, let me state for his information that the United States Government has a project in the city of Ironwood consisting of 119 homes for laboring men, men who labor in the mines, men who lived in old shacks but who helped to make the profits of those corporations which own the mines, profits made from the blood and sweat of those American workmen. The United States Government has now stepped in there to build, as I said, 119 homes.

Those homes are being rented to the common laborers who are residents of the city of Ironwood, Mich., at from \$12 to \$16 per month. I am sorry to say some people, not in this lower income bracket, have gotten into these homes. I have investigated this situation, and through my efforts it is being corrected. It is not completely corrected, however. I am informed that they are not accepting any persons outside the \$900 to \$1,800 income group. These people were entitled to those homes at those rents, and I thank God that there is a man in the White House, that there are new dealers, if you please, who are recognizing the man who goes down into the depths of the dingy mines to such an extent that they are at least giving him a decent place in which to live. [Applause.1

Let us subsidize the United States Housing Authority to such an extent that we will wipe out the tenements and slums throughout the United States. The highways and railroads were subsidized, not only under the New Deal but for many years before the New Deal came into being.

Mr. SACKS. Will the gentleman yield?
Mr. HOOK. I yield to the gentleman from Pennsylvania. Mr. SACKS. May I observe that in the city of Philadelphia the Housing Authority, now controlled by the Republicans, has called off all housing work as a result of this pending amendment.

Mr. MARCANTONIO. Will the gentleman yield? Mr. HOOK. I yield to the gentleman from New York.

Mr. MARCANTONIO. In view of the contracts which have been given out, and in view of the launching of the program, if the White amendment is kept in this bill, the whole program will be scuttled as far as housing is concerned.

Mr. HOOK. There is not any doubt about that, and there is no doubt that that is the idea behind the amendment. There is no doubt that that is the purpose of the amendment. I have been here throughout the entire session and I have not seen an amendment offered by a Member on the other side of the House that did not have destruction as its motive.

Mr. O'CONNOR. Will the gentleman yield?

Mr. HOOK. I yield to the gentleman from Montana. Mr. O'CONNOR. May I call attention also to the fact that plans have been laid in the larger cities of my district, Great Falls and Billings, to provide buildings at \$4,000 per unit. If the reduction provided by this amendment stands, it will impair the entire set-up, because the \$4,000 includes not only the buildings but the land, cost of demolition of the old buildings, and all that sort of thing.

Mr. HOOK. There is not any doubt about that.

[Here the gavel fell.]

Mr. JOHNSON of Oklahoma. Mr. Chairman, I move that the Committee do now rise and report the bill back to the House, with sundry amendments, with the recommendation that the amendments be agreed to and that the bill, as amended, do pass.

The motion was agreed to.

Accordingly the Committee rose; and the Speaker having resumed the chair, Mr. Buck, Chairman of the Committee of the Whole House on the state of the Union, reported that that Committee, having had under consideration the bill H. R. 4852, the Interior Department appropriation bill, 1940, had directed him to report the same back to the House with sundry amendments, with the recommendation that the amendments be agreed to and that the bill, as amended, do pass

Mr. JOHNSON of Oklahoma. Mr. Speaker, I move the previous question on the bill and all amendments thereto to final passage.

The previous question was ordered.

The SPEAKER. Is a separate vote demanded on any amendment?

Mr. FITZPATRICK. Mr. Speaker, I ask for a separate vote on the White amendment, which places a limitation on the units of the United States Housing Authority appropriation, page 15, line 15.

The SPEAKER. Is a separate vote demanded on any other amendment?

Mr. WHITE of Ohio. Mr. Speaker, a unanimous-consent request

The SPEAKER. Is a separate vote demanded on any other amendment? If not, the Chair will put them in gross. The gentleman will state his request.

Mr. WHITE of Ohio. Mr. Speaker, I ask unanimous consent for the consideration of the following amendment on page 15, following the amendment offered by me and adopted by the Committee of the Whole:

Strike out the period after the word "house", insert a semi-colon, with the words "Provided further, however, That the fore-going limitation shall not apply upon construction under contracts entered into prior to the date of the enactment of this act."

The SPEAKER. The Chair thinks it proper for the House to vote on the amendments in gross at this time.

The amendments were agreed to.

The SPEAKER. Is there objection to the request of the gentleman from Ohio [Mr. WHITE]?

Mr. MARCANTONIO and Mr. SACKS objected.

The SPEAKER. The Clerk will report the so-called White amendment.

The Clerk read as follows:

Amendment offered by Mr. White of Ohio: On page 15, line 15, after the amount "\$5,000,000", insert a colon and the following proviso: "Provided, That in the use of such funds the total and final cost, including all charges assumed by the Federal Government, shall not exceed \$3,500 for each family so housed."

The SPEAKER. The question is on the amendment.

The question was taken; and on a division (demanded by Mr. White of Ohio) there were—ayes 58, noes 187.

Mr. DINGELL. Mr. Speaker, I demand the yeas and navs.

The yeas and nays were ordered.

The Clerk called the roll; and there were—yeas 77, nays 290, answered "present" 1, not voting 64, as follows:

[Roll No. 37]

YEAS-77

Allen, Ill. Austin Andersen, H. Carl Boehne Andresen, A. H. Bolles

Carlson Case, S. Dak. Chiperfield Clevenger Coffee, Nebr. Cole, N. Y. Colmer Curtis Dworshak Fulmer Gehrmann Gifford Gillie Griswold Gross Guyer, Kans. Gwynne Halleck Harness

Alexander

Allen, La.

Allen, Pa

Ashbrook

Bates, Ky. Bates, Mass.

Beckworth

Bradley, Mich. Bradley, Pa.

Rell

Bland

Bloom

Bolton

Boren

Brewster

Brown, Ga.

Buckley, N. Y. Bulwinkle

Burgin Byrne, N. Y.

Byrns, Tenn.

Cannon, Fla. Cannon, Mo.

Carter Cartwright

Chandler

Chapman

Church

Clark

Claypool

Cochran

Collins

Cooley

Cooper

Costello

Crosser

Crowe

Culkin Culien

Darrow Delaney

Dempsey DeRouen

Dingell

Dirksen

Disney

Douglas

Dowell Doxey

Barry

Bender Blackney

Boland

Boykin

Ditte

Crawford

Cummings

D'Alesandro Darden

Connery

Coffee, Wash, Cole, Md.

Celler

Brooks

Buck Buckler, Minn.

Burch

Burdick

Byron Caldwell

Angell

Barden

Anderson, Calif.

Hoffman Hope Horton Jenkins, Ohio Jensen Johnson, Ill Johnson, Ind. Jones, Ohio Kitchens Lambertson Lord Luce

Mapes Martin, Iowa Martin, Mass. Monroney Mott Mundt Murray Plumley Reed, N. Y. Rees, Kans. Rich Robertson Robsion, Ky. Rutherford Sandager

Schafer, Wis. Smith, Ohio Springer Stearns, N. H. Stefan Taber Talle Tarver Thill Vorys, Ohio White, Ohio Whittington Winter Woodruff, Mich.

NAYS-290

Drewry Duncan Dunn Durham Eaton, Calif. Eaton, N. J. Eberharter Edmiston Elliott Elston Engel Englebright Evans Faddis Fav Ferguson Fernandez Fitzpatrick Flannery Folger Ford, Miss. Ford, Thomas F. Gamble Garrett Gartner Gathings Gavagan Gearhart Gerlach Geyer, Calif. Gibbs Gossett Graham Grant. Ala. Green Gregory Griffith Hancock Harter, N. Y. Harter, Ohio Havenner Hendricks Hennings Hill Hinshaw Hobbs Hook Houston Hull Hunter Izac Jacobsen Jarman Jeffries Jenks, N. H. Johnson, Luther A. Pfeifer Johnson, Lyndon Johnson, Okla. Johnson, W. Va. Kean Kee Keefe Keller Kelly Kennedy, Martin Rankin Kennedy, Md. Reed, I Reed, Ill.

Kennedy, Michael Robinson, Utah Rodgers, Pa. Rogers, Mass. Rogers, Okla. Romjue Keogh Kerr Kilday Kinzer Kirwan Kocialkowski Routzohn Ryan Sabath Kramer Kunkel Sacks Sasscer Schaefer, Ill. Landis Lanham Schiffler Larrabee Schuetz Lea Leavy Schwert Lemke Lesinski Scrugham Seccombe Lewis, Colo. Lewis, Ohio Secrest Sheppard Sirovich Smith, Conn. Smith, Maine Smith, Va. Ludlow McAndrews McArdle McCormack McDowell Smith, Wash. Smith, W. Va. McGranery
McLaughlin Smith, W. va.
McLeod Snyder
McMillan, John L. Somers, N. Y.
South South Sparkman Spence Starnes, Ala. Mahon Maloney Steagall Sullivan Marcantonio Martin, Colo. Sumner, III. Massingale Miller Sumners, Tex. Mills, Ark. Sutphin Mills, La Sweeney Mitchell Moser Terry Murdock, Ariz. Murdock, Utah Thomas, N. J. Thomas, Tex. Myers Nelson Thomason Nichols Tibbott Tinkham Norrell Norton Tolan O'Brien Treadway O'Connor Turner Van Zandt O'Day Vincent, Ky. Vinson, Ga. Voorhis, Calif. O'Leary Oliver O'Neal Owen Pace Wailgren Parsons Patman Walter Warren Weaver Welch Patrick West Pearson Peterson, Fla. Peterson, Ga. Wheat Whelchel White, Idaho Wigglesworth Williams, Del. Pierce, N. Y. Pierce, Oreg. Pittenger Wolcott Wolfenden, Pa. Wolverton, N. J. Poage Polk Powers Rabaut Wood Woodrum, Va. Ramspeck Randolph Youngdahl Zimmerman

ANSWERED "PRESENT"-1

Arends NOT VOTING-

Anderson, Mo. Andrews Arnold Barnes Brown, Ohio Bryson Casey, Mass. Cluett Creal Crowther Curley Dickstein

Doughton Fenton Fish Flaherty Ford, Leland M. Goldsborough Grant, Ind. Hare Harrington

Healey Holmes Kleberg Knutson LeCompte
McGehee
McKeough
McMillan, Thos. 8. May

McReynolds Maas Mansfield Marshall Martin, Ill. Mason

Merritt Monkiewicz Mouton Osmers O'Toole Rayburn Reece, Tenn.

Richards Risk Rockefeller Schulte Seger Shafer, Mich. Shannon

Simpson Smith, Ill. Taylor, Colo. Taylor, Tenn. Williams, Mo.

So the amendment was rejected. The Clerk announced the following pairs: On this vote:

Mr. Arends (for) with Mr. Kleberg (against). Mr. Knutson (for) with Mr. Keogh (against). Mr. Leland M. Ford (for) with Mr. Hartley (against).

General pairs:

General pairs:

Mr. Mansfield with Mr. Wadsworth.
Mr. Rayburn with Mr. Short.
Mr. Doughton with Mr. Maas.
Mr. Dickstein with Mr. Cluett.
Mr. Boland with Mr. Taylor of Tennessee.
Mr. Dies with Mr. Fish.
Mr. Merritt with Mr. Mason.
Mr. McReynolds with Mr. Simpson.
Mr. Taylor of Colorado with Mr. Holmes.
Mr. Boykin with Mr. Reece of Tennessee.
Mr. Boykin with Mr. Seger.
Mr. Richards with Mr. Seger.
Mr. Hare with Mr. Blackney.
Mr. Schulte with Mr. Shafer of Michigan.
Mr. Barry with Mr. Brown of Ohio.
Mr. Casey of Massachusetts with Mr. Fenton.
Mr. Mouton with Mr. Bender.
Mr. Curley with Mr. Grant of Indiana.
Mr. Healey with Mr. Grant of Indiana.
Mr. Harrington with Mr. Marshall.
Mr. Martin of Illinois with Mr. Monkiewicz.
Mr. Anderson of Missouri with Mr. Andrews.
Mr. Bryson with Mr. Creal.
Mr. Flaherty with Mr. Smith of Illinois.
Mr. McGehee with Mr. Shannon.
Mr. ARENDS. Mr. Speaker, I have a

Mr. ARENDS. Mr. Speaker, I have a pair with the gentleman from Texas, Mr. KLEBERG, who, if he had been present, would have voted "nay." I am recorded as voting "yea." I therefore ask to withdraw my vote of "yea" and be recorded as answering "present."

The result of the vote was announced as above recorded. Mr. McGRANERY. Mr. Speaker, the gentlemen from Massachusetts, Messrs. Casey, Flaherty, and Healey, are detained on very important business. Had they been present, they would have voted "nay."

Mr. CULLEN. Mr. Speaker, the gentlemen from New York, Messrs. O'Toole and Curley, are both in the hospital. Had they been able to be on the floor, they would have voted "nay."

Mr. SABATH. Mr. Speaker, my colleague, the gentleman from Illinois, Mr. McKeough, was called home on account of illness. Had he been present, he would have voted "nay."

Mr. COCHRAN. Mr. Speaker, my colleague, the gentleman from Missouri, Mr. Anderson, was required to be home on account of illness in his family. If he had been present, he would have voted against the White amendment.

The SPEAKER. The question is on the engrossment and third reading of the bill.

The bill was ordered to be engrossed and read a third time, and was read the third time.

Mr. RICH. Mr. Speaker, I offer a motion to recommit. The SPEAKER. Is the gentleman opposed to the bill? Mr. RICH. Mr. Speaker, no one could doubt that I am opposed to the bill.

The SPEAKER. The Chair doubts it unless the gentleman makes the statement that he is opposed to the bill. Under the rule, the gentleman must state that he is opposed to the bill.

Mr. RICH. Mr. Speaker, I am certainly opposed to the bill. The SPEAKER. The gentleman qualifies. The Clerk will report the motion to recommit.

The Clerk read as follows:

Mr. Rich moves to recommit the bill to the Committee on Appropriations with instructions to reconsider the bill and report the same back forthwith to the House with reductions of at least 10 percent of the total amount appropriated in the bill.

Mr. JOHNSON of Oklahoma. Mr. Speaker, I move the previous question on the motion to recommit.

The previous question was ordered.

The SPEAKER. The question is on the motion of the gentleman from Pennsylvania to recommit the bill.

The question was taken; and on a division (demanded by Mr. Rich) there were-ayes 123, noes 215.

So the motion to recommit was rejected.

The SPEAKER. The question is on the passage of the bill. The question was taken, and the Chair announced that the ayes seemed to have it.

Mr. MARTIN J. KENNEDY. Mr. Speaker, on this vote I demand the yeas and nays.

The yeas and nays were ordered.

The question was taken; and there were-yeas 267, nays 105, not voting 60, as follows:

[Roll No. 38]

YEAS-267

Allen, La. Allen, Pa. Kennedy, Md. Rankin Kennedy, Michael Richards Dowell Doxey Anderson, Calif. Angell Drewry Keogh Robertson Kerr Kilday Robinson, Utah Rogers, Okla. Duncan Ashbrook Barden Dunn Durham Kirwan Kitchens Kocialkowski Romiue Dworshak Eaton, Calif. Bates, Ky. Ryan Sabath Beam Beckworth Bell Bland Kramer Landis Sacks Eberharter Edmiston Sasscer Satterfield Elliott Lanham Bloom Ellis Larrabee Schaefer, Ill. Boehne Englebright Lea Leavy Lemke Lesinski Schiffler Evans Faddis Boren Schuetz Boykin Schwert Bradley, Pa. Fay Scrugham Lewis, Colo. Lewis, Ohio Ludlow McAndrews Brewster Brooks Ferguson Secrest Fernandez Shanley
Sheppard
Sirovich
Smith, Conn.
Smith, Ill.
Smith, Waine
Smith, Va.
Smith, Wash.
Smith, W. Va. Brown, Ga. Fitzpatrick Flannagan Bryson Buck McArdle McCormack McDowell Flannery Folger Ford, Miss. Buckler, Minn. Buckley, N. Y. Bulwinkle Ford, Thomas F. Fries McGranery McLaughlin McLeod Burdick Fulmer Burgin Garrett Gartner McMillan, John L Byrne, N. Y. Byrns, Tenn. Maciejewski Magnuson Mahon Somers, N. Y. Gathings South Byron Gavagan Sparkman Spence Starnes, Ala. Steagall Stearns, N. H. Stefan Cannon, Fla Gearhart Maloney Marcantonio Martin, Colo. Cannon, Mo. Gehrmann Carter Gerlach Cartwright Case, S. Dak. Geyer, Calif. Gibbs Massingale Mills, Ark. Mills, La. Gore Gossett Grant, Ala. Celler Sullivan Chandler Monroney Sumners, Tex. Sutphin Chapman Mott Sweeney Tarver Church Green Mundt Murdock, Ariz. Gregory Griffith Claypool Cochran Coffee, Nebr. Coffee, Wash. Cole, Md. Tenerowicz Terry Thomas, Tex. Hart Harter, Ohio Murdock, Utah Myers Nelson Havenner Hendricks Thomason Nichols Thorkelson Collins Hennings Norrell Tibbott Norren Norton O'Connor O'Day O'Leary Oliver O'Neal Colmer Hill Tolan Hinshaw Turner Van Zandt Connery Hobbs Cooley Cooper Vincent, Ky. Horton Vinson, Ga Costello Houston Hunter Voorhis, Calif. Wallgren Owen Parsons Patman Walter Warren Crosser Izac Crowe Cullen Jarman Patrick Weaver Cummings Jeffries Jenks, N. H. Patton Welch Curtis Pearson West D'Alesandro Johnson, Luther A. Peterson, Fla. Johnson, Lyndon Peterson, Ga. Johnson, Okla. Pfeifer Whelchel Darden Delaney White, Idaho Whittington Johnson, W. Va. Jones, Tex. Pierce, Oreg Pittenger Wolcott Wolverton, N. J. Dempsey DeRouen Dingell Dirksen Kee Keller Wood Woodrum, Va. Disney Kelly Ramspeck Zimmerman Dondero Kennedy, Martin Randolph

NAYS-105

Chiperfield Alexander Allen, Ill. Clason Andersen, H. Carl Clevenger Andresen, A. H. Arends Austin Ball Cluett Cole, N. Y. Crawford Culkin Barton Bates, Mass. Bolles Darrow Ditter Douglas Eaton, N. J. Bolton Bradley, Mich. Carlson Elston Engel

Gamble Gifford Gilchrist Gillie Graham Griswold Guyer, Kans. Gwynne Hall Halleck Hancock Harne Harter, N. Y.

Hawks Heinke Hess Hoffman Holmes Hope Hull Jarrett Jenkins, Ohio Jensen Johns Johnson, Ill. Johnson, Ind.

Jones, Ohio	Murray	Routzohn	Treadway
Kean	O'Brien	Rutherford	Vorys, Ohio
Keefe	Pace	Sandager	Vreeland
Kinzer	Pierce, N. Y.	Schafer, Wis.	Wheat
Kunkel	Plumley	Seccombe	White, Ohio
Lambertson	Polk	Simpson	Wigglesworth
Lord	Powers	Smith, Ohio	Williams, Del.
Luce	Reed, Ill.	Springer	Winter
McLean	Reed, N. Y.	Sumner, Ill.	Wolfenden, Pa.
Mapes	Rees, Kans.	Taber	Woodruff, Mich
Martin, Iowa	Rich	Talle	Youngdahl
Martin, Mass.	Robsion, Ky.	Thill	
Michener	Rodgers, Pa.	Thomas, N. J.	
Miller	Rogers, Mass.	Tinkham	

NOT VOTING-60

Anderson, Mo.	Dies	Lecompte	Osmers
Andrews	Doughton	McGehee	O'Toole
Arnold	Fenton	McKeough	Rayburn
Barnes	Fish	McMillan, Thos.	S.Reece, Tenn.
Barry	Flaherty	McReynolds	Risk
Bender	Ford, Leland M.	Maas	Rockefeller
Blackney	Goldsborough	Mansfield	Schulte
Boland	Grant, Ind.	Marshall	Seger
Brown, Ohio	Gross	Martin, Ill.	Shafer, Mich.
Caldwell	Hare	Mason	Shannon
Casey, Mass.	Harrington	May	Short
Creal	Hartley	Merritt	Taylor, Colo.
Crowther	Healey	Mitchell	Taylor, Tenn.
Curley	Kleberg	Monkiewicz	Wadsworth
Dickstein	Knutson	Mouton	Williams, Mo.

So the bill was passed.

The Clerk announced the following pairs: On this vote:

Mr.	Rayburn (for) with Mr. Short (against).
Mr.	McKeough (for) with Mr. Osmers (against).
Mr.	Kleberg (for) with Mr. Hartley (against).
3.5-	Gunlan (fam) mith Mr. Hamton (against)

Mr. Kleberg (for) with Mr. Hartley (against).
Mr. Curley (for) with Mr. Fenton (against).
Mr. Leland M. Ford (for) with Mr. Bender (against).
Mr. O'Toole (for) with Mr. Andrews (against).
Mr. Caldwell (for) with Mr. Brown of Ohio (against).
Mr. Boland (for) with Mr. Grant of Indiana (against).
Mr. Barry (for) with Mr. LeCompte (against).
Mr. Casey of Massachusetts (for) with Mr. Marshall (against).
Mr. Doughton (for) with Mr. Risk (against).
Mr. Harrington (for) with Mr. Monklewicz (against).
Mr. Merritt (for) with Mr. Blackney (against).
Mr. Thomas S. McMillan (for) with Mr. Mason (against).
Mr. Dickstein (for) with Mr. Blackney (against).
Mr. Dickstein (for) with Mr. Seger (against).
Mr. May (for) with Mr. Gross (against).

General pairs:

General pairs:

Mr. McReynolds with Mr. Maas.
Mr. Mansfield with Mr. Knutson.
Mr. Healey with Mr. Shafer of Michigan.
Mr. Dies with Mr. Reece of Tennessee.
Mr. Taylor of Colorado with Mr. Wadsworth.
Mr. Hare with Mr. Taylor of Tennessee.
Mr. McGehee with Mr. Crowther.
Mr. Mouton with Mr. Fish.
Mr. Anderson of Missouri with Mr. Mitchell.
Mr. Flaherty with Mr. Williams of Missouri.
Mr. Martin of Illinois with Mr. Creal.
Mr. Barnes with Mr. Shannon.
Mr. Arnold with Mr. Goldsborough.

The result of the vote was announced as above recorded. A motion to reconsider was laid on the table.

PERMISSION TO ADDRESS THE HOUSE

Mr. VOORHIS of California. Mr. Speaker, I ask unanimous consent that on tomorrow, at the close of the legislative program, I may be permitted to address the House for 20 minutes.

The SPEAKER. Is there objection to the request of the gentleman from California?

There was no objection.

EXTENSION OF REMARKS

Mr. BYRNS of Tennessee. Mr. Speaker, I ask unanimous consent to extend my own remarks in the Record and to include therein an address delivered by me on March 16, 1939, on the occasion of the one hundred and seventy-second birthday of Andrew Jackson, who is buried in my district.

The SPEAKER. Is there objection to the request of the gentleman from Tennessee?

There was no objection.

Mr. GEYER of California. Mr. Speaker, I ask unanimous consent to extend my own remarks in the RECORD and to include therein a broadcast by Paul Sharrenberg, of the American Federation of Labor, on the Harrison-Thomas bill.

The SPEAKER. Is there objection to the request of the gentleman from California?

There was no objection.

Mr. PETERSON of Florida. Mr. Speaker, I ask unanimous consent to extend my own remarks in the Record and to include therein certain quotations from the Vegetable Trade Journal and from the secretary of the Vegetable Growers of America.

The SPEAKER. Is there objection to the request of the gentleman from Florida?

There was no objection.

PERMISSION TO ADDRESS THE HOUSE

Mr. TERRY. Mr. Speaker, I ask unanimous consent to address the House for one-half minute.

The SPEAKER. Is there objection to the request of the gentleman from Arkansas?

There was no objection.

Mr. TERRY. Mr. Speaker, the bill which we have just passed has consumed about 10 days of the time of the House. I understand the bill is about 5 percent under the Budget estimate. I want to take this occasion to compliment the chairman of the subcommittee, the gentleman from Oklahoma, Mr. Johnson, for the splendid and efficient work he has displayed in piloting this bill through the House.

EXTENSION OF REMARKS

Mr. RABAUT. Mr. Speaker, I ask unanimous consent to extend my own remarks in the RECORD at this point.

The SPEAKER. Is there objection to the request of the gentleman from Michigan?

There was no objection.

Mr. RABAUT. Mr. Speaker, I have asked for this time to insert in the RECORD at this point an explanation of the concurrent resolution introduced this day by me to have printed a revised edition of the Biographical Directory of the American Congress.

This great work, which is the outgrowth of the Directory of the United States Congress and the General Government first published in 1859, has not been revised since 1928. The last volume of Hinds and Cannon Precedents officially states that a revised compilation be made periodically-and the 10-year period has already elapsed.

The need for the new compilation is apparent. It is shown by the fact there are more than 1,000 Members of Congress. who have served since 1928, whose biographies are not in the present volume. Of the 96 present Members of the Senate, 70 do not appear in the present work. And of the 435 Members of the House of Representatives, 362 have no mention in this 1928 edition. Furthermore, there is need of much revision of the biographies of former Members of Congress whose names are included. Because the records were obscure, between two and three thousand biographical sketches of Members who served in the early Congresses, before 1850. should be revised and additional information added. Since 1928, many other changes have occurred which should be recorded. During this 10-year period many of the former Members have died, and hundreds have left Congress for other reasons.

Mr. Ansel Wold, veteran clerk of the Joint Committee on Printing, who compiled the present edition, has continued his research, I am told, during these last 10 years. He has uncovered much new information that is of historical value and should be included in the revised edition. The present edition contains about 9,000 biographical sketches, all checked as carefully as possible during a 4-year period of study from 12 to 16 years ago. It contains more than 1,740 pages and lists historical data regarding all the Presidents from George Washington to Calvin Coolidge. It also contains a record of the Continental Congress, the census apportionment of Representatives through the years as the States joined the Union and the size of Congress grew. Beginning with the Fortieth Congress, March 4, 1867, this book lists Members of the House by congressional districts.

This present edition of the Biographical Directory of the American Congress is a revision of the Dictionary of the United States Congress, published in 1859 and revised in 1869 by Charles Lanham; the Biographical Annals of the Civil Government of the United States, published in 1876 by Charles Lanham and James Anglim; the Lanham edition

of 1876, as corrected by Joseph M. Morrison in 1887; the Political Register and Congressional Directory of 1878 by Ben Perely Poore; the Biographical Congressional Directory of 1903 by O. M. Enyart; and the 1911 revision of this work, Before 1809, apparently no effort was made to publish a directory of Members of Congress.

The value of the present book as a work of reference is incalculable. Not only the Government officials in Washington but schools and libraries throughout the country

have need of such reference material.

From this brief sketch of the evolution of this great work and the deficiencies in the present book the need for a revision of the Biographical Directory of the American Congress is manifest.

Mr. RANKIN. Mr. Speaker, I ask unanimous consent to extend the remarks I made on the bill just passed and to include therein extracts from certain statements made by Chief Tush-Ma-ta-ha in his debate with Tecumseh, from which I quoted on the floor.

The SPEAKER. Is there objection to the request of the gentleman from Mississippi?

There was no objection.

Mr. SHANLEY. Mr. Speaker, I ask unanimous consent to

extend my own remarks in the RECORD and to include therein several telegrams on the Housing Act.

The SPEAKER. Is there objection to the request of the gentleman from Connecticut?

There was no objection.

Mr. COFFEE of Washington. Mr. Speaker, I ask unanimous consent to extend my remarks in connection with statements made on the floor, in the debate on the Interior Department appropriation bill, and to include therein a brief article on Coulee Dam, written by O. J. Schuster. The SPEAKER. Is there objection?

There was no objection.

LEAVE TO ADDRESS THE HOUSE

Mr. MARTIN of Massachusetts. Mr. Speaker, I ask unanimous consent that the gentleman from Minnesota [Mr. Alexander] be permitted to address the House for 20 minutes on Wednesday next, following the special orders and the disposition of the legislative program.

The SPEAKER. The Chair takes the liberty of stating to the gentleman from Massachusetts that probably tomorrow there may be no legislative program, while on Wednesday there will be, probably. The Chair suggests that the gentle-

man modify his request accordingly. Mr. MARTIN of Massachusetts. Mr. Speaker, I so modify the request that the gentleman from Minnesota be per-

mitted to address the House tomorrow after the special orders and the disposition of legislative business.

The SPEAKER. Is there objection?

There was no objection.

Mr. HOFFMAN. Mr. Speaker, I ask unanimous consent to address the House on Thursday next for 20 minutes, after the disposition of business on the Speaker's table and the legislative program of the day.

The SPEAKER. Is there objection?

There was no objection.

EXTENSION OF REMARKS

Mr. HINSHAW. Mr. Speaker, I ask unanimous consent to extend my remarks in the RECORD and to include therein a letter submitting a resolution by the Los Angeles Building Trades Conference.

The SPEAKER. Is there objection?

There was no objection.

Mr. ALEXANDER. Mr. Speaker, I ask unanimous consent to extend my own remarks in the RECORD and to include therein articles from the Associated Press and the International Press regarding our foreign trade.

The SPEAKER. Is there objection?

There was no objection.

Mr. COOLEY. Mr. Speaker, I ask unanimous consent to extend my own remarks in the RECORD.

The SPEAKER. Is there objection?

There was no objection.

Mr. GEARHART. Mr. Speaker, I ask unanimous consent to extend my remarks in the Appendix and to include therein an address delivered by the Secretary of the Interior, Mr. Ickes, at San Francisco, before the Commonwealth Club on February 17 last.

The SPEAKER. Is there objection?

There was no objection.

Mr. SCHAFER of Wisconsin. Mr. Speaker, I ask unanimous consent to extend my remarks in the RECORD and to include therein an editorial from the Milwaukee Journal of February 26, with reference to our foreign affairs.

The SPEAKER. Is there objection?

There was no objection.

LEAVE TO ADDRESS THE HOUSE

Mr. PATMAN. Mr. Speaker, I ask unanimous consent to address the House tomorrow, after the address of the gentleman from Minnesota [Mr. ALEXANDER] for 20 minutes.

Mr. SPEAKER. Is there objection?

There was no objection.

LEAVE OF ABSENCE

By unanimous consent, leave of absence was granted as

To Mr. REED of Illinois, for 5 days, on account of death in family.

To Mr. Risk, for 10 days, on account of important busi-

To Mr. LeCompte, for 1 week, on account of illness.

To Mr. Anderson of Missouri, on account of illness in his

To Mr. Mansfield, indefinitely, on account of illness.

EXTENSION OF REMARKS

Mr. SIROVICH. Mr. Speaker, I ask unanimous consent to extend my own remarks by printing in the RECORD a speech I delivered on the floor of the House.

The SPEAKER. Is there objection?

There was no objection.

LEAVE OF ABSENCE

Mr. WOLCOTT. Mr. Speaker, on behalf of the gentleman from Michigan [Mr. BLACKNEY], I ask unanimous consent that he be granted 10 days leave of absence on account of

The SPEAKER. Without objection, it is so ordered.

There was no objection.

GENERAL LEAVE TO EXTEND REMARKS

Mr. JOHNSON of Oklahoma. Mr. Speaker, I ask unanimous consent that all Members who have spoken today on the bill H. R. 4852, the Interior Department appropriation bill, may have 5 legislative days in which to extend their own

The SPEAKER. Is there objection?

Mr. RANKIN. Mr. Speaker, reserving the right to object, and I shall not object, I just want to take this opportunity to join the gentleman from Arkansas [Mr. TERRY] in congratulating the distinguished gentleman from Oklahoma [Mr. JOHNSON] for the masterful manner in which he handled this bill. He deserves the thanks of the House. [Applause.]

The SPEAKER. Is there objection to the request of the gentleman from Oklahoma [Mr. Johnson]?

There was no objection.

INTERIOR DEPARTMENT APPROPRIATION BILL

Mr. RICH. Mr. Speaker, I ask unanimous consent to proceed for 1 minute.

The SPEAKER. Is there objection?

There was no objection.

Mr. RICH. Mr. Speaker, I want to say to the Members of the House that I have never in my life enjoyed working with six men more than the six men on this Subcommittee on Appropriations. We have had a lot of hard work. I have opposed them many times, but they have been perfect gentlemen, and I take my hat off to them as being real, honestto-goodness men. While they have put up with me in fighting this bill, they know I am for economy; yet in all fairness

to the things that transpired during our work in the committee, we have worked hard to cut the bill down, but without success. My hat is off to the men who were able to put this bill through as they have today.

Mr. RANKIN. Mr. Speaker, will the gentleman yield? Mr. RICH. I yield.

Mr. RANKIN. I think I express the feeling of the House when I congratulate the distinguished gentleman from Pennsylvania. He has put up a hard fight, and I think an honest fight. [Applause.] We are grateful for his courtesy and kindness to us all. [Applause.]

EXTENSION OF REMARKS

Mr. MARTIN J. KENNEDY. Mr. Speaker, I ask unanimous consent to extend my own remarks and include therein a speech delivered by the chief justice of the Supreme Court of the State of New Jersey on March 17 in the city of New York, before the Friendly Sons of St. Patrick.

The SPEAKER. Is there objection?

There was no objection.

INTERIOR DEPARTMENT APPROPRIATION BILL

Mr. JOHNSON of Oklahoma. Mr. Speaker, I ask unanimous consent to proceed for 1 minute.

The SPEAKER. Is there objection?

There was no objection.

Mr. JOHNSON of Oklahoma. Mr. Speaker, I beg the indulgence of the House for this minute to thank the gentleman from Pennsylvania [Mr. Rich], the gentleman from Mississippi [Mr. RANKIN], and the gentleman from Arkansas [Mr. Terry] for their very kind and entirely too generous references to me and the manner in which I endeavored to steer the Interior Department appropriation bill through this House. It was a very difficult bill, as it always is. The Interior Department bill has 24 major departments or bureaus and numerous other divisions or agencies, many of which contain controversial items, which accounts for the delays we have encountered in passing this bill. Except for the fine cooperative spirit on the part of members of the Interior Subcommittee on Appropriations, as well as others who aided in the passage of the bill, it would not have been possible to cut this bill approximately 5 percent, as it has been pointed out by the gentleman from Arkansas [Mr. Terry] and, I believe also, by the gentleman from Mississippi [Mr. RANKIN]. The bill, as it has just passed the House, contains total appropriations amounting to \$159,538,815.23, which is a reduction of \$7,594,278 below the Budget estimates. This, we feel, is a very good record. In reply to the gentleman from Pennsylvania, who, I am pleased to say, made a great contribution in the drafting and passage through the House of this bill, I desire to say that we admire his fighting spirit. It has been a genuine pleasure to work with such splendid, high-minded gentlemen as he and the other minority members of the committee. [Applause.]

ADJOURNMENT

Mr. JOHNSON of Oklahoma. Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to; accordingly (at 5 o'clock and 2 minutes p. m.) the House adjourned until tomorrow, Tuesday, March 21, 1939, at 12 o'clock noon.

COMMITTEE HEARINGS

COMMITTEE ON WAYS AND MEANS

Public hearings will continue on Tuesday morning, March 21, 1939, at 10 a. m., on social-security legislation, in the Ways and Means Committee room in the New House Office Building.

COMMITTEE ON INTERSTATE AND FOREIGN COMMERCE

There will be a meeting of the Committee on Interstate and Foreign Commerce at 10 a. m. Tuesday, March 21, 1939. Business to be considered: Railroad legislation, H. R. 2531.

There will be a meeting of the wool subcommittee of the Committee on Interstate and Foreign Commerce at 2 p. m.

Tuesday, March 21, 1939. Business to be considered: Woollabeling bill, H. R. 944.

COMMITTEE ON NAVAL AFFAIRS

There will be a meeting of the Committee on Naval Affairs at 10:30 a.m. Tuesday, March 21, 1939, for the consideration of H. R. 4897, to authorize the Secretary of the Navy to proceed with the construction of a naval supply depot at Oakland, Calif., and for other purposes.

COMMITTEE ON IMMIGRATION AND NATURALIZATION

There will be a meeting of the Committee on Immigration and Naturalization at 10:30 a.m. Wednesday, March 22, 1939, on the following bills: H. R. 5030, H. R. 4106, H. R. 3279, H. R. 3215, H. R. 1650, and H. R. 214. The meeting will be public.

COMMITTEE ON INDIAN AFFAIRS

There will be a meeting of the Committee on Indian Affairs on Wednesday next, March 22, 1939, at 10:30 a. m., for the public consideration of H. R. 2306 and H. R. 3699.

COMMITTEE ON THE POST OFFICE AND POST ROADS

There will be a meeting of the Committee on the Post Office and Post Roads at 10 a. m. Tuesday, March 21, 1939, to consider substitute employee bills.

COMMITTEE ON FOREIGN AFFAIRS

There will be a meeting of the Committee on Foreign Affairs Wednesday, March 22, 1939, at 10 a.m., in the committee rooms, the Capitol, for the consideration of the following: H. R. 3065, to amend Public Law No. 370, Seventy-fourth Congress (International Boundary Commission, United States and Mexico) and S. 1045, to give effect to the International Agreement for the Regulation of Whaling, signed at London, June 8, 1937, and for other purposes.

COMMITTEE ON THE JUDICIARY

Beginning at 10 a. m. on Wednesday, March 22, 1939, there will be a hearing held before the subcommittee No. 4 of the Committee on the Judiciary on House Joint Resolution 176, declaring the conservation of petroleum deposits underlying submerged lands adjacent to and along the coast of California, below low-water mark and under the territorial waters of the United States of America, essential for national defense, maintenance of the Navy, and regulation and protection of interstate and foreign commerce: reserving the same as a naval petroleum reserve, subject to any superior vested right, title, or interest; and authorizing appropriate judicial proceedings to assert, ascertain, establish, and maintain the right and interest of the United States of America in such reserve and to eject trespassers.

COMMITTEE ON THE PUBLIC LANDS

There will be a meeting of the Committee on the Public Lands on Thursday, March 23, 1939, at 10 a.m., in room 328, House Office Building, to consider H. R. 3759, to authorize a National Mississippi River Parkway, and matters relating thereto.

COMMITTEE ON MERCHANT MARINE AND FISHERIES

The Committee on Merchant Marine and Fisheries will hold public hearings in room 219, House Office Building, Washington, D. C., at 10 a.m., on the bills and dates listed

Tuesday, March 21, 1939:

H. R. 137, H. R. 980, H. R. 1674, relating to annuities for Panama Canal construction force.

Thursday, March 23, 1939:

H. R. 141, H. R. 142, H. R. 1819, miscellaneous Panama Canal bills.

Tuesday, March 28, 1939:

H. R. 197, relating to the clearance of vessels; H. R. 199, relating to the allotment of wages by seamen; H. R. 200, relating to foreign towboats towing between American ports; H. R. 1780, relating to penalties on certain undocumented vessels and cargoes engaging in the coastwise trade or the fisheries; H. R. 1782, relating to change of masters of vessels.

Wednesday, March 29, 1939: H. R. 198, relating to the measurement of vessels; and H. R. 132, authorizing the use of condemned Government

vessels for breakwater purposes.

Tuesday, April 4, 1939:

H. R. 3209, making it a misdemeanor to stow away on vessels; H. R. 3398, regarding the down payment of construction of new vessels; H. R. 3935, relating to the discharge of seamen.

Wednesday, April 5, 1939:

H. R. 3052, uniform insignia for Naval Reserve radio operators; H. R. 1010, intercoastal subsidy bill (Welch).

Thursday, April 6, 1939: H. R. 1011, acquisition of drydock facilities for United States Maritime Commission on San Francisco Bay (Welch); H. R. 2870, acquisition of drydock facilities for United States Maritime Commission at Los Angeles (Thomas F. Ford); H. R. 3040, acquisition of drydock facilities for United States Maritime Commission at Los Angeles (GEYER of California).

Thursday, April 11, 1939:

H. R. 1783, inspection of hulls of sail vessels and barges (BLAND); H. R. 1785, motorboat bill (BLAND); H. R. 1795, motorboat bill (HENDRICKS); H. R. 1809, inspection of motorboats, 15 gross tons up (Magnuson); H. R. 2398, regarding pilots on yachts (ANGELL); H. R. 3837, inspection of motorboats, 15 gross tons up (CONNERY).

Thursday, April 13, 1939:

H. R. 4220, load-line bill for seagoing vessels (Bland).

Tuesday, April 18, 1939:

H. R. 2404, surgeon and hospital on vessels (Sirovich); H. R. 2660, limitation of liability (SIROVICH); House Joint Resolution 153 and House Joint Resolution 194, investigate conditions pertaining to lascar seamen (SIROVICH).

EXECUTIVE COMMUNICATIONS, ETC.

Under clause 2 of rule XXIV, executive communications were taken from the Speaker's table and referred as follows: 539. A letter from the Secretary of Labor, transmitting the draft of a proposed bill to authorize the Department of Labor to continue to make special statistical studies upon the payment of the cost thereof; to the Committee on Labor.

540. A letter from the Secretary of War, transmitting draft of a proposed bill for the relief of Ivan Charles Grace, Republic of Panama, which the War Department presents for the consideration of the Congress with a view to its enactment into law; to the Committee on Claims.

541. A letter from the Acting Secretary of the Interior, transmitting the draft of a proposed bill to repeal the acts of May 16, 1928 (45 Stat. 590), and December 23, 1929 (46 Stat. 55), authorizing the erection for the sole use of the Pan American Union of an office building on certain lands in the District of Columbia, and for other purposes; to the Committee on Public Buildings and Grounds.

542. A letter from the Secretary of War, transmitting a letter from the Chief of Engineers, United States Army, dated February 24, 1939, submitting a report, together with accompanying papers and illustrations, on reexamination of Missouri River, Sioux City to mouth, requested by resolution of the Committee on Rivers and Harbors, House of Representatives, adopted November 17, 1938, and resolution of the Committee on Commerce, United States Senate, adopted November 8, 1938 (H. Doc. No. 214); to the Committee on Rivers and Harbors and ordered to be printed, with two illustrations.

543. A letter from the Secretary of War, transmitting a letter from the Chief of Engineers, United States Army, dated February 25, 1939, submitting a report, together with accompanying papers and an illustration, on reexamination of the mouth of the Mississippi River, La., requested by resolutions of the Committee on Rivers and Harbors, House of Representatives, adopted November 17, 1937, and the Committee on Commerce, United States Senate, adopted November 18, 1937 (H. Doc. No. 215); to the Committee on Rivers and Harbors and ordered to be printed, with an illustration.

544. A letter from the Secretary of War, transmitting a letter from the Chief of Engineers, United States Army, dated February 24, 1939, submitting a report, together with accompanying papers and an illustration, on reexamination of Baudette Harbor, Minn., requested by resolution of the Committee on Rivers and Harbors, House of Representatives, adopted April 4, 1938 (H. Doc. No. 216); to the Committee on Rivers and Harbors and ordered to be printed, with

545. A letter from the Secretary of War, transmitting a letter from the Chief of Engineers, United States Army, dated March 7, 1939, submitting a report, together with accompanying papers and an illustration, on reexamination of Black Walnut Harbor, Md., requested by resolution of the Committee on Rivers and Harbors, House of Representatives, adopted May 12, 1938 (H. Doc. No. 217); to the Committee on Rivers and Harbors and ordered to be printed, with an illustration.

546. A letter from the Secretary of War, transmitting a letter from the Chief of Engineers, United States Army, dated March 4, 1939, submitting a report, together with accompanying papers and an illustration, on a preliminary examination and survey of Columbia River at and in the vicinity of Camas, Wash., authorized by the River and Harbor Act, approved August 26, 1937 (H. Doc. No. 218): to the Committee on Rivers and Harbors and ordered to be printed, with an illustration.

547. A letter from the Secretary of War transmitting a letter from the Chief of Engineers, United States Army, dated March 4, 1939, submitting a report, together with accompanying papers and an illustration on a preliminary examination and survey of Town Creek (River) at Oxford, Md., authorized by the River and Harbor Act approved August 26, 1937 (H. Doc. No. 219); to the Committee on Rivers and Harbors and ordered to be printed, with an illustration.

548. A letter from the Secretary of War, transmitting a letter from the Chief of Engineers, United States Army, dated March 4, 1939, submitting a report, together with accompanying papers and an illustration, on a preliminary examination and survey of Norwalk Harbor, Conn., authorized by the River and Harbor Act approved August 26, 1937 (H. Doc. No. 220); to the Committee on Rivers and Harbors and ordered to be printed, with an illustration.

549. A letter from the Secretary of War, transmitting a letter from the Chief of Engineers, United States Army, dated March 6, 1939, submitting a report, together with accompanying papers and an illustration, on reexamination of Mobile Harbor, Ala., requested by resolution of the Committee on Rivers and Harbors, House of Representatives, adopted July 1, 1938 (H. Doc. No. 221); to the Committee on Rivers and Harbors and ordered to be printed, with an illustration.

550. A letter from the Secretary of War, transmitting a letter from the Chief of Engineers, United States Army, dated March 6, 1939, submitting a report, together with accompanying papers and an illustration, on a preliminary examination and survey of Meyers Chuck Harbor, Alaska, authorized by the River and Harbor Act approved August 26, 1937 (H. Doc. No. 222); to the Committee on Rivers and Harbors and ordered to be printed, with an illustration.

551. A letter from the Secretary of War, transmitting a letter from the Chief of Engineers, United States Army, dated March 7, 1939, submitting a report, together with accompanying papers and an illustration, on reexamination of Appomattox River, Va., requested by resolution of the Committee on Rivers and Harbors, House of Representatives, adopted March 24, 1937 (H. Doc. No. 223); to the Committee on Rivers and Harbors and ordered to be printed, with an illustration.

552. A letter from the Secretary of War, transmitting a letter from the Chief of Engineers, United States Army, dated March 4, 1939, submitting a report, together with accompanying papers and an illustration, on reexamination of Eastern Branch of the Elizabeth River, Norfolk Harbor, Va., requested by resolution of the Committee on Rivers and Harbors, House of Representatives, adopted February 8, 1938 (H. Doc. No. 224); to the Committee on Rivers and Harbors and ordered to be printed, with an illustration.

553. A letter from the Secretary of War, transmitting a letter from the Chief of Engineers, United States Army, dated March 7, 1939, submitting a report, together with accompanying papers and illustrations, on a preliminary examination and survey of, and review of reports on, Boston Harbor, Mass., authorized by the River and Harbor Act approved August 26, 1937, and requested by resolution of the Committee on Rivers and Harbors, House of Representatives, adopted June 18, 1937 (H. Doc. No. 225); to the Committee on Rivers and Harbors and ordered to be printed, with two illustrations.

554. A letter from the Secretary of War, transmitting a letter from the Chief of Engineers, United States Army, dated March 4, 1939, submitting a report, together with accompanying papers and illustrations, on reexamination of Houston Ship Channel, Tex., with a view to determining advisability of establishing suitable depths and widths for navigation in the old channel of Buffalo Bayou behind Brady Island, requested by resolution of the Committee on Rivers and Harbors, House of Representatives, adopted August 25, 1938 (H. Doc. No. 226); to the Committee on Rivers and Harbors and ordered to be printed, with two illustrations.

555. A letter from the Secretary of War, transmitting a letter from the Chief of Engineers, United States Army, dated March 4, 1939, submitting a report, together with accompanying papers and an illustration, on a preliminary examination and survey of Ogunquit-Perkins Cove, Maine, authorized by the River and Harbor Act approved August 30, 1935 (H. Doc. No. 227); to the Committee on Rivers and Harbors and ordered to be printed, with an illustration.

556. A letter from the Secretary of War, transmitting a letter from the Chief of Engineers, United States Army, dated February 24, 1939, submitting a report, together with accompanying papers and an illustration, on a preliminary examination and reexamination of Menominee Harbor and River, Mich. and Wis., authorized by the River and Harbor Act approved June 20, 1938, and requested by resolutions of the Committee on Rivers and Harbors, House of Representatives, adopted February 8, 1938, and April 18, 1938 (H. Doc. No. 228); to the Committee on Rivers and Harbors and ordered to be printed, with an illustration.

557. A letter from the Acting Secretary of the Treasury, transmitting the draft of a proposed bill for the relief of Mrs. A. R. Barnard, Charles A. Stephens, Donald W. Prarie, and the dependents of Vern A. Needles; to the Committee on Claims.

558. A letter from the Acting Secretary of the Navy, transmitting the draft of a proposed bill to regulate the number of warrant and commissioned warrant officers in the Marine Corps; to the Committee on Naval Affairs.

559. A letter from the Attorney General, transmitting the draft of a proposed bill to provide for the transportation home of persons who have been arrested and subsequently released without conviction or convicted and placed on probation; to the Committee on the Judiciary.

560. A letter from the Attorney General, transmitting the draft of a proposed bill to amend the Criminal Code in regard to obtaining money by false pretenses; to the Committee on the Judiciary.

CHANGE OF REFERENCE

Under clause 2 of rule XXII, the Committee on Pensions was discharged from the consideration of the bill (H. R. 4208) granting a pension to Carolyn M. Clawges, and the same was referred to the Committee on Invalid Pensions.

PUBLIC BILLS AND RESOLUTIONS

Under clause 3 of rule XXII, public bills and resolutions were introduced and severally refered as follows:

By Mr. JENKINS of Ohio:

H. R. 5118. A bill for the relief of the State of Ohio; to the Committee on the Judiciary.

By Mr. ALLEN of Pennsylvania:

H. R. 5119. A bill to amend an act entitled "An act to regulate interstate commerce in bituminous coal, and for other purposes"; to the Committee on Ways and Means.

By Mr. COCHRAN:

H. R. 5120. A bill to extend the benefits of the Ship Mortgage Act to certain vessels; to the Committee on Merchant Marine and Fisheries.

H. R. 5121. A bill to amend and clarify the Federal Ship Mortgage Insurance Act, title XI, Merchant Marine Act, 1936, as amended; to the Committee on Merchant Marine and Fisheries.

By Mr. DUNCAN:

H. R. 5122. A bill to enroll certain persons on the citizenship rolls of the Cherokee Tribe; to the Committee on Indian Affairs.

By Mr. REED of New York:

H. R. 5123. A bill for a Coast Guard station at or near Dunkirk, N. Y.; to the Committee on Merchant Marine and Fisheries.

By Mr. SMITH of Washington:

H. R. 5124. A bill relating to the importation of shingles; to the Committee on Ways and Means.

H. R. 5125. A bill to amend the Tariff Act of 1930, as amended, with respect to the marking of lumber and timber imported from foreign countries; to the Committee on Ways and Means.

By Mr. SNYDER:

H. R. 5126. A bill to provide for the establishment of a national park or monument in the township of Perry, Fayette County, Pa. (including George Washington Grist Mill and the property adjacent thereto); to the Committee on the Public Lands.

By Mr. THOMASON:

H. R. 5127. A bill creating a commission to investigate and cause to be properly recorded the titles to land, which, by virtue of the relocation of the boundary between the States of New Mexico and Texas pursuant to the survey of Samuel Gannett, United States Supreme Court commissioner, is no longer located in the State or county in which it was commonly regarded as being located prior to such survey; to the Committee on the Judiciary.

By Mr. BATES of Kentucky:

H. R. 5128. A bill to prevent the discharge in bankruptcy of any debt incurred in contemplation of bankruptcy; to the Committee on the Judiciary.

By Mr. BLAND:

H. R. 5129. A bill authorizing and providing for the construction of additional facilities on the Canal Zone for the purposes of more adequately providing for the defense of the Panama Canal and for increasing its capacity for the future needs of interoceanic shipping; to the Committee on Merchant Marine and Fisheries.

H. R. 5130. A bill to amend certain provisions of the Merchant Marine and Shipping Acts, to further the development of the American merchant marine, and for other purposes; to the Committee on Merchant Marine and Fisheries.

By Mr. CHURCH:

H.R. 5131. A bill to provide for the acquisition by the United States of the Grosse Ile and Curtiss-Reynolds Airports; to the Committee on Naval Affairs.

By Mr. DEMPSEY:

H. R. 5132. A bill to amend the United States mining laws applicable to the area known as the watershed of the headwaters of the Bonito River in the Lincoln National Forest within the State of New Mexico; to the Committee on Mines and Mining.

By Mr. DISNEY:

H. R. 5133. A bill to amend certain provisions of the Internal Revenue Code relating to manufacturers' and producers' taxes; to the Committee on Ways and Means.

By Mr. DUNN:

H. R. 5134. A bill to amend title X of the Social Security Act (relating to financial assistance to blind individuals) so

as to authorize such assistance whether or not the State plan extends only to those blind individuals whom the Social Security Board considers to be needy; to the Committee on Ways and Means.

By Mr. GEHRMANN:

H.R. 5135. A bill to amend the Revenue Act of 1936 by extending the time for filing claims for refund of processing taxes to September 1, 1939; to the Committee on Ways and Means.

By Mrs. O'DAY:

H. R. 5136. A bill to amend the act entitled "An act to provide books for the adult blind," approved March 3, 1931; to the Committee on the Library.

By Mr. RANDOLPH:

H. R. 5137. A bill to prohibit the purchase of beer on credit by retailers in the District of Columbia; to the Committee on the District of Columbia.

By Mr. SMITH of Virginia:

H. R. 5138. A bill to make unlawful attempts to overthrow the Government of the United States; to require licensing of civilian military organizations; to make unlawful attempts to interfere with the discipline of the Army and Navy; to require registration and fingerprinting of aliens; to enlarge the jurisdiction of the United States circuit court of appeals in certain cases; and for other purposes; to the Committee on the Judiciary.

By Mr. VOORHIS of California:

H. R. 5139. A bill to establish the Department of Military Defense, to make such establishment an instrument of national peace, and for other purposes; to the Committee on Expenditures in the Executive Departments.

By Mr. MURDOCK of Arizona:

H. R. 5140. A bill to provide for the establishment of a national monument at Travertine Bridge, Gila County, Ariz.; to the Committee on the Public Lands.

By Mr. PETERSON of Florida:

H. R. 5141. A bill to amend section 2000 (c) (1) of the Internal Revenue Code with respect to the rate of tax on certain cigars; to the Committee on Ways and Means.

By Mr. VINSON of Georgia:

H. R. 5142. A bill to authorize the acquisition of two motor vessels for the Navy; to the Committee on Naval Affairs. By Mr. RANKIN:

H. R. 5143. A bill to provide certain benefits for World War veterans and their dependents, and for other purposes; to the Committee on World War Veterans' Legislation.

By Mr. BLOOM:

H. R. 5144. A bill to authorize the board of directors of the Columbia Institute for the Deaf to dedicate a portion of Mount Olivet Road NE., and to exchange certain lands with the Secretary of the Interior, to dispose of other lands, and for other purposes; to the Committee on the District of Columbia.

By Mr. HART:

H. R. 5145. A bill conferring jurisdiction upon the Court of Claims to hear, determine, and render judgment upon the claim of the mayor and aldermen of Jersey City, Hudson County, N. J., a municipal corporation; to the Committee on Claims.

By Mr. LEAVY:

H. R. 5146. A bill to amend the Tariff Act of 1930, as amended, with respect to the marking of lumber and timber imported from foreign countries; to the Committee on Ways and Means.

By Mr. STARNES of Alabama:

H. R. 5147. A bill to provide more effective Federal employment and civil-service preference for certain veterans or their wives and widows; to the Committee on the Civil Service.

By Mr. COOLEY:

H. R. 5148. A bill making an appropriation for cotton producers to insure parity payments; to the Committee on Appropriations.

By Mr. CASE of South Dakota:

H. J. Res. 220. Joint resolution to make available until June 30, 1940, the 1938 appropriation for water conservation and

utilization projects in the Great Plains and arid and semiarid areas; to the Committee on Appropriations.

By Mr. RABAUT:

H. Con. Res. 14. Concurrent resolution to print a revised edition of the Biographical Directory of the American Congress up to and including the Seventy-sixth Congress; to the Committee on Printing.

By Mr. EDMISTON:

H. Res. 133. Resolution amending the Tariff Act of 1930; to the Committee on Ways and Means.

By Mr. THOMAS of New Jersey:

H. Res. 134. Resolution calling for the appointment of a special committee of seven members to investigate the question of publicity and the dissemination of propaganda by the executive departments of the Government with a view to determining to what extent, if any, the existing statute has been violated; to the Committee on Rules.

By Mr. VINSON of Georgia:

H. Res. 135. Resolution to make S. 828, a bill to permit the President to acquire and convert, as well as to construct, certain auxiliary vessels for the Navy, a special order of business; to the Committee on Rules.

H. Res. 136. Resolution to make S. 829, a bill to authorize alterations and repairs to certain naval vessels, and for other purposes, a special order of business; to the Committee on Rules.

H. Res. 137. Resolution to make H. R. 2878, a bill to authorize the Secretary of the Navy to proceed with the construction of certain public works, and for other purposes, a special order of business; to the Committee on Rules.

By Mr. VOORHIS of California:

H. Res. 138 (by request). Resolution providing for a special committee of the House to investigate the case of former Representative John J. Hoeppel; to the Committee on Rules.

MEMORIALS

Under clause 3 of rule XXII, memorials were presented and referred as follows:

By the SPEAKER: Memorial of the Legislature of the State of Montana, memorializing the President and the Congress of the United States to consider their House Memorial No. 2, with reference to the Lewis and Clark Highway; to the Committee on Roads.

Also, memorial, of the Legislature of the Territory of Hawaii, memorializing the President and the Congress of the United States to consider their House Concurrent Resolution 17, with reference to immigration and naturalization; to the Committee on Immigration and Naturalization.

Also, memorial, of the Legislature of the State of Utah, memorializing the President and the Congress of the United States to consider their House Concurrent Resolution 2, with reference to agriculture credit; to the Committee on Agriculture.

Also, memorial of the Legislature of the State of Utah, memorializing the President and the Congress of the United States to consider their Senate Concurrent Resolution 4, with reference to Senate bill 1179, concerning the Emergency Farm Mortgage Act of 1933, as amended; to the Committee on Agriculture.

Also, memorial of the Legislature of the State of Nevada, memorializing the President and the Congress of the United States to consider their Senate Joint Resolution 5, with reference to mineral resources of the State of Nevada; to the Committee on Ways and Means.

Also, memorial of the Legislature of the State of South Carolina, memorializing the President and the Congress of the United States to consider their concurrent resolution with reference to public lands purchased by the United States of America; to the Committee on the Public Lands.

Also, memorial of the Legislature of the State of Alabama, memorializing the President and the Congress of the United States to consider their Senate Joint Resolution 53, with reference to Senate Joint Resolution 24, effecting submerged lands or tidelands of the State of Alabama; to the Committee on the Judiciary.

Also, memorial of the Legislature of the State of Montana, memorializing the President and the Congress of the United States to consider their House Joint Memorial No. 14, urging provisions of means for raising revenue for the purpose of insuring a parity price for wheat produced; to the Committee on Ways and Means.

Also, memorial of the Legislature of the State of Montana, memorializing the President and the Congress of the United States to consider their House Joint Memorial No. 13, effecting the importation of gas from the Dominion of Canada; to the Committee on Foreign Affairs.

Also, memorial of the Legislature of the State of Wisconsin, memorializing the President and the Congress of the United States to consider their Senate Joint Resolution 16, with reference to negotiations for a Great Lakes-St. Lawrence seaway treaty; to the Committee on Foreign Affairs.

PRIVATE BILLS AND RESOLUTIONS

Under clause 1 of rule XXII, private bills and resolutions were introduced and severally referred as follows:

By Mr. BARRY:

H. R. 5149. A bill for the relief of Isidore Cvitcovich; to the Committee on Immigration and Naturalization.

By Mr. CALDWELL:

H.R. 5150. A bill for the relief of the Citizens State Bank of Marianna, Fla.; to the Committee on Claims.

By Mr. CANNON of Florida:

H. R. 5151. A bill for the relief of the Growers Fertilizer Co., a Florida corporation; to the Committee on Claims.

H.R. 5152. A bill for the relief of Winnie Reed; to the Committee on Claims.

By Mr. THOMAS F. FORD:

H. R. 5153. A bill granting an increase of pension to Gail E. Plunkett; to the Committee on Pensions.

By Mr. GAMBLE:

H. R. 5154. A bill for the relief of William F. Kliewe; to the Committee on Claims.

By Mr. GREEN:

H. R. 5155. A bill for the relief of George Preston Thomas; to the Committee on Naval Affairs.

By Mr. HART:

H.R. 5156. A bill for the relief of Adolph Ernest Helms; to the Committee on Immigration and Naturalization.

By Mr. LYNDON B. JOHNSON:

H. R. 5157. A bill granting a pension to Hattie House; to the Committee on Invalid Pensions.

By Mr. McGRANERY:

H. R. 5158. A bill for the relief of Itsuyo Shinagawa Tabuchi; to the Committee on Immigration and Naturalization. By Mr. McLAUGHLIN:

H. R. 5159. A bill granting a pension to Margaret Gibson; to the Committee on Invalid Pensions.

By Mr. McLEOD:

H. R. 5160. A bill for the relief of Joaquim Santos Valente; to the Committee on Immigration and Naturalization.

By Mr. MACIEJEWSKI:

H. R. 5161. A bill for the relief of Peter Gurenas; to the Committee on Immigration and Naturalization.

By Mr. MICHENER:

H. R. 5162. A bill for the relief of Floyd M. Dunscomb; to the Committee on Claims.

By Mr. NICHOLS:

H. R. 5163. A bill for the relief of London T. Howard; to the Committee on Claims.

By Mr. O'TOOLE:

H. R. 5164. A bill for the relief of Bernard Rothstein; to the Committee on Naval Affairs.

H.R. 5165. A bill for the relief of Joseph LaRose; to the Committee on Naval Affairs.

H. R. 5166. A bill for the relief of John Norman Cosgrove; to the Committee on Naval Affairs.

H.R. 5167. A bill for the relief of Ciro Valente; to the Committee on Claims.

By Mr. PETERSON of Florida:

H. R. 5168. A bill granting a pension to Edith E. Cleveland; to the Committee on Invalid Pensions.

By Mr. PIERCE of New York:

H.R. 5169. A bill for the relief of Truman Baker and Adele Dashnaw; to the Committee on Claims.

By Mr. REECE of Tennessee:

H.R. 5170. A bill granting an increase of pension to Elizabeth Painter Menoher; to the Committee on Pensions.

By Mr. SABATH:

H.R. 5171. A bill for the relief of John P. Hart; to the Committee on Claims.

By Mr. SCHAFER of Wisconsin:

H. R. 5172. A bill for the relief of John Angus MacDonald; to the Committee on Naval Affairs.

By Mr. SUTPHIN:

H. R. 5173. A bill for the relief of Dr. Philip L. Schwartz; to the Committee on Claims.

By Mr. THOMASON:

H. R. 5174. A bill for the relief of C. C. Beardsley; to the Committee on Claims.

By Mr. VINCENT of Kentucky:

H. R. 5175. A bill granting an increase of pension to William M. Davis; to the Committee on Pensions.

PETITIONS, ETC.

Under clause 1 of rule XXII, petitions and papers were laid on the Clerk's desk and referred as follows:

1820. By Mr. CURLEY: Letter of Federal Local Union, No. 20940, American Federation of Bookkeepers, Stenographers, and Accountants, New York City, urging the granting of \$150,000,000 additional for Works Progress Administration; to the Committee on Appropriations.

1821. By Mr. GAMBLE: Petition signed by Walter Mc-Kellar and other members of the Blauvelt (N. Y.) Parent-Teacher Association, urging enactment of Senate Joint Resolution 84 and House Joint Resolution 89; to the Committee on Foreign Affairs.

1822. By Mr. GEYER of California: Resolution of the Regular Veterans' Association of San Pedro, Calif., commending Congressmen Izac, Voorhis of California, Geyer of California, and others on their stand in the promotion of adequate and efficient national defense; also resolution signed by the following officers of the post: Otis L. Green, commander; W. T. Allen, Sr., vice commander; T. V. Snaddy, Jr., vice commander; David S. Anderson, adjutant; and T. W. Montgomery, quartermaster; to the Committee on Military Affairs.

1823. By Mr. HART: Concurrent resolution of the One Hundred and Sixty-third Legislature of the State of New Jersey, favoring the construction of a canal across the State of New Jersey; to the Committee on Rivers and Harbors.

1824. Also, memorial of the One Hundred and Sixty-third Legislature of the State of New Jersey, memorializing the Congress to enact Senate bill 223, providing for the exemption of certain vessels of the United States from the requirements of the Officers' Competency Certificates Convention; to the Committee on Merchant Marine and Fisheries.

1825. Also, memorial of the One Hundred and Sixty-third Legislature of the State of New Jersey, memorializing the Congress of the United States against the enactment of Senate bill 126 and House Resolution 188, designed to modify and interfere with existing interterritorial freight rates; to the Committee on Interstate and Foreign Commerce.

1826. By Mr. JOHNSON of Illinois: Petition of 47 members of the Federated Woman's Clubs of Fourteenth District of Illinois, endorsing Senate bill 280; to the Committee on Interstate and Foreign Commerce.

1827. By Mr. LUTHER A. JOHNSON: Petition of the Third Avenue Presbyterian Church, by Rev. Gordon A. Mac-Innes, minister, and H. G. Gribble, clerk of the session, of Corsicana, Tex., opposing the amending of the Social Security Act so as to include disabled and retired ministers; to the Committee on Ways and Means.

1828. Also, resolution of the House of Representatives of the State Legislature of Texas, urging that Senate bill 330, O'Mahoney-Borah Federal licensing bill, be modified so as to apply only to those engaged in interstate and foreign commerce; to the Committee on Interstate and Foreign Commerce.

1829. Also, petition of Mrs. R. H. Sewell, corresponding secretary of the Woman's Club of Teague, Tex., and 20 members of the club, favoring House bill 3517; to the Committee on Education

1830. By Mr. KRAMER: Resolution of the American Federation of Labor and the building trades department, relative to conditions in the small-house building field and insuring mortgages by the Federal Housing Administration; to the Committee on Banking and Currency.

1831. Also, resolution of Gen. Hunter Liggett, First Army Post, No. 510, American Legion, Department of California, relative to a suitable bill for the support of Mrs. Hunter Liggett; to the Committee on World War Veterans' Legislation.

1832. Also, resolution of the American Federation of Labor and the building-trades department, relative to having all construction work brought under Public Works Administration; to the Committee on Appropriations.

1833. Also, resolution of the Metal Trades Manufacturers Association of Southern California, relative to the removal of obstructions from the free flow of commerce; to the Committee on Ways and Means.

1834. By Mr. KEEFE: Resolution adopted by the Wisconsin Legislature entitled "Memorializing the President and Congress of the United States to resume negotiations for a Great Lakes-St. Lawrence seaway treaty"; to the Committee on Foreign Affairs.

1835. By Mr. MARTIN J. KENNEDY: Petition of the Olive Oil Association of America, Inc., New York City, urging support of any legislation which may arise concerning an extension of the effective date of the new Federal Food, Drug, and Cosmetics Act; to the Committee on Interstate and Foreign Commerce.

1836. Also, petition of the Atlantic States Shippers Advisory Board, New York City, composed of 2,500 shippers and receivers of freight in the States of Delaware, Maryland, New York, New Jersey, Pennsylvania, and Virginia, opposing various Senate and House bills concerning transportation legislation; to the Committee on Interstate and Foreign Commerce.

1837. Also, petition of the Associated Actors and Artists of America, New York City, concerning appropriation for Dutch elm disease eradication; to the Committee on Appropriations.

1838. Also, petition of the Belle Glade Chamber of Commerce, Belle Glade, Fla., concerning freight rates applying to fruits and vegetables; to the Committee on Interstate and Foreign Commerce.

1939. Also, petition of the New York State Forestry and Park Association, Albany, N. Y., concerning appropriation for Dutch elm disease eradication; to the Committee on Appropriations.

1840. By Mr. KEOGH: Petition of the American Manufacturing Co., Brooklyn, N. Y., opposing the passage of the Fulmer bill (H. R. 57); to the Committee on Agriculture.

1841. Also, petition of P. J. Torchina, New York City, concerning the capital-gains tax, undivided-profits tax, and income-tax laws; to the Committee on Ways and Means.

1842. Also, petition of the American Photoengravers Association, Chicago, Ill., concerning social-security legislation; to the Committee on Ways and Means.

1843. Also, petition of the New York State Forestry and Park Association, Inc., Albany, N. Y., concerning the appropriation for Dutch elm disease eradication; to the Committee on Appropriations.

1844. Also, petition of Clara Abramson, Bronx, New York City, concerning hearings on Federal aid to education; to the Committee on Education.

1845. Also, petition of the University of Tennessee library staff, concerning House bill 3517; to the Committee on Education.

1846. Also, petition of the Northern Kentucky Education Association, Covington, Ky., concerning Senate bill 1305, providing for Federal aid for education; to the Committee on Education.

1847. Also, petition of the Whiting Teachers' Association, Whiting, Ind., concerning Senate bill 1305; to the Committee on Education.

1848. Also, petition of Arch R. Gerhart, secretary, Fifth District Education Association, Louisville, Ky., concerning Federal aid for public education; to the Committee on Education.

1849. Also, petition of the Pratt Institute, Brooklyn, N. Y., concerning House bill 2319; to the Committee on Education. 1850. Also, petition of the Herbert Hoover Junior High School, San Jose, Calif., concerning Federal aid for education; to the Committee on Education.

1851. Also, petition of the Department of Public Instruction, of Livingston, Tenn., concerning Senate bill 1305; to the Committee on Education.

1852. Also, petition of Catherine E. Condon, head of P. S. A. department, Syracuse University, New York, concerning House bill 2319, the Federal aid bill; to the Committee on Education.

1853. Also, petition of the public library of Iowa City, Iowa, concerning House bill 3517, Federal aid legislation; to the Committee on Education.

1854. Also, petition of the pupils of Bethune School, Charlotte, N. C., concerning the Harrison-Thomas-Fletcher bill for Federal aid; to the Committee on Education.

1855. Also, petition of the Loose-Wiles Biscuit Co., Long Island City, N. Y., concerning the National Labor Relations Act; to the Committee on Labor.

1856. Also, petition of the New York State Farm Bureau Federation, Ithaca, N. Y., concerning appropriations for fruits and vegetables, etc.; to the Committee on Appropriations.

1857. Also, petition of the Hudson River Conservation Society, Inc., New York City, concerning appropriation of \$200,000 for Dutch elm disease eradication; to the Committee on Appropriations.

1858. Also, petition of John J. Watson, of New York City, concerning House Resolutions 165 and 168; to the Committee on Immigration and Naturalization.

1859. Also, petition of Benjamin H. Namm, the Namm Store, Brooklyn, N. Y., concerning the Rogers and Wagner bills; to the Committee on Labor.

1860. Also, petition of the Oil Workers International Union, Fort Worth, Tex., concerning House Joint Resolution 176; to the Committee on the Judiciary.

1861. Also, petition of the American Federation of Book-keepers, Stenographers, and Accountants, Federal Local Union No. 20940, New York City, favoring \$150,000,000 additional appropriation for Works Progress Administration; to the Committee on Appropriations.

1862. Also, petition of the American Federation of Teachers, Chicago, Ill., concerning House bill 3517 and Senate bill 1305, Federal aid to schools; to the Committee on Education.

1863. Also, petition of the American Communications Association, Point to Point Radio, Aviation and Cable Division Local No. 10, concerning the National Labor Relations Act and Senator Wagner's health bill; to the Committee on Labor.

1864. By Mr. LAMBERTSON: Petition of Mrs. Ben Evans and 10 other citizens of Washington, Kans., urging the President of the United States and Congress to take every practicable means to bring to an end a traffic from our country which is compelling us to be a partner in the destruction of the Chinese people; to the Committee on Foreign Affairs.

1865. By Mr. LEAVY: Senate Joint Memorial No. 11, passed at the twenty-sixth session of the Washington State Legislature, recognizing the vital need for completion of

the Lewis and Clark Highway as a commercial and scenic artery to serve Washington, Oregon, Idaho, and Montana and facilitate the marketing of products of these States, to promote domestic travel and to enhance our military defenses, and urging the Federal Government to provide for the remaining 50 miles of construction over an area entirely within a national forest in the State of Idaho, which State is unable to finance an adequate highway system by reason of the fact that only 14,000,000 of its total area of 53,000,000 acres are taxable lands, the balance being in national forests; to the Committee on Appropriations.

1866. By Mr. MARSHALL: Petition of Cecil Scheckman, Norwood, Ohio, and others, relating to their opposition to Senate bill 1000; to the Committee on Labor.

1867. By Mr. MURDOCK of Utah: Joint resolution of the Legislature of the State of Utah, relating to congressional action in liberalizing the terms and conditions of existing agricultural credit; to the Committee on Agriculture.

1868. Also, joint resolution of the Legislature of the State of Utah, relating to the approval of Senate bill 1179, by Mr. Miller, to amend section 56 of the Emergency Farm Mortgage Act of 1933, as amended, and providing an interest rate of 3 percent per annum on loans to agricultural improvement districts; to the Committee on Agriculture.

1869. Also, resolution of the Legislature of the State of Utah, approving the foreign policy of the President of the United States in relation to armaments and rearmament and relations with foreign countries in upholding the democracies; to the Committee on Foreign Affairs.

1870. By Mr. PFEIFER: Petition of Frank Gillmore, international president, the Associated Actors and Artistes of America, New York City, urging additional appropriation to eradicate Dutch elm disease; to the Committee on Appropriations.

1871. Also, petition of the New York State Farm Bureau Federation, Ithaca, N. Y., urging support of several items which they have recommended in the agricultural appropriations bill; to the Committee on Appropriations.

1872. Also, petition of the American Federation of Book-keepers, Stenographers, and Accountants, No. 20940, New York City, favoring an additional appropriation of \$150,-000,000 for the Works Progress Administration; to the Committee on Appropriations.

1873. Also, telegram from Abraham & Straus, Inc., department store, Brooklyn, N. Y., concerning wool products labeling bill; to the Committee on Interstate and Foreign Commerce.

1874. Also, petition of Rockwood & Co., Brooklyn, N. Y., concerning House bill 234; to the Committee on the Judiciary.

1875. Also, petition of the Hudson River Conservation Society, Inc., New York, concerning the Dutch elm disease eradication appropriation of \$200,000; to the Committee on Appropriations.

1876. Also, petition of the Namm Store, Brooklyn, N. Y., concerning the Rogers refugee bill; to the Committee on Immigration and Naturalization.

1877. Also, petition of the American Communications Association, New York City, concerning the National Labor Relations Act; to the Committee on Labor.

1878. Also, petition of the Consolidated Welfare League, Inc., Brooklyn, N. Y., favoring the President's recommendation for \$150,000,000 additional appropriation for the Works Progress Administration; to the Committee on Appropriations.

1879. By Mr. PLUMLEY: Petition of Ethel L. Taylor and 20 other ladies, of Burlington, members of the Young Women's Guild of First Church, urging an embargo on the shipment to Japan of military supplies; to the Committee on Foreign Affairs.

1880. Also, petition of Mrs. Richard Billings and 26 other citizens of South Royalton, favoring legislation to prevent sales of war materials and military supplies to Japan and other aggressor nations, and seeking exclusion of imports insofar as they contribute to such sales of war material; to the Committee on Foreign Affairs.

1881. Also, petition of Rutland Lodge, No. 1264, International Association of Machinists, opposing the St. Lawrence Waterway project; to the Committee on Foreign Affairs.

1882. Also, petition of Rutland Lodge, No. 1264, International Association of Machinists, opposing the granting of any reduction of rates in favor of southern and western areas; to the Committee on Interstate and Foreign Commerce.

1883. By Mr. ROMJUE: Petition of sundry residents of Anabel, Mo., protesting against Nazi and other antidemocratic demonstrations, such as were recently held in Madison Square Garden, New York; to the Committee on Foreign Affairs.

1884. Also, petition of sundry citizens of Marceline, Mo., favoring the passage of House bill 1; to the Committee on Ways and Means.

1885. By Mr. SCHAEFER of Illinois: Petition of Local No. 1038, Amalgamated Association of Iron, Steel, and Tin Workers of North America, Ralph B. Lentz, secretary, of East St. Louis, Ill., opposing amendment of the Wagner Labor Relations Act; to the Committee on Labor.

1886. Also, petition of Lodge No. 1226, Amalgamated Association of Iron, Steel, and Tin Workers of North America, Ed Mahoney, secretary, of East St. Louis, Ill., opposing amendment of the Wagner Labor Relations Act; to the Committee on Labor.

1887. Also, petition of Local No. 21, Illinois State Employees, Chicago, Ill., supporting House bill 4093, authorizing increases in hourly pay and vacation and sick leave for substitute postal clerks; to the Committee on the Post Office and Post Roads.

1888. Also, petition of the House of Representatives and Senate, General Assembly, State of Illinois, urging the President and Postmaster General to provide for a special commemorative postage stamp to be issued in honor of the distinguished record and achievements of Anton J. Cermak, late mayor of the city of Chicago; to the Committee on the Post Office and Post Roads.

1889. Also, petition of Lodge No. 1022, Amalgamated Association of Iron, Steel, and Tin Workers of North America, R. V. Johnson, secretary, of Granite City, Ill., opposing amendment of the Wagner Labor Relations Act; to the Committee on Labor.

1890. By Mr. SCHIFFLER: Petition of Josephine H. Skrzypek, secretary, St. Joseph's Society, No. 213, Polish Roman Catholic Union of America, Wheeling, W. Va., urging an amendment to the Social Security Act, providing for total exemption of sublodges of fraternal insurance organizations; to the Committee on Ways and Means.

1891. Also, petition of Dr. L. B. Lewellyn, of Wheeling, W. Va., urging that ministers be excluded from the social security; to the Committee on Ways and Means.

1892. By Mr. THOMAS of New Jersey: Resolution adopted by the New Jersey Association of Professional Engineers and Land Surveyors, at their nineteenth annual convention held in Newark, N. J., on January 15, 1939, advocating the passage of an act by Congress which would eliminate the retroactive features of a Federal tax on State, county, or municipal employees; to the Committee on Ways and Means.

1893. Also, resolution passed by the New Jersey Association of Professional Engineers and Land Surveyors, at a meeting held in Newark, N. J., on January 15, 1939, advocating an increase in Federal funds allocated to the purchase of materials on Works Progress Administration projects; to the Committee on Appropriations.

1894. Also, resolution passed at the last regular meeting of the Sussex County Peace Officers' Association, Newton, N. J., petitioning the Congress for the continuance of the Dies committee, and lauding the committee for the activities and investigations heretofore accomplished; to the Special Committee to Investigate Un-American Activities.

1895. By the SPEAKER: Petition of the city of Dearborn, Mich., urging consideration of their resolution with reference to Senate bill 591, concerning the United States Housing Act of 1937; to the Committee on Labor.

1896. Also, petition of the Missouri State Legislative Board of the Brotherhood of Locomotive Engineers, urging consideration of their resolution with reference to regulating mileage by law; to the Committee on Interstate and Foreign Commerce.

1897. Also, petition of the Central Labor Union of Philadelphia and Vicinity, Philadelphia, Pa., urging consideration of their resolution with reference to House bill 4223, concerning civil service; to the Committee on the Civil Service.

SENATE

TUESDAY, MARCH 21, 1939

(Legislative day of Thursday, March 16, 1939)

The Senate met at 12 o'clock meridian, on the expiration of the recess.

The Chaplain, Rev. Z@Barney T. Phillips, D. D., offered the following prayer:

Mighty Maker of this wondrous frame, from Whom proceeds all beauty of perfection for which we sigh though we cannot attain unto it: Grant that, as we worship Thee with silent awe, we may feel Thy mystic presence, and Thy controlling rule, rooted in the invisible and held in its embrace as an infant lies in its mother's arms. Vouchsafe to us, in these troublous times, some glimpses of Thy purpose, some insight for the solution of every day's most pressing needs, that, as we dedicate our every aptitude to the fulfillment of our duty here, we may bring, through our readiness to minister, the strength of moral courage and the spirit of true hopefulness, shed abroad in our hearts by Thine own indwelling. We ask it in our Saviour's name. Amen.

THE JOURNAL

On request of Mr. BARKLEY, and by unanimous consent, the reading of the Journal of the proceedings of the calendar day Monday, March 20, 1939, was dispensed with, and the Journal was approved.

MESSAGES FROM THE PRESIDENT

Messages in writing from the President of the United States were communicated to the Senate by Mr. Latta, one of his secretaries.

CALL OF THE ROLL

Mr. LEWIS. I suggest the absence of a quorum, and request a roll call.

The VICE PRESIDENT. The clerk will call the roll.

The Legislative Clerk called the roll, and the following Senators answered to their names:

Adams	Danaher	La Follette	Reynolds
Andrews	Davis	Lee	Russell
Ashurst	Donahev	Lewis	Schwartz
Austin	Downey	Lodge	Schwellenbach
Bailey	Ellender	Logan	Sheppard
Bankhead	Frazier	Lucas	Shipstead
Barbour	George	Lundeen	Smathers
Barkley	Gerry	McCarran	Smith
Bilbo	Gibson	McKellar	Stewart
Bone -	Gillette	McNary	Taft
Borah	Glass	Maloney	Thomas, Okla.
Bridges	Guffey	Mead	Thomas, Utah
Brown	Gurney	Miller	Tobey
Bulow	Harrison	Minton	Townsend
Burke	Hatch	Murray	Tydings
Byrd	Havden	Neely	Vandenberg
Byrnes	Herring	Norris	Van Nuvs
Capper	Hill	O'Mahoney	Wagner
Caraway	Holman	Overton	Walsh
Chavez	Hughes	Pepper	Wheeler
Clark, Idaho	Johnson, Calif.	Pittman	White
Clark, Mo.	Johnson, Colo.	Radcliffe	Wiley
Connelly	King	Road	

Mr. LEWIS. I announce that the Senator from West Virginia [Mr. Holf] is detained from the Senate because of illness in his family.

illness in his family.

The Senator from Rhode Island [Mr. Green] and the Senator from Missouri [Mr. Truman] are detained on important

Mr. FRAZIER. I announce that my colleague the junior Senator from North Dakota [Mr. Nye] is absent because of illness.

The VICE PRESIDENT. Ninety-one Senators have answered to their names. A quorum is present.

MESSAGE FROM THE HOUSE

A message from the House of Representatives, by Mr. Chaffee, one of its reading clerks, announced that the House had passed without amendment the following bills of the Senate:

S. 876. An act to authorize the purchase of certain lands for the Apache Tribe of the Mescalero Reservation, N. Mex.;

S. 877. An act to add certain public-domain land in Montana to the Rocky Boy Indian Reservation;

S. 1098. An act to amend section 12 of the Soil Conservation and Domestic Allotment Act, as amended, by authorizing advances for crop insurance;

S. 1104. An act to provide for conveying to the United States the land, buildings, and improvements comprising the Choctaw and Chickasaw Sanatorium and General Hospital; and

S. 1477. An act to repeal section 9 of the act of March 3, 1875 (18 Stat. L. 450), as amended.

The message also announced that the House had passed the bill (S. 1476) to authorize an appropriation to pay non-Indian claimants whose claims have been extinguished under the act of June 7, 1924, but who have been found entitled to awards under said act as supplemented by the act of May 31, 1933, with amendments, in which it requested the concurrence of the Senate.

The message further announced that the House had passed the following bills and joint resolutions, in which it requested the concurrence of the Senate:

H. R. 159. An act to amend an act entitled "An act relating to the naturalization of certain women born in Hawaii," approved July 2, 1932;

H. R. 160. An act to permit alien wives of American citizens who were married prior to the approval of the Immigration Act of 1924 to enter the United States;

H. R. 1661. An act granting the consent of Congress to the city of Youngstown, Ohio, to construct, maintain, and operate a free highway bridge across the Mahoning River at or near Marshall Street, Youngstown, Ohio;

H. R. 1962. An act granting the consent of Congress to the city of Youngstown, Ohio, to construct, maintain, and operate a free highway bridge across the Mahoning River at or near Cedar Street, Youngstown, Ohio;

H. R. 2192. An act to extend the time for commencing and completing bridges across Cross Bayou, Twelve Mile Bayou, and Caddo Lake in Caddo Parish, La.;

H. R. 2378. An act to prohibit the exportation of tobacco seed and plants, except for experimental purposes;

H. R. 2382. An act to amend sections 704, 705, 706, and 707 of the Merchant Marine Act, 1936, as amended;

H. R. 2635. An act granting the consent of Congress to Westmoreland County in the State of Pennsylvania to construct, maintain, and operate a free highway intercounty bridge and approaches across the Allegheny River, connecting Valley Camp, in Westmoreland County, and East Deer Township, in Allegheny County, to connect State Highway Routes Nos. 28 and 56;

H.R. 2661. An act to extend the times for commencing and completing the construction of a bridge across the St. Lawrence River at or near Ogdensburg, N. Y.;

H. R. 2971. An act for the relief of certain Indians of the Winnebago Agency;

H. R. 3134. An act to amend the act entitled "An act authorizing the temporary detail of United States employees, possessing special qualifications, to governments of American republics and the Philippines, and for other purposes," approved May 25, 1938;

H. R. 3225. An act authorizing the Department of Highways of the State of Ohio to construct, maintain, and operate a free highway bridge across the Ottawa River at or near the city of Toledo, State of Ohio;

H.R. 3231. An act to authorize the mailing of pistols, revolvers, and other firearms capable of being concealed on the person to officers of the Coast Guard;

H. R. 3367. An act to define the status of certain lands purchased for the Choctaw Indians, Mississippi;

H. R. 3375. An act to authorize M. H. Gildow to construct a free, movable pontoon footbridge across Muskingum River Canal at or near Beverly, Ohio;

H. R. 3418. An act granting the consent of Congress to the Highway Department of Davidson County, of the State of Tennessee, to construct a bridge across Cumberland River, at a point approximately 13/4 miles below Clees Ferry, connecting a belt-line highway in Davidson County, State of Tennessee, known as the Old Hickory Boulevard;

H. R. 3589. An act granting the consent of Congress to the State Highway Commission of North Carolina to construct. maintain, and operate a free highway bridge across Waccamaw River between Old Dock and Ash, N. C.;

H.R.3801. An act to extend the time for retirement of cotton-pool participation trust certificates;

H. R. 4117. An act to provide for the payment of attorney's fees from Osage tribal funds:

H. R. 4167. An act to extend further time for naturalization of alien veterans of ineligible race who served in the armed forces of the United States during the World War;

H. R. 4852. An act making appropriations for the Department of the Interior for the fiscal year ending June 30, 1940, and for other purposes:

H. J. Res. 163. Joint resolution providing for the participation of the United States in the celebration of the twentyfifth anniversary of the opening of the Panama Canal;

H. J. Res. 188. Joint resolution authorizing the delegation of certain authority within the Department of Agriculture; and

H. J. Res. 189. Joint resolution to define the status of the Under Secretary of Agriculture, and for other purposes.

MRS. A. R. BARNARD ET AL.

The VICE PRESIDENT laid before the Senate a letter from the Acting Secretary of the Treasury, transmitting a draft of proposed legislation for the relief of Mrs. A. R. Barnard, Charles A. Stephens, Donald W. Prairie, and the dependents of Vern A. Needles, deceased, of Newport, Oreg., which, with the accompanying paper, was referred to the Committee on Claims.

DISPOSITION OF EXECUTIVE PAPERS

The VICE PRESIDENT laid before the Senate a letter from the Archivist of the United States, transmitting, pursuant to law, a list of papers and documents on the files of the War Department, which are not needed in the conduct of business and have no permanent value or historical interest, and requesting action looking to their disposition, which, with the accompanying papers, was referred to a Joint Select Committee on the Disposition of Papers in the Executive Depart-

The VICE PRESIDENT appointed Mr. BARKLEY and Mr. GIBSON members of the committee on the part of the Senate. CONGRATULATIONS OF FOREIGN COUNTRIES ON ONE HUNDRED AND FIFTIETH ANNIVERSARY OF FIRST CONGRESS

The VICE PRESIDENT laid before the Senate a letter from George T. Summerlin, Chief of Protocol, Department of State, transmitting copies of telegrams from Jules Jeanneney, president of the French Senate; Anto C. Rivera, president of the National Congress of Honduras; Abdulhalik Renda, president of the Great National Assembly of Turkey, and Stoitcho Mohshanoff, president of the Bulgarian Narodno Sobranie, expressing congratulations on the celebration of the one hundred and fiftieth anniversary of the First Congress of the United States, which, with the accompanying telegrams, was ordered to lie on the table.

PETITIONS AND MEMORIALS

The VICE PRESIDENT laid before the Senate the memorial of the Presbytery of Philadelphia North, Philadelphia, Pa., remonstrating against the enactment of legislation to grant Federal aid to parochial and private schools, and against opening diplomatic relations with the Vatican State, which was referred to the Committee on Education and Labor.

He also laid before the Senate a resolution adopted by the Citizens' League of Nurses, of Philadelphia, Pa., favoring inclusion of male and female nurses, as a class, under the operation of the social-security system, which was referred to the Committee on Finance.

Mr. LODGE presented the memorial of the moderator and members of the joint committee of the First Baptist Church, of Salem, Mass., remonstrating against the inclusion of religious bodies under the operation of the social-security system, which was referred to the Committee on Finance.

Mr. VANDENBERG presented petitions of sundry citizens of the State of Michigan, praying that the United States take measures to discontinue the shipment of war supplies to Japan for use in operations in China, which were referred to the Committee on Foreign Relations.

Mr. CAPPER presented a resolution adopted by local lodges in convention assembled at Wichita, Kans., of the Workers Alliance of America of Hutchinson, El Dorado, Augusta, Wellington, Arkansas City, Winfield, Eureka, Douglas, and Wichita, all in the State of Kansas, favoring an additional appropriation of \$275,000,000 for continuation of the Works Progress Administration program, which was referred to the Committee on Appropriations.

He also presented a resolution adopted by Local No. 294, Oil Workers International Union, of Coffeyville, Kans., favoring an additional appropriation of \$150,000,000 for continuation of the Works Progress Administration program, which was referred to the Committee on Appropriations.

He also presented resolutions adopted by Unit G 1741, of Arcadia; Local G-322, of Weir; Local G-202, of Arkansas City; and Local W-1748, of Eskridge, all of the Workers Alliance, in the State of Kansas, favoring an additional appropriation of \$150,000,000 for the continuation of the Works Progress Administration program, which were referred to the Committee on Appropriations.

He also presented a memorial of sundry citizens of Sawyer, Kans., remonstrating against the inclusion of religious bodies under the operation of the social-security system, which was referred to the Committee on Finance.

He also presented a petition of sundry citizens of Washington, Kans., praying that the United States adhere to a policy of nonparticipation in aggression and take measures to discontinue the shipment of war supplies to Japan for use in operations in China, which was referred to the Committee on Foreign Relations.

He also presented a petition of sundry citizens of Wright, Spearville, Kinsley, Bellefont, Ashland, and Fowler, in the State of Kansas, praying that the United States adhere to a general policy of neutrality, which was referred to the Committee on Foreign Relations.

Mr. MURRAY presented a joint resolution of the Legislature of Montana, favoring the enactment of legislation amending existing laws pertaining to agriculture affecting wheat production in Montana, which was referred to the Committee on Agriculture and Forestry.

(See resolution printed in full when laid before the Senate by the Vice President on the 20th instant, p. 4114 Congres-SIONAL RECORD.)

Mr. MURRAY also presented the following joint memorial of the Legislature of Montana, which was referred to the Committee on Commerce:

Resolution memorializing the Congress of the United States to enact legislation to facilitate the transportation of products of Montana and adjacent States by construction of dams and other facilities to make navigable the Missouri River from its mouth to Fort Benton, Mont.

to Fort Benton, Mont.

To the Honorable Senate and House of Representatives of the United States of America in Congress assembled:

Whereas the United States Army engineers are engaged in the construction of a dam across the Missouri River at Fort Peck, Mont., for the purpose of controlling the waters of the said Missouri River below the site of the dam in aid of navigation of said river from its mouth to the location of the dam; and

Whereas the said United States Army engineers are engaged in the giver and channel improvement, work from Sioux City, Iowa, to

river and channel improvement work from Sioux City, Iowa, to the mouth of the Missouri River above St. Louis, Mo.; and Whereas it appears that the said United States Army engineers have surveyed and located sites for dams to make completely navigable the Missouri River into the State of Montana; and

Whereas the establishment of a water route for Montana products to markets on the inland waterways of the United States would result in greatly lowered rates for the transportation thereof, and would result in immeasurable benefit to Montana producers and producers of adjacent States: Now, therefore, be it Resolved, by the House of Representatives of the State of Montana (the senate concurring). That the Congress of the United States be, and it is hereby, requested and resolved to enact legislation providing for the progressive construction and completion of the dams necessary, together with adequate ship locks and/or ship elevators in each dam, and together with ship locks and/or ship elevators in the Fort Peck Dam, to make navigable the Missouri River from its mouth to Fort Benton, Mont., providing a water route of 9-foot channel depth for the transportation of products of Montana and adjacent States; and be it further Resolved. That the secretary of state of the State of Montana be directed to send a copy of this resolution to each of the Senators and Representatives of the State of Montana in Congress.

Mr. MURRAY also presented the following joint memorial

Mr. MURRAY also presented the following joint memorial of the Legislature of Montana, which was referred to the Committee on Finance:

Memorial to the Congress of the United States requesting the en-actment of appropriate legislation to protect the citizens of the State of Montana against the importation of natural gas from the Dominion of Canada

State of Montana against the importation of natural gas from the Dominion of Canada

To the Honorable Senate and House of Representatives of the United States of America in Congress assembled:

Whereas there has been developed in the State of Montana large quantities of natural gas, sufficient in amount to supply the present industrial and domestic demands of the State; and

Whereas there are in the State of Montana numerous geological structures from which great quantities of natural gas will be produced when properly developed and when commercial and domestic consumption require; and

Whereas there has been imported into the State of Montana from the Dominion of Canada approximately 1,250,000,000 cubic feet of natural gas to date, free from any duty; and

Whereas the free and unrestricted importation of such natural gas has not only been a drainage of the Montana gas fields, but imposes a hardship upon the State of Montana and those persons and corporations engaged in the development of the natural resources of the State and is retarding and delaying the development of potential oil and gas fields in the State; and

Whereas the Canadian Government imposes a duty of approximately 6 cents per 1,000 cubic feet upon natural gas imported into that country, and such duty closes the door to the producers of natural gas in Montana: Therefore be it

Resolved by the Senate and House of Representatives of the State of Montana, That the Congress of the United States be respectfully urged and petitioned to enact legislation prohibiting the importation of natural gas into Canada; and be it further

Resolved That copies of this memorial be mailed to the President of the United States, to the President of the Senate, to the Speaker of the House of Representatives, and to each Member in Congress from Montana.

ber in Congress from Montana.

THE FARM ACT OF 1938

Mr. WHEELER. Mr. President, I ask unanimous consent to have appropriately referred and printed in the RECORD a resolution, which I send to the desk, and which was recently adopted by representatives of farmers.

I feel that the attitude of these farm groups, as evidenced by this resolution, is of particular significance. They do not hesitate to accept responsibility for the present Farm Act, nor do they seek to disguise its weaknesses and its inadequacy. They are at the present time preparing amendments to correct defects in the 1938 act, and will in the near future, I understand, present to the Congress an integrated program for the rehabilitation of agriculture.

I was particularly pleased to note that these representatives of the farmers advocated a balancing of the Budget, and will base their program not upon subsidies, as other lines of economic endeavor seek to do. There is no question in my mind but that they are correct in pointing out the necessity of increasing the agricultural income. No informed person regards the present income of farmers as sufficient. An increase in agricultural income will do more to restore economic prosperity in the United States than anything else.

There being no objection, the resolution was referred to the Committee on Agriculture and Forestry and ordered to be

printed in the RECORD, as follows:

The following resolution was introduced by M. W. Thatcher, president of the National Federation of Grain Cooperatives, and was unanimously adopted by representatives of the Wheat Conservation Conference, the Northwest Farmers' Union Legislative Committee,

the National Federation of Grain Cooperatives, and 12 State unions of the Farmers' Educational and Cooperative Union of America:

"We recognize the responsibility of the major farm organizations for having approved the philosophy of the 1938 Farm Act. This was approved by the said organizations at a special meeting with the Secretary of Agriculture at Washington, D. C., in February 1937.

"Experience of less than 1 year with the 1938 Farm Act has brought to light conditions which call for immediate legislative attention and action by Congress.

"The National Farmers' Union is prepared to and will present the required amendments to Congress during the present session. The National Farmers' Union will present a legislative program during the present session of Congress to deal with the pressing agricultural problems and to meet its needs for the future. Our program will call for crop and income insurance to assure the producers of will call for crop and income insurance to assure the producers of all the major farm commodities a parity income covering cost of

"Our program will not rest upon large subsidies out of the Federal Treasury, but will look toward balancing the Federal Budget.

"We condemn the expressed statements of the Treasury, as reported by the press, which declares against taxes to increase agricultural income. We declare the Congress of the United States can properly be charged with political bankruptcy if it fails at this session of Congress to appropriate the necessary funds to adequately carry out the purposes and provisions of the 1938 Farm Act as a protection to farmers for their 1939 marketing: Now, therefore he it fore, be it

"Resolved, That we, the officers and members of the executive committee of the Farmers' Educational and Cooperative Union of America in regular meeting assembled, concur with the sentiments contained in the aforementioned resolution; and be it further "Resolved, That copies of said resolution be immediately handed to the press and sent to the offices of the various State unions for adequate publicity through all available channels.

REPORTS OF COMMITTEES

Mr. CONNALLY, from the Committee on Public Buildings and Grounds, to which was referred the bill (S. 1725) relating to the acquisition of the site for the post-office building to be constructed in Poplarville, Miss., reported it without amend-

Mr. SCHWARTZ, from the Committee on Claims, to which was referred the bill (S. 1847) for the relief of Naomi Straley and Bonnie Straley, reported it without amendment and submitted a report (No. 191) thereon.

Mr. AUSTIN, from the Committee on the Judiciary, to which was referred the joint resolution (S. J. Res. 11) directing the Comptroller General to readjust the account between the United States and the State of Vermont, reported it without amendment and submitted a report (No. 192) thereon.

Mr. BANKHEAD, from the Committee on Agriculture and Forestry, to which was referred the concurrent resolution (S. Con. Res. 5) continuing the authority of the Joint Committee on Forestry, established by Senate Concurrent Resolution 31, Seventy-fifth Congress, reported it with an amendment.

BILLS AND JOINT RESOLUTION INTRODUCED

Bills and a joint resolution were introduced, read the first time, and, by unanimous consent, the second time, and referred as follows:

By Mr. HATCH and Mr. CHAVEZ (by request):

S. 1879. A bill to amend the United States mining laws applicable to the area known as the watershed of the headwaters of the Bonito River, in the Lincoln National Forest, within the State of New Mexico; to the Committee on Public Lands and Surveys.

By Mr. THOMAS of Utah:

S. 1880. A bill to allow certain citizens of Czechoslovakia to become citizens of the United States; to the Committee on Immigration.

By Mr. GUFFEY:

S. 1881. A bill for the relief of Banks Business College; to the Committee on Claims.

By Mr. LOGAN:

S. 1882. A bill for the relief of Thomas A. Ross; to the Committee on Claims.

By Mr. MILLER:

S. 1883. A bill for the relief of the estate of Ray Anderson, deceased; to the Committee on Claims.

By Mr. BULOW:

S. 1884. A bill granting a pension to Dennis Moran; to the Committee on Pensions.

Mr. Bone (for himself, Mr. Clark of Missouri, Mr. Nye, Mr. Vandenberg, Mr. Barbour, Mr. George, Mr. Andrews, Mr. Ashurst, Mr. Bilbo, Mr. Brown, Mr. Bulow, Mr. Capper, Mr. Chavez, Mr. Clark of Idaho, Mr. Donahey, Mr. Downey, Mr. Frazier, Mr. Gibson, Mr. Gillette, Mr. Gurney, Mr. Hatch, Mr. Herring, Mr. Hill, Mr. Holman, Mr. Holt, Mr. Hughes, Mr. Johnson of Colorado, Mr. La Follette, Mr. Lee, Mr. Lundeen, Mr. McCarran, Mr. Maloney, Mr. Murray, Mr. Neely, Mr. O'Mahoney, Mr. Pepper, Mr. Reed, Mr. Reynolds, Mr. Russell, Mr. Schwartz, Mr. Shipstead, Mr. Smathers, Mr. Stewart, Mr. Thomas of Oklahoma, Mr. Tobey, Mr. Truman, Mr. Van Nuys, Mr. Wagner, Mr. Wheeler, and Mr. Wiley) introduced Senate bill 1885, which was referred to the Committee on Finance and appears under a separate heading.

By Mr. GLASS:

S. 1886. A bill to amend subsection (g) of section 22 of the Federal Reserve Act relating to loans of bank officials to member banks; to the Committee on Banking and Currency.

By Mr. WALSH:

S. 1887. A bill for the relief of Sarah Klara Tankel Patt; to the Committee on Immigration.

S. 1888. A bill for the relief of Angus Winslow Gray; and S. 1889. A bill to authorize the acquisition of two motor vessels for the Navy; to the Committee on Naval Affairs.

By Mr. DAVIS:

S. 1890. A bill for the relief of Kenneth B. Clark;

S. 1891. A bill for the relief of Adelaide Damiano; and S. 1892. A bill for the relief of Mildred C. Resig; to the Committee on Claims.

By Mr. SHEPPARD:

S. 1893. A bill for the relief of E. L. MacLean; to the Committee on Military Affairs.

S. 1894. A bill for the relief of Ivan Charles Grace; and

S. 1895. A bill for the relief of Maria Enriquez, Crisanta, Anselmo, Agustin, and Irineo de los Reyes; to the Committee on Claims.

By Mr. MEAD:

S. 1896. A bill to amend and clarify the Federal Ship Mortgage Insurance Act, title XI, Merchant Marine Act, 1936, as amended; and

S. 1897. A bill to extend the benefits of the Ship Mortgage Act to certain vessels; to the Committee on Commerce.

By Mr. O'MAHONEY:

S. 1898. A bill to authorize further relief to water users on United States reclamation projects and on Indian reclamation projects; to the Committee on Irrigation and Reclamation.

By Mr. MURRAY:

S. J. Res. 98. Joint resolution to make available until June 30, 1940, the 1938 appropriation for water conservation and utilization projects in the Great Plains and arid and semiarid areas; to the Committee on Appropriations.

ELIMINATION OF PROFITEERING IN TIME OF WAR

Mr. BONE. Mr. President, I introduce a bill bearing the signatures of 50 Senators of the United States.

For a great many years it has been the earnest and sincere desire of veterans' organizations and patriotic Americans that the Congress of the United States enact legislation that would make profiteering during war utterly impossible. It will be remembered that on April 27 of last year there was presented to the Congress of the United States petitions bearing the signatures of some 4,000,000 Americans asking the Congress to keep the United States out of war and to enact legislation to take the profit out of war. At that time there was introduced the same bill known then as S. 3912, which was widely publicized by the Veterans of Foreign Wars. It was and is a measure that seeks, by the most drastic levels of taxation yet suggested, to make it impossible for any human being in this country, during wartime, to pile up profits out of wartime operations.

It is also the sincere desire of such an organization as the Veterans of Foreign Wars to make impossible the creation of an army of veterans of future wars; and it is my view—and I think it is a view shared by millions of other Ameri-

cans—that one of the effective ways to accomplish that end is to make it impossible, by law, for a human being in this country to profiteer during war, and to serve notice in advance that no human being can possibly make huge profits out of the miseries of his fellows.

A companion to the bill I am now introducing has this day been introduced in the House of Representatives by four Members. Therefore I now send the bill to the desk for appropriate reference, bearing as I have indicated the names of 50 Senators of the United States.

The VICE PRESIDENT. The bill introduced by the Senator from Washington will be received and appropriately referred.

The bill (S. 1885) to tax the profits out of war by steeply graduated income and other taxes in order to provide for effective national defense, to promote peace, to encourage actual neutrality, to discourage war profiteering, to distribute the burdens of war, to keep democracy alive, and for other purposes, introduced by Mr. Bone (for himself, Mr. Clark of Missouri, Mr. Nye, Mr. Vandenberg, Mr. Barbour, Mr. George, Mr. Andrews, Mr. Ashurst, Mr. Bilbo, Mr. Brown, Mr. Bulow, Mr. Capper, Mr. Chavez, Mr. Clark of Idaho, Mr. DONAHEY, Mr. DOWNEY, Mr. FRAZIER, Mr. GIBSON, Mr. GILLETTE, Mr. Gurney, Mr. Hatch, Mr. Herring, Mr. Hill, Mr. Holman, Mr. Holt, Mr. Hughes, Mr. Johnson of Colorado, Mr. La Fol-LETTE, Mr. LEE, Mr. LUNDEEN, Mr. McCARRAN, Mr. MALONEY, Mr. Murray, Mr. Neely, Mr. O'Mahoney, Mr. Pepper, Mr. Reed, Mr. Reynolds, Mr. Russell, Mr. Schwartz, Mr. Ship-STEAD, Mr. SMATHERS, Mr. STEWART, Mr. THOMAS of Oklahoma, Mr. Tobey, Mr. Truman, Mr. Van Nuys, Mr. Wagner, Mr. WHEELER, and Mr. WILEY), was read twice by its title and referred to the Committee on Finance.

EDUCATION OF PHYSICALLY HANDICAPPED CHILDREN-AMENDMENT

Mr. WILEY submitted an amendment intended to be proposed by him to the bill (S. 795) to provide for the education of all types of physically handicapped children, to make an appropriation of money therefor, and to regulate its expenditure, which was referred to the Committee on Education and Labor and ordered to be printed.

CHANGE OF REFERENCE

On motion by Mr. Logan, the Committee on Claims was discharged from the further consideration of the bill (S. 1840) for the relief of Mrs. Mance Hardy, and it was referred to the Committee on Finance.

ANNA RYAN AND ELEANOR RYAN MILLER

Mr. ASHURST submitted the following resolution (S. Res. 109), which was referred to the Committee to Audit and Control the Contingent Expenses of the Senate:

Resolved, That the Secretary of the Senate hereby is authorized and directed to pay from the contingent fund of the Senate to Anna Ryan and Eleanor Ryan Miller, only children of Theresa Ryan, late an assistant clerk to the Senate Committee on the Judiciary, a sum equal to 6 months' compensation at the rate she was receiving by law at the time of her death, said sum to be considered inclusive of funeral expenses and all other allowances.

HOUSE BILLS AND JOINT RESOLUTIONS REFERRED

The following bills and joint resolutions were severally read twice by their titles and referred or ordered to be placed on the calendar as indicated below:

H. R. 159. An act to amend an act entitled "An act relating to the naturalization of certain women born in Hawaii," approved July 2, 1932;

H. R. 160. An act to permit alien wives of American citizens who were married prior to the approval of the Immigration Act of 1924 to enter the United States; and

H.R. 4167. An act to extend further time for naturalization of alien veterans of ineligible race who served in the armed forces of the United States during the World War; to the Committee on Immigration;

H. R. 1661. An act granting the consent of Congress to the city of Youngstown, Ohio, to construct, maintain, and operate a free highway bridge across the Mahoning River at or near Marshall Street, Youngstown, Ohio;

H. R. 1962. An act granting the consent of Congress to the city of Youngstown, Ohio, to construct, maintain, and op-

erate a free highway bridge across the Mahoning River at or near Cedar Street, Youngstown, Ohio;

H. R. 2382. An act to amend sections 704, 705, 706, and 707 of the Merchant Marine Act, 1936, as amended;

H. R. 2635. An act granting the consent of Congress to Westmoreland County, in the State of Pennsylvania, to construct, maintain, and operate a free highway intercounty bridge and approaches across the Allegheny River connecting Valley Camp, in Westmoreland County, and East Deer Township, in Allegheny County, to connect State highway routes Nos. 28 and 56:

H. R. 2661. An act to extend the times for commencing and completing the construction of a bridge across the St. Lawrence River at or near Ogdensburg, N. Y.;

H. R. 3225. An act authorizing the Department of Highways of the State of Ohio to construct, maintain, and operate a free highway bridge across the Ottawa River at or near the city of Toledo, State of Ohio:

H.R. 3375. An act to authorize M. H. Gildow to construct a free, movable, pontoon footbridge across Muskingum

River Canal at or near Beverly, Ohio; H. R. 3418. An act granting the consent of Congress to the Highway Department of Davidson County, of the State of Tennessee, to construct a bridge across Cumberland River, at a point approximately 13/4 miles below Clees Ferry, connecting a belt-line highway in Davidson County, State of Tennessee, known as the Old Hickory Boulevard; and

H.R. 3589. An act granting the consent of Congress to the State Highway Commission of North Carolina to construct, maintain, and operate a free highway bridge across Waccamaw River between Old Dock and Ash, N. C.; to the Committee on Commerce.

H. R. 4852. An act making appropriations for the Department of the Interior for the fiscal year ending June 30, 1940, and for other purposes; to the Committee on Appropriations.

H. R. 3231. An act to authorize the mailing of pistols, revolvers, and other firearms capable of being concealed on the person, to officers of the Coast Guard; to the Committee on Post Offices and Post Roads.

H. R. 2378. An act to probit the exportation of tobacco seed and plants, except for experimental purposes;

H. J. Res. 188. Joint resolution authorizing the delegation of certain authority within the Department of Agriculture; and

H. J. Res. 189. Joint resolution to define the status of the Under Secretary of Agriculture, and for other purposes; to the Committee on Agriculture and Forestry.

H. R. 2192. An act to extend the time for commencing and completing bridges across Cross Bayou, Twelve Mile Bayou, and Caddo Lake in Caddo Parish, La.;

H. R. 2971. An act for the relief of certain Indians of the Winnebago Agency:

H. R. 3134. An act to amend the act entitled "An act authorizing the temporary detail of United States employees, possessing special qualifications, to governments of American republics and the Philippines, and for other purposes," approved May 25, 1938;

H. R. 3367. An act to define the status of certain lands purchased for the Choctaw Indians, Mississippi;

H. R. 3801. An act to extend the time for retirement of cotton-pool participation trust certificates;

H. R. 4117. An act to provide for the payment of attorney's fees from Osage tribal funds; and

H. J. Res. 163. Joint resolution providing for the participation of the United States in the celebration of the twentyfifth anniversary of the opening of the Panama Canal; to the calendar.

EXECUTIVE MESSAGES REFERRED

The VICE PRESIDENT, as in executive session, laid before the Senate messages from the President of the United States submitting sundry nominations, which were referred to the appropriate committees.

(For nominations this day received, see the end of Senate proceedings.)

LXXXIV-191

THE WORKS PROGRESS ADMINISTRATION—CORRESPONDENCE WITH COLONEL HARRINGTON

Mr. DAVIS. Mr. President, I ask unanimous consent to have printed in the RECORD as a part of my remarks recent correspondence I have had with Col. F. C. Harrington, Administrator of the Works Progress Administration. This includes my letter to him of February 13, 1939, together with his reply of February 14; my letter to him of February 18 and his reply of February 23; my letter to him of February 24 and his reply of March 7, together with general letter No. 240 of March 7, which Colonel Harrington addressed to all State Works Progress administrators on the subject of political activity.

There being no objection, the correspondence was ordered to be printed in the RECORD, as follows:

FEBRUARY 13, 1939.

Col. F. C. HARRINGTON

Administrator, Works Progress Administration

Washington, D. C.

Administrator, Works Progress Administration,
Washington, D. C.

Dear Colonel Harrington: As you doubtless know, I have sought a thoroughgoing investigation of W. P. A. during the last 3 years and it has consistently been denied. I introduced an amendment to the deficiency appropriation bill which would have made possible the payment of \$150,000,000 conditioned only by a nonpartisan investigation of W. P. A. I believe that such an investigation could easily result in a great saving to our taxpayers. I am thoroughly convinced that the partisan administration of social-security legislation, of which P. W. A. and W. P. A. are a part, should have no place or standing whatsoever.

I am proposing that the conditions of partisanship in W. P. A. administration in Pennsylvania calls for a thoroughgoing investigation. A State-wide committee of 15 people should be selected for this work outside of your own W. P. A. organization, looking to the reorganization of W. P. A. in Pennsylvania. These 15 people should be recommended by the two United States Senators and other leading citizens. Not more than one-half of the committee should belong to any one party and not more than one-half of the committee should represent actively any political party point of view. The committee might well be called the "Pennsylvania W. P. A. Reorganization Committee."

In each congressional district a similar committee should be set up to assist the work of the State committee. The appointment should proceed from the Congressmen irrespective of party and should be as completely nonpartisan as the State committee itself. Skilled investigators of your own, those you know to be reliable and competent, should be used throughout.

The purposes of the investigation should be:

1. To determine those of adequate income now on W. P. A., who do not need its assistance.

2. To determine the administrative costs of work relief in Penn-

do not need its assistance.

2. To determine the administrative costs of work relief in Penn-

sylvania since its inception.

3. To avoid duplication of appointment.

4. To determine the private activities of W. P. A. political appointee

5. To obtain the names, address, and salaries of all administrative heads of W. P. A. in Pennsylvania since the beginning, including everyone whose salary has exceeded \$93.50 a month.

I should like to have your thought in this matter at the very earliest possible time.

I should also like to know according to your present records:

How many persons are on W. P. A. at the present time throughout the country as a whole?

How many do you anticipate will be on the rolls April 1. How many will be continued on the rolls in event an additional \$150,000,000 is made available to W. P. A.?

How many will lose their jobs irrespective of an additional appropriation?

Thanking you for this information, I am Most cordially yours,

JAMES J. DAVIS, United States Senator.

Works Progress Administration, Washington, D. C., February 14, 1939.

The Honorable James J. Davis,
United States Senate.

United States Senate.

My Dear Senator Davis: The receipt is acknowledged of your letter of February 13, 1939, relative to an investigation of the Works Progress Administration rolls in Pennsylvania.

An investigation as to the need of persons on the Works Progress Administration program is required by the provisions of Public Resolution No. 1, and is now under way. This is to be completed in the field by March 25, so that the results will be available by the time that the matter of an appropriation for the Works Progress Administration for the fiscal year 1940 is under discussion by the Congress.

I am rather loath at this time to complicate the situation by starting another investigation along the lines described in your letter. We shall have more information on which to base a decision as to our future action after the work that is now under way has been carried to completion.

The answers to the questions which you asked in the latter part of your letter are as follows:

(a) The total number of persons on the Works Progress Adminis-

(a) The total number of persons on the Works Progress Administration program, and projects financed from Works Progress Administration appropriation was 2,963,926 on February 11, which is the latest date for which I have a report.

(b) I anticipate that the number on the rolls on April 1 will be approximately 3,000,000.

(c) If an additional \$150,000,000 is made available to the Works Progress Administration in the current fiscal year, the number that will be continued on the rolls after April 1 will be an average of 2,900,000 in April, 2,800,000 in May, and 2,700,000 in June. This would reduce the rolls by the end of June to approximately 2,650,000.

(d) The number that will lose their jobs, even if an additional appropriation is made, as indicated by the figures given in (c) above, will be approximately 350,000.

Sincerely yours,

F. C. HARRINGTON, Administrator.

FEBRUARY 18, 1939.

Col. F. C. HARRINGTON,
Works Progress Administration,

Works Progress Administration, Washington, D.C.

Dear Colonel Harrington: This will acknowledge your letter of February 14 in reply to questions I sent you in my letter of February 13. I deeply appreciate the promptness with which you have answered my letter and the frank, direct way in which you have answered my questions. This efficiency and candor stand in marked contrast to the way in which my reasonable desire for information was met by your predecessor. Moreover, it gives me reason to believe that we are on our way to the nonpartisan administration of public work which we have so long sought. And if this shall be the case you may be sure I shall lose no opportunity to bring your cooperative spirit to the attention of the people.

tunity to bring your cooperative spirit to the attention of the people.

You say that you would not wish to complicate the investigation of W. P. A. you are now conducting with that which I have proposed. This seems entirely reasonable to me because, as you say, your own investigation will be concluded by March 25. Would it not then be possible to have public hearings in Pennsylvania under the supervision of a nonpartisan board of 15 eminent citizens? Fourteen of these citizens, representing the clergy, labor, and industry, rather than political parties could be selected by you from a panel which several of us might present to you. These 14 could then name a fifteenth to serve as chairman. Your own trained investigators could bring in witnesses. Under the supervision of this board, hearings could be held in various cities and communities of the State for the purpose of clearing up local difficulties. Sooner or later I believe this will be done throughout the country for the nonpartisan supervision of W. P. A. I believe to be inevitable. Pennsylvania would be a good place to begin. I shall be glad to cooperate with you for this purpose in every possible way.

Cordially yours,

Works Progress Administration, Washington, D. C., February 23, 1939.

Washington, D. C., February 23, 1939.

The Honorable James J. Davis,
United States Senate.

My Dear Senator Davis: Thank you for your letter of February
18 in response to mine of February 14.

I assure you that it is my desire that the Works Progress Administration in Pennsylvania, and elsewhere, shall be so conducted that the public may have full knowledge of its operations, to which it is certainly entitled. If at a later date you feel that an investigation of the Works Progress Administration in Pennsylvania would be helpful, I shall be very glad to discuss the matter with you in detail. However, I do not feel that I can make a definite commitment on this matter pending the completion of the current investigation of the need of persons who are on the relief rolls. I am also desirous of carrying to completion certain organizational am also desirous of carrying to completion certain organizational and procedural changes in the operation of the Works Progress Administration which are being put in effect throughout the United States.

I appreciate your offer of cooperation. Sincerely yours,

F. C. HARRINGTON, Administrator,

FEBRUARY 24, 1939.

Col. F. C. HARRINGTON,

Administrator, Works Progress Administration

Dear Colonel Harrington: I have your gracious letter of February 23. I appreciate your desire to correct abuses in W. P. A. You will understand my desire in this matter is thoroughly nonpartisan. This is an off-election year and inasmuch as a thorough nonpartisan investigation of W. P. A. and its past activities is inevitable, I thought it best to get it out of the way at

I know the pressures that will be brought to delay such an investigation. But please do not put it off. It will take time to get the necessary lists of names of officials and witnesses and the sconer this is started the better it will be for the country as a whole. Your leadership to this end will be appreciated by all the people, including a great majority of W. P. A. workers themselves.

You can even now find instances of gross abuses in many parts of Pennsylvania. I call your attention to the way the cafeteria is being operated in the project building at Pittsburgh. I have scores of letters showing relatives of high officials on W. P. A. rolls, whose salaries cannot be justified under the original purpose of W. P. A.

of W. P. A.

You will recognize that it will not be possible forever to cover up these abuses and I have every confidence you do not wish or expect to make yourself party to a whitewash. A nonpartisan investigation by citizens outside of W. P. A. is essential. I ask your cooperation for it now.

Cordially yours,

Works Progress Administration, Washington, D. C., March 7, 1939.

The Honorable James J. Davis, United States Senate.

My Dear Senator Davis: I have given very thoughtful consideration to your further letter of February 24, 1939, relative to your proposal for an investigation of the Works Progress Administration in Pennsylvania. I am, however, unable to change my previous opinion that such an investigation would not serve any useful pur-

opinion that such an investigation would not serve any useful purpose at this time.

The administrative burden now imposed upon the Works Progress Administration in Pennsylvania in carrying out the provisions of recently enacted Public Resolution No. 1 is very heavy, and to impose a State-wide investigation on top of this would greatly complicate the situation. This is particularly true as you propose that the investigation be made by persons outside the Works Progress Administration, who therefore would be unfamiliar with its policies and procedures and would not be able to accomplish a great deal without a large amount of aid from our administrative personnel in the State.

The responsibility for conducting the Works Progress Administration in Pennsylvania rests definitely on me, and I have an administrative chain of organization which I feel to be fully competent to investigate any matters which require such investigation. I also wish to assure you that I will be glad at any time to look into any questions or complaints which you may bring to my attention.

attention.

There is a further consideration that the Works Progress Administration is a Federal agency, and I therefore believe that if it is to be investigated by a committee of private individuals, this should be done only if authorized and required by the Congress.

Sincerely yours,

F. C. HARRINGTON. Administrator.

Works Progress Administration, Washington, D. C., March 7, 1939.

General Letter No. 240.

General Letter No. 240.

To: All State Works Progress administrators.

Subject: Political activity.

Public Resolution No. 1, Seventy-sixth Congress, approved February 4, 1939, provides in sections 3 (a), 3 (b), and 5 (a) as follows:

"SEC. 3. (a) It shall be unlawful for any person, directly or indirectly, to promise any employment, position, work, compensation, or other benefit provided for or made possible by the Emergency Relief Appropriation Act of 1938 or this joint resolution, or any other act of the Congress to any person as consideration, favor, or reward for any political activity or for the support of or opposition to any candidate or any political party in any election.

"SEC. 3. (b) It shall be unlawful for any person to deprive, attempt to deprive, or threaten to deprive by any means any person of any employment, position, work, compensation, or other benefit provided for or made possible by the Emergency Relief Appropriation Act of 1938 or this joint resolution on account of race, creed, color, or any political activity, support of, or opposition to any candidate or any political party in any election.

"SEC. 5. (a) It shall be unlawful for any person knowingly to solicit, or knowingly be in any manner concerned in soliciting, any assessment, subscription, or contribution for the campaign expenses of any individual or political party from any person entitled to or receiving compensation or employment provided for by the Emergency Relief Appropriation Act of 1938 or this joint resolution."

Public Resolution No. 1 in sections 3 (c) and 5 (b) provides the following penalty for any person found guilty of violating the above-quoted sections:

"Any person who knowingly violates any provision of this section shall be guilty of a felony and, upon conviction, shall be fined not more than \$1,000 or imprisoned for not more than 1 year, or both. The provisions of this section shall be in addition to, not in substitution."

The Division of Investigation of this Administration will be responsible for the inve

Public Resolution No. 1, Seventy-sixth Congress, in section 4 (a)

Public Resolution No. 1, Seventy-sixth Congress, in section 4 (a) and 4 (b) provides that:

"Sec. 4. (a) It shall be unlawful for any person employed in any administrative or supervisory capacity by any agency of the Federal Government, whose compensation or any part thereof is paid from funds authorized or appropriated by the Emergency Relief Appropriation Act of 1938 or this joint resolution, to use his official authority or influence for the purpose of interfering with an election or affecting the results thereof. While such persons shall retain the right to vote as they please and to express privately their opinions on all political subjects, they shall take no active part in political management or in political campaigns.

"Sec. 4. (b) Any person violating the provisions of this section shall be immediately removed from the position or office held by him, and thereafter no part of the funds appropriated by the Emergency Relief Appropriation Act of 1938 or this joint resolution shall be used to pay the compensation of such person. The provisions of this section shall be in addition to, not in substitution for, any other sections of existing law, or of this joint resolution."

The term "administrative or supervisory capacity" as used in

Intion."

The term "administrative or supervisory capacity" as used in section 4 (a) is interpreted to include persons paid on administrative, general project supervisory, or project pay rolls, who have actual supervision over any other employee or employees or who are in such position that by reason thereof they may exercise authority or influence over other employees irrespective of whether they have actual supervision over the work of any employees.

Any person in an administrative or supervisory capacity who violates the provisions of section 4 (a) shall be subject to immediate discharge and thereafter such person shall not be eligible for any employment which is compensated from funds appropriated to the Works Progress Administration. Where alleged violations of section 4 (a) of Public Resolution No. 1 are investigated by the State administrator, a copy of the report of each administrative investigation, together with a report on the administrative action taken as a result of the findings of each investigation, shall be forwarded to the Deputy Administrator, Works Progress Administration, Washington, D. C., immediately upon completion of the inquiry.

inquiry.

To carry out rules and regulations relating to political activity and to effect compliance with the provisions of the Emergency Relief Appropriation Act of 1938 and of Public Resolution No. 1, Seventy-sixth Congress, no person employed by the Works Progress Administration in an administrative or supervisory capacity as defined above shall be retained in such employment if—

(1) Such person is a candidate for any Federal, State, district, county, or municipal office in any primary, general, or special election, or who is serving as a campaign manager or assistant thereto for any such candidate.

(2) Such person is holding an elective office the duties of which would necessitate being absent from a W. P. A. position during regular working hours or to which a salary in excess of \$200 per year is attached, provided that under no circumstances shall such person hold any public office through which such person would be involved in political management or political campaigns.

(3) Such person is a member of a party committee or organization the duties of which are concerned with political management or political campaigns.

or political campaigns.

The policy of the Works Progress Administration concerning the exercise of the voting franchise by W. P. A. employees remains as

Follows:

Every citizen who works for the Works Progress Administration, whatever his job, has a right to vote in any election for any candidate he chooses. When the hours during which polling places are open or any other conditions prevent employees from freely exercising their voting privileges, scheduled hours of work may be adjusted to provide the necessary time for this purpose. Employees shall not be paid for time allowed during which to vote, but they shall be permitted, insofar as practicable through a rescheduling of working hours, to work their full quota of hours during the pay-roll month for which the time off is granted.

The regulations prescribed by this general letter shall be effective immediately and State administrators are directed to take such action as may be required to effect compliance with these provisions. In order that these regulations shall be known by all W. P. A. employees and by other persons, the State works-progress administrators shall arrange to have copies posted on bulletin boards at the site of every project and at all administrative offices throughout the State.

boards at the site of creat product throughout the State.

This letter supersedes and rescinds general letter No. 191, dated
This letter supersedes and rescinds general letter No. 205, dated October 27, 1938.

July 2, 1938, and general letter No. 205, dated October 27, 1938.

F. C. Harrington, Administrator.

PENNSYLVANIA'S REPRESENTATION AT NEW YORK WORLD'S FAIR

Mr. DAVIS. Mr. President, I ask unanimous consent to have printed in the RECORD, as part of my remarks, a statement, dated March 10, 1939, by Mrs. Barclay H. Warburton, chairman of the Pennsylvania Women's Committee for the World's Fair. This statement shows an unexplained insult to the Pennsylvania Women's Committee for the World's Fair. Moreover, it calls attention to the desire of the respectable citizens of Pennsylvania that any representation made of our State at the World's Fair shall possess the dignity and the respect which our citizens as a whole have a right to expect in such an exhibit. I am confident the representative citizens of Pennsylvania do not desire our exhibit at the New York World's Fair to degenerate into a hamburger parlor.

There being no objection, the statement was ordered to be printed in the RECORD, as follows:

STATEMENT BY MRS. BARCLAY H. WARBURTON, CHAIRMAN OF THE PENN-SYLVANIA WOMEN'S COMMITTEE FOR THE WORLD'S FAIR, RECEIVED OVER THE TELEPHONE FROM HER WINTER HOME IN PALM BEACH, FLA., ON FRIDAY, MARCH 10, AND ISSUED TO THE NEWSPAPERS

The women officially appointed in Pennsylvania to participate in the New York World's Fair have been completely ignored. They have never been consulted; they have never been contacted

by the Governor's commission; they have never been asked to express an opinion; they have never been invited to sit in on conferences; they have never received a single communication concerning the exhibit; and so the women of Pennsylvania are in no way responsible for the atrocity which has been perpetrated in the name of this State.

name of this State.

The women of the advisory committee, of which I am chairman, want it to be known that they have had no part whatever in the planning and execution of the Pennsylvania exhibit at the World's Fair. Although invited officially to participate, more than 100 leading and representative women of Pennsylvania have been left completely out in the cold.

My Pennsylvania associates have done nothing in connection with this exhibit. We have done nothing for reasons that will be quite apparent. I was appointed chairman by Grover Whalen and Mrs. Vincent Astor, with the request that I should select women in the various counties of the State who would function as a committee working in conjunction with the commission appointed by Gov. George Earle.

Viewing this as a civic duty to be assumed, I went ahead and

George Earle.

Viewing this as a civic duty to be assumed, I went ahead and appointed the committee. They were actuated by a sincere desire to do something that would really contribute to the fair and something which could be a proper and creditable contribution from our State. These names were sent to Governor Earle's commission in June 1938, but until now we have had no communication from that commission, nor have we been requested to attend any meeting other than one which I individually was asked to attend at the executive mansion in Harrisburg last June.

We have never been requested to make any suggestions as to the character or architecture of the building nor consulted about details of the interior furnishing. Of course, we had no official State status, but the Governor's commission had notice of the existence of the women's committee.

tails of the interior furnishing. Of course, we had no official State status, but the Governor's commission had notice of the existence of the women's committee.

The women of Pennsylvania would have taken a much greater interest if they had been invited to sit in on official conferences when the plans were drawn. When I attended Governor Earle's meeting we weren't asked anything. We were told. Mrs. Huberta Earle, chairman of the State commission, did her best to prevent the original plans from being carried out as suggested, but apparently the commission paid no more attention to her wishes than they did to the women of the State.

Mr. Irwin D. Wolf, the secretary, promised he would notify me when meetings were to be held so that I might be present. I have since learned that many meetings were held but that I was never notified. To make criticism of the exhibit now would accomplish little or no good. The duplication of the State house, no matter how badly bungled it may be, is an accomplished fact. The interior decorations of the building are probably already definitely determined by the New York architects whom the Governor employed. If that is so, criticism would be worthless.

I feel that I can confidently state that the representative women from all parts of the State who accepted posts on the committee resent, as I do, the deliberate and insufferable affront we have received at the hands of the State commission. Nevertheless, these women are still willing to give their best efforts to redeem, if possible, the glaring errors which now threaten our State's exhibit.

We do not want the great industrial State of Pennsylvania to be blazoned before the country as a beer and hamburger parlor in a pseudohistorical setting.

blazoned before the country as a beer and hamburger parlor in a pseudohistorical setting.

AMERICANISM-ADDRESS BY SENATOR TYDINGS

[Mr. Burke asked and obtained leave to have printed in the RECORD an address on Americanism, delivered by Senator Typings before the Elks' Club, in Baltimore, Md., on March 16, 1939, which appears in the Appendix.]

NATIONAL DEFENSE POLICY-ADDRESS BY SENATOR BRIDGES

[Mr. Johnson of California asked and obtained leave to have printed in the RECORD a radio address on the subject What Should Be Our National Defense Policy? delivered by Senator Bridges on March 16, 1939, which appears in the Appendix.]

THE EPIDEMIC OF HATRED--ADDRESS BY DR. HARRY EMERSON FOSDICK

IMr. Frazier asked and obtained leave to have printed in the RECORD a radio address on the subject The Christian and the World-Wide Epidemic of Hatred, delivered by Dr.

Harry Emerson Fosdick on Sunday, February 19, 1939, which appears in the Appendix.]

TOWN MEETING

[Mr. Bridges asked and obtained leave to have printed in the RECORD an editorial from the Hanover (N. H.) Gazette entitled "Town Meeting," which appears in the Appendix.1

FREEDOM OF THE PRESS

[Mr. Bridges asked and obtained leave to have printed in the RECORD an article from the Pittsburgh (Pa.) Press on the subject of the freedom of the press, which appears in the Appendix.]

REORGANIZATION OF EXECUTIVE DEPARTMENTS

The Senate resumed the consideration of the bill (H. R. 4425) to provide for reorganizing agencies of the Government, and for other purposes.

The VICE PRESIDENT. The question is on the amendment offered by the Senator from Montana [Mr. WHEELER].

Mr. ELLENDER. Mr. President, I propose to make a few observations on the pending bill. A year ago I had occasion to address the Senate on a similar reorganization bill. I desire at this time, in a measure, to reiterate some of the arguments advanced by me when I spoke in favor of the said reorganization bill which the Senate passed last year, and to take exception to the position of the Senator from Montana [Mr. WHEELER] and the Senator from Maryland [Mr. Typings] with respect to their assertion that the Congress will surrender its legislative powers to the executive branch of our Government by enacting the pending bill; that should the bill pass, the President would have the authority to actually abolish departments of government created by the Congress.

I quote an excerpt from the speech delivered yesterday by the Senator from Montana [Mr. WHEELER]:

The West is vitally interested in reclamation; it is vitally interested likewise in the Forest Service, because of the vast forests in the West. In the House of Representatives there are, relatively speaking, few Members from the West, because the Western States are sparsely settled. Legislation affecting that section, to do away with the Reclamation Bureau, might very easily be passed by the Congress of the United States, because I would say that a large part of the Eastern States are opposed to irrigation and reclamation.

Suppose, however-

Says the Senator from Montana-

that the House approved a reorganization plan doing away with irrigation and reclamation, and it came over to the Senate of the United States, and because of the numerical strength of the West in the United States Senate we said, "We will not approve it." It would still be the law of the land, notwithstanding the fact that both branches of the Congress had not approved that particular legislating the same of the congress had not approved that particular legislation.

In other words, the Senator from Montana takes the position that should the President attempt to reorganize the Forest Service or the Reclamation Bureau, he is given the right to abolish the substantive part of the law creating those services. I take issue with that contention. The only thing the President could do under this bill would be simply to transfer from one agency to another the administrative feature of those laws, the execution of those laws.

After all, the President of the United States is the chief administrator of our laws. We look to him for the execution of all of our laws. The only authority that is granted to the President of the United States under this bill is simply and solely to group, coordinate, and consolidate some of the executive agencies; that is all. And that function must be exercised by him under certain conditions specified in the bill and-

Mr. ADAMS. Mr. President-

The VICE PRESIDENT. Does the Senator from Louisiana yield to the Senator from Colorado?

Mr. ELLENDER. I yield.

Mr. ADAMS. I hope the Senator is correct; but I ask that he clarify for me subsection (4) of section 1, on page 2, in which the authority is given-

To reduce the number of such agencies by consolidating those having similar functions under a single head, and to abolish such agencies or such functions thereof as may not be necessary.

It occurred to me that the abolition of the functions would be taking away the power of the agencies to do those things; and I should be very glad to have the Senator assure me that I am wrong in that interpretation.

Mr. McCARRAN. Mr. President, will the Senator further yield, in keeping with the question propounded by the Sen-

ator from Colorado?

Mr. ELLENDER. I yield. Does the Senator's inquiry pertain to the same question?

Mr. McCARRAN. The same question. In other words, would not the Executive be authorized, in abolishing the functions, to abolish all the facilities and all the operations of every department that he might see fit that were not necessary? I am using the last words of the expression read by the Senator from Colorado.

Mr. ELLENDER. That could happen if it were necessary for the efficient conduct of the Government. It may be true that that would be necessary.

Mr. McCARRAN. Very well. Will the Senator yield for one more question, please, in keeping with the former one? Then I shall not interrupt the Senator again.

Mr. ELLENDER. I yield. Mr. McCARRAN. Would it not be, then, a mere question of the judgment of the Executive as to whether or not that function or that facility was necessary?

Mr. ELLENDER. Yes; it would be. To the extent, of course, that such would be necessary in order to carry out a plan of reorganization of the executive agencies affected.

Mr. McCARRAN. Very well. One more question right at that point: Then the Executive's judgment could not be interfered with at all by Congress. Is not that true?

Mr. ELLENDER. True, as to the administrative feature of the law, but not as to the carrying out of the substantive part of the law. Should we in Congress enact certain legislation, and let us say that in such legislation we delegate to a commission the authority to carry out the will of the Congress, as is the case with respect to T. V. A., for example, which was mentioned on the floor of the Senate on two or three occasions; the President would have the right to shift the duty now imposed on the directors of T. V. A. to some other agency to carry out the will of the Congress; but he would not have the right to annul the substantive portion of the Tennessee Valley Authority. In other words, reorganization would be limited to the administrative features of a

Mr. MINTON. Mr. President, will the Senator yield?

Mr. ELLENDER. I yield.

Mr. MINTON. Is it not the Senator's judgment that the President's power would be limited to the elimination of agencies? It does not extend to the elimination of functions; but only those agencies will be retained that will accomplish the functions. The President would not abolish the functions themselves.

Mr. ELLENDER. No; it would lead to this: The President would abolish the executive agency whose duties would be transferred to another existing executive agency or department in order that the will of the Congress can be carried out. The President could even transfer certain administrative functions, or even abolish some that would not be necessary, just so long as he carries out the substantive part of the law. That is all that would happen.

Mr. McCARRAN. Mr. President, will the Senator yield at that point?

Mr. ELLENDER. I yield.

Mr. McCARRAN. Is it not true that the language read to the Senator from Louisiana by the Senator from Colorado [Mr. Adams] carries with it not only an implication but an absolute, direct, and positive authority that not only may the function be abolished but the function may be abolished so far as the Executive may deem it necessary to abolish it?

Mr. ELLENDER. Yes; as I pointed out to the Senator from Indiana [Mr. MINTON], so long as the will of Congress is carried out.

Mr. McCARRAN. The will of Congress has already been expressed by the creation of these functions and by the creation of these agencies. After the will of Congress has been expressed in creating these agencies and in creating these functions, nevertheless they will be abolished by one individual, whomsoever he may be, without Congress having an opportunity again to pass upon the matter.

Mr. ELLENDER. Mr. President, if an agency of the Interior Department can carry out administrative functions which are now vested in the Agricultural Department, let us say, what difference does it make which department carries

out the will of Congress?

Mr. McCARRAN. Just the difference between congressional action and no congressional action; that is the difference. In other words, congressional action is the will of the people, and the will of the people is the sovereign, because in a democracy the people are always the sovereign. The Senator from Louisiana is addressing himself to the idea that the sovereign has resigned, and many of us in the past have been addressing ourselves to the idea that the sovereign in this country has resigned and has become the elected executive head of the Government.

The Senator has asked me a question. I desire to answer it at length. In other words, if the Senator's view has any cogency whatever, it means that Congress will resign its entire

Mr. ELLENDER. What function?

Mr. McCARRAN. Although for 50 years last past it has exercised that function of legislating for the people whom the Congress represents. That is the answer to the Senator's

question, "What function?"

Going on again, if we carry out the provisions of this bill as it is now presented, we shall entirely resign every power that Congress has to maintain the instrumentalities of government which Congress during half a century has put on the statute books, after long and continuous debate on the floors of the two Houses of Congress; and we shall do more than that. We shall resign the right to pass upon the acts of the Executive, whomsoever he may be. This authority extends into 1941. Let me draw the attention of the able Senator from Louisiana to that fact. It extends into 1941. The Senator from Louisiana and some of the rest of us may be here then. There are others who may not be here. This authority extends to the point where the Senator, by reason of his party affiliation, will have no control over the acts of an Executive who may be here in 1941; and I am further answering the question of the Senator.

If democracy intends to remain in control of our Government, it is time for democracy to exert and assert itself through the will of its elected representatives. It is not a question of who may be sitting in the White House. It is not a question of who may be advising the able gentleman who sits in the White House. It is a question of when and where and how a democracy represented by the form of government we have in this country will resign its functions, and become subject to the will of one organization, or one individual advised by an organization that is not elected by the people.

That is the whole question involved here.

Mr. ELLENDER. I realize that, Mr. President. That is the issue that is causing most of the debate on this bill. I cannot help reiterating, however, that the only power given to the President of the United States by this bill, as I understand it, is simply to group, coordinate, and consolidate, under certain terms and conditions specified in the bill, certain governmental executive agencies. It is a question, not as to changing the substantive part of the law but as to the method of carrying out the law. I repeat, what difference does it make whether a law which was passed before the present Congress is administered by the Agricultural Department, the War Department, or the Interior Department, so long as the will of Congress is carried out. Let us not forget that the President is the chief administrator and executor of our laws and Congress looks to him to carry out the substantive part of all laws, except as to those which are selfoperative.

Mr. MINTON. Mr. President-

Mr. ELLENDER. I yield to the Senator from Indiana. Mr. MINTON. Directing the Senator's attention to the argument of the Senator from Nevada [Mr. McCarran] to the effect that by this bill Congress is surrendering its power as a legislative body, what we are doing here is saying to the President that he shall have authority to reorganize his own executive branches of government because the Congress does not feel that it is competent to do so. We are not doing anything differently than what we do when we create an Interstate Commerce Commission to pass upon the reasonableness of the rates of carriers. We say to the Interstate Commerce Commission, "You do this job, because it is too intricate a job for Congress to do." The job we turn over to the Federal Trade Commission, the job we turn over to the Civil Aeronautics Authority, is not a surrender of the sovereign power of Congress. It is only creating an agency to do that which Congress feels is too intricate for Congress to do by definitive legislation on the floor of Congress.

Mr. ELLENDER. That is correct. And by the same token, since the President is the chief administrator of the laws enacted by the Congress, we are giving him the authority of facilitating his work in order that he may carry out the will of the Congress.

Mr. McCARRAN. Mr. President, will the Senator yield?

Mr. ELLENDER. I yield for a question, not a speech. Mr. McCARRAN. The Senator asked for a speech before, and I gave it to him. I hope he will not ask for one again.

Mr. ELLENDER. I was rather interested.

Mr. McCARRAN. I call the Senator's attention to page 2, lines 9 to 13, which is subdivision (4):

To reduce the number of such agencies by consolidating those having similar functions under a single head, and to abolish such agencies or such functions thereof as may not be necessary for the efficient conduct of the Government.

I ask the able Senator from Louisiana, is it not true that involved in that very expression there is entirely delegated the right for whomsoever may carry these provisions out to exercise his or their individual judgment?

Mr. ELLENDER. Certainly. Why should we not give that right to the President, when he is the chief administrator of our laws? We in the Congress established, for instance, the P. W. A. We say, in a measure, how the funds are to be distributed—for what purpose they are to be used. We have a yardstick in the law as to how the money is to be distributed. Suppose the President were given authority to change, let us say, by consolidating with another executive agency, the method of administering the law; what difference would it make, so long as the funds are distributed for the purposes indicated in the law and to the agencies entitled thereto.

Mr. McCARRAN. Who would give him the authority?

Mr. ELLENDER. The Congress, of course.

Mr. McCARRAN. Certainly. Now let me go back to the first question.

Mr. ELLENDER. That is what we are doing here; we are doing that in this very bill. We are simply permitting the President to combine, to consolidate, these hundreds of bureaus and subdivisions which the Congress has been creating for the past hundred years or more.

Mr. McCARRAN. Now, let me go back to the Senator's question, "Who is the administrator of our laws?" That was the Senator's question. That implies the very thing I have been trying to put over to the Senator, that it is the law of Congress. In other words, it is our law. If we say that someone else shall have the right to make that law, then we have resigned our position.

Mr. ELLENDER. Does the Senator mean who should administer the law? Is that what is in the Senator's mind?

Mr. McCARRAN. No; it is our law. We created the law, and it is now our law. When someone else creates the law. or someone else carries out the provisions which we have not delegated to him, then it ceases to be our law.

Mr. ELLENDER. Let me ask the Senator a question.

Mr. McCARRAN. May I conclude this? I refer to the law of Congress.

Mr. ELLENDER. Let me ask the Senator a question. Mr. McCARRAN. Certainly.

Mr. ELLENDER. The Senator is very much interested | in reclamation and in reforestation.

Mr. McCARRAN. Certainly. Mr. ELLENDER. I am using reclamation and reforestation in my example because the Senator from Montana [Mr. Wheeler] has referred to it many times.

Mr. McCARRAN. He referred to it entirely as an example. Mr. ELLENDER. Suppose the pending bill should be passed and the President should see fit to transfer the functions of the present administrator of the forestry law to

some other executive agency.

Mr. McCarran. Yes. Mr. ELLENDER. Would the Senator conclude that the President would have the further right to abolish the law itself under the pending bill?

Mr. McCARRAN. Certainly; the transfer of the functions

is an abolition of the law.

Mr. ELLENDER. That is where the Senator and I differ. Mr. McCARRAN. Let me answer further. Congress created the Forest Service.

Mr. ELLENDER. Yes. Mr. McCARRAN. And Congress said what the functions of the Forest Service should be, and Congress said where those functions should be exercised. When some other agency than Congress attempts to do that which Congress did and which Congress alone has the right to abolish, then I say that we have resigned that which was our initiative in the first instance, and should be our function in the last.

Mr. ELLENDER. It does not follow that the consolidation of the administrative functions carries with it the right to annul that substantive portion of the law. I am sorry to disagree with the views taken by the Senator from Nevada [Mr.

McCARRAN].

Mr. McCARRAN. Of course, we do not agree.

Mr. ELLENDER. But it strikes me this way very forcibly, that we in the Congress have passed a law respecting reclamation and one respecting reforestation, and the only authority we are now giving to the President is to take those Departments, if he sees fit, and administer them by methods which will be better for the efficient conduct of the Government. We do not give him the right and the authority to abolish the Forest Service, the substantive part of the law. We are simply affecting the administrative features of the

Mr. McCARRAN. In keeping with that thought, let me read again to the Senator the language of the bill.

Mr. ELLENDER. Does the Senator mean subdivision (4)?

Mr. McCARRAN. Yes. Mr. ELLENDER. I am familiar with it. Mr. McCARRAN. Let me read it again:

To reduce the number of such agencies by consolidating those having similar functions under a single head, and to abolish such agencies.

"And to abolish such agencies."

Mr. ELLENDER. It would be necessary to abolish some. if the duties imposed were carried out by another executive agency or agencies.

Mr. McCARRAN. Will not the Senator wait for my question? I will ask the Senator, if he will kindly yield.

Mr. ELLENDER. I yield.

Mr. McCARRAN. I am going to read again:

To reduce the number of such agencies by consolidating those having similar functions under a single head, and to abolish such agencies.

I will ask the Senator to please keep that in mind.

Mr. ELLENDER. I understand.

Mr. McCARRAN. "Or such functions thereof." To abolish agencies and to abolish functions means to put an agency out of business, does it not?

Mr. ELLENDER. That is correct; absolutely correct.

Mr. McCARRAN. Then, let us go back to reclamation. To abolish reclamation, you put its functions out of business.

Mr. ELLENDER. No; he could transfer the administrative feature of the law to another agency, and if he did that he would have to abolish the administrative functions of that agency; necessarily so.

Mr. McCARRAN. Very well. If the Senator says that it will mean the abolition of the functions and an abolition of the agencies, the Senator has answered my question in the

Mr. ELLENDER. The transfer of the administrative functions, which is all it would mean. The question would always resolve itself as to who would administer the substantive portion of the law. That is all it would mean.

Mr. MINTON. Mr. President, will the Senator from Louisiana yield there?

Mr. ELLENDER. I yield.

Mr. MINTON. It would be absurd to transfer a function to one agency, then leave the old agency existing from which we had transferred the function.

Mr. ELLENDER. Exactly.

Mr. JOHNSON of Colorado. Mr. President, may I interrupt the Senator along the line of the inquiry of the Senator from Indiana?

Mr. ELLENDER. Certainly. Mr. JOHNSON of Colorado. Why is the conjunction "or" instead of "and," if the Senator from Indiana is correct? If the conjunction were "and," the functions and the agency would go together; but the conjunction is "or," meaning a separation between the functions and the agency.

Mr. ELLENDER. It may be that we would want to transfer the functions of one agency to another agency. That would be possible under that interpretation of the bill. If we should use the conjunction "and," the President would have to abolish both the agency and the functions of the agency, but as the bill is written the President would have the right to say "Agency B, which administers the Forest Service, can be abolished"; that is, the agency itself; but the functions of it could be transferred to another agency to carry out the will of the Congress.

Mr. JOHNSON of Colorado. Does it not mean just what it states, that it gives the President broad powers over both the agencies and the functions? That is the way the bill

reads, and I think that is the intent.

Mr. McCARRAN. Mr. President, will the Senator yield for a question?

Mr. ELLENDER. I disagree with the Senator from Colorado on that point. It will remain true that if an agency is consolidated with another agency, it will be necessary that the one which is attached to the other agency would have to be abolished; would it not? It would necessarily follow that there would be one which would be a nominal agency, doing nothing, with a transfer of its functions to another agency-to do what? To carry out the will of the Congress.

Mr. McCARRAN. Mr. President, will the Senator yield?

Mr. ELLENDER. I yield. Mr. McCARRAN. The Senator undoubtedly, through history and otherwise, fully appreciates the expression "abolish." There was a time in history when that word was very much uppermost, so the Senator appreciates its import and its purport. Now let me read to the Senator again, and ask the Senator kindly to explain to the Senate what is meant by the term "to abolish such agencies or such functions." Does the word "abolish" mean what the Senator contemplates it means, and what all of us contemplate it meansto put out of business, to rub out, to exterminate?

Mr. MINTON. Mr. President, will the Senator from Louisiana yield?

Mr. ELLENDER. I yield.

Mr. MINTON. Does not that mean just what I suggested awhile ago, that if we abolish or transfer the performance of a certain function from Agency A to Agency B, then we will eliminate Agency A and the performance of that function which we transferred to Agency B?

Mr. ELLENDER. That is correct.

Mr. MINTON. We do not eliminate the function in its entirety; we merely eliminate the agency of A to deal with the function which we transferred to B.

Mr. ELLENDER. That is all; that is exactly what I have been trying to convey to the Senate.

The distinguished junior Senator from Virginia IMr. Byrd] in a speech made some time ago with reference to the reorganization bill which was pending in the Senate last year, submitted these figures:

There have been at least 29 agencies concerned with lending Government funds according to reports taken from Government

All agencies created apparently for the same purpose. The pending bill would merely permit the President to eliminate probably 1, 2, 5, or 8, or perhaps 10, of these agencies—to do what? To carry out the will of the Congress as expressed in legislation, the substantive part of it, not the administrative feature of it, but the substantive part of the law.

I quote further from the speech of the Senator from Virginia [Mr. Byrn]:

There have been at least three agencies concerned with insuring

deposits and loans.

There have been at least 34 agencies concerned with the acquisition of land.

There have been at least 16 agencies concerned with wildlife preservation.

Let us suppose the President were to abolish all but one of those agencies. He could certainly do so under the provisions of the pending measure and still carry out the will of the Congress, and at the same time carry out the purpose for which the pending bill is being placed on the statute books.

I continue to read from the Senator's speech:

There have been at least 10 agencies concerned with Government construction.

Think of that. Senators:

There have been at least nine agencies concerned with credit and finance.

There have been at least a dozen agencis concerned with home

and community planning.

There have been at least 10 agencies concerned with materials of construction.

There are more than two score personnel officers for the Government listed in Washington offices alone.

There are more than 100 information and publication offices in

Federal agencies at Washington.

There are more than 100 Federal agency libraries in Washington besides the Library of Congress.

Just stop and think of that, Senators. More than 100 Federal agencies in the city of Washington deal with libraries. Why could not the whole system of libraries be placed under one or two executive departments and at the same time carry out the will of the Congress? Certainly the President would not be permitted under the bill, by which he is being given the right to reorganize the Government agencies, to abolish the functions of those libraries. That, to me, seems ridiculous.

Mr. LEE. Mr. President, will the Senator yield?

Mr. ELLENDER. I yield.

Mr. LEE. What would happen to the Members of the Congress if we attempted to consolidate all those libraries in a bill on the floor of the Senate, and also on the floor of the House? Would not every one of the employees and all their friends and relatives and everyone they could influence be down on us, undertaking to influence us against doing that?

Mr. ELLENDER. I understand the Postal Telegraph Co. is now in receivership. If the Congress of the United States should try to reorganize every department of the Government, that telegraph company might get back on its feet because of the money it would make by virtue of the millions of telegrams which would be sent to each and every Senator, asking him not to vote to consolidate here or consolidate there. Senators, the question of reorganization of Government departments has been before the Congress for over 50 years. Someone has always advocated a plan of reorganization, but no Member of Congress has ever been able to put it through. In my opinion the trouble is that Congress has not the courage to reorganize the governmental agencies created by it.

Mr. McCARRAN. Mr. President, will the Senator yield? Mr. ELLENDER. I yield.

Mr. McCARRAN. I wonder if the Senator is speaking of himself, and undoubtedly he is, when he says he has not the courage. I take it that we are all to be grouped with the able Senator from Louisiana. I wonder what the object of these telegrams is. Is the object to influence someone?

Mr. ELLENDER. I will leave it to the Senator to answer that question. Then he can ask another funny one.

Mr. McCARRAN. Does the Senator from Louisiana think that the Members of Congress are the only ones in the world who are susceptible to the influence coming through the voice of the people at home?

Mr. ELLENDER. No; of course not.
Mr. McCarran. Does the Senator from Louisiana believe that the executive department is not listening to and subject to pressure from abroad and at home as well?

Mr. ELLENDER. I believe it is. What we are doing here, in my humble opinion, is simply passing the buck. All we are doing is passing the buck to the President.

Mr. McCARRAN. Will the Senator yield for a further expression along that line?

Mr. ELLENDER. I yield. Mr. McCARRAN. If that be true, then I say, with the Senator from Montana, that we do not seem to have the courage to assume and carry out our responsibility, and that there are those of us who are going to vote for the Wheeler amendment and propose to assert that courage and to carry out our responsibility, so that the executive department of the Government may be relieved of the responsibility which belongs to the legislative branch of the Government.

Mr. ELLENDER. As I said a while ago, it appears rather ridiculous to me when I read history and find the numerous efforts that have been made by this President and by that President to reorganize the governmental departments. Many Senators have spent months trying to devise some scheme whereby the Government departments could be reorganized. But the records fail to show, so far as I have been able to find, that any Congress has undertaken the reorganization of the executive departments. I may be wrong about that. I shall be glad to be corrected by any Senator who knows the contrary.

Mr. ADAMS. Mr. President, will the Senator yield?

Mr. ELLENDER. I yield.

Mr. ADAMS. I do not know whether what I am about to say is in the nature of a correction, but in my experience in the past 6 years I am not aware of a single measure introduced in the Senate of the United States providing for any detailed reorganization of the Government. In other words, we have talked about plans as to who was to do it. We have discussed the question whether Congress should reorganize or the President should reorganize, but no Senator has ever introduced in the Senate a bill for reorganization.

Mr. ELLENDER. Why?

Mr. ADAMS. I cannot answer the Senator's question, "Why?" I am merely saying that it is not accurate to say that it cannot be done when it has never been tried.

Mr. BONE. Mr. President, will the Senator yield?

Mr. ELLENDER. I yield.

Mr. BONE. Does the Senator from Louisiana know whether in recent years the Chief Executive has ever sent down in the form of a message a proposal to reorganize the Government bureaus and departments?

Mr. ELLENDER. My understanding is that was done in the early part of President Roosevelt's administration, when there was some law then in effect authorizing the President to consolidate or reorganize the departments.

Mr. BONE. The present President of the United States?

Mr. ELLENDER. Yes. That is my recollection.

Mr. BONE. Was that in the form of a Presidential mes-

Mr. ELLENDER. No.

Mr. BONE. Was it a mere general suggestion that Congress attempt to reorganize these departments and bureaus?

Mr. ELLENDER. No. As I recall it, an act was passed during the Hoover administration, and President Hoover, as I recall, submitted a plan of reorganization under that act. That plan was voted down by the Congress. The act in question, as I recall, was later amended—and I should like to be corrected if I am in error in what I am now saying—giving President Roosevelt a certain period in which to submit a reorganization plan, and I understand that the President did make several proposals which have been followed. In other words, his proposals became effective.

Mr. HATCH. Mr. President, will the Senator yield?

Mr. ELLENDER. I yield.

Mr. HATCH. I merely wish to suggest to the Senator from Louisiana, in view of his statement that there seems to be some doubt in his mind as to the procedure which was adopted, that I observed that the Senator from South Carolina IMr. Byrnes! entered the Chamber just at the time the Senator from Louisiana made his statement. The Senator from South Carolina is thoroughly familiar with the steps which were taken and the law which was passed. If the Senator from Louisiana desires an answer to his question, I am sure the Senator from South Carolina can give him full information about the subject.

Mr. ELLENDER. I will ask the Senator from South Carolina whether I stated correctly what has occurred. I gave my recollection of the situation.

Mr. BYRNES. I regret to say that I was not in the Chamber at the moment the Senator made the remarks to which he now refers.

Mr. ELLENDER. The Senator from Washington [Mr. Bone] asked whether or not any President ever submitted proposals for reorganization, and it is my recollection that in the latter part of the Hoover administration—

Mr. BYRNES. I will say to the Senator that in June 1932 a measure was passed by the Congress unanimously which gave to the President the power to sign an Executive order and send it to the Congress, and it became effective in 60 days, unless either House of Congress should disapprove. The House disapproved the only order that was sent by the previous President, Mr. Hoover.

Then on March 1, 1933, I offered an amendment to the Treasury-Post Office appropriation bill, which amendment provided that the law should become effective in 60 days, and there was no provision for any action by the Congress other than legislative action, which would be the passage of a joint resolution or a bill.

Then on April 20, in the Roosevelt administration, that law was amended, because under the proposal I had submitted, and which had been adopted unanimously in the Senate, the 60-day period ran only while the Congress was in session.

In April 1933 the law was amended so as to provide that when the President signed an order it became effective in 60 days, whether the Congress was in session or not. There were 12 votes in the Senate, and only 12, against that proposal. That was the law under which the President formed the Farm Credit Administration, and transferred the Shipping Board to the Department of Commerce, and signed about 32 other orders of reorganization.

Mr. ELLENDER. How did the procedure differ from that provided for in the pending bill, I will ask the Senator from South Carolina?

Mr. BYRNES. It differed from the procedure provided in the pending bill in this respect: Under that bill the Congress had no power to act, or to show its disapproval, except by passing a bill or joint resolution, which necessarily would have to go to the President for signature. The question that is now raised could have been raised then, that if the President vetoed the resolution or the bill, the Congress would have to override the veto by a two-thirds vote. Last year, when we had a proposal in the same language, the argument was made by the Senator from Iowa [Mr. Gillette], the Senator from Michigan [Mr. Brown], and the Senator from Colorado [Mr. Johnson] that that should not be done, because it required a two-thirds vote. The Democratic Members of the House, seeking to meet that objection, have taken

the proposal first submitted by the three Senators I have named and put it into the bill to give the Congress, by a bare majority instead of a two-thirds vote, the right to disapprove any order of reorganization.

Mr. BONE. Mr. President, may I again intrude at this point?

Mr. ELLENDER. I shall be glad to yield.

Mr. BONE. I merely seek information. While the Senator from South Carolina is in the Chamber he probably can answer the question. I fear that I did not state it clearly. My question was, Has any President in recent years submitted to the Congress a concrete proposal in the form of a message in which he set out exactly what he proposed to do in the way of reorganizing departments, changing functions, and abolishing or changing the boundary lines of the departments, so that the Congress could have some actual piece of proposed legislation to work on?

As I recall from hearing the debates, the suggestion was that we authorize the President to make such changes; but I am wondering whether or not any President so far has ever come to Congress with a concrete proposal as to what he intended to do. I do not recall any such instance in my service in the Senate.

Mr. BYRNES. Mr. President, the joint committee worked upon the matter for some years.

Mr. BONE. I know; but did the President himself suggest anything?

Mr. BYRNES. The President, urging reorganization, suggested the appointment of the committee. The Senator from Mississippi [Mr. Harrison] and others served on the committee. After a year's work, the committee submitted a suggestion. On the committee there were three members of the President's Cabinet, representing the executive departments, together with Members of the Senate and House. The committee submitted to the Congress a plan which provided for the consolidation of various departments. President Harding submitted that plan to the Congress. It proposed quite a number of consolidations and mergers. However, just as soon as the plan had been submitted all the gentlemen who were affected by the mergers came to Congress as quickly as did the message; and nothing was done by the Congress.

The message to which I refer was submitted to Congress by President Harding. The Senator was asking for information. Of course, President Roosevelt, under the bill of 1933, to which I have previously referred, did submit to the Congress the orders he had signed. There were some 32 orders, abolishing various activities. Among the agencies abolished was one about which we used to joke in the Senate and House, the International Screw Thread Commission. At that time I did not know there was such a thing. A number of commissions were abolished, and other were transferred into departments. However, they did not amount to anything in comparison with the merger of the Farm Credit Administration, and the transfer of the Shipping Board to the Department of Commerce.

Mr. BROWN. Mr. President, will the Senator yield?

Mr. ELLENDER. I yield.

Mr. BROWN. The Senator from South Carolina does not say what I should like to have him say; that is, that the President actually acted in some specific instance. He did abolish the Shipping Board, and transferred the Shipping Board to the Department of Commerce.

Mr. BYRNES. I thought I said that.

Mr. BROWN. He did it under a law which gave Congress no authority whatever to act after his order came to Congress, except by a piece of legislation.

Mr. BYRNES. That is absolutely correct.

Does the Senator from Louisiana wish to ask me a question?
Mr. ELLENDER. The Senator from Michigan [Mr. Brown] stated that there was a consolidation of two agencies. The Shipping Board was consolidated with some other agency. How was that consolidation accomplished? Was anything changed except the agency that was provided for in the act to administer its provisions? How was the change effected?

Mr. BYRNES. There was an order of abolition of the Shipping Board, and its functions were transferred to the Department of Commerce.

Mr. ELLENDER. Only the administrative function was transferred from one agency to the other.

Mr. BYRNES. Of course. The Senator is correct.

Mr. ELLENDER. And, in the Senator's opinion, that is all that the present bill seeks to do?

Mr. BYRNES. I think we have greatly exaggerated the importance of the matter. If we left in a department the power to go on and spend money, the department would come to the Appropriations Committee at the next session of Congress, and the Appropriations Committee would be met with a request for funds. After the transfer of the Shipping Board, its functions were exercised by the Department of Commerce. There were 27 orders signed. I will say to the Senator that I have a list of them before me.

Mr. ELLENDER. I do not desire to retain the floor any longer, but, before closing my remarks, I wish to refer the Senate to section 1, outlining the purposes of the bill:

SECTION 1. (a) The President shall investigate the organization of all executive agencies of the Government and shall determine what changes therein are necessary to accomplish the following purposes:
(1) To reduce expenditures to the fullest extent consistent with

(1) To recure expenditures to the different operation of the Government;
(2) To increase the efficiency of the operations of the Government to the fullest extent practicable within the revenues;
(3) To group, coordinate, and consolidate executive agencies of the Government, as nearly as may be, according to major purposes;

The purpose of the bill is not to destroy; not to give the President the right, as it were, to nullify the substantive part of any act passed by Congress; but merely to change the agency or the administrative body to carry out the will of the Congress. That is all the present bill proposes.

I read section 4:

SEC. 4. Whenever the President, after investigation, finds that—
(a) the transfer of the whole or any part of any executive agency
the functions thereof to the jurisdiction and control of any

other executive agency; or
(b) the consolidation of the functions vested in any executive agency; or
(c) the abolition of the whole or any part of any executive

agency or the functions thereof, is necessary to accomplish one or more of the purposes of section

(d) prepare a reorganization plan for the making of the transfers, consolidations, and abolitions, as to which he has made findings and which he includes in the plan.

I invite the Senators to read section 1 of the bill in conjunction with section 4. It will be seen that the only power vested in the President is to change the administrative feature of the law. So far as the Congress is concerned, it makes no difference whether the administrative feature of a statute is carried out by, let us say, the Senator from Indiana, the Senator from Colorado, the Senator from South Carolina, or anyone else, for that matter. What the Congress is interested in is to see that the substantive part of the law is executed.

Mr. President, that is all I have to say.

Mr. MINTON. Mr. President, will the Senator yield?

Mr. ELLENDER. I yield.

Mr. MINTON. Suppose a business corporation were seeking to reorganize its own departments. Of course, the stockholders, the constituent elements of the corporation, would not be called in to do the job. Neither would the board of directors. I think the board of directors would probably authorize the president of the concern to go ahead and regroup the various agencies, and to reorganize his own concern. The board of directors would not undertake to do the job itself. It would do just what we are attempting to do; that is, authorize the executive of a great public corporation to reorganize and regroup the agencies for efficiency

Mr. ELLENDER. The power to reorganize would be delegated to the administrative head of the corporation, the exact thing that we are now trying to do in this bill. We are seeking to delegate to the President the powers of adjusting the administration of laws. I repeat, all the bill provides is to delegate to the President the power to group, coordinate, and consolidate executive agencies which have to do with the administration of the laws which we enact.

Mr. ADAMS. Mr. President, will the Senator yield?

Mr. ELLENDER. I yield.

Mr. ADAMS. It occurs to me that the Senator from Indiana has used a very unfortunate illustration. As a matter of fact, the president of a corporation is merely the agent of the board of directors. He can do nothing that the board of directors or the stockholders have not authorized him to do. Our Government is not analogous to a private corporation. The Constitution of the United States vests all executive powers in the President of the United States. No executive powers are vested in the president of a corporation, other than those given to him by the bylaws adopted by the stockholders or by the board of directors. So when the Senator says that the president of a corporation could decide such a matter I think he is mistaken. For example, if the president of the United States Steel Corporation wanted the Youngstown plant shut down, or wanted to build a new plant somewhere else, or wanted to stop making sheet steel somewhere, under normal corporate processes he would not have the authority to do it without going back to his board of directors. It seems to me the illustration is unfortunate. It does not go to the point which the Senator from Indiana wishes to reach.

Mr. MINTON. Of course, the Senator from Colorado and everybody else knows that the analogy is not complete. However, the analogy is complete to this extent: The President is the chief executive officer of the Nation. We sit as a board of directors in this instance. We tell him what to do administratively with reference to the various agencies, boards, and bureaus. When the President acts, he does so under a delegation of authority from the Congress of the United States, just as the board of directors might authorize the president of a corporation to act. The President of the United States cannot act beyond the authority we give him in this bill any more than the president of a corporation can act beyond the authority given him by the board of directors of the corporation.

Mr. ADAMS. Mr. President, may I interrupt once more?

Mr. ELLENDER. I yield.

Mr. ADAMS. There is one other difference. The board of directors of a corporation may delegate the making of rules; they may delegate the establishment of policies. United States Constitution vests all legislative powers conferred by the Constitution in the Congress. The Congress cannot delegate legislative powers to the Executive. Under this bill we cannot delegate legislative powers. That is beyond any question. We can delegate the administration of legislative powers, but we must legislate, and the Executive must carry out the law.

Mr. ELLENDER. Is not the Congress, in the long run, interested in seeing that its will is carried out, insofar as the substantive part of the law is concerned, and not as concerns

the administrative feature of it?

Mr. ADAMS. Certainly.

Mr. ELLENDER. Very well; if that be true, what difference, may I ask again, does it make whether an established department that we created administers the act, or that we authorize the President to transfer the functions of that administrative agency to another administrative agency, in order to carry out the purposes of the law? What difference does it make?

Mr. ADAMS. I am merely trying to make the point that, of course, in the creation of a Cabinet position we cannot delegate legislative power. Suppose we decided we wanted a secretary of public welfare and we wanted to fix his salary and his functions; would not that be legislation? Could we delegate to the President authority to create any executive department of the Government that he thought would be for the welfare of the Government?

Mr. ELLENDER. Under the pending bill he is not permitted to do that, as I construe the pending bill.

Mr. ADAMS. May I ask the Senator could we delegate such a power?

Mr. ELLENDER. No; I do not think we could.

Mr. ADAMS. If we create a department within our legislative power, could we delegate to the President authority to abolish the department which we had created?

Mr. ELLENDER. The administrative features, yes; provided the administrative functions of the abolished agency are carried out by some other existing administrative agency. Mr. ADAMS. I mean the department and its functions.

Mr. ELLENDER. That raises the same question the Senator from Nevada [Mr. McCarran] raised awhile ago, that this bill does not give the President the right to abolish anything but the administrative feature and not a substantive part of the law. It simply gives the President the right to say that, instead of the agency that we created under say, Senate bill 14, we are going to permit another agency to carry out the functions of that law. That is all the present legislation proposes, and nothing else.

Mr. MINTON. Mr. President, the Senator from Colorado stated that Congress cannot give to anybody the power to make rules.

Mr. ADAMS. Oh, no; I did not say that.

Mr. MINTON. I misunderstood the Senator if he did not say that.

Mr. ADAMS. I did not say that.

Mr. MINTON. Then I misunderstood the Senator, because the Senator knows and everyone else knows that we

Mr. ELLENDER. I now yield the floor to the Senator from New Mexico, who has been on his feet for some time.

Mr. HATCH. Mr. President, I thank the Senator from Louisiana and other Senators. I desire to speak very briefly upon a matter which has arisen in the debate on the pending bill. Yesterday a great deal was said about democracy and the course this country has been taking by the pending and similar legislation, and comparisons were made on the floor of the Senate of the course of the present administration and the course of the German Government. During the debate yesterday the statement was made that-

The Reichstag of Germany granted Chancelor Bruening the legislative power and right to issue decrees.

In reply to that statement which was made by the Senator from Minnesota [Mr. Shipstead], as I recall, the Senator from Maryland said:

I thank the Senator for his contribution. Yes; just as we are doing here the Reichstag of Germany did under Mr. Bruening. It gave him the right to issue temporary decrees in his name; but that is not the American system of government.

The statement that the Reichstag had granted the power to Chancelor Bruening under which he issued executive decrees was to me rather startling. I had not so understood the situation. To clarify the matter I asked the Senator from Maryland if such a method of government—that is, the issuance of executive decrees-had not arisen by virtue of the constitutional authority. I asked the specific question:

Was it not a constitutional right?

To which the Senator from Maryland replied:

No. The Constitution of Weimar was a democratic constitution, which lodged the legislative power in the Reichstag, or the German Congress.

Except for the fact, Mr. President, that constant reference has been made on the floor to the similarity of action we are taking in this bill and in others to the action and the course of events which took place in Germany, by which democratic government broke down and the rule of the dictator became supreme, this matter perhaps would not be important; but, to my mind, today it is important. I see no similarity between the proceedings which have occurred under the present administration and the events which took place by which constitutional government in Germany came to an end.

In order to keep the record straight, Mr. President, I made a hurried search last night, and I desire to place in the Record today something about the history and development of the executive decrees in Germany. First of all, I desire to quote article 48 of the German Constitution, to

which the Senator from Maryland referred. That article reads:

In the event of a State not fulfilling the duties imposed on it by the Constitution or the laws of the Reich, the President of the Reich may make use of the armed forces to compel it to do so.

Where public security and order are seriously disturbed or in danger within the Reich, the President of the Reich may take the measures necessary for their restoration, intervening in case of need with the help of armed forces. For this purpose he is permitted, for the time being, to abrogate either wholly or partially the funda-mental rights laid down in articles 114, 115, 117, 118, 123, 124,

Mr. TYDINGS. Mr. President, will the Senator yield? Mr. HATCH. I yield to the Senator from Maryland.

Mr. TYDINGS. The Senator is not drawing the parallel which he originally started to draw. The President, under the Constitution of Weimar, was empowered to issue decrees. To quote the exact language of the constitution:

Where public security and order are seriously disturbed or en-dangered within the Reich, the President of the Reich may take the measures necessary for their restoration, intervening in case of need with the help of armed forces.

The President of the United States can do that in cases when security is affected and there is serious disorder.

For this purpose he is permitted, for the time being, to abrogate either wholly or partially the fundamental rights laid down in article 114—

And so forth.

Mr. HATCH. I am going to read from those articles in just

Mr. TYDINGS. I am dealing with what the Senator has read. So is the Governor of every State empowered to declare martial law in a period of great emergency and make the military for the moment dominant over the civil.

Mr. HATCH. If the Senator will be patient-

Mr. TYDINGS. I will be patient. Mr. HATCH. Until I read from the other articles mentioned, I think that statement will hardly be justified.

The President of the Reich must, without delay, inform the Reichstag of any measures taken in accordance with paragraphs 1 or 2 of this article. Such measures shall be abrogated upon the demand of the Reichstag.

Where there is danger in delay, the State government may take provisional measures of the kind indicated in paragraph 2 for its own territory. Such measures shall be abrogated upon the demand of the President of the Reich or the Reichstag.

That is the constitutional provision to which I referred on yesterday, which indicates that Chancelor Bruening exercised his power to issue executive decrees by virtue of constitutional authority.

Mr. TYDINGS. Mr. President, will the Senator yield?

Mr. HATCH. I yield.

Mr. TYDINGS. I think the Senator has stated, of course, a fact, but he has neglected to cover within the scope of the fact as stated all the circumstances. It is one thing to issue decrees in the face of national disturbance; it is another thing to quell that disturbance and to reestablish order; it is another thing to issue decrees dealing with religion, with taxes, with money, with conscription in the Army, with public works, and a variety of matters which have not the slightest reference, to quote the words of the authority, to public security and order when seriously threatened.

To say that Mr. Hitler in following the example of Mr.

Bruening

Mr. HATCH. No, he did not; there is a difference there, as I will point out later.

Mr. TYDINGS. But the point I made yesterday was that Mr. Bruening started to issue decrees which had for their purpose the restoration of public security and order, and that when Mr. Hitler came into power he used the example of Mr. Bruening to work out by decree matters which had formerly been determined by the German Reichstag. I do not see up to this time that I am basically wrong in the statement I made.

Mr. HATCH. As I recall, the first emergency which arose which caused the issuance of an executive decree by Chancelor Bruening was the fact that the Reichstag had failed to approve the budget as submitted by the Government.

Mr. TYDINGS. I think that is true.

Mr. HATCH. The Reichstag was dissolved, and, by executive decree, the same budget was put into effect.

Mr. TYDINGS. Yes; but the Senator will be fair. Mr. HATCH. I want to be fair. That is the reason why I brought the authority with me.

Mr. TYDINGS. I know that. There is no fairer man on the floor of the Senate than the Senator from New Mexico, and I do not say that idly. I believe that to be true.

Mr. HATCH. I thank the Senator.

Mr. TYDINGS. To use the exact words of the German Constitution, when may the President of Germany, under the Constitution of Weimar, issue a decree?-

Where public security and order are seriously disturbed or en-dangered within the Reich, the President of the Reich may take the measures necessary for their restoration.

The Governor of every American State has the right to take measures under his police power. He may call out the militia. He may declare martial law in the area where the disorder exists. The President of the United States may do it. So we are really debating here the police powers of Germany, which have nothing to do with the ordinary routine operations of government by decree.

In the latter part of Mr. Bruening's administration, however—and, as I said yesterday, in my opinion he was a good man, and sought only to bridge over an emergency-his decrees took on wider and wider scope, away beyond, in my judgment, the authority conferred on him by the Constitution, because many of those decrees did not deal primarily with disturbance and lack of security in the German Reich.

Then, when Mr. Hitler came in, what he found Mr. Bruening could do he has done on an ever-widening scale.

My thought was, as I expressed it yesterday-and with this statement I shall conclude—that we talk about the government of one man, the great power he has, and the world disaster and misery that follow in the wake of the exercise of power by one man without legislative restraint, and then in the very next breath, here in our own Congress, we confer power on the President of the United States and imitate the very example we formerly condemned.

Mr. HATCH. If I may proceed, I am really more interested in the historical discussion of the subject than in attempting to prove that the Senator from Maryland was right or wrong on the constitutional question.

Mr. TYDINGS. I appreciate that fact.

Mr. HATCH. But the reference in the Constitution to certain other articles intrigued my interest, and I looked at

In those articles it will be observed that by the executive decree authorized by article 48, the President of the Reich may abrogate in whole or in part rights laid down in the subsequent articles. Articles 114 to 118 are comparable to our own Bill of Rights. They assert the inviolability of personal liberty. They declare "the residence of every German is an inviolable sanctuary for him." No punishment may be inflicted for any action unless it was designated by law as a crime before the act was passed. In other words, there shall be no ex post facto law, in effect.

Mr. TYDINGS. Mr. President, will the Senator yield?

Mr. HATCH. Yes.

Mr. TYDINGS. Without getting into the field of academic debate, I am sure the Senator will not deny that frequently, when disturbances break out in a State in which it is necessary to call out the armed forces, the Bill of Rights, as we know it, does not exist, because everything gives way to the restoration of order.

Mr. HATCH. The Senator is talking of a military government, not a civil government.

Mr. TYDINGS. The German constitution says action may be taken even to the extent of calling out the armed forces.

Mr. HATCH. To enforce these rights; but the President of the Reich may set them aside by executive decree without any armed force.

Mr. TYDINGS. That is absolutely true; but he may do it only when the security of the people is endangered, or if there is disturbance.

Mr. HATCH. When there is an emergency, in other words.

Mr. TYDINGS. That is correct.

Mr. HATCH. That, in substance, is what the Constitution of Germany says, and it has always been so treated.

Mr. TYDINGS. In my remarks yesterday I think the Senator will remember that I pointed out over and over again that there was no emergency calling for reorganization in the sense in which we are using the word here. There is no foreign army at Bladensburg; the banks are open; the farmers will not get any more for their wheat than they are going to get anyway; the unemployed will still be with us. I am not taking issue with the Senator; but I believe a strict construction of my remarks will show that the power of ruling by decree could be exercised only in case there was such a degree of disturbance that it was equivalent to the beginning of martial law.

Mr. HATCH. I cannot agree with the statement that there was such a degree of disturbance as to be equivalent to the beginning of martial law, and I do not think history so reveals; but I desire to continue and finish these remarks as soon as possible.

In addition to the matters which I have mentioned, those articles protected the secrecy of correspondence, postal, telegraph, and telephone service, all declared to be inviolable: and article 118 provides:

Every German has the right, within the limits of general laws, to express his opinion freely, by word of mouth, writing, printed matter, or picture, or in any other manner. This right must not be affected by any conditions of his work or appointment, and no one is permitted to injure him on account of his making use of such rights.

The American doctrine of free speech, yet subject to be set aside, under the German Constitution, by executive decree of one man!

The articles to which I have referred would in our country be considered the fundamental rights of American citizens: and it was under this constitutional power that the first executive decree was authorized and brought into being by Chancelor Bruening. No act of the Reichstag brought it into effect. In fact, it was because the Reichstag was obstreperous that it was necessary to use it in the first instance.

Mr. McCARRAN. Mr. President, may I ask a question of the Senator at that point?

Mr. HATCH. I yield.

Mr. McCARRAN. Was it not by reason of the fact that the Reichstag rather resigned its prerogatives and its

Mr. HATCH. No; it was exactly the opposite of that in the beginning. Later they did. Under Hitler they absolutely laid down everything, as I shall presently show.

Mr. McCARRAN. I mean, finally they did lay down all of their powers.

Mr. HATCH. When Chancelor Hitler took over complete power the Reichstag surrendered everything to him, as I shall show, and that was done by act of the Reichstag, but at the time the movement began there was opposition.

Mr. McCARRAN. May I interrupt the Senator for another question?

Mr. HATCH. Yes.

Mr. McCARRAN. But the first step was taken in that which the Senator is now relating. In other words, the first step was a break, so that eventually Hitler took over entire control.

Mr. HATCH. I shall continue with that as I go along, and try to show much better, in the language of another man, the correct history.

Mr. TYDINGS. Mr. President, I think the Senator from New Mexico is making a decided contribution to this debate by publishing the real facts and the law, and I think that in construing a certain part of those decrees I perhaps carried my remarks beyond the field of real accuracy.

Mr. HATCH. That is perfectly natural. We frequently

Mr. TYDINGS. The point I was attempting to make, however, aside from the form of this bill, was the matter of substance that when we begin to walk that road we do not know what the final result is going to be. When there is an emergency, sometimes we have no choice; but when there is no emergency we have a choice, and we ought not to start to walk that road.

Mr. HATCH. I really have not desired to discuss that question.

Mr. TYDINGS. Of course not.

Mr. HATCH. But I have some very deep convictions on the course we have been traveling since 1933, and the course which the German Government has traveled.

Mr. TYDINGS. I was simply attempting, not to take issue with the Senator but to point out the philosophy of the remarks I made yesterday. I did not seek to argue with him on his own point of view.

Mr. HATCH. I understand.

I desire to call the attention of Senators to a work entitled "In Europe Since 1914," by F. Lee Benns, a most authoritative discussion of the liberal and Nazi regimes in Germany. In this work we find how government by executive decree grew up under Chancelor Bruening.

In July 1930 after the Bruening government had failed to secure the adoption of a budget—the failure of the Reichstag to adopt the budget was the emergency-after the Reichstag had rejected the budget, President Hindenburg dissolved the body; and the President, under the emergency clause, article 48, which I have read, inaugurated a financial program which differed but little from the one the Reichstag had rejected.

Again in December 1930, President Hindenburg was compelled to resort to emergency decrees in order to put into effect the financial program of the government. It was not until after measures were adopted in the Reichstag in February 1931 to prevent the obstructionist tactics of the Nazis, and the leader of the German Nationalists withdrew from the body, that the government succeeded in getting its 1931 budget approved. The Bruening government continued to be confronted by national financial difficulties. The knowledge of her financial troubles began to cause alarm at home and abroad; and late in 1931 President Hindenburg was compelled to issue a new set of emergency decrees. They were:

(1) To reduce national expenditures still further, (2) to force down wages and prices in German industry so that German might successfully compete in foreign markets and thus safeguard the stability of her currency, (3) to increase the Government's police power for the purpose of suppressing possible attempts to overthrow the republic.

It may be noted at this point that at that time President Hindenburg's period of service was about to expire. Chancelor Bruening asked President Hindenburg to extend his own term of office, which under the constitution he had the power to do by executive decree. He refused to do so.

Thus from this most cursory statement it appears that the constitutional power for executive decrees did exist, and that was what I stated yesterday, that it was used by President Hindenburg and Chancelor Bruening strictly in accordance with the constitution, without authority from the Reichstag. In fact such course was made necessary by opposition which arose in the Reichstag. It was no surrender of legislative power by the Reichstag at that time. However, we now pass to a most interesting development in Germany, and I think it was of this the Senator from Maryland was speaking and thinking rather than the development of government by executive decree under Chancelor Bruening. After Adolf Hitler had been appointed Chancelor in 1933, events began to move most rapidly—almost as rapidly as they have been moving in recent days. Hitler dissolved the Reichstag on February 2 and immediately began raising the specter of communism, much as Mussolini had done, in an effort to strengthen his own power and apparently to seize control of the Government.

Mr. LUCAS. Mr. President, will the Senator yield?

Mr. HATCH. I yield.

Mr. LUCAS. When Hitler dissolved the Reichstag, did he obtain authority to do so, or did he have the authority under

Mr. HATCH. There was no violation of constitutional authority.

Mr. LUCAS. Another question has been discussed with respect to emergencies which exist in the German Empire at any particular time. If I understand correctly, such emergencies could be determined under the constitution solely by one man, and the Reichstag had nothing to do with saying what was or what was not an emergency.

Mr. HATCH. The Senator is absolutely correct.

Mr. McCARRAN. May I interrupt the Senator just a moment?

Mr. HATCH. I yield.

Mr. McCARRAN. I do not wish to interrupt the continuity of the Senator's thought, but in order that we may understand, let me ask if the Reichstag as it existed under the German Constitution and under the German reorganization was not quite analogous, we will say, to Congress as it exists under the American democracy? Am I correct in that?

Mr. HATCH. Will the Senator repeat that? I am not quite certain of its implications.

Mr. McCARRAN. The Reichstag was the expression of the German people?

Mr. HATCH. It was the German Congress.

Mr. McCARRAN. It was the German Congress?

Mr. HATCH. Yes.

Mr. McCARRAN. In other words, it stood in the same place under the German Constitution following the war which Congress occupies today in the United States?

Mr. HATCH. It had similar powers.

Mr. McCARRAN. The appointment of Mr. Hitler was made by the President, under the German Constitution?

Mr. HATCH. Absolutely; there was no breach of constitutional power at all.

Mr. McCARRAN. That is correct. But Mr. Hitler in being appointed was given greater power than that exercised by the President himself?

Mr. HATCH. I shall show in a moment just what that power was, and it will startle and amaze the Senator, I am quite sure. First, however, I desire to quote the issue as Hitler saw it. I quote Hitler:

There can be no middle course here. Either the red flag of bolshevism will be hoisted soon or Germany will find itself again.

That was the way he saw the issue.

Now I quote from the book Europe Since 1914, which vividly describes the course of Adolf Hitler toward unlimited and unrestricted power in Germany.

During the 5 weeks preceding the Reichstag elections Hitler's During the 5 weeks preceding the Reichstag elections Hitler's government resorted to strong-arm methods against the opposition, particularly the Communists, the Social Democrats, and the Centrists. Opposition newspapers were suspended or suppressed, opposition meetings were forbidden or broken up; opposition speakers were denied access to the radio which became a Nazi monopoly. On February 28, 5 days before the elections, a fire of incendiary origin nearly destroyed the Reichstag building. The Communists were at once accused by the Nazis of being the perpetrators of this act of vandalism, and hundreds of Communist leaders were arrested. By dwelling upon the dangers of a Communist. trators of this act of vandalism, and hundreds of Communist lead-ers were arrested. By dwelling upon the dangers of a Communist-Socialist plot to overthrow the Government, the Nazis sought to cause a wave of anti-Communist hysteria to sweep the country. An emergency decree of the President suspended all constitutional provisions guaranteeing personal liberty, freedom of the press, liberty to hold meetings, and even secrecy of the mails.

Yet, Mr. President, Senators of the United States stand here and compare the pending bill with the actions of Adolf Hitler in destroying constitutional government in Germany.

I quote further:

All Communist papers in Germany and all Social Democratic papers in Prussia were at once suspended until after March 5. The President further authorized the Federal government to seize the executive power in any German state which failed to take "the necessary measures for the restoration of law and order."

On March 5, stirred by the propaganda and excitement of the preceding week, more than 39,000,000 German citizens went to the polls. Although the German workers still showed their militancy and strength by polling 7,000,000 votes for the Social Democrats and 4,800,000 for the Communists, although the Catholic Center parties showed their opposition to the Nazi program of suppression and intimidation by casting 5,500,000 votes and even increasing their Reichstag representation, the millions of ordinary "stay-at-homes" who participated in this election turned the tide in favor of the National Socialists. In the country as a whole the latter secured

more than 17,000,000 votes, which, with the 3,000,000 votes of the Nationalists, gave the Hitler-Papen government about 52 percent of the popular vote. With 288 Nazi representatives and 53 Nationalists, Hitler controlled a majority of the 648 seats in the new Reichstag. An analysis of the vote further revealed that the National Socialists had gained the ascendancy in Bavaria from the Catholic Centrists and in Prussia from the Social Democrats.

Wearing his Nazi uniform, Chancelor Hitler appeared before the newly elected Reichstag at its first session and read his official message, at the conclusion of which, much as Mussolini had done in 1922, he demanded dictatorial powers for 4 years. In a single session the Reichstag rushed the enabling act granting these powers through the required three readings, finally adopted it by a vote of 441 to 94, and then adjourned indefinitely.

441 to 94, and then adjourned indefinitely.

Then, having abdicated and surrendered, the Reichstag adjourned indefinitely.

I read further from this book:

The enabling act consisted of five articles and until April 1, 1937, The enabling act consisted of five articles and until April 1, 1937, conferred upon Hitler power to do anything—constitutional or unconstitutional—except to diminish the rights of the President and to abolish the Reichstag and Reichsrat as "institutions." Budgets might be adopted, government loans authorized, laws decreed, treaties made without consulting with the nation's popularly elected representatives. In the words of one keen political observer, the effect of this act was to confer upon Hitler and his government "a blanket power of attorney for the German people." Thus Adolf Hitler, after more than a decade of fighting, achieved by constitutional methods the great triumph toward which he had so long looked forward. He was now Chancelor of Germany and possessed of power greater by far than even the Iron Chancelor, Bismarck, had ever wielded. had ever wielded.

Thus, Mr. President, constitutional government died in Germany. Mr. Hitler came to power in Germany in the same year in which Franklin D. Roosevelt took office as President of the United States, and there are Senators who seek to draw a parallel between the course of Adolf Hitler and the course of Franklin D. Roosevelt. But the parallel ends with the taking of office, for every act of Adolf Hitler since he first occupied his position has been to destroy constitutional government in Germany and democratic processes, and every act of the Democratic administration under Franklin D. Roosevelt since March 4, 1933, has been to restore and save and preserve constitutional government and democratic processes in the United States of America.

Today constitutional government in Germany is dead, and today in the United States of America constitutional government lives, and, please God, whether the pending bill passes or does not pass, constitutional government in the

United States of America will continue to live.

Mr. McCARRAN. Mr. President, I have been exceedingly interested in the remarks of the able Senator from New Mexico [Mr. HATCH]. I am interested in his review of history, and especially interested in his review of our history as it parallels the history of Germany during the same period.

Mr. President, if we are to go forward with a democracy in America we must go forward with a democracy which has some definite aims and some definite ideas and some definite limitations. If those aims and those ideas and those limitations were found worth while during the past century and a half, I wonder if it would not be entirely worth while in this trying period of the world's history that we go forward with at least a semblance of the constitutional limitations which were expressed a century and one-half ago.

I was especially interested in the review so ably given by the Senator from New Mexico, because to my mind it displays an entirely different result from that which the Senator from New Mexico would have it imply. In other words, the history of Germany, from the close of the war up to the present time, has reflected, not the will of the people of Germany but rather the will of those who by reason of exigency or opportunity were placed in places of potential power. And we now stand at a breaking point in the history of our country.

Shall Congress resign its position as a legislative agency? Shall it abdicate the place given it by the founders of our country a century and a half ago, as a similar place given to the Reichstag only 21 years ago was resigned by the Reichstag only a few years after it was conferred upon it; or shall we go on with the great history of a great democracy to lead the world?

Mr. President, the history recited by the able Senator from New Mexico illustrates and emphasizes the fact that unless the Congress curbs the movement, which is now gaining momentum in this country, to take from Congress that which the Constitution gave to it, we will arrive at the same result. only it will be a more unfortunate result than that which has befallen the German people of today. I say we will arrive at the same result, because the same ideas which are now prevailing in the German constitutional government we find are being advocated by some here. I say the result will be more unfortunate because we will have set aside 150 years of the able and efficient advocacy of the great democrats of America, whereas Germany set aside only 20 years of its democractic history.

Let us consider what has been recited by the able Senator from New Mexico. He did not draw the parallel, as he might have done, with the history of the greatest military genius of all times. It would have been well had he referred to Napoleon in connection with the history of Germany, as that history has been written in the last 21 years, and as it is

being written now.

There is no comparison between Napoleon and the present ruler or controller of Germany. The one was a great military genius. The other is a "flop," to use the common expression of the hour. He may aspire for the time being, but his limits are within human view. He may aspire because he has now taken over a people who, coming out of the throes of war. found themselves wabbling, if you please, trying to find an agency of government to guide them. Unfortunately, they have gone forward and have eliminated the ideas of democracy from that great form of government of which Von Hindenburg was the head. Senators will remember that Von Hindenburg, when he was given the authority to prorogue the Reichstag, denied himself that right. It will be recalled that he was above the thought of doing such a thing. But those who advised him, those who were close to his ear. as was Mr. Hitler, carried out their views, not by the will of Von Hindenburg, but because of a Reichstag which lent itself to their wishes, through a Reichstag, if you please, which I claim is analogous to Congress, which lent itself to the whispering, not of Von Hindenburg but of Mr. Hitler, who was Von Hindenburg's adviser through all that period. And Hitler found himself in entire control, not by the will of the President of Germany, because, as recited by the able Senator from New Mexico, the President of Germany was opposed to the very methods that Hitler espoused, but rather found himself in control because the Reichstag of Germany yielded to a whispering campaign. That is exactly analogous to what is going on here today.

What is this whispering campaign? I am not entirely content to lend my ear to some of it; I am not willing to lend my ear to some parts of it that to my mind are beneath men of American birth. So I will not mention that. But I say that today there is in this country an element which would drive us into a foreign war if they had the opportunity; they are lending themselves day by day and hour by hour to such an effort; and they are using certain methods and certain agencies to bring about a change in the form of government here, so that, perchance, after all, we may lend our ear to a call that would say we should engage ourselves in a foreign embroilment. That to my mind is not in keep-

ing with the best thought.

Let us recur to what the Senator from New Mexico was primarily dealing with, namely, the bill which is now before the Senate. If the Congress is willing to yield its power over legislation, if the Congress is willing to say that some agency in the executive branch shall have control over that which belongs to the elected representatives of the people, then I say we place ourselves in the same position in which the Reichstag placed itself when it permitted Mr. Hitler to take over the control of Germany, when it permitted Von Hindenburg to resign from the Presidency of Germany, and thus placed the Reich, not in the hands of a democracy but in the hands of those who, seeking personal control, subrogated and set aside all democratic rule so that they might have the power.

Power is the uppermost thing in the pending bill. Let no one deny that. Power is the thing which is uppermost in this reorganization measure—power to set aside democratic control, power to set aside the prerogatives of Congress.

Why do I say that? Because of the lines that I read to the able Senator from Louisiana [Mr. ELLENDER] earlier today. The question was raised during the last session of Congress, and, as Senators will recall, the lines were stricken from the bill at that time. The words which provided the power to the Executive to set aside the functions of any particular branch of government, were stricken from the bill. Why? Because the argument was so forcefully made that that was an abrogation and setting aside of the power of the legislative function.

Mr. President, there is only one analogy that can be drawn from the splendid speech which has been delivered by the Senator from New Mexico, and that analogy brings to us the lesson that we should not set aside our powers as a legislative body, because the lesson of what happened in Germany has taught us that we should not give to any branch of government the power to say that a democracy may be entirely set aside.

The PRESIDING OFFICER (Mr. MURRAY in the chair). The question is on agreeing to the amendment of the Senator from Montana [Mr. WHEELER].

Mr. GILLETTE. Mr. President, no Member of the Senate is less qualified that am I to enter into a discussion of constitutional law. I have listened to the debate and have been tremendously interested in it. I have listened with advantage to the discussion by very learned and erudite lawyers who are Members of this body and who have approached the problem before us from many angles.

As I have stated, I am one of the Members who are not lawyers. I do not practice law. I am a farmer, and I represent an agricultural constituency. We are interested in the pending measure-and I am trying to speak for my constituency—not from the standpoint of abstruse and intricate discussions of constitutional questions but with reference to the purpose of the bill-what it is destined to do and what it is designed to do. We are interested not only in the purpose but in the manner in which that purpose is to be carried out.

It might well be asked why I take the floor at this time and attempt to discuss the bill at all, with my lack of knowledge of legal questions. I have found in my life that it is sometimes of real advantage to divest a subject under discussion of superfluities and get down to the real meat of the matter, the question which must be decided. I have risen merely to state my own view, as a Senator from the State of Iowa, as to the pending measure, its purpose, and the manner of its application.

No Senator has spoken on the subject during the time I have been in the Chamber who is not in full agreement with every other speaker as to the value of the purpose of the bill. Everyone has said, "I am fully in accord with the purpose of the proposed legislation to eliminate duplication and to curtail unnecessary expenditures in governmental administration." Everyone agrees, Mr. President, that in the administration of our laws the growth of our official personnel has reached such a point that it hangs over the people of America like the sword of Damocles, threatening to destroy us by using up all possible revenues that we can raise.

Every day in this body there is discussion as to how we can cut down appropriations; but so long as we create agencies and delegate to them functions to perform we must provide the money for their activities.

I am discussing a question which has been before every Congress for years. The agreement to which I have referred has been universal during that time; but we have demonstrated by inaction that we as a Congress will not take the steps necessary to reorganize governmental agencies, abolish those that are not necessary, eliminate duplication of functions, and curtail expenses of administration. We have not taken, and in my opinion we will not take, those steps. We must designate someone or some agency to act for us in taking the preliminary steps to determine whether or not reorganization can be effected, and how it shall be accomplished.

In the pending measure, as in the measure which was presented last year, there is an attempt to do what I have outlined. Is there any more logical agency to which to delegate the power than the executive department of the United States, which by the Constitution and by our action in setting up certain administrative powers is clothed with the duty of executing the law? Is there anything more logical than to give the executive department, the President of the United States, instructions to make an investigation and to report to us?

What does the bill do? The first thing it does is to direct the President of the United States to make the necessary studies and report to us. That is the bill, reduced to its lowest terms. In the bill we set up certain limitations, certain directions to the President as to how he shall make the studies and investigations, and how he shall make his report. Is there any Member of this body who does not agree that we have a right to ask the President to make such studies and report?

What is the next step? The President makes the studies and submits his report. Under the bill, if enacted into law, he cannot do one thing to carry out a reorganization plan other than to make the studies and report to the Congress of the United States, as we instruct him to do. That is all

When he has done that, what is the next step? Last year a number of Senators privately and on the floor of the Senate expressed concern over the delegation of powers to the President without the obligation of reporting to us. The Wheeler amendment was presented. As the Senate knows, if the bill had been enacted last year with the Wheeler amendment, it would have required action on the part of the Congress before the recommendations of the President could have gone into effect. The bill was passed by the Senate and later was rejected by the House.

At that time my learned colleagues the Senator from Michigan [Mr. Brown] and the junior Senator from Colorado [Mr. Johnson], having in mind the very grave difference of opinion in the Senate, and having in mind the desire of every Member of the Senate that some action be taken toward reorganization along the lines of the study which had been conducted under the leadership of the Senator from Virginia [Mr. Byrd] and the Senator from South Carolina [Mr. Byrnes], joined me in proposing an amendment. There was fear on the part of many Members of the Senate, as well as on the part of the general public, that we were delegating power to the Chief Executive and divesting ourselves of our constitutional right and duty. Because of that difference of opinion we proposed an amendment, which was later embodied in the bill.

As I view the situation, not as a lawyer but simply as a farmer and a citizen, we instruct the President to make studies and investigations and to report to us. He can take no effective action whatever until that is done. At the time we give him this instruction in the basic law which we enact-if and when we do enact it-we prescribe certain definite limitations, certain definite things that must be done before reorganization shall become effective. Is there any lawyer in this body, in the face of the recent decisions of the Supreme Court, or regardless of the decisions of the Supreme Court, who will take the position that at the time we enact a law we cannot provide as a limitation that the reorganization shall not go into effect until approved by a concurrent resolution of the Senate and the House? Is there any lawyer who will say we do not have that right?

The same question was raised last year; and, still speaking as a farmer, I am ready to agree that if we were to try, by a concurrent resolution, to abrogate law already on the statute books, we could not do it. But when we direct our agent to exercise certain power under instructions given to him, and at the time specify certain limitations on that power, is there anyone who thinks it cannot be done?

Mr. ADAMS. Mr. President, will the Senator yield?

Mr. GILLETTE. I yield.

Mr. ADAMS. The Senator having invited discussion-

Mr. GILLETTE. Not legal discussion. The Senator may answer my question, of course.

Mr. ADAMS. I was about to make a legal discussion. There is no question as to the right of the Congress to ask the President to make the study. I think the Senator is minimizing the second step when he says that we merely ask the President to make a report. We ask the President to submit a plan of reorganization, and we provide that the plan of reorganization shall become the law unless a concurrent resolution disapproving it is adopted by both Houses. That is something decidedly more than making a report.

If I may add a word or two, I do not believe the fact that Congress by a concurrent resolution approves the plan or, under the operation of the Wheeler amendment, approves the plan in any way, adds to the validity of the delegation to the President. The authority which we give to the President must stand or fall by the terms of the delegation. The provision of the Wheeler amendment or the provision of the pending bill merely provides a condition upon which the plan may go into effect. In other words, a concurrent resolution is not a legislative enactment of the plan.

The Wheeler amendment does not provide a legislative enactment. We either have made a valid delegation to the President to formulate a plan, or it cannot be made valid either under the provisions of the House bill or by the Wheeler amendment. All we are reserving by these two suggestions is the right to veto the plan. We can say to the President, "You may formulate a plan to consolidate"; but my question is when it comes to abolishing agencies and abolishing functions—for, of course, we cannot delegate legislative power; I think there is no question as to that—are the powers which we delegate legislative powers? I should like to have the Senator, who talks of being a farmer, although he does not talk like a farmer, discuss that question.

Mr. SMITH. May I ask the Senator how does a farmer talk? [Laughter.]

Mr. ADAMS. The Senator of South Carolina has given a thousand illustrations here.

Mr. SMITH. They are much better than those of the Senator from Colorado by unanimous consent. [Laughter.]

Mr. ADAMS. It has been my pleasure, Mr. President, to sit in this body only 6 of the glorious years which have been graced by the presence of the Senator from South Carolina. I know no farmer so well educated, so fluent, and so instructive as is the Senator from South Carolina, and I have always sat at his feet with the utmost humility.

Mr. SMITH. Let not the Senator get into a position where I should like to kick him. [Laughter.]

Mr. ADAMS. Mr. President, if I may say a word further—

Mr. GILLETTE. I yield.

Mr. ADAMS. In my mind is the question whether or not, under the provisions of the bill, we are seeking to delegate legislative power, which we cannot do, or are we merely directing the President to execute a law as it is laid down? If we lay down a principle of law, and we provide how it shall be executed, it is perfectly proper to say to the President, do this, that, or the other thing; but I am not clear that we can say to him, "You may abolish functions which we have created by an act of Congress when we provided for the establishment of a particular office."

I should like the Senator to clear up in my mind the question whether validly and legally we can give to the President such power. I think, as I have said, the question of delegation should not be confused with the matter of action by the Congress. Whatever we do depends upon the passage of an act. If we have delegated a power, we cannot make it valid by anything that we may do other than in the legislative process by the signature of the President upon the measure.

That is my inquiry, and, as I have said, I intruded upon the Senator because there seemed to be a desire upon his part to have some lawyer, or someone who pretends to be a lawyer, at least, enter the discussion.

Mr. GILLETTE. Mr. President, I am under deep obligation to the Senator from Colorado, because he has stated on the floor just now what he has stated to me many times in conversation in discussing this matter. Neither am I in the position, as I have stated, regardless of the conclusion of the Senator, to cross swords with him on questions of constitutional law. But the fact remains that it became more apparent to me after the discussion the Senator has just presented to this body that we are not clothing the President, or attempting to clothe him, with any power to abolish a function. There is a difference of opinion as to the meaning of the bill, but we are not clothing him with the power to do anything except to make studies and to report a suggested plan to the Congress. When the plan comes to the Congress it may provide for the abolition of a function, whether so provided in the bill or not. We ask him to report a plan to us. and we provide in the bill that such plan when presented shall not go into effect until we take certain specific action. Whether or not the President exceeds the power given him or whether we eliminate and entirely wipe out the provisions referring to functions, he could send Congress a plan embodying the abolition of a function whether it was so provided in the bill or not.

We reserve to ourselves the right to act on his report. As to the advisability of doing it, there is a difference of opinion; there is a strong difference of opinion as to whether we should take affirmative action or whether we should take negative action. All I am trying to do, as a farmer, I will say to the Senator, is to say that when reduced to its lowest terms we have been indulging in an abstruse discussion that does not go to the merits of the matter in which the people of the United States are interested.

Mr. CLARK of Missouri. Mr. President, will the Senator yield?

Mr. GILLETTE. I yield.

Mr. CLARK of Missouri. I understand the position of the Senator from Iowa to be that there is no delegation of power involved when the Congress asks for a report, as the Senator suggests, and then when the report is made provide that it shall be a law if one branch of the Congress is willing to accede to it or is not willing to repudiate it? Does not the Senator think that is a delegation of power?

Mr. GILLETTE. In a measure, it is a delegation of power, but it is reserving to ourselves the right to act on it.

Mr. CLARK of Missouri. It is not reserving to the Congress that right.

Mr. GILLETTE. Just a moment. The same situation is extant in the case of any measure that comes before the Congress. The Senate can go on record on a bill and announce a decision by a record vote, but if the other body, the other arm of Congress, does not act favorably, it does not become a law.

Mr. CLARK of Missouri. If the Senator will permit me, it seems to me that the analogy is extremely poor for this reason: It may be granted that the Senate may pass a measure for the repeal of any law now on the statute books, and if that is disagreed to by the other House of Congress, the repeal is not effectuated. The proposition of the Senator from Iowa is essentially different.

Mr. GILLETTE. I agree fully with the Senator that it is not parallel.

Mr. CLARK of Missouri. If the Senator will permit me further—

Mr. GILLETTE. Certainly.

Mr. CLARK of Missouri. The Senator's proposition now is, in effect, that the Congress shall grant to another branch of the Government the right to make laws, or the right to provide a scheme which will have the effect of law, unless both branches of Congress can agree on repealing it.

Mr. GILLETTE. Will the Senator answer a question from me?

Mr. CLARK of Missouri. I will be glad, indeed, to do so, if I can.

Mr. GILLETTE. Does the Senator maintain that we, clothed with sole legislative authority under the Constitution of the United States, do not have a right, in a measure of this kind, to direct the executive branch of the Government to make certain studies and report them to the Congress, and

at the time we pass the law specify certain conditions under which the suggested changes shall take effect, reserving to ourselves when we pass the law the right to determine whether or not they shall become effective? Does the Senator say we have not the right to do that?

Mr. CLARK of Missouri. It is my personal view of the Constitution of the United States that that would be a delegation of power which is not authorized by the Constitution.

Mr. BARKLEY and Mr. BYRNES addressed the Chair. Mr. GILLETTE. I yield first to the majority leader, who has been on his feet, and then I will yield to the Senator

from South Carolina.

Mr. BYRNES. Will the Senator let me answer the question?

Mr. BARKLEY. I do not wish to take any precedence over the Senator from South Carolina, and will be glad to have the Senator from Iowa yield to him.

Mr. GILLETTE. I yield to the Senator from South Carolina.

Mr. BYRNES. Mr. President, I wish to say there may be a difference between the Senator from Missouri and the Senator from Colorado, but I still like the statement made by the Senator from Colorado on March 15, 1938, when a reorganization bill was last being considered. I should like to read that statement on the very point as to whether or not we can put a condition as to the time when the law shall become effective.

I read from the statement of the distinguished Senator from Colorado [Mr. ADAMS], and my dear friend, with whom I seldom differ:

Mr. President, my own theory is based merely upon the one premise that, regardless of what preceding Congresses may have done, regardless of practices, this Congress has the right to legislate as it pleases. It has the right to make certain delegations, to make those delegations conditional, and to provide that reorganizations shall not become effective until the conditions are complied with.

I ask the Senator to listen to this:

We may make a delegation, saying to the President, "Your Executive order shall not be valid unless it receives the unanimous approval of the Republican Members of the United States Senate." We may specify any condition which we see fit to specify, whether it be sound or unsound. It is for the Congress to attach any condition it sees fit upon the delegation which the Congress makes.

I understand that the Senator from Iowa takes the same position as that of the Senator from Colorado.

Mr. BARKLEY and Mr. WHEELER addressed the Chair.
The PRESIDING OFFICER. Does the Senator from Iowa

yield; and if so, to whom?

Mr. GILLETTE. I yield first to the Senator from Kentucky. Then I will yield to the Senator from Montana.

Mr. BARKLEY. Mr. President, the question of delegation of legislative power has been frequently passed upon by the Supreme Court. I want to say to the Senator from Iowa that he not only talks like a good farmer, but he talks like a good lawyer. All the power that Congress has is legislative power, except that the Senate may have in a certain form executive power in regard to the confirmation of appointments and the ratification of treaties. That partakes of an executive function. The Senate may act in a judicial capacity in the matter of impeachment. But all the power that Congress has with reference to the passage of laws is legislative power.

Congress may pass a law reorganizing all the departments. Nobody will dispute that statement. It is no indictment of the competence and the ability of Congress that it has not done it or that it will not do it, because if Congress ab initio should undertake to sit down, either through committees or as a Committee of the Whole, and go through the departments with a fine-tooth comb and find out what we could do in the matter of reorganization, working as hard as we could it would take an entire session of Congress to do that, without considering any other subject. That is the reason why it is physically impossible for Congress to do it and why it never will do it, and that is no reflection upon the intelligence or the competence of Congress. It is just a physical situation which we face.

On a number of occasions the Supreme Court has passed upon what we might call the delegation of power to some executive agency, or some agency set up by Congress. For instance, in 1912 Congress authorized the Secretary of the Treasury to reorganize the Customs Service if he found that such reorganization would result in economy and in efficiency. That reorganization was not required to be returned to Congress for action. The only condition was that the Secretary of the Treasury should find that such reorganization, such consolidations, and such abolitions of offices, and even functions, would result in economy and in efficiency. As the result of that act, the Secretary of the Treasury abolished many customs offices which had been located and established by Congress. No question was ever made of the power of Congress to delegate to the Secretary of the Treasury a power which Congress itself had, namely, to abolish customs offices. I recall that at some time during the Wilson administration, when Mr. Roper, later Secretary of Commerce, was Commissioner of Internal Revenue, he consolidated the internalrevenue bureaus all over the United States. He combined the bureaus in Kentucky from five into one, and that one has remained ever since as the sole internal-revenue bureau in Kentucky. No question ever was made as to the right of Congress to authorize the Secretary of the Treasury or the President, as its agent, to do that.

The only condition which the Supreme Court has ever fixed upon the power of Congress to delegate this duty to somebody has been that it set out sufficiently definitely the standards that it desires to set up, and the conditions under which

the action may be taken.

In the case of the Customs Service, the only condition in the law was that the Secretary of the Treasury find that economy and efficiency would result. That is precisely what we are doing in this instance. We are saying that the President shall make this survey, and he shall do it with two things in view: First, economy; and second, efficiency in the conduct of the Government; and he is required to bring about such consolidations and adjustments and reorganizations as may ultimately bring about the conduct of our Government within the revenues which are provided by the tax laws of Congress.

Certainly the standard set up in this bill is even more restricted than it has been in many other bills in which Congress has delegated to some executive officer the power to do something that Congress itself could have done if it had had the time and the facilities and the ability from

those standpoints to do it.

I want to say frankly that I think both the Wheeler amendment and the provision in the bill are constitutional. I have not any doubt that Congress may fix a condition precedent; and that condition may be the happening of a certain thing, or it may be based upon the failure of a certain thing to happen. Either one of them would be constitutional. In my judgment in this case, based upon the laws which heretofore have been passed and have been passed upon by the Supreme Court, we may authorize the President, as our agent, to make these consolidations without bringing them back to Congress. There is difference of opinion about that matter, but I believe that it may be done now, just as it has been done in the past. We undertake, however, to give Congress the right to pass upon the consolidation by saying that Congress may, within 60 days, reject it; and if the consolidation is rejected by Congress, it becomes null and void. Of course, that is a condition precedent which, in my judgment, is just as valid as the affirma-tive condition which is urged here by the Wheeler amendment.

Mr. WHEELER and Mr. ADAMS addressed the Chair.

The PRESIDING OFFICER. Does the Senator from Iowa yield; and if so, to whom?

Mr. GILLETTE. I yield first to the Senator from Montana.

Mr. WHEELER. Mr. President, let us assume that under the Constitution we may delegate to the executive branch of the Government the powers of Congress. If we may delegate to the executive branch of the Government the powers | of Congress, if we may delegate the power to legislate, we may delegate the power to impeach. Will any Senator on this floor stand up and say that the Congress could delegate to the President the power to impeach a member of the Supreme Court or to impeach anybody else?

If, under the Constitution, we may delegate one power granted by the Constitution, then we may delegate the other powers granted by the Constitution; and let me call attention to the fact that if the Senator's theory is correct and if the theory of certain other persons is correct, we may delegate the power to declare war. If we may delegate the power to abolish the functions of office, as expressed under this bill, then we may delegate to the President the power to make appropriations for any purpose for which he wants to appropriate money as long as we say that they shall be within the bounds of reason; or we may delegate to him the power to raise or lower taxes. We may delegate any power if we may delegate the power to abolish functions.

Mr. BARKLEY. Mr. President, we have delegated to the President and the Secretary of the Treasury the power to

do that very thing.

Mr. WHEELER. To do what?

Mr. BARKLEY. We have provided in a law that the Secretary of the Treasury may raise the tariff upon certain articles, or even embargo them, if he finds that they are inferior to articles being manufactured in the United States and being consumed by the American people.

Mr. WHEELER. Does the Senator refer to the Tariff

Commission?

Mr. BARKLEY. Oh, no! The Tariff Commission may not abolish anything. It may only recommend.

Mr. WHEELER. All right. We provided that certain things may be done upon the recommendation of the Tariff Commission; but the Senator says that, in his view, the saving clause is that the matter comes back to the Congress, which votes on it. The delegation of such power to the President is not saved in the slightest degree by the fact that we put in the bill a clause to the effect that if one branch of the Government is against the President's action. it shall not be valid.

Let me call the Senator's attention to a fact which seems to me to show "where we are getting off," if the Senator will pardon me, with reference to the delegation of power.

Surely those who drafted the Constitution of the United States saw a vast difference between delegating powers to the President of the United States and delegating them to some arm of the Congress. The reason for it was apparent, because the subject was fresh in the minds of our forefathers, many of whom had recently left the countries of the Old World, where they had seen kings and monarchs have the executive power and also the legislative power, and had seen the power abused, and seen the Bill of Rights overridden. They said, "We want to have three separate branches of the Government." In effect we are now abolishing the three separate branches of the Government when we delegate to the President of the United States the power of the Congress.

I appreciate the fact that when a Congress of the United States is told that it is desired to turn over that power to the President, it is a very difficult thing for Members of the Senate to withstand that kind of pressure. I am not unmindful of that fact. It is a difficult thing to withstand, and it was so recognized by those who drafted the Constitution. They recognized the fact that the executive branch of the Government had the power of appointment to all the various governmental offices. They recognized the fact that the President would have tremendous power over the legislative branch of the Government; but they tried to protect the legislative branch against that power, and now we are trying to tear town that protection.

Mr. BARKLEY. Mr. President, if the Senator from Iowa will yield further-I do not want to take his time-

Mr. GILLETTE. Go right ahead.

Mr. BARKLEY. Almost the very first Congress set up by our Constitution, made up of many Members who sat in the Constitutional Convention, enacted in 1792 a law conferring

upon the President power to embargo the importation of products from other countries. That was not giving the President power to pass a tariff law. That was done under the power to regulate commerce with foreign nations.

Mr. ADAMS. Mr. President-

Mr. BARKLEY. For over 100 years Congress time and time again has established the President of the United States as the agency through which it would regulate commerce with foreign nations, not conferring upon him any legislative power to fix tariffs but conferring upon him as the agent of Congress the power to regulate, even to the point of exclusion, the importation of articles into the United States.

Mr. ADAMS. Mr. President, will the Senator from Iowa yield to me to make an inquiry of the Senator from Ken-

tucky as to the accuracy of his statement?

Mr. GILLETTE. Certainly.

Mr. ADAMS. I think the matter the Senator has in mind arose in the case of The Aurora, an early case in the Supreme Court of the United States. Congress did not delegate to the President the initial right to embargo: but it provided the embargo, and said it would be effective if the President found certain conditions to exist.

It was legislation to go into effect when the President found to exist a certain condition of discrimination against

this country.

Mr. BARKLEY. In other words, it was a condition precedent, but it was upon the affirmative finding of the President of the United States, who was made the agent of Congress; and that precedent has been followed from that time until now.

In the Tariff Act of 1890 a similar provision was made. The point I am making is that the Congress has the power to designate the President as its agent to do a certain thing, as well as to set up an independent board of its own to do that thing.

Mr. ADAMS. Mr. President, the Senator will remember that as one of his humble followers I have always felt that the argument which he made in reference to the unconstitutionality of the flexible tariff was sound. I followed him to the extent that I voted against the reciprocal-trade agreement, based upon the argument which the Senator from Kentucky made on this floor as to the unconstitutionality of the flexible tariff, and neither he nor anyone else has yet answered his argument.

Mr. BARKLEY. Oh, yes; I answered it myself. [Laughter.] The only difference is that I have learned a little since I made the argument, and I hope the Senator from Colorado has. He has the ability to learn, whether or not he uses it.

Mr. GILLETTE. Mr. President, if my colleagues are willing. I should like to finish the other 2 or 3 minutes' statement which I wish to make.

This debate proves to me very effectively the uselessness of trying to discuss a measure of the kind before us, especially by one in my position, when other Members of the Senate, my colleagues, are filled to overflowing with the matter of legal discussion which they wish to inject into the debate. I am perfectly willing to listen, or to watch the chasing of legal butterflies whenever the boys like to indulge in that sport. But there are certain very definite matters which are to be decided in the vote on the pending bill. I am perhaps naive enough to think that they are

Before I refer to the question I asked the Senator from Colorado and the Senator from Missouri, I wish to ask two or three other questions. What does the bill do? In section 1 it is provided:

The President shall investigate the organization of all executive agencies of the Government-

That is defined later-

and shall determine what changes therein are necessary to accomplish the following purposes.

And the purposes are set out. Is there anyone who thinks we have not the right to direct the President to do

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that, to make investigations along the lines of the limitations we set down, and make the studies with a view to accomplishing certain things? Have we not the right to do that?

What is the next step? The President shall then prepare a reorganization plan to bring about the transfers and consolidations which he has in mind to effectuate the purpose for which he makes the study; to prepare a reorganization plan and transmit it to Congress when it is in session at certain times and under certain limitations. Is there anyone who says he has not the right to do that, and that we have not the right to ask him to do it? I asked whether there was any Senator in this body who would say that we did not have a right when we clothed the President with the power to do those things and instructed him to do them to lay down at that time conditions precedent as to if and when any suggestions would take effect.

The Senator from Colorado [Mr. Adams], who usually speaks directly to the point, failed me dismally at that time. He rose and said, "You cannot abolish functions." I asked the same question, couched in almost the same terms, of my friend from south of Iowa, the Senator from Missouri [Mr. Clark], and he said, "Would you have one body of Congress be in a position to nullify the action of the other body?" I agree that there is a grave difference of opinion as to the advisability of that. But neither one of these Senators would answer the question, and I will ask them now to answer the question.

Mr. ADAMS. Mr. President, the question involves going back a little following the argument of the Senator. Of course, Congress can ask the executive arm of the Government to make an investigation, and, of course, the President can make his report.

The Senator from Kentucky said that Congress had only legislative powers. That was very accurately stated. He omitted to state the other fundamental—that the Executive has only executive powers and we cannot delegate any legislative powers to the Executive any more than the Executive can delegate executive powers to the Congress.

The Senator from Kentucky said that the Congress authorized the abolition of certain customs places. The Senator did not say that the Congress could delegate the power to abolish by Executive order the Customs Service. That is the question really involved. Could the Congress delegate to the President the power to abolish the Home Owners' Loan Corporation? Could the Congress delegate to the President the power to abolish the Income Tax Service? Could the President have delegated to him the power to abolish other executive agencies? This bill, on page 2, refers to abolition of agencies and functions, which refers back to the President's right to consolidate executive agencies.

Then we drift on, and on page 4, where the report is provided for, when the President finds that it is desirable to abolish the whole or any part of an executive agency or function thereof—that is one of the things he is to find—then he shall prepare a plan making provision for the transfers, consolidations, and abolitions as to which he has made a finding.

Then the bill proceeds to provide for the transfer of funds which the appropriation statutes have provided. Then, at the bottom of page 5, it is provided that the President shall make provision for winding up the affairs of the executive agencies abolished. Then, on page 6, reference is made to the transfer, consolidation, or abolition of agencies.

On page 7, section 6, the bill provides:

For the purposes of this title any transfer, consolidation, abolition, designation, disposition, or winding up of affairs referred to * * shall be deemed a "reorganization."

So when we give to the President the authority to submit a plan of reorganization, under the terms of the bill we authorize him to provide for the abolition, disposition, and winding up of executive agencies and the abolition of executive functions.

I have no question, I will say to the Senator, of the right of Congress not only to request but to direct the executive agencies to carry out the laws of Congress and to give to them the right to work out the details, including place and time. But when Congress has established an agency, when it has given to that agency a function, when it has prescribed its duties, those are legislative acts, and we must rest upon the unquestioned principle of law that Congress may not delegate legislative powers.

So we come back to the one question, in my mind, as to whether or not we are seeking to delegate legislative powers, and I have been unable, after listening to the Senator from Iowa and listening to others who make far greater pretense, perhaps with less justification, as to learning in the law, to find how we can justify the elimination of an agency created by the exercise of the unquestioned legislative authority of Congress, by an administrative act on behalf of the Executive.

Personally I am not concerned so much with the details of the argument, the necessity for doing it. The fact that Congress is incompetent is not an argument for the abdication by Congress of its constitutional functions. It is an argument to be addressed to a constitutional convention, or to the States to submit a constitutional amendment.

If the Constitution gives us powers which we cannot well exercise, it is the fault of the Constitution; but it does not justify us in disregarding the instrument which brings us here, and to support which without mental reservation we agreed when we entered upon our duties in this body. So I think we are under an obligation on behalf of the Congress, on behalf of legislative powers, to scrutinize carefully the pending proposal.

I may be a little hazy about it now, but I recall a year or two ago reading how the great protector of English liberties, Oliver Cromwell, came into power because of abuses of the then executive, the King. He had not been in office very long before he proceeded with a purge, a magnificent purge. He shut 70 members out of the House of Commons because they declined to agree to do what he wanted done. They levied taxes. One man paid his taxes and then retained some lawyers to bring suit to recover them. The great protector of English liberties threw into jail the lawyers who dared to bring suit against the English Government to recover taxes charged to have been illegally collected.

The whole thing goes back and has its roots in battles during hundreds of years.

I will say to the Senator that I did not mean to trespass on his time.

Mr. GILLETTE. Not at all. I asked the Senator to do it; but I hope the Senator will use discretion. [Laughter.]

Mr. ADAMS. I am sorry that the Senator qualified his generosity; but I will say to him again, in concluding, that I do want to know how the Congress of the United States can justify the delegation to the Executive of the power to undo those things which we have solemnly done by formal acts of Congress. In my judgment, there is no escape—I speak only my own judgment, of course—from the fact that if we create a department, if we create an agency or a function, we are exercising legislative power. We could not delegate to the President the power to create that function. We could not delegate to the President the right to create the Internal Revenue Bureau. We could not delegate to the President the right to create the Home Owners' Loan Corporation.

Mr. GILLETTE. May I interrupt the Senator to ask him a question?

Mr. ADAMS. The Senator has the floor. I am the intruder.

Mr. GILLETTE. If the Wheeler amendment, as now proposed, should be adopted as an amendment to the pending measure, and the language of the bill should otherwise remain as it now is, would not every argument the Senator has presented apply as to delegation of power to abolish functions?

Mr. ADAMS. Absolutely. I will say that the only reason why I am concerned with respect to the Wheeler amendment is that in the bill we are making what I regard as an unconstitutional delegation, and I want any proposed plan of reorganization to come back to the Senate of the United

States for action upon it, so that we can veto it, if we desire to do so.

Mr. CLARK of Missouri. Mr. President, will the Senator vield?

Mr. GILLETTE. I yield.

Mr. CLARK of Missouri. I certainly do not desire to trespass on the time of the Senator from Iowa, and I would not as a matter of fact have done so except that the Senator himself requested me to do so. I was on my way out to answer a call from a constituent 5 or 10 minutes ago, and the Senator from Iowa asked me to remain because he wished to say something about me. What he said was that I had not answered a question he asked me. I thought I had categorically answered the question. He asked me whether I thought this delegation of power would be legal and constitutional, and I said "No," that I did not think it would. I do not know how to make a more categorical and explicit answer than that.

But since I have remained, if the Senator will permit me to trespass upon his time for just one moment further, I should like to ask the Senator a question in answer to the last argument which he made, which was to the effect that since by this bill Congress is asking the President to present a reorganization scheme, where is it any delegation of power to require joint action of both branches of Congress to prevent the reorganization, rather than to require joint action of both branches of Congress to make it effective?

I should like to ask the Senator, using his own analogy, as to direction. I am perfectly willing to admit, as the Senator has urged several times, that Congress does have the right to direct the Executive to make a report or investigation, or anything it pleases. Now it so happens that Congress has by law directed the President to make investigation of the fiscal resources of the United States every year and the fiscal requirements of the United States every year. Having done that and having established the Bureau of the Budget, having directed and requested the President of the United States to consider both the resources and the requirements of the United States, and having required him by law to submit a report to the Congress every year and make recommendations as to the appropriations which should be made, does the Senator believe that the Congress would have the right under the Constitution of the United States to provide that the recommendation of the President, through the Bureau of the Budget, or the recommendation of the President upon the recommendation of the Bureau of the Budget, I should say, would have the effect of making appropriations within the scope of the recommendation of the Bureau of the Budget.

Mr. GILLETTE. No, indeed.

Mr. CLARK of Missouri. Does the Senator believe that the Congress would have the right to authorize a Bureau of the Budget and the President on the recommendation of anyone to levy the necessary taxes to support the recommendations of the Bureau of the Budget?

Mr. GILLETTE. No.

Mr. CLARK of Missouri. Then it seems to me that the argument of the Senator entirely falls when he says that all that is done here is to require recommendation. The two instances I have used are classic illustrations of the right of the Congress to direct recommendations from the President, in one case as to appropriations, in the other case as to taxes to support appropriations. It seems to me that Congress would have just exactly as much right to say to the President: "Send up a Budget recommendation, and unless both branches of the Congress within 30 days, or 60 days, or any other period, passes a concurrent resolution disapproving your recommendations, they shall stand as the appropriations of the Government for the next year, and, Mr. President, we suggest that you send up an estimate and recommendation as to raising taxes, and unless within 60 days, or 30 days, or any other period, both branches of the Congress by concurrent resolution disapproves them, then they shall stand as the taxes of the United States for the next year," as it has to pass the pending provision.

I cannot see, to save my life, how the Senator from Iowa or anyone else can distinguish between those two instances and the proposal contained in the pending bill.

Mr. GILLETTE. Mr. President, I have listened, as we all have, to these learned lawyers, and I regret to say that to me, as a novice, they seem to be lost in the maze of their own reasoning. [Laughter.]

Let us return to the simple matter before us. We create an agent and direct him to do certain things and report to us. That is what the bill provides. Everyone agrees that we have the right to direct the President to do certain things within certain limitations and report to us. The difference arises from what action we take after the report comes back to us. The pending bill provides that the plan submitted shall become law unless we take negative action. The Wheeler amendment provides that the plan, the President using the same power which Senators say we are delegating, will go into effect unless we take negative action.

Mr. CLARK of Missouri. Mr. President-

Mr. GILLETTE. Just a moment. I do want to finish this statement, and then I will be glad to yield to the Senator.

During the last session the Senator from Colorado, as quoted by the Senator from South Carolina, stated far more cogently and clearly and powerfully than I could state in a thousand years the proposition that we have a right to lay down a condition precedent when we create our agent, and when we instruct him to report; that we can impose a condition at the time, not at a subsequent time, not by action after subsequent laws have been placed on the books, but at the time we issue instructions to our agent to report back to us, and specify what action shall be taken before the act shall take effect. That was the argument presented by the Senator from Colorado and is the argument presented by other Senators regardless of their viewpoint; and I am not interested in the discussion for the purposes of the proposed act, whether or not we are clothing the President with the power to abolish functions.

Mr. TYDINGS. Mr. President, will the Senator yield?

Mr. GILLETTE. I yield.

Mr. TYDINGS. I ask for information. The Interstate Commerce Commission was created by act of Congress, which is a part of the law today. Let us suppose that, as a part of the President's plan, the restriction being taken out of the bill, the President were entirely to abolish the Interstate Commerce Commission. Let us suppose that he sent that plan to Congress with the Interstate Commerce Commission abolished, and let us suppose that we failed to take any action on the plan and the plan became law. Do I make the situation clear?

Mr. GILLETTE. Certainly.

Mr. TYDINGS. Would there be an act of Congress repealing the Interstate Commerce Commission Act?

Mr. GILLETTE. Would that have the effect of repealing it?

Mr. TYDINGS. I did not ask that. I asked whether Congress would have repealed the Interstate Commerce Commission Act in the devious way in which the action had been taken.

Mr. GILLETTE. Is not the question, then, whether that would be the effect of it?

Mr. TYDINGS. Well, that would be the intent of it; but would it be good law to say that Congress had repealed the act creating the Interstate Commerce Commission when Congress never took any action on that matter? In other words, one could open a book, and among the laws of the United States, find the Interstate Commerce Commission Act creating the Interstate Commerce Commission; but nowhere could one open a book which would show that through any legislative process the Interstate Commerce Commission had been abolished. He would have to find its abolition in the Executive order of the President, not in the law of the land. Am I not correct in that statement?

Mr. GILLETTE. One would have difficulty in finding it, of course. He would have difficulty in finding any law. At least, I do.

Mr. TYDINGS. I am asking for information. I think I made my point clear.

Mr. GILLETTE. Certainly.
Mr. TYDINGS. The point I make is that the President would have repealed or abolished the Interstate Commerce Commission, created by an act of Congress. Where would the citizen find out that the Interstate Commerce Commission had been abolished?

Mr. GILLETTE. That was why the Senator insisted on his own language. I referred to the effect. The effect would be as the Senator states.

Mr. TYDINGS. I am not now arguing whether the effect would be legal or illegal; but I am saying that if it were legal, the Interstate Commerce Commission would have been abolished by the President's reorganization plan.

Mr. GILLETTE. I think that is a correct statement.

Mr. TYDINGS. Where would one find the act of Congress repealing the act of Congress which created the Interstate Commerce Commission?

Mr. GILLETTE. It would be in the records of the Con-

Mr. TYDINGS. Where? Congress would not take any action on the question. It would have only the right of negation. If Congress did not take any action on it-in other words, if the President's plan were approved by reason of the 10-day period expiring and neither House disapproving it-where would one look in the laws of the United States to find that the Interstate Commerce Commission had been abolished?

Mr. GILLETTE. The records of the action of the Congress embodied in the law-if we are to enact the bill into law-and the records of the subsequent proceedings, taken as a whole, would show the status of the law.

Mr. TYDINGS. I do not know that I make myself clear. Mr. O'MAHONEY. Mr. President, will the Senator yield?

Mr. GILLETTE. Certainly.

Mr. O'MAHONEY. Perhaps the specific answer to the question propounded by the Senator from Maryland is to be found in the language of the bill.

On page 9, beginning in line 15, it is distinctly provided

If the reorganizations specified in a reorganization plan take effect, the reorganization plan shall be printed in the Statutes at Large in the same volume as the public laws, and shall be printed in the Federal Register.

Mr. TYDINGS. That is correct. Now let us go further. How does the act of the President of the United States obtain the force of law so that it becomes a statute of the Congress of the United States like any other law?

Mr. GILLETTE. By the subsequent action of the Con-

Mr. TYDINGS. But Congress takes no subsequent action. It has only the power of negation.

Mr. GILLETTE. At the time we initiate action we specify the various steps by which it will take effect.

Mr. TYDINGS. That is true; but the bill itself does not say what the President is going to find. It only gives him the power, I maintain, to put in the statutes a law supposed to be a law of Congress, a law which the records of neither House show Congress has ever considered, and which becomes a statute of the United States by Executive decree. Am I not correct in that statement?

Mr. GILLETTE. All the argument made by the eminent Senator from Maryland and others on the floor of the Senate goes back to the initial proposition that we are clothing an agent with power to make a report, and instructing him to make a report. What action we shall take after the report comes back in order to give it effect-

Mr. TYDINGS. I think there is a distinction.

Mr. GILLETTE. I realize that there is.

Mr. TYDINGS. I think the Senator from Colorado raised an important point. I am not arguing with the Senator. I am merely seeking information.

Mr. GILLETTE. I am arguing. Last year I strongly supported the position of the Senator from Colorado.

Mr. TYDINGS. The Senator from Colorado raised the question whether or not a President by authority of Congress to reorganize the Government, could abolish a department created by Congress through affirmative law. The Senator's answer is "yes," and particularly so under the proposed plan, because after the President abolishes a department or bureau the plan comes back to Congress, and if Congress does not choose to act the President's plan becomes a law after 10 days.

Mr. GILLETTE. Then the Senator agrees that every step up to that point is perfectly proper.

Mr. TYDINGS. No; I will not agree to that, but I will assume it for the sake of argument.

Mr. GILLETTE. Up to the time the Senator and I part company.

Mr. TYDINGS. Yes.

Mr. GILLETTE. Up to the time the report comes back to the Congress as a plan proposed by the President, with the provision, as argued so ably by the Senator from Maryland and by the Senator from Nevada [Mr. McCarran], that the language means to abolish functions.

Mr. TYDINGS. It is not yet law.

Mr. GILLETTE. No; of course, it is not yet law. Mr. TYDINGS. Suppose——

Mr. GILLETTE. Wait a moment. The Senator and I have fully agreed that every step taken up to that time, regardless of any language as to authority to abolish functions, is perfectly proper.

Mr. TYDINGS. I will not agree to that; but I will assume, for the sake of carrying on the discussion, that we are in agreement, though, to be honest, I could not quite agree completely with that assertion of the law. However, let us assume that the position which the Senator states is the law, and is accurate. Congress fails to take any action, and a period of 10 days elapses. Then the President's order becomes law, as I understand. Is that correct?

Mr. GILLETTE. A period of 60 days.

Mr. TYDINGS. A period of 60 days. Is that correct? Mr. GILLETTE. Unless the Congress has acted under the powers reserved to it in the law.

Mr. TYDINGS. Congress fails to act. Then the President's order becomes the law of the land. Where do we find in the acts of Congress an instance in which a former act of Congress has been repealed in that fashion? May the Executive be given authority to repeal acts of Congress by the passage of a law authorizing him to do so?

I am asking for information, because frankly, without any discussion, I believe that if we give the President that much authority we violate the limitations on the delegation of legislative power, which must have a top and a bottom. We give the President authority, in effect, to repeal an act of Congress; and the citizen can find no law in all the statute books in which the act creating the Interstate Commerce Commission has been revised, altered, or repealed.

I think that is a true statement of the case. I should like to hear the Senator say whether or not he believes the failure of Congress to take action, thus permitting the President's recommendation to become a law, would be good law; in other words, that the President could abolish a department by Executive order because the Congress had failed

Mr. GILLETTE. I will say to the Senator that I did not rise for the purpose of arguing the advisability of doing it.

Mr. TYDINGS. I understand that.

Mr. GILLETTE. I am not able to argue the question of advisability or inadvisability. I rise simply to state that during the interminable time I have been on my feet and listened to argument I have not heard it disputed that we have a right to do it if we decide that it is the advisable method to pursue.

Mr. TYDINGS. The point I make is that I do not believe

we have the right to do it unless Congress finally takes some

affirmative action.

Mr. GILLETTE. If the Senator takes that position, he differs from every other Member of the Senate who has spoken.

Mr. TYDINGS. In the case suggested by the Senator from Kentucky, Congress passed an act empowering the Secretary of the Treasury to consolidate the Internal Revenue Bureau, not to abolish it, not to change—

Mr. LUCAS. Mr. President-

Mr. BARKLEY. Mr. President, if the Senator will yield at that point—

Mr. GILLETTE. I yield first to the Senator from Illinois.
Mr. LUCAS. I ask the Senator to yield to me in order that
I may ask the distinguished Senator from Maryland a question.

Mr. GILLETTE. If the Senator from Maryland wishes to be interrogated, I gladly yield.

Mr. LUCAS. My friend from Maryland seems greatly disturbed over the question where there could be found in the Federal statutes a law which by implication may have repealed some act of Congress and abolished some commission or agency which had been created by Congress. I should like to develop that thought, and ask the Senator where we would find such an act if we should adopt the Wheeler amendment.

Mr. TYDINGS. I previously stated that while I would support the Wheeler amendment I did not intend to vote for the bill. I raised the point that unless Congress itself finally passed the law there would not be on the Statutes of the United States any law repealing or altering any other law which the Congress had passed. It would appear on the statutes of the United States simply as an Executive order, and we should be legislating by Executive order rather than by congressional action. I should like to have the Senator tell me where the citizen would go to ascertain whether on the Interstate Commerce Commission, which I assumed would be abolished by the President in the example I took, had really been abolished, altered, or changed.

Mr. LUCAS. May I ask one further question?

Mr. TYDINGS. Certainly.

Mr. LUCAS. As I understand the distinguished Senator from Maryland, he takes the position that neither the Wheeler amendment nor the provision in the bill has any effect whatever; but what he is complaining about is the original delegation of power by the Congress of the United States to the executive branch of the Government.

Mr. TYDINGS. I should not want to answer that question categorically. However, as I understand the philosophy of the Senator's question, I believe that what we are doing is legislating by Executive order rather than delegating to the President power to perform some particular function.

Mr. BROWN. Mr. President-

Mr. GILLETTE. I yield to the Senator from Michigan to ask the Senator from Maryland a question.

Mr. BROWN, I do not wish to ask a question. I wish to answer one.

The Senator wished to know whether or not a situation could arise whereby the President could repeal in effect a statute enacted by Congress. As the Senator will recall, such a situation arose early in our history. The Senator from Kentucky [Mr. Barkley] referred to it. The situation arose in 1809, I think, when the Congress, during trouble with France, specifically gave the President authority to establish an embargo against importation of goods from across the water, upon a condition. That condition was that the foreign country—France, in this particular instance—discriminated unfairly against American exports to France. The precise situation which existed in that instance is exactly the situation which exists in connection with the bill. That power was upheld by the Supreme Court, and has been upheld many times since. (See Brig Aurora, 7 Cranch, 382; Field v. Clark, 143 U. S. 649.)

Mr. TYDINGS. Mr. President, may I interrupt the Senator?

I do not think the Senator has drawn a correct parallel. Did the President repeal the act of Congress or simply make an exception to fit certain cases?

Mr. BROWN. The President suspended a law which Congress had enacted.

Mr. TYDINGS. For how long?

Mr. BROWN. For so long as the condition prevailed.

Mr. TYDINGS. But he did not repeal the act?

Mr. BROWN. He repealed the act, in effect.

Mr. TYDINGS. No; he suspended the operation of the act.

Mr. BROWN. The trouble with the Senator is that he fails to see that the Congress sets up the standard by which the Executive acts and the authority under which he acts. That is what is attempted to be done by the first section of the pending bill, namely, to set up a standard under which the Executive may act. The Executive, as the Senator implies, does impliedly repeal what Congress has heretofore done, but he does it not because we give him power to do so by laying down the standards by which he may act.

Mr. TYDINGS. I follow the Senator's argument, but I do not believe the parallel is accurately drawn. In the instant case to which the Senator alludes the President never repealed a single solitary act of the Congress. What the President did, acting within the limitations imposed on him by the Congress, was to suspend the action of that law in certain cases when certain facts were evolved. In the present case, if the exceptions are wiped out as they are likely to be—and I use that for illustration—the President may reorganize without any limitation whatsoever worthy of the name the entire executive branch of the Government of the United States, and even though the Congress takes no action after it is notified of the Presidential order, his act becomes the law of the land.

Mr. BROWN. It seems to me that it is identical in principle.

Mr. TYDINGS. It may be.

Mr. BROWN. If we say to the President, "Mr. President, if you find that the Federal Reserve Board and the office of the Comptroller of the Currency are each performing the same function in examining Federal Reserve banks; if you find that condition to exist, we say to you you may abolish the function of the office of Comptroller of the Currency in examining such banks." I think, however—and I should like to have the attention of the Senator from Colorado—

Mr. TYDINGS. Mr. President, will the Senator from Michigan allow me to interrupt him there, with the indulgence of our very generous friend from Iowa—and I am not going to impose much longer on his time—

Mr. GILLETTE. So far as I am concerned, I yield.

Mr. TYDINGS. Let me give the Senate an illustration of the point I have been arguing. In a railroad rate case, in a demurrage case, or in any case affecting charges imposed upon a shipper or an assignee by a common carrier, the law provides that the demurrage code under the seal of the Interstate Commerce Commission shall be accepted as evidence of what the tolls, charges, and penalties really are in demurrage cases. I think that is plain.

In other words, if there is a code under the seal of the Interstate Commerce Commission it may be introduced in a damage case involving a charge for demurrage by a railroad against some assignee of a cargo, and the demurrage code fixes the measure of damages which the jury may find. That is law.

Now let us suppose that the President in a proposed reorganization plan abolishes the Interstate Commerce Commission; where will be the act of Congress authorizing the Interstate Commerce Commission under its seal to furnish to a litigant in court that code for the purpose of presenting it in evidence?

Mr. BROWN. I think the Senator from Wyoming answered that question. It will have to be found in the Statutes at Large, which the Senator mentioned as being referred to in this bill.

Mr. O'MAHONEY. Mr. President, will the Senator yield? Mr. BROWN. I will yield in just a moment. I do not want to get away from the fundamental question to which I was referring, and I should like to have the attention of the Senator from Colorado. Under paragraph (4) of section

1 of the pending bill there is no provision for the abolition of a function of government. It reads:

To reduce the number of such agencies by consolidating those having similar functions under a single head, and to abolish such agencies or such functions thereof as may not be necessary for the efficient conduct of the Government.

But recurring to my bank analogy, I do not think there is authority in this bill to abolish the function of examining the banks of the United States.

Mr. GILLETTE. Mr. President, I believe I still have the floor. I desire to yield the floor and let the Senator from Michigan have the floor in his own right.

Mr. BROWN. I thank the Senator from Iowa.

I say that under paragraph (4) there can be no abolition of a function. Everything that existing law requires should be done must be done. The President cannot wipe out all agencies that perform a given function, but he can wipe them all out but one.

Mr. TYDINGS. Mr. President, will the Senator yield?

Mr. BROWN. I yield.

Mr. TYDINGS. Subsection (4) on page 5 reads:

(4) make provision for winding up the affairs of the executive agency abolished or the affairs of the executive agency with respect to the functions abolished, as the case may be; and

Where does the Senator find that every function save one can be abolished; and where is the one function and what is the one function that is retained?

Mr. BROWN. Mr. President, recurring to my illustration-

Mr. ADAMS. Mr. President, may I interrupt the Senator for a moment to point out to the Senator an answer to his question if I might.

Mr. BROWN. Very well. I thought I could answer the Senator, but the Senator from Colorado can do it better.

Mr. ADAMS. The difficulty is that the Senator from Michigan was referring to paragraph (4), on page 2, while the Senator from Maryland was looking at paragraph (4) at the bottom of page 5. That led to confusion. Paragraph (c) of section 4, on page 4, provides that-

Whenever the President, after investigation, finds that—
(c) The abolition of the whole or any part of any executive agency or the functions thereof is necessary to accomplish one or more of the purposes of section 1 (a), he shall—

Then, at the top of page 5, paragraph (d) provides that he shall-

prepare a reorganization plan for the making of the transfers, consolidations, and abolitions as to which he has made findings and which he includes in the plan.

Mr. BROWN. My point, I will say to both Senators and all Senators who are within range of my voice, is that nowhere in this proposed statute can there be found any right, authority, or power given to the President of the United States to abolish a function which the Congress by statute says must be continued.

Now, to proceed with my illustration-

Mr. TYDINGS. Mr. President, will the Senator yield?

Mr. BROWN. The Senator from Maryland does not permit me to complete my thought before interrupting me.

Mr. TYDINGS. The Senator said that at no place in this proposed act could there be found such a provision. If that be so, then we are not reading the same provisions. The bill says the President shall have the power to abolish "the whole or any part of any executive agency or the functions

Mr. BROWN. Provided-and it is written all through the proposed statute-provided that that function is taken care of by some other agency.

Mr. TYDINGS. Where is that found?

Mr. BROWN. In subsection (4) on page 2-

To reduce the number of such agencies by consolidating those having similar functions under a single head, and to abolish such agencies or such functions thereof as may not be necessary for the efficient conduct of the Government.

Let me illustrate it to the Senator in another way. The President could not abolish the Reclamation Service unless he provided some other agency to do the work now being

performed by that Service. Perhaps it is not a very good illustration or distinction to make in a constitutional argument, but I say it is somewhat similar to the difference between substantive law and adjective law; that is, in existing law Congress says that certain things must be done; but it says to the President, "You may choose the agency by which the function will be performed, but if there are two, three, four, or five agencies performing the same function, such as the examination of banks, then you can wipe out four of the five, but you cannot wipe out the fifth; the function must still be performed by someone."

Mr. TYDINGS. Mr. President, will the Senator yield?

Mr. BROWN. I yield.

Mr. TYDINGS. I am in agreement with the Senator as to what can be done under this bill; but the Interstate Commerce Commission could be entirely wiped out and its rate-making authority could be transferred, we will say, to the Maritime Commission.

Mr. BROWN. Of course, the Senator recognizes-

Mr. TYDINGS. I do not say that would be done.

Mr. BROWN. The Senator recognizes that it would not be done under this bill, because the Interstate Commerce Commission is within the exempted classes.

Mr. TYDINGS. Yes; but I am assuming for the purpose of the argument that there are no exemptions.

Mr. BROWN. I say it could be done through some other agency of a similar nature.

Mr. TYDINGS. Congress has passed an act providing that the Interstate Commerce Commission shall be the agency to fix the rates of the country. In the absence of some final congressional action other than negative actionand I am saying this seriously and in good faith-I am wondering whether the action of the President in abolishing the Interstate Commerce Commission would not be a delegation of congressional authority beyond our limitations and ability to go without Congress taking some additional action.

Mr. O'MAHONEY. Mr. President, will the Senator yield? Mr. BROWN. I yield to the Senator from Wyoming.

Mr. O'MAHONEY. I think it ought to be said that the argument of the Senator from Maryland is altogether too subtle. He bases his entire discussion upon a premise which does not exist. In every 100 words he speaks about the abolition of the Interstate Commerce Commission, although that body is positively exempted. It is altogether unfair to any person who reads the Congressional Record, without reading the record of this entire debate, to read what the Senator from Maryland says about the abolition of the Interstate Commerce Commission and the abolition of its rates. The qualification which the Senator introduces every 5,000 words will not be read by those who read various paragraphs of his discussion. Let us confine the argument to exactly what the proposition is.

Mr. TYDINGS. Mr. President, will the Senator from Michigan yield to me?

Mr. BROWN. I yield.

Mr. TYDINGS. Then, will the Senator from Wyoming concede that if the Interstate Commerce Commission were not within the exemptions my argument would be sound? Mr. O'MAHONEY. I shall not concede that at all because

the Senator is not arguing on the bill-

Mr. TYDINGS. Yes; I am.

Mr. O'MAHONEY. And he has not listened to the words of the Senator from Michigan. Will the Senator now listen to me for just a moment? Let me ask him to refer to page 2. to the language which the Senator from Michigan has been reciting, beginning at line 9. Paragraph (4) of section 1, to which the Senator from Michigan has alluded, is perfectly clear. It is all one whole. It declares that one of the primary purposes for which Congress is now authorizing the President to act is this:

To reduce the number of such agencies by consolidating those having similar functions under a single head, and to abolish such agencies or such functions thereof as may not be necessary for the efficient conduct of the Government.

The Senator in his argument reads this paragraph as though it were two distinct paragraphs. It is one paragraph. If the President, exercising the authority conveyed to him by the bill, undertakes to consolidate agencies having similar functions, then certainly it is clear after the consolidation that if the agency which is consolidated with another agency is still allowed to stand without being abolished, the reorganization is ineffective; and, as the Senator from Michigan has so clearly stated, this abolition of agencies and functions depends solely upon the consolidation of those

Mr. BROWN. I was just about to take the Senator from the floor, but after that remark he may go on. [Laughter.] Mr. MINTON. Mr. President, will the Senator yield?

Mr. O'MAHONEY. As I read this language, it is clearly intended to perfect the consolidation, and not at all to do what the Senator from Maryland suggests.

Mr. MINTON. Mr. President, will the Senator yield? Mr. BROWN. I yield to the Senator from Indiana, who

has been on his feet for some time.

Mr. MINTON. Under existing law the President of the United States has had authority, and has exercised that authority, to transfer the functions of certain agencies to other agencies, and to abolish the agency from which he transferred them. I have in mind, for instance, the Shipping Board, which the President abolished by transferring its functions to the Commerce Department. As I understand the pending bill, that is all that the President may do. He may reorganize these agencies by transferring functions from one to another. When he transfers a function from agency A to agency B, he abolishes the function in agency A, but the function still remains in agency B.

Mr. BROWN. Exactly.

Mr. MINTON. Now let me go just one step further. If the President should do what the Senator from Maryland [Mr. Typings] has conjured up, if he should do what the Senator has suggested, in my judgment the President would be violating the provisions of the bill; and leaving out entirely the question of essentiality, he would be attempting to abolish a Commission that he had no authority to abolish. The Commission, therefore, would remain in existence. The Commissioners might file their claims for salaries before the Court of Claims and have adjudicated by the court the question whether or not the President had violated the terms of the bill.

Mr. BROWN. To sum up my view upon this subject-and I am starting in the middle of my argument, because I obtained the floor when I was answering a question—it is my contention that the President has no power or authority, under this bill or any of its two or three predecessors, to prevent the enforcement by some appropriate agency of the will of Congress. He may, as I said, abolish five out of six agencies, but he may not abolish the last one. The will and direction of Congress under existing law must be followed.

Mr. ADAMS. Mr. President, will the Senator yield? I was going to ask about the pending amendment. I do not want to interrupt the Senator's course of thought.

Mr. BROWN. Go right ahead; I yield.

Mr. ADAMS. As I understand the Wheeler amendment, it involves simply the one question whether or not the Senate of the United States wishes to have a veto upon the President's plan. I was about to ask the Senator whether or not he sees any evil in the Senate exercising that veto as an individual legislative body.

Mr. BROWN. I was about to take up that subject.

I say to the Senator from Colorado, whose legal ability I greatly admire, that I, who am now against the Wheeler amendment—although I voted for it a year ago because I could not get across the substance of this amendmentbelieve that the Wheeler amendment, which would amount to the same thing as the enactment of a statute after the President's orders came here, adds something to the constitutionality of this bill. The Senator from Colorado took the opposite view, saying that he did not think it added any more to the constitutionality of the bill than did the Gillette-Brown-Johnson amendment. I think the Wheeler amendment does add something to the bill in that respect, but I do not believe it is necessary to the constitutionality of the bill.

Mr. ADAMS. May I make just a brief comment along that line? I will say to the Senator that I see in this matter two entirely separate and distinct questions. One is as to the right of Congress to make the delegation of reorganization to the President. The second is as to whether or not, that delegation having been made, valid or invalid, we wish to reserve to ourselves the right to veto the reorganization plan.

Mr. BROWN. The Senator has clearly in mind just what I have in mind as to the issue here. First, there is no authority on the part of Congress to delegate its legislative power. It cannot be done; but what is legislative power is a matter of great difference of opinion. This bill does not, as I construe it, delegate legislative power.

Let me say that I frankly believe this is a close question. I think there is some doubt about the constitutionality of the pending measure; but, in my view of my duties as a Senator and of the expressions which the Supreme Court heretofore has made, I do not believe that doubt ought to prevent me from voting for a bill which I believe to be constitutional.

The Court has many times said, and said very recently, that the only way in which a constitutional question can reach the Court is on the basis of some legislation. Every Federal act that has ever been tested in the Supreme Court of the United States or in any Federal court throughout the country got there because the Congress passed the act. The Court said very recently, I think in the case of Evans against Gore, involving the right to tax the salary of a judge, that Senators were acting entirely within their rights in voting for a bill about the constitutionality of which they had some doubts so that the question of the power might be presented to the courts of the United States for adjudication. I fully believe in that principle; and it will be the basis of my views upon the public-salary and bond-tax proposition which will doubtless come before Congress before long.

We have in this bill, however, two constitutional questions. First, may we delegate this authority to the President? Second, does part 2 of the House bill raise further doubt to the

constitutionality of the bill?

I discuss the first question, May we delegate this authority to the President of the United States? What are the precedents? What have the courts found?

As the Senator from South Carolina [Mr. Byrnes] has twice pointed out, a three judge court in the city of New York, consisting of a circuit judge and two district judges, has approved the constitutionality of the precise and exact powers that are granted to the President in this bill.

Regardless of whether it contains a 60-day provision, by which the Executive order becomes effective after the running of 60 days, or whether it becomes effective upon certain action or inaction by the Congress, the courts have twice held that the language used in the pending measure constitutionally confers the powers enumerated to reorganize the Government upon the President.

I have, I think, quite thoroughly discussed, with the aid and assistance of the questions of the Senator from Maryland and the Senator from Wyoming and others, the fact that we do not by this measure permit the President to abolish any functions which must be performed by the executive authority of the United States.

Mr. TYDINGS. Mr. President, will the Senator yield?

Mr. BROWN. I yield.

Mr. TYDINGS. I think the Senator has been very fair, and I am particularly impressed by his remark that while he feels that the bill is constitutional and good in its present form, subsequent action by Congress might be desirable to strengthen its validity.

Mr. BROWN. I think such action eventually will be taken. Mr. TYDINGS. That was the point I was attempting to bring out by the illustrations. I think we are in a twilight zone there, and it would be better to put the law in condition so that it would be known to be valid than to leave it in this nebulous condition.

Mr. BROWN. I think the twilight is pretty bright.

Mr. TYDINGS. I think it is pretty dark.
Mr. BROWN. Our courts have approved many delegations
of authority to the President of the United States, and to

other administrative and executive officers, which were much stronger, if I may use that term, than the one before us.

Reference has been made to the suspension of the importation of goods. I think the instance I am about to give is one that is closer to the facts than any other. When the Brooklyn Bridge was built the Congress delegated to the Secretary of War authority to determine whether or not that bridge was a menace to navigation. It laid down but one standard; that is, that the bridge should be built so that it would not impede or interfere with navigation. The Secretary of War was given absolute and plenary authority to determine what was a menace to navigation, how high the bridge should be above the waters of the East River between New York and Brooklyn. Its plans were to be submitted to the Secretary and determination as to whether it would be constructed or not left to him.

The matter got into the courts, in the case, I think, of Miller v. The Mayor of New York (109 U. S. 385). The statute was challenged upon the precise ground on which Senators challenge the pending bill; that is, it was contended that it was unwarranted, unlawful, and unconstitutional delegation of legislative authority to the Secretary of War to permit him to determine how high the bridge should be and what its general plan and make-up should be. The court then held, and has held many times since, that there was no unconstitutional delegation of authority, that it was not a delegation of legislative authority.

The same as the Senator from New York [Mr. Wagner] pointed out a few days ago is true in regard to the Interstate Commerce Commission, which not only fixes rates but establishes safety rules. We have delegated to many administrative officers the right not only to prescribe rules and regulations but to prescribe penalties, punishment, for the violation of those rules, and that, it seems to me, comes much closer to being a delegation of legislative authority than we have here.

Mr. President, if we assume that the Federal court in New York was correct in its determinations in the two cases cited and in the other precedents I have mentioned, then the pending bill is not an unlawful delegation of authority, then the question arises, Is the veto provision, so-called, contained in the bill as it passed the House a valid exercise of legislative power? In other words, may we by congressional action less than the enactment of a law, exercise a veto power?

Mr. President, many times we have done practically the same thing. We did it in the two cases I have mentioned, the two cases decided in New York, the case of Isbrandtsen-Moller Co. against the United States and the case of Swayne & Hoyt, Ltd., against the United States, and the Supreme Court there upheld the same power and authority we grant here, and a similar method of disapproval of the President's action.

We have delegated to the Secretary of the Treasury power to determine when a condition exists upon which a law becomes effective, and the Supreme Court has upheld such a provision. In the recent tobacco case, Currin against Wallace, decided January 30 last, we delegated to those interested in the marketing of tobacco the right to determine whether or not the law became effective, in their area and the Supreme Court of the United States said in that case:

So far as growers of tobacco are concerned, the required referendum—

That is, the right to determine whether or not the law would be effective—

does not involve any delegation of legislative authority. Congress has merely placed a restriction upon its own regulation by withholding its operation as to a given market "unless two-thirds of the growers voting favor it." Similar conditions are frequently found in police regulations.

If we can say to a group of individuals who are interested in the marketing of tobacco that a solemn enactment of Congress does not go into effect until they themselves have decided to adopt it—that is, until two-thirds of them have voted in favor of the proposal—surely we in Congress can say that the President's order shall not go into effect until that order has come here and has remained here 60 days, and

shall not then go into effect if both Houses join in a concurrent resolution to the effect that the order is not to become the law of the land. It seems to me it is an almost precise and exact parallel to the case.

If the Congress, as the Senator from Colorado stated, can determine as a condition precedent upon which a law is to go into effect, that the approval of certain Members of the Senate—I think he said the Republican Members of the Senate—shall be required; if, as he says, we can do that, then surely we can require as a condition precedent to the effectiveness of the law that the President's order shall remain here for a period of 60 days, during which time Congress may take appropriate action.

Mr. President, I think the question is a narrow one; I think it is one which might well have been compromised. As a matter of fact, the proposal here is a compromise of the issue that was presented to the House and the Senate when the last reorganization bill was defeated.

I firmly believe, first, that the Congress may grant the President these powers, understanding all the time that he may abolish no function which must be performed by the executive department as directed by existing law.

Mr. BYRD. Mr. President, will the Senator yield?

Mr. BROWN. In just a moment. Second, I firmly believe that this compromise is a fair and just one, and that the Congress may validly provide that through this method it may prevent, by action of both Houses, enactment of any reorganization plan which the Congress itself believes to be undesirable. I yield to the Senator from Virginia.

Mr. BYRD. Wherein does the Senator find that the President is prohibited from the abolition of a function? Mr. BROWN. I do not think, first, that the President can do anything which he is not expressly authorized to do by the proposed law. That is fundamental. Is not that a fact?

Mr. BYRD. If the Senator will look at page 4 he will see that the President is authorized to abolish "the whole or any part of any executive agency or the functions thereof," and if the Senator will refer to the House report on the bill, he will see that on page 4 it is stated:

That whenever the President, after the investigation provided for in section 1, finds that any one or more transfers, consolidations, or abolitions are necessary to accomplish any one or more of the five purposes—

And so forth.

Mr. BROWN. I do not think the Senator was in the Chamber when I argued that question. I take the view that the entire power of the President is limited by part 1, section 1, and that he may not abolish any function on the part of any agency unless that function is performed by some other agency.

Mr. BYRD. Mr. President, the Senator will see that the only limitation is the declaration of purpose in section 1. A new declaration of purpose was added yesterday by the unanimous vote of the Senate, which declares that—

The Congress hereby declares that by reason of the continued national deficits beginning in 1931 it is desirable drastically to reduce substantially Government expenditures and that such reduction may be accomplished in some measure by proceeding immediately under the provisions of this act.

If in carrying out any one of these declarations of purpose in the judgment of the President it is thought necessary to abolish functions he, of course, has the power to do it under the bill.

Mr. BROWN. I do not think he has the right to abolish a function which would prevent the doing of an act which the Congress has heretofore required the executive department to do. Was the Senator in the Chamber when I discussed that?

Mr. BYRD. Unfortunately, I was not.

Mr. BROWN. I think this is a pat illustration. As the Senator knows, we have a Federal Reserve bank, the Comptroller's Office, and the Federal Deposit Insurance Corporation, examining banks. I know that the Federal Reserve Board and the Federal Deposit Insurance Corporation are eliminated from this bill. The President may not abolish

them. But assume, for the purpose of argument, that he could. I say that the President could not abolish all three of those functions. He would have to retain one agency which would conduct the examination of banks. He could not abolish three of them. If there were five different agencies performing the same duty, he could abolish four of them, but he could not abolish the fifth.

Mr. BYRD. Let us take, for example, the farm conservation program. Is it the judgment of the Senator from Michigan that the President could abolish the farm conservation program if he thought it wise to do so in the interest of reduction of expenditures?

Mr. BROWN. Not unless the same function could be performed by some other agency to which he assigned the func-

Mr. BYRD. I am not speaking of the agency. I am speaking of the function itself. The function of the farm conservation program itself is a definite, specific function.

Mr. BROWN. Anything which Congress has ordered the executive department to do by existing law must be done. I do not think the President would have authority to abolish all agencies which are engaged in the performance of that function. He has to leave someone in the Government to do the task imposed by law.

Mr. BYRD. I am not speaking of agencies of Government. I am speaking of the function itself. For instance, under my interpretation, the President could do away with all appropriations for the soil-conservation program in the reorganization plan.

Mr. BROWN. He will have no other agency to perform the same general duty then.

Mr. BYRD. He will have no other agency.

Mr. BROWN. I disagree with the Senator in that matter. I say that the President is limited by section 4, which says that he may reduce the number of such agencies, consolidating those having similar functions, and abolishing such agencies or such functions thereof as may not be necessary. But he cannot abolish all the agencies that perform the function. There must be one left to do what the Congress by statute requires to be done.

Mr. BYRD. Let the Senator look on page 5, at subsection (2), whereby the plan shall also—

Make provision for the transfer or other disposition of the records, property (including office equipment), and personnel affected by such transfer, consolidation, or abolition.

Then the same provision is made in subsection (4), and so forth, through the act. The Senator from Michigan, as I recall, was one of the first Senators, as well as the Senator from Wyoming [Mr. O'Mahoney], to suggest that the President has no power under the bill to abolish a function of government. That has been frankly and freely admitted in the debate up to this time.

Mr. BROWN. I think he can abolish any function or agency as long as he leaves one arm of the service or one agency to do the work which the Congress has directed the executive department to do. Unless the bill is so construed, it is unconstitutional as a delegation of legislative power. If there is any doubt about it, let us amend it so that there may be no abolition of a function unless that function is performed by some other agency.

Mr. BYRD. Could the President, in the interpretation of the Senator from Michigan, continue the agency but abolish the function?

Mr. BROWN. He could if that agency had something else to do.

Mr. BYRD. The Department of Agriculture, for example, carries out the soil-conservation program. It has ample other activities and duties. Could the President, under this plan, abolish the soil-conservation program?

Mr. BROWN. No; I do not think he could. I do not think he should be permitted to. That would be legislation.

Mr. BYRD. I am not saying what he should be permitted to do, but has he not the power under the bill to do it?

Mr. BROWN. I do not think he has. The thing the Congress directed to be done—that is, the carrying out of the

soil-conservation program—must be done by some agency of the Government.

Mr. BYRD. The House report takes recognition of that, and the Senator from South Carolina [Mr. Byrnes] admitted it when he made his opening statement on the bill.

Mr. BROWN. I do not know anything about that. As I read this legal language I cannot come to any conclusion other than that the power to abolish functions is not a power which may prevent the going into effect and the carrying out of the intent of Congress in any statute it has heretofore written.

Mr. O'MAHONEY. Mr. President, will the Senator yield? Mr. BROWN. I yield the floor.

Mr. O'MAHONEY. Mr. President, it seems to me that the question of the Senator from Virginia is answered in the House report to which he refers. It is my conception of the bill that section 1 outlines the powers which are conveyed and delegated to the President.

Mr. BROWN. And with a limitation on every one.

Mr. O'MAHONEY. With a limitation on every one of them. Section 4 describes the manner in which those powers are to be carried out. The House report, from which the Senator from Virginia read, says distinctly on page 4:

Section 4 is the section which describes the circumstances under which the President exercises the powers conferred upon him, the nature of the powers conferred, and the duties of the President. It provides that whenever the President, after the investigation provided for in section 1, finds that any one or more transfers, consolidations, or abolitions are necessary to accomplish any one or more of the five purposes specified in section 1 (a)—

Mr. BYRD. At that point let me say a word.

Mr. O'MAHONEY. Let me finish, please.

Under section 1 (a) he may thus act:

Section 4, in lines 22 and 23, provides—

Whenever the President, after investigation, finds that-

Certain acts are-

necessary to accomplish one or more of the purposes of section 1 (a).

The purposes of section 1 (a), therefore, circumscribe the powers of the President.

Mr. BYRD. What are those purposes?

Mr. O'MAHONEY. Those purposes are set forth in paragraphs (1), (2), (3), (4), and (5).

Mr. BYRD. A new purpose was added by the Senate yesterday, and that was that—

The Congress hereby declares that by reason of continued national deficits beginning in 1931 it is desirable to reduce substantially Government expenditures.

Suppose the President should decide that in order to carry out that one purpose of section 1 it was necessary to curtail the functions of government, would he not have the right

Mr. O'MAHONEY. He would not have the right to do so any more than he would have the right, for the purpose of reducing the deficit, to do away with the agencies which are specifically exempted.

Mr. BYRD. Here is one purpose, to reduce the expenditures of government, and the President certainly would have the right to abolish functions of government to do that.

Mr. O'MAHONEY. No; that all precedes the colon in section 1 (a). The purposes and the powers of the reorganization granted to the President are contained in paragraphs (1), (2), (3), (4), and (5), and each one of them must be read according to the interpretation of the whole.

Mr. BYRD. There is a new declaration of purpose which heads the entire list, that was adopted by the Senate yesterday, and that was to reduce the expenses of government.

Mr. O'MAHONEY. It is a preliminary declaration. It was always in the bill.

Mr. BYRD. It was not always in the bill. It was just placed in the bill yesterday.

Mr. BROWN. Does the Senator believe that the President could abolish the Home Owners' Loan Corporation and not turn its functions over to any other agency? I do not think he could.

Mr. WHEELER. Will the Senator let me answer that question? There is not any question about that. If the Senator will read the language of the bill, he will find that it is perfectly clear. It says:

Whenever the President, after investigation, finds-

Mr. BROWN. Where is the Senator reading?

Mr. WHEELER. From page 4.

Mr. BROWN. I am contending that section 1 is a limitation upon the entire act.

Mr. WHEELER. The Senator is entirely wrong.

Mr. BROWN. Because its subsections determine the limitations upon the power of the President.

Mr. WHEELER. The President may find that action should be taken with respect to any one of them. He does not have to find that action must be taken with respect to all of those matters. He can abolish a certain function.

Mr. BROWN. Only if the function is performed by some other agency of the Government.

Mr. WHEELER. No.

Mr. O'MAHONEY. The Senator from Montana misreads the bill if he reaches that conclusion. Let us read it. There is only one way to understand language, and that is by reading the language itself. The Senator from Virginia has just referred to the very sound amendment offered by him and adopted by the Senate, declaring the purpose of Congress to do everything that may be possible, within certain limitations, to do away with deficits. The Senator's amendment clearly is a preliminary declaration in the nature of a preamble.

Mr. WHEELER. That is all. It does not mean anything. Mr. O'MAHONEY. It provides:

The Congress hereby declares that by reason of continued national deficits, beginning in 1931, it is desirable to reduce substantially Government expenditures, and that such reduction may be accomplished in some measure by proceeding immediately—

under the provisions of this act. Accordingly the President-

Then we come back to the language of the bill.

Mr. WHEELER. The Senator is reading from what page? Mr. O'MAHONEY. Page 1.

The President shall investigate the organization of all executive agencies of the Government and shall determine what changes therein are necessary to accomplish the following purposes.

Those purposes, outlined there, are the complete measure of the authority of the President, and none other.

Mr. WHEELER. I beg the Senator's pardon-

Mr. O'MAHONEY. Just a moment. The language is clear. I will demonstrate it in just a moment if the Senator will bear with me. What are the purposes? On page 2:

(1) To reduce expenditures to the fullest extent consistent with

the efficient operation of the Government.

(2) To increase the efficiency of the operations of the Government to the fullest extent practicable within the revenues:

(3) To group, coordinate, and consolidate executive agencies of the Government, as nearly as may be, according to major purposes;

To reduce the number of such agencies by consolidating those having similar functions under a single head, and to abolish such agencies or such functions thereof as may not be necesry for the efficient conduct of the Government; and (5) To eliminate overlapping and duplication of effort.

Every bit of argument that has been presented by the Senator from Montana and the Senator from Virginia is based upon the contention that we do go far enough to enable the President to abolish functions and abolish agencies and abolish departments to effect a saving of money. On the other hand they complain because the bill allows the President to do what is within the scope of these five policies, without returning the action by the President to the Congress for the enactment of the law.

Mr. BYRD. The Senator from Virginia has not made any complaint about efforts to reduce expenditures.

Mr. O'MAHONEY. I am very glad that the Senator has not.

Mr. GEORGE. Mr. President-

Mr. BROWN. Mr. President, will the Senator yield to me for just a moment.

Mr. O'MAHONEY. I will yield to the Senator from Mich-

Mr. BROWN. The very section from which the Senator from Montana is reading, and I think he read subsection (c) of section (4) on page 4

Mr. WHEELER. Yes; I did.

Mr. BROWN. Is followed by the language:

Whenever the President, after investigation, finds that • • • the abolition of the whole or any part of any executive agency or the functions thereof, is necessary to accomplish one or more of the purposes of section 1 (a).

It refers back to the purposes and the conditions laid down in section 1 of the bill.

Mr. WHEELER. What I am saying to the Senator is that the President does not have to find all these things; and that is the reason I am calling the matter to the Senator's attention. If the President finds any one of them, his finding of fact cannot be disturbed by the court. All he has to do is to make an order and to say, "I find that the abolition of one of these bureaus is necessary for the purpose of saving expense to the Government of the United States."

Mr. BROWN. Only if its functions can be transferred to another agency.

Mr. WHEELER. No. I beg the Senator's pardon.

Mr. GEORGE. Mr. President, on that particular point I wish to ask the Senator a question.

Mr. BROWN. I yield to the Senator from Georgia.

Mr. GEORGE. I listened with very great interest to the Senator's argument. However, I wish to call the attention of the Senator to one fact. If the Senator is correct in his premise, then subsection (c) on page 4 is wholly and entirely unnecessary. Therefore it seems to me that the construction which the Senator puts upon the language cannot possibly be the correct interpretation. For example, section 4 says:

Whenever the President, after investigation, finds that

(a) The transfer of the whole or any part of any executive agency the functions thereof to the jurisdiction and control of any other executive agency; or

(b) The consolidation of the functions vested in any executive agency; * * is necessary to accomplish one or more of the purposes of section 1 (a), he shall * * * prepare a reorganizapurposes of tion plan-

And so forth.

If the Senator's argument proceeded upon a correct premise, subsection (c) would be wholly and entirely unnecessary. It would serve no purpose whatsoever in the bill. That interpretation cannot be the proper one, because the Senator's position, broadly, is that the President may abolish every agency but one, and may transfer any particular function from any agency, but must lodge it in some other agency. Therefore it seems to me that the Senator, if he will look at the language in line 15, commencing with subsection (a), is bound to see that the full power of transfer of an executive agency, and the full power of transfer of any function thereof is clearly, completely, and absolutely given in express language. Therefore, the abolition of a function could have no possible meaning if the Senator's interpretation is correct, that the President may abolish the exercise of the function, and take away from every agency but one the exercise of the function.

Mr. BROWN. Let me apply the Senator's argument to a particular state of facts. The Senator knows that the office of the Comptroller of the Currency examines banks. He knows that the Federal Deposit Insurance Corporation examines banks, and he knows that the Federal Reserve Board examines banks. The President comes to that situation. He reads subsection (a), line 15, on page 4, and he says: "I have concluded to transfer the function of examining banks, which is now in the office of the Comptroller of the Currency, to the Federal Deposit Insurance Corporation." That is all he could do under subsection (a), is it not? He could merely transfer the function. "But," he says, "here is the office of the Comptroller of the Currency without a single function to perform. What am I to do with it?" He reads on, and he comes down to subsection (c), in line 20, and he

says, "There I have the power to abolish the office of the Comptroller of the Currency because I have transferred its function to the Federal Deposit Insurance Corporation." will say to the Senator that that could not be done without both subsection (a) and the power vested in the President in subsection (c).

Mr. GEORGE. If the Senator will permit me, it is quite true that if he transferred all the functions of the office of the Comptroller of the Currency to some other agency of Government, he might still lack the power to abolish the office. But when he is given, in the conjunctive, the power to abolish the office and abolish the functions, the language means precisely and exactly what it says, because in subsection (a) he has all the power necessary to transfer the function to whatever agency he wishes to select.

Mr. BROWN. The Senator must admit that under subsection (a) he could not abolish the office of Comptroller of the Currency.

Mr. GEORGE. That is the agency. I have no objection to that.

Mr. BROWN. All he can do is transfer the function to the Federal Deposit Insurance Corporation.

Mr. GEORGE. Or to another agency.

Mr. BROWN. In order to get rid of the Comptroller's office-and I am merely using that as an illustration-he must come down to subsection (c), to find the power to abolish it.

Mr. GEORGE. That is correct.

Mr. BROWN. Otherwise it would stand without a duty to

Mr. GEORGE. That is correct. He must go to subsection (c) to obtain the power to abolish the agency. The Senator is entirely correct. Also, he must go to subsection (c) to find the power to abolish the function and not transfer it.

Mr. BROWN. That is correct. Mr. GEORGE. Because, as clear as day, he has the right to transfer the function under subsection (a).

Mr. BROWN. My position is that nowhere in the bill can be found the authority on the part of the President to abolish all the agencies which perform certain functions. He may abolish five out of six, but he may not abolish the sixth.

Mr. WHEELER. Mr. President-

Mr. BROWN. I do not wish to yield at this time.

We must go back to section 1; and section 4, on page 4, tells us to do it. It says "to accomplish one or more of the purposes of section 1 (a)." Under subparagraph 4 of subsection (a) of section 1, the President is limited to abolishing agencies "by consolidating those having similar functions under a single head."

So, I get back to my original proposition, that there is no authority to abolish the Home Owners' Loan Corporation, for example, unless the functions performed by the Home Owners' Loan Corporation now engaged only in collections can be transferred to the Treasury or Federal Housing Administration, or the United States Housing Authority, or some other agency.

Mr. GLASS. Mr. President, will the Senator yield?

Mr. BROWN. I yield.

Mr. GLASS. Suppose the President came to the conclusion, in his discretion, that the Home Owners' Loan Corporation could be abolished without affecting the efficiency of the Government. Suppose the President came to the conclusion which many persons have already arrived at, that it is not necessary to examine the banks, and that he would abolish bank examination.

Mr. BROWN. He would be violating the provisions of the bill. He could not do it under the bill.

Mr. GLASS. The discretion is left to the President to reach such a conclusion.

Mr. GEORGE. With all due respect to the Senator, it seems to me very clear that the President can abolish functions, and that is my whole trouble with the legislation.

Mr. BROWN. If we use "function" in the narrow sense of the function which is being immediately performed by a particular agency, the Senator is correct. However, if we use it in the larger sense of the thing necessary to be done under existing law-for example, the examination of banks under the direction of existing law—then the function cannot be abolished. It is merely the performance of the function by a certain agency which is abolished, but the statutory duty placed on the Executive must be done by some agency.

Mr. WHEELER. Mr. President, will the Senator yield?

Mr. BROWN. I yield.

Mr. WHEELER. Let me call the Senator's attention to the fact that I am in thorough accord with the views stated by the Senator from Georgia [Mr. George]. Just read the language. It seems to me it is so plain that it is impossible for any one to misconstrue it. I have great respect for the Senator from Michigan [Mr. Brown], but the Senator is construing the language in section 4, in effect, to say that before the President can abolish functions he must transfer the office.

He can abolish any function he wishes. He goes back to section 1, which says that he can abolish a function if he finds that it is necessary to do it in order to reduce expenditures to the fullest extent consistent with the efficient operation of the Government. That is all he has to find. Or he can find that it is necessary to do it to increase the efficiency of operation of government to the fullest extent. He can abolish functions of office if he finds any of the things stated in section 1. First of all, if he wants to reduce the expenditures of government, he can abolish functions.

Mr. BROWN. Only if there is another agency performing a similar function.

Mr. WHEELER. No. There is no provision in the bill to that effect.

Mr. BROWN. I do not think the bill grants the authority which the Senator contends.

Mr. WHEELER. Let me read the language in section 4.

SEC. 4. Whenever the President, after investigation, finds that—
(a) the transfer of the whole or any part of any executive agency or the functions thereof to the jurisdiction and control of any other executive agency; or
(b) the consolidation of the functions vested in any executive

agency; or-

Those are two things he can find.

Mr. BROWN. Where is the Senator reading?

Mr. WHEELER. I am reading on page 4, section 4.

(c) the abolition of the whole or any part of any executive agency or the functions thereof,

Mr. BROWN. That is absolutely necessary in the event the President has found two agencies performing similar functions.

Mr. WHEELER. Where does the Senator find that statement?

Mr. BROWN. I find that in subparagraph 4 of subsection (a) of section 1.

Mr. WHEELER. The trouble is that subsection (c) of section 4 says, not that the President must find all the things in section 1, but that-

The abolition of the whole or any part of any executive agency or the functions thereof is necessary to accomplish one or more of the purposes of section 1 (a).

Section 1 sets forth all these different purposes. So going back to section 1 it will be found that if the President finds any one of the conditions specified in that section he may act.

Mr. BROWN. Does the Senator find any authority in section 1 on page 2 to abolish a function? There is no such authority there.

Mr. WHEELER. No.

Mr. BROWN. Does the Senator find any such authority in section 2? There is no such authority there. Does he find it in section 3? There is no such authority there. The only place where he can find such authority is in section 4.

Mr. WHEELER. That is correct.

Mr. BROWN. And that is where a similar function under a single head is existent at the present time.

Mr. WHEELER. Let me say to the Senator I have to disagree completely with him, because the power to abolish, the power to transfer, and the power to consolidate are in

Mr. BROWN. What power to abolish? The power to abolish if there is some other agency performing a similar function, and under no other condition.

Mr. WHEELER. Let us read the language. There cannot be any question about it. It says:

Whenever the President, after investigation, finds-

What? That-

(a) the transfer of the whole or any part of any executive agency the functions thereof to the jurisdiction and control of any other executive agency-

That is one thing he can do; that is the power that he is

(b) the consolidation of the functions vested in any executive agency-

Those are two things he can do.

Thirdly, he can abolish in whole or in part any executive agency, or he can abolish the functions thereof. Then it says if it-

Is necessary to accomplish one or more of the purposes of section 1 (a).

Then, by going back to section 1 (a) we find that if the President finds it is necessary in order to reduce the expenditures he may take action.

And on page 5 it is stated he can-

(d) prepare a reorganization plan for making of the transfers, consolidations, and abolitions as to which he has made findings.

Mr. BROWN. What abolitions? The abolitions that are referred to in section 4 and-

Mr. WHEELER. That is correct.

Mr. BROWN. In subsection (4) of section (1) of the bill. Mr. WHEELER. That is correct.

Mr. BROWN. That is, abolitions are limited to those functions which are already being performed by a similar agency or are to be so performed under the reorganization.

Mr. WHEELER. Mr. President, I submit that there is not anywhere in the bill any language that can possibly be given such a construction.

SEVERAL SENATORS. Vote! Vote!

Mr. LEE. Mr. President, I shall speak very briefly on the amendment before the Senate and on the bill which is pending.

I have listened to the interesting but hairsplitting arguments on the phraseology of this bill. Every lawyer knows that when it is undertaken to determine the meaning of a document the document must be taken as a whole and not merely one paragraph or one line. If I were allowed to take a certain choice of lines from Scripture I could prove that a man ought to go out and hang himself. For instance, the Scripture says, "And Judas went out and hanged himself"; it also says, "Go thou and do likewise"; and it further says, "What thou doest do quickly." But that kind of interpretation of language never prevails. The Supreme Court and all other courts always look at the entire document and even consider the congressional intent.

I do not believe that it would ever be considered that the Congress had the intention of passing a law that would give the President power to abolish a function that was necessary for the Executive to perform in order to execute legislation passed by the Congress.

I think the illustration of the Senator from Michigan is very much in point. Here are two agencies of the Government performing the same function, the Federal Deposit Insurance Corporation and the Federal Reserve Bank Board. They perform the function of examining banks, and they both perform the same function. The President, under this bill as I read it, could abolish one agency and abolish the function of that agency, but still leave the same function performed by the other agency.

I understood the Senator from Georgia to say that if he believed that he would support the bill. Why should not the function of, say, the Federal Reserve Board to examine banks be abolished, still leaving the function of examining banks untouched so far as the Federal Deposit Insurance Corporation is concerned, and thus carry out the actual letter as well as the spirit of the law?

To me the most impelling argument delivered last year when we considered this subject was that of the Senator from Mississippi [Mr. Harrison]. We want to bring about a consolidation of agencies, but we are unable to do it as a Congress, and so we assign that power to the Executive. By so doing we have not surrendered our power any more than when people become so numerous that they cannot have a pure democracy they resort to a representative democracy and elect representatives to exercise certain powers. In that event they do not surrender their sovereignty; the people never surrender their sovereignty in a representative democracy; it is only once removed. That would be the case in this instance.

I wish to read from the speech delivered last year which was very convincing to me on this particular point. If we should adopt the so-called Wheeler amendment, in my opinion, we would nullify the whole bill; we would put the reorganization question back in the lap of Congress, and it is impossible for Congress to abolish functions and to consolidate agencies, as shown by this speech which was made last year by the Senator from Mississippi. It is very brief; just a part of one column I shall read:

Mr. Harrison. Mr. President, I have no fault to find with any Senator who differs from me on this question. I shall vote against the motion to recommit the reorganization bill.

As a member of the Select Committee on Government Organization I regret that I have not been able to render some assistance to the distinguished and able Senator from South Carolina during the consideration of the bill. He has made a courageous and apple fight and has proven his splendid qualities of leadership. the consideration of the bill. He has made a courageous and an able fight and has proven his splendid qualities of leadership. Continued conferences and hearings on the pending revenue bill have made it impossible for me to be present during all of the discussions. I rise now only because in 1921, when President Harding was President, he sent a message to the Congress making a clear-cut issue on the question of reorganization. He presented the necessity of a reorganization of the departments as one of the great and major issues.

A joint committee on reorganization was appointed consisting

A joint committee on reorganization was appointed consisting of six Members of Congress, three from the House of Representatives and three from the Senate. I was the Democratic Member of the Senate on that committee. Senator Smoot and Senator Wansworth were the Republican Members of the Senate on that

committee.

We went into an investigation of the departments in an earnest and sincere attempt to reorganize the Government. For 2 years we labored at that job, and when we would be about ready to transfer a bureau from one department to another we would find that the Cabinet member at the head of the department affected would put all the forces of propaganda to work and bring influence upon Members of Congress against our proposals. Of course, our efforts in the circumstances were unsuccessful, and after 2 years of work we had accomplished nothing. I say to the Senate today that in my humble opinion Congress will never be able through any committee to reorganize the departments of the Government. The task must be placed in the hands of some one official. The President is the proper one.

With the very limited powers that are given to the President in this bill I cannot believe that he will abuse those powers. I have enough faith and confidence in him to believe that he will not.

That is the same situation which would confront us if we should adopt the Wheeler amendment, which would throw the reorganization of every department back into the lap of Congress on each one of those issues, and make it impossible for us to accomplish the purpose we have in mind.

The PRESIDING OFFICER. The question is on agreeing to the amendment offered by the Senator from Montana [Mr. WHEELER].

Mr. Wheeler's amendment is, on page 6, beginning with line 16, to strike out all down to and including line 4 on page 7, and insert in lieu thereof the following:

page 7, and insert in lieu thereof the following:

SEC. 5. The reorganization specified in the plan shall not become effective until after the enactment of a joint resolution specifically approving such plan. Any such joint resolution shall provide for the approval of such plan as a whole, without modifications, and shall contain no other provisions. If any such joint resolution providing for the approval of any such plan is introduced in either House, it shall at once become the special order therein and that House shall proceed to its consideration, without reference to a committee; and, not later than 1 hour after that House meets on the tenth calendar day (Sundays excepted) after the day on which such joint resolution was introduced, a vote shall be taken in that House on the question of the passage of a joint resolution approving such plan. If any such joint resolution is passed by one House it shall be sent to the other House, and that House shall imme-

diately proceed to its consideration, without reference to a committee. Not later than 1 hour after the House meets on the tenth calendar day (Sundays excepted) after it has received such joint resolution, a final vote shall be taken in that House on the question of the passage of such joint resolution. No notice or motion to reconsider the vote shall be in order.

And on page 9, to strike out all of part 2 down to and including line 2 on page 14.

Mr. McNARY. I call for the yeas and nays on the adoption of the amendment.

The yeas and nays were ordered.

Mr. BYRNES. I make the point of no quorum.

The PRESIDING OFFICER. The point of no quorum having been made, the clerk will call the roll.

The Chief Clerk called the roll, and the following Senators answered to their names:

Adams	Danaher	La Follette	Reynolds
Andrews	Davis	Lee	Russell
Ashurst	Donahey	Lewis	Schwartz
Austin	Downey	Lodge	Sheppard
Bailey	Ellender	Logan	Shipstead
Bankhead	Frazier	Lucas	Smathers
Barbour	George	Lundeen	Smith
Barkley	Gerry	McCarran	Stewart
Bilbo	Glbson	McKellar	Taft
Bone	Gillette	McNary	Thomas, Okla.
Borah	Glass	Maloney	Thomas, Utah
Bridges	Guffey	Mead	Tobey
Brown	Gurney	Miller	Townsend
Bulow	Harrison	Minton	Tydings
Burke	Hatch	Murray	Vandenberg
Byrd	Havden	Neely	Van Nuys
Byrnes	Herring	Norris	Wagner
Capper	Hill	O'Mahoney	-Walsh
Caraway	Holman	Overton	Wheeler
Chavez	Hughes	Pepper	White
		Pittman	Wiley
Clark, Idaho	Johnson, Calif.	Radcliffe	Wiley
Clark, Mo.	Johnson, Colo.		
Connally	King	Reed	The second second

The VICE PRESIDENT. Ninety Senators have answered to their names. A quorum is present. The question is on agreeing to what is known as the Wheeler amendment.

Mr. O'MAHONEY. Mr. President-

The VICE PRESIDENT. On that amendment the yeas and nays have been ordered.

Mr. O'MAHONEY. Mr. President-

The VICE PRESIDENT. The clerk will call the roll.

Mr. O'MAHONEY. Mr. President——
The Chief Clerk proceeded to call the roll.

Mr. ANDREWS (when his name was called). I have a pair with the junior Senator from West Virginia [Mr. Holt]. If that Senator were present, I understand that he would vote "yea" on the question. If I were at liberty to vote, I should vote "nay." I withhold my vote.

Mr. O'MAHONEY. Mr. President, I insist that I was on my feet, addressing the Chair, before the roll call was started.

Mr. McCARRAN. Mr. President, I corroborate the statement of the Senator from Wyoming.

The VICE PRESIDENT. The Chair saw the Senator from Wyoming, but did not hear him address the Chair. The Senator from Wyoming came into the Senate Chamber with papers in his hands.

Mr. BARKLEY. Mr. President, I ask unanimous consent that the roll call up to this point be vacated in order that the Senator from Wyoming may be recognized.

The VICE PRESIDENT. Is there objection? The Chair

hears none. The Senator from Wyoming.

Mr. O'MAHONEY. Mr. President, I am not going to delay the roll call. Just before it was ordered by the Chair, there was a protracted debate, in which several Senators participated, with respect to the extent to which the President would be authorized under the bill to abolish the functions and agencies of the Government. The able Senator from Michigan [Mr. Brown] and I expressed one point of view with respect to the construction of the language of the bill. The able Senator from Montana [Mr. Wheeler] and the able senior Senator from Maryland [Mr. Tydings] expressed a contrary view. It was our contention that the power to abolish the functions of any agency is limited in this measure to the objective set forth in subsection (4) of section 1, namely:

To reduce the number of such agencies by consolidating those having similar functions under a single head.

I rise now merely to give notice that after the roll shall have been called it will be my purpose to offer an amendment on lines 20 and 21 of page 4, so that clause (c) of section 4 shall read:

The abolition of the whole or any part of any agency-

And this is the new language—

whenever the functions thereof have been transferred to the jurisdiction and control of another agency or agencies.

With that amendment, the entire debate which was carried on heretofore this afternoon with respect to the meaning could, in my opinion, be eliminated.

Mr. BYRNES. Mr. President-

The VICE PRESIDENT. The Senator from South Carolina.

Mr. BYRNES. The Senator from Wyoming has discussed with me the amendment—

Mr. JOHNSON of California. Mr. President, I rise to a point of order.

The VICE PRESIDENT. The Senator will state it.

Mr. JOHNSON of California. It is not in order for our distinguished friend—I dislike to call him to order—to proceed with an argument upon this question. We all yielded to what the Senator from Wyoming [Mr. O'Mahoney] had to say, because we saw him on his feet endeavoring to obtain recognition, and we thought it was but just that he should have recognition; but it is not appropriate that the entire question should be reargued now. That is my point of order.

Mr. McNARY. Mr. President-

Mr. BYRNES. Mr. President, to me the statement I was about to make is not a matter of great importance; but when the Vice President held that he was in error in having started the roll call, because he did not know that the Senator from Wyoming was addressing him, I believe any Senator had the right to address the Senate regarding the matter suggested by the Senator from Wyoming. My purpose only was to say that I intend to accept the amendment of the Senator from Wyoming.

Mr. McCARRAN. Mr. President— SEVERAL SENATORS. Vote! Vote! Mr. McCARRAN. Mr. President—

The VICE PRESIDENT. Does any other Senator now wish to speak? If he does, the Chair will recognize him. [Laughter.] If not, the clerk will call the roll on the adoption of what is known as the Wheeler amendment.

The Chief Clerk proceeded to call the roll.

Mr. BYRNES (when his name was called). I have a pair with the senior Senator from Maine [Mr. Hale], who is absent. I understand that if present he would vote "yea." I transfer that pair to the Senator from Washington [Mr. Schwellenbach] and vote "nay."

The roll call was concluded.

Mr. ANDREWS. I repeat the announcement of my pair. I have a pair with the Senator from West Virginia [Mr. Holl], who is absent. If he were present, he would vote "yea." If permitted to vote, I should vote "nay."

Mr. FRAZIER. My colleague the junior Senator from North Dakota [Mr. Nye] is absent because of illness. On this vote he is paired with the Senator from Rhode Island [Mr. Green]. If my colleague were present, he would vote "yea," and, I understand, that the Senator from Rhode Island [Mr. Green] would vote "nay" if present and voting.

Mr. LEWIS. I am authorized to announce the absence of the Senator from West Virginia [Mr. Holf] on account of illness in his family.

The Senator from Rhode Island [Mr. Green] and the Senator from Missouri [Mr. Truman] are absent on public business.

The Senator from Washington [Mr. Schwellenbach] is absent because of illness.

I am not authorized to state how these Senators would vote if present and voting.

Mr. BYRNES. Mr. President, I inquire how am I recorded?

Andrews

The VICE PRESIDENT. The Senator is recorded as voting in the negative.

Mr. BYRNES. I change my vote from "nay" to "yea." The result was announced—yeas 46, nays 43, as follows:

VEAS 46

Adams	Chavez	Holman	Smith
Austin	Clark, Idaho	Johnson, Calif.	Taft
Bailey	Clark, Mo.	Johnson, Colo.	Tobey
Barbour	Danaher	King	Townsend
Bone	Davis	Lodge	Tydings
Borah	Donahey	Lundeen	Vandenberg
Bridges	Frazier	McCarran	Van Nuys
Bulow	George	McNary	Wheeler
Burke	Gerry	Maloney	White
Byrd	Gibson	Miller	Wiley
Byrnes	Glass	Reed	ACCOUNT OF THE PARTY OF THE PAR
Capper	Gurney	Shipstead	
10 7 11 12	N.	AYS-43	
Ashurst	Harrison	McKellar	Reynolds
	**	7	Dyrecoll

Bankhead Hatch Hayden Schwartz rkley Minton Sheppard Smathers Bilbo Herring Murray Neely Norris O'Mahoney Brown Hill Stewart Thomas, Okla. Thomas, Utah Caraway La Follette Connally Downey Ellender Lee Lewis Overton Wagner Walsh Pepper Pittman Gillette Logan Lucas Guffey Radcliffe

NOT VOTING-7

Nye Schwellenbach Green So Mr. WHEELER's amendment was agreed to.

Mr. CLARK of Missouri. Mr. President—
The VICE PRESIDENT. The Senator from Wyoming gave notice to the Chair-

Truman

Mr. CLARK of Missouri. Mr. President, I desire to make a motion in regard to the vote just taken.

The VICE PRESIDENT. The Senator from Missouri is

Mr. CLARK of Missouri. I move to reconsider the vote just taken, and I move to lay that motion on the table.

Mr. BYRNES. Mr. President-

Mr. CLARK of Missouri. Mr. President, I make the point

of order that the motion is not debatable. The VICE PRESIDENT. The Senator from Missouri moves

to reconsider the vote, the Chair understands. Mr. CLARK of Missouri. I moved to reconsider the vote, and I also moved to lay that motion on the table.

Mr. BYRNES. On the motion to lay on the table I ask for the yeas and nays.

Mr. BANKHEAD. I rise to a point of order.

The VICE PRESIDENT. Under the rules of the Senate, the Chair understands the motion is divisible. Therefore, the motion to reconsider will be voted on first.

Mr. CLARK of Missouri. A parliamentary inquiry.
The VICE PRESIDENT. The Senator will state it.
Mr. CLARK of Missouri. Do I understand the Chair to

rule that a motion to reconsider takes precedence of a motion to lay on the table?

The VICE PRESIDENT. There has to be a motion to reconsider before it can be laid on the table.

Mr. CLARK of Missouri. I understand that, but a motion to lay on the table takes precedence of any preceding motion.

The VICE PRESIDENT. Certainly. The Senator from Missouri is correct, but the precedents in the Senate are different from those in the House of Representatives. This is the first time, so far as the Chair knows, and so far as the Parliamentarian knows, when any Senator has made a motion to reconsider and has himself made a motion to lay that motion on the table.

Mr. CLARK of Missouri. Mr. President, I can recall to the present occupant of the chair an occasion when he himself was in the chair and I made those two motions.

Mr. WHEELER. Mr. President, will the Senator yield?

Mr. CLARK of Missouri. I yield.

Mr. WHEELER. I move to lay the motion on the table.

Mr. RUSSELL. Mr. President, I was seeking recognition from the Chair to make a point of order that no Senator could make a motion which was debatable and then, without giving any other Senator an opportunity to be recognized, make a motion the effect of which would be to cut off all debate.

The VICE PRESIDENT. The Senator from Georgia is correct from one standpoint; a motion to reconsider and a motion to lay on the table are not usually made by the same Senator, so far as the Chair knows, though the Senator from Missouri says it has been done in the Senate.

Mr. CLARK of Missouri. Mr. President—
The VICE PRESIDENT. The Chair recalls that a number of times one Senator has moved to reconsider and another Senator has risen and moved to lay that motion on the table

Mr. CLARK of Missouri. A parliamentary inquiry. Does the Chair rule that the motion to lay on the table is not the motion now before the Senate?

The VICE PRESIDENT. It is the motion now before the

Mr. CLARK of Missouri. The motion to lay on the table? The VICE PRESIDENT. It is.

Mr. HARRISON. Mr. President

SEVERAL SENATORS. Vote! Vote! Mr. HARRISON. The first motion made was a motion to reconsider.

The VICE PRESIDENT. The Senator from Missouri modified his motion, and moved to reconsider.

Mr. CLARK of Missouri. No; I did not modify my motion. If the ruling of the Chair is that the same Senator cannot make a motion to reconsider and himself move to lay that on the table, which I can show is at variance with a ruling previously made by the present occupant of the chair. I withdraw the motion to lay on the table.

Mr. WHEELER. I move to lay the motion on the table.

The VICE PRESIDENT. Let the Chair state the parliamentary situation. The Senator from Missouri moved to reconsider the vote, and the Senator from Montana moved to lay that motion on the table. Undoubtedly that has been done in the Senate a number of times within the last 2 or 3 months, at the present session of Congress. The Presiding Officer does not know just what the Senate wants to do. The pending motion undoubtedly cuts off debate.

Mr. KING. Regular order.

Mr. BARKLEY. Mr. President-

SEVERAL SENATORS. Vote! Vote! Vote!

Mr. BARKLEY. I merely want to propound an inquiry, whether a Senator can present a motion without first being recognized by the Chair. I do not wish to be technical about the matter, but the Senator from Georgia was on his feet asking recognition, and without being recognized the Senator from Montana made his motion.

The VICE PRESIDENT. It is very difficult for the Chair to decide whom he shall recognize when two or three Senators are on their feet. It is the privilege of the Chair to recognize any Senator he desires to recognize when a number of Senators are on their feet. The Senator from Missouri made a motion to reconsider the vote. The Senator from Montana was on his feet, and the Chair recognized him.

Mr. BARKLEY. If the Chair recognized the Senator from Montana, I have no complaint. I did not understand that

that happened.

The VICE PRESIDENT. The question is on the motion of the Senator from Montana [Mr. WHEELER] to lay on the table the motion of the Senator from Missouri [Mr. CLARK] that the vote by which the amendment of the Senator from Montana was agreed to be reconsidered.

Mr. RUSSELL. Mr. President, I understand that the Chair had ruled definitely on the point of order which I made, which was that no Senator could make a motion which was debatable and then cut off debate by making a motion which was not debatable.

The VICE PRESIDENT. The Chair did not have to rule on that question, because the Senator from Missouri made a motion to reconsider, and the Senator from Montana moved to lay it on the table.

Mr. BYRNES. On that I ask for the yeas and nays. Mr. CLARK of Missouri. A parliamentary inquiry. The VICE PRESIDENT. The Senator will state it.

Mr. CLARK of Missouri. I understand the Senate is about to vote on the motion to lay on the table.

The VICE PRESIDENT. The Senate is about to vote on that motion. The motion is to lay on the table the motion of the Senator from Missouri to reconsider. The Senator from South Carolina has asked for the yeas and nays.

The yeas and nays were ordered, and the Chief Clerk pro-

ceeded to call the roll.

Mr. BYRNES (when his name was called). I have a pair with the Senator from Maine [Mr. HALE], and as the present vote is a part of the action on the Wheeler amendment, I withhold my vote. If I were at liberty to vote, I would vote "nay."

Mr. FRAZIER (when Mr. Nye's name was called). My colleague [Mr. NyE] is absent because of illness. He has a pair on this vote with the Senator from Rhode Island [Mr. GREEN]. If present and at liberty to vote, my colleague would vote "yea"; and I understand the Senator from Rhode Island, if at liberty to vote, would vote "nay."

The roll call was concluded.

Mr. ANDREWS. I have a pair with the Senator from West Virginia [Mr. Holt], who is not present. If at liberty to vote, I should vote "nay." If present, I assume the Senator from West Virginia would vote "yea."

Mr. CLARK of Missouri. Mr. President, a parliamentary inquiry.

The VICE PRESIDENT. The Senator will state it.

Mr. CLARK of Missouri. I did not hear the explanation of the Senator from Florida. How is the Senator from Florida recorded?

The VICE PRESIDENT. The Senator from Florida has withdrawn his vote. He is paired with the Senator from West

Mr. BYRNES. Mr. President, I have heretofore announced my pair and withheld my vote. I transfer my pair to the Senator from Washington [Mr. Schwellenbach], and will vote.

The result was announced—yeas 44, nays 44, as follows:

YEAS-44

Adams	Clark, Idaho	Holman	Shipstead
Austin	Clark, Mo.	Johnson, Calif.	Smith
Bailey	Danaher	Johnson, Colo.	Taft
Barbour	Davis	King	Tobey
Bone	Donahey	Lodge	Townsend
Bridges	Frazier	Lundeen	Tydings
Bulow	George	McCarran	Vandenberg
Burke	Gerry	McNary	Van Nuys
Byrd	Gibson	Maloney	Wheeler
Capper	Glass	Miller	White
Chavez	Gurney	Reed	Wiley
	N	AYS-44	
Ashurst	Guffey	Lucas	Radcliffe
Bankhead	Harrison	McKellar	Reynolds
Barkley	Hatch	Mead	Russell
Bilbo	Hayden	Minton	Schwartz
Brown	Herring	Murray	Sheppard
Byrnes	Hill	Neely	Smathers
Caraway	Hughes	Norris	Stewart
Connally	La Follette	O'Mahoney	Thomas, Okla.
Downey	Lee	Overton	Thomas, Utah
Ellender	Lewis	Pepper	Wagner
Gillette	Logan	Pittman	Walsh
	NOT	VOTING-8	
Andrews	Green	Holt	Schwellenbach
-	TTolo	Mirro	Twamon

So the motion to lay on the table the motion to reconsider was rejected.

Mr. BYRNES. Mr. President, when the roll call was started awhile ago-

Mr. CLARK of Missouri. Mr. President—
The VICE PRESIDENT. Let the Chair state the question. The question is on the motion to reconsider.

Mr. BYRNES. On that motion I desire to be heard.

Mr. CLARK of Missouri. Mr. President, a parliamentary inquiry.

The VICE PRESIDENT. The Chair has recognized the Senator from South Carolina.

Mr. CLARK of Missouri. A parliamentary inquiry.
The VICE PRESIDENT. The Senator will state it.
Mr. CLARK of Missouri. As a proponent of the motion
to reconsider, am I not entitled to recognition for the purpose of withdrawing the motion?

The VICE PRESIDENT. The Chair recognized the Senator who was first on his feet.

Mr. CLARK of Missouri. I was on my feet as soon as the

announcement of the vote was completed.

The VICE PRESIDENT. The Chair does not think there is any rule of the Senate which gives any Senator a prior right to the floor.

Mr. CLARK of Missouri. If the Chair wishes to make that ruling very well.

The VICE PRESIDENT. The Chair wishes to say that there is no rule of the Senate giving any Senator a prior

right to the floor. Mr. ASHURST. Mr. President, will the Senator from South Carolina yield for a point of order?

Mr. BYRNES. I yield.

Mr. ASHURST. Not only is the Chair correct, but the Chair has the sole and exclusive right and power to recognize whoever rises first, and he is the sole judge of the question as to who first sought recognition and from the Chair's ruling on this point there is no appeal.

Mr. CLARK of Missouri. Mr. President, I raise the point

of order that that is not a point of order.

Mr. NEELY. Mr. President-

The VICE PRESIDENT. The Senator from South Carolina has the floor. Does the Senator yield, and if so, to whom?

Mr. BYRNES. I yield to the Senator from West Virginia. Mr. NEELY. Mr. President, in order that the statement of the distinguished Senator from Arizona may be absolutely

Mr. CLARK of Missouri. Mr. President, I make the point of order that the Chair recognized the Senator from South

The VICE PRESIDENT. The Chair understood that the Senator from South Carolina yielded to the Senator from West Virginia.

Mr. BYRNES. The Chair is correct.

The VICE PRESIDENT. If he did, the Senator from West Virginia has the right to hold the floor until midnight, the Chair assumes, if he can stand it that long.

Mr. NEELY. Mr. President, the rule which every Senator ought to know is as follows-

Mr. CLARK of Missouri. Mr. President, a point of order. The VICE PRESIDENT. The Senator will state it. Mr. CLARK of Missouri. Under the rule, the Senator from

South Carolina [Mr. Byrnes] has no right to yield except for a question; and the Senator from West Virginia [Mr. NEELY] is not asking a question.

Mr. NEELY. Mr. President, I inquire of the Senator from South Carolina [Mr. Byrnes] if it is not a fact that the rules explicitly provide that a Senator, in order to obtain recognition, shall rise and address the Chair, and that the Presiding Officer shall recognize the Senator who first addresses him?

The VICE PRESIDENT. The Chair understands that to be the rule of the Senate; but when six Senators are standing the Chair will not try to say who first rose.

The Chair will make a statement with reference to the point of order of the Senator from Missouri, which is very pertinent. Sometimes the Senate itself must pass on the question. It frequently happens that one Senator will yield to another, and the second Senator will make a long statement of fact. The Senator from Missouri [Mr. CLARK] makes the point of order that the Senator rising and asking another Senator to yield may not make a statement but may only ask a question. That question has been debated in the Senate a number of times. It occurs to the Chair that the Rules Committee ought to recommend a definite rule on the subject. The Chair makes that statement gratuitously but, nevertheless, in the interest of order in the Senate, it seems to the Chair that the rule ought to make possible a definite decision on the matter. The rule does say—and it is invoked especially in connection with a filibuster—that a Senator may yield only for a question, or else he yields the floor.

The Senator from South Carolina.

Mr. BYRNES. Mr. President, the Senator from Wyoming [Mr. O'MAHONEY] had stated that he would offer an amendment with reference to the bill which I feel satisfied would possibly have removed some of the objections Members of | the Senate have had to the bill due to a misunderstanding of its purpose.

Mr. O'MAHONEY. Mr. President, will the Senator yield? Mr. BYRNES. I yield to the Senator from Wyoming.

Mr. O'MAHONEY. I ask the Senator to yield in order that I may formally make the motion to which I referred.

Mr. CLARK of Missouri. Mr. President

The VICE PRESIDENT. Does the Senator from South Carolina yield; and if so, to whom?

Mr. BYRNES. I yield to the Senator from Wyoming for a question.

Mr. CLARK of Missouri. Mr. President—
The VICE PRESIDENT. The Senator from South Carolina stated that he yielded to the Senator from Wyoming for a question.

Mr. O'MAHONEY. I now desire to ask the Senator from South Carolina, as chairman of the committee in charge of the bill, if he will accept, on behalf of the committee, an amendment which I shall propose when I am recognized for that purpose. I shall propose an amendment, on page 4, to strike out all of lines 20 and 21 and to substitute in lieu thereof the following:

(b) The abolition of the whole or any part of any agency whenever the functions thereof have been transferred to the jurisdiction and control of another agency or agencies.

Mr. KING. Mr. President, a parliamentary inquiry. The VICE PRESIDENT. The Senator will state it.

Mr. KING. If the able Senator in charge of the bill should accept the proposed amendment, speaking for himself only, I presume, would that acceptance bind the Senate, and would we be denied the opportunity of debating the amendment when it should be formally offered?

The VICE PRESIDENT. Replying to the parliamentary inquiry, the Chair will state that nothing can bind the Senate except a majority vote.

Mr. BYRNES. Mr. President, of course it is generally recognized by the Senate that nothing can bind the Senate but a majority vote. The Senator from Utah is unduly alarmed.

Mr. KING. I am not alarmed.

Mr. BYRNES. The fact is that in discussing this matter on the day I reported the bill to the Senate, I stated that the purpose was that if the President, under the provisions of the bill, should transfer the power to make maps-I used that illustration-from 10 departments to 1, he should abolish the power to make maps in the other 9 departments. Otherwise they would come before the Congress asking for appropriations. That is the purpose of the language in the bill giving the President the power to abolish functions.

Specifically, in reply to the question of the Senator from Wyoming [Mr. O'MAHONEY], whenever that amendment is offered I certainly shall agree to it and ask the Senate to agree to it, because I believe it will accomplish all the purposes of the bill. From time to time Congress has had investigations made. We know that if in the departments there were 14 agencies lending money, and under the power contained in the bill the President should transfer from 13 departments to 1 the power to lend money, it would be necessary to abolish the exercise of that power in the departments from which it was removed. That is the object. The amendment suggested by the Senator from Wyoming would accomplish everything that those who are in favor of reorganization seek to accomplish; and I hope the amendment will be agreed to when it is reached.

Mr. McCARRAN. Mr. President, will the Senator yield? Mr. BYRNES. I yield.

Mr. McCARRAN. In order that we may understand the present procedure, is it not a fact that the question now before the Senate is the reconsideration of the vote on the Wheeler amendment?

The VICE PRESIDENT. The Senator from Missouri [Mr. CLARK] has not yet withdrawn his motion, and the Chair could not recognize him for that purpose, even if he wished

to do so, because the Senator from South Carolina has the floor.

The Senator from Missouri was asking for recognition and claiming the right to recognition because he was the author of the motion. However, in the meantime, the Chair had recognized the Senator from South Carolina because he was on his feet and because he is in charge of the bill.

Mr. ADAMS. Mr. President, a parliamentary inquiry. The VICE PRESIDENT. The Senator will state it.

Mr. ADAMS. May the maker of a motion to reconsider withdraw his motion?

The VICE PRESIDENT. The Chair is of the opinion that he may, but he will have to have the consent of the Senate. The Chair, not having looked up the matter himself, is advised by the Parliamentarian that a motion by a Senator may not be withdrawn except by permission of the Senate.

Mr. McCARRAN. Mr. President, a point of order. The VICE PRESIDENT. The Senator will state it.

Mr. McCARRAN. The question now before the Senate is the question of reconsideration, is it not?

The VICE PRESIDENT. That is correct.

Mr. BARKLEY. Mr. President-

The VICE PRESIDENT. Does the Senator from South Carolina yield to the Senator from Kentucky?

Mr. BYRNES. I yield.

Mr. BARKLEY. I move that the Senate take a recess until 12 o'clock noon tomorrow.

Mr. CLARK of Missouri. Mr. President, I make the preferential motion that the Senate adjourn.

The VICE PRESIDENT. What is the Senator's purpose? Mr. CLARK of Missouri. I make the preferential motion that the Senate adjourn.

The VICE PRESIDENT. The question is on the motion of the Senator from Missouri that the Senate adjourn.

Mr. BARKLEY. Mr. President, I have no objection to the motion to adjourn. The only difference is that probably we shall spend a few moments tomorrow in the morning hour. However, as I understand the status of the motion now pending in the Senate would not be changed.

The VICE PRESIDENT. It would not.

Mr. CLARK of Missouri. Mr. President, a parliamentary

The VICE PRESIDENT. The Senator will state it.

Mr. CLARK of Missouri. If the Senator from South Carolina [Mr. Byrnes] yields to the Senator from Kentucky for the purpose of making a motion to take a recess, does he not lose the floor?

The VICE PRESIDENT. He does.

Mr. CLARK of Missouri. Then, Mr. President, I withdraw my motion to adjourn. I give notice that as soon as I can obtain recognition from the Chair tomorrow I shall withdraw the motion to reconsider.

Mr. BYRNES. I give notice that when the Senator withdraws the motion I shall renew it.

Mr. BARKLEY. I move that the Senate take a recess until 12 o'clock noon tomorrow.

The motion was agreed to; and (at 4 o'clock and 57 minutes p. m.) the Senate took a recess until tomorrow, Wednesday, March 22, 1939, at 12 o'clock meridian.

NOMINATIONS

Executive nominations received in the Senate March 21 (legislative day of March 16), 1939

UNITED STATES COURT OF APPEALS, DISTRICT OF COLUMBIA

Wiley Blount Rutledge, Jr., of Iowa, to be an associate justice of the United States Court of Appeals for the District of Columbia, to fill a position created by the act of Congress of May 31, 1938.

COLLECTOR OF CUSTOMS

Charles E. Kemper, of Columbus, Ind., to be collector of customs for customs collection district No. 40, with head-quarters at Indianapolis, Ind., in place of Wray Fleming, whose term of office has expired.

CUSTOMS APPRAISER

Florence Clarke Lynch, of New York, to be appraiser of merchandise in customs collection district No. 10, with headquarters at New York, N. Y., to fill an existing vacancy.

PROMOTIONS IN THE NAVY

MARINE CORPS

The following-named majors to be lieutenant colonels in the Marine Corps from the 29th day of June 1938:

Martin J. Kelleher William E. Riley

David R. Nimmer Merwin H. Silverthorn

HOUSE OF REPRESENTATIVES

TUESDAY, MARCH 21, 1939

The House met at 12 o'clock noon.

The Chaplain, Rev. James Shera Montgomery, D. D., offered the following prayer:

Heavenly Father, Spirit of Truth, come and guide us into all truth. Thou who knowest our thoughts and readest our lives, be the master of our hearts; dominate them until they lose their weakness. We pray Thee to restore all things to their noble use; purify them from the taint of lust and selfishness; make them sweet again as in the golden age, when our dear Lord walked in the garden in the cool of the morning. Father of mercies, there are wounds and afflictions which pierce the heart and open at the touch. Do Thou be most graciously near the couches of our sick and afflicted Members. Thou who dost heed the sparrow's fall, hear the sighs of the aching breast and put Thy tender hand on the breaking heart; bless and comfort them with the sweetness of calm and rest. However frail the flesh, worn the form, or weak the hand, may the heart be strong. Of Thy fullness may we all receive. In the name of our Saviour.

The Journal of the proceedings of yesterday was read and approved.

CORCORAN COURTS

Mr. LANHAM. Mr. Speaker, by direction of the Committee on Public Buildings and Grounds, I offer a privileged resolution, and ask for its present consideration.

The Clerk read as follows:

Resolved, That the Secretary of the Interior be requested to submit to the House all reports prepared by engineers under his direction having to do with the safety of the building, from a standpoint of life and property, together with a comparison of the estimated weighted load of equipment to be moved into the building with the estimated maximum weighted load per square foot of the floor structure, of the recently acquired Government building commonly referred to as the Corcoran Courts Apartments, and to be used by the Finance Section and Surgeon General of the War

The SPEAKER. Is there objection to the present consideration of the resolution?

There was no objection.

Mr. LANHAM. Mr. Speaker, this is a resolution of inquiry introduced by the gentleman from Michigan [Mr. CRAWFORD], and referred to the Committee on Public Buildings and Grounds. Hearings on this resolution were conducted by the committee on yesterday when representatives of the Department of the Interior appeared before the committee. After the testimony was heard, there was no objection from any source to the favorable reporting of this resolution; consequently, the committee comes at this time with the recommendation that the resolution do pass.

In brief explanation let me say that a few years ago legislation was enacted authorizing the Government to acquire certain squares in that area of the city of Washington desired and designed for governmental construction. On one of these squares so acquired is situated the Corcoran Courts Apartments building with which this resolution has to deal. It was constructed for residential and not for office purposes. It is proposed to move into this building the Finance Section and the Surgeon General of the War Department, and that the building be used as an office building for the conduct of their activities. A question arose as to the safety of the building for such office purposes. In view of the fact that considerable heavy equipment is likely to be placed in it, and inasmuch as it was constructed originally for residential purposes, there was doubt as to whether or not the personnel would be safe.

A special committee under the direction of the Interior Department is now making an investigation with reference to this feature of the matter and has given assurance that employees will not be placed in this building until there has been a thorough examination of it from the standpoint of safety, and until such modifications as may be necessary in

this regard have been made.

This building is on a part of the site designed for the construction of the War Department building, but inasmuch as it will not be used for some time for that purpose it has been thought advisable by those in charge of the space in our various Government-owned buildings to use this building temporarily for these office purposes, thereby avoiding the payment of rent in privately owned buildings. It is estimated that the cost of the necessary remodeling of this building will be equivalent to what the Government would have to pay for similar space for 1 year, and the statement was made before the committee by representatives of the Interior Department that this building would likely be used for the purposes mentioned for a period of 5 years. Consequently, if the item of safety is looked after properly there will be governmental economy in the use of the building for the purposes specified.

Does the gentleman from Michigan, who introduced the

resolution, desire any time to discuss it?

Mr. CRAWFORD. Mr. Speaker, I do not care to take up the time of the House. I think the chairman of the Committee on Public Buildings and Grounds has very clearly presented the issue. As he has stated, this is simply a resolution of inquiry. The Interior Department has indicated that they are perfectly willing to proceed with the investigation as to the safety of the building and to submit in proper time a full report with reference to their findings not only by their own engineers but by a special committee of engineers which has been appointed by the Interior Department to give a double check on the safety features. I think the chairman has fully covered the situation, and I do not care to take more time unless some Member has a question to ask with reference to the details.

Mr. LANHAM. I may say, in addition, Mr. Speaker, that it is thought a week or 10 days will be sufficient time in which to make the necessary investigation and report.

Mr. CRAWFORD. Mr. Speaker, will the gentleman yield for one question.

Mr. LANHAM. I gladly yield to the gentleman from

Mr. CRAWFORD. Was it not brought out in the hearings that in this Government program wherein the administration is forced to transfer employees into buildings originally constructed for residential purposes the thought was expressed that Congress should give serious consideration to the problem this condition imposes upon the Department of the Interior? That is one of the facts that was brought out during the hearing.

Mr. LANHAM. That suggestion was made.

Mr. Speaker, I move the previous question on the resolution.

The previous question was ordered.

The resolution was agreed to, and a motion to reconsider was laid on the table.

EXTENSION OF REMARKS

Mr. KRAMER. Mr. Speaker, I ask unanimous consent to extend my own remarks at this point in the RECORD and to include therein the remarks of the Honorable James A. Farley given at the dedication of the new post office and courthouse on March 11, 1939, at Los Angeles, Calif.

The SPEAKER. Is there objection to the request of the gentleman from California [Mr. KRAMER]?

There was no objection.

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The address referred to follows:

The address referred to follows:

I am glad to have this opportunity of joining with the citizens of Los Angeles in these ceremonies incident to the dedication of your new seven and a half million dollar Federal building.

In supervising the erection of this structure, it was the aim of the Government to construct something that would be ornamental, as well as useful, and I think those gathered here will agree that this dual purpose has been achieved.

Viewed from a practical standpoint, the completion of this building gives assurance that the Federal needs of your community will be adequately served for many years to come. I think, also, that it has another and perhaps more significant meaning. Because this beautiful building, in effect, symbolizes the vital and dynamic spirit of progress and accomplishment that has made Los Angeles one of the fastest growing communities in the world. Fifty years is a comparatively short time in the life span of a nation. Yet half a century ago, a very small portion of this building would have been sufficient to provide the necessary postal facilities for the people living in this vicinity. In fact, there were literally dozens of cities throughout the United States that outranked Los Angeles in population and industrial activity. You have traveled far in the intervening years, not alone because nature has been lavish in its favors to this region, but because your people have had the initiative and the pluck to translate opportunity into fact and realization.

A visit to California is always pleasant and this time it has been made doubly so by the character of the occasion which brings me here. It is my happy task to bring you the greetings of the Roosevelt administration and the sincere wish of those in authority at Washington for your continued prosperity and well-being.

California has a high place in the affections of those of us who

authority at Washington for your continued property being.

California has a high place in the affections of those of us who live elsewhere. While still one of the younger commonwealths that make up the Nation, you have attained eminence in population, in wealth, in culture, and you have retained in splendid fashion the courage and the enterprise of the pioneers who came here in search of gold nearly a century ago. They found the gold they were seeking, but like other discoverers, they did not know that the fortunes they washed out of the mountains and river beds were but a fraction of the great natural wealth that lay dormant in this great State. In seeking happiness and financial security for themselves they founded an empire for the enjoyment of future generations.

security for themselves they founded an empire for the enjoyment of future generations.

One could hardly come into California to participate in a program of this nature without reverting for a moment to an earlier period in the history of the United States Post Office Department. I have reference, of course, to the days of the old overland mails, for every historian who has recounted the birth and growth of the Southwest has placed due emphasis on the importance of the Postal Service to the early growth and later expansion of the old California territory.

Postal Service to the early growth and later expansion of the old California territory.

This year marks the eighty-second anniversary of the first transcontinental mail service, a service which provided the only means of transportation and communication with the rapidly growing Nation in the East. It was just 82 years ago that the "great southern overland" mail service was established, 3 years before the Wells Fargo Express was placed in operation. This pioneer transcontinental mail line has often been compared in historical importance with victories of the Army in the War with Mexico a decade before, and it rightfully has been credited with aiding in the preservation of the West for the United States.

The history of the overland mail is replete with the records of

The history of the overland mail is replete with the records of sturdy men who looked upon peril and hardships as a part of their daily lot to be borne without flinching and for meager rewards. They are truly unsung heroes who played a magnificent role in the development of this great land.

the development of this great land.

I imagine the Los Angeles of today would have been an unbelievable fairyland to those first rural letter carriers. Statistics are often dull, and yet I feel that the surest way of picturing the amazing growth of this city is to recite a few outstanding facts relating to the Postal Service. The Los Angeles post office today is the fifth largest in the United States. You have a right to feel proud of that fact, especially so when you recall that 50 years ago the receipts here amounted only to \$113,000—a striking contrast to the twelve and a half millions of dollars received during the fiscal year 1938, the highest single year on record. Much of this expansion has occurred in recent years, because as late as 1925 the receipts were only \$8,000,000. In fact, in the last 2 years postal receipts in this city have increased 17 percent.

Today Los Angeles ranks third in the number of square miles served, with an estimated population of 1,500,000 people receiving mail service over an area of 150 square miles. To carry out the complex operation of the postal service in this city it has been necessary to increase the personnel more than threefold in the past 25 years. The force now includes, in addition to the postmaster, 1,426 clerks and supervisors, 1,324 carriers, 75 laborers, and 111 motor-vehicle employees.

motor-vehicle employees.

motor-vehicle employees.

This army of trained employees, providing fast and efficient service with clocklike precision in one city alone, takes on new meaning when considered against the background of the tiny force which distributed the mails in the days of Benjamin Franklin, the first Postmaster General. There were 75 post offices in the entire country then, and a few hundred people, many of them part-time employees, were able to perform all the labors of the infant service. The transmission of a letter from New York to Washington in background. weather often took a couple of weeks, while in this modern era

a letter may be posted in Washington one day and carried clear across the continent to Los Angeles and delivered on the next.

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It may interest you to know that mail service here had its inception on April 9, 1850, when the Los Angeles post office was established with J. Pugh as the city's first postmaster. Late in the same year contracts were awarded for carrying the mail between Los Angeles and Santa Barbara and Los Angeles and San Diego. The contractor was John Caldwell, of Monterey, who provided the service on both routes, operating on a bimonthly basis with postroute riders on horseback. It was really excellent service for that period, yet I fancy if a citizen today had to wait 2 weeks for a letter from San Diego he would very rightfully condemn the outrageous inefficiency of the Post Office Department.

While mail service here in California was very limited during the middle of the nineteenth century, it must be remembered that it was only along the eastern seaboard that regular post routes and schedules were in operation on a large-scale basis.

From colonial days until now the Post Office Department has played a vital part in building the mighty Nation that spans the continent from ocean to ocean. It was the aid rendered by the Post Office Department and other agencies of the Government which kept the early stage lines running and made possible the construction and the successful operation of the first railroads. It is not too much to say that in the pioneering period the United States mail was always the principal factor in opening the way to the frontiers and in leading the early settlers from the centers of population along the seaboard into the western country.

Today there are some 2,000,000 miles of post roads in the United States over which the mails travel daily. They move by every conceivable means of transportation, all calculated to provide the most expeditious service possible according to the peculiar conditions which pertain in each locality. They move by airplane, by truck, and by railroad

and Alaska. Experimental flights have been made over the Atlantic, and I am sure we shall soon see the day when there will be 24-hour service between New York and London and New York and Paris, just as today we have 16-hour service between California and New York.

The United States Post Office Department is essentially a business organization. There are more than 45,000 post offices scattered throughout the land, the operations of which are carried on by an army of more than 400,000 workers. The Postal Service is the largest employer of labor in the country—larger than any single industrial entruprises.

est employer of labor in the country—larger than any single industrial enterprise.

The Postal Service today comprises our largest savings bank, our largest express business, our largest system for the transfer of money, and our largest agency available to the people for the investment of their savings in Government bonds. It has in its custody \$1,250,000,000 in postal savings, owned by thrifty American depositors. We like to mention these glgantic operations with becoming modesty, but, at the same time, we do wish you to know about them. about them.

coming modesty, but, at the same time, we do wish you to know about them.

The Post Office Department has kept in step with progress, and it is likewise carrying on its far-flung activities with a balanced budget, although the salaries paid to employees are higher than they ever were before. If we eliminate from annual appropriations the nonpostal items, which are not properly chargeable to postal costs, we find that the Postal Service has been operating at a profit during the last 5 years, with the exception of the fiscal year 1936. There would have been a surplus that year, except that the added cost of the 40-hour week was absorbed all at once. Stated in another way, the money which people spend for postage is slightly in excess of the amount expended for postal facilities.

While speaking of postal finances, it is interesting to note that revenues for the last fiscal year amounted to more than \$728,000,000, the highest single year in the history of the Department.

Before leaving Washington I had reports before me which revealed that postal receipts for the first 7 months of the current fiscal year were greater than for any previous similar period in the history of the Services and I was pleased to note that there had been a marked

were greater than for any previous similar period in the history of the Service, and I was pleased to note that there had been a marked upward trend in business, particularly in the larger cities. The whole State of California has been doing especially well. In fact, during the 4-year period from the fiscal year 1934 until the end of the fiscal year 1938 the increase in receipts was approximately 36 percent.

recent.

It would be needless for me to describe in detail the beauty and utility of this splendid edifice which the Federal Government has erected here to care for the postal needs of Los Angeles. In keeping with the Department's policy, a type of architecture was selected that fits in well with the surrounding landscape, and one lected that fits in well with the prevailing form of architecture.

lected that fits in well with the surrounding landscape, and one that blends harmoniously with the prevailing form of architecture in this section of the country.

Before closing these remarks, however, I do wish to say a word in praise of the wise Federal policy which made possible the construction of this building and others like it in hundreds of communities from the Atlantic to the Pacific. I refer to the policy of prudent spending for investment which the Roosevelt administration embarked upon, shortly after taking over control of the Government, to meet one of the most acute emergencies in the history of the United States. of the United States.

The bleak days of early 1933, when industry was helpless and confidence shattered, are too fresh in your memory to need repetition here. The need of the hour was for quick and decisive action, and the new Chief Executive met the crisis with a masterly display of leadership that brought forth a Nation-wide chorus of approval from his fellow countrymen. He determined to use the Federal credit for the immediate relief of industry and the unemployed, and it is significant to note that hardly a voice was raised in criticism of this courageous action. Only when business had been revived and profits were displacing losses on the ledgers of private enterprise did the critics find voice to raise the cry of fear and alarm against the course which the President was pursuing.

Those who disagree with the administration policy insist that industry would have jumped ahead to full capacity if President

Those who disagree with the administration policy insist that industry would have jumped ahead to full capacity if President Roosevelt had only sat back, done nothing, and let nature take its course. There is not a shred of tangible evidence to support their view. On the contrary, it is plain to fair-minded people that industry, by its own efforts, never could have escaped from the wreckage of debts and bankruptcy left by the depression. For the President to refuse the use of the Federal credit to relieve the sufferings of the people would have been short-sighted and inhuman. inhuman.

Inhuman.

The charge is frequently made that the Roosevelt administration has departed from sound and traditional policy using Federal credit to stimulate industry and to promote the economic well-being of the country. Those of you who live in the far West know better. You know from experience that without the generous aid of Uncle Sam's pocketbook this land of thriving industry and diversified agriculture would not be in the advanced stage of development that it is today. It was the Government's financial aid that made possible the construction of the transcontinental railroads and the air lines; it was the Government's far-seeing policy of helping homesteaders to acquire land without burdensome debts that brought settlers out here in ever-increasing numbers. The Roosevelt administration has continued this policy of developing the West through the medium of sound investment, and the wisdom of this course is just as apparent now as it ever was.

During the last 6 years the United States has traveled steadily forward along the path that leads to prosperity and contentment at home and peace with our foreign neighbors. At every single step of the journey President Roosevelt has been criticized and his policies attacked. The echoes of one barrage hardly fade away before a new one has commenced. Yet despite the vigor of the attack it becomes evident that President Roosevelt has charted the course and performed the supreme task with a degree of wisdom and understanding that confounds his critics.

The advisability of appropriating funds for public works is one of the phases of the President's program that has often been questing the part of the phases of the President's program that has often been questing the part of the phases of the President's program that has often been questing the part of the phases of the President's program that has often been questing the part of the phases of the President's program that has often been questing the part of the phase of the president's program that has often been questing t The charge is frequently made that the Roosevelt administration

The advisability of appropriating funds for public works is one of the phases of the President's program that has often been questioned. Yet I feel confident that there is no one present today who can possibly doubt the advantage to be gained by the citizens of Los Angeles in the erection of this impressive edifice for the use of the public. It stands not only as a beautiful symbol of a great Government and a great Nation, but it will also provide the latest facilities and healthful working conditions for the officials and employees who will occupy it.

In this connection, may I avail myself of the opportunity to pay tribute to your distinguished postmaster, Mrs. Mary D. Briggs, who, after his death, succeeded her husband, Henry Briggs, a lovable and outstanding citizen who had established himself as one of the foremost postmasters of the Nation. Her administration of the office has not only met with the entire approval of the people of this section of the country but her record in the Department is the office has not only met with the entire approval of the people of this section of the country, but her record in the Department is a source of pride and gratification to all of us. Since I became Postmaster General I have received the utmost cooperation and support from the personnel of the entire service, for which I am now and shall ever be grateful, and our employees here, like our postal employees everywhere, are loyal, efficient, and industricus men and women of whom we may well be proud.

I am also delighted to see on this platform Congressman CHARLES Kramer, who appeared before the Committee on Appropriations on various occasions, and through his continued and untiring efforts procured the original appropriation and the subsequent appropriations which were necessary in order to erect this magnificent edifice which we are dedicating today.

May I also take this occasion to express my sincere appreciation for the courtesy which has been extended to me today on all sides. Your hospitality is truly representative of California. I trust that your new building will not only be a continuous source of civic pride and patriotism, but that you will also find happiness and prosperity in the use of its facilities.

PERMISSION TO ADDRESS THE HOUSE

Mr. ROBERTSON. Mr. Speaker, I ask unanimous consent to address the House for 1 minute.

The SPEAKER. Is there objection to the request of the gentleman from Virginia [Mr. Robertson]?

There was no objection.

Mr. ROBERTSON. Mr. Speaker, I desire to take this occasion to express my genuine admiration for the intellectual honesty and moral courage of my friend and distinguished colleague the gentleman from California [Mr. CARTER]. In the face of an organized partisan move to strike an appropriation item from the appropriation bill under consideration yesterday for the Blue Ridge Parkway, he stood on this floor and courageously told us that he thought it was a worthy undertaking and that the appropriation was proper and should not be eliminated.

Mr. Carter's ability has won the admiration and respect of the Members of this House and reflects credit upon his district and his State. I want to give this testimonial here today of my high regard for him. He is an outstanding conservationist and has rendered a great service to this Nation, not only as a member of the Committee on Appropriations but as a member of the Select Committee on Wildlife Conservation.

Mr. Speaker, may I also say at this time it was a source of regret to me that on this issue only two of his Republican colleagues, as I observed, stood with him in opposition to the amendment to strike the appropriation for the Blue Ridge Parkway. This should be of some interest to the Republicans of my district who are deeply and vitally interested in the construction of the Blue Ridge Parkway, destined to be the greatest scenic highway in the world.

[Here the gavel fell.]

CORRECTING A MISREPRESENTATION

Mr. SABATH. Mr. Speaker, I ask unanimous consent to address the House for 1 minute.

The SPEAKER. Is there objection to the request of the gentleman from Illinois?

There was no objection.

Mr. SABATH. Mr. Speaker, on the 8th of this month I received a wire notifying me of the death of my niece. It so happened that during that day while I was at the Capitol pickets had been placed at the entrances to the Mayflower Hotel, where I stay while in Washington.

I had immediately, upon receipt of the telegram, made arrangements to attend the funeral of my niece to be held in Chicago on the 9th, but I was detained at the House because of the pending vote on the reorganization bill, which, as you will recall, did not take place until quite late on the evening of the 8th. However, immediately upon adjournment on that day, I rushed to the hotel with my secretary, obtained my grip, and hurried to the Union Station, where I boarded a train for Chicago, arriving there on the afternoon of the next day.

Imagine my surprise then to read in the Chicago Tribune of March 10, under a Washington date line, the following:

Representative Adolph Sabath, dean of the House, perfected a dodge of his own. The Chicago Democrat, who lives in the Mayflower Hotel, was seen sucking a soda in the hotel drug store and

eyeing the picket line parading in front of the hotel.

When the line made an about face, Saeath darted through a door connecting with the hotel lobby and scurried into his rooms. In the morning he entered the drug store through the lobby door, purchased a cigar, and sallied forth unconcernedly.

The only truth about this dispatch is that I have a room at the Mayflower Hotel. The entire balance of the article is pure fiction, for it is obvious that I could not have been "sucking sodas," "purchasing cigars," or "darting through doors" in the drug store hotel in Washington on March 9, as stated, for on the morning of that day I was still on the

All this demonstrates to what extent some of the newspapers will go to unjustly and unfairly place a man in an embarrassing position, and do it without the slightest justification therefor.

I do not now and never have objected to fair criticism. But naturally I do object to the willfully misleading reports which the Republican newspapers have a habit of so generously indulging in.

[Here the gavel fell.]

COMMITTEE ON THE POST OFFICE AND POST ROADS

Mr. WHELCHEL. Mr. Speaker, by direction of the Committee on the Post Office and Post Roads, I ask unanimous consent that subcommittee No. 1 of that committee, now considering legislation with reference to certain employees may be permitted to sit during the session of the House today.

The SPEAKER. Is there objection to the request of the gentleman from Georgia [Mr. Whelchel]?

Mr. MARTIN of Massachusetts. Mr. Speaker, reserving the right to object, is this agreeable to the minority members of the committee? What subject is being considered by that committee?

Mr. WHELCHEL. It has to do with substitute clerks, their working conditions and pay. I may say to the gentleman from Massachusetts [Mr. Martin] that the gentleman from Illinois, Mr. Mason, is a minority member of that committee. There are several others on that side who are members of this committee.

Mr. MARTIN of Massachusetts. This is agreable to him?

Mr. WHELCHEL. Oh, yes. The SPEAKER. Is there objection to the request of the gentleman from Georgia [Mr. WHELCHEL]?

There was no objection.

PERMISSION TO ADDRESS THE HOUSE

Mr. DICKSTEIN. I ask unanimous consent that on Tuesday next, March 28, after the disposition of matters on the Speaker's table and at the conclusion of special orders heretofore entered, I may be permitted to address the House for 20 minutes.

The SPEAKER. Is there objection to the request of the gentleman from New York [Mr. Dickstein]?

There was no objection.

EXTENSION OF REMARKS

Mr. Dickstein asked and was given permission to extend his own remarks in the RECORD.

PERMISSION TO ADDRESS THE HOUSE

Mr. THORKELSON. Mr. Speaker, I ask unanimous consent that today, following any special orders heretofore entered, I may be permitted to address the House for 15

The SPEAKER. Is there objection to the request of the gentleman from Montana?

There was no objection.

EXTENSION OF REMARKS

Mr. LELAND M. FORD. Mr. Speaker, I ask unanimous consent to extend my own remarks in the RECORD and include therein a resolution from the Los Angeles Building Trades Council with reference to the time clauses being inserted in Government contracts.

The SPEAKER. Is there objection to the request of the gentleman from California?

There was no objection.

Mr. SNYDER. Mr. Speaker, I ask unanimous consent to extend my own remarks in the RECORD and include therein an address delivered by the Honorable Harry Flaherty, of Lincoln, Nebr., on the life and work of William Jennings

The SPEAKER. Is there objection to the request of the gentleman from Pennsylvania?

There was no objection.

PERMISSION TO ADDRESS THE HOUSE

Mr. LAMBERTSON. Mr. Speaker, I ask unanimous consent to address the House for 1 minute.

The SPEAKER. Is there objection to the request of the gentleman from Kansas?

There was no objection.

Mr. LAMBERTSON. Mr. Speaker, the gentleman from Virginia [Mr. Robertson] intimated in his defense of his support of the Sky Line Drive that it had probably elected him, and that it was looking toward his reelection that he had stood for the Sky Line Drive. I should like to call attention to the fact that two distinguished Members living on this Sky Line Drive, one in North Carolina and one in Virginia, and who had sponsored it strongly in other years; one, in fact, having had his name connected with it for awhile, had the closest races for reelection last fall of their lives. I suggest the gentleman heed this warning lest this Republican opponent he speaks of causes him future trouble.

The SPEAKER. Under previous order of the House, the gentleman from Wisconsin [Mr. Griswold] is recognized

for 25 minutes.

THE CANADIAN TRADE TREATIES AND THE DAIRY FARMER

Mr. GRISWOLD. Mr. Speaker, I wish to discuss the trade-agreement acts with Canada that became effective January 1, 1936, and January 1, 1939, and their relationship to the general tariff act in effect previous to that time. I also want to discuss different commodities under the present trade agreement with Canada and particularly their effect upon the dairy industry of my district, the State of Wisconsin, and the United States. Before going into that discussion further, I want to say a word about the dairy industry in general.

THE DAIRY INDUSTRY

One family out of 15 in the United States is now supported by the production and distribution of the products of the dairy industry. Milk and its products represent a value of about \$1,530,000,000, or much more than any other agricultural product. The dairy industry not only provides a tremendous medium of employment which is entirely yearround employment, but it furnishes one of the essential and most important foods of the Nation. The progress and well-being of any nation is determined largely by the amount of dairy products consumed by its people. In this connection, let me call your attention to England, who, in her drive for preparedness, insists upon larger consumption of dairy products. England has promoted and encouraged the opening of 1,060 milk bars as convenient places for the purchase and consumption of milk and its products at very low prices. The general health of the Nation depends to a great extent upon the per capita consumption of dairy products.

THE DAIRY FARMER

The dairy farmer represents the highest type of agriculture. He makes of a farm his home and spends the earnings of his life upon the home and industry for which he stands. He builds substantial buildings, installs in them modern equipment and, as his means allow, is a constant purchaser of every kind of farm machinery as well as expensive and highly developed equipment needed for the handling of his dairy products. His continuance and his welfare is of the highest importance in the building up of this Nation. I happen to represent in this Congress a great dairy district in the greatest dairy State in the Union. consin has 2,157,000 head of dairy cows of which 367,000 are in my district. The 180,194 dairy farms in the State have on them dairy cattle valued at \$155,304,000. Wisconsin produces annually 175,659,000 pounds of butter, of which my district alone produces 42,681,000 pounds.

A PERMANENT INDUSTRY

The dairy farmer and the dairy industry represent a permanent industry in that it requires permanent and expensive improvements. The dairy farmer cannot shift from one crop to another because of the tremendous investment in buildings and equipment other than his land. He must remain a dairy farmer. For this reason he is vitally interested in the policies of the Government as they affect the great industry in which he is engaged.

DAIRY CATTLE IN WISCONSIN

Previous to 1934 the general tariff had always been discussed in Congress and passed upon by the chosen representatives of the people. Their duty, in part at least, was to protect and promote the interest of the people they represented. When Congress surrendered its tariff-making power and allowed a department of the Government to secretly enact a tariff measure as a trade treaty, the results of that treaty became of great concern to the dairy farmer. Wisconsin is the only State that has more dairy cattle than people. She has used every effort, through education and legislation, to improve the dairy cattle of her State. Wisconsin has spent \$8.851,000 to completely eradicate tuberculosis from the herds of the State and to make every county, and the State itself, accredited territory free from bovine tuberculosis. Wisconsin has spent \$73,250 toward the eradication of Bang's disease, and whole counties in the State are now free from this disease. Wisconsin has surplus dairy cattle to sell and during the past years has shipped as high as 80,000 head of cattle to replenish the herds of other States. The State could annually furnish 100,000 head of dairy cows to replenish the depleted herds in other sections. The Tariff Act of 1930 placed a tariff of 3 cents a pound on dairy cattle imported from Canada. Under the trade treaty of January 1,

1936, the tariff was reduced to 11/2 cents a pound, but fortunately at this rate a limit was placed at 20,000 head. Under the present act, effective January 1, 1939, the duty remains at 11/2 cents, but the limit has been removed and an unlimited number of dairy cattle can now enter the United States. The weight of the cattle is taken at the railroad station at point of destination and under this very lenient rule the import duty will probably not exceed \$10 per head. Under the excessive health requirements now in effect in many States for embargo purposes, and in spite of the fact that Wisconsin probably has the cleanest cattle of any State in the Union, it will be much easier to buy cattle in Canada under the very liberal health certificate permitted by the United States Department of Agriculture than it will be to buy cattle in Wisconsin under the embargo health certificate as now required. This means a loss to the State of Wisconsin of a great part of the dairy-cattle market, and a resulting decrease in the market value of every dairy cow in Wisconsin.

BEEF CATTLE ALLOWED TO ENTER

The tariff on beef cattle or heavy cattle from Canada under the 1930 tariff was 3 cents a pound. This was reduced under the 1936 trade agreement to 1½ cents and 2 cents a pound, and a limit was placed at 227,732 head. The 1939 agreement further reduces this tariff to 1½ cents per pound and increases the limit to 325,000 head. If beef cattle are to be allowed to enter to this extent under this low rate and no limit on dairy cattle, it must decrease the value of all the cattle in Wisconsin and the United States. All dairy cattle must eventually be sold on the beef basis; and if this price is depressed, it is an added loss to the dairy farmer.

THE CHEESE MARKET

I now wish to discuss the Canadian treaty as it pertains to cheese, one of the great dairy products and foods of Wisconsin produces about 324,336,000 pounds of cheese annually-half of all the cheese made in the United The Third Congressional District of Wisconsin, which I represent, produces 46,548,000 pounds of cheese or more than any State in the Union with the exception of New York. In order to make Wisconsin cheese the finest in the world, the State of Wisconsin spends annually about \$80,000 to inspect and grade this great quantity of cheese for quality. In order that the people of the United States may know about the superior value and food quality, the State is spending \$100,000 yearly to advertise the superior dairy products it produces. Under the 1930 Tariff Act a duty of 7 cents a pound was imposed on imported cheese. Under the 1936 Canadian trade treaty the duty was reduced to 5 cents per pound, and under that tariff 60,641,000 pounds of cheese were imported into this country in 1 year. The present agreement which went into effect January 1, 1939, has further reduced this duty to 4 cents per pound and placed no limit on the amount that might be imported. In order to further nullify the tariff on cheese, Canada is producing a very dry cheese or a cheese excessively high in butterfat content. This, in effect, further reduces the tariff and allows Canadian cheese to enter the United States in an unlimited amount at a tariff of about 31/2 cents per pound. There is no decrease in the tariff on butter; but if the price of cheese is lower, milk immediately goes into the production of butter and the price of butter, therefore, must come down. Cheese and butter always maintain the same relationship in price. There cannot be cheap cheese without cheap butter. The tariff on cheese is now so low that foreign countries can actually control the cheese prices in the United States. It is not always important as to the amount of cheese imported. but the fact that the fence is down means a low ceiling on the price of cheese at all times.

WHOLE MILK

Under the 1939 agreement with Canada, the duty on whole milk has been reduced from $6\frac{1}{2}$ cents per gallon to $3\frac{1}{4}$ cents per gallon, for at least 3,000,000 gallons. While importation of milk to this amount is small in comparison with the total milk production in the United States, but 3,000,000 gallons of milk may be a very disturbing factor if dumped onto some of our eastern markets.

REAM

The duty on cream has been further reduced from 56.6 cents per gallon to 28.3 cents per gallon and the bars let down for the importation of 1,500,000 gallons annually. This is equivalent to allowing the importation of 6,000,000 pounds of butter at a 7-cent tariff.

EMBARGOES ON DAIRY PRODUCTS

In the importation of cattle and dairy production, the health requirements are set by Federal statutes and regulations. While the health requirements established by this Government are adequate, they do not approach the red-tape "embargo disguised" health rules now imposed by many cities and States. While I protest the entry of Canadian milk and cream, if our present Government insists on letting it in, I suggest to the people of the District of Columbia and other cities where excessively high prices are maintained, if they wish to have milk and cream on their table at a price where the children and entire family can use it, that they divert some of the Canadian milk and cream coming into this country to their cities. No State, by any health requirements, can prohibit the products allowed to enter under this trade treaty. If the apparent combination between boards of health and milk distributors cannot be broken, I suggest this as a solution to the problem of 14-cent and 16-cent milk in some cities.

DRIED BUTTERMILK

Wisconsin produces annually 8,801,000 pounds of dried buttermilk and ranks second among all States in the Union in dried buttermilk production. Under the 1930 tariff the duty on dried buttermilk was 3 cents a pound. It has been reduced under the 1939 trade agreement to $1\frac{1}{2}$ cents a pound and no limit placed on the amount that might be imported.

EFFECT OF TRADE TREATIES

When the effect of the 1936 trade treaty became apparent and threatened the demoralization of the dairy industry, Hon. Francis D. Culkin, a Member of this House, on April 15, 1938, joined with 70 other Members of the House in a protest to the President of the United States. On June 8, 1938, a reply to this protest was received from the State Department and placed in the Congressional Record. I wish to quote from that reply:

The amount of competition which the domestic dairyman is likely to suffer from increased imports of dairy products attributable to moderate concessions granted in trade agreements will surely be overshadowed by the increased competition he will suffer from domestic sources if market outlets for our great export staples remain inadequate to absorb the surplus production of such crops and low returns to the growers force them to go into dairying.

This remarkable statement says, in other words, that we must keep the price of dairy products low in order to discourage additional dairy competition in our own country. With as many as 400 dairy farms in one county in my State being foreclosed by Federal agencies, it would hardly seem necessary to further depress dairy prices to stave off a threat of home competition. Regardless of what the Bureau in Washington may think, the dairy industry cannot stand world competition and survive. Further in the report the State Department says:

The general prosperity of the country is much more vital to the dairyman than any question of a few additional millions of pounds of imported cheese.

If the importation of a few million pounds of cheese meant prosperity for this country, I would agree with this statement; but if it is the thought that a general demoralization of the whole dairy industry is going to benefit this country, then I am in absolute disagreement. In my opinion the whole dairy industry has been sold down the river and there have been no compensating benefits.

Mr. HAWKS. Mr. Speaker, will the gentleman yield?

Mr. GRISWOLD. I yield to the gentleman from Wisconsin. Mr. HAWKS. I should like to ask the gentleman if there is not a direct relationship between that and the dangling before the farmers by the Agriculture Department of a \$33,000,000 farm subsidy? Is it not true that all the Wisconsin dairy farmer wants is protection against that sort of

thing? He does not want a hand-out from the Department of Agriculture; he wants protection for his own market and

for his own products.

Mr. GRISWOLD. I will answer the gentleman in this way: That under the triple A, the first Agricultural Adjustment Act we had, the dairy farmer received no benefits. The only benefits the dairy farmer has received have been from the Surplus Commodities Corporation, if they can be called benefits, where the Corporation has purchased butter and some other dairy products, and under the Soil Conservation Act the farmers have received a very small benefit. The dairy industry does not ask for any hand-out from the Federal Government, but the farmers do ask to have the American market, to which they believe they are entitled.

Mr. GEHRMANN. Mr. Speaker, will the gentleman yield? Mr. GRISWOLD. I yield to the gentleman from Wisconsin.

Mr. GEHRMANN. Of course, the gentleman knows that just recently the Surplus Commodities Corporation has stopped buying surplus butter, and we know what has happened to the price. A number of us have taken the matter up with the Corporation and have found the Corporation is not going back in the market, or at least not for some time to come, to buy butter. I believe that is the only benefit the dairy industry has had, as the gentleman stated. The Corporation is refusing to give us that little benefit.

Mr. HAWKS. If the gentleman will yield further, I should just like to bring in the fact that I called up the Department and they informed me that they already had a great deal of butter on hand, and they wanted to know if I had any answer as to what they were going to do with it. I asked them and wanted to know if they thought their whole program was a success in view of the surpluses and the depressed markets

we have in this country today.

Mr. GEHRMANN. Mr. Speaker, will the gentleman yield further?

Mr. GRISWOLD. I yield. Mr. GEHRMANN. The fact is that the Dairy Marketing Association, an independent dairy purchasing association, has practically all the storage stocks, and that is only about 70,000,000 pounds, which is much less than the 5-year average, so that excuse does not hold water. Their only excuse is that they anticipate a large production this year.

Mr. THILL. Mr. Speaker, will the gentleman yield?

Mr. GRISWOLD. I yield to the gentleman from Wisconsin. Mr. THILL. Does the gentleman know whether the Surplus Commodities Corporation has purchased any cheese from the Wisconsin farmers?

Mr. GRISWOLD. Yes, they have; but I might say in regard to the purchasing of dairy products by any Government agency and holding them for an indefinite period of time and gradually putting them back on the market that such purchase is only a temporary benefit and does not permanently benefit the dairy industry. Eventually the farmers have to suffer for whatever price benefits they received when the original purchases were made.

Mr. PATMAN. Mr. Speaker, will the gentleman yield? Mr. GRISWOLD. I yield to the gentleman from Texas.

Mr. PATMAN. Is it not a fact that a part of the commodities purchased are distributed to people who could not buy them otherwise, thereby creating a new market and taking that much of the commodities out of the surplus? To that extent it is helpful.

Mr. GRISWOLD. To that extent it would be helpful; the gentleman is correct.

POULTRY AND EGGS

I wish now, for the time being at least, to leave the strictly dairy products and speak of the poultry industry, which is very closely allied and in many cases goes hand in hand with the dairy industry. Under the 1930 tariff law, live poultry could be imported at 8 cents per pound. This has now been reduced under the 1939 agreement to 4 cents a pound. Eggs in the shell, under the 1930 tariff, could be imported at 10 cents a dozen. This has now been reduced under 1939 agreement to 5 cents a dozen. Wisconsin has on hand about 14,903,000 chickens and there are in my district alone over 2,517,000 head. Wisconsin annually sells 12,536,000 chickens and produces 1,758,000,000 eggs and is one of the leading States in production of both poultry and eggs. The opening of the door by the low tariff rates to our neighbors on the north cannot help but depress and keep down the price of poultry and eggs in Wisconsin.

Mr. PATMAN. Mr. Speaker, will the gentleman yield?

Mr. GRISWOLD. I yield.

Mr. PATMAN. The gentleman is talking about something now in which I am very much interested, dairy products and poultry. Has the gentleman made an investigation to determine the effect and influence that our mass buyers have on the market for the products the gentleman has just discussed, and to what extent they have depressed the market and ruined the price to the farmers?

Mr. GRISWOLD. In the time I have today I am simply discussing the Canadian trade agreement and the possible effect that has had or is having on the dairy industry.

Mr. KITCHENS. Mr. Speaker, will the gentleman yield?

Mr. GRISWOLD. I yield. Mr. KITCHENS. You have a great Governor and a new Governor in the State of Wisconsin.

Mr. GRISWOLD. We have; yes.

Mr. KITCHENS. Did you note that a few days ago, at your State capitol in Madison, he stated:

We cannot afford to live in a shell; we cannot afford to erect barriers against our neighbors.

I wonder if the gentlemen agrees with the statement of his Governor?

Mr. GRISWOLD. I might state that this Nation lived for a good many years, and got along pretty well, without foreign trade. We lived 90 percent inside of ourselves during all that time. I am wondering if we want to sacrifice our own wellbeing for the benefit of somebody's good-neighbor policy or for the benefit of some other country.

Mr. KITCHENS. I think he had reference to the fact that your State, along with a few other States, imposed a tax of 15 cents a pound upon margarine which contains a pure vegetable oil from the South. I gathered the impression that he had decided that these barriers that one State erects against another are wrong, unjust, and really an avoidance of the letter and spirit of the Constitution of this country. This is the idea I gathered from his speech, and I believe he has shown a statesmanship and a vision which few people in this country are able to have. In Arkansas today we are going into the dairy business, and for the first time in the history of my county the dairy cans are along the highways. The poor Negroes are even entering into it. Why? Their cottonseed has been reduced in value \$15 a ton and that is the product on which they mostly lived. The result is that my State, although we do not want to do it, is being forced to enter into things in which your people are vitally interested, and so long as you erect these barriers against our States and our products we will be compelled to retaliate and to erect barriers against the products of other States, and I am saying this in a most friendly spirit.

The SPEAKER pro tempore (Mr. ASHBROOK). The time of the gentleman from Wisconsin has expired.

Mr. HAWKS. Mr. Speaker, I ask unanimous consent that the gentleman's time may be extended 5 minutes.

The SPEAKER pro tempore. Is that request satisfactory to the gentleman from California [Mr. Voornis]?

Mr. VOORHIS of California. It is, Mr. Speaker. The SPEAKER pro tempore. Is there objection to the request of the gentleman from Wisconsin?

There was no objection.

Mr. GRISWOLD. I may say, in regard to the trade agreements that the gentleman spoke about, Wisconsin is also suffering, not only from trade agreements but embargoes that have been imposed by States in the guise of health regulations and in other ways. That, however, is another subject that I did not want to discuss today. I wanted to confine myself, if I could, to the Canadian treaties, although I agree with much that the gentleman has said.

Mr. KITCHENS. If the gentleman will permit me, the gentleman is aware of the fact that in Europe there were 45 countries until recently, and the great trouble in Europe

for centuries has been these trade restrictions and barriers erected by one country against another, which caused continuous irritation and friction between the people. They cannot get along, and unless we help our neighbors and induce them to help us there can be no continuous friendship, especially if we continue to impose these barriers and prevent them from trading to the best advantage.

Mr. HAWKS. Mr. Speaker, will the gentleman yield?

Mr. GRISWOLD. I yield.

Mr. HAWKS. I would like to remind the gentleman from Arkansas [Mr. Kitchens] that during the past 4 or 5 years the trouble in Wisconsin has not been so much from the effect of interstate barriers or entirely from the effect of these reciprocal-trade agreements, but rather it has been the program of the A. A., including their subsidy program, which is chasing Wisconsin's agriculture down into Arkansas.

Mr. KITCHENS. I do not want Wisconsin to have her industries chased down into my State. You have a little city in Wisconsin by the name of Kenosha, I think, and about 4 months ago a little glass factory from Kenosha, Wis., moved to my congressional district. I say I do not want that. I do not want them moving from Wisconsin to Arkansas; but I am telling the gentleman and everyone that if you raise these barriers against us, then, in self-preservation and for the protection of our people, we are going to offer every inducement in the world to obtain a little industry down there through relieving those industries from taxation for a number of years, or forever, or by subsidizing them, or by having our cities and towns and municipalities erect some of them.

Mr. HAWKS. But that is why the gentleman is getting them. It is because the Federal Government is subsidizing the farmers down there.

Mr. KITCHENS. It is not subsidizing the farmer in my country any more than it is subsidizing the farmer in the gentleman's country.

Mr. HAWKS. But we are not getting any of that subsidy

Mr. GEHRMANN. Mr. Speaker, will the gentleman yield? Mr. GRISWOLD. Yes.

Mr. GEHRMANN. And I say to the gentleman from Arkansas that the Wisconsin dairy farmer is buying his product, cottonseed oil, to an extent 10 times more than the people down there buy from us, and we are going to continue to do so.

Mr. KITCHENS. Yes; and I say that one man bought 20 Jersey cows last fall, something that never happened before in our State, and took them to the State of Wisconsin.

Mr. GEHRMANN. I do not believe that we should create those artificial barriers. I think our State should get along, and the gentleman from Wisconsin [Mr. GRISWOLD] is talking about foreign-trade agreements. I agree with him in what he says, but there is one more thing about attacks made on the Canadian agreements. I wonder if it is not somewhat selfish on the part of some of the newspapers in their attack upon this agreement when they always refrain from mentioning the fact that pulpwood is brought in from Canada free of duty, and that they have large holdings of pulpwood in Canada and are bringing it across Lake Superior. It is a great industry in my town. Hundreds of thousands of cords are loaded on the cars and shipped all over Wisconsin, but you never hear these metropolitan newspapers say one thing about their paying a duty on that pulpwood that comes from Canada. We have millions of cords of pulpwood in Wisconsin growing there in the north, and the bringing in of the pulpwood from Canada deprives hundreds of lumberjacks from getting a job.

Mr. KITCHENS. And in answer to the gentleman I might say that the South is becoming somewhat interested in the paper mills industry and tariffs also. We have three new pulp mills costing \$5,000,000 apiece in and near my district. We are also interested in pulpwood and tariff.

BARLEY

Mr. GRISWOLD. Mr. Speaker, one of the few cash crops of the Wisconsin farmer has been the production and sale of barley used in the brewing industry. Wisconsin's produc-

tion of barley is over 22,000,000 bushels annually and is third or fourth among the States of the Union in barley production. One-third of all the barley Wisconsin produces is used in the brewing industry. Wisconsin ranks third among the States of the Union in the manufacture of beer, and the production and sale of barley to this industry is an important source of revenue to the Wisconsin farmer. Under the 1930 tariff, barley could be imported for 20 cents per bushel. Under the 1939 agreement this tariff has been reduced to 15 cents per bushel, and forces the Wisconsin farmer to share his barley market with Canadian farmers. Buckwheat and rye, both of which have been considered good cash crops in certain sections of Wisconsin, are now allowed to enter under greatly reduced rates.

HORSES

Under the 1930 Tariff Act, horses were allowed to enter at \$30 per head. The 1936 treaty reduced this to \$20 per head, and under the 1939 trade agreement horses will be allowed to enter this year at \$15 per head. Wisconsin has 532,000 head of horses and mules and the farmers are now raising 25,000 colts for sale and replacement. This low tariff on horses is a severe discouragement to the thousands of farmers who are raising colts with the expectation of selling them at a reasonable price.

HOGS

The tariff on hogs has been cut in half. Under the 1930 tariff, it was 2 cents per pound and this has now been reduced to 1 cent a pound. Wisconsin is not one of the greatest hog-producing States, but she is among the 10 leading hog-producing States in the Nation and produces around 1,298,000 head of hogs annually. It seems under the present treaty, no matter which way the Wisconsin farmer turns, the door is open to Canada, and under these conditions there can be no prospect for better prices.

OTHER PRODUCTS

Mr. Speaker, I cannot discuss all of the items produced in my district which are affected by this drastic reduction in the tariff rates so I shall speak of but two more. Hundreds of people in my district are fishermen and have been able to make a living for their families at this trade, but with the greatly reduced tariff they can hardly continue. The zinc and lead industry, one of the oldest occupations in my district, and which, under a reasonable tariff, could employ thousands of men, will be placed in a state of idleness under the decreased tariff.

CANADIAN CONCESSIONS

The trade agreements have been considered as reciprocaltrade treaties-in other words, concessions or benefits by and to both sides. I wish now to call attention to the products of the United States which Canada has allowed to enter at reduced rates. I find that the principal items on which Canada has allowed lower tariff rates consist of Diesel engines. typewriters, electrical equipment, airplanes, agricultural machinery, automobiles, and a great assortment of machinery of all kinds and many metal products. In going over the concession list of products under which Canada has granted lower tariff, I find that almost none of them are products of my district and very few of them are products of the State of Wisconsin. It becomes very apparent from a study of the agreement that the great dairy industry in the State of Wisconsin was traded off for the benefit of the industrial cities in other sections of the United States. The Canadian trade treaty is destroying the market of the dairy farmer.

Mr. Speaker, as a Representative of a great dairy district and State, I want to enter as vigorous a protest as I can against our present trade agreements with Canada. I appeal to the President and to this Congress to restore the dairy farmer the market to which he has always been entitled.

The SPEAKER pro tempore (Mr. Ashbrook). The time of the gentleman from Wisconsin has again expired.

DEMOCRACY IN THE UNITED STATES

The SPEAKER pro tempore (Mr. Ashbrook). Under previous order, the Chair recognizes the gentleman from California [Mr. Voorhis] for 20 minutes.

Mr. VOORHIS of California. Mr. Speaker, on March 23, 1938, I addressed the House very briefly and said:

Without the organization of private extralegal military organizations the setting up of dictatorships in European countries might very well have been avoided. I have no immediate concern or werry about the situation in the United States. I believe that the patience and fundamental patriotism of our people and their devotion to democracy can absolutely be relied upon even in these difficult times; however, in times when we are able to use cool, calm judgment it is proper to guard against the future.

Therefore, as a matter that seems to me to be a right thing to do, and not in a spirit of fear or anything like it, I am today introducing a bill to require that any private military organization which is not now authorized by State or National law must have a license from the President of the United States in order to exist, and further, that the Congress may revoke such license at

and further, that the Congress may revoke such license at

That was my short speech of 1 year ago.

I want to finish that speech today and to appeal for the passage of that bill or a measure like it.

It is time for us to define our terms and speak plainly. On all sides we hear that "democracy must be saved"; that we must be true to the "American way"; that "our form of government must be preserved"; and that "un-American activities" must be brought to light and, so far as possible,

What do all these things mean to those who say them and to those who hear them?

AMERICA NO LONGER IN HER YOUTH

The thoughtful people of this country are beginning now, for almost the first time, to realize what democracy means to them and what they will have to do to keep it. Heretofore we have taken much for granted. America has been a child of a very bounteous and kind Mother Nature. And like a child, she has assumed that always there would be freedom, always a better country or a new opportunity beyond the horizon to the west, and that always there would be for every problem a solution presenting itself out of fortuitous circumstance and without conscious effort being spent to bring it forth.

The period of our childhood is gone, and only the determined, conscious, and most earnest effort of devoted leaders and citizens stands between our country and the loss of her liberty, the shutting of the door of opportunity in the faces of her humbler citizens, and the failure of her democracy itself. When I say that I do not mean to sound a note of hopelessness. For although there are those who tell us that all we need do is cease our efforts to change, improve, and reform and all will be well, nevertheless I am confident that they will not be listened to for long. Their philosophy may, indeed, have its day, and for the people it may be a hard one. But it will be short and it may teach us lessons that we badly need to learn-particularly the lesson that no worth-while thing in either individual or national life is ever won just by leaving things alone and that improvement comes to us only as we wrestle and grapple with the problems life gives us.

FOUR FOUNDATION PILLARS OF DEMOCRACY

As I see it there are four foundation pillars that support American democracy. The first is civil and religious liberty. American democracy is a way of life for the people of the Nation—for all the people. It is a way of life in which no man questions the right of another to speak his mind or to go where he wants to go or-and this is most important-to have any religion he may choose. In American democracy there can be no place for the stirring up of religious prejudice or hatred, and certainly there is no place for a cowardly attempt on the part of any group or person to advance to political power over the prostrate form of the constitutional liberties of others. America affords to every man as much of liberty as he can exercise without depriving his fellow citizens of similar liberties. America always has, and, I trust, always will find her inspiration in the religion that sent the first settlers to these shores. That religion is one of brotherhood.

Second, American democracy means the right of the common citizen as well as the uncommon one to own property. It means that the task of government must consist in part in the protection of the small farm and the small business from destruction, the encouragement of home ownership, and

the prevention of monopoly encroachment on the rights of the little man. But American democracy also means that property, which by its very nature is of vital public concern, shall be subject to proper control in the interest of all the people. And American democracy must mean that the right to private property in a home, a store, or a farm shall not be confused with the very different question as to whether or not a waterfall, a forest, or the power to create money or credit can properly be claimed as the private property of anybody except the Nation itself.

Third, American democracy means government of the people, by the people, and for the people. It means a government of men chosen at frequent intervals by the people and subject to involuntary retirement without notice at the will of those same people. It means a government wherein the absolute control of the purse remains in the legislature and where the Executive is responsible to the people not only for honest but also for efficient and effective administration of the trust the people have for a brief few years reposed in him. Finally, it means government within the framework of a constitution which sets forth basic law and basic procedure for making law and which grows both by interpretation and by amendment with the need of the people whose forefathers created it, and to assure whose good government it fundamentally exists.

In the fourth place, American democracy means equality of social and economic opportunity. Like the ideals of the Declaration of Independence, so this ideal is one that has never been achieved.

Mr. KITCHENS. Mr. Speaker, will the gentleman yield? Mr. VOORHIS of California. Yes. I gladly yield to the distinguished gentleman from Arkansas.

Mr. KITCHENS. The gentleman says that democracy means social and economic opportunity. Does the gentleman mean that to apply just simply within one State or within one certain section or several States, or does the gentleman mean it to apply all over the United States for all of the people?

Mr. VOORHIS of California. I mean it to apply all over the United States for all of the people; and in further answer to the gentleman's question I say that if there is any measure that we can vote for which is good essentially for the section of the country from which the gentleman comes, which will put more purchasing power into the hands of the people of that section, then I want to vote for that measure, because I believe it is just and it is important not only for his section but for mine.

Mr. KITCHENS. The gentleman means that that law should apply all over the United States?

Mr. VOORHIS of California. Yes; and to all groups of people.

Mr. KITCHENS. The gentleman does not mean to vote to give my section an advantage under the law in any way. Mr. VOORHIS of California. No, sir; but I meant, for

a specific example, that I believe in a program of pensions for our older people which would be uniform—the same in all States.

Mr. DICKSTEIN. Mr. Speaker, will the gentleman yield? Mr. VOORHIS of California. I have a rather long speech and only 20 minutes, but I will yield to the gentleman.

Mr. DICKSTEIN. The gentleman has touched on a very

important subject at the beginning of his speech.

Mr. VOORHIS of California. And I am coming to it

Mr. DICKSTEIN. Dealing with parades of men in foreign uniforms. Is there any bill that has been pending before my committee or any other committee?

Mr. VOORHIS of California. My bill on that particular subject was referred to the Committee on Military Affairs. If I can get to the end of my speech, I am going to give a brief description of that bill and explain what its terms are.

Mr. DICKSTEIN. The gentleman knows that has been the common practice in this country, for half a dozen groups to parade in foreign uniforms, with foreign thought and Mr. VOORHIS of California. I feel that democracy is not called upon to permit that sort of thing to continue.

THE FOURTH PILLAR: EQUALITY OF OPPORTUNITY

I was speaking about the fourth foundation pillar of democracy, which I said was social and economic opportunity. I said it had not been realized in this Nation.

But let just one generation of Americans stop struggling to attain it and the very genius of our democratic way of life will pass away. Dictatorship exists primarily to freeze and perpetuate distinctions between man and man, not only as to political position but also as to economic status. If democracy would be different, then its central task must be to break down barriers that stand in the way of the opportunity of its humblest citizen and to choose, when it must choose, the basic well-being and the right to work of the many rather than the luxury or privilege of the few. Nowhere have I found this element of American democracy set forth better than in the words of James Truslow Adams when he describes what he calls "the American dream" in his book the Epic of America:

If, as I have said, the things already listed were all we had to contribute, America would have made no distinctive and unique gift to mankind. But there has been also the American dream, that dream of a land in which life should be better and richer and fuller for every man, with opportunity for each according to his ability or achievement. It is a difficult dream for the European upper classes to interpret adequately, and too many of us ourselves have grown weary and mistrustful of it. It is a dream of a social order in which each man and each woman shall be able to attain to the fullest stature of which they are innately capable, and be recognized by others for what they are, regardless of the fortuitous circumstances of birth or position.

These four elements, personal and religious liberty, the right of all to private property, government controlled by the people, and equality of opportunity, its seems to me, Mr. Speaker, are the four foundation pillars of American democracy. Take out any one of them and the great superstructure of American civilization will totter and maybe fall. Leave them strong and firm and we can solve our problems.

DANGERS WE MUST WATCH

And now we come to the question as to what constitutes an un-American or disloyal activity. As I have said many times, both on the floor and elsewhere, I think this a matter in which the very greatest care must be exercised. These are times in which the tide of prejudice and fear and hate are running high, when persecution and defamation of character are in the air.

It will take strong and fearless people to stand against this tide. But stand against it they must, for it is a tide that, risen high enough, will engulf democracy and tear it apart. The truth about men, about organizations, about nations, never was so important and never, perhaps, so hard to cling to as now. In this connection one of the most despicable of political tricks and one in which I think earnest Americans can hardly afford to indulge in these times is that of attempting to identify true Americanism with one's own candidacy or one's party's political fortunes or with the putting into effect of one's own particular economic views. For what always follows such a pharisaical attitude is an assertion that the converse is also true and that one's political opponent or the opposition party or differing economic views are un-American and dangerous to our form of government.

To my mind the most dangerous tendencies of all those against which we are called upon to struggle today are the tendency on the part of unscrupulous conservatives to charge sincere and patriotic progressives with being Communistand the corresponding tendency on the part of unscrupulous liberals to charge sincere and patriotic conservatives with being Fascists. For again, what almost inevitably follows is that such unscrupulous conservatives will begin to take the very dangerous view that "after all the Nazi and Fascist organizations are the best defense we have against the Communists" and that such unscrupulous liberals will begin to take the equally dangerous view that "after all the Communists are the best defense we have against the Nazis and Fascists." Pursued far enough such tendencies lead to positive conflict. And let us put it down in bold and luminous

letters that any organization which takes its root, its inspiration, or its financial support from a nation other than America cannot be any defense at all for the things for which America has and must continue to stand. And neither can such an organization be at bottom, anything but treasonable to this Nation.

And so the first un-American activity that I would mention is the formation of organizations which wear uniforms like those of foreign armies, pay homage to foreign flags, obtain subsidies from foreign sources, or take orders or inspiration from foreign governments or dictators. Such organizations are today evidently in existence to destroy and not to advance American democracy. Democracy and freedom are their convenient tools. Such organizations exist to change American democracy into some form of foreign dictatorship and it is to that dictatorship and not America to which they give their final allegiance. Democracy has not only the right but the duty to deal with them. And we must not wait too long.

The second definitely un-American activity that I would mention is the formation of organizations which make no pretense of being able ever to capture the imagination of the American people and to carry through their program by the constitutional method of the ballot but which by profession and direct implication, propose to depend upon the force of a militant minority to gain their ends.

Third, I am convinced that any organization or individual who seeks by appeal to religious or racial prejudice to attract followers and build political strength is engaging in an un-American activity. And my reason is this. Either there will be freedom for all religions and all races in our Nation or ultimately there will be freedom for none. The man who calls on us to hate the outcast is calling on us to unsheath a two-edged sword and one which may well be used against ourselves once we have put it in his hand. From time immemorial prejudice and hatred have been the effective weapons of the demagogue. They still are.

WE FIGHT ON FOUR FRONTS

Democracy in America fights today on four fronts. The first is that of national defense in the ordinarily accepted sense of that word and involves the building up of such military defense as may be necessary to prevent aggression in the Western Hemisphere. The second and third fronts on which our democracy must fight are those against the drive toward dictatorship by forces either of the right or of the left. Democracy cannot be saved by establishing a dictatorship like that in Russia, nor does the recent history of Russia bear out the theory that such a dictatorship will lead to greater freedom in the end. Dictatorship, once established, feeds upon itself, and every year it lasts the possibility of reestablishing democracy fades further and further into the background. Nor is a militant democracy necessarily weak. There are those who will say that only by might and power can humanity be controlled or made to progress. They will sayindeed, they are saying-that America should follow the example of Germany or Italy, place her fate in the hands of a man on horseback, and thus relieve herself of the necessity of thinking, struggling, and striving toward better things. Such people will, I trust, discover to their surprise how wrong they have been in underrating the latent strength, power, and determination of the spirit of the American people.

For my part, I prefer to think, to struggle, to strive, to go through the fire of these difficult times with the colors of democracy flying. And I know of no inducement great enough to impel me to sacrifice the freedom it affords for any false pretense of security under a dictator of any sort whatsoever.

NECESSITY OF PROGRESSIVE ECONOMIC PROGRAM

But for the millions of distressed and hard-pressed people of this country there must be more than freedom and therefore, the fourth front on which we must fight is the most important of all. For depending on how well we fight on that front will democracy be justified or condemned. It is the front of our domestic economic problem, of the welfare of the people of America, of the abolition of poverty from this great Nation. Mankind seeks now, as it has always

sought, three things: Bread, security, and freedom of the spirit. The government which affords all three will gain an allegiance more warm, more sincere, more lasting than can possibly be gained by any government which denies to its people any of the three. Other governments may give their people bread. They may give a false and temporary security. Only democracy can give all three. For freedom dies the moment democracy gives way to dictatorship.

And so the future of democracy in the world will depend very largely on what the American Congress does to increase the security and the economic well-being of the people of this country. It is today unfortunately true that the bread and butter of millions of people in this country depend not upon the fertility of our fields or the productivity of our factories but upon the wisdom and effectiveness of measures taken by the Government of the country. I do not wish it this way; the President does not wish it this way; no one wishes it this way. But it is this way. And no amount of oratory is going to change it. These things are not the fault of either the Republican or Democratic Party; they are not the fault of any individual; they are the result of a number of factors that lie deep in the fabric of this modern age. Briefly, these factors are machine production and technological advancement, the growth of monopoly control, an inadequate distribution of buying power to the people, and the break-down of the essential link between production and consumption—namely, the money and credit system. I have said before, and I repeat, that no solution can be found for this great problem unless the central factor in that solution is a program of maintaining in active circulation among the consumers of the Nation a volume of buying power corresponding to the productive capacity of our farms and factories.

The SPEAKER pro tempore (Mr. Coffee of Washington). The time of the gentleman from California has expired.

Mr. VOORHIS of California. Mr. Speaker, I ask unanimous consent to proceed for 7 additional minutes.

The SPEAKER pro tempore. Is that agreeable to the gentleman from Minnesota [Mr. Alexander]?

Mr. ALEXANDER. That is agreeable to me.

The SPEAKER pro tempore. Without objection, it is so ordered.

There was no objection.

Mr. VOORHIS of California. The price we must pay for the continuance of economic and political freedom is the price of constructive legislation in four important fields: First, old-age pensions; second, control over monopoly price and power; third, taxation according to ability to pay; and, fourth and most important, monetary reform and the restoration to the Nation itself of the right to bring money and credit originally into circulation without paying tribute to private financiers for the privilege of doing so. I am not here outlining a complete program for Utopia. I am merely suggesting a minimum program which will enable our people to carry on, not perfectly but hopefully, and which will be enough to save our democracy.

RESPONSIBILITY OF CONGRESS

American democracy can unquestionably defend itself by fighting well on the four fronts I have mentioned. It will not be enough to fight on two or three of these fronts. America requires a rallying of every citizen who loves his country deeply to battle on all four fronts at once. This Congress will be negligent of its duty unless it takes the lead. So far we have done so only on the front of national defense. There is much that remains to be done.

DEMOCRACY IMPLIES LIBERTY

I have said that liberty was its first foundation pillar. But I do not think that democracy is called upon to extend liberty beyond the point where its own existence is threatened. I do not think it is called upon to harbor and nourish organized bodies that seek to destroy it. The one thing which disloyal groups in this country are counting on is that democracy will be unable to find a formula to curb their activities or unwilling to apply such a formula if it is found. Members of groups which seek to destroy our democracy and substitute dictatorship for it will never respect us unless and until we

show the wisdom and the determination to stand boldly for the right of the continued existence of the institutions we care about so much. To my mind the work of the Committee on Un-American Activities must consist not only of full, effective, and fearless revelation of all possible facts regarding all such organizations as I have outlined, but also of the development of a formula which will remove the private military organization as a menace to our national life.

Mr. SCHULTE. Mr. Speaker, will the gentleman yield for a question?

Mr. VOORHIS of California. I yield,

Mr. SCHULTE. The gentleman made the statement that he is a member of the Committee on Un-American Activities? Mr. VOORHIS of California. That is right.

Mr. SCHULTE. There is a problem in your own State at the present time that will bear investigation—an avowed Communist placed in the ranks of the American Federation of Labor, one of its locals, seeking to destroy that particular international, I would like to call to your attention Cliff Kivre, as well as Brigham Rhodes, who are causing no end of consternation in the gentleman's own district.

Mr. VOORHIS of California. I will be glad to have any information the gentleman has.

Mr. SCHULTE. I will be mighty happy to give the gentleman not only some statements I have received but some affidavits with reference to their membership in this organization for the sole purpose of destroying the American Federation of Labor movement.

Mr. VOORHIS of California. I will be very grateful to the gentleman for that, and feel sure the committee will look into it.

Mr. THORKELSON. Mr. Speaker, will the gentleman vield?

Mr. VOORHIS of California. I only have about 3 minutes, and I want to finish my speech, if you please.

H. R. 116—A CONSTITUTIONAL WAY TO REMOVE THE DANGER OF PRIVATE MILITARY ORGANIZATIONS

Is there a way to do this without violating the liberties guaranteed by the Constitution? I believe there is. No democracy can safely deny to its people freedom of speech or take away any other constitutional guaranty. Democratic government cannot forbid its critics to speak their minds without ceasing to be in the true sense democratic. Democracy is, in a sense, government by self-criticism. But there is a difference between individual free speech and truly peaceful assemblage on the one hand and organized force on the other. And democracy need not, it seems to me, sit idly by and watch the enemy within its gates organize for its destruction. And so I believe that wherever there now exists or may appear in the future an organization of people in this country-of right or left, it makes no difference-which presumes to carry on military activities of any sort or advocates in its corporate expression the denial by force and violence of constitutional rights to any other group of citizens, then such an organization should be compelled either to disband or to obtain a license to exist in the United States. This is the central provision of my bill-H. R. 116. Such licenses would, under this bill, be issued only after full information regarding the organization in question had been furnished to the Secretary of War and would be issued by the President only after he was convinced that the organization was not dangerous to the peace and safety of the United States.

All licenses would be subject to revocation by the Congress at any time. Provisions of the bill would, of course, not apply to organizations chartered by Congress or the States. H. R. 116 is now before the Military Affairs Committee. I am convinced it is a good bill. I am convinced it is constitutional under the national-defense powers, and I am convinced that passage of such legislation would be a good thing for the Congress to do right at this time. We will be saying in effect: "America offers freedom to her people, but she does not offer to anyone the right to organize within her borders a military or semimilitary band or force for the destruction of that freedom. Anyone who wants to have such an organization has got to get specific permission from the United States Government. And such permission is likely to

be mighty hard to get." On March 10, 1939, the new York Times commented editorially on H. R. 116 and I ask unanimous consent to incorporate that editorial in my remarks at this point.

HITTING AT PRIVATE ARMIES

Thanks largely to the activities of the German-American Bund, the question of how to get rid of private armies without impairing anybody's rights or interfering with legitmate organizations has come in for a good deal of attention. Representative Voorhis of California thinks he has found a way. His bill, pending in the House, would require "civilian military organizations" to get a license from the President, acting in his capacity of Commander in Chief of the Army and Navy. The President would be directed to make public his action on each application. The license would not be permanent until confirmed by Congress. It would be revocable at any time by act of Congress. The Secretary of War would be authorized to ascertain "the proposed or existing purposes, activities, membership, medium of propaganda employed or to be employed, present or proposed sources of information," and any other facts that seemed to him pertinent.

Licenses specifically would not be issued to any group "which by its written rules or constitutions or by its oral oaths or teachings advocates the denial to any citizen or group or class of citizens of any protection, privilege, or immunity guaranteed by the Constitution and laws of the United States on account of the race, color, or religious or political faith of such citizen, group, or class of citizens by use of force, violence, threats, intimidation, or economic coercion." Some obvious exceptions to the licensing requirement are made, including "any organization expressly authorized by the law of any State." Maximum penalties of a \$5,000 fine and 5 years' imprisonment are provided.

Presumably the license would be a mere formality for "any camp, school, society, fraternity, order, league, lodge, brotherhood,

Presumably the license would be a mere formality for "any camp school, society, fraternity, order, league, lodge, brotherhood, institute, or any group of two or more persons" whose purposes were open and peaceful. The law would clamp down when the purposes were in doubt. Manifestly the rights of the States are amply protected. They can authorize any sort of organization they wish to, so long as such an organization does not break exist-

they wish to, so long as the sing Federal laws.

Mr. Voorhis' bill ought to be taken off the shelf and discussed.

Maybe it is the best way of achieving the subject and maybe it is not. It does break ground in a new and unfortunately urgent

In closing, just a word of hope. Our economic problem is clearly not an insoluble one. We have simply to overcome by the application of a little patriotic wisdom the mysterious barrier that now seems to exist between hungry consumers on one side and idle producers capable of producing a great abundance on the other. True, the application of wisdom to the removal of that barrier will require courage and a deeper, clearer sense of duty to our country than Americans have ever known before. But I am by no means hopeless that the very darkness of this hour and the very pressure of disastrous events in other portions of the world will call forth in the hearts and minds of Americans a new and more poignant appreciation of what their country means to them and of how much more she can mean to their children if only this generation will do its duty.

Gentlemen, I call upon you to carry forward a progressive program of legislation, seeking to solve the economic problems of the masses of the people of this country, and to do one thing more: to make practically impossible for the continued existence of private military organizations in this country.

Mr. DICKSTEIN. Mr. Speaker, will the gentleman yield? Mr. VOORHIS of California. I now yield to the gentleman.

Mr. DICKSTEIN. Has the gentleman asked for a hearing before the Military Affairs Committee?

Mr. VOORHIS of California. Yes; I have.

Mr. DICKSTEIN. What is holding it up; do you know? Mr. VOORHIS of California. I cannot answer that ques-

tion. Mr. DICKSTEIN. I have discussed that question for 5 long

vears

The SPEAKER pro tempore. The time of the gentleman from California has again expired.

Mr. DICKSTEIN. Mr. Speaker, I ask unanimous consent that the gentleman have just 1 more minute to complete an answer to a question that I think is pertinent to his remarks.

The SPEAKER pro tempore. Under previous order of the House, the gentleman from Minnesota [Mr. ALEXANDER] is to speak next. Is that agreeable to the gentleman from Minnesota?

Mr. ALEXANDER. It is up to the gentleman from California.

Mr. VOORHIS of California. I have not asked for any further time.

The SPEAKER pro tempore. The time of the gentleman from California has expired.

Under previous order of the House, the gentleman from Minnesota [Mr. Alexander] is recognized for 20 minutes.

Mr. KRAMER. Mr. Speaker, will the gentleman yield for me to propound a unanimous-consent request?

Mr. ALEXANDER. I yield.

EXTENSION OF REMARKS

Mr. KRAMER. Mr. Speaker, I ask unanimous consent that I may extend my own remarks in the RECORD and include therein an address by Hon. James A. Farley, which he delivered over the National Broadcasting Co. on last Friday before the Friendly Sons of St. Patrick at Providence, R. I.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from California?

There was no objection.

PERMISSION TO ADDRESS THE HOUSE

Mr. VAN ZANDT. Mr. Speaker, I ask unanimous consent to address the House for 1 minute.

The SPEAKER pro tempore. The gentleman from Minnesota [Mr. Alexander] must be recognized, under the previous order of the House.

Mr. ALEXANDER. Mr. Speaker, I yield 1 minute to the gentleman from Pennsylvania [Mr. Van Zandt].

WAR PROFITS

Mr. VAN ZANDT. Mr. Speaker, today I introduced a bill to "take the profits out of war," and at this time wish to mention that a companion bill has been introduced in the Senate sponsored by 50 Members of that body.

This measure would put into practice the principles I preached for many years during my activities in veterans'

It is primarily a peace measure, designed to deter war by stripping it of all opportunity for undue profits.

It is particularly pertinent in view of the menacing European situation and the threat of a general war which grows graver every day.

While I do not share the disheartening and fatalistic opinion, held in many high places, that American participation in the next European war is inevitable, I do believe we should take this step as an essential part of our preparedness pro-

God forbid that American boys ever again should be called upon to fight another war in Europe. But if we should become embroiled in such a conflict Congress should act in advance to prevent a repetition of the scandalous profiteering which marked the World War period.

This bill not only would provide the financial sinews of war, but it would distribute the financial burdens of war, as well as prevent profiteering.

The SPEAKER. Under the previous order of the House the gentleman from Minnesota [Mr. ALEXANDER] is recognized for 19 minutes.

OUR RIVER HIGHWAYS

Mr. ALEXANDER. Mr. Speaker and Members of the House, in the following remarks which I desire to make regarding our inland water highways in general, and the upper Mississippi River highway in particular, it seems desirable to stress to the Members of the Congress the great importance of the watershed area of the Mississippi water highway to the welfare of the entire Nation. This approved water highway extends for a distance in excess of 6,000 miles. The soil of 18 States forms it course. Within this watershed lies 41 percent of the land area of the United States—the most versatile and productive area in the world. Thirty-four percent of our national population make this area their home and produce, among other things, the following important commodities: Iron ore, 98 percent of our entire national production; coal, 82 percent; petroleum products, 72 percent; zinc, 70 percent; agricultural products, 70 percent; and lead,

50 percent.

The Mississippi water highway cuts through the very center of this productive area from east to west for a distance of nearly 2,000 miles; and it cuts through the center from north to south for an equal distance of nearly 2,000 miles. Nowhere else in the world is there a water highway that can be of equal importance and benefit to the existence of human life. It includes the Ohio River and its improved tributaries serving the great consuming populations of the Pittsburgh and Pennsylvania industrial area and the coal-producing regions of the East; it includes the Missouri River and the upper Mississippi River, serving the bread-basket area of the Nation; the Illinois River, connecting the Great Lakes with the Mississippi River; and the lower Mississippi to New Orleans and the Gulf of Mexico, where water transport facilities are available to all coastal cities and all water ports of the world.

This water highway is within 155 miles' average distance of the commodities produced throughout the watershed. Only a small percentage of the tonnage of the area exceeds a distance of 350 miles. Rail highways and land highways completely network the region and afford efficient and ade-

quate service to every water port.

NEED TO EXTEND BARGE LINE INTO MINNEAPOLIS

Admittedly a lot of public money has been expended to make this water highway an economical artery of commerce for the benefit of the producers and the consumers of the Nation. Upward of \$600,000,000 will be the public cost reasonably chargeable against improvement work on this highway for the purpose of providing a dependable low-cost transport service. Most of this improvement work has been completed, and most of the expenditure of public money has been made. Only a comparatively small amount is now needed to bring the improvement work to completion, and the dream of its sponsors to fruition, and this necessary amount should be provided for in the appropriation bill for rivers and harbors work for the fiscal year of 1940. need less than \$20,000,000 to fully complete the upper Mississippi authorized projects, and the improvement work to be finished with this money is vital and necessary before Northwest agriculture and industry can obtain benefit from the huge investment that has been made to date. The improvement work thus far does not bring the highway within reach of the extensive facilities engaged in the handling of farm products of the Northwest or of industry in Minneapolis, and because of this it is imperatively necessary that the job be completed without delay, as I will explain later.

The water highway and locks, canals, and harbors of the Great Lakes system and of the coastal region have required the expenditure of 100 percent more public money than the Mississippi system has required. No one hears complaint because of this huge expenditure because it largely supplements the facilities of the railroads serving their great ports.

There is however intense propaganda against the completion of our water highways of the Nation. This propaganda is going so far as to urge and insist upon the scrapping of all the improved water highways and the elimination of the Federal barge line operation. The same group are seeking to obtain Federal legislation designed to choke the operation of water craft upon water highways now improved. They are seeking to have port-to-port commerce regulated on the water highways, knowing that such regulation will so increase the cost over the water route as to make water-craft operation prohibitive. They are seeking legislation that will permit them to maintain rates low enough to destroy all forms of competitive transport regardless of the cost to themselves for rendering the service, while competition is being destroyed, as was done in a similar way after the Civil War.

Water highways must be preserved in the interest of both the producer and the consumer. They afford the only method of transport that can be utilized for long distances between producer and consumer at low cost. Farm commodities necessary to the existence of human life are largely produced in regions far removed from the dinner table of the consumer. Land highways from the farm are the first essential mode of transport, and without which there could be no further transaction nor movement. Supplementing the land highways are the water highways and the rail highways, both of which are invaluable if not indispensable to the best interests of both the producer and the consumer. The rail highway offers rapid transport with capacity for handling large volume. The water highway offers dependable transport with capacity for handling large volume. The important difference between water transport and rail transport is the item of cost which normally is 10 times greater by rail than by water. This tremendous benefit must be preserved in the interest of both consumer and producer, both of whom, in the final analysis, must pay the tax burden of transport whatever the cost may be.

The philosophy of James J. Hill was that railroad management should so operate as to discharge its heavy tonnage at the nearest water port. The Great Northern Railroad was built to perform in that manner. Its western termini is at the Pacific Ocean. Its eastern termini connects with three important water highways-the Great Lakes at Duluth-Superior, the Mississippi at Minneapolis-St. Paul, and with the Missouri at Sioux City, Iowa. If I were to offer a suggestion looking to an improvement in the affairs of rail transport, it would be that they encourage in every way possible the development of tonnage over the water highways of the Nation, that the cost of transport over such water highways be kept down as low as possible, and that they be prepared to handle an increased tonnage from each water port in proportion to the volume of tonnage that is being transported by water. Low water rates at Pittsburgh made that industrial center possible, and it has paid greater dividends to the railroads than to any other form of transport. Even the land highways have developed more tonnage for the railroads than they have taken from them. Then I think I would suggest that rail management devote less of their important energy to the task of demonstrating the different types of regulation to be imposed upon their competing forms of transport. This important energy might be diverted to a study into the field of their own statistics.

SOME COMPARATIVE FREIGHT RATES

It would be interesting to a lot of folks to learn just why there is a rail problem in the face of the wonderful showing the rail managements have made. Their record for 1937 shows an earning equivalent to 31/4 percent on all outstanding securities figured at par value of the stocks and bonds. This is nearly 6 percent on listed value of these same securities. The same record shows that the railroad employees for that year transported 1,000 ton-miles of revenue freight at a cost of \$6.41, as compared with a cost of \$10.78 back in 1921. The record shows that the income from this freight was \$9.33, or a margin of \$2.92, and this same record shows that every ton of all the railroads were handled on these average figures. It sure looks like the railroad employees did their job and did it well. This railroad showing was accomplished with less than 1,000,000 employees, and the way it figures out is something like this: 17 trainmen can transport, approximately, 10,000 tons of freight a distance of 150 miles in 8 hours. This looks like exceptional performance, compared with water transport, where it requires 24 employees and 24 hours of time to move the same amount of tonnage the same distance. But now look how it compares with transport by land highway. A 10-ton truck will do well to make 300 miles in 8 hours, and two drivers are necessary. That means that 300 trucks and 600 drivers can start off with a total of 3,000 tons and make a distance of 300 miles in 8 hours, or the equivalent of only 3,000 tons for a distance of 150 miles with 300 drivers. The freight cost by truck is no higher than the freight cost by rail, while the freight cost by water is only one-tenth the cost of rail transport. Anyone who starts to figure this out should remember that the cost of \$6.41 per 1,000 ton-miles includes the salary of every rail employee, whether he be section hand or bookkeeper.

Mr. WHITE of Idaho. Mr. Speaker, will the gentleman

Mr. ALEXANDER. I yield.

Mr. WHITE of Idaho. Is it not a fact that Jim Hill's dream has come true of 1,000 tons per man in moving ore from the mines on the Great Lakes? They now haul 5,000 tons of ore with a train crew of five men. This is an actual moving of 1,000 tons per man.

Mr. ALEXANDER. I thank the gentleman for his contri-

bution.

Mr. Speaker, I would like to see all the Members of the Congress use their pencils on the transportation problem and keep themselves out of the whirlpool of confusion that seems to permeate the air. On the basis of comparative performance the railroad employees seem to be far in the lead over other types of transport. The railroad problem is not due to the loss of tonnage to other types of transport, and the issue must be faced on the basis that the public will insist that each type of transport renders an invaluable service that must not be throttled in any manner whatsoever.

I hope to ask the Committee on Appropriations to set up for the United States Army engineers the full amount of money the engineers can efficiently use during their next fiscal year, which they say is \$102,975,800. Of this amount we in the Northwest would like enough to complete the upper Mississippi River highway so that it will become of benefit to our Northwest agriculture and industry. There is no economy in huge governmental investments that are largely tied up and nonproductive because of being incomplete. We must complete these authorized and approved projects and I ask and urge that we all join hands to complete the job. Complete a job that is far advanced toward completion and thus promptly discharge our responsibility to the regions of the country where these projects are expected to bring about substantial relief.

Continuing loss and hardship will come from further delay, and delay will not meet nor discharge our responsibility. It is upon this basis that I plead for your cooperation and support for an appropriation that will meet the need of the

Army engineers for river and harbor work.

THE MINNEAPOLIS PICTURE

Now, in order to get down to cases and to view this problem intelligently, I wish to give the Congress a brief picture of our situation in Minneapolis. The present 9-foot channel comes up the river through a deep, perpendicular wall, which has been dug out by the water currents in the centuries gone by to a depth in most places of well over 100 feet. About a mile below the center of the business district on the west bank of the river under an old bridge there is room for two small docks. These docks in 1938 handled approximately only 40,000 tons of miscellaneous and package freight. 60,000 tons of oil, and 96,000 tons of coal. This is the maximum handling capacity for coal, although we use upward of 1,600,000 tons in the city annually, and would increase this consumption considerably if we could get it at a price which would encourage, instead of throttle, industry. I say that as a general hint and indication of what might happen to industry in this country in a general way if we were not handicapped in many cases by high, artificial prices on both labor and material, in fact on about everything except agricultural products. Our basic, all-rail freight rate on prepared sizes of coal is nearly \$6 per ton from the Pennsylvania and West Virginia coal fields, which means an exorbitant retail price to our consumers. Think of the increased price which it would be possible to pay at the mine to both the operator and the miner if we could connect our waterway with our Minneapolis industry, our Northwest agriculture, and our milling terminals in a real measure of service, such as would be the case by the expenditure by the Federal Government of only about \$4,000,000 this year and a total of about \$8,000,000 altogether. This expenditure is recommended by the United States Army engineers, I will say for the benefit of new Members, and also by an act of Congress in 1937, when the extension of the water highway through the Falls of St. Anthony was formally approved, subject to your making the necessary appropriation therefor.

Minneapolis and the Northwest needs this extension very badly. Awaiting it we have millions of tons of freight annually. Our industry, our mills, and our harbor facilities all lie at or above this famous and historical Falls. Just above the Falls we have an ideal, level shore line for miles on both sides of the deep water forming the upper harbor. Give us this appropriation to build the necessary locks through the Falls and we will be well on the road to recovery, and the upper river channel expenditures of so many millions will have value and meaning. Deny us this small request and we will soon be worse than problem child No. 1, for our relief demands will be still greater, bad as they are now, with some eighty to ninety thousand on the rolls; our mills and industry will completely stagnate, and with them our railroads, and our farmers will be forever bankrupt. I hope both the Appropriations Committee and this body, knowing our desperate situation, will look favorably upon our plea. [Applause.]

MONETARY CONTROL ACT OF 1939

Mr. HUNTER. Mr. Speaker, I ask unanimous consent to extend my own remarks at this point in the Record.

The SPEAKER pro tempore (Mr. LEAVY). Is there objection to the request of the gentleman from Ohio?

There was no objection.

Mr. HUNTER. Mr. Speaker, within the last few years the people of this country have become more and more interested in their Government here in Washington, particularly in the machinery of government—the workings of the Congress, the judiciary, and the executive branch—and the exercse of the powers granted the respective branches of government under the provisions of the Constitution.

This interest has been intensified in the past 4 years by the spectacle of the Congress endeavoring with might and main to lift from the shoulders of its constituents the burdens of unemployment, depression, and pauperism in the midst of great wealth. As yet we have not reached the root evil as evidenced by the mere temporary relief that has been given and the failure of all our efforts to secure a permanent cure.

There is one step we have not taken; one measure we have not tried; one definite action to which we are being driven finally by the insistent demands of those good people who are interested in honest government and by our own common

We have failed to return to Congress the constitutional right to coin money and to regulate the value thereof.

In the hope that we may be moved by the repeated and insistent beseechings that have been directed to us that we might take some action along this line; with the inexcusable lack of definite action in this regard by the Congress and because of the interest manifest in the closing days of the last session in this type of legislation, I have reintroduced a bill in this House, H. R. 2387, to be known as the Monetary Control Act of 1939.

In this introductory speech it is my purpose to offer to the Congress a résumé of the provisions in this bill.

H. R. 2387 has one purpose—the return to Congress of the control of money and the issuing of currency. There is nothing radical about it unless one considers the Constitution radical, because the Constitution gives to Congress the sole right to issue money and regulate its value.

Section 1 (a) defines what banks are commercial, all individuals, firms, associations, or corporations which receive demand deposits and fall within the Federal jurisdiction of interstate commerce, and thus become subject to the Federal Reserve Board through their interstate or foreign dealings in checks, cash, or demand deposits.

(b) One year after the passage of this act the said banks must hold in trust for said depositors all demand deposits, either on hand or as credit in Federal Reserve bank in that district, but may keep those which are invested in United States interest-bearing bonds or in notes guaranteed by the United States, and these latter are subject to banking procedure of the individual banks. And further, these banks cannot loan money on demand bank deposits, but may invest them in Government obligations.

(c) Within 1 year after this act is passed, banks holding insufficient cash and bonds to meet total of their demand deposits, may rediscount with Federal Reserve so much of

their assets as required to equalize totals of cash and bonds

and amount of demand deposits.

(d) These banks may, at their own discretion, increase assets for purposes in (c) of this section and the R. F. C. is authorized to buy stocks of such banks, unless public does so.

Section 2. (a) Board of Governors of Federal Reserve made sole monetary agent of Congress and shall completely control issue of all currency and credit in the United States, the intention of Congress being to give this agency complete control over total volume of all money.

(b) The Board is authorized to expand active currency in circulation in demand bank deposits to an amount equal to \$250 per capita to reach 1926 employment levels, and then to continue to increase the circulation in said manner by 4 percent of the total sum in circulation on the last business day of the preceding year, every year, until the procedure is modified by Congress.

(c) Policy of Congress declared to reach and maintain full employment and production at the price levels of 1926.

Board so instructed.

(d) Expansion of circulating medium of exchange through payment of social dividends to Nation's old people and other recipients of the Social Security Act, through that organization, S. S. A., and any additional expansion needed through the financing of farms and homes for lower-income groups, through governmental agencies now or later set up.

Section 3. (a) Secretary of Treasury is authorized to purchase the privately owned stock of the 12 Federal Reserve banks paying in money or credit on the books of said banks the amount paid for the stock plus 6-percent interest from the date of the last dividend to time act is passed.

(b) Treasurer of the United States is authorized to take over all stock and claims against the Federal Reserve banks from member banks of the Federal Reserve System, so as to vest complete and absolute ownership in the Federal Reserve Board.

Section 4. One year after this act is passed all officers of the Federal Reserve banks, branches and agencies thereof, shall be removed. The 12 banks are to be operated by managers and necessary assistants appointed by the Board under rules and regulations set up by the Board, except salaries of managers and their assistants are specified—managers, \$12,000, assistants, \$9,000, department heads, \$6,000.

Section 5. The bill will not affect savings deposits, but only demand deposits of commercial banks; that is, those engaging in interstate commerce, thus under the Federal

Reserve jurisdiction.

Section 6. Repeals all laws in conflict with this act.

Section 7. Separability clause.

Section 8. Declares act effective at time of passage.

Section 9. Title Monetary Control Act of 1939.

In subsequent talks, it will be my purpose to elaborate upon the particulars contained in the bill with all their why's and wherefor's. I may add that I requested hearings on this measure during this session of the Congress.

Mr. VOORHIS of California. Mr. Speaker, I ask unanimous consent to include in the remarks I made this afternoon a short editorial from the New York Times.

The SPEAKER pro tempore. Without objection, it is so

There was no objection.

The SPEAKER pro tempore. Under the special order of the House heretofore agreed to, the gentleman from Texas [Mr. Patman] is recognized for 20 minutes.

[Mr. Patman] is recognized for 20 minutes.

Mr. PATMAN. Mr. Speaker, I ask unanimous consent to revise and extend my remarks and to include therein certain excerpts and tables in connection with the statement I expect to make.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Texas?

There was no objection.

THE NATIONAL DEBT

Mr. PATMAN. Mr. Speaker, I asked for this time for the purpose of discussing the national debt, and especially tax-exempt securities.

The national debt, according to the figures obtained from official source, at the end of 1938 was \$36,576,000,000. The interest on that debt was \$947,000,000 last year. The average rate of interest for last year was 2.5 percent. In 1933 it was 3.3 percent. The State and local debts aggregate \$19,170,000,000, with an annual interest charge of \$797,000,000, the average rate of interest being 4.1 percent.

The national debt must be liquidated in some satisfactory way. We should not contract any obligation that we do not expect to pay. There is no danger of this debt being repudiated; there is no reason why it cannot be conveniently paid by the American people. With just a little prosperity and with a velocity of money, with the income taxes that we have today, it would not be long before this debt will be liquidated. No country on earth has ever paid a national debt as large as the debt that is owed by the United States Government at this time. This does not mean that we are going to repudiate it.

THREE WAYS TO LIQUIDATE NATIONAL DEST

There are three ways in which this debt can be liquidated: First, by payment through taxes paid by the people. Second, by its being absorbed by the reserve fund created in the Social Security Act of 1935; and the third way is for the Government to acquire the stock of the 12 Federal Reserve banks and, owning them, cause these banks to purchase the outstanding Federal obligations.

So in these three ways the Federal debt can be liquidated. Now, let us see which way will possibly be agreed upon. We will, naturally, pay a part of this debt. Mr. Morgenthau, February 5, 1935, when he was testifying as Secretary of the Treasury before the Committee on Ways and Means in support of the Social Security Act, stated, when questioned about the enormous reserve fund that was contemplated under the terms of that act, that the device was advisable not for social security but to retire a large part of the public debt.

PAY INTEREST TO AGED AND UNEMPLOYED INSTEAD OF TO INDIVIDUAL AND CORPORATE HOLDERS

I am in accord with Mr. Morgenthau's views; I think they are absolutely sound. I think the Social Security Act is a great act. At the same time while we are creating it, it is necessary to have a reserve fund, and there is no reason in the world why this fund cannot be used to retire a part of the national debt. Eventually that reserve fund will be sufficiently large to retire all of the national debt. The result, then, will be that the people will continue to pay interest-that is, the Government will continue to pay interest-on the national debt, the national obligations, and securities, but this interest will not go to private individuals or to banks or to insurance companies who are the private holders of the Government debt; that money will be paid, this \$947,000,000 a year will be paid, to the aged, the unemployed, and needy people of this country. There is a considerable difference there. We will liquidate the national debt, but the money that is now paid out in the form of interest to private individuals and corporations will then go to the aged, the unemployed, and to the needy people of our country. Evidently this is in contemplation, retirement of a part of the debt in this way; and, therefore, it will never be necessary to entirely pay off this enormous national debt.

I believe the process is just a little bit slow; I believe it could be worked just a little bit faster. I hope, however, that the Ways and Means Committee will never be persuaded to change that provision of the social-security law relating to the social-security reserve fund which makes possible what I have just been discussing. I know great effort will be made to repeal that provision of the Social Security Act. Possibly the exact reason will never be disclosed, but the main reason is to prevent that moneys going to the aged and needy people and to have it continue to go to the private holders of Government securities, as it does today.

I believe there is another way that some of this debt should be liquidated more quickly. I do not think we should have inflation. I do not think we should have repudiation such as was resorted to by many countries of the world for the purpose of liquidating debts not nearly so large as our own.

GOVERNMENT SHOULD OWN THE 12 FEDERAL RESERVE BANKS

I believe that the Congress should pass a law providing for the purchase of the \$134,000,000 worth of stock in the 12 Federal Reserve banks-and that is all it amounts to. Then when the Government owns the stock in these 12 Federal Reserve banks, they can continue to operate on the Government's credit as they have been in the past, as they have been since December 23, 1913, when first created. As I stated, they can continue to operate as they have been in the past, and these banks can gradually, not quickly but eventually, acquire the entire national debt and save the people of this country an enormous interest charge.

Does anyone take issue with that proposal? Does anyone say that the Government cannot do it? Does anyone say that it cannot safely be done or it is not sound finance to do it? If so, I would like for that person to give the reasons

why it cannot be done.

I believe that Thomas Edison was right when he said that if the Government can issue a dollar bond which draws interest that is good, the same Government can issue a dollar bill that does not draw interest, that is just as good. In fact, the latter can be paid more easily because there is no interest charge. Thomas Edison was right.

Mr. Speaker, this is one of our greatest problems and when that problem is solved I believe that many of our other problems now greatly concerning us will fall to the rank of insignificance compared to it. It is our major problem.

FEDERAL RESERVE BANKS NOT GOVERNMENT INSTITUTIONS

The 12 Federal Reserve banks are not Government institutions, although many people think they are. I doubt that many Members of Congress think they are, but people generally over the country believe they are Federal banks owned by the Federal Government and that they are operating for the Federal Government, which, of course, is not true. Under the original act passed in 1913 the Federal Government was authorized to purchase stock in these banks, but this privilege has never been exercised. These banks are owned exclusively by private corporations, so we have the unhappy situation of the Federal Reserve banks, owned by private corporations, having almost exclusive charge and power over the issuance and distribution of our national currency. This is not a situation that should be tolerated or condoned by the Congress in face of the mandate of the Constitution of the United States which says it is the duty of the Congress to coin money and regulate the value thereof.

Mr. LEAVY. Will the gentleman yield?

Mr. PATMAN. I yield to the gentleman from Washington. Mr. LEAVY. Is it not true that by reason of stock ownership a few large banks in a particular Federal region dominate the finances of that region to the prejudice of the smaller banks?

Mr. PATMAN. It is not only the case in some regions: I believe you would be correct in saying it is the case in all regions.

In regard to large banks, the tendency has been in recent years, the last 18 years, toward fewer and larger banks. Today there are 24 banks in this country, 13 being in one city, New York City, which own one-third of the banking resources of the 16,000 banks of the entire country. This is not a healthy situation. Do not overlook that fact. There are 24 banks, just 2 dozen, one-third of them in one city, a majority, that own one-third of the banking resources of the entire Nation.

TAX-EXEMPT SECURITIES

Suppose we were to pass legislation taxing tax-exempt securities, what would be the effect? I am opposed to tax-exempt securities. I doubt if there is a Member of the House who will say he is in favor of tax-exempt securities. We are not in favor of having a privileged class in this country, one class that works and produces the wealth and pays the taxes, and another class owning the tax-exempt securities, owning the wealth of the country and paying no taxes whatsoever. That is the situation in a large way today, and we do not want such a situation to continue to exist. But suppose we decided to just pass a law or pass a constitutional amendment through the regular course which would permit each locality and State where these securities are held to levy a tax upon them, like they do all other goods and chattels or securities of various kinds. I asked the Treasury Department to prepare for me a list giving the States and the amount of tax-exempt securities held by the corporations in the different States. I know the list is not entirely accurate, but it is as near accurate as any list you may obtain.

Corporation income and excess-profits tax returns for 1935, by States and Territories, showing amount of Government obligations owned at end of taxable year and interest received on Government obligations during taxable year 1

[Money figures in thousands of dollars]

	Government obligations 2	
States and Territories	Amount owned at end of taxable year 3	Interest received during taxable year
Alabama	77, 190	2,875
Alaska	2, 175 10, 905	117
Arizona	10, 905	834
Arkansas	35, 543	1,886
California	1, 535, 978	51, 302 4, 857
Connecticut	135, 317 779, 579	22, 017
Delaware	128, 359	8, 092
District of Columbia	114, 267	3, 440
Florida	127, 171	4, 309
Georgia	91, 705	3, 410
Hawaii	44, 673	1, 373
Idaho	29, 033	1,098
Illinois	1, 898, 592	48, 464
Indiana	302, 055	10, 501
Iowa	324, 945	10, 867
Kansas	103, 721	5, 710
Kentucky	113, 560	4, 850
Louisiana	143, 216	5, 473
Maine	59, 132	2, 340
Maryland	299, 836	9, 576
Massachusetts Michigan	964, 468 703, 161	29, 597 20, 835
Minnesota	338, 139	13, 242
Mississippi	50, 876	2, 313
Missouri	463, 936	18, 672
Montana	45, 861	1, 633
Nebraska	121, 790	4, 738
Nevada	10, 929	540
New Hampshire	31, 843	1,080
New Jersey	1, 271, 214	50, 634
New Mexico	11, 876	599
New York	6, 887, 693	190, 145
North Carolina	175, 687	5, 356
North DakotaOhio	44, 799	1,716
Oklahoma	907, 382 113, 749	32, 444
Oregon	103, 545	6, 174 3, 576
Pennsylvania	1, 629, 263	62, 117
Rhode Island	97, 735	4, 313
South Carolina.	33, 388	1, 303
South Dakota	24, 195	1, 189
Tennessee	150, 807	5, 788
Texas	361, 475	14, 898
Utah	41, 407	1,952
Vermont	64, 842	2, 388
Virginia	128, 209	6, 802
Washington	-176, 737	5, 995
West Virginia	79, 858	2, 671
Wisconsin	458, 670	17, 012
Wyoming	12, 754	433
Total	21, 863, 240	713, 546

¹In using this table it must be borne in mind that the corporation income-tax returns are filed in the collection district in which the principal place of business or principal office of the corporation is located. The data, although tabulated by the States in which the returns are filed, do not represent what may be called the geographic distribution of the interest received on Government obligations and the amount of such obligations owned.

The amount of Government obligations shown has been tabulated from only those corporation returns accompanied by balance sheets while the interest received on Government obligations has been tabulated from all active corporations reporting income data whether or not accompanied by balance sheets. The amount owned represents the amount received during the entire taxable year and the interest received represents the amount received during the entire taxable year. For these reasons, the amount of interest shown in the table cannot be definitely related to the principal amount owned shown in the same table.

Attention is also invited to the fact that these data are fragmentary since it has been observed from past experience in the tabulation of Government obligations and interest received therefrom that considerable amounts are not completely reported. This is attributable in part to incomplete records of the corporation and to the further fact that the data are not essential to the correct determination of the income tax.

¹ Obligations of States and Territories or political subdivision thereof, obligations of instrumentalities of the United States, and obligations of the United States or its possessions.

² Benorted on returns with balance sheets.

3 Reported on returns with balance sheets.

Prepared for Hon. Wright Patman, Washington, D. C., Mar. 7, 1939.

This list discloses, so far as Government tax-exempt securities are concerned, that out of \$21,363,000,000 of tax-exempt securities, which would be taxable under this proposal, approximately one-third of those securities are held in one city, or at least in one State. This table does not include such securities held by individuals. I happen to know from an examination of the reports of banks and insurance companies that this one-third is mostly held in one city. There are one-third of those securities of the entire Nation in one city. If we permitted the States and cities to tax them necessarily this would cause an increase in the tax rate on the people all over the Nation owing these obligations, which would mean that a few fortunate cities, two or three, in which these securities are held, would possibly be enabled to collect sufficient revenue from these securities to almost support their own city, county, and State governments. Therefore, that is not a desirable way to handle the taxexempt problem, according to my view.

Mr. Speaker, the more desirable way is to either more hastily or more quickly have them transferred to the social-security reserve fund, thereby placing them in a position where no one would want to tax them and where the interest when paid would go to the old and needy people of the country and not the private holders of these Government securities; or we should acquire the stock of the 12 Federal Reserve banks, and acquire the Federal securities through these banks and eliminate the interest entirely. This can be done. Why should not the Government's credit be used for the benefit of all the people instead of for the benefit of a few?

Mr. ROBSION of Kentucky. Will the gentleman yield?
Mr. PATMAN. I yield to the gentleman from Kentucky.
Mr. ROBSION of Kentucky. If I have correctly understood the gentleman's proposal, it is that the Government itself will finally absorb the Government bonds?

Mr. PATMAN. Yes; the social-security fund. It is not the Government exactly; it is the social-security fund that has been made possible by the Congress, and the Government, of course.

Mr. ROBSION of Kentucky. By what authority would these bonds be absorbed then?

Mr. PATMAN. The fund is not the Government's fund. It belongs to the workers of this country for unemployment insurance, for old-age benefits, and purposes like that.

Mr. ROBSION of Kentucky. If Secretary Morgenthau's plan works out for the social-security fund to absorb the Government bonds with the security taxes, then we would be constantly reducing the amount of Government bonds outstanding, would we not?

Mr. PATMAN. I do not know whether we would or not. It is possible we would have to issue Government bonds eventually in order to keep the fund going. There is a lot of criticism about spending that fund, and I am glad the gentleman left the inference there that he did. I want to tell you where it started. It is true that as the money is paid in now it, of course, goes into the Treasury and when the Treasury needs money it spends that money, but the Treasury issues bonds and places in the social-security fund bonds providing 3 percent interest to take the place of the money that is paid in.

There is a good reason for this. The Secretary of the Treasury could not do anything else unless there were a higher interest rate on bonds. Today interest rates are low and he cannot go into the market and buy Government bonds that are paying as much as 3 percent. The law states that this fund can be invested only in United States Government securities providing as much as 3 percent interest.

You would not have the Secretary go out and pay \$112 for a \$100 bond just because it was paying $3\frac{1}{2}$ or $3\frac{1}{4}$ percent interest? No. Therefore, the sensible and logical thing to do is what Secretary Morgenthau is now doing, to use the money, issue securities and put them in that fund, and sometimes use the money to pay off securities that are coming due although they are paying less than 3-percent interest.

Mr. VOORHIS of California. Mr. Speaker, will the gentleman yield?

Mr. PATMAN. I yield to the gentleman from California. Mr. VOORHIS of California. Is it not also true that when the Treasury does use the money for the payment of ordinary expenses it thereby avoids an increase in the public debt that would otherwise take place, and that if we were on a balanced Budget basis the money then would be used for retirement of the outstanding national debt?

Mr. PATMAN. Yes. Let me tell you when that started. It did not start under a Democratic administration. It started under a Republican administration. In 1924 the Congress passed what was known as the Adjusted Compensation Act for World War veterans. This law provided that each year Congress would appropriate \$112,000,000.

[Here the gavel fell.]

Mr. POAGE. Mr. Speaker, I ask unanimous consent that the gentleman may proceed for 5 additional minutes.

The SPEAKER pro tempore. Is that agreeable to the gentleman from Montana, who, under a previous special order, is entitled to address the House at this time?

Mr. THORKELSON. It is, Mr. Speaker.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Texas?

There was no objection.

Mr. PATMAN. I thank the gentleman very kindly.

This reserve fund was created for the purpose of having the face value of those certificates in 1945, when they were made payable. The actuaries determined in 1924 that approximately \$112,000,000 placed in the reserve fund each year, commencing in 1924, would be sufficient to retire the face value of those certificates in 1945 if 4-percent interest was paid, so the law provided that the reserve fund must be invested in United States Government bonds providing 4-percent interest.

Although interest rates were much higher at that time, Mr. Andrew W. Mellon, the Secretary of the Treasury, was unable to purchase bonds providing 4-percent interest to place in the fund, and he did exactly what Mr. Morgenthau is doing today; and that is the first time it was ever undertaken. He used that money to pay expenses of the Government or to retire different obligations and issued special I O U's or Government certificates providing 4-percent interest to place in the adjusted-service-certificate fund.

Mr. AUGUST H. ANDRESEN. Mr. Speaker, will the gentleman yield?

Mr. PATMAN. I yield to the gentleman from Minnesota.

Mr. AUGUST H. ANDRESEN. Is it not a fact that during that time the Government debt was being reduced from \$26,000,000,000 to around \$16,000,000,000?

Mr. PATMAN. It is true that we were taking in more money than we were paying out. President Wilson during the World War said that those who profited by the war should pay the cost of the war, and he persuaded the Congress to pass tax laws which, if they had remained upon the statute books, would have caused the entire payment, the complete liquidation of the national debt, by June 30, 1927; but when the Republicans came into power March 4, 1921, they did not see fit to keep these war taxes in effect. They did not want to liquidate that national debt so quickly; in fact, many of them argued that a pretty good-sized national debt is a sound thing for the country and that we should have a pretty good-sized national debt.

WAR DEBT COULD HAVE BEEN PAID BY JUNE 30, 1927

In connection with the public debt I desire to invite your attention to a statement prepared by Mr. L. H. Parker, chief of staff of the Joint Committee on Internal Revenue Taxation. This statement discloses that if the Woodrow Wilson taxes had continued the national debt would have been entirely paid by June 30, 1927, and there would have been a surplus at that time in the Treasury after the payment of the debt of \$1,542,000,000.

The statement I refer to is contained in volume 79, part 3, of the Congressional Record for the Seventy-fourth Congress, first session, page 2687, and is as follows:

Estimate of additional revenue that would have been derived under the income and axcess-profits tax rates of the year 1918 continued in subsequent years, with effect upon the public debt by the application of such additional revenue thereto

INDIVIDUAL-INCOME TAX

Year	Actual net income	Actual tax	Theoretical tax	Excess
1918	\$15, 924, 639, 000	\$1, 127, 722, 000	\$1, 127, 722, 000	
1919	19, 859, 491, 000 23, 735, 629, 000	1, 269, 630, 000 1, 075, 054, 000	1, 406, 052, 000 1, 680, 483, 000	\$136, 422, 000 605, 429, 000
1921	19, 577, 213, 000	719, 387, 000	1, 386, 067, 000	666, 680, 000
1922	21, 336, 213, 000	861, 057, 000 661, 666, 000	1, 510, 604, 000	649, 547, 000 1, 592, 579, 000
1924	24, 777, 466, 000 25, 656, 153, 000	704, 265, 000	1, 754, 245, 000 1, 816, 456, 000	1, 112, 191, 000
1925 1926	21, 894, 576, 000 21, 958, 506, 000	734, 555, 000 732, 471, 000	1, 550, 136, 000 1, 554, 662, 000	
Total	178, 795, 247, 000 22, 545, 091, 000	6, 758, 085, 000 830, 639, 000	12, 658, 705, 000 1, 596, 192, 000	6, 400, 620, 000 765, 553, 000
Total	201, 340, 338, 000	7, 588, 724, 000	14, 254, 897, 000	7, 166, 173, 000

CORPORATIONS-INCOME AND EXCESS-PROFITS TAXES

Year	Actual net income	Theoretical net income	Actual tax	Theoretical tax	Excess
1918	\$8, 361, 511, 000		\$3, 158, 764, 000		
1919 1920 1921 1922	7, 902, 655, 000 4, 336, 048, 000 6, 963, 811, 000	3, 399, 895, 000 5, 222, 858, 000	1, 625, 235, 000 701, 576, 000 783, 776, 000	1, 284, 378, 000 1, 973, 060, 000	846, 366, 000 582, 802, 000 1, 189, 284, 000
1923 1924 1925 1926	8, 321, 529, 000 7, 586, 652, 000 9, 583, 684, 000 9, 673, 403, 000	5, 689, 989, 000 7, 187, 763, 000	881, 550, 000 1, 170, 331, 000	2, 149, 530, 000 2, 715, 350, 000	1, 267, 980, 000 1, 545, 019, 000
Total		49, 571, 016, 000 6, 736, 413, 000		18, 726, 569, 000 2, 544, 842, 000	
Total	72, 761, 084, 000	56, 307, 429, 000	10, 635, 387, 000	21, 271, 411, 000	10, 636, 024, 000

Public debt June 30, 1926	\$19, 643, 000, 000
Additional revenue if rates con- tinued through 1926 \$15, 122, 476, 000	
Probable saving in interest by	

annual payment of such addi-tional revenue on public debt_

2, 450, 000, 000

	11, 012, 410, 000
Balance of debt, 1926	2, 070, 524, 000
Public debt June 30, 1927	18, 510, 000, 000

Public debt June 30, 1927. Additional revenue if rates continued through 1927

Probable saving of interest by annual payment of such additional payment of s

817, 302, 197, 000

tional revenue on public debt_

2, 750, 000, 000

20, 052, 197, 000

Surplus after complete payment of public debt_

1, 542, 197, 000

Nore.—It is assumed that business profits (net income) would not have been depressed by the high tax.

(This statement prepared by the Joint Committee on Internal Revenue Taxation. Mr. L. H. Parker, chief of staff.)

I was in Congress in 1929 when, at one time, \$190,000,000 was given to the income-tax payers just as an absolute gift, as a subsidy, in order to prevent the payment of the national debt so quickly. Naturally, there was more money coming in under those tax laws than was being paid out. When Mr. Mellon received this \$112,000,000 he could not do what Congress had directed-invest it in Government securities drawing 4 percent interest—so he had to use the money in some way, either as current expenses or to retire obligations, which he probably did, and I presume that he did.

Today we have exactly the same situation. Mr. Morgenthau collects money from the employers and the employees and from the United States Government for the purpose of conducting the Social Security Act. What does he do with this money? The law states that he cannot invest it except in United States Government securities providing at least 3 percent interest, and he cannot purchase such securities; therefore, he is doing exactly what Mr. Mellon started back in 1924—he is issuing special United States Government bonds and placing them in that reserve fund.

Mr. WHITE of Idaho. Mr. Speaker, will the gentleman

Mr. PATMAN. I yield. Mr. WHITE of Idaho. The thing that bothers me is this: Assuming the Government takes over the Federal Reserve bank, what is it going to use to acquire this large amount of Government bonds outstanding?

Mr. PATMAN. The Government credit, just as it is being used now. Today the Federal Reserve banks own \$2,500,-000,000 of these Government securities, purchased on the Government's credit on a capitalization of \$132,000,000.

Mr. WHITE of Idaho. Those Government bonds are Government obligations put out for money that has been received and spent. Now, if the Federal Reserve is going to take them over, it has got to pay something to get them from the private

Mr. PATMAN. That is right. They give them the credit; and if they want the money, they can get it; but no matter how much money we issue, there will only be a certain amount in circulation, and that amount now is approximately

Mr. WHITE of Idaho. Referring to that statement that, no matter how much money we issue, there will only be a certain amount in circulation, the money will be in existence, and it will be what is called liquid capital.

Mr. PATMAN. Yes; in actual circulation. [Applause.]

[Here the gavel fell.]

The SPEAKER pro tempore. Under the special order of the House heretofore entered, the gentleman from Montana [Mr. Thorkelson] is recognized for 15 minutes.

Mr. THORKELSON. Mr. Speaker, I have heard a good deal of discussion this afternoon that is rather interesting to me, and I would like to ask the gentleman from California [Mr. Voornis] a question. Will the gentleman please tell me the difference between a democracy and a republican form of government? The gentleman discussed this a while ago and he used the word "democracy" throughout his discussion, and I would like to know the difference between the two.

Mr. VOORHIS of California. As far as a form of government goes, of course, the gentleman can answer his own question quite as well as I. A pure democracy means a government where all the people actually participate in making the laws. A republican form of government has to be introduced where you have in a nation or political group so many people so far apart from each other that they necessarily have to elect representatives to perform that function for them; but the word "democracy" is, I think, a little broader than merely a description of a form of government. I think when we use that word we mean a way of life, and I tried to define my terms and explain what I meant by

Mr. THORKELSON. Does the gentleman mean that we have a republican form of government here?

Mr. VOORHIS of California. Necessarily so; the New England town meeting was a form of democratic government. We cannot govern the whole Nation in that manner today.

Mr. THORKELSON. And we should not use the word democracy" as representing our Government, according to the Constitution?

Mr. VOORHIS of California. I think it is best to use a word that the people understand.

Mr. THORKELSON. But it is the wrong word to use, is it not?

Mr. VOORHIS of California. Technically, it is for our form of government.

Mr. THORKELSON. That is a point we ought to bear in mind in our discussions. We have not a democracy; we have a republican form of government, or a representative

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form of government. Now, I want to call your attention to something else. In a sense we have a democracy because in 1913 we adopted the seventeenth amendment, and because of that the Senators are now elected by the people. So all the Members of the Congress are elected by popular vote. It is by direct vote of the people, of course; and, therefore, I admit that up to that point we do have a democracy, although the real fundamental basis of our Government is a republican form of government, based upon the right of each State to conduct a government by itself.

Mr. VOORHIS of California. Mr. Speaker, will the gentleman yield?

Mr. THORKELSON. I am pleased to yield.

Mr. VOORHIS of California. Does the gentleman mean by that statement he thinks we should not have a government which rests, as far as possible, upon the popular will? The gentleman does not mean to give that impression, does he?

Mr. THORKELSON. No government can exist directly on the popular will of the people in this sense. If it depended entirely upon the will of the people, there is so much difference of opinion among the people today that we would have no government, and that is really our position today. The reason we have a Constitution is for the Government to have some basic law upon which it can rest or upon which it can refer to correct itself when it goes wrong. The Constitution provides for that, of course, and we must adhere to it. As soon as we depart from a representative form of government and as soon as we adopt a democracy or a democratic government—there is a difference between the two—we have then departed from a representative form of government and we are really ruled by the masses of the people. That is a condition at variance with a republican form of government, as our Government was before the seventeenth amendment was adopted. A pure democracy may in time, by a large party majority, become a despotism. President Washington warned us against such a possibility.

Mr. VOORHIS of California. We do want the people to elect Representatives and be able to defeat them at will and to have those Representatives responsible to the people abso-

lutely. Is that not true?

Mr. THORKELSON. Naturally, we elect Representatives; but what I wish you to bear in mind is this, that our Government is originally based upon the Constitution itself, and the Constitution provides for the election of Representatives. In the early part of our history until 1913 our Senators were chosen or elected by the State legislatures. Of course, the gentleman knows that. I am not telling him something he does not know. When they reached Washington they represented the State particularly and the people as components of the State. That was right, because it is the basic foundation of the Government, of State representation, and of State sovereignty. That is something that we fail to recognize today. Now we have changed that. By the seventeenth amendment we made our country a pure democracy, and the people are now electing all Members of Congress, both in the House and in the Senate.

Now, here is a possibility that we must also bear in mind in that respect. Of course, this is simply an academic viewpoint, for I realize that no one can be President of the United States unless he is a citizen born within the United States. The seventeenth amendment, however, has actually changed this. If a man should be nominated by, let us say, the "X" party, and if such party should carry sufficient electoral votes, it would be in duty bound to place in office its nominee, whether or not a native-born citizen. That is what the seventeenth amendment did to us.

Mr. HOFFMAN. Mr. Speaker, will the gentleman yield?

Mr. THORKELSON. I yield.

Mr. HOFFMAN. The gentleman does not mean that someone who is not a born American could be President now?

Mr. THORKELSON. He could; yes.

Mr. HOFFMAN. Now? Mr. THORKELSON. Yes; he could under the seventeenth amendment. The Constitution provides:

No person except a natural born citizen * * shall be eligible to the office of President-

But it does not state that the nominee shall be a nativeborn citizen, and as we are now a democracy, the power is in the hands of the people. That is why I am opposed to constitutional amendments. We must preserve the Government as it was given to us.

Mr. HOFFMAN. You mean if we should happen to elect Hitler he could be President?

Mr. THORKELSON. No; I mean a naturalized citizen of the United States.

Mr. HOFFMAN. Will the gentleman tell me what he does mean so I will get it right?

Mr. THORKELSON. Yes: I will tell you that exactly. I mean this: We passed the seventeenth amendment, and Senators are now elected by a popular vote of the people.

Mr. HOFFMAN. I heard that three times.

Mr. THORKELSON. Now, then, if a naturalized citizen is elected by popular majority, the Senate also being elected by popular vote, is practically forced to carry out the mandate of the people.

Mr. HOFFMAN. If the people elect him, we could hardly fail to turn him down?

Mr. THORKELSON. Yes.

Mr. HOFFMAN. What does that mean?

Mr. THORKELSON. It means this: Previous to the advent of the seventeenth amendment, our Senate was a representative body of the States, and in such position independent and free to protect the States' sovereign rights. Both Houses are now responsible to the people who elected them to office. Do you understand what I mean?

Mr. HOFFMAN. I do not believe I do.

Mr. THORKELSON. According to the Constitution, a man shall not be President unless he is born within the United States. That is true, is it not?

Mr. HOFFMAN. That I understand.

Mr. THORKELSON. Now, as our Government is today, a popular form of government or democracy, the majority rules. That is true, is it not?

Mr. HOFFMAN. Do you want me to answer each time?

Mr. THORKELSON. Yes.

Mr. HOFFMAN. Yes; I think that is all right.

Mr. THORKELSON. If that is true, then we actually have no control over it, as we did before the seventeenth amendment was passed and when the Senators were chosen by the State legislatures.

Mr. HOFFMAN. Now, what I understand you to say, then, is, if the people should elect someone who is not a citizen as President, we would take him?

Mr. THORKELSON. No; I do not say that.

Mr. HOFFMAN. Well, if we elect someone who is not born here but who is a naturalized citizen?

Mr. THORKELSON. Yes.

Mr. HOFFMAN. Then, under the Constitution, could he be President?

Mr. THORKELSON. No; not under the Constitution before the seventeenth amendment was adopted. But it is possible now.

Mr. HOFFMAN. But we elect him regardless of the Constitution?

Mr. THORKELSON. That is what we have done.

Mr. HOFFMAN. Who did we ever elect who was not born in this country?

Mr. THORKELSON. We have not so far. I am bringing it up as a technical point of interest.

Mr. HOFFMAN. Something that might happen?

Mr. THORKELSON. I do not think it will happen; but I say it might happen if we do not consider the effect of every amendment to the Constitution that we propose.

Mr. HOFFMAN. Well, that is clear.

Mr. THORKELSON. It occurs to me that our safety lies in adhering to the Constitution and a republican form of government.

Now, I am going to start on what I really wanted to talk

Mr. Speaker, last night while I was driving, a news flash came over the radio that recalled to my mind events of 22 years ago. It said: "The President has placed a high tariff on German imports and joins with England and France to stop Hitler and save the world for democracy." I said, "What rot to save the world for democracy." I recall 22 years ago I heard the same slogan. We stepped to the front and saved the world—for what? For socialism and communism. We are today on the verge of internal war as a result of our departure from constitutional government. Our own Government is undermined with socialism and communism until it is about to be destroyed by these two evils.

The Communist, to camouflage his own activities, shouts "nazi-ism and fascism." He waves the swastika to cover the hammer and the sickle. These red-dancing dervishes ought to be exported to go as part of the war materials shipped out

of the United States.

A foreign war would bury many blunders committed by the New Deal during the past 8 years. It might even delay disintegration, but it cannot stop it. I do not think for one moment that anything can stop it except the return to constitutional government, and it is apparent that the majority

does not favor such procedure.

Personally, I do not believe that our people are receptive to this last deal. Our people do not favor meddling with European affairs, and we have no earthly reason to be mixed up in it. We did have cause for war when Japan sank the Panay, and when Mexico confiscated American property, but Germany has not sunk any of our ships, and she has not confiscated American property. So our bellicose attitude is for some other insidious purpose, and I ask what it is.

I am, of course, opposed to foreign war, and I am firmly convinced that the present attempt to involve us in another European conflict is too much even for those who have faith-

fully followed the President since he took office.

In the midst of the turmoil of today, let us stop for a moment and review the causes which led to war in 1914. The World War did not begin in Germany, as a certain minority would have us believe. Poincare carried revenge in his heart because of the War of 1870, and he, with Ivolsky and Count Sergius, of Russia, helped to bring about the war. The Minister of Austria, Count von Bechtoldt, lit the fire when he presented the ultimatum to Serbia after Archduke Ferdinand was killed at Sarajevo. The whole thing, if the truth were known, might have been instigated. The money interests of England were not averse to war because commercial competition with Germany was rather acute. It is well to bear in mind that when the international money men are squeezed a little too hard, war is sometimes convenient.

are squeezed a little too hard, war is sometimes convenient. We were not threatened by Germany from 1912 to 1916. What happened in 1917? The threat of German invasion was not greater then than it was the year before, but in spite of that, war was declared. Who controlled and disseminated the propaganda that was instrumental in chang-

ing the viewpoint of the American public?

We had always been friendly toward Germany, and there was no particular animosity toward that nation in 1916, as I recall it. We must now be careful that the same agency does not prevail again and so lead us into another war, costly in lives and property.

The wars raging today are to a great extent the aftermath of the Versailles Peace Treaty. This treaty was not only unjust but it was not based upon sound understanding of central Europe. It left some of the victorious nations dissatisfied, because in the division of the spoils England and France received the lion's share; as a matter of fact, the Lion

received the most of it.

It is extremely dangerous to deprive a well-organized and patriotic people of their means of livelihood. A highly intelligent people cannot be confined on a small piece of land, for they will overflow—peacefully or by force. That is happening in Germany today. She was deprived of all colonies and even forced to submit to occupation and division of her little empire in the center of Europe. This short-sighted policy on the part of the conquerors brought about a closer union of the German people, and the result may be seen today. It was a case either of submissive disintegration at home or of acquiring sufficient room for healthy expansion. The German nation has chosen the latter.

Let us now look facts squarely in the face. Germany is the key to the peace in Europe and in the Orient. Why? Because Germany allied with England will control Europe exactly as she is doing now, and both of these powers would make it unhealthy for any nation to invade China, with the United States in a neutral position.

This, of course, is not new, as I believe it is recognized by every European statesman; but restoration of colonies might have sealed such alliance and established international peace.

I grant that it is none of our business; but, in the knowledge of it, it is our business to keep out of a war which might have been settled by transfer of colonies instead of loss of life. Congress alone will be responsible to our people, and it must employ sound judgment and common sense before the final decision is made.

In the event of European conflict, which I believe is unavoidable, certain powers will expect our help, and pressure will be brought to bear upon us in the same old way. "Blood is thicker than water," and "We speak the same language." When that happens, it is well for Congress to bear in mind that it does not matter what language we speak, destruction and death are realities in spite of sentiment.

The question Congress must consider is our material interest in such conflict, for destruction and death are certain. It is unfortunately held by our people that we do not want colonies, and as we do not own property in Europe, it is unlikely that we will suffer unless we cross the firing line and invite attack. Neither have we sentimental principles at stake, and this is particularly true if we bear in mind the inheritance from the last war which is now insidiously destroying our own Government.

The little consideration which has been given to us by the powers we helped in 1917 may have a sobering effect when we recall unpaid or defaulted obligations.

Now, my colleagues, with this picture before you, can any one of you find a reasonable excuse for participating in another destructive war if such occasion should arise? I realize, of course, that general war is not declared, but no one can disregard such possibility, and it is our business as Members of Congress to visualize this before it actually happens.

Transportation of troops will not be as easy now as it was in the World War. We have a highly efficient submarine and air force to deal with today. Both of these machines are much more destructive now than in 1917. We may find it very difficult to transport troops across the Atlantic because of these two new weapons. Airplanes, as you know, carry destructive loads of explosives—enough to sink ships carrying troops. Submarines are equally dangerous to such units of the fleet. The loss of one ship will resolve itself into the loss of thousands of lives, and that is a possibility we must not overlook.

There is another serious side to hasty action. The west coast of the United States is not protected by outlying fortifications, something that I believe the Members appreciate now more than when we discussed the harbor of Guam. If the Philippines and other islands were fortified, it would in a measure be an effective protection to the west coast of the United States and the Panama Canal, but Congress has been opposed to taking such action. That was my reason for supporting harbor improvement in our outlying possessions. Submarine and air bases in our Pacific islands are of inestimable value to the protection of the west coast of the United States, and for that reason should be encouraged instead of discouraged by Congress.

It does not require an expert to visualize what may happen in a simultaneous attack on the Atlantic and Pacific coasts, for one side must be left unprotected. The greatest danger, of course, would come from consolidation of bases in a convenient proximity to allow concentration of troops for attack. I believe our fleet is now on the Atlantic coast, and it will no doubt remain there if general war breaks out in Europe. It might even be extremely dangerous to move the fleet from the coast, and this would be particularly true in the event of an unexpected collapse of major powers. In such event it

will be necessary for us to prevent occupation of islands and places threatening our vital centers.

In the event of another world war it is quite possible that we may be forced to occupy and prepare strategic points with fortifications in order to allow greater mobility of our fleet. This will be the duty of Congress, and my colleagues, as eminent and farseeing statesmen, must aid and encourage such preparation before it is too late.

We are now frantically in the midst of introducing legislation to keep us out of war. A most useless procedure, I assure you. Belligerent nations care nothing about our legislation or expostulations. If they are concerned about our attitude and fearful of it, they would not, of course, declare war. But the fact that war is declared proves that we are not considered. That is no more than right, because we would brook no interference with our plans at home.

I have always found that it is best never to pull your gun until you are going to shoot. I say it is therefore useless and a wasted effort to threaten and complain, and it does in reality show a weakness within our own Nation. Nothing assures peace to a nation so much as a first-class army and navy. Nothing instills confidence, courage, and spirit in our armed forces more than first-class fighting units. The Constitution provides that Congress furnish and maintain such units for the common defense and the general welfare of the United States.

EXTENSION OF REMARKS

Mr. KING. Mr. Speaker, I ask unanimous consent to extend my own remarks in the RECORD, and to include therein a short article written by me and published in the March issue of the magazine Asia.

The SPEAKER pro tempore. Without objection, it is so ordered.

There was no objection.

SOCIAL SECURITY PROGRAM AND THE TOWNSEND PLAN

Mr. ANGELL. Mr. Speaker, I ask unanimous consent to proceed for 1 minute.

The SPEAKER pro tempore. Without objection, it is so ordered.

There was no objection.

Mr. ANGELL. Mr. Speaker, I desire to call attention to some phases of the social security program.

On August 14, 1935, our Social Security Act became effective. Among other purposes, it was designed to prevent oldage dependency and give some assurance of protection to certain qualified citizens as a matter of right without the "need test." It was intended to provide a coordinated plan of old-age security. Under the old-age insurance program, the amount of payroll taxes collected through November 1938, was \$963,800,000, and at that time the amount in the old-age pension account was \$1,132,700,000. Of this amount \$830,300,000 was invested in special Treasury notes bearing 3 percent interest. Approximately \$300,000,000 was held to the credit of the appropriation made by Congress, and nearly \$2,400,000 was held by the Treasury Disbursing Office to care for benefits. Payments for lump-sum settlements from the account amounted to \$10,000,000.

It is computed that under title II there will have been collected up to June 30, 1940, \$1,826,000,000. This is exacted from the industries of America and some 40,000,000 workers. Out of this huge sum, however, we will have paid only \$60,000,000 to the beneficiaries. Approximately 3 cents out of each dollar will go to the beneficiaries, and 97 cents for the reserve account. The employers are now taxed 1 percent of the payrolls, and the employees a like amount. The employers, however, are paying 3 percent for unemployment

Under the schedules of the act these taxes will increase until 1949 when the employers will be required to pay 6 percent and the employees 3 percent, making a 9-percent payroll tax taken directly out of industry. It is patent that this tax is and will be added to the cost of the goods produced and, therefore, will fall upon the consuming public. Should the provisions of this act be carried out and the full amount of taxes exacted, the reserve account will have, by

1980, nearly \$47,000,000,000. Furthermore, the social-security law is much restricted in its application, and affords relief to only a selected group of workers, rather than to all senior citizens equally deserving. This huge sum of money exacted from industry and workers is not being devoted to the relief of the beneficiaries, the workers, but is being used to finance the ordinary activities of the Government. Statisticians and economists tell us that it is not necessary to carry a full reserve account to protect these payments. This is apparent to the layman as well. These funds collected as trust funds, having been spent by the Federal Government to meet its running expenses, necessitate the levying of taxes hereafter to pay the beneficiaries as the obligations become due. The plan should be revised, or superseded by another plan, so framed as to cover all senior citizens 60 years of age or over, and with tax provisions designed to raise only such funds as are needed on a pay-as-you-go basis, with a contingency fund sufficient only to meet emergencies. The funds so raised should be restricted to the use for which they were raised.

The Advisory Council of the Social Security Board, in its report submitted to the Committee on Ways and Means, has likewise reached the conclusion that the act should be made to cover other groups, and that a full reserve is not necessary; that it is only necessary to maintain a reasonable contingency fund, and that a much smaller fund than provided in the present act is advisable. The Advisory Council's report shows (social-security hearings, House Ways and Means Committee, p. 40):

With the changes in the benefit structure here recommended with the changes in the benefit structure here recommended and with the introduction of a definite program of governmental contributions to the system, the council believes that the size of the old-age insurance fund will be kept within much lower limits than are involved in the present act. Under social-insurance programs it is not necessary to maintain a full invested reserve such as is required in private insurance, provided definite provision is made for governmental support of the system. The only invested fund then necessary would be a reasonable contingency fund as outlined above.

The Advisory Council further holds (social-security hearings before House Ways and Means Committee, p. 41):

The old-age insurance fund should specifically be made a trust fund, with designated trustees acting on the behalf of the prospective beneficiaries of the program. The trust fund should be dedicated exclusively to the payment of the benefits provided under the program and, in limited part, to the costs necessary to the administration of the program.

On March 12 last, Roger W. Babson, outstanding expert on this subject, made a significant statement with reference to this social-security program. (Social-security hearings, House Ways and Means Committee, p. 1515.) Among other things he said:

Take the social-security program, for example. Under its provisions employers are now taxed 1 percent of their pay rolls, and employees are contributing a like amount. In addition, employers

employees are contributing a like amount. In addition, employers are paying 3 percent for unemployment insurance. These taxes are scheduled to increase until 1949, when employers will be paying 6 percent and employees 3 percent or more. This will represent a 6-percent excise tax on employers' pay rolls and a 3-percent income tax on every gainfully employed worker.

Naturally this 9-percent tax must be added to the cost of goods. Therefore it will eventually be paid—as all taxes are—by the consumer. The current 5-percent tax is already a big factor in living costs. It is handicapping thrifty people in saving something for themselves. Now a movement is on foot to put across a national health-insurance program, which would take another 3-percent pay-roll tax. It will also be added to the cost of goods. If enacted, it will boost the total cost on wages to 12 percent.

These social-security taxes alone are now giving the Government

twill boost the total cost on wages to 12 percent.

These social-security taxes alone are now giving the Government about \$1,000,000,000 a year of new spending money. This is the annual contribution of millions of individuals to the trust fund which is supposed to provide them with a monthly income in their old age. The funds, however, are being used for current public expenses. Is one cent being set aside for the future?

If the social-security system is not changed, I doubt very much if the young people of 20 to 30 years of age will ever receive any benefit from it. When their time arrives to get their \$40, \$50, or \$60 monthly Government check, it may not even buy a pair of shoes or a reast of heef. The Townsend plan on some reasonable

or \$60 monthly Government check, it may not even buy a pair of shoes or a roast of beef. The Townsend plan. on some reasonable basis, is far safer. It, at least "pays as it goes," even though it, too, may increase prices tremendously.

Despite the swiftly running stream of revenues pouring into Washington, all eyes are focused on new tax possibilities. Never before in our history has the Government collected as much money as it is now doing. Moreover, it is spending every cent of it,

including the money collected for the social-security trust fund, and it is still paying only half its bills. Meanwhile, largely to pay for new "social" programs, State governments are considering 482 new licenses and taxes. If the security trend continues, the taxes necessary to pay for our "security" and "insurance" programs may amount to a practical confiscation of every individual's wages. Fundamentally, the only real security is high spiritual and intellectual character. Industry, honesty, thrift, ability, courage, and kindness are those vital factors which make any security program click. Eliminate these qualities, and insurance of any kind is useless. The Government is simply the organization of people. The moral fiber of the Government reflects the moral fiber of the people do not have strong character, their Govern people. If the people do not have strong character, their Government insurance and security is useless.

Economist John T. Flynn, appearing as a witness before the Ways and Means Committee of the House on March 17. 1939, said that the potential \$47,000,000,000 reserve account being accumulated under the social-security program actually will be used for battleships, roads, and general expenses, and characterized the reserve as "an elaborate fiction." He said:

will be used for battleships, roads, and general expenses, and characterized the reserve as "an elaborate fiction." He said:

Under the present act, in the first 3 years the tax for paying old-age benefits is 400 percent higher than is necessary for the benefits paid from it. Next year it will be six times higher than is necessary considering the present benefits. By 1950 it will be double what it ought to be. For the next 30 years, the tax levied on the pay rolls will be excessive—even extortionate.

According to the Government's own actuarial figures, the sum that will be paid out by 1970 in old-age benefits will be roughly \$35,000,000,000.

But the Government is going to collect in taxes to pay that sum \$75,000,000,000. In other words, the Government is going to extract from employers and employees \$40,000,000.000 more than it will pay back in benefits in the next 30 years. Why? By 1980 the Government is going to collect \$111,000,000,000 on more than it will pay back in benefits in the next 30 years. Why? By 1980 the Government is going to collect \$111,000,000,000 of it axes for old-age benefits. But in those 40 years the Government is going to pay out in benefits only a little over half of that, or 57 percent. Over \$47,000,000,000 of it, or 43 percent, will never be paid in benefits, but will be used by the Government to pay general Government expenses. * * * "The system is perfectly safe. I do not want anyone to get the idea that the Government is never going to make good on the pensions," he said, but utilization of the revenue to pay mounting costs of government, he said, "is a grave mistake of statesmanship."

The social-security system is new. Already many serious criticisms have been made against it. Most of them are unjustified. But very soon the dissatisfaction will be greater. Next year the taxes will increase 50 percent without rhyme or reason. Then the dissatisfaction will be greater. By the time these taxes are 6 percent for old-age pensions and 6 percent for unemployment, both employers and emp

This program of social security as it is working out under the taxes levied is not affording relief to the workers; the funds, through the subterfuge provided by the act, are being used not for the purposes for which they were raised but to meet Government expenses, and the reserve account, socalled, is only a bookkeeping entry, as the funds collected are used as received to bolster up an unbalanced Budget. Under the fiction indulged in, the I O U's of the Government are all that is left of the tax dollars exacted from industry and the workers. Eventually the same taxpayers who put up this fund with the other taxpayers of the Nation must again be taxed to make the payments to old-age beneficiaries these funds were supposed to cover. These I O U's are called special securities bearing 3 percent interest which the Government must pay from taxes. The Advisory Council on Social Security said on April 29, 1938 (S. Doc. 4, 76th Cong., 1st sess., p. 29):

The United States Treasury uses the moneys realized from the issuance of these special securities by the old-age reserve account in the same manner as it does moneys realized from the sale of other Government securities. As long as the Budget is not balanced, the net result is to reduce the amounts which the Government has to borrow from banks, insurance companies, and other private parties. When the Budget is balanced, these moneys will be available for the reduction of the national debt held by the public. The members of the Advisory Council are in agreement that the fulfillment of the promise made to the wage earners included in the old-age insurance system depends upon, more than anything else, the financial integrity of the Government.

It follows, as shown by the Advisory Council on Social Security, that, so long as the Budget remains unbalanced, these funds will be dissipated for expenses foreign to social security and that fulfillment of the promises of the Government made to the wage earners will depend upon, more than anything else, the financial integrity of the Government. The Government is doing nothing to restore confidence, to balance the Budget, or to provide for the maintenance of its financial integrity.

The burden on the taxpayer has been increased almost threefold in the last 7 years, as shown by tax revenues collected, which are as follows:

1933	\$2,080,000,000
1934	3, 116, 000, 000
1935	3, 800, 000, 000
1936	4, 116, 000, 000
1937	5, 294, 000, 000
1938	6, 242, 000, 000
1939	5, 520, 000, 000

The appropriations for the next fiscal year will be approximately \$10,000,000,000. The public debt in 1931 was \$16,-801,000,000. It will approximate \$41,132,000,000 on July 1, 1939, and, it is estimated, will reach \$45,000,000,000 by July 1, 1940, which is the maximum allowed under the law. Notwithstanding the huge increase in taxes, the deficit each year is increasing. The deficit is estimated to be for the current year an all-time high of \$3,972,000,000, except for 1936, when the soldiers' bonus was paid. The deficits for the last 7 fiscal years are:

1932	\$3, 148, 000, 000
1933	3, 063, 000, 000
1934	3, 989, 000, 000
1935	3, 575, 000, 000
1936	4, 764, 000, 000
1937	2, 811, 000, 000
1938	1, 449, 000, 000

If keeping good faith with the wage earners depends upon the financial integrity of the Government, would it not be better to collect from the employers and employees under the social-security program only enough taxes to pay as we go in addition to the emergency fund, and not throw these security tax funds into an ever-increasing deficit to bolster up an unsound fiscal policy?

The American people are pension minded. The Gallup poll, released February 26, 1939, shows that 94 percent of American citizens are in favor of a reasonable pension. Such a pension plan, on a pay-as-you-go basis, is desirable. As Mr. Babson said in the quotation I have given, referring to the social-security law:

The Townsend plan on some reasonable basis is far safer. It, at least, pays as it goes, even though it, too, may increase prices tremendously.

Mr. Speaker, there has been such wide demand from all sections of our country for a program such as is embodied in the Townsend plan that I asked the research department of the Library of Congress to compile a list of the States of the Union that had sent memorials to Congress with reference to the plan. The report is as follows:

ACTION OF STATE LEGISLATURES RELATIVE TO THE TOWNSEND OLD-AGE PENSION PLAN

MEMORIALS TO CONGRESS

Arizona

House Memorial No. 1, 1935 (Congressional Record, vol. 79, pp. 1036-1037): Memorial to the President and Congress of the United States (1) that careful investigation be made of the provisions of the Townsend old-age pension plan; and if the claims made for said plan are found to be justified, that it be enacted into law; (2) that the proposed legislation be so drawn as to merely suspend and not repeal existing pension laws. (Not found in 1935 session laws.)

California

Assembly Joint Resolution No. 6, Laws, 1935, Resolutions, chapter

Assembly Joint Resolution No. 6, Laws, 1935, Resolutions, chapter 30, page 2439 (Congressional Record, vol. 79, pp. 1581, 1707); Memorializing the President and Congress to carefully consider what is known as the Townsend plan of old-age revolving pensions.

Assembly Joint Resolution No. 39, Laws, 1935, Resolutions, chapter 57, page 2529 (Congressional Record, vol. 79, pp. 4724, 4883, 7036); Memorializing Congress to incorporate in a national old-age pension plan the principles and objectives of the Townsend plan.

Assembly Resolution No. 2 (Congressional Record, vol. 80, p. 9315); Relating to endorsement of the old-age revolving pension plan of Dr. F. E. Townsend.

Colorado

House Joint Memorial No. 1, Laws, 1935, page 1144 (Congressional RECORD, vol. 79, p. 1415): Urges Congress to give consideration to "the Townsend old-age revolving pension plan" or other suitable plan, if as, and when the same is presented for its consideration.

Idaho

Senate Joint Memorial No. 5, Laws, 1935, pages 387-388 (CONGRESSIONAL RECORD, vol. 79, pp. 3285-3286, 3326-3327): Urges upon the Congress of the United States the enactment of the Townsend old-

Congress of the United States the enactment of the Townsend old-age pension revolving fund plan.

Memorial adopted by Nampa City Council, February 18, 1935 (CONGRESSIONAL RECORD, vol. 79, pp. 2656–2657): Memorializes the United States Congress to enact the Townsend old-age revolving

pension plan into law.

Petitions of sundry citizens of the State of Idaho, addressed to Senator Borah (Congressional Record, vol. 79, p. 1629), pray for adoption of the so-called Townsend old-age revolving pension plan.

Minnesota

Resolution (Congressional Record, vol. 81, p. 1394): Memorializing Congress to give the so-called Townsend recovery plan, otherwise known as the General Welfare Act of 1937, careful and serious consideration. (Not found in 1937 session laws.)

Montana

Montana

Senate Joint Resolution No. 2, Laws 1935, pages 533-534 (Congressional Record, vol. 79, p. 1790): Petitioning Congress for passage of an act embracing the principles of an old-age benefit, such as the Townsend plan, or such other old-age-benefit plan as may be just and equitable to all persons over the age of 60 years.

House Joint Memorial No. 2, Laws 1937, pages 494-495 (Congressional Record, vol. 81, p. 1192): Memorializing the Congress of the United States for the passage of legislation for the creation and establishment of the Townsend recovery plan and for benefits to be paid all persons over the age of 60 years.

Senate Joint Memorial No. 2 (Congressional Record, vol. 84, February 20, 1939, p. 1572): Memorial to the Congress of the United States for the passage of an act incorporating the principles of the Townsend national recovery plan substantially as set forth in a bill entitled "H. R. 4199," introduced in the House of Representatives in the first session of the Seventy-fifth Congress of the United States on February 2, 1937.

North Dakota

North Dakota

Senate Concurrent Resolution No. 1, Laws 1935, page 479 (Con-GRESSIONAL RECORD, vol. 79, pp. 2162, 3802): Memorializing Congress to give every consideration to the Townsend old-age revolving pension plan if, as, and when the same is presented for its consideration.

Sideration.

House Concurrent Resolution F, Laws 1937, pages 556-557 (Congressional Record, vol. 81, p. 1192): Memorializing the Congress of the United States to pass the Townsend recovery plan bill, making it the Federal law of the land if, as, and when the same is presented for its passage.

Senate Concurrent Resolution No. 18 (Congressional Record, vol. 84, February 1, 1939, pp. 985-986): Resolved, That the Senators and Representatives of the State of North Dakota in the Congress of the United States be, and hereby are, requested to take such necessary steps as will insure the immediate passage of the aforesaid Townsend recovery plan bill.

Oregon

House Joint Memorial No. 1. Laws 1937, page 886 (Congressional

House Joint Memorial No. 1, Laws 1937, page 886 (Congressional Recorp, vol. 81, pp. 2000, 2101): Petitioning the Congress to give a fair, full, and impartial hearing and consideration of the Townsend national recovery plan, with a view to its enactment into law after the Members of Congress shall have settled the details of the legislation.

the legislation.

House Joint Memorial, No. 1 (Congressional Record, vol. 84, February 1, 1939, p. 985, also Appendix of the Congressional Record, Pebruary 1, 1939, p. 985, also Appendix of the Congressional Record, That, in accordance with the direction of said initiative measure (entitled "A bill for an act authorizing and directing the Legislature of the State of Oregon to apply to the Congress of the United States for a convention to propose the philosophy and principles of the Townsend national recovery plan as an amendment to the Federal Constitution" and adopted November 8, 1938), the Legislature of the State of Oregon hereby does by this joint memorial make application to the Congress of the United States to call a national convention, pursuant to the provisions of article V of the Constitution of the United States, for the purpose of proposing an amendment to the said Constitution to provide for the establishment and operation of the philosophy and principles of the Townsend national recovery plan, otherwise known and described as the proposed General Welfare Act of 1937 (H. R. 4199).

Washington

Washington

Petition relating to national recovery and old-age pensions through a national transaction tax (Townsend plan) (Congressional Record, vol. 81, Appendix, p. 1029): Petitioning Members of Congress from the State of Washington to make a thorough and unbiased investigation of the plan hereinbefore mentioned and give fair and just consideration to the enactment by Congress of give fair and just consideration to the enactment by congress of a law providing for a national old-age-retirement system and create a fund for the maintenance thereof through a 2-percent Federal Government transaction tax levy, the proceeds of which shall be distributed equitably to all citizens over 60 years of age with the provision that it shall be expended within 30 days. (Not found in 1937 session laws.)

Wyoming

Senate Joint Memorial No. 1 (Appendix of the Congressional Record, p. 425): Memorializing the Congress of the United States of America to consider and act upon proposed Federal legislation related to the Townsend plan.

Montana

Montana

(Congressional Record, vol. 84, February 13, 1939, p. 1340):
Joint memorial of the Legislature of the State of Montana favoring
the adoption of the so-called Townsend recovery plan and for
benefits to be paid to all persons over 60 years of age.

Senate Joint Memorial No. 2 (Congressional Record, vol. 84,
February 20, 1939, p. 1572): Memorial to the Congress of the United
States for the passage of an act incorporating the principles of the
Townsend national recovery plan substantially as set forth in a
bill entitled "H. R. 4199," introduced into the House of Representatives in the first session of the Seventy-fifth Congress of the United
States on February 2, 1937. States on February 2, 1937.

South Dakota

Senate Concurrent Resolution No. 7 (Congressional Record, vol. 84, February 23, 1939, p. 1802): Memorializing the Congress of the United States of America to discuss and give full consideration to General Welfare Act (H. R. 2).

Wyoming

House Joint Memorial No. 2 (Congressional Record, vol. 84, February 13, 1939, p. 1340; February 16, 1939, p. 1452): Memorializing the Congress of the United States to immediately consider the General Welfare Act with a view of increasing the amount of old-age benefits. Senate Joint Memorial No. 1 (Congressional Record, vol. 84, February 16, 1939, p. 1452): Memorializing the Congress of the United States of America to consider and act upon proposed Federal legislation related to the Townsend plan.

Since receiving this report, March 13, 1939, I am advised other States have memorialized Congress with reference to the Townsend plan, namely:

Michigan

Senate Concurrent Resolution No. 11, 1938: On February 16, 1938, the Michigan Legislature passed a memorial asking the Congress to promptly and diligently and fairly consider and act upon at the current session by its legislative branch as such and not merely in committee the proposed Townsend plan.

Idaho

Senate Joint Memorial No. 10, 1939 (Appendix of the Congressional Recorp, pp. 964-965): On February 28, 1939, the Idaho Legislature adopted a memorial to Congress respectfully urging the Congress to bring H. R. 2 out onto the floor for open discussion to the end that the merits of the bill (Townsend) may be considered in open debate.

The Townsend group, through the Townsend National Legion, is pledged to maintain, uphold, and defend sound American doctrines, as disclosed by its objectives, which are:

- (1) Pledged to uphold and defend the Constitution of the United States.
- (2) Pledged to stand against the surrender of any of our traditional American liberties.
- (3) Pledged to oppose fascism, communism, or any other form of dictatorship which may menace the traditional form of American government.
- (4) Pledged to strive for a higher standard of living for the underprivileged classes.
- (5) Pledged to stand as a safeguard of the American tradition against racial, political, or religious intolerance.
- (6) Pledged to carry forth the work of educating the business and professional people as to the principles of the Townsend plan.
- (7) Pledged to put forth every effort to enlist all newspapers and periodicals in support of the Townsend plan.
- (8) Pledged to foster and promote better citizenship by educating the voters to safeguard their own interests.

In view of the failure of the present old-age security law to meet this social problem and the injustice of exacting these huge tax collections from labor and industry ostensibly for old-age security, but in reality for governmental expenses, and the evil effect on industry and the welfare of industrial workers the tax payments are having, and the wide demand throughout our country for the enactment of a law that will afford relief to all of our senior citizens over 60 years of age on a pay-as-you-go basis, such as provided by H. R. 2, this Congress should, in response to these memorials from our people, take up for early consideration H. R. 2, embodying the Townsend proposal.

Mr. Speaker, I ask unanimous consent to revise and extend my remarks and to include therein certain statements that were presented to the Ways and Means Committee with reference to this program, also a tabulation of the States which have memorialized the Congress with reference to the Townsend program.

The SPEAKER. Without objection, it is so ordered. There was no objection.

EXTENSION OF REMARKS

Mr. PATMAN. Mr. Speaker, I ask unanimous consent to extend my own remarks in the Record and to include therein a speech made by the Secretary of the Interior, Mr. Ickes.

The SPEAKER pro tempore. Without objection, it is so ordered.

There was no objection.

Mr. GEARHART. Mr. Speaker, I ask unanimous consent to revise and extend my own remarks and to include therein a speech made by Mr. Joseph M. Schenck, of Los Angeles, Calif., during the course of the American Legion convention last September.

The SPEAKER pro tempore. Without objection, it is so ordered.

There was no objection.

THE TRADE AGREEMENT WITH BRAZIL

Mrs. ROGERS of Massachusetts. Mr. Speaker, I ask unanimous consent to proceed for 5 minutes.

The SPEAKER pro tempore. Without objection, it is so ordered.

There was no objection.

Mrs. ROGERS of Massachusetts. Mr. Speaker, I always have believed, and always have lived up to the belief, that there should be no politics in our foreign affairs. On March 9 there was consummated a trade arrangement between Brazil and the United States signed by the Honorable Cordell Hull, our Secretary of State, and the Minister of Foreign Affairs of Brazil, Mr. Aranha. I believe this trade arrangement will bring business to this country and business to Brazil. It will be extremely helpful in furthering friendly relations between Brazil and the United States. These two nations have always been friends.

I should like to pay my tribute to the people who arranged these trade agreements. While it was under Secretary of State Cordell Hull's administration I realize that much of the work was done by the Under Secretary of State, Mr. Sumner Welles. Mr. Welles is a brilliant career man who always has had a very close bond with and a great interest in Latin America. He has made those relationships, and friendships, and trade arrangements with Latin America almost his life's work. Great credit is due to Mr. Caffrey, our Ambassador to Brazil. He is one of the most successful of our career men. Great credit is also due Mr. Aranha, the most able Minister of Foreign Affairs from Brazil.

When he was the Brazilian Ambassador to this country, he started friendly relations which made the signing of the trade arrangement much easier.

Some of the outstanding achievements of these arrangements will be:

First. The Brazilian Government will free its exchange market for commercial transactions and will facilitate transfer of equitable returns upon investments made in Brazil by United States citizens.

Second. The Export-Import Bank will extend acceptance credits of up to \$19,200,000 to meet amounts due to American exporters for imports from the United States.

Third. The Export-Import Bank has arranged an extension of longer term credits to facilitate Brazilian purchases of American products, to improve Brazil's transportation facilities, and to assist in the development of Brazilian natural resources and national economy.

Fourth. The President has stated that he will recommend to Congress authorization to place at the Brazilian Government's disposal a gold reserve of up to \$50,000,000 to assist in the organization and operation of a central reserve bank of Brazil, the gold to be repaid from Brazil's future production of gold.

Fifth. The Department of Agriculture will extend technical cooperation in the development of products, such as tropical products, whose production is complementary to United States production.

Sixth. The Brazilian Government has stated that it intends to resume on July 1 interest payments and amortization on its dollar debt in accordance with an arrangement being discussed with the Foreign Bondholders' Protective Council and which will be made known following the return of the Brazilian Minister of Foreign Affairs to Brazil.

Seventh. The Brazilian Government has stated that it intends to observe a general policy which will inspire the confidence of the United States investors, giving them no more restrictions than those to which Brazilian investors may be subjected.

The outstanding achievement of these arrangements will be the freeing of Brazil's exchange market, which may be considered to be an important step toward the removal of barriers to international trade and financial relations, a step furthering the commercial policy which has been carried out by the United States Government. Benefits which it may be expected will accrue to Americans include advantages to American exporters consisting of, first, the immediate transfer of blocked commercial accounts; and, second, the maintenance in the future of a free exchange market which will relieve them of the risks of blocked transfer of payments and of fluctuations in the exchange rate during such periods of lag; third, benefits to American exporters, manufacturers, and labor resulting from the extension of facilities for the financing on a longer term basis of American products which may be purchased by Brazil in order to carry out the development of the Brazilian economy; fourth, the development of assured sources of certain agricultural raw materials through technical cooperation in regard to complementary products: and, fifth, benefits to American investors in Brazil through the resumption of public-debt service by the Brazilian Government, and as a result of the Brazilian Government's policy of encouraging American investors by giving them no more restrictions than those to which Brazilian investors may be subjected, and by facilitating the transfer of equitable returns upon American investments in Brazil.

The benefits received by Brazil comprise, first, United States cooperation in the carrying out of a broad program in the development of the Brazilian economy and include the general advantages of a return of its commercial transactions to a free basis; second, acceptance credits to permit the liquidation of amounts due American exporters over a 2-year period; third, longer term credits which will facilitate the purchase by Brazil of American products, the importation of which will assist in improving Brazil's transportation facilities and the development of other domestic undertakings designed to increase the productive capacity of the Brazilian nation and its trade with the United States; fourth, technical assistance in the development of complementary noncompetitive agricultural products for which a substantial market is believed to exist in the United States provided an assured supply could be developed; fifth, and assistance in the organization and operation of a central reserve bank which will have the functions of regulating the internal and external value of the milreis and of controlling credit and the money market in

[Here the gavel fell.]

Mrs. ROGERS of Massachusetts. Mr Speaker, I ask unanimous consent to proceed for 1 additional minute.

The SPEAKER pro tempore. Without objection it is so ordered.

There was no objection.

Mrs. ROGERS of Massachusetts. Having given credit where credit is due, I will give criticism where criticism is due in bringing to the attention of the House again the fact that during a time when the nations of the world are horrified at what is going on across the seas and at the steps taken by Hitler, which have shocked the United States, our Foreign Affairs Committee is given no information by experts from the Department of State or from the Foreign Service of that situation. What the Members know of the foreign situation is learned from press releases or from friends who happen to be wise in such matters. I personally have asked that our

representatives in foreign countries be called before the committee. The committee so voted, but no representatives have appeared. This is also true of the representatives of

the Department of State.

I feel, Mr. Speaker, that the administration is extremely lax in not bringing before the great Foreign Affairs Committee of the House every bit of information that we may possibly be given to prevent our getting into, or assisting in, any foreign entanglements. It is a short-sighted policy that keeps important foreign news from us. I earnestly hope, Mr. Speaker, that the Members will join me in asking that these representatives appear before our committee that we may receive valuable information and suggestions from them. I need not remind the Members of the House that we are the nearest and the most direct representatives of the people of the United States and that our constituents desire us to be fully informed upon vital questions, and surely none is more vital than that of peace and war. The economic and physical life of the Nation may well be at stake. Our foreign policy is extremely important today, Mr. Speaker. [Applause.1

[Here the gavel fell.]

EXTENSION OF REMARKS

Mr. VOORHIS of California. Mr. Speaker, I ask unanimous consent to revise and extend my own remarks and to include therein certain short excerpts from some of the important documents of American history and the speeches and papers of some of her great men.

The SPEAKER pro tempore. Without objection, it is so

ordered.

There was no objection.

PERMISSION TO ADDRESS THE HOUSE

Mr. CONNERY. Mr. Speaker, I ask unanimous consent that on Thursday next, following the address by the gentleman from Michigan [Mr. HOFFMAN], I may be permitted to address the House for 15 minutes.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Massachusetts [Mr. Connery]?

There was no objection.

EXTENSION OF REMARKS

Mr. TENEROWICZ. Mr. Speaker, I ask unanimous consent to revise and extend my own remarks in the Record, and to include two telegrams received on the subject of W. P. A. and the aliens and W. P. A.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Michigan [Mr. Tenerowicz].

There was no objection.

ADJOURNMENT

Mr. RAYBURN. Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to; accordingly (at 2 o'clock and 41 minutes p. m.) the House adjourned until tomorrow, Wednesday, March 22, 1939, at 12 o'clock noon.

COMMITTEE HEARINGS

COMMITTEE ON WAYS AND MEANS

Public hearings will continue on Wednesday, March 22, 1939, at 10 a.m., on social-security legislation in the Ways and Means Committee room in the New House Office Building.

COMMITTEE ON INTERSTATE AND FOREIGN COMMERCE

There will be a meeting of the Committee on Interstate and Foreign Commerce at 10 a.m. Wednesday, March 22, 1939. Business to be considered: Railroad legislation, H. R. 2531.

COMMITTEE ON IMMIGRATION AND NATURALIZATION

There will be a meeting of the Committee on Immigration and Naturalization at 10:30 a.m. Wednesday, March 22, 1939, on the following bills: H. R. 5030, H. R. 4106, H. R. 3279, H. R. 3215, H. R. 1650, and H. R. 214. The meeting will be public.

COMMITTEE ON INDIAN AFFAIRS

There will be a meeting of the Committee on Indian Affairs on Wednesday next, March 22, 1939, at 10:30 a.m., for the public consideration of H. R. 2306 and H. R. 3699.

COMMITTEE ON FOREIGN AFFAIRS

There will be a meeting of the Committee on Foreign Affairs Wednesday, March 22, 1939, at 10 a.m., in the committee rooms, the Capitol, for the consideration of the following: H. R. 3065, to amend Public Law No. 370, Seventy-fourth Congress (International Boundary Commission, United States and Mexico), and S. 1045, to give effect to the International Agreement for the Regulation of Whaling, signed at London, June 8, 1937, and for other purposes.

COMMITTEE ON THE JUDICIARY

Beginning at 10 a. m. on Wednesday, March 22, 1939, there will be a hearing held before the subcommittee No. 4 of the Committee on the Judiciary on House Joint Resolution 176, declaring the conservation of petroleum deposits underlying submerged lands adjacent to and along the coast of California, below low-water mark and under the territorial waters of the United States of America, essential for national defense, maintenance of the Navy, and regulation and protection of interstate and foreign commerce; reserving the same as a naval petroleum reserve, subject to any superior vested right, title, or interest; and authorizing appropriate judicial proceedings to assert, ascertain, establish, and maintain the right and interest of the United States of America in such reserve and to eject trespassers.

COMMITTEE ON THE PUBLIC LANDS

There will be a meeting of the Committee on the Public Lands on Thursday, March 23, 1939, at 10 a.m., in room 328, House Office Building, to consider H. R. 3759, to authorize a National Mississippi River Parkway, and matters relating thereto.

COMMITTEE ON MERCHANT MARINE AND FISHERIES

The Committee on Merchant Marine and Fisheries will hold public hearings in room 219, House Office Building, Washington, D. C., at 10 a. m., on the bills and dates listed below:

Thursday, March 23, 1939:

H. R. 141, H. R. 142, H. R. 1819, miscellaneous Panama Canal bills.

Tuesday, March 28, 1939:

H. R. 197, relating to the clearance of vessels; H. R. 199, relating to the allotment of wages by seamen; H. R. 200, relating to foreign towboats towing between American ports; H. R. 1780, relating to penalties on certain undocumented vessels and cargoes engaging in the coastwise trade or the fisheries; H. R. 1782, relating to change of masters of vessels.

Wednesday, March 29, 1939:

H. R. 198, relating to the measurement of vessels; and H. R. 132, authorizing the use of condemned Government vessels for breakwater purposes.

Tuesday, April 4, 1939:

H. R. 3209, making it a misdemeanor to stow away on vessels; H. R. 3398, regarding the down payment of construction of new vessels; H. R. 3935, relating to the discharge of seamen.

Wednesday, April 5, 1939:

H. R. 3052, uniform insignia for Naval Reserve radio operators; H. R. 1010, intercoastal subsidy bill (Welch).

Thursday, April 6, 1939:

H. R. 1011, acquisition of drydock facilities for United States Maritime Commission on San Francisco Bay (Welch); H. R. 2870, acquisition of drydock facilities for United States Maritime Commission at Los Angeles (Thomas F. Ford); H. R. 3040, acquisition of drydock facilities for United States Maritime Commission at Los Angeles (Geyer of California).

Tuesday, April 11, 1939:

H. R. 1783, inspection of hulls of sail vessels and barges (Bland); H. R. 1785, motorboat bill (Bland); H. R. 1795, motorboat bill (Hendricks); H. R. 1809, inspection of motorboats, 15 gross tons up (Magnuson); H. R. 2398, regarding pilots on yachts (Angell); H. R. 3837, inspection of motorboats, 15 gross tons up (Connery).

Thursday, April 13, 1939:

H. R. 4220, load-line bill for seagoing vessels (Bland).

Tuesday, April 18, 1939:

H. R. 2404, surgeon and hospital on vessels (Sirovich); H. R. 2660, limitation of liability (Sirovich); House Joint Resolution 153 and House Joint Resolution 194, investigate conditions pertaining to lascar seamen (Sirovich).

EXECUTIVE COMMUNICATIONS, ETC.

Under clause 2 of rule XXIV, executive communications were taken from the Speaker's table and referred as follows:

561. A letter from the Archivist of the United States, transmitting a list of papers consisting of 117 items from the Department of War, which the Department has recommended should be destroyed or otherwise disposed of; to the Committee on the Disposition of Executive Papers.

562. A letter from the Administrator of the United States Department of Agriculture, Agricultural Adjustment Administration, transmitting report of the activities of the Agricultural Adjustment Administration from January 1, 1937, to June 30, 1938; to the Committee on Agriculture.

563. A letter from the Acting Secretary of State, transmitting draft of a proposed bill to exempt from internal-revenue taxes, on the basis of reciprocity, articles imported by consular officers and employees of foreign states for their personal or official use; to the Committee on Ways and Means.

REPORTS OF COMMITTEES ON PUBLIC BILLS AND RESOLUTIONS

Under clause 2 of rule XIII,

Mr. McLAUGHLIN: Committee on the Judiciary. House Joint Resolution 133. Joint resolution authorizing the President of the United States of America to proclaim October 11, 1939, General Pulaski's Memorial Day for the observance and commemoration of the death of Brig. Gen. Casimir Pulaski; without amendment (Rept. No. 258). Referred to the House Calendar.

Mr. POAGE: Committee on Immigration and Naturalization. H. R. 4860. A bill to amend existing law so as to provide for the exclusion and deportation of aliens who advocate the making of fundamental changes in the American form of government; with amendment (Rept. No. 259). Referred to the House Calendar.

CHANGE OF REFERENCE

Under clause 2 of rule XXII, committees were discharged from the consideration of the following bills, which were referred as follows:

A bill (H. R. 3782) for the relief of Lt. William J. Wholean; Committee on Claims discharged, and referred to the Committee on Military Affairs.

A bill (H. R. 5062) for the relief of R. M. Derby; Committee on Claims discharged, and referred to the Committee on War Claims.

A bill (H. R. 4669) granting a pension to Cora B. Henderson; Committee on Invalid Pensions discharged, and referred to the Committee on Pensions.

PUBLIC BILLS AND RESOLUTIONS

Under clause 3 of rule XXII, public bills and resolutions were introduced and severally referred as follows:

By Mr. CASE of South Dakota:

H. R. 5176. A bill to tax the profits out of war by steeply graduated income and other taxes, in order to provide for an effective national defense, to promote peace, to encourage actual neutrality, to discourage war profiteering, to distribute the burdens of war, to keep democracy alive, and for other purposes; to the Committee on Ways and Means.

By Mr. VAN ZANDT:

H. R. 5177. A bill to tax the profits out of war by steeply graduated income and other taxes, in order to provide for an effective national defense, to promote peace, to encourage actual neutrality, to discourage war profiteering, to distribute the burdens of war, to keep democracy alive, and for other purposes; to the Committee on Ways and Means.

By Mr. DICKSTEIN:

H. R. 5178. A bill to declare that a citizen of the United States who votes in a political election in a foreign state or who participates in certain voting abroad to determine sovereignty of foreign territory shall lose United States citizenship and nationality; to the Committee on Immigration and Naturalization.

By Mr. IGLESIAS:

H. R. 5179. A bill to extend the provisions of the act entitled "An act to provide that the United States shall aid the States in wildlife restoration projects, and for other purposes," approved September 2, 1937; to the Committee on Agriculture.

By Mr. JOHN L. McMILLAN:

H. R. 5180. A bill to provide Spanish War veterans wartime pension rates for service-connected disability or death of certain veterans of the Spanish-American War recognized by veterans' regulations as "veterans of any war," and for other purposes; to the Committee on Pensions.

By Mr. WINTER:

H. R. 5181. A bill to amend the Tariff Act of 1930 and to repeal chapter 474 of 48 Statutes at Large, and all acts supplemental and amendatory thereof, being title 19 of United States Code, sections 1351, 1352, 1353, and 1354, and to terminate certain trade agreements; to the Committee on Ways and Means.

By Mr. McLAUGHLIN:

H. R. 5182. A bill to amend an act entitled "An act to establish a uniform system of bankruptcy throughout the United States" approved July 1, 1898, and acts amendatory thereof and supplemental thereto; to create a railroad reorganization court; and for other purposes; to the Committee on the Judiciary.

By Mr. STARNES of Alabama:

H. R. 5183 (by request). A bill to tax the profits out of war by steeply graduated income and other taxes, in order to provide for an effective national defense, to promote peace, to encourage actual neutrality, to discourage war profiteering, to distribute the burdens of war, to keep democracy alive, and for other purposes; to the Committee on Ways and Means.

By Mr. VOORHIS of California:

H. R. 5184. A bill to tax the profits out of war by steeply graduated income and other taxes, in order to provide for an effective national defense, to promote peace, to encourage actual neutrality, to discourage war profiteering, to distribute the burdens of war, to keep democracy alive, and for other purposes; to the Committee on Ways and Means.

By Mr. ALLEN of Louisiana:

H. R. 5185. A bill to authorize the Secretary of Commerce to dispose of on behalf of the United States at public sale a certain plot of land containing about 2 acres, more or less, situated in Natchitoches Parish, La., belonging to the Bureau of Fisheries; to the Committee on Merchant Marine and Fisheries.

By Mr. CLASON:

H.R. 5186. A bill to authorize a preliminary examination and survey of the Connecticut River in the State of Massachusetts, between the Hatfield town line above Coolidge Bridge and the Narrows at Mount Tom, for flood control, for run-off and water-flow retardation, and for soil-erosion prevention; to the Committee on Flood Control.

By Mr. CLAYPOOL:

H. R. 5187. A bill to increase the maximum monthly payment by States to individuals for old-age assistance to \$60, and to change the age requirement from 65 to 60 years; to the Committee on Ways and Means.

By Mr. DICKSTEIN:

H.R. 5188. A bill to provide for the loss of United States citizenship in certain cases; to the Committee on Immigration and Naturalization.

By Mr. DINGELL:

H.R. 5189. A bill to provide for the appointment of one additional circuit judge for the sixth judicial circuit; to the Committee on the Judiciary.

By Mr. DIRKSEN:

H. R. 5190. A bill to authorize a preliminary examination of the Illinois River and its tributary (Crow Creek) in the State of Illinois for flood control, for run-off and water-flow retardation, and for soil-erosion prevention; to the Committee on Flood Control.

By Mr. FADDIS:

H.R. 5191. A bill to provide for the common defense by acquiring stocks of strategic and critical materials essential to the needs of industry for the manufacture of supplies for armed forces and the civilian population in time of national emergency, and to encourage the development of these resources within the United States, and for other purposes; to the Committee on Military Affairs.

By Mr. GEYER of California:

H. R. 5192. A bill to amend the Social Security Act to provide for the inclusion of domestic servants, and for other purposes; to the Committee on Ways and Means.

By Mr. LEMKE:

H. R. 5193. A bill to amend an act entitled "An act to establish a uniform system of bankruptcy throughout the United States," approved July 1, 1898, and acts amendatory thereof and supplementary thereto; to the Committee on the Judiciary.

H. R. 5194. A bill relating to the making of certain payments in connection with the 1937 soil-conservation program; to the Committee on Agriculture.

By Mr. MAGNUSON:

H. R. 5195. A bill to amend the United States mining laws in relation to surface rights in mining locations; to the Committee on Mines and Mining.

By Mr. McLEOD:

H. R. 5196. A bill to expedite and foster the naturalization of aliens; to the Committee on Immigration and Naturalization.

By Mr. SPARKMAN:

H. R. 5197. A bill authorizing the establishment and operation of a military aircraft engineering center to determine production costs of military aircraft, and for other purposes of national defense; to the Committee on Military Affairs.

By Mr. BUCK: H. J. Res. 221. Joint resolution authorizing the President to invite other nations to participate in the Sacramento Golden Empire Centennial commemorating the one hundredth anniversary of the founding of Sacramento by Capt. John A.

Sutter; to the Committee on Foreign Affairs.

By Mr. THILL:

H. J. Res. 222. Joint resolution authorizing the President of the United States to proclaim October 11 of each year General Pulaski's Memorial Day for the observance and commemoration of the death of Brig. Gen. Casimir Pulaski; to the Committee on the Judiciary.

PRIVATE BILLS AND RESOLUTIONS

Under clause 1 of rule XXII, private bills and resolutions were introduced and severally referred as follows:

By Mr. BLACKNEY:

H. R. 5198. A bill granting a pension to Ida F. Davidson; to the Committee on Invalid Pensions.

By Mr. CANNON of Missouri:

H. R. 5199. A bill for the relief of Orlando William Hutchinson; to the Committee on Military Affairs.

By Mr. CULKIN:

H.R. 5200. A bill for the relief of Rena E. Bolton; to the Committee on Claims.

By Mr. DELANEY:

H. R. 5201. A bill for the relief of Frank De Delectis; to the Committee on Immigration and Naturalization.

By Mr. DINGELL:

H. R. 5202. A bill for the relief of Ajun Khan; to the Committee on Claims.

By Mr. EDMISTON:

H. R. 5203. A bill granting an increase of pension to Robert Blake; to the Committee on Pensions.

H. R. 5204. A bill granting a pension to William McCans; to the Committee on Claims.

By Mr. ELSTON:

H. R. 5205. A bill granting an increase of pension to Ida Westcott McCue; to the Committee on Invalid Pensions.

H. R. 5206. A bill granting a pension to Jess Spurlock; to the Committee on Pensions.

By Mr. HEALEY:

H. R. 5207. A bill for the relief of Charles Harrington; to the Committee on Military Affairs.

By Mr. JOHNSON of Indiana:

H.R. 5208. A bill granting a pension to John Hannon; to the Committee on Pensions.

By Mr. JOHNSON of West Virginia:

H. R. 5209. A bill to authorize and direct the Commissioners of the District of Columbia to reappoint Clarence D. Cunningham as a member of the Metropolitan Police Department of the District of Columbia; to the Committee on the District of Columbia.

By Mr. MAGNUSON:

H.R. 5210. A bill to adjust the civil-service record of one Hulet Wells; to the Committee on the Civil Service.

By Mr. ROBSION of Kentucky:

H. R. 5211. A bill for the relief of D. L. Mason; to the Committee on Claims.

H. R. 5212. A bill for the relief of Mat Hensley; to the Committee on Claims.

H. R. 5213. A bill for the relief of Lillie Price; to the Committee on Claims.

H. R. 5214. A bill for the relief of Clyde Thorpe; to the Committee on Claims.

H. R. 5215. A bill for the relief of Arnold Blanton; to the Committee on Claims.

By Mr. RODGERS of Pennsylvania:

H. R. 5216. A bill granting a pension to William R. Jarrett; to the Committee on Invalid Pensions.

By Mr. SWEENEY:

H. R. 5217. A bill for the relief of George Demovich; to the Committee on Immigration and Naturalization.

By Mr. TENEROWICZ:

H. R. 5218. A bill for the relief of Giacoma Cicila; to the Committee on Immigration and Naturalization.

PETITIONS, ETC.

Under clause 1 of rule XXII, petitions and papers were laid on the Clerk's desk and referred as follows:

1898. By Mr. BALL: Petition of the First Baptist Church of Putnam, Conn., protesting against the inclusion of religious bodies under the provisions of the Social Security Act; to the Committee on Ways and Means.

1899. By Mr. BULWINKLE: Petition of the General Assembly of North Carolina; to the Committee on Merchant

Marine and Fisheries.

1900. By Mr. CASE of South Dakota: Petition of 40 residents of Ipswich, S. Dak., urging support of fair-trade legislation, chain-store tax legislation, and all legislation favorable to the independent retail merchants; to the Committee on Ways and Means.

1901. By Mr. COFFEE of Washington: Resolution of the American White Cross Association on Drug Addiction, of Seattle, Wash., the Reverend Dr. M. A. Matthews, president, pointing out that a survey of the problem of narcotic-drug addiction is indispensable to a proper study of this vital subject; asserting its sincere interest in the adoption of a measure for the humanitarian purpose of eradicating, controlling, and combating the illegal sale of narcotic drugs and its attendant evils; therefore urging the adoption by the Congress of House bill 103, introduced by Mr. Coffee of Washington, providing for a national survey of the narcotic-drug evil; to the Committee on Interstate and Foreign Commerce.

1902. Also, resolution of Committees on Mines and Mining of the Senate and House of Representatives of the State of Washington, pointing out that the Thomas bill (S. 572), as amended, provides for the acquisition of stocks of strategic

and critical mining materials essential for national defense and encouraging the further development of mines and deposits of such materials in the United States; asserting that the State of Washington has extensive deposits of highquality manganese, chromite, tungsten, molybdenum, nickel, mercury, vanadium, and sulfur; and therefore urging that the Congress enact Senate bill 572, as amended, or similar legislation; to the Committee on Mines and Mining.

1903. By Mr. ELSTON: Petition of William Powell, Local 1858, Steel Workers Organizing Committee, Cincinnati, Ohio, signed by 75 members, urging opposition to the proposed amendments, contained in Senate bill 1000, to the National Labor Relations Act; and petition of Local No. 2022, Steel Workers Organizing Committee, Cincinnati, Ohio, expressing opinion of 62 organized workers that any amendments to Wagner Labor Act would seriously undermine the gains made by labor under this law; and also, letter signed by J. G. Rentschler, recording secretary, Lodge No. 1861, Steel Workers Organizing Committee, expressing opposition of local to Senate bill 1000 and all other amendments to Wagner Labor Relations Act; to the Committee on Labor.

1904. By Mr. HANCOCK: Petition of Prof. Philip H. Taylor and other residents of Syracuse, N. Y., favoring amendment of the Neutrality Act; to the Committee on Foreign Affairs.

1905. By Mr. HARTER of New York: Petition of the Women's International League for Peace and Freedom, of Buffalo, N. Y.; to the Committee on Foreign Affairs.

1906. By Mr. JOHNS: Petition of Works Progress Administration workers of the city of Marinette, Wis., requesting immediate action and passage of an appropriation sufficient to maintain the Works Progress Administration at its full strength the remainder of the fiscal year; to the Committee on Appropriations.

1907. Also, joint resolution adopted by the Wisconsin Legislature, memorializing the President and Congress of the United States to resume negotiations for a Great Lakes-St. Lawrence seaway treaty; to the Committee on Interstate and Foreign Commerce.

1908. Also, petition of sundry residents of Sturgeon Bay, Wis., requesting support of House Joint Resolution 4, introduced by Mr. Luplow, of Indiana; to the Committee on Ways and Means.

1909. By Mr. MARTIN J. KENNEDY: Resolution of certain citizens of Portland, Oreg., concerning the shipment of scrap iron consigned to Japan, urging that such action as may be necessary be taken to prohibit such shipments; to the Committee on Foreign Affairs.

1910. Also, petition of the Congress of Industrial Organizations, Washington, D. C., opposing the adoption of an amendment to the Interior Department appropriation bill limiting dwelling cost to \$3,500 in the United States Housing Authority Act; to the Committee on Appropriations.

1911. Also, petition of the New York Chapter, American Institute of Architects, opposing the adoption of an amendment to the Interior Department appropriation bill limiting dwelling cost to \$3,500 in the United States Housing Authority Act; to the Committee on Appropriations.

1912. Also, petition of the New York City Housing Authority, opposing adoption of any amendment to the Interior Department appropriation bill, changing cost limitation in the United States Housing Authority Act; to the Committee on Appropriations.

1913. Also, petition of the De Pinna Co., New York City, opposing the Schwartz wool products labeling bill; to the Committee on Interstate and Foreign Commerce.

1914. Also, memorial of the American Photo-Engravers Association, Chicago, Ill., concerning modification of the Social Security Act; to the Committee on Ways and Means.

1915. By Mr. KEOGH: Petition of the Congress of Industrial Organizations, favoring the President's recommendation for \$150,000,000 for the Works Progress Administration; to the Committee on Appropriations.

1916. Also, petition of the United Optical Workers Union, Long Island Local No. 208, New York City, favoring the President's recommendation for \$150,000,000 for the Works Progress Administration; to the Committee on Appropriations.

1917. Also, petition of the Citizens Housing Council of New York, concerning House bill 2888; to the Committee on Banking and Currency.

1918. By Mr. LEAVY: Petition of the Committees on Mines and Mining of the Senate and House of Representatives of the State of Washington, and signed by the respective members thereof, urging that in consideration of Senate bill 572, or other measures pertaining to the acquisition of stocks of strategic minerals, Congress give attention and preference to domestic resources, there being in the State of Washington extensive and high-quality deposits of the critical minerals desired, namely, manganese, chromite, tungsten, molybdenum, nickel, mercury, vanadium, and sulfur; to the Committee on Military Affairs.

1919. By Mr. MACIEJEWSKI: Petition of the Bohemian Lawyers' Association, of Chicago, Ill., relating to the Czechoslovakian situation; to the Committee on Foreign Affairs.

1920. By Mr. MOTT: Senate Joint Memorial No. 2 of the Fortieth Legislative Assembly of the State of Oregon, petitioning the President of the United States, the Members of Congress from the State of Oregon, and the whole Congress of the United States to consider conservation of our basic natural resources, together with the plight of the forest-products industries in the States of Oregon and Washington; also petitioning the Congress of the United States to extend the provisions of the Revenue Act of 1932 which placed an excise tax on lumber until July 1, 1939, to a future date, and urging further that, for the benefit of employer and employee alike, products extracted or produced in foreign countries shall be marked with the country of their origin; to the Committee on Ways and Means.

1921. By Mr. PFEIFER: Petition of the Citizens' Housing Council of New York, Inc., Harold S. Buttenheim, president, New York City, urging the passage of House bill 2888, amending the United States Housing Act by providing increased loans and contributions to local housing authorities; to the Committee on Banking and Currency.

1922. Also, petition of Eppinger & Russell Co., wood preservers, New York City, urging increased appropriation for river and harbor work; to the Committee on Appropriations.

1923. Also, petition of the American Committee for Nonparticipation in Japanese Aggression, New York City, concerning neutrality; to the Committee on Foreign Affairs.

1924. Also, petition of the United Optical Workers Union, Long Island Local No. 208, New York City, urging support of the additional \$150,000,000 appropriation for the Works Progress Administration; to the Committee on Appropriations. 1925. Also, petition of the Kent Manufacturing Co., Inc.,

1925. Also, petition of the Kent Manufacturing Co., Inc., Brooklyn, N. Y., opposing any restriction on Louisiana sugar production; to the Committee on Ways and Means.

1926. Also, petition of Henry Engelhardt & Co., Inc., New York City, opposing House bill 234, abolishing the United States Board of Tax Appeals; to the Committee on the Judiciary.

1927. Also, petition of the Federation of Architects, Engineers, Chemists, and Technicians of New York City, favoring the additional \$150,000,000 appropriations for the Works Progress Administration; to the Committee on Appropriations.

1928. By Mr. RISK: Memorial of the Newport (R. I.) Petroleum Industries Committee, protesting against the imposition of Federal taxes on gasoline and lubricating oils and other motorists' taxes; to the Committee on Ways and Means

1929. Also, memorial of the City Council of the City of Providence, R. I., requesting that a cruiser now under construction by the Navy Department be named in honor of that city; to the Committee on Naval Affairs.

1930. Also, memorial of the Pawtucket-Central Falls Petroleum Industries Committee (Rhode Island), protesting against the imposition of Federal taxes on gasoline and lubricating oils and other motorists' taxes; to the Committee on Ways and Means.

1931. By Mr. SCHAEFER of Illinois: Petition of the Czech-American National Alliance, Chicago, Ill., urging support to President Roosevelt, the State Department, and Senator KEY PITTMAN in their joint efforts to stem the forces of international aggression; to the Committee on Foreign Affairs.

1932. Also, petition of Lodge No. 1989, National Lead Co., Amalgamated Association of Steel, Iron, and Tin Workers of North America, Lewis E. Goodwin, secretary, of Granite City, Ill., opposing amendment of the Wagner Labor Relations Act; to the Committee on Labor.

1933. Also, petition of Lodge No. 1095, Sterling Steel Co., Amalgamated Association of Steel, Iron, and Tin Workers of North America, John Ashbury, secretary, of East St. Louis, Ill., opposing amendment of the Wagner Labor Relations Act; to the Committee on Labor.

1934. Also, petition of Lodge No. 1021, National Enameling & Stamping Co., Amalgamated Association of Steel, Iron, and Tin Workers of North America, Max Merz, secretary, of Granite City, Ill., opposing amendment of the Wagner Labor Relations Act: to the Committee on Labor.

1935. Also, petition of Lodge No. 1063, American Steel Foundries, Amalgamated Association of Steel, Iron, and Tin Workers of North America, Ernie Robertson, secretary, of Granite City, Ill., opposing amendment of the Wagner Labor Relations Act; to the Committee on Labor.

1936. By Mr. SCHIFFLER: Petition of Eva Mae Brown, president, the business and professional woman's group of the Woman's Association of the First Baptist Church of Fairmont, W. Va., urging that church employees be excluded from the Social Security Act; to the Committee on Ways

1937. By the SPEAKER: Petition of the Municipal Council of De Coamo, P. R., urging consideration of their resolution with reference to social security for Puerto Rico; to the Committee on Ways and Means.

1938. Also, petition of the Rodeo Ladies Auxiliary, Local 326-A, of Rodeo, Calif., urging consideration of their resolution with reference to amendments to the Wagner National Labor Relations Act; to the Committee on Labor.

1939. Also, petition of the Citizens' League of Nurses of Philadelphia, Pa., urging consideration of their resolution with reference to the Social Security Act; to the Committee on Ways and Means.

SENATE

WEDNESDAY, MARCH 22, 1939

(Legislative day of Thursday, March 16, 1939)

The Senate met at 12 o'clock meridian, on the expiration of the recess.

The Chaplain, Rev. ZeBarney T. Phillips, D. D., offered the following prayer:

Almighty God, ruler of the nations, who keepest covenant and showest mercy unto Thy servants that walk before Thee with all their hearts: Move Thou upon the wills of men and constrain the peoples of the earth in the paths of unity and peace, for in Thee is our only hope in these anguished days, when there is distress of nations with perplexity, men's hearts failing them for fear and for expectation of the things which are coming on the earth.

Create within us a passion for the reign of righteousness, that, putting on the whole armor of God, we may fearlessly contend against social injustice, the aggression of the strong on the weak, and whatsoever else worketh enmity between man and man, class and class, nation and nation, and also may declare to the world that only by moral and spiritual rearmament on the part of mankind will Thy kingdom come and Thy will be done, as in heaven so on earth.

O God of love, O King of peace, Make wars throughout the world to cease; The wrath of sinful man restrain, Give peace, O God, give peace again.

Amen.

On request of Mr. BARKLEY, and by unanimous consent, the reading of the Journal of the proceedings of the calendar day Tuesday, March 21, 1939, was dispensed with, and the Journal was approved.

CALL OF THE ROLL

Mr. BARKLEY. I suggest the absence of a quorum. The VICE PRESIDENT. The clerk will call the roll. The legislative clerk called the roll, and the following Senators answered to their names:

Adams	Danaher	King	Reynolds
Andrews	Davis	La Follette	Russell
Ashurst	Donahey	Lee	Schwartz
Austin	Downey	Lewis	Schwellenbach
Bailey	Ellender	Lodge	Sheppard
Bankhead	Frazier	Logan	Shipstead
Barbour	George	Lucas	Smathers
Barkley	Gerry	Lundeen	Smith
Bilbo	Gibson	McCarran	Stewart
Bone	Gillette	McKellar	Taft
Borah	Glass	McNary	Thomas, Okla.
Bridges	Green	Maloney	Thomas, Utah
Brown	Guffey	Mead	Tobey
Bulow	Gurney	Minton	Townsend
Burke	Harrison	Murray	Truman
Byrd	Hatch	Neely	Tydings
Byrnes	Hayden	Norris	Vandenberg
Capper	Herring	Nye	Van Nuys
Caraway	Hill	O'Mahoney	Wagner
Chavez	Holman	Pepper	Walsh
Clark, Idaho	Hughes	Pittman	Wheeler
Clark, Mo.	Johnson, Calif.	Radcliffe	White
Connally	Johnson, Colo.	Reed	Wiley

Mr. LEWIS. I announce that the Senator from West Virginia [Mr. Holt] is detained because of illness in his family.

The Senator from Arkansas [Mr. MILLER] is detained in a meeting concerning flood-control matters.

The Senator from Louisiana [Mr. Overton] is unavoidably detained.

The VICE PRESIDENT. Ninety-two Senators have answered to their names. A quorum is present.

MESSAGE FROM THE HOUSE—ENROLLED BILLS SIGNED

A message from the House of Representatives, by Mr. Calloway, one of its reading clerks, announced that the Speaker had affixed his signature to the following enrolled bills, and they were signed by the Vice President:

S. 876. An act to authorize the purchase of certain lands for the Apache Tribe of the Mescalero Reservation, N. Mex.; S. 877. An act to add certain public-domain land in Mon-

tana to the Rocky Boy Indian Reservation;

S. 1098. An act to amend section 12 of the Soil Conservation and Domestic Allotment Act, as amended, by authorizing advances for crop insurance;

S. 1104. An act to provide for conveying to the United States the land, buildings, and improvements comprising the Choctaw and Chickasaw Sanatorium and General Hospital; and

S. 1477. An act to repeal section 9 of the act of March 3, 1875 (18 Stat. L. 450), as amended.

PETITIONS AND MEMORIALS

The VICE PRESIDENT laid before the Senate the following joint memorial of the Legislature of the Territory of Alaska, which was referred to the Committee on Commerce:

House Joint Memorial 37

To the Honorable the Congress of the United States and to the Honorable Anthony J. Dimond, Delegate to Congress from the Territory of Alaska:

Your memorialist, the Legislature of the Territory of Alaska, in

fcurteenth regular session assembled, respectfully submits that:
Whereas the city of Nome, Alaska, is the most important seaport of northwestern United States and the center of a large mining area; and

Whereas storms sweeping from the Arctic Ocean or Bering Sea frequently menace the safety of the port and annually do heavy damage to property; and
Whereas the Honorable Anthony J. Dimond, Delegate to Congress from the Territory of Alaska, has introduced a measure (H. R. 2412) in the Seventy-sixth Congress, first session, seeking the construction of a sheet-steel pile revetment for the protection of the port: tion of the port:

Now, therefore, your memorialist endorses the said H. R. 2412 and respectfully urges its immediate enactment into law.

And your memorialist will ever pray.

The VICE PRESIDENT also laid before the Senate the tollowing joint memorial of the Legislature of Idaho, which was referred to the Committee on Finance:

House Joint Memorial 5

Whereas it now appears that the United States Veterans' Administration and the Federal Hospital Board are considering the establishment of a domiciliary center to serve the States of Idaho, Oregon, Washington, Montana, Wyoming, and Utah; and Whereas the Veterans' Administration facility at Boise, Idaho, now has in operation a domiciliary center of limited capacity which serves this territory and with additional construction could adequately supply the needs of veterans from all of these States; and Whereas there is sufficient property in connection with the present facility and owned by it upon which to place such additional construction: and

Construction; and
Whereas climatic conditions, accessibility by rail and highway, and the central location of Boise, Idaho, would insure veterans of this area the best possible service: Now, therefore, we, your

memorialists.

memorialists,

The House of Representatives of the Twenty-fifth Idaho Legislature (the senate concurring), hereby memorialize your honorable body the Congress of the United States and you are respectfully requested to appropriate necessary funds for the establishment of an additional domiciliary unit of 300 beds at the veterans' facility located in Boise, Idaho, for the purpose of serving the Pacific Northwest States: Be it

Resolved, That the secretary of state transmit copies of this memorial to the President of the United States Senate, the Speaker of the United States House of Representatives, the Idaho congressional delegation, the Director of the United States Veterans' Administration, and to the chairman of the Federal Hospital Board.

The VICE PRESIDENT also laid before the Senate the following joint memorial of the Legislature of New Mexico, which was referred to the Committee on Public Lands and

House Joint Memorial 7

House Joint Memorial 7

Joint memorial memorializing and requesting the Congress of the United States to enact a law granting 4,000,000 acres from the public lands of the United States of America, situated in the State of New Mexico, in trust to the State of New Mexico for the benefit of the Carrie Tingley Crippled Children's Hospital Be it resolved by the Legislature of the State of New Mexico: Whereas there is now established in the State of New Mexico in the city of Hot Springs, the Carrie Tingley Crippled Children's Hospital, the purpose of which is to provide care and treatment for crippled children, and particularly for children who have been afficited with infantile paralysis, and the cause and purpose of said hospital being per se, a worthy and needful one; and Whereas there still remain within the boundaries of the State of New Mexico vast reserves of the public lands of the United States: Now, therefore, be it

New Mexico vast reserves of the public lands of the United States: Now, therefore, be it

Resolved by the House of Representatives and the Senate of the State of New Mexico:

SECTION 1. That the Seventy-sixth Congress of the United States, now in regular session, assembled in Washington, D. C., be, and the same hereby, is memorialized and requested to enact a law during the present session of Congress, as soon as may be done, granting 4,000,000 acres of public lands of the United States, situated in New Mexico, notwithstanding said lands are or may be embraced within any Executive order of withdrawal or grazing district authorized under the act of June 28, 1934 (48 Stat. 1269), to the State of New Mexico in trust for the use and benefit of the Carrie Tingley Crippled Children's Hospital.

SEC. 2. That the lands requested to be granted shall be under

SEC. 2. That the lands requested to be granted shall be under the same restrictions and limitations as that of the Enabling Act, act of June 20, 1910, provided the selections of same shall in no way be hindered by the reservations and established grazing dis-tricts authorized under provisions of said act of Congress of June 28, 1934, 448 Star 1939)

28, 1934 (48 Stat. 1269).

SEC. 3. That engrossed copies of this resolution be placed upon the permanent records in the office of the secretary of state of New

Mexico.

SEC. 4. Be it further resolved, That copies of this resolution be sent to the President of the United States, the President of the United States Senate, the Speaker of the House of Representatives, and the Senators and Representative of New Mexico in Congress.

The VICE PRESIDENT also laid before the Senate a joint resolution of the Legislature of Wisconsin, favoring the enactment of legislation to rehabilitate the Great Lakes cut-over area, which was referred to the Committee on Agriculture and Forestry.

(See resolution printed in full when presented today by Mr. WILEY.)

The VICE PRESIDENT also laid before the Senate a concurrent resolution of the Legislature of Michigan, favoring the enactment of legislation similar to the so-called Townsend plan, which was referred to the Committee on Finance.

(See resolution printed in full when presented today by Mr. VANDENBERG.)

The VICE PRESIDENT also laid before the Senate a resolution of the California Association of Port Authorities, protesting against the enactment of Senate Joint Resolution 24. relative to the establishment of title of the United States to certain submerged lands containing petroleum deposits, Senate Joint Resolution 83, relative to the establishment of a naval petroleum reserve in the submerged lands along and adjacent to the coast of the State of California, and legislation of a similar character, which was referred to the Committee on Public Lands and Surveys.

He also laid before the Senate the petition of Lula Welton, president of the Ladies Charter Club Auxiliary, the National Colored Democratic Association Organization, of St. Joseph, Mo., praying that the office of recorder of deeds for the District of Columbia retain the status of an independent bureau and that it be kept under Presidential appointment, which was referred to the Select Committee on Government Organization.

Mr. CAPPER presented a resolution adopted by a mass meeting of citizens of Riley and Geary Counties, Kans., favoring an additional appropriation of \$150,000,000 for continuation of the Works Progress Administration program, which was referred to the Committee on Appropriations.

He also presented a resolution adopted by Local G 2041, Kansas Workers' Alliance of America, of Mulberry, Kans., favoring an additional appropriation of \$150,000,000 for continuation of the Works Progress Administration program, which was referred to the Committee on Appropriations.

He also presented a memorial of sundry citizens of Belpre. Kans., remonstrating against inclusion of religious bodies under the operation of the social-security system, which was referred to the Committee on Finance.

He also presented a petition of sundry citizens of Atchison, Kans., praying that the United States adhere to a general policy of neutrality, which was referred to the Committee on Foreign Relations.

Mr. WILEY presented the following joint resolution of the Legislature of Wisconsin, which was referred to the Committee on Agriculture and Forestry:

Joint resolution memorializing the President and the Congress of the United States to enact legislation to rehabilitate the Great Lakes cut-over area

Whereas the problems of unemployment and relief in Wisconsin are especially acute in the sparsely settled areas of the west central and northern portions of the State, where the forests were formerly

Whereas the economic situation of this region has steadily become less favorable for 40 years since the lumber industry passed its peak during the late 1890's, resulting from the cutting of the

forests: and

its peak during the late 1890's, resulting from the cutting of the forests; and

Whereas the culmination of the difficulties of this cut-over region has come with the depression years since 1929, and the relief measures undertaken during this period, though timely and effective for relief, have not made progress toward a substantial and permanent rehabilitation of the region, which will make it self-supporting to the same degree as other portions of the State; and

Whereas such rehabilitation is necessary for the Nation as a whole, as well as for the State and for the region itself; and

Whereas the President of the United States, through the National Resources Committee, has directed that an "economic survey for the Great Lakes cut-over area" be made, such area consisting of large areas in the northern portions of the States of Michigan, Minnesota, as well as Wisconsin; and

Whereas, through such direction, the northern Great Lakes regional committee of 16 has been set up, consisting of 4 members from each State and 4 Federal representatives, and such committee has been working diligently for 8 months in making plans for the rehabilitation of the region, in collaboration with more than a hundred associates selected for their special knowledge of conditions in the region, such associates being in part scientists connected with the universities of the 3 States, in part Federal, State, and local officials, and in part businessmen from the 3 States; and Whereas the report of the northern Lakes States regional committee, outlining a plan for such rehabilitation, which is nearing completion and about to be published and issued by the National Resources Committee, recommends a program for rehabilitation based on the encouragement of agriculture in the region through

completion and about to be published and issued by the National Resources Committee, recommends a program for rehabilitation based on the encouragement of agriculture in the region through aids and measures which will tend to stimulate individual self-help and initiative, the restoration of the original great forest resource, both for its own sake and as a means of providing useful employment within the region during the period of rehabilitation, the more extensive development of the recreational possibilities, and the utilization of all industrial opportunities; and Whereas it appears that such a program embodies the considered opinion of those who have been most intimately concerned with

the problems of the region with many years of experience, is capable of making progress toward the complete rehabilitation which is necessary, and will be effective if persevered in; and

Whereas the report recommending such a program is the direct result of the expressed direction of the President of the United States: Now, therefore, be it

Resolved by the senate (the assembly concurring), That this Legislature of Wisconsin memorializes the President and the Congress of the United States to take cognizance of the report of the northern Lakes States regional committee, and to enact such legislation supported by such adequate financial provision as may be necessary to put into effect a program which will rehabilitate the Great Lakes cut-over area; be it further

Resolved, That properly attested copies of this resolution be sent to the President of the United States, to both Houses of Congress, to each Member in Congress from the States of Michigan, Minnesota, and Wisconsin, to the Governors of such States, and to each house of the Legislatures of Michigan and Minnesota.

Mr. REVNOLDS presented the following concurrent resolutions.

Mr. REYNOLDS presented the following concurrent resolution of the Legislature of North Carolina, which was referred to the Committee on Commerce:

Senate Resolution 25

An act memorializing the Congress of the United States to enact legislation amending the Merchant Marine Act of 1936

Whereas the United States has adopted as a policy the construction and maintenance of an adequate and well-balanced merchant marine for the development of its foreign and domestic

merchant marine for the development of its foreign and domestic trade and for national defense; and
Whereas the United States Maritime Commission, pursuant to authority conferred by the Merchant Marine Act of 1936, has adopted a long-range building program for replacements and additions to the American merchant marine; and
Whereas the program adopted by the United States Maritime Commission calls for the building of 50 vessels annually for 10

Commission calls for the building of 50 vessels annually for 10 years; and

Whereas it is further the policy of the United States Government to have such ships built where possible in private shipyards, otherwise the Commission is authorized to construct such vessels in the navy yards at various points in the United States; and

Whereas under title 5, section 502 (f) of the Merchant Marine Act of 1936 if at any time the Commission finds that the existing shipyards, including the navy yards, do not provide adequate facilities to meet necessary requirements for purposes of national defense and national emergencies, with special regard to providing facilities for the national defense at strategic points, it may, with the approval of the President, allocate such construction in such shipyards in such manner as it may determine to be fair, just, and reasonable to all sections of the country; and

Whereas it has been necessary, due to competition, for the present shipyards to be established near the sources of supply of steel and other materials necessary for shipbuilding; and

Whereas such concentration of the present shipyards has resulted in many strategic points from the standpoint of national defense being unable to establish yards for the building of vessels; and

Whereas the United States Maritime Commission, pursuant to authority vested in it by the Merchant Marine Act of 1936, is authorized to take into consideration cost differentials in awarding contracts for the construction of vessels; and

authorized to take into consideration cost differentials in awarding contracts for the construction of vessels; and

Whereas this particular provision of the Merchant Marine Act
of 1936 would enable the construction of vessels at important
strategic points in the United States, if the facilities were available
for such construction, which would result in a more equitable
distribution in the allocation of construction work along the Atlantic, Gulf, and Pacific coasts; and

Whereas it would seem most necessary to decentralize the shipbuilding industry which is so important to our national defense;
and

and
Whereas the coast of North Carolina is considered from a military standpoint very important strategically; and
Whereas it has been proved that large seagoing vessels can be built in the harbor of Wilmington, N. C., which is a natural land-locked harbor, many of such vessels which were built during 1917 and 1918 now being in service; and
Whereas the facilities which were erected during 1917 and 1918 were forced to be dismantled due to competition; and
Whereas Southport and Morehead City are located on deep-water harbors and possess an ideal climate for building and assembly:
Now, therefore, be it

Resolved by the Senate of the State of North Carolina (the house of representatives concurring):

Resolved by the Senate of the State of North Carolina (the house of representatives concurring):
SECTION 1. That this group of North Carolina citizens hereby petition the United States Congress to enact legislation amending title 5, section 502 (f) of the Merchant Marine Act of 1936, authorizing the United States Maritime Commission, from a standpoint of national defense, and in order to bring about a more equitable distribution of labor in carrying out its building program, to furnish facilities for shipbuilding at such strategic points as in its opinion are necessary to further the policy adopted under the Merchant Marine Act of 1936.

SEC. 2. That copies of this resolution be forwarded to the North Carolina congressional delegation and to His Excellency the President of the United States, Hon. Franklin D. Roosevelt, and to the Chairman of the United States Maritime Commission, Hon. Emory

S. Land.
SEC. 3. That this resolution shall be in full force and effect from and after its ratification.

Mr. VANDENBERG. I present a concurrent resolution of the Legislature of Michigan, which I ask may be referred to the Committee on Finance and printed in the RECORD, as is

The VICE PRESIDENT. The resolution will be received and referred as requested by the Senator from Michigan and, under the rule, printed in the RECORD.

To the Committee on Finance:

Senate Concurrent Resolution 11

Concurrent resolution respectfully memorializing the Congress of the United States of America to consider proposed legislation relative to the Townsend plan

Whereas there is now pending in the current session of the Congress of the United States of America legislation embodying essential principles of the so-called Townsend plan, in which thousands of Michigan citizens are keenly interested: Now, therefore,

Resolved by the senate (the house of representatives concurring), That the members of the Michigan Legislature respectfully memorialize the Congress of the United States of America to promptly, diligently, and fairly consider in the current session, by its legislative branches as such, the proposed legislation aforesaid; and be it further

Resolved, That this resolution be spread on the journals of the senate and house, and copies transmitted to the President of the United States, the Vice President of the United States, the Speaker of the House of Representatives in Congress, and the Michigan Members in the Senate and House of Congress.

REPORTS OF COMMITTEES

Mr. LOGAN, from the Committee on the Judiciary, to which was referred the bill (S. 1554) to provide that the district judge for the western district of Washington, authorized to be appointed under the act of May 31, 1938, shall be a district judge for the eastern and western districts of Washington, reported it without amendment and submitted a report (No. 193) thereon.

Mr. MINTON, from the Committee on Military Affairs, to which were referred the following bills, reported them each without amendment and submitted reports thereon:

S. 39. A bill for the relief of the heirs of T. J. Kinser (Rept. No. 194); and

S. 1016. A bill to authorize reimbursement of appropriations on account of expenditures in connection with disposition of old material, condemned stores, etc. (Rept. No. 195).

Mr. REYNOLDS, from the Committee on Military Affairs. to which was referred the bill (S. 841) to authorize the Secretary of War to prescribe the number of grades and ratings of enlisted men of the Army, reported it without amendment and submitted a report (No. 196) thereon.

Mr. SCHWARTZ, from the Committee on Military Affairs, to which was referred the bill (S. 1019) to authorize the Secretary of War to pay certain expenses incident to the training, attendance, and participation of the equestrian and modern pentathlon teams in the Twelfth Olympic Games, reported it without amendment and submitted a report (No. 197) thereon.

He also (for himself, Mr. Lundeen, and Mr. Gurney), from the Committee on Military Affairs, to which was referred the bill (S. 1462) to amend an act entitled "An act for making further and more effectual provision for the national defense, and for other purposes," approved June 3, 1916, as amended by the act of June 4, 1920, so as to confer on the commanding general, General Headquarters Air Force, the same retirement privileges now enjoyed by chiefs of branches, reported it without amendment and submitted a report (No. 198) thereon.

Mr. JOHNSON of Colorado, from the Committee on Military Affairs, to which was referred the bill (S. 473) for the relief of George Francis Burke, reported it with an amendment and submitted a report (No. 207) thereon.

Mr. TOWNSEND, from the Committee on Claims, to which was referred the bill (S. 1258) for the relief of the Rent-A-Car Co., reported it without amendment and submitted a report (No. 199) thereon.

He also, from the same committee, to which was referred the bill (S. 1001) for the relief of Albert Pina Afonso, a minor, reported it with amendments and submitted a report (No. 200) thereon.

Mr. ELLENDER, from the Committee on Claims, to which was referred the following bills, reported them severally without amendment and submitted reports thereon:

H. R. 1430. A bill for the relief of Hyman Ginsberg (Rept. No. 201);

H.R. 1836. A bill for the relief of Jack Nelson, a minor (Rept. No. 202); and

H. R. 3090. A bill for the relief of C. R. Henderson (Rept.

Mr. BURKE, from the Committee on Claims, to which was referred the bill (S. 216) for the relief of A. C. Williams, administrator of the estate of his wife, Julia F. Williams, reported it with an amendment and submitted a report (No. 204) thereon.

Mr. BROWN, from the Committee on Claims, to which was referred the bill (H. R. 2079) for the relief of Charles T. Wise, reported it without amendment and submitted a report (No. 205) thereon.

Mr. HUGHES, from the Committee on Claims, to which was referred the bill (H. R. 767) for the relief of Benjamin Weisenberg, reported it without amendment and submitted a report (No. 206) thereon.

Mr. WHEELER, from the Committee on Interstate Commerce, to which was referred the resolution (S. Res. 105) increasing the limit of expenditures for the investigation of railroad financing and certain other matters, reported it without amendment, submitted a report (No. 208) thereon, and, under the rule, it was referred to the Committee to Audit and Control the Contingent Expenses of the Senate.

Mr. PEPPER, from the Committee on Education and Labor, to which was referred the bill (S. 795) to provide for the education of all types of physically handicapped children, to make an appropriation of money therefor, and to regulate its expenditure, reported it without amendment and submitted a report (No. 209) thereon.

ENROLLED BILLS PRESENTED

Mrs. CARAWAY, from the Committee on Enrolled Bills, reported that on today, March 22, 1939, that committee presented to the President of the United States the following enrolled bills:

S. 876. An act to authorize the purchase of certain lands for the Apache Tribe of the Mescalero Reservation, N. Mex.; S. 877. An act to add certain public-domain land in Mon-

tana to the Rocky Boy Indian Reservation;

S. 1098. An act to amend section 12 of the Soil Conservation and Domestic Allotment Act, as amended, by authorizing advances for crop insurance;

S. 1104. An act to provide for conveying to the United States the land, buildings, and improvements comprising the Choctaw and Chickasaw Sanatorium and General Hospital; and

S. 1477. An act to repeal section 9 of the act of March 3, 1875 (18 Stat. L. 450), as amended.

BILLS AND JOINT RESOLUTION INTRODUCED

Bills and a joint resolution were introduced, read the first time, and, by unanimous consent, the second time, and referred as follows:

By Mr. HARRISON:

S. 1899. A bill to provide for the detail of a commissioned medical officer of the Public Health Service to serve as assistant to the Surgeon General; to the Committee on Finance.

By Mr. DANAHER:

S. 1900. A bill to amend section 148 (f) of the Internal Revenue Code, with respect to the sale of information derived from income-tax returns; to the Committee on Finance.

By Mr. LOGAN:

S. 1901. A bill to extend to Sgt. Maj. Leonard E. Browning, United States Marine Corps, the benefits of the act of May 7, 1932, providing highest World War rank to retired enlisted men; to the Committee on Military Affairs.

By Mr. McNARY:

S. 1902. A bill for the relief of Dave W. Stearns; to the Committee on Finance.

By Mr. BROWN:

S. 1903. A bill to provide for the appointment of one additional circuit judge for the sixth judicial circuit; to the Committee on the Judiciary.

By Mr. MEAD:

S. 1904. A bill relating to age requirements for persons in the classified civil service; to the Committee on Civil Service.

By Mr. WALSH:

S. 1905. A bill for the relief of Elizabeth E. Burke; to the Committee on Claims.

S. 1906. A bill for the relief of William H. Rouncevill; to the Committee on Military Affairs.

By Mr. WHEELER:

S. 1907. A bill granting the consent of Congress to the State of Montana, or the counties of Roosevelt, Richland, and McCone, singly or jointly, to construct, maintain, and operate a free highway bridge across the Missouri River at or near Poplar, Mont.; to the Committee on Commerce.

By Mr. TYDINGS:

S. 1908. A bill to amend section 691a of the Code of Law of the District of Columbia, approved March 3, 1901, and of any act or acts amendatory thereof, relating to foreign building and loan associations doing business in the District of Columbia; to the Committee on the District of Columbia.

By Mr. HILL:

S. J. Res. 99. Joint resolution to amend the Interstate Commerce Act, as amended, and for other purposes; to the Committee on Interstate Commerce.

RECOMMITTAL OF A BILL

On motion by Mr. SHEPPARD, the bill (S. 840) to amend and clarify the provisions of the act of June 15, 1936 (49 Stat. 1507), and for other purposes, was taken from the calendar and recommitted to the Committee on Military Affairs.

AMENDMENT OF AGRICULTURAL ADJUSTMENT ACT-AMENDMENT

Mr. MEAD submitted an amendment intended to be proposed by him to the bill (S. 1303) to amend the Agricultural Adjustment Act of 1938, as amended, with respect to cotton, which was ordered to lie on the table and to be printed.

TEMPORARY DETAIL OF UNITED STATES EMPLOYEES-AMENDMENTS

Mr. PITTMAN submitted amendments intended to be proposed by him to the bill (H. R. 3134) to amend the act entitled "An act authorizing the temporary detail of United States employees, possessing special qualifications, to governments of American republics and the Philippines, and for other purposes," approved May 25, 1938, which were ordered to lie on the table and to be printed.

AMENDMENTS TO INTERIOR DEPARTMENT APPROPRIATION BILL

Mr. WHEELER submitted amendments intended to be proposed by him to House bill 4852, the Interior Department appropriation bill, 1940, which were referred to the Committee on Appropriations and ordered to be printed, as follows:

On page 8, line 17 (item for printing and binding), (1) strike out "\$275,970" and insert in lieu thereof "\$309,130", and (2) strike out "\$66,840" and insert in lieu thereof "\$100,000."

On page 104, between lines 10 and 11, insert the following:
"Photographic mat service: For initiating and maintaining a service for the purpose of furnishing mats to be used for the reproduction in magazines and newspapers of photographs of scenery in the national parks, \$5,000."

PAYMENT OF NON-INDIAN CLAIMS

The VICE PRESIDENT laid before the Senate the amendments of the House of Representatives to the bill, S. 1476, to authorize an appropriation to pay non-Indian claimants whose claims have been extinguished under the act of June 7, 1924, but who have been found entitled to awards under said act as supplemented by the act of May 31, 1933, which were, on page 2, line 7, after "them", to insert "including \$1,000 to be paid to Alberto Cruz for his house"; on page 2, line 8, to strike out "\$10,733.05" and to insert "\$9,733.05"; and, on page 2, line 9, to strike out "\$10,826.05" and insert "\$9,826.05: Provided, That no part of the amounts appropriated in this act in excess of 10 percent thereof shall be paid or delivered to or received by any agent or attorney on account of services rendered in connection with these claims, and the

same shall be unlawful, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding \$1,000."

Mr. HATCH. I move that the Senate concur in the House amendments.

The motion was agreed to.

WHICH WAY RECOVERY?-ADDRESS BY SENATOR O'MAHONEY

[Mr. Murray asked and obtained leave to have printed in the Record a radio address delivered by Senator O'Mahoney during the American Forum of the Air, Sunday evening, March 12, 1939, which appears in the Appendix.]

ADDRESS BY SENATOR TRUMAN BEFORE JOINT SESSION OF MISSOURI LEGISLATURE

[Mr. Barkley asked and obtained leave to have printed in the Record an address delivered by Senator Truman before a joint session of the Missouri Legislature on March 21, 1939, which appears in the Appendix.]

OUR PRESENT PROSPERITY-ADDRESS BY SENATOR GURNEY

[Mr. Vandenberg asked and obtained leave to have printed in the Record a radio address on the subject of Our Present Prosperity, delivered by Senator Gurney on March 21, 1939, which appears in the Appendix.]

THE PRESIDENT-ADDRESS BY ATTORNEY GENERAL MURPHY

[Mr. Minton asked and obtained leave to have printed in the Record a radio address on the subject of The President of the United States, delivered by Hon. Frank Murphy, Attorney General of the United States, under the auspices of the Hibernian Society of Baltimore, at Baltimore, Md., March 17, 1939, which appears in the Appendix.]

FLOOD-CONTROL PROGRAM FOR THE MISSISSIPPI VALLEY

[Mr. Overton asked and obtained leave to have printed in the Record an address delivered by Maj. Gen. Julian L. Schley before the Mississippi Valley Flood Control Association at its annual meeting in Washington, D. C., March 22, 1939, on The Flood-Control Program for the Mississippi Valley, which appears in the Appendix.]

EDITORIAL COMMENT ON VICE PRESIDENT GARNER

[Mr. Bridges asked and obtained leave to have printed in the Record an editorial from the Washington Times-Herald of March 22, 1939, relative to the Vice President of the United States, and an editorial on the same subject from the Philadelphia Inquirer of March 22, 1939, which appear in the Appendix.]

TOO MUCH PUBLIC DEBT-EDITORIAL FROM NEW YORK SUN

[Mr. Bridges asked and obtained leave to have printed in the Record an editorial from the New York Sun of March 21, 1939, entitled "Too Much Public Debt," which appears in the Appendix.]

LOOK AT THE FUTURE THROUGH THE PAST—ARTICLE BY DR. JOHN J. WICKER

[Mr. Byrd asked and obtained leave to have printed in the Record an article entitled "Look at the Future Through the Past," by Dr. John J. Wicker, published in the magazine This Week of the issue of January 15, 1939, which appears in the Appendix.]

THE SILVER PROGRAM

[Mr. Townsend asked and obtained leave to have printed in the Record an article from the New York Herald Tribune of Sunday, March 19, 1939, by Herbert M. Bratter, under the heading "Silver Leaders' Reserve Note Stand Assailed," which appears in the Appendix.]

REORGANIZATION OF EXECUTIVE DEPARTMENTS

The Senate resumed the consideration of the bill (H. R. 4425) to provide for reorganizing agencies of the Government, and for other purposes.

The VICE PRESIDENT. When the Senate took a recess yesterday evening, the Senator from Missouri [Mr. Clark] gave notice that he would seek recognition this morning for the purpose of withdrawing his motion to reconsider the vote by which the so-called Wheeler amendment was adopted.

The Chair feels that he should recognize the Senator from Missouri.

Mr. CLARK of Missouri. Mr. President, I withdraw the motion to reconsider.

Mr. BYRNES. I make the point of order that the Senator cannot withdraw it without the consent of the Senate, and I object.

The VICE PRESIDENT. The point of order is well taken. The Senate is familiar with paragraph 2 of rule XXI, but the Chair will read it for the information of the Senate:

2. Any motion or resolution may be withdrawn or modified by the mover at any time before a decision, amendment, or ordering of the yeas and nays, except a motion to reconsider, which shall not be withdrawn without leave.

The question before the Senate is the motion of the Senator from Missouri [Mr. Clark] to reconsider the vote by which the amendment known as the Wheeler amendment was agreed to.

Mr. BYRNES. Mr. President, I do not intend to detain the Senate. Because I believe some Senators have been influenced in their position by the interpretation placed upon the bill as to functions, I simply wish to state to the Senate that when the proper place in the bill is reached, and the amendment of the Senator from Wyoming [Mr. O'Mahoney] is offered, I intend to ask the Senate to agree to that amendment, making it plain that functions may be abolished only when agencies are removed and consolidated.

I am willing to have a vote.

Mr. ADAMS. Mr. President, I feel impelled to make a few comments on the pending motion. I know that the Senate would rather vote, but it seems to me necessary to try for a very few moments to hold the attention of the Senate to the specific question that is before it.

In what I have to say I am assuming that we have full and complete power to make any delegation we see fit to the President. What we are now concerned with is the Wheeler amendment. We are not concerned with questions of functions. We are not directly concerned with questions of agencies. Today the President has no power to reorganize the departments of the Government. Today that power vests in the Congress of the United States. The question we have before us is, How far do we propose to delegate to the President the power which now vests in us?

Apparently it is the view of some that any hesitation in making the delegation is a monstrous thing. We are the ones who are making the grant. We are making a grant of powers which belong to us. Does the bill give the President full powers to reorganize? It does not. It specifically exempts some 20 major agencies from his reorganization powers if we pass the bill. I say that because one of the most eminent Members of this body said that in opposing any part of this measure we were expressing and indicating lack of trust in the President. I say that every grant of power which we make in the bill is to that degree an expression of trust. We are taking nothing from the President. The question is, How much shall we give him of the powers vested in us?

We show some question by limiting the delegation of the power to reorganize to agencies after exempting some 20. Again we do not permit the President to make a transfer of all the functions. That is the argument which was made yesterday by the distinguished Senator from Michigan [Mr. Brown], which for my present purpose I concede. The President may transfer 99.99 percent of the functions, but he must retain a fraction. Then he may not abolish an executive department. Again he may not change the name of an executive department. Those are minor matters.

The plan of the President under the bill is effective only if not disapproved by both Houses. We say to the President, "You may propose a plan," and I am not questioning the delegation of power. I am questioning our action in the matter. We are unwilling to give the President unrestricted powers as to the plan.

Mr. HAYDEN. Mr. President, will the Senator yield? Mr. ADAMS. Certainly.

Mr. HAYDEN. I should like to inquire whether the powers granted in the pending bill are greater or less than the powers which have been granted to other Presidents in other reorganization bills.

Mr. ADAMS. They are not so great.

Mr. HAYDEN. I have been in Congress under six Presidents. My recollection is-in fact, I am certain-that we have granted more extensive powers to three other Presidents, and probably to four.

Mr. ADAMS. I will say to the Senator from Arizona that there is no question that in the past the Congress has granted more powers to the President. It is to be pointed out, however, that the powers granted have never been efficiently exercised by the President any more than Congress has efficiently exercised its powers to reorganize.

Mr. HAYDEN. The conclusion I draw from that statement is that we should do nothing about reorganization.

Mr. ADAMS. Not at all. The conclusion is that the Senate of the United States should exercise its own powers. I am trying, however, to hold myself narrowly to the point that we are unwilling that the plan should go into effect without submission to Congress.

One of the plans that the Senator from Arizona recalls did not require submission to the Congress. There was a direct delegation to the President. At this time, under this bill, there is a requirement that the plan be submitted to Congress, and that it shall not go into effect unless within a limited time the Houses of Congress, or one of them, refuses to approve the plan. I think that is an accurate statement, is it not?

Mr. HAYDEN. And I hope the idea has the Senator's approval.

Mr. ADAMS. I intend to make it as clear as I can.

The President has no just complaint. I am somewhat doubtful why he would be willing to accept the burden. We are putting a burden upon him. Under the bill we grant to him powers he does not now possess. The question is, as I see it, what we shall do. We gave to the President power to devalue the dollar, but we fixed the range of devaluation, but it is complained that in this delegation we should not fix limitations.

Under the Constitution the President is required to see that the laws are executed. It is for us to pass the laws and for him to execute them. Now, what do we do? Both under the bill and under the Wheeler amendment, the Congress of the United States surrenders these powers which belong to it.

It surrenders the right to accept or reject the plan according to customary legislative processes. We surrender that power, which is ours today.

Then under both the Wheeler amendment and the bill, we surrender the right to propose amendments to the plan. Under either of them we must accept or reject the plan as it is submitted by the President. That is a surrender by the Congress.

In addition, we surrender the right which we now have to fix the times for consideration, debate, and decision. We limit ourselves as to time of consideration and as to time of decision.

Mr. KING. Mr. President, will the Senator yield? Mr. ADAMS. Certainly.

Mr. KING. Do we not also abrogate the rules of the Senate by which we are governed, and by which the Senate has been governed for many years? Do we not supersede them by the introduction into the provisions of the bill of matters which deal with and make inoperative our rules, as against the procedure set up in the bill?

Mr. ADAMS. That is all a part of the surrender which I see here. I want it made clear that we are surrendering those rights which we now have under the bill but not under the Wheeler amendment.

Mr. BARKLEY. Mr. President, will the Senator yield on that point?

Mr. ADAMS. Certainly.

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Mr. BARKLEY. The Senator from Utah [Mr. King] raises the point that the Senate is surrendering its rulemaking functions.

Mr. KING. No.

Mr. ADAMS. Of course we do not do that.

Mr. KING. Mr. President, will the Senator yield?

Mr. ADAMS. Certainly.

Mr. KING. I did not state that. I said that we are abrogating rules which now exist and by which the Senate has been governed for many years. I do not mean that if we were foolish enough to abrogate them we could not recapture them if we had enough courage to do it.

Mr. ADAMS. What we are doing is to surrender the right which we now possess, in the consideration of the plan submitted by the President, to do these various things. We are not making any permanent surrender. We are not making

any general surrender.

Mr. BARKLEY. All we are doing here so far as the rules are concerned is modifying the existing rules of the Senate by a statute, if the bill is enacted.

Mr. ADAMS. As to one particular measure only. We are not going beyond that.

Mr. BARKLEY. That is correct.

Mr. ADAMS. We provide in the bill that the plan shall become a law if approved by either House, regardless of the unanimous disapproval of the other House. That is the provision of the bill which disturbs me. The passage of the bill means to me that Congress does not trust itself. It means to me that Congress does not believe it is worthy of trust. We are unwilling to trust ourselves to act upon a plan or a program submitted to us. If we pass the bill, we admit the truth of the statements made on the floor of the Senate that we are incompetent to legislate intelligently upon the organization of the Government. That admission we make if we pass the bill as it is without the Wheeler amendment.

During the past 6 years the Congress of the United States has passed the most intricate legislation that has ever been passed in the history of the world. That legislation has largely come to us with a recommendation from the President of the United States. He has not hesitated to submit it to us. We have acted upon it; and what have we done? It is assumed that we would try to work out a reorganization plan on the floor of the Senate. Of course, that is not the fact. The Senate has committees in which detail work is done, and well done. The President of the United States will not himself work out a plan of reorganization, but he will refer the drafting of the plan to someone who was not elected by the people of the United States or any part of them. He must call in someone else. I say to you, Mr. President, that the Senate of the United States has within its membership the most competent men in the United States to work out the details of such a bill. One of them is the Senator from South Carolina, Hon. James F. Byrnes. Another is the Senator from Virginia, Hon. HARRY F. BYRD. Nobody can equal them in capacity and ability and experience to work out the details of a plan; and yet we say that Congress, the Senate, cannot do that, and we must delegate it to someone in the executive department.

It is said that to secure efficiency in governmental organizations the Congress must surrender its constitutional power. The passage of the bill will concede the correctness of the contention, mind you, that a majority of Congress lack the courage and lack the public experience to legislate for the public welfare when opposed by the pressure of Government departments and their friends. It has been said openly that we, as Senators, could not withstand the pressure of departments. It is a reflection of grave character upon the membership of this body that we are not sufficiently interested in the public welfare to take the personal political hazard of doing our duty. I am unwilling to concede that; I do not believe it.

The Wheeler amendment, while tying our hands as to the time of discussion and decision, merely seeks to save for the Senate of the United States the right to prevent a plan going into effect which a majority of the Members of this body disapprove. That is all that is involved in this question. Is the Senate of the United States willing to say, are the individual Members willing to say, that, coming here as the representatives of sovereign States, as ambassadors from their States, they are willing to abdicate their power, are willing to leave to the House of Representatives to determine what shall be the form of this Government; and, notwithstanding each and every Member of the Senate may oppose a plan of reorganization, if the House approves it, it shall go into effect regardless of our unanimous opposition?

Yet we are sent here to represent the people and the interests of our States. I for one do not see how I can feel in my civic conscience that I am a representative of the State of Colorado if I so tie my hands that I have no voice, no vote, as to a plan of reorganization which may be detrimental and injurious to the people of my State; and leave it to another body where no Senator can be heard.

I think this is a question of far greater importance than the mere matter of reorganization. I think reorganization itself will not accomplish much. The President makes no claims as to economy; the declarations of the bill will not be very fully carried out; but I do think that involved in this important question is a matter of great fundamental principle, which I think every Senator owes it to himself to consider, whether he, as an ambassador from his State, is willing to abdicate and surrender his voice.

The bill provides for submission of any reorganization plan to Congress. There is no objection to submission to Congress except, instead of requiring the approval of both Houses, the bill provides that if one House approves the plan becomes a law. In other words, the objections of one House are to be disregarded. If the House of Representatives is willing to be disregarded, that is not our concern. I am not willing, as a Senator from the State of Colorado, to be denied an effective voice upon a question. I am not discussing the question of constitutionality; I am not discussing the question of functions but merely the one thing. The Wheeler amendment does not involve, Senators, much of a change in the bill, it does not defeat its purposes; it allows the same procedure, but merely provides, in substance, that, instead of requiring the approval of only one House, the approval of both is required. After very considerable study and very considerable thought, I feel that there is involved in this matter an issue of very great moment, an issue to which, I think, every Senator should give thought.

We come here, my fellow Senators, with certain powers. I am willing to tie our hands as the bill does, take away the right to amend, force us to say "Yes" or "No"; but I do think that the Senate of the United States, heretofore the most powerful body in our Government, should not absolutely abdicate its power and its right.

Mr. BYRNES. Mr. President, I ask for the yeas and nays. Mr. KING. Mr. President—

The VICE PRESIDENT. The Senator from Utah.

Mr. KING. We have just listened to a powerful and eloquent address by the senior Senator from Colorado. He has marshaled arguments in favor of the adoption of the socalled Wheeler amendment, and in the light of the same it seems to me all opposition to the amendment should vanish. It is my opinion that the bill before us is unconstitutional; it attempts to delegate legislative authority, and if it shall become law its validity would be challenged in the courts. It calls for the abdication of the authority of the legislative branch of the Government and seems to proceed upon the theory that Congress is incompetent to deal with legislative matters. I am not willing to concede that Congress is impotent and that it is willing to surrender its authority to other branches of the Government. In no critical spirit I call attention to the fact that the legislative branch of the Government is not infrequently charged with being too subservient to the execuive branch as a result of which policies are adopted and measures enacted into law which are not for the best interest of the country.

I shall now devote some time to a discussion of what I conceive to be constitutional questions involved in this measure.

A day or two ago the senior Senator from Colorado referred to an important case decided by the Supreme Court of the United States many years ago. The case referred to is reported in Seventh Cranch. It was, as I recall, the earliest case decided by the Supreme Court of the United States in which the question of the delegation of legislative power was considered. I have examined that case, as well as a number of others since then, and desire to bring them, and the principles which were therein discussed, to the attention of the Senate. I appreciate the fact that a discussion of constitutional questions is regarded by many as of but little importance, if not a waste of time. I fear there is a growing disregard of the fundamental principles of our Government, and the limitations expressed in the Constitution of the United States.

Judge Cooley, a great law writer and a great jurist, in his work on Constitutional Limitations points the path of safety which should be followed by the various branches of the Government as well as by the people themselves.

The Constitution of the United States is our great charter of government. It did not create or establish the Federal administrative service which is now stated by the President in his report of January 1937 to the Congress to consist, as I recall, of approximately 130 different agencies.

I might add that in the majority report submitted in favor of the bill under consideration by Representative Cochran in the House of Representatives, it is stated that there are four or five hundred agencies of the Federal Government.

Until recent years the various administrative agencies have been created by the Congress in statutes enacted for that purpose. We departed from that practice when we purchased the French rights to the Panama Canal, including the Panama Railroad, which had been, and now is, incorporated under the laws of the State of New York, and which has been expanded to such an extent that it now operates not only a railroad in Panama, but department stores, warehouses, hotels, dairy herds, and various other and sundry activities for which no mention whatever will be found in the statutes of the United States for the government of that strip of territory connecting the Atlantic and Pacific Oceans.

Since the acquisition of this Panama Railroad corporation, many other corporations have been organized under the laws of various States for the performance of Federal functions, or rather for functions which administrative officers thought they saw a need.

Congress has authorized the organization of a comparatively few of these Government-owned corporations, but most of them have been created by Executive order and then confirmation sought indirectly in appropriation acts of their creation. In most, if not in all, instances, such indirect confirmation of the Executive ukase has been granted.

Thus it has come about in our history of some 150 years that all of the existing administrative and executive agencies of government have been created by statute or confirmed by statute. It is now proposed in this reorganization bill before this body, with a favorable report by eminent Senators, to except certain of these agencies and functions from terms of the bill, and to give to the President the absolute right to reorganize, redistribute, regroup, and remake all of these sundry 130 agencies which are not expressly exempted from the terms of the authority purported by the bill to be conferred on the President.

I know that it is urged that the Congress may by a concurrent resolution, passed within a limited period, negative any proposed order of reorganization which the President may issue! I shall discuss that a little later. This should not be permitted to confuse the issue or to fool the people of the United States. It takes a majority vote of both Houses of the Congress to pass a concurrent resolution. I say, and say it sadly, that pressure has sometimes been exerted upon Members of the Congress in an attempt to pass a concurrent resolution—pressure which has come in the past

few years—and there is little possibility of passing such a resolution. However, I may say, based upon a statement made by the President, that it would be ineffective, as I shall demonstrate before I conclude.

In effect, and I now call the attention of the Senate to the practical aspects of the matter, the enactment of the reorganization bill in the form reported by the committee means the turning of the entire administrative and executive service over to the President to reorganize as he sees fit, saving and excepting the agencies and functions expressly excepted from the terms of the reorganizing authority.

However, vitally concerned as I am with the maintenance of our democratic institutions of government in a world rapidly turning to dictatorships and autocracies, I raise my voice in defense of our Constitution and the sole and exclusive right of the Congress, the elected representatives of the people, to legislate. The agencies of government to which the bill would apply were created by statutes enacted by the Congress; they may not constitutionally be changed except by the same process—by statutes enacted by the Congress. More than that, under the Constitution it is the function of the President to make reports and submit recommendations to the Congress for the consideration of the membership drawn from every State in the Union. The bill would reverse the process by purporting to authorize the President actually to make or remake the statutes enacted by the Congress and the acts of the President in that respect could only be set aside by a concurrent resolution adopted by a majority vote of each House. I therefore submit that upon both grounds the bill is palpably unconstitutional, and if there be any who argue that similar bills have been passed during the last few years, my answer is that two errors, two violations of the Constitution, do not make any law constitutional-much less such a measure as the one before us. which would or might affect every individual and every business concern in America.

The bill is unconstitutional and if enacted into law would be void upon the following grounds:

First. Because the bill purports to confer upon the President the power to legislate, which power by virtue of article 1, section 1, of the Constitution, is solely committed to the Congress of the United States, subject to the veto power of the President, but with the right in the Congress by a two-thirds vote to pass the bill over his veto.

Second. Because the bill purports to confer upon the President the power to change and modify the terms of statutes enacted by the Congress since the foundation of the Federal Government—a power which is vested exclusively by the terms of the Constitution in the Congress.

Third. Because the Supreme Court of the United States has held that delegations of legislative power may not be made to the President except to the extent of filling in details in accordance with a standard set up in the statute and within well-marked channels for the exercise of his discretion.

Fourth. Because any attempt of an Executive to change and modify statutes of the United States affecting the rights, privileges, and immunities of any individual or business concern would constitute a violation of the due-process clause of the Constitution of the United States and could not be judicially confirmed.

The legislative and judicial history of the times since the case of the Brig Aurora (7 Cranch, 382), referred to by the Senator from Colorado [Mr. Adams] a few days ago, the case of Wayman v. Southard (10 Wheat. 1), reviewed in Field v. Clark (143 U. S. 649), and re-reviewed in Hampton v. United States (276 U. S. 394), and further reviewed in both the Schechter case (295 U. S. 495, 555), and in the Panama Refining Co. or Hot Oil cases (293 U. S. 388) indubitably establishes that the proposed legislation is unconstitutional.

From an examination of the cases in the Supreme Court of the United States from the Brig *Aurora* case in the early days of our Government down to the present time it is clear that not one instance is presented in which the power delegated to the President was as broad as in the bill now before the Senate. With the exception of the Schechter and Hot Oil cases during the past few years, in all the previous cases what the President or administrative agency was required to do was simply in execution of an act of Congress, merely as an agent. to ascertain the facts prescribed by the Congress and declare the event upon which its expressed will was to take effect. Not one of these statutes invested the President, or purported to invest the President or any administrative agency, with discretion and judgment in proclaiming a duty, but authorized the proclaiming of a duty shown by a prescribed "state of facts," or as shown by "ascertained facts" legislatively prescribed. The bill under consideration would do much more than that. It would reverse the constitutionally prescribed legislative processes by purporting to authorize the President to act, subject to the veto of the Congress within a limited period by a majority vote of each House, instead of requiring the President to make his recommendations to the Congress, subject to approval by a majority vote of each House.

It seems clear that under the terms of the bill before us the President will have authority to amend statutes, to adopt policies and, indeed, measures which consolidate agencies and determine their functions. Certainly this authority which it is proposed to grant to the Executive in the "highest sense" concerns legislative matters which are exclusively within the domain of the Congress.

Article I, section 1, of the Constitution provides in unmistakable terms that:

All legislative powers herein granted shall be vested in a Congress of the United States, which shall consist of a Senate and House of Representatives.

Article II, section 3, of the Constitution provides that:

He (the President) shall from time to time give to the Congress information of the state of the Union and recommend to their consideration such measures as he shall judge necessary and expedient; • • •.

Mr. President, he is not given legislative authority. He may make recommendations to the Congress, but he may not enact laws nor be the recipient of delegated authority which would authorize him to repeal, modify, or consolidate statutes.

In these two articles of the Constitution the first dealing with the legislative power and the second dealing with the executive power we find too clear for argument that the Chief Executive, the President, may recommend to the Congress and that the Congress shall legislate. These two articles do not provide, as the Senators who reported this bill apparently would have us and the country believe, that the President may legislate and report to the Congress, which cannot undo what he has done except by a concurrent resolution requiring a majority vote of both Houses. If the power to legislate concerning what agencies of Government there shall be; where they shall be located; whether in the War Department or in the Navy Department, or in the Department of Commerce, or in the Department of Agriculture, or in some one or more of the dozens of Government-owned corporations is not a "legislative power in the highest sense," I must admit that my study of the Constitution has been utterly wasted. How can any lawyer, knowing the history of despotic power in the hands of kings and potentates, argue that there is any authority in the Constitution or in the decisions of the Supreme Court of the United States for what is here proposed passes my understanding-unless, indeed, they have joined the ranks of those who suggest that our Constitution is outmoded and unequal to the tasks before the Nation; and that, in fact, the Congress is so impotent that it cannot legislate. That argument has been made in recent years in Italy, Germany, and Russia. Are we to ignore and disregard the terms of the Constitution at the same time that we are preaching to the nations of the world to observe the fundamental rights of men? The fundamental rights of men, of Americans, are involved in the proposed legislation the rights of our constituents, who must deal with the various agencies of the Federal Government which the bill purports to authorize the President to shuffle as he may deem proper.

Mr. Justice Harlan, the eminent constitutional lawyer, writing for the Court in the Field case (143 U. S. 649), reviewed

many acts of the Congress deemed by the Court similar as a congressional precedent, and said, at pages 692-694:

a congressional precedent, and said, at pages 692–694:

That Congress cannot delegate legislative power to the President is a principle universally recognized as vital to the integrity and maintenance of the system of government ordained by the Constitution. The act of October 1, 1890, in the particular under consideration, is not inconsistent with that principal. It does not, in any real sense, invest the President with the power of legislation. For the purpose of securing reciprocal trade with countries producing and exporting sugar, molasses, coffee, tea, and hides Congress itself determined that the provisions of the act of October 1, 1890, permitting the free introduction of such articles, should be suspended as to any country producing and exporting them, that imposed exactions and duties on the agricultural and other products of the United States, which the President deemed—that is, which he found to be—reciprocally unequal and unreasonable. Congress itself prescribed in advance the duties to be levied, collected, and paid on sugar, molasses, coffee, tea, or hides produced by or exported from such designated country, while the suspension lasted. Nothing involving the expediency of the just operation of such legislation was left to the determination of the President. The words "he may deem," in the third section, of course, implied that the President would examine the commercial regulations of other countries producing and exporting sugar, molasses, coffee, tea, and hides and form a sugar molasses, coffee, tea, and hides and form a sugar molasses, coffee, tea, and hides and form a sugar and the president whith the president was to whether they were reciprocally. the President would examine the commercial regulations of other countries producing and exporting sugar, molasses, coffee, tea, and hides, and form a judgment as to whether they were reciprocally equal and reasonable, or the contrary, in their effect upon American products. But when he ascertained the fact that duties and exactions, reciprocally unequal and unreasonable, were imposed upon the agricultural or other products of the United States by a country producing and exporting sugar, molasses, coffee, tea, or hides the agricultural or other products of the United States by a country producing and exporting sugar, molasses, coffee, tea, or hides, it became his duty to issue a proclamation declaring the suspension as to that country, which Congress had determined should occur. He had no discretion in the premises except in respect to the duration of the suspension so ordered. But that related only to the enforcement of the policy established by Congress. As the suspension was absolutely required when the President ascertained the existence of a particular fact, it cannot be said that in ascertaining that fact and in issuing his proclamation, in obedience to the legislative will, he exercised the function of making laws. Legislative power was exercised when Congress declared that the suspension should take effect upon a named contingency. What the President was required to do was simply in execution of the act of Congress. It was not the making of a law. He was the mere agent of the lawmaking department to ascertain and declare the event upon which its expressed will was to take effect. It was a part of the law itself as it left the hands of Congress that the provisions, full and complete in themsleves, permitting the free introduction of sugars, molasses, coffee, tea, and hides, from particular countries, should be suspended in a given contingency, and that in case of such suspension certain duties should be imposed.

"The true distinction," as Judge Ranney speaking for the Supreme Court of Ohio has well said, "Is between the delegation of power to make the law, which necessarily involves a discretion as to its execution, to be exercised under and in pursuance of the law. The first cannot be done; to the latter no valid objection can be made."

* * The proper distinction, the court said, was this: "The legislature cannot delegate its power to make a law; but it can make a law to delegate a power to determine some fact or state of things upon which the law makes, or intends to make, its

can make a law to delegate a power to determine some fact or state of things upon which the law makes, or intends to make, its own action depend."

Mr. President, there is no claim by the proponents of this bill that the facts are not known to the Congress or could not be ascertained by its respective and proper committees.

A committee 2 or 3 years ago was named to study the question of reorganization. It was known, as I recall, as the Committee on Administrative Management. It employed a large staff and prepared a report which was submitted to the President and by him transmitted to the Congress. It was an elaborate report and signed by three persons, experts in municipal government, and the report set forth the reasons why the committee, inferentially, at least, believed that the Federal Government should be reorganized on the basis of a municipal government with which they were most familiar. They did not claim to be experts in the problems of State or National Governments. Their report submitted to the President was by him transmitted to the Congress.

This work has continued. Just a few days ago a young professor of political science in an important university published a book on one phase of the reorganization program, wherein he advocated streamlining the spending power of the administrative agencies by depriving the Congress of all control over the spending of public money, which it now exercises to some extent through the General Accounting Office. Recently the Brookings Institution has submitted a most exhaustive and elaborate report to a Senate committee on reorganization of the administrative branch of the Government; and it has recently published a book on the subject |

which shows some of the utter fallacies in the report made by the President's committee of municipal experts who essayed the task of reorganizing the Federal Government's administrative machinery. Moreover, the committees of the Congress have the legal authority to summon witnesses and elicit the facts.

No; it is not for want of adequate and accurate information. It was admitted on the floor of this Chamber by the distinguished Senator from South Carolina, who is chairman of the committee having the bill in charge, that the bureaucrats in the Federal service will not let the Congress legislate on the subject to reorganize the service by law, which is the only way in which it can constitutionally be

This admission and the record demonstrate beyond all possibility of successful contradiction that the proposed law does not come within the rules stated by the Supreme Court of the United States in the Brig Aurora, Wayman against Southard, Field against Clark, and Hampton against United States.

The bill prescribes no standard with any degree of definiteness. The President is not left with the sole duty of ascertaining a fact and issuing a proclamation to fit in a category named in the law. On the contrary, it is freely admitted by the proponents of the bill that the President is being given the duty of reorganizing the administrative agencies because the Congress cannot legislate, as they say, and he is to use his own discretion as to the agencies he will reorganize and the ones he will not reorganize, except with respect to the agencies exempted in the bill.

Such broad discretion not only fails to bring the bill within the rules stated in the cases I have mentioned, but. on the contrary, such broad and uncontrolled discretion brings the bill squarely within the terms of the Panama Refining Co. case (293 U.S. 388) and the unanimous opinion of the same Court in the Schechter case (295 U. S. 495, 555). In both these cases, acts of Congress were held unconstitutional because of the broad delegation of legislative power to the Executive; but even in those cases the delegation did not attempt to give the President power to remake, redistribute, and reorganize the entire administrative machinery of the Federal Government which had grown up under specific statutes of the United States since the first Congress in 1789. Nor was there an attempt to reverse the constitutional procedure of lawmaking.

Mr. President, in my opinion, the bill proposes to transfer to the Chief Executive the whole of the legislative power with respect to the reorganization of the Federal administrative service. It proposes to reverse the constitutional process of the President recommending and the Congress legislating; and, if it is enacted into law, the confusion resulting therefrom will be such as this country has never known. If such a bill as this is unconstitutional, as I firmly believe, then it follows that the action of the President as to any one of the 130 agencies in reorganizing, redistributing, and remaking its duties will be subject to challenge in the courts by the aggrieved citizen. For example, the Bureau of Internal Revenue and the Bureau of Customs, the two great taxing agencies of the Federal Government, are not exempted from the terms of the bill.

If the President attempts to reorganize, redistribute, and remake these bureaus, his action in that respect is subject to instant challenge by any taxpayer in the United States, or by any importer. The courts will be swamped with cases; and if the Supreme Court of the United States adheres to its position throughout the years since the Brig Aurora case, it must hold such action to be unconstitutional. Do we wish the revenues of the United States to be brought into a state of chaos? If we do, we should pass the bill.

The Reclamation Service, the Grazing Service, and the Bureau of Mines, as well as the Forest Service, are of particular importance to my constituents and to the constituents of every Senator from the Rocky Mountain and Pacific Coast States. Suppose the President attempts to retransfer, redistribute, and remake these several agencies of the Federal Government, and our constituents challenge that

action: If the Supreme Court of the United States adheres to its position throughout the years since the Brig Aurora case, it must hold that such a law is unconstitutional and that the President had no constitutional authority to retransfer, redistribute, and remake the duties, functions, and administrative organizations of the several services.

I do not intend to labor this point, but I earnestly insist that the bill, if enacted into law, is in the teeth of the Constitution of the United States; that it would reverse the constitutional process that the President recommends, and that the Congress must legislate; and that Congress has no constitutional authority to give to the President the power to reorganize the Federal administrative service. Persistence which may culminate in the enactment of the bill, can only bring chaos to the Federal administrative service, because the Supreme Court of the United States—unless it is willing to turn its back upon 150 years of its history—must hold the bill, if enacted into law, to be an unconstitutional delegation of legislative power to the President.

Mr. President, I shall now submit some general observations respecting the bill, and discuss some matters which have been suggested during the debate. It has been stated during the debate that this bill proceeds upon the theory that Congress is incompetent to legislate upon a matter which the Constitution commits to it; that a Democratic Congress is incapable of meeting the situation by the ordinary processes of legislation. And the bill seems to sustain this view by stating:

* * Congress declares that the carrying out of these purposes can be accomplished more speedily than by the enactment of specific legislation. * *

The claim is not made that a democracy is a government most suitable for speedy action. It is alleged that the most efficient government from the point of view of celerity of action is one where a single individual consults himself and declares what the law shall be. Germany furnishes an example of a government in which speed is attained, but justice and liberty are ignored if not destroyed. Our fathers understood that a democracy may be unwieldy and slow moving in comparison with dictatorships, but that fact was regarded as a point in its favor. It may be admitted that the acts of our Government—executive, legislative, and judicial—can be more speedily accomplished by the authority of one individual—the President—than by legislation or judicial action.

Important legislative power is sought to be conferred upon the President by the terms of this measure, the argument being, as I understand, that reorganization can thereby be more quickly secured than by congressional legislation. other words, it is contended that by the abdication of its power by Congress the President may perform legislative functions and execute those powers with greater speed than can a body of 96 Senators and more than 400 Representatives. I am unwilling to support that view, or to confess that the Congress of the United States is incompetent to discharge a duty imposed upon it by the Constitution of the United States. I grant that reorganization is needed. With the powerful bureaucracy which has been builded up, the hundreds of millions of dollars which have been expended unnecessarily in the maintenance of a bureaucracy, some parts of which are incompetent, it is important that there should be a reorganization of the departments of the Government. But I contend that reorganization is a legislative function and that Congress may not delegate power to the President to accomplish that result.

It is not improper to call attention to the fact that the President has had the authority to investigate the executive branch of the Government and submit recommendations to Congress, for the more efficient and economical operation of the Government. It is not improper to inquire why, with the authority granted to the President to make such investigations and recommendations, that course has not been pursued.

Section 209 of the Budget and Acounting Act of 1921 gives the President ample authority to make the studies and investigations necessary for the submission to Congress of a plan for reorganization. The section referred to reads as follows:

The Bureau, when directed by the President, shall make a detailed study of the departments and establishments for the purpose of enabling the President to determine what changes, with a view of securing greater economy and efficiency in the conduct of the public service, should be made in (1) the existing organization, activities, and methods of business of such departments or establishments, (2) the appropriations therefore, (3) the assignments of particular activities to particular services, or (4) the regrouping of services. The results of such study shall be embodied in a report or reports to the President, who may transmit to Congress such report or reports or any part thereof, with his recommendations on the matters covered thereby.

The President now has the authority to obtain the information necessary for recommendations to the Congress as a basis for a reorganization of the departments of the Government. The act of 1921, however, provides that the reorganization shall be in the ordinary manner of legislation provided in the Constitution. It provides that the President shall submit recommendations to Congress for appropriate legislation dealing with reorganization. The Constitution provides in article II, section 3, paragraph 1, that—

He (the President) shall from time to time give to the Congress information of the state of the Union, and recommend to their consideration such measures as he shall judge necessary and expedient.

Both the Constitution and the act of 1921 grant the power to the President to recommend to Congress any reorganization he deems proper. Notwithstanding this grant of authority, the demand is made that Congress shall, without due consideration and before many new Members of Congress are familiar with the bill, give to the Executive vast powers.

The record shows that demands for hearings upon the bill were made in the House and were denied, and but 3 short days for debate were permitted on a measure reversing the entire legislative processes and granting to the Executive the legislating power and taking from Congress the veto power. This bill, as I have stated, attempts to confer legislative powers upon the President. His action may result in the repealing of statutes enacted by Congress after mature deliberation.

Section 7 and subsection (c) of the bill provides:

All laws relating to any executive agency or function transferred to, or consolidated with, any other executive agency or function under the provisions of this title, shall, insofar as such laws are not inapplicable, remain in full force and effect.

It may be asked what about the laws that are not applicable? It would seem there is but one conclusion: That such laws are repealed.

The majority report of the House recognizes that the measure before us confers legislative power on the President. It states:

Section 4 proceeds on the constitutional theory that the power conferred upon the President by the section is legislative in character.

Disregarding the question of the constitutionality of such procedure for the moment, may I quote the views of President Washington as to the undesirability of giving to the Chief Executive legislative power:

It is important, likewise, that the habits of thinking in a free country should inspire caution in those intrusted with its administration, to confine themselves within their respective constitutional spheres; avoiding in the exercise of the powers of one department to encroach upon another. The spirit of encroachment tends to consolidate the powers of all the departments in one, and thus, to create, whatever the form of government, a real despotism * * *. To preserve (the reciprocal checks of our Government) must be as necessary as to institute them. If, in the opinion of the people, the distribution or modification of the constitutional powers be in any particular wrong, let it be corrected by an amendment in the way which the Constitution designates. But let there be no change by usurpation; for though this, in one instance, may be the instrument of good, it is the customary weapon by which free governments are destroyed. The precedent must always greatly overbalance in permanent evil any partial or transient benefit which the use can at any time yield.

I am supported in my contention that this bill is unconstitutional by Hon. HATTON W. SUMNERS, chairman of the

Committee on the Judiciary of the House. It is not necessary to state that he is a lawyer of great ability whose opinion upon constitutional questions is entitled to great consideration. In discussing this measure when it was before the House, he says:

This thing which the House proposes to do to itself, to its power, and its responsibility is far more important than its relationship to the particular item of legislation. We know that fundamental changes in governments like ours are brought about by precedents and practice. When we put our feet into the road and begin to walk, we are going somewhere, and where we arrive depends upon the direction we take. This bill, unamended, leads in the wrong direction. It is a bad precedent.

There is no question that in formulating this bill we of the House could either keep or surrender this constitutional power without interfering with the efficiency of the Executive in carrying out the purposes of the bill. Any assumption to the contrary must be based upon the notion that the House as an institution is unfit to be trusted with the exercise of its constitutional power

must be based upon the notion that the House as an institution is unfit to be trusted with the exercise of its constitutional powers. We raise the question ourselves that if the House cannot be trusted with its constitutional powers with regard to reorganization, as we seem to believe, why should the House be trusted with regard to legislation?

It is the surrender of the power conferred by the Constitution to protect the people against that which we may believe to be bad which is the vicious thing in this bill unamended.

Granting that a reorganization of government through legislation by the President may be "an instrument of good" in the one instance, it is, as Washington stresses, an evil precedent since it is leading the way to a course which inevitably destroys free government.

It has been charged that the so-called "congressional veto" contains a dangerous joker. Section 5 (a) of the bill is a most obnoxious section providing as it does that any reorganization plan shall become effective automatically after 60 days unless both Houses of Congress adopt a resolution declaring that the Congress does not favor the plan. This means that it will be necessary to secure a majority of both the House and the Senate affirmatively declaring opposition to the plan to prevent it from becoming effective. But the situation is even worse. Under the Constitution such a concurrent resolution would probably be wholly ineffective and the plan would go into effect regardless of its passage by both Houses. Bearing upon this view I refer to article I, section 7, paragraph 3, of the Constitution which reads:

Every order, resolution, or vote to which the concurrence of the Senate and the House of Representatives may be necessary (except on a question of adjournment) shall be presented to the President of the United States; and before the same shall take effect, shall be approved by him, or, being disapproved by him, shall be repassed by two-thirds of the Senate and the House of Representatives, according to the rules and limitations prescribed in the case of a bill.

But the concurrent resolution proposed in the bill does not deal with a question of adjournment. The bill requires the concurrence of both the House and the Senate. Under the Constitution, therefore, this resolution, before the same shall take effect, shall be approved by the President.

I repeat, when I state before both Houses of Congress pass a resolution disapproving a reorganization plan, that resolution, it would seem, under the Constitution, would be of no effect, but it would be disregarded, and the plan, despite the disapproval of a majority of both Houses of Congress, will go into effect automatically. It is contended that the only way in which such a resolution may become effective is that it shall be signed by the President or passed by a two-thirds vote over his veto. Shall it be assumed that the President would sign a resolution disapproving his own reorganization plan? Therefore, it is suggested that under the bill as it passed the House, a two-thirds vote of both Houses of Congress, in order that a reorganization plan shall not take effect, would be required.

I assume that the President understands this situation. He has stated that such a concurrent resolution by both Houses will be of no effect in preventing a reorganization plan.

I invite attention to a statement made by the President in a letter dated March 29, 1938, which will be found in the CONGRESSIONAL RECORD, volume 83, part 10, at pages 1338-1339. This statement had reference to a reorganization bill which was then pending before Congress. His statement is as follows:

But there are two cogent reasons why the bill should go through as it is now drawn. The first is the constitutional question involved in the passage of a concurrent resolution, which is only an expression of congressional sentiment. Such a resolution cannot repeal Executive action taken in pursuance of a law. The second is the very remote possibility that some legislative situation might possibly arise in the future where the President would feel obligated to veto a joint resolution of the Congress and properly require a two-thirds vote to override his veto. two-thirds vote to override his veto.

The way to obviate this difficulty is to require affirmative action on the part of Congress before a reorganization plan can go into effect. That would be the situation exactly as it exists at present-that the President would submit recommendations to Congress, which would then do the necessary legislating. And such a procedure, incidentally, would be following the plan specified by the Constitution.

As I view the situation, the way to obviate this difficulty is to require affirmative action on the part of Congress before a reorganization plan can go into effect. That would call for the President to submit recommendations to Congress concerning reorganization which would then call for affirmative legislation. Such a procedure would be in harmony with the plan specified in the Constitution.

Reference has been made by the proponents of the pending bill to a measure passed during the administration of President Hoover. That measure, however, was limited by section 407 of the act, which provided that disapproval by either House of Congress should render any Executive order thereunder null and void.

Under the procedure outlined in part 2 of the pending bill, relating to the disapproving resolutions, in case a resolution is referred to a committee, and that committee fails to report thereon in 10 days, a motion to discharge the committee from further consideration thereof will be in order. Such a motion can be debated only 2 hours-section 24 (b)and if such motion is defeated, no further motion of a similar nature can be made-section 24 (c). The result will be that the committee will not report thereon, and the plan will go into effect upon the sixtieth day, despite the fact that the other House of Congress may have voted unanimously to condemn the plan. In other words, congressional debate on any sweeping plan-seriously affecting the lives of thousands of persons upon the Government pay rolls—can be limited to

I respectfully submit that the pending measure is designed to prevent Congress from disapproving a reorganization plan. As I have indicated even with the vote of both Houses disapproving a plan, the Executive in view of the statement to which I have referred, might disregard such a concurrent resolution and the plan would thereupon go into effect. If the Senate disapproves a plan and the House failed to act on the resolution the action of the Senate would be futile, or the House might vote on a resolution but fail to secure the required majority in order to disapprove a reorganization. In that event it would be immaterial what action the Senate would take, since the plan would have been approved by one House while the bill requires the disapprovel of both Houses. The Senate might disapprove a plan and yet a motion to discharge a committee in the House from further consideration of the resolution might fail of passage. Such a motion would be debatable for a limited time under the Senate amendment. If it failed it could not be renewed, nor the vote reconsidered. The effect of such a provision is that the resolution would die in committee. Thus the disapproval of the Senate, after full consideration, would be of no avail because the House after a limited time of debate had failed to discharge the committee.

One explanation given by the proponents of this legislation for entrusting this power to the President is that the President is responsible for the administration of the executive branch of the Government, and that he should have the power to reorganize the same. But the fundamental point that is overlooked in such an argument is that the President should not be granted the power to legislate. The power to pass and repeal laws has been given to the Congress by the Constitution. The Brookings Institution, in their new book, Reorganization of the National Government, released March 6, 1939, indicates the practical result of enacting the pending legislation:

Under the 1932 act, the President could only transfer the func Under the 1932 act, the President could only transfer the func-tions from one agency to another. Such a power was undoubtedly within the sphere of the Executive. Under the power to abolish functions granted in 1933, the President could virtually repeal any law conferring powers on an executive agency, because if the function of an agency was abolished the entire body of sub-stantive law built on the function would fall. For instance, the President could abolish the function of the Interstate Commerce Commission dealing with railroad rates.

Abolishing of functions is obviously one that is within the province of the legislative branch, and is not a duty of the President, except insofar as he participates in legislation through the approval or disapproval of bills. (P. 199.)

The advocates of this measure admit that the primary purposes of general reorganization of the Government are to secure economy and efficiency. They must assume that economy and efficiency go hand in hand and that neither economy nor efficiency is possible without a material reduction in the number of Federal agencies and organizations and a drastic reduction in the number of Federal employees, but the measure, as I interpret it, is not an economy measure. It contains no provision indicating any saving of money; it does not require any decrease in Government personnel, nor does it require any decrease in the number of Federal agencies or bureaus. It is singular that a measure for efficiency and economy which merely states a declaration of policy but does not require what steps are necessary to secure the desired results. It is manifest that economy and efficiency can only be met, as I have indicated, by drastically reducing the number of agencies, and more drastically reducing the number of Federal employees.

The monthly pay roll of the executive branch of the Government for June 1938, according to the Civil Service Commission, was more than \$128,000,000. Thus, the annual pay roll of the executive branch of the Government amounts to more than one and one-half billion dollars. For the present fiscal year a much larger amount will be required to meet the Government pay roll. There must be added to this sum appropriations for the retirement for Government employees. The total administrative cost for 1939 will be approximately \$2,000,000,000. Eighty-eight percent of the administrative costs of the Government is represented by salaries to Government employees, according to the Brookings Book on Reorganization. Since 88 percent of administrative costs are required for salaries of employees, it is obvious that reductions in the administrative costs can only be secured by a decrease in the number of employees.

It is an interesting fact that the number of administrative personnel in the executive departments and independent commissions, as of September 1938, according to the Civil Service Commission, was 870,031. More than 85 percent of this total, or 743,826, were employed in eight agencies; the Post Office Department, War Department, Agriculture Department, Navy Department, Treasury Department, Interior Department, Veterans' Administration, and Works Progress Administration. In regard to these eight agencies, with the possible exception of the Veterans' Administration, the President can bring about any economies and reductions of personnel that he desires without the authority contained in the measure under consideration. In other words, the President can at present bring about a reduction in expenditures so far as pay roll for administration is concerned in eight agencies which employ 85 percent of the total number of Federal employees, and such employees-that is, the total number-are paid 88 percent of the total administrative cost of the Government.

The President, in his annual message to Congress January 4 of this year, states:

Therefore, it does not seem logical to me, at the moment we seek to increase production and consumption, for the Federal Government to consider a drastic curtailment of its own investments.

He refers to the \$44,000,000,000 deficit which has been piled up in the last few years as an investment. He continues:

The whole subject of Government investing and Government income is one which may be approached in two different ways.

The first calls for the elimination of enough activities of Government to bring the expenses of Government immediately into balance with income of Government. This school of thought maintains that because our national income this year is only \$60,000,000,000 ours is only a \$60,000,000,000 country; that Government must treat it as such; and that without the help of Government the proposed of the property appears to \$60,000,000,000 ours of \$60,000,000 ours. it may someday, somehow, happen to become an \$80,000,000,000 country.

If the Congress decides to accept this point of view, it will logically have to reduce the present functions or activities of Government by one-third. The Congress will have to accept the responsibility for such reduction; and the Congress will have to determine which activities are to be reduced.

The pending bill calls upon the President to investigate the Government to find out how to "reduce expenditures to the fullest extent consistent with the efficient operation of the Government." The Congress in this bill requests the President to "reduce the number of agencies." The President, in the foregoing quotation has said that it is the duty of Congress to determine which functions and which agencies it will abolish:

The Congress will have to accept the responsibility for such reduction; and the Congress will have to determine which activities are to be reduced.

The President further continues:

The Congress alone has the power to do all this, as it is the appropriating branch of the Government * * *. There are many complicated factors with which we have to deal, but we have learned that it is unsafe to make abrupt reductions at any time in our net expenditure program.

There must be a curtailment of activities if the Government is to effectively reduce expenditures. This fact is inescapable when it is recalled that the present Budget calls for expenditures of nearly \$10,000,000,000, and that the administrative costs are only \$1,827,000,000. In other words, administrative costs amount to only 17.65 percent of the Federal Budget. Therefore, any reorganization that merely reduces personnel and arranges agencies more efficiently, could affect a savings only in 17.65 percent of our expenditures. It is apparent, therefore, that if any perceptible economy is to result, there must be a drastic abolition of major functions of the Government.

As the Brookings Institution points out on page 86:

If savings in the expenditures of the National Government large enough to play a major part in balancing the Budget and reducing Federal taxation are to be made, they must be effected mainly through curtailment of the functions and activities of the Govern-

If this reorganization bill is to accomplish its purpose of economy, it must result in a curtailment of the activities of government. The authority to do this, under this bill, is given to the President, who has stated that-

Congress * * * will have to reduce the present functions or activities of Government by one-third. The Congress will have to accept the responsibility for such reduction; and the Congress will have to determine which activities are to be reduced.

The Brookings Institution states, page 101:

The power to determine the functions and activities of government is a legislative power and by the Constitution it is vested in the Congress. The President, under the Constitution, has unlimited power to make recommendations for needed legislation to the Congress but the Congress makes the decisions. The President may veto the decisions of the Congress, but the Congress may pass its acts over the veto of the President by a two-thirds vote

of each House.

Under the Constitution the Congress may delegate, and has frequently delegated, to the President or to one of his administrative subordinates a wide measure of administrative discretion as to the selection of the specific activities which are to be carried on in the prosecution of a given function or in giving effect to a broad policy of government. But determination of the broad functions of government and large matters of public policy is so purely a legislative power that it cannot be delegated to the President without doing violence to the principle of separation of powers established by the Constitution.

Senators are aware of the need for economy in our Government's operation-which can only mean a curtailment in the activities of the Government. Senator Byrn, on Friday

last, painted the picture of our amazing growth insofar as public expenditures are concerned. He indicated that Federal expenditures, exclusive of debt retirement, increased from less than four billion dollars in 1933 to nine and one-half billion in 1939. He stated that the national debt has increased from \$16,801,000,000 in 1931 to what will be an approximate forty-five billion on July 1, 1940; and this, despite the fact that revenue from taxation has increased from two billion in 1933 to five and one-half billion in 1939.

In my opinion, the economy that is needed will not result from the enactment of this measure. The only real economy that can be achieved is through a curtailment in the functions of government and the consequent reduction in the

vast army of Federal employees.

Mr. McCARRAN. Mr. President, will the Senator yield?

Mr. KING. I yield the floor.

Mr. McCARRAN. Does the Senator recall that in the last Congress when a reorganization bill was pending before this body the question of the transfer of the Forest Service was under discussion?

Mr. KING. I recall that fact, and there was great objection to that proposal.

Mr. McCARRAN. And today that very question is pending here as to whether or not the Forest Service shall be entirely transferred from its present place or shall remain where it is.

Mr. KING. I think that is true; and if the transfer should be made, undoubtedly there would be very great concern and very great opposition in many parts of the United States, particularly in the West.

Mr. WILEY. Mr. President, for various reasons I had not intended to speak on the pending bill. Year after year, the country has heard arguments in relation to reorganization.

I have read the bill, H. R. 4425, which is to be called the Reorganization Act of 1939.

I came to the conclusion that until section 5 of the bill was reached there was no attempt to delegate any power to the President which he did not already have. In other words, he could investigate, he could recommend, and, I believe, if there was an earnest desire to bring about reorganization, he should have recommended long ago to the Congress his ideas in relation to the reorganization of the executive depart-

ments and agencies.

In section 5 of the bill there is the novel provision that the recommendation of the President shall take effect upon the expiration of 60 calendar days after the date on which the plan is transmitted to Congress, but only if during such 60-day period there has not been adopted by the two Houses a concurrent resolution providing, in substance, that the Congress does not favor the reorganization plan as

In other words, section 5 provides that such executive agencies, except those excepted in section 3, which the Congress itself has brought into being could be put out of existence by the Executive, if both House of the Congress could not agree to the contrary.

The question whether the proposed act provides for the abolition of functions has been ably discussed. The discussion has thrown considerable light upon the issue whether the provisions of the bill seek to delegate legislative power. When Congress has created an office, can it delegate the power to another branch of the Government to abolish that office or abolish the functions of the office? Or must it by an act of the Congress itself perform that act? These and other matters have been discussed during the debate.

I believe it was argued by one Senator that there might be a saving of \$25,000,000 to the Government if the various executive agencies were reorganized. Personally, I believe if an efficient job could be done, many times that amount could be saved. It has been common talk in this Chamber that even if we pass the bill there will not be any reorganization. What, then, is the purpose of this discussion?

Now, when the thunder of marching men is heard in Europe—because the Munich pact has been torn up—I believe, if a poll of the people of America were taken, it would disclose an overwhelming majority in favor of rais-

ing at this time no question of Congress attempting to give away any power to the Executive branch. In other words, the people would say: "If you are going to pass this bill, pass it with the Wheeler amendment. This is not the time to surrender power to the Executive under the guise of a reorganization bill."

I think, also, the people of America are asking the Congress to consider the problem of the farmer, the problem of industry, and the problem of relief for the aged. The suffering millions are not so much interested in intricate arguments in the Congress as they are in having something constructive done, so that they can get off the economic detour and return to the highway of economic recovery.

Mr. McNARY. I suggest the absence of a quorum. The PRESIDENT pro tempore. The clerk will call the

roll.

The legislative clerk called the roll, and the following Senators answered to their names:

Adams	Donaney	Lee	Schwartz
Andrews	Downey	Lewis	Schwellenbach
Ashurst	Ellender	Lodge	Sheppard
Austin	Frazier	Logan	Shipstead
Bailey	George	Lucas	Smathers
Bankhead	Gerry	Lundeen	Smith
Barbour	Gibson	McCarran	Stewart
Barkley	Gillette	McKellar	Taft
Bilbo	Glass	McNary	Thomas, Okla.
Bridges	Green	Maloney	Thomas, Utah
Brown	Guffey	Mead	Tobey
Bulow	Gurney	Minton	Townsend
Burke	Harrison	Murray	Truman
Byrd	Hatch	Neely	Tydings
Byrnes	Hayden	Norris	Vandenberg
Capper	Herring	Nye	Van Nuys
Caraway	Hill	O'Mahoney	Wagner
Chavez	Holman	Pepper	Walsh
Clark, Idaho	Hughes	Pittman	Wheeler
Clark, Mo.	Johnson, Calif.	Radcliffe	White
Connally	Johnson, Colo.	Reed	Wiley
Danaher	King	Reynolds	IKHESESSA TELEVISION TO THE
Davis	La Follette	Russell	THE STREET, ST

The VICE PRESIDENT. Ninety Senators have answered to their names. A quorum is present. The question is on the motion of the Senator from Missouri [Mr. Clark] to reconsider the vote by which the so-called Wheeler amendment was adopted.

Mr. BYRNES. I ask for the yeas and nays.

The yeas and nays were ordered, and the Chief Clerk proceeded to call the roll.

Mr. ANDREWS (when his name was called). I have a pair with the junior Senator from West Virginia [Mr. Holl], who is detained because of illness in his family. If he were present, he would vote "nay," and if I were permitted to vote I should vote "yea"

Mr. BYRNES (when his name was called). I have a pair with the senior Senator from Maine [Mr. Hale]. If he were present, he would vote "nay." If permitted to vote, I should vote "yea."

The roll call was concluded.

Mr. LEWIS. I am authorized to announce that the Senator from Louisiana [Mr. Overton], who is unavoidably detained, is paired with the Senator from Arkansas [Mr. Miller], who is absent in attendance on a conference on flood-control matters. If the Senator from Louisiana were present and at liberty to vote, he would vote "yea," and the Senator from Arkansas, if present and at liberty to vote, would vote "nay."

The result was announced—yeas 46, nays 44, as follows:

	7	EAS 46	
Ashurst Bankhead Barkley Bilbo Brown Caraway Chavez Connally Downey Ellender Gillette Green	Guffey Harrison Hatch Hayden Herring Hill Hughes La Follette Lee Lewis Logan Lucas	McKellar Mead Minton Murray Neely Norris O'Mahoney Pepper Pittman Radcliffe Reynolds Russell	Schwartz Schwellenbach Sheppard Smathers Stewart Thomas, Okla. Thomas, Utah Truman Wagner Walsh
	N	AYS-44	
Adams Austin Bailey	Bone Borah	Bridges Bulow Burke	Byrd Capper Clark, Idaho

Andrews Byrnes

Clark, Mo.	Glass	McCarran	Tobey	
Danaher	Gurney	McNary	Townsend	
Davis	Holman	Maloney	Tydings	
Donahey	Johnson, Calif.	Nye	Vandenberg	
Frazier	Johnson, Colo.	Reed	Van Nuys	
George	King	Shipstead	Wheeler	
Gerry	Lodge	Smith	White	
Gibson	Lundeen	Taft	Wiley	

NOT VOTING—6
(ale Miller Overton

So Mr. CLARR'S motion to reconsider the vote by which the so-called Wheeler amendment was adopted was agreed to.

The VICE PRESIDENT. The question now is on agreeing to the amendment known as the Wheeler amendment.

Mr. BARKLEY. On that question I call for the yeas and navs.

The yeas and nays were ordered, and the legislative clerk proceeded to call the roll.

Mr. ANDREWS (when his name was called). I am paired with the junior Senator from West Virginia [Mr. Holt]. If he were present, he would vote "yea," and if I were at liberty to vote. I should vote "nay." I withhold my vote.

Mr. BYRNES (when his name was called). I again announce that I have a pair with the Senator from Maine [Mr. Hale]. If that Senator were present, he would vote "yea," and if I were at liberty to vote, I should vote "nay."

The roll call was concluded.

Mr. LEWIS. I announce that the Senator from West Virginia [Mr. Holf] is detained from the Senate by illness in his family.

The Senator from Louisiana [Mr. Overton] is unavoidably detained.

The Senator from Arkansas [Mr. MILLER] is attending a flood-control conference.

On this question the Senator from Arkansas [Mr Miller] is paired with the Senator from Louisiana [Mr. Overton]. If present, the Senator from Arkansas would vote "yea," and the Senator from Louisiana would vote "nay."

The result was announced—yeas 44, nays 46, as follows:

	Y	EAS-44	
Adams Austin Bailey Barbour Bone Borah Bridges Bulow Burke Byrd Capper	Clark, Idaho Clark, Mo. Danaher Davis Donahey Frazier George Gerry Gibson Glass Gurney	Holman Johnson, Calif. Johnson, Colo. King Lodge Lundeen McCarran McNary Maloney Nye Reed	Shipstead Smith Taft Tobey Townsend Tydings Vandenberg Van Nuys Wheeler White Wiley
	N	AYS-46	NOTH OF REAL PROPERTY.
Ashurst Bankhead Barkley Bilbo Brown Caraway Chavez Connally Downey Ellender Gillette Green	Guffey Harrison Hatch Hayden Herring Hill Hughes La Follette Lee Lewis Logan Lucas	McKellar Mead Minton Murray Neely Norris O'Mahoney Pepper Pittman Radcliffe Reynolds Russell	Schwartz Schwellenbach Sheppard Smathers Stewart Thomas, Okla. Thomas, Utah Truman Wagner Walsh
	NOT	VOTING-6	
Andrews Byrnes	Hale Holt	Miller	Overton

So Mr. Wheeler's amendment was rejected.

Mr. BYRNES. I move to reconsider the vote by which the so-called Wheeler amendment was rejected.

Mr. BARKLEY. I move to lay that motion on the table. The VICE PRESIDENT. The Senator from South Carolina moves that the vote by which the so-called Wheeler amendment was rejected be reconsidered. The Senator from Kentucky moves that that motion be laid on the table. The question is on the motion of the Senator from Kentucky.

Mr. WHEELER. I ask for the yeas and nays.

The yeas and nays were ordered, and the Chief Clerk proceeded to call the roll.

Mr. BYRNES (when his name was called). I again announce that I have a pair with the senior Senator from

Maine [Mr. Hale]. If he were present and voting, he would vote "nay," and if I were permitted to vote, I would vote "yea."

The roll call was concluded.

Mr. LEWIS. I repeat my announcement of the absence of certain Senators and the reasons therefor.

The senior Senator from Louisiana [Mr. Overton] has a pair with the junior Senator from Arkansas [Mr. Miller]. If present and voting, the Senator from Louisiana would vote "yea," and the Senator from Arkansas would vote "nay."

Mr. SCHWELLENBACH. On this vote I have a pair with the junior Senator from New Jersey [Mr. Barbour]. If he were present and voting, he would vote "nay." If I were permitted to vote, I should vote "yea."

The result was announced—yeas 46, nays 41, as follows:

Andrews	Green	Lucas	Russell
Ashurst	Guffey	McKellar	Schwartz
Bankhead	Harrison	Mead	Sheppard
Barkley	Hatch	Minton	Smathers
Bilbo	Hayden	Murray	Stewart
Brown	Herring	Neely	Thomas, Okla.
Caraway	Hill	Norris	Thomas, Utah
Chavez	Hughes	O'Mahoney	Truman
Connally	La Follette	Pepper	Wagner
Downey	Lee	Pittman	Walsh
Ellender	Lewis	Radcliffe	
Gillette	Logan	Reynolds	
Content of the	NA	YS-41	UNIE WHILE GLICK
Adams	Davis	King	Tobey
Austin	Donahey	Lodge	Townsend
Bailey	Frazier	Lundeen	Tydings
Bridges	George	McCarran	Vandenberg
Bulow	Gerry	McNary	· Van Nuys
Burke	Gibson	Maloney	Wheeler
Byrd	Glass	Nye	White
Capper	Gurney	Reed	Wiley
Clark, Idaho	Holman	Shipstead	
Clark, Mo.	Johnson, Calif.	Smith	
Danaher	Johnson, Colo.	Taft	
	NOT T	OTING—9	
Barbour	Byrnes	Holt	Overton
Bone	Hale	Miller	Schwellenbach
		- CONTRACTOR CONTRACTOR	

So Mr. Byrnes' motion to reconsider was laid on the table. Mr. McCarran. Mr. President, I send an amendment to the desk which I ask to have stated.

The VICE PRESIDENT. The clerk will state the amendment.

The LEGISLATIVE CLERK. It is proposed, on page 3, line 11, after the colon, to insert the title "Civil Aeronautics Authority"

Mr. McCARRAN. Mr. President, I send to the desk a letter purporting to come from the President of the United States, and ask that it be read by the clerk.

The VICE PRESIDENT. Without objection, the clerk will read.

The legislative clerk read as follows:

THE WHITE HOUSE, Washington, D. C., January 24, 1939.

To the National Aviation Forum:

Civil aviation is clearly recognized as the backlog of national defense in the Civil Aeronautics Act which set up the effective machinery for a comprehensive national policy with respect to the air.

Underlying the statute is the principle that the country's welfare in time of peace and its safety in time of war rests upon the existence of a stabilized aircraft production—an economically and technically sound air transportation system, both domestic and overseas—an adequate supply of well-trained civilian pilots and ground personnel.

This new national policy set up by the Congress views American aviation as a special problem requiring special treatment. Aviation is the only form of transportation which operates in a medium which knows no frontiers but touches alike all countries of the earth. One fact which stands out is that hardly another civil activity of our people bears such a direct and intimate relation to the national security as does civil aviation. It supplies a reservoir of inestimable value to our military and naval forces in the form of men and machines, while at the same time it keeps an industry so geared that it can be instantly diverted to the production of fighting planes in the event of national emergency.

I hope the forthcoming National Aviation Forum will give serious thought to the many phases which enter into aeronautics as a national problem.

FRANKLIN D. ROOSEVELT.

Mr. McCARRAN. Mr. President, I offer the amendment for the purpose of excluding the Civil Aeronautics Authority from the number of agencies which may be affected by an Executive order. A very good reason exists for my offering the amendment. The Civil Aeronautics Authority has been in existence about 8 months. It was created as an independent authority because the President of the United States wished that it be so created. I need not draw the attention of the Senate to the various messages which came from the President to the Congress dealing with this matter.

Mr. President, in order that the Senate may be fully advised, I wish to say that in 1934 the junior Senator from Nevada offered the first bill to create an independent authority to have control over and to regulate the affairs of civil aeronautics in America. If I may, I will go back and give a brief history of the reasons for that bill. As a member of the committee having to do with the investigation of ocean-mail and air-mail subsidies the junior Senator from Nevada became advised of the fact that civil aviation in America was being dealt with by three major departments, and perhaps four. The Post Office Department was regulating civil aviation in this country. The Post Office Department in reality held the "big stick," because the Post Office Department had the money with which to control civil aviation.

The Department of Commerce had a measure of control. There were some 2,900 employees in the Department of Commerce who were controlling to a greater or lesser extent the affairs of a great transportation agency.

The Interstate Commerce Commission, with all its employees, was also controlling civil aviation in America. By reason of the divided control, civil aviation in America was not keeping pace with civil aviation in other countries, which were going ahead of us by leaps and bounds. The result is today evidenced by the fact that other countries of the world are far ahead of America in the matter of civil aviation.

Mr. President, if we can but sustain that which we created after 4 years of desperate effort, if we can but sustain this agency as an independent agency, then we can come abreast of the rest of the world in respect to civil aviation.

There is no more important method of transportation in America today than that newest method of transportation, namely, that through the air. If we are to make air transportation subservient to some other agency, to be kicked about as a football, if you please, to be played up and down in the political life of America, then we will go backward instead of going forward as we have during the past 8 months.

Let me go a little further. The first bill that was offered by the junior Senator from Nevada was opposed by the President, because in his message he said that he would prefer to have all methods of transportation under one head, namely, the Interstate Commerce Commission. So, following his message, the junior Senator from Nevada revamped and redrafted his bill and brought the new bill before the Committee on Interstate Commerce of the Senate, and before the Senate Committee on Commerce, and then, with their approval, brought it before the body of the Senate. That bill was filibustered to death. I give credit to the able Senator from Tennessee [Mr. McKellar], the chairman of the Committee on Post Offices and Post Roads of the Senate, who was so efficient as to do that.

Then, in January 1938, the President did us the honor to call us to the White House and say that his view had changed, and that he felt that our first ideas were right; in other words, that an independent commission should have control over civil aviation in America. So, with that in mind, we redrafted our bill. It was reported favorably by the Senate Committee on Commerce. Then, after having been amended, it was passed by this body after many days of careful consideration. Through it all, Mr. President, we fought for, and the Senate and the House passed, a bill providing for an independent commission to have control over this new and greatest means of transportation.

It is now proposed to take it out of the category of an independent agency, and throw it into some other agency; I do not know where nor have I been advised. I respectfully say to the Senate that in view of many things of vital importance to our country this independent agency, created at the last session of Congress, should remain an independent agency so long as it may go forward with independent activity.

Let me say more than that. When my bill was presented at the last session of Congress civil aviation in America was about to be torn down so that in the next half century it could not find itself. Why? Because the private lending agencies of America had lost faith in civil aeronautics; the banking concerns of America had lost faith, and, having lost faith, they were not inclined to lend their money so that civil aviation might go forward.

Mr. President, I am not in a position to state how many million dollars of private investment have been made following the passage of the Civil Aeronautics Authority bill, so that civil aeronautics in America might go forward, but the total investment has been large. Investors had confidence in the industry, based upon the fact that Congress, after long deliberation, had finally passed an independent civil aeronautics authority bill, and that bill became a part of the law of America, and America and the world recognized that we were about ready to go forward and develop the greatest avenue of commerce the world has ever known, commerce by the air.

Mr. AUSTIN. Mr. President-

The PRESIDENT pro tempore. Does the Senator from Nevada yield to the Senator from Vermont?

Mr. McCARRAN. I yield.

Mr. AUSTIN. I should like to ask the Senator if his amendment is comprehensive enough so that the Air Safety Board in the Civil Aeronautics Authority could be excluded from change by the President?

Mr. McCARRAN. Mr. President, I have had that matter presented to me. It is my judgment that the Air Safety Board is under the Civil Aeronautics Authority. With that in mind we can with entire safety proceed with my amendment.

Mr. AUSTIN. The Senator then believes that the amendment is worded so that it will comprehend the Air Safety Board.

Mr. McCARRAN. That is my intention, that is my idea, that is my belief based on my study of the subject.

Mr. McNARY. Mr. President, will the Senator yield?

Mr. McCARRAN. I yield.

Mr. McNARY. I am wholly in accord with the sentiment expressed by the able Senator from Nevada, and, of course, will support his amendment. Does the Senator think that as a matter of legislation we should include in the amendment the Aeronautical Board?

Mr. McCARRAN. I am somewhat at a loss to know just what the Aeronautical Board is. However, I do not think it was included in the bill known as the civil-aeronautics bill.

Mr. McNARY. It was created before the bill offered by the Senator from Nevada. It looks into the scientific operation of aircraft, mainly from the standpoint of national defense. I think it is a coordinator between the Army and the Navy in the air. I am wondering if that agency should also be included in the Senator's amendment. I am not suggesting it. I wonder if the Senator has it in mind?

Mr. McCARRAN. I do not have it in mind. However, I wish to say that in the Appropriations Committee I have been exceedingly interested in what the Senator has said. I do not believe that the Aeronautical Board belongs to the subject which is now uppermost; and, unless the Senator insists, I hope such an amendment will not be offered.

Mr. McNARY. I will follow the judgment of the Senator from Nevada.

Mr. McCARRAN. Mr. President, I have little more to say. The Civil Aeronautics Authority is a newly created organization, having come into existence only 7 months ago. It is about ready to go forward. Today the aviation industry and

the wealth of the country which has been invested in it are looking to the Senate to see to it that we maintain that which we created 7 months ago—namely, an independent agency to remain independent and not to be thrown into the Department of Commerce. I do not know whether it would go to the Department of Commerce or to the Post Office Department.

I do not know that anyone now has in mind any line that this independent agency might follow in the reorganization. Let me say, however, that we found by experience that the Department of Commerce had accumulated some 2,900 employees in connection with this activity. We found the Department of Commerce dealing with one phase of aviation. Then we found the Post Office Department, with all the appropriations which are awarded to it, dealing with aviation from another angle. Neither of those two great agencies, if I may use a homely expression, was on speaking terms with the other as regards the control of this all-important avenue of commerce.

What is to be done? Suppose, Mr. President, that the railroads of America today were under the Department of Commerce as to one phase, under the Post Office Department as to another, under the Department of Agriculture as to another, and under the Interstate Commerce Commission as to another. Where would the railroads of America be today? Let me say in frankness that had an independent Interstate Commerce Commission been created 50 years before it was created the railroads of America would not today find themselves in the unhappy position that they occupy, as reported to the Senate and to America at large.

We were interested in creating a new agency to have control over a new and great avenue of commerce. We were interested in seeing that that agency was not tied to any political department in the Government. The Civil Aeronautics Authority has gone forward with unusual success and a marked degree of confidence on the part of the American people.

I ask that my amendment be adopted, to the end that we may keep that agency, which the Congress at its last session created as an independent agency.

Mr. MEAD. Mr. President, will the Senator yield?

Mr. McCARRAN. I yield.

Mr. MEAD. I agree with the argument being made by the distinguished Senator from Nevada. I wish to leave the thought that after much consideration on the part of Congress and as the result of a stalemate in the legislative efforts to clarify the aviation situation a commission was appointed to make an exhaustive study of the subject. That commission made the study and recommended to the Congress that an independent agency be created. The Congress approved the recommendations of the commission. The agency was set up and it is about its business, doing a fine job. Until it has the industry on its feet, nothing should be done to deter it in its work. So I agree heartily with the Senator.

Let me say further that no doubt the Civil Aeronautics Authority would have been eliminated from the reorganization bill a year ago if the situation then had been as it is now. However, we were then considering the creation of the agency, and therefore the separation of it in the bill could not be accomplished at that time.

I agree with the Senator, and I feel that his amendment

should be approved.

Mr. McCARRAN. I wish to express my gratitude to the able Senator from New York. During the past 4 years I have had many conferences with him when he was in the House, as head of the Committee on Post Offices and Post Roads. I believe he knows the subject as well as I do. I am grateful for his expression of cooperation.

Mr. President, I am not presenting my amendment as a political effort. I am appealing to the Senate to save an agency which is only getting on its feet, and not to allow it to become emmeshed in the toils of a political department. Let us adopt this amendment. Let us have it over with. Let us say to the people of America that we can go forward with a great independent agency which represents the

traffic and the commerce of the country-interstate, intrastate, and international.

Mr. GERRY. Mr. President, I do not think anything has been made more clear during the past few days of debate on the pending bill than the importance that can be attached to precedents. Precedents of extreme importance have been brought forward, as well as some of lesser importance. We have had examples of legislation which has been passed on matters of small moment, and yet those very acts have established a precedent that can be effectively used in the future. We have had other examples of precedents which have been created after much thought and due deliberation. In any case such precedents, no matter how they may arise, no matter what the reason, or the time in which they have been created, are important as arguments in the future when other precedents are about to be established.

Personally, I do not feel that we could establish a more unusual precedent, if I may use the word, than is sought to be established by the pending bill, a precedent which, to my mind, reverses the whole idea of our legislative theory. I do not see how anyone can deny that statement.

We are saying in the bill, not that the Congress shall pass legislation and that the President may veto it, not that the Congress shall take affirmative action, but that legislation which is recommended by the President under the proposed delegation of power shall become law unless the Congress votes against its becoming law.

We go even further than that; we say that it shall become law if one House agrees to the legislation. I do not see how we could go further in changing the whole theory on which our legislative system is based.

Mr. President, if there is one thing that stands out in the history of parliamentary government and in the history of free institutions, and the whole story of their development, it is the history of the fight for parliamentary control. The fight has been for the parliament, or the congress, to have power, and to increase its power. The congress, or the parliament, representing the people, fought the people's battles to obtain that power; and as the centuries went on the people recognized that it was their battle. There has been a continual growth of the power of legislative government.

Then, at times after the parliament had obtained power, we find efforts being made to grant it away and delegate it instead of the parliament itself exercising the power in its hands. Exceptions were made, and they established precedents, and they whittled down the power of the legislature, although very often those in the legislature did not realize at the time what was being done and its aftereffects. Often the legislation was passed without due deliberation and without careful thought.

That, I am afraid, is what we are doing today. There is no question in my mind that it is what we have been doing. In times of great stress there is always an urge to grant powers to the executive or to smaller bodies in order to get quick results; but when the emergency passes it is always wise to go back to the old principles and to exercise parliamentary government in the way it was intended to be exercised by the fathers, by the founders of our Government.

To my mind the test of liberalism is the test of the fight of legislative government against any delegation of power. The less powers we delegate and the more we exercise our own authority the further liberalism advances. The more they are delegated the more we admit that the legislature is not competent to govern. We admit that it is more difficult—which is true—to obtain immediate action, and probably in many cases as efficient action than if we follow the policy of not delegating power. I do not see how anybody can deny, however, that in the long run it is much wiser, it is much sounder—in fact, it is fundamental—that we exercise all the powers we have and that we be very jealous of delegating any of them.

This sort of legislation, delegating powers to the Executive to act for us, we are very apt to consider as an emergency measure or a temporary measure, or something that can be safely done now; but when we do it we are establishing a precedent. In the future we shall have other Presidents; we shall have other legislatures; and yet this precedent will come up and be used as an argument for future legislation and for future impairment of legislative power.

The balance of our three branches of government—the executive, the judicial, and the legislative—was well defined by the fathers. It was an example of political wisdom that has withstood the test of the ages. It is withstanding the test today. Therefore I cannot help doubting the wisdom of deviating from it, no matter to how small an extent.

When we go so far as even to change the whole principle by which the legislature is to act first and change it, besides, in the way that we have in this bill, so that one House alone may overcome the will of the other, I feel that I cannot support such legislation. It goes too much to the fundamentals of government.

If there ever was a time when conditions in the world were chaotic, if there ever was a time when we have a practical picture of the danger of limiting in any way parliamentary control, we have it today. I, for one, feel that the time has come when Congress, instead of yielding its functions, should jealously guard them and should see that they are maintained to the full.

Mr. AUSTIN. Mr. President, I hope the amendment offered by the Senator from Nevada [Mr. McCarran] will be agreed to by the Senate. I should like to see it agreed to unanimously, if possible. I know of no reason for transferring or abolishing the functions of a brand-new agency of government, intended to be an independent agency, having charge of probably the most important aspect of transportation with which we are concerned today, when we measure its importance by its vast opportunities of development and the relatively short life of the form of transportation.

I made certain inquiries of the Senator from Nevada because, as we have studied aeronautics here in Congress, I have always thought that the element of safety was paramount; that if there was involved a question of sacrificing human life or of health in the interest of some other consideration, such as speed, or gainful occupation, or something of the kind, we should put on the brakes. On the other hand, I believed that if there was anything we could do as legislators to render safer the development of this new form of transportation, we ought to do it. That is one reason why I was so actively interested in the bill of the Senator from Nevada and why I supported it in my rather modest and feeble way.

I think it would be a blunder—it would be a "boner," to use a common expression—not to exclude this new agency from the power of the President either to abolish its functions, or to transfer its functions, or to reduce its personnel or to increase its personnel at will. I think it would be a great blunder to put this institution at the hazard of any man's whim or any man's notion that he may bring about some economy by transferring or transforming this new agency right in the midst of a very successful and progressive beginning.

Mr. McCARRAN. Mr. President-

Mr. AUSTIN. I yield to the Senator from Nevada.

Mr. McCARRAN. First of all, I desire to draw to the attention of the able Senator from Vermont this idea, in which he has always been interested, and with reference to which we have both worked, namely, the Safety Board, the safety features of the Civil Aeronautics Authority. If I thought for a moment that the Safety Board was not completely embraced within my amendment, I should, of course, modify my amendment so as to embrace the Safety Board. But the Senator from Vermont and I were interested in working out the Safety Board as a part of and under the Civil Aeronautics Authority; so when I use the term "Civil Aeronautics Authority" in the amendment I contemplate that the Safety Board is to remain within the Civil Aeronautics Authority, and therefore not be interfered with.

I say that for the RECORD, and I say it in view of the splendid remarks of the able Senator from Vermont and of our cooperation on the subject.

Mr. AUSTIN. Mr. President, I am glad to accept the opinion of the Senator from Nevada that the Civil Aeronautics Authority comprehends all that is within the two covers of the act. I have not examined the question of interpretation at all. I accept his opinion.

I wish to have the Senate realize that in the very brief time the new Authority has been inaugurated and has started this work it has developed a plan for educating and training pilots with special reference to safety in piloting and in the transportation of passengers and commodities. The elements contained in the bill which created this Authority include provision for national defense; and the Civil Aeronautics Authority has been considered in our efforts to plan for the development of the aerial branch of our military institutions for national defense. Practically 90 percent of the bill which the Senate will have under consideration probably within 24 hours is devoted to the subject of training and educating pilots and ground crews to man the planes which are authorized in only about 10 percent of the bill to be manufactured and purchased. The Civil Aeronautics Authority is depended upon by the military branch of the Government to afford a special service with reference to the education of pilots and their training to fly with safety.

Mr. G. Grant Mason, Jr., testified before the Committee on Military Affairs on the bill, and, among other things, I cause to be inserted in the RECORD his remarks to the following effect:

Now, I would like to revert to our training program, which was announced recently by the President and the first phase of which will be put into effect during the second semester of the current school year at not to exceed a dozen selected colleges and universities throughout the country. Because funds were needed immediately to give the Authority's plan this practical try-out before attempting to launch the full-scale program of training 20,000 pilots a year, and because these funds were allocated to us from the National Youth Administration, the impression has been created in some quarters that our flight training program is a National Youth Administration project. This is a misconception that I would like to clear up once and for all. The training program was developed by the Civil Aeronautics Authority and will be carried out by the Civil Aeronautics Authority. The initial funds required—\$100,000 for the training of 300 students at educational centers selected on the basis of the pioneer work they have done in actual flight training—simply are being supplied to us by the National Youth Administration.

cational centers selected on the basis of the pioneer work they have done in actual flight training—simply are being supplied to us by the National Youth Administration.

If the results obtained between now and next June prove that our program is as sound in fact as it seems to be in theory, the training pattern developed at our selected educational demonstration centers will be applied during the 1939-40 school year at several hundred schools and colleges throughout the United States. We have estimated that the full-scale plan which calls for the training of 20,000 pilots a year will cost \$9,800,000.

Mr. President, I have just read from the hearing before the Senate Committee on Military Affairs on House bill 3791, at pages 151 and 152. There is much more of value there recorded, showing that the Civil Aeronautics Authority as an independent agency has gone right to work laying down a rational program for education, which starts now, but contemplates running far into the future, so that this civil side of our Government can cooperate with the military and naval aspects of our Government in the development of pilots, not only for private flying but also for national defense, and our bill, which the Senate will have under consideration very soon, contemplates making direct use of the Civil Aeronautics Authority in carrying out its national-defense program.

I will not now take the time of the Senate to go into it in detail. I hope time will not be required on this matter when the conference report comes before us; that it will not be necessary to go into the details of it. The Senate ought to be fully aware of what I can state to be true without any further discussion of the matter.

Mr. President, before taking my seat, I observe that whenever there is a crash of a plane, and lives are lost, publicity of that fact sweeps around the world, by radio, by announcements in the newspapers, and through other forms of communication. It is well that that is so, because it tends to make people aware of errors in construction, of the necessity of education of pilots, and those things for which the Civil Aeronautics Authority was set up. But when do we ever

hear anyone glorify the remarkable achievements in the transportation by air of passengers and of things?

Let me call attention to the simple truth that within a very short time—I cannot speak the date, but I think it was in January of this year—600 private airplanes were piloted from different sections of this continent to Miami, Fla., without a single casualty. Perhaps that was noticed by the public. In any event, I want it to be noticed now. It is evidence of the remarkable advancement made in the direction of flying in safety.

Mr. President, that is one of the preeminent objectives of setting up this independent agency, not making it a junior board, a subsidiary of some other independent agency whose objective may be of such a nature as to relegate the safety of transportation by air to a subordinate place, but a complete, independent, and major agency of the Government.

It has just begun its work, and it is working diligently. I have visited its offices within a few weeks, and have been in touch with them by telephone at other times, and I know that that agency is working early in the morning and late at night performing the function of placing its work upon a systematic basis, and carrying on with a technical undertaking.

So, Mr. President, I hope that the amendment of the Senator from Nevada will be agreed to by the Senate.

Mr. MEAD. Mr. President, I am in thorough accord with the distinguished Senator who has just yielded the floor, and I trust that the amendment put forward by the Senator from Nevada will be accepted by the committee and by the Senate.

I have been very close to the development of aviation ever since the Post Office Department advertised for the first airmail contracts, and it was very natural that aviation in its development should be divided up, insofar as authority was concerned, among several agencies of the Government before its final administration by a single agency became effective.

In the first place, back in 1919 aviation was in such a state of development that it was impossible for the Post Office Department to secure a contractor with sufficient equipment to carry the mail on a given contract. It was necessary, if we were to develop the industry in this country, that some department of Government should supervise and subsidize the development. So the Post Office Department took it upon itself, in order to determine as to the feasibility of the Air Mail Service as a service which would expedite the transportation and delivery of the mail, to make experimental tests in connection with the development of this industry.

For a time the Post Office Department itself flew the mail, under its own jurisdiction, for a while using Army pilots, then again for a while with pilots in the employ of the Postal Service. In due time the industry developed to such a point that contractors were available to bid on carrying the mail. Then, of course, it became the problem of the Congress to establish fair and reasonable rates; and from 1919 until 1926 the development of this industry was wholly within and confined to the Post Office Department.

About 1926 that great developing Department of the Government, the Department of Commerce, as a result of the enactment of legislation, took over the developing feature of the industry. Air lines were established, beacon lights were constructed, emergency fields were located, and the industry began to take on the semblance of maturity.

Later on, when many lines were established, when the rate problem became a vexing one, legislation was again enacted, back in 1934, sponsored by the distinguished Senator who has just taken his seat, and the Interstate Commerce Commission was given authority to inquire into and to establish reasonable rates for carrying the mail.

Then we had three departments of the Government administering jurisdiction over a growing, yet immature industry. Of necessity, conflict and difficulty were bound to ensue. I can recall the presence of proposed legislation in the Senate, reported from two committees, legislation sponsored by two distinguished Senators, dealing with the one

problem, while at the same time two similar bills were pending in the House of Representatives. For two full sessions of the Congress progress of the industry, insofar as legislation was concerned, was stopped in its tracks.

The President of the United States created a commission and authorized it to make a specific study of the wants and needs of this young and growing industry. As a result of that study, the present statute was brought upon the floor of the Senate and the House and enacted into law. Thus aviation became of age; it was given the dignity of having a separate, a distinct agency of government created to manage and administer its affairs. Today it is on the threshold of its greatest period of expansion, and it should be permitted to expand under the guiding genius of this creature of the Congress.

Mr. President, I do not believe the President of the United States is interested in transferring this agency to any other agency, because the very report of his commission recommended that an independent and separate agency administer aviation matters. The time may come in some future session when an agency for the control of all forms of established transportation may be given consideration, but today, and for the present, I hope that this particular agency will remain distinct, separate, and independent; that the recommendation made by the distinguished Senator from Vermont and the thought he has left with us will guide the conferees in keeping together every element of this agency, and that the amendment offered by the distinguished Senator from Nevada will be accepted unanimously by the committee and adopted by the Senate.

Mr. CLARK of Missouri. Mr. President, it is always a matter of regret to me to disagree with my friend the Senator from Nevada, for whom I have great respect and a deep affection; but it seems to me that the Civil Aeronautics Authority—

Mr. AUSTIN. Mr. President, will the Senator yield that a quorum may be called? The Senator from Nevada is not present, and I should like to call a quorum of the Senate.

Mr. CLARK of Missouri. I shall be glad to yield. I intend to speak for only a few minutes, for the purpose of putting some figures in the Record, but I yield.

Mr. AUSTIN. I suggest the absence of a quorum.

The PRESIDING OFFICER (Mr. SCHWARTZ in the chair).

The clerk will call the roll.

The Chief Clerk called the roll, and the following Senators answered to their names:

Danaher	King	Reynolds
Davis	La Follette	Russell
Donahey	Lee	Schwartz
Downey	Lewis	Schwellenbach
Ellender	Lodge	Sheppard
Frazier	Logan	Shipstead
George	Lucas	Smathers
Gerry	Lundeen	Smith
Gibson	McCarran	Stewart
Gillette	McKellar	Taft
Glass	McNary	Thomas, Okla.
Green	Maloney	Thomas, Utah
Guffey	Mead	Tobey
Gurney	Minton	Townsend
Harrison	Murray	Truman
Hatch	Neely	Tydings
Hayden	Norris	Vandenberg
Herring	Nye	Van Nuys
Hill	O'Mahoney	Wagner
Holman	Pepper	Walsh
Hughes	Pittman	Wheeler
	Radcliffe	White
Johnson, Colo.	Reed	Wiley
	Davis Donahey Donahey Downey Ellender Frazier George Gerry Gibson Gillette Glass Green Guffey Gurney Harrison Hatch Hayden Herring Hill Holman Hughes Johnson, Calif.	Davis La Follette Donahey Lee Downey Lewis Ellender Lodge Frazier Logan George Lucas Gerry Lundeen Gibson McCarran Gillette McKellar Glass McNary Green Maloney Guffey Mead Gurney Minton Harrison Murray Hatch Neely Hayden Norris Herring Nye Hill O'Mahoney Holman Pepper Hughes Johnson, Calif. Radcliffe

The PRESIDING OFFICER. Ninety-two Senators have answered to their names. A quorum is present.

Mr. CLARK of Missouri. Mr. President, as I was in process of saying when the suggestion of the absence of a quorum was made, it is always a matter of great regret to me to disagree with any proposition advanced by my friend the distinguished Senator from Nevada [Mr. McCarran], for whom I have not only a very deep respect but a very great personal affection. But, Mr. President, it seems to me that the Civil Aeronautics Authority furnishes a classical example of the evils and dangers of mushroom bureaucracy, and if there is any agency in the whole Government in connection with which it might be practical and possible to effect economy

and efficiency by merger and consolidation, it is the Civil Aeronautics Authority.

I recall that when the bill providing for the creation of the Authority was originally introduced by the Senator from Nevada, it provided that the functions in connection with civil aeronautics should be performed by the Interstate Commerce Commission.

Mr. McCARRAN. Mr. President, will the Senator yield to me to correct him at that point?

Mr. CLARK of Missouri. If I am in error, I shall be glad indeed to have the Senator correct me.

Mr. McCARRAN. My first bill, introduced in 1934, provided for an independent authority.

Mr. CLARK of Missouri. I recall that that is correct. I was in error. The bill which the last bill succeeded did provide for administration by the Interstate Commerce Commis-

Mr. McCARRAN. Mr. President, will the Senator yield again?

Mr. CLARK of Missouri. I yield.

Mr. McCARRAN. The Senator from Missouri was not here when I made my opening statement. Following the introduction of the first bill, the President sent a message to Congress in which he proposed to put all transportation facilities under one authority, namely, the Interstate Commerce Commission. Then, following the President's message, the junior Senator from Nevada introduced a bill placing the air-transportation facility under the Interstate Commerce Commission.

I stated of record previously today, and I am now stating it again so the Senator from Missouri may be advised, that in January 1938 the President called us to the White House and said that he believed we were right in our first position, and that the Authority should be an independent agency, and, with that in mind and in view, we redrafted our entire bill and made the Civil Aeronautics Authority an independent body.

I will not ask the Senator a question, but I wish this thought to be left with him: Would the Senator wish the executive department again to change its mind?

Mr. CLARK of Missouri. Mr. President, let me say to the Senator from Nevada that I voted for the bill creating the Civil Aeronautics Authority. I was one of the conferees appointed by the Vice President on that bill representing the Senate, and resigned in favor of my colleague the junior Senator from Missouri [Mr. TRUMAN].

But, Mr. President, I was recently shocked to find the extent of the expenditures which this infant Commission has already made. Senators will all recall that the act creating the Civil Aeronautics Authority was passed only in the last day or two before the end of the last session of Congress. The members of the Commission were not actually confirmed by the Senate until within the last month. Yet this infant Commission has already created a pay roll on which is carried in excess of a thousand more employees than are carried by the Interstate Commerce Commission, which has been charged with all the responsibility for the regulation of rates and of safety and of everything else that has to do with all the railroads in the United States, and which has been in existence for 40 years.

Mr. McCARRAN. Mr. President, will the Senator yield? Mr. CLARK of Missouri. I yield to the Senator from Nevada.

Mr. McCARRAN. I desire to call a matter to the attention of the able Senator, so that he may discuss it during the course of his remarks, because I have a great deal of respect for the Senator's judgment. Does the Senator from Missouri realize that the Civil Aeronautics Authority took over 2,900 employees from the Bureau of Aeronautics of the Department of Commerce, and that those employees have been carried on the pay roll of the Civil Aeronautics Authority since that time? Will the Senator, before he concludes, compare what is now paid those who were transferred to the Civil Aeronautics Authority with what they received when they were under the Department of Commerce? If he will do so, he will enlighten me.

Mr. CLARK of Missouri. Mr. President, I do not have those figures, but I know that the Bureau of Air Commerce in the old Department of Commerce was one of the most wasteful, one of the most inefficient, one of the most negligent bureaus of Government that ever existed, and that was why Congress passed the act creating the Civil Aeronautics Authority.

Mr. President, that this Commission, which has been but newly organized, needs as large a pay roll as that of the Interstate Commerce Commission, with all its far-flung activities, and needs a larger personnel, seems to me to be simply astounding. I told the Senator from Nevada that I was not going to fight his amendment, and I do not intend to do so, further than the reading of a few figures may constitute a criticism of it.

The Civil Aeronautics Authority, which has come into being since the last session of Congress, now employs in the District of Columbia 768 employees, with a pay roll of \$1,955,500. In the field it employs 2,778 employees, with a pay roll of \$5,089,228, making a total of 3,546 employees and a pay roll of \$7,044,728. In addition to that, there were 75 employees in both the District of Columbia and the field paid out of W. P. A. funds, with an annual pay roll of \$179,880.

Those figures compare with the following figures for the Interstate Commerce Commission. I do not need to expatiate on the activities of the Interstate Commerce Commission and the tremendous volume of work it has to do. The Interstate Commerce Commission employs only 2,593 persons, as against 3,546 employed by the new Civil Aeronautics Authority. The pay roll of the Interstate Commerce Commission amounts to only \$7,065,000, as against \$7,044,000 for the new Civil Aeronautics Authority. If the Civil Aeronautics Authority, in the few brief months of its existence, has made such strides as that, no one can estimate the number of employees they will have on the pay roll by the end of the next fiscal year.

Mr. President, it seems to me that if there is any agency of the Government which may require a little regulation. it is the Civil Aeronautics Authority.

Mr. CLARK of Idaho. Mr. President, will the Senator

Mr. CLARK of Missouri. I yield. Mr. CLARK of Idaho. Has the Senator from Missouri made any investigation to ascertain whether any of these employees are not needed to carry out the necessary functions of the Authority?

Mr. CLARK of Missouri. I have not had the opportunity to make such an investigation, but I say that when a Commission set up to regulate the air lines employs a far larger number of persons than the combined total of all the employees of the air lines it is set up to regulate, it is a preposterous proposition on its face. In other words, Mr. President, the number of persons on the pay roll of the Civil Aeronautics Authority is in excess of the number of persons on the pay rolls of all the air lines combined they are set up to regulate. I cannot reconcile that with efficient government.

Mr. President, I desire to detain the Senate for just one moment more in order to put into the RECORD a few figures of other commissions comparable to the Civil Aeronautics Authority. The Federal Communications Commission, having jurisdiction of great engineering problems in connection with radio, telephone, telegraph, and other forms of communication, employs only 618 persons, with a pay roll of The Maritime Commission, charged with the \$1,529,140. duty of regulating safety and rates, and of actually superintending the building of ships in the whole tremendous program of the merchant marine which has been set up, has 1,010 employees, with an annual pay roll of \$2,695,440.

It seems to me that no argument is necessary on this matter other than the statement of those figures.

Mr. REED. Mr. President, I wish to express complete agreement with everything the distinguished Senator from Missouri has said. We have heard a great deal of debate in the last few days about what ought to be included and what ought to be excluded. There is a rule of reason and reasonableness which ought to run through all these things. I agree with everything that has been said about the extravagance of Government, and the continually increasing expenses of all the bureaus which have been set up. Here is the most recently established bureau, which, according to my information, has increased the number of its employees by 1,000 in the short period of its existence.

Mr. McCARRAN. Mr. President, will the Senator yield? Mr. REED. I prefer to conclude, if the Senator from Nevada will permit me, and then he may have the floor.

Mr. McCARRAN. Will the Senator yield for a question? Mr. REED. I hope the Senator will excuse me. What I shall have to say will be very brief.

Mr. McCARRAN. I merely wanted to set the Senator right by way of a question. However, if he does not wish to be set right, it is all right with me.

Mr. REED. Very well; I yield to the Senator from Nevada. Mr. McCARRAN. Does the Senator know that the Civil Aeronautics Authority took over 2,900 employees who were enrolled under the Department of Commerce at the time the Civil Aeronautics Authority came into existence, and that it has taken over none since that time?

Mr. REED. I admit to the Senator from Nevada that my opportunity for investigation has been incomplete. However, I take the position that the Civil Aeronautics Authority is the most recent of the various bureaus which have been created under this administration, and if there is a single activity which ought to be subject to the executive branch of the Government, which ought to be available for control, limitation, adjustment, organization, and reorganization, it is the Civil Aeronautics Authority.

I hope the amendment offered by the Senator from Nevada will not prevail. Certainly this organization is an outstanding example of a bureau which ought to be under the direct and immediate control of its creator, which, of course, was Congress, but upon the recommendation of the President.

I hope the amendment will not prevail.

Mr. BYRNES and Mr. McCARRAN addressed the Chair. The PRESIDING OFFICER. The Senator from South

Mr. BYRNES. Mr. President, I should like to make a brief statement with reference to the matter under discussion.

In the House of Representatives an amendment was offered to the bill to exempt the Civil Aeronautics Authority. The amendment was defeated by a vote of 123 to 47. The amendment now offered assumes that the President is going to transfer the Authority to some other department of the Government. I have no knowledge that that is true. There is no reason for assuming it to be true. However, I must say that I am in accord with what has been said by the Senator from Missouri [Mr. CLARK]. The facts with reference to the organization are such that the Congress should be willing to leave the matter open for consideration until after we have had sufficient time to see what is done by the organization.

We all know what happened. There was a compromise in the views of those interested with reference to the subject, and the Civil Aeronautics Authority was established as the most remarkable organization in the Government. The Senator from Colorado [Mr. ADAMS] will remember that when the general counsel of the Authority came before the Appropriations Committee just about 6 weeks ago, he made the following statement in referring to the organization of which he is general counsel:

Out of that grew a rather strange organization,, consisting of an authority of five members, to which are entrusted quasi legislative and judicial functions under the act; an administrator who is an independent officer in some respects

He was not very emphatic in his statement when he said "an administrator who is an independent officer in some respects."

The fact is that the Authority is a house divided against itself. When the Appropriations Committee went into the consideration of the bill carrying an appropriation for this organization for the next fiscal year, it received requests for hearings from officials who wanted to change the language of the appropriation as it passed the House and as it was recommended by the Bureau of the Budget. When they came before the Appropriations Committee we endeavored to see what the difficulty was. We heard some officials representing the administrative functions of that organization. They wanted to change the language so that they would control the expenditure of administrative funds. The members of the Civil Aeronautics Authority, administering the regulatory features of the act, were opposed to that course. We had to have a hearing as to two different organizations within an organization.

Finally I inquired of the Director of the Budget what reason he had for submitting to Congress the language which he submitted; and I learned from him that the members of the Authority and the Administrator had been to the Director of the Budget with the same pleas and the same intraorganization fight.

Mr. CLARK of Missouri. Mr. President, will the Senator yield?

Mr. BYRNES. I yield.

Mr. CLARK of Missouri. The Senator undoubtedly is aware of the fact that there is now before the Congress a supplemental estimate for \$1,600,000 on behalf of the Civil Aeronautics Authority to bail them out for the excessive expenditures for the rest of the current year.

Mr. McCURRAN. Mr. President, will the Senator yield?

Mr. BYRNES. I yield.

Mr. McCARRAN. Does the Senator realize that never before in the history of the country was any independent organization asked to perform the functions that this independent organization has been asked to perform? This independent organization has been asked to make a survey of the entire United States with the idea of establishing airports in the several sections.

I wish to go a little further, so that the Senator may expound his thought along certain lines. I shall answer the Senator when he has concluded.

A program has been set up for this independent agency to carry out, and it has attempted to carry it out, not only under the Authority but also under the direction of Congress, with the idea that the Authority must serve the entire United States in the establishment of airports in America.

Mr. BYRNES. Mr. President, I know that; and I shall refer to it, if the Senator will permit me. Then the Senator can make reply.

The facts are as stated by the Senator from Missouri [Mr. CLARK]. In the few months of its existence, the Authority has accumulated a staff of 3,655 persons, according to the estimates. The Senator gave the exact number. It has 1,000 more employees than has the Interstate Commerce Commission. For the year 1940 the estimates provide for an additional 800 employees, so that next year the Authority will have 1,800 more employees than will the Interstate Commerce Commission.

What do we find with reference to the duties of the organization? Let us compare the regulatory features with the administrative features. With respect to the regulatory features, there is no doubt in my mind that, according to my idea of the distribution of Government organizations, the Authority should be an independent organization. But how much of the organization is regulatory and how much administrative? Of the total expenditures for the organization, those for regulatory features for the year 1939 are \$4,617,000; for maintenance and construction, \$11,333,000. For the fiscal year beginning July 1, 1939, the appropriation for regulatory features is \$5,000,000, and for maintenance and construction \$15,000,000, or a ratio of administrative to regulatory appropriations of 3 to 1.

Therefore, I have thought, in opposing the amendment, that in the case of an organization which is three-fourths administrative, whenever the President comes to make a survey of the Government departments he may well come to the conclusion, without disturbing in any way the regulatory features in which the Senator from Vermont [Mr. Austin] and the Senator from Nevada [Mr. McCarran] are interested, that the features of construction, which involve the expenditure of \$15,000,000 as against \$5,000,000, may well be administered by a department of public works, if there were one, or by some other department.

Mr. McCARRAN. Mr. President, will the Senator yield? Mr. BYRNES. I will yield in a moment. If internal dissension continues—a dissension which is known to every member of the Appropriations Committee—the President might find that it would be advisable to separate the regulatory features from the administrative features, and let the organization perform the regulatory functions in the same manner in which the Interstate Commerce Commission performs its regulatory functions, putting the construction activities into another organization. After the experience of the Appropriations Committee I said to the chairman of the Senate Committee on Commerce that the Commerce Committee should investigate the matter. The law was framed with the best intentions in the world of providing an organization which would function in a proper way, and without dissension; but if dissension is to exist to such an extent that even an appropriation bill cannot be sent to the Congress without having two sets of officers coming to see who shall have jurisdiction over the expenditure of money for expenses of traveling in the field, the Congress should reconsider the matter and determine who is boss in the Civil Aeronautics Authority. To whom must the Congress look for a statement of the Budget necessities of that organization? The Congress cannot consider the internal dissension within an organization. It cannot settle the internal row. It must rely upon its being settled in the executive department; and, if it is not done by the Chief Executive under the powers given him, the Congress should do it.

Mr. McCARRAN. Mr. President, will the Senator yield for a question?

Mr. BYRNES. I yield.

Mr. McCarran. First of all, referring back to a statement made by the Senator a moment ago, that the matter of construction might be referred to some other department, does the Senator know that in the past 4 or 5 years we have referred the construction of air fields to other departments, with a resulting loss of \$5,000,000, of which the Senator from South Carolina and myself, as members of the Appropriations Committee, are entirely cognizant?

The Senator says every member of the Appropriations Committee knows of the dissension which exists within this independent agency. I wish to say that I do not know of it, and I am a member of the committee of which the Senator is also a member.

Mr. BYRNES. Mr. President, that is true, but when the dissension occurred the Senator was in Nevada. The Senator sent me a telegram, which I presented to the committee, with reference to the matter. I know the Senator will remember that he sent me a letter about the amendment. In the first place, the Senator was not a member of the subcommittee, and could not have known of it. However, the Senator was not present in the full committee. If the Senator will recall, he sent me a telegram telling of his interest in an amendment, and because of his interest I stated on the floor of the Senator that I had no objection to the amendment offered by the Senator from Missouri.

Mr. McCARRAN. That is correct.

Mr. BYRNES. I knew the Senator would remember it. I wish the Senator had been present because it was no matter of pleasure to me. It was a matter of great disappointment to me, and I expressed that disappointment to the Chairman of the Authority, as well as to the other gentlemen representing the Authority. On the same day that the Senator from Nevada telegraphed me the Senator from Alabama presented to same request, and on the floor of the Senate I finally agreed to the amendment, which I understood represented some settlement of the differences in the Authority.

Mr. McCARRAN. Mr. President, will the Senator yield for one more question?

Mr. BYRNES. Yes.

Mr. McCARRAN. Does the Senator oppose my amendment because there is a difference of opinion within the Authority?

Mr. BYRNES. Oh, no. I say this-

Mr. McCARRAN. I take that to be the force of the Senator's argument.

Mr. BYRNES. That, partly. I say now that I oppose the amendment for the reason that when an agency of government is only one-third regulatory and is two-thirds administrative, there is no reason why it should be granted an exemption which is denied to other agencies of the Government.

Because of the President's interest in this particular agency it is my personal opinion that he has not in his mind now any idea of disturbing it; but I hope that when he investigates it, when he makes a survey, when he finds what the Appropriations Committee has found, he will give consideration to it, because of my firm conviction that something must be done about it, and that the President must do something to bring about greater accord in the administration of the act in which the Senator from Nevada has been so greatly interested.

I think, therefore, that the Civil Aeronautics Authority should not be put in the exempt class, beyond the power of the President to do anything about it hereafter should he conclude that something should be done 12 months from now, after we have had a longer time to see how the Authority functions. It should not be put beyond his power to do something about it, to place the construction features in some other department, apart from the regulatory features that are administered by the Civil Aeronautics Authority.

I say again that I have no idea what the President's views are on the subject. I have never discussed the matter with him; but I do not know any reason why an exception should be granted to this one particular agency which is in this status when it is denied to others. I am sorry I cannot agree with the Senator from Nevada about the matter.

Mr. McCARRAN. Mr. President, before the Senator leaves the floor, will he admit that this agency has quasi-judicial functions?

Mr. BYRNES. I will. I said that one-fourth of its functions for the year 1940, \$5,000,000, are quasi-judicial, and three-fourths, \$15,000,000, are administrative. I will say that were all the functions quasi-judicial, I should have no objection at all to exempting the Authority; but when it is one-fourth, \$5,000,000, quasi-judicial and three-fourths administrative, at some time between now and 1941, after there has been a survey, the Senator himself may conclude that it is wise to do something about the Authority, and he should not be denied that opportunity.

Mr. McCARRAN. Mr. President, first let me deal with the expressions of the able Senator from South Carolina in which he says that the President may change his mind about this matter.

Let me say to the Senate that for 5 years now I have been trying to bring about the establishment of an independent civil aeronautics agency. Finally, in January 1938, after the President had sent to Congress message after message on the subject, he called Representative Lea and the junior Senator from Nevada to the White House and asked them to reform the Civil Aeronautics Act in its present condition. Is he now going to change his mind again? I do not believe he is. I have enough faith in the President to believe that after 5 years of study on the part of a man who represents 130,-000,000 human beings as Chief Executive, he will not again change his mind after 7 months of Executive action on the part of an agency which he himself, by his message, created.

Mr. AUSTIN. Mr. President, will the Senator yield for a question?

Mr. McCARRAN. I yield for a question.

Mr. AUSTIN. I ask the Senator from Nevada if he can escape the clear inference, from the debate of the Senator

from South Carolina and the Senator from Missouri, that it is definitely intended to meddle with the Civil Aeronautics Authority in some way, and the further inference that it is intended to split it up. Is not that already apparent?

Mr. McCARRAN. Mr. President, I would rather have the question of the able Senator from Vermont answer itself. Then, again, I would rather have the history of this legisla-

tion answer the able Senator from Vermont.

May I repeat the history of this legislation? Let me say that in 1934 aviation in America was about to go out of existence, or, at least, to go into a chaotic condition. Three departments of the Government were attempting to control aviation. The private lending agencies of the country had refused to lend further, because they could not determine who was going to control this all-important factor of transportation. The Post Office Department, under Mr. Farley, was using it as a political club. I do not hesitate to make that statement. I make it emphatically, and I challenge the voice of any man on the floor of the Senate to deny the statement, because out of the researches throughout the country there came evidence of that fact. I say Mr. Farley was using this agency in the way I have described; but preceding Mr. Farley was Mr. Brown, also showing evidence of using this agency as a political factor.

So there is no politics in the matter. It is just a question of taking this agency out of politics. Let it be an independent agency. Let it be something that will stand out in this country in the same way that similar agencies today stand out in Germany, and in France, and in England, as the greatest agencies of commerce by way of the air. Why does aviation in these countries stand out? Because each of them long ago assigned this agency of transportation in its particular nation to an independent authority. We only had the courage to do it in the Seventy-fifth Congress. And now we want to take our agency out of that authority and put it where? Where will the investing public say that this all-

important matter is going?

Let us say that one particular line which now seeks to borrow private money comes to a lending agency and says, "We propose to put in a certain line, or to augment our service along a certain line." Immediately the question arises, "Where will this activity be tomorrow? Who will have control over you tomorrow?" The railroads could answer, "The Interstate Commerce Commission has control over us." But who will answer for the Civil Aeronautics Authority if it is transferred from an independent agency?

Mr. CLARK of Idaho. Mr. President, will the Senator

yield?

Mr. McCARRAN. I yield for a question.

Mr. CLARK of Idaho. Is it not true that the Civil Aeronautics Authority has precisely the same quasi-judicial powers with regard to air commerce that the Interstate Commerce Commission has with regard to land commerce?

Mr. McCARRAN. The Senator from Idaho is correct.

Mr. CLARK of Idaho. Then, if that is true, there cannot be any distinction between that body and the Interstate Commerce Commission with regard to exempting the Civil Aeronautics Authority from the bill.

Mr. McCARRAN. The Senator from Idaho is entirely correct. The Interstate Commerce Commission has been exempted because it has quasi-judicial functions. This Authority has quasi-judicial functions. We ask that it also be exempted

I say again, as I said earlier in the day on the floor of the Senate—I said it here so that we might think about it for a moment—that if the Interstate Commerce Commission had been in existence for 50 years before it actually came into existence the railroads of America today would not be in the bankrupt condition in which we find them. They would not be in their present condition if the regulatory powers had only grown up with them.

According to the statement made by the able Senator from Missouri and the statement made by the able Senator from South Carolina, there may be some differences of opinion in the Civil Aeronautics Authority itself; but I wonder if the

able Senator from South Carolina—if I may have his attention for a moment—or any member of the Interstate Commerce Committee now on the floor of the Senate will say that there are not differences of opinion in the Interstate Commerce Commission itself. I do not believe any Senator will deny that there are such differences of opinion. In all regulatory bodies there are differences of opinion.

I am a little astonished by the way the able Senator from South Carolina reads the record. It reminds me of someone who wants to impress a court with a phrase without reading the entire phrase. I read now from the hearings before the subcommittee of the Committee on Appropriations of the United States Senate, of which the able Senator from South Carolina and I are both members, on the independent offices appropriation bill for 1940. I read from page 76, the identical page from which the able Senator read, under the caption "Organization of Civil Aeronautics Authority":

Mr. GUTHRIE. May I explain a somewhat complicated situation, Senator Adams? The act was drawn at the time when the reorganization bill was before the Congress. The Brownlow committee had commented on the Supreme Court decision in the Humphrey case, under which the President did not have the power to remove quasi-judicial and quasi-legislative officers.

I now come to the part read by the able Senator from South Carolina; and I say again, now that I have his attention, that I am entirely astonished that an able lawyer such as he is, and an able Member of this body, should read only a part of a sentence, when the whole sentence explains the entire meaning of the man testifying before the committee.

Out of that-

Mr. Guthrie says-

grew a rather strange organization, consisting of an Authority of five members, to which are intrusted quasi legislative and judicial functions under the act; an Administrator, who is an independent officer in some respects.

Of course, the Administrator is not an independent officer at all. In no respect is he an independent officer. He never was intended to be an independent officer. He is under the Authority. The body was named the Civil Aeronautics Authority, consisting of five members, and the Administrator acts under the Authority. He is subject to the will of the Authority and always will be, so far as I am concerned.

Mr. BYRNES. Mr. President, will the Senator yield? I desire to interrupt only because the Senator is interested in the act. I certainly thought I read—in fact, I know I read—just what the Senator has read.

Mr. McCARRAN. I quoted what the Senator read, and also what he did not read.

Mr. BYRNES. I did not read the whole page. I was reading just one statement.

Mr. McCARRAN. I did not read the whole page. I read the statement.

Mr. BYRNES. The Senator is under the impression that the Administrator is under the Civil Aeronautics Authority in the administration of the act.

Mr. McCARRAN. Of course he is.

Mr. BYRNES. The Senator should be better informed about it than I am, because he is more familiar with it; but the act, in section 301, on page 14, contains this provision:

The Administrator and the Air Safety Board shall cooperate with the Authority in the administration and enforcement of this act.

I will say to the Senator that that language—not that the Administrator shall be subject to the Authority, but that the Administrator and the Board shall cooperate with the Authority—is what causes those gentlemen, according to the information I have, to conclude that no one is under the other, and that they all have equal authority; and that is responsible for the dissension. I think the trouble arises from the language I have read—and again I am not reading the whole section, but that is the sentence to which I refer:

The Administrator and the Air Safety Board shall cooperate with the Authority in the administration and enforcement of this act.

Mr. McCARRAN. Mr. President, the fact that we are dealing with a bureau which is now, from an administrative

standpoint, in the making, causes differences of opinion. But shall we destroy this all-important agency of Government simply because within the ranks of those who constitute the administrative agency there may be a difference of opinion?

Let me refer again to those who have studied this matter, none greater than the President, whom the able Senator from South Carolina assumes to represent by his statement

Mr. BYRNES. O Mr. President, I would not want the Senator to think that I know anything at all about what the President believes as to this question. I have not talked to the President about the bill.

Mr. McCarran. The President's views have been impressed by the letter I had read today, and by his message.

Mr. BYRNES. I did not want the Senator to say that I

assume to speak for the President. I do not.

Mr. McCARRAN. I will modify that.

Mr. BYRNES. I do not speak for the President.

Mr. McCARRAN. Let me say, in honor to the Senator, that it is quite prevalently reported that he is the voice of the President, and I like to have him given that credit.

Mr. BYRNES. That is very fine, because the President is said to have a wonderful voice.

Mr. McCARRAN. Yes; and the Senator from South Carolina is a wonderful man; so the two run together.

Mr. President, let me now deal with the observations made by the Senator from Missouri, in which he charged that the Civil Aeronautics Authority had become overburdened with employees. Let me remind the Senator that in the law the Authority was compelled to take over all the Federal employees in the Aeronautics Bureau of the Department of Commerce, and that Bureau, when this law came into existence, had 2,900 employees. In addition to that, this Authority, by the terms of the law, was compelled to make a survey, so that they might report to Congress on every available airport in the United States.

Mr. REYNOLDS. Mr. President, will the Senator yield?

Mr. McCARRAN. I yield.

Mr. REYNOLDS. If I recall correctly, the Senator from Missouri stated a moment ago, in making his observations to the Senate, that the Civil Aeronautics Authority at present employed approximately a thousand more men than are employed by the Department of Commerce. Is that true?

Mr. McCARRAN. Will not the Senator state that again? Mr. REYNOLDS. It is my understanding that the Senator from Missouri stated in his observations a moment ago that at the present time the Civil Aeronautics Authority employs about 1,000 more than are employed by the Department of Commerce.

Mr. McCarran. Of course, if that statement was made by the Senator from Missouri, I would deny it flatly, because the record is to the contrary. But let me say in explanation—and I have the figures before me, and will put them into the Record—that the Civil Aeronautics Authority took over from the Bureau of Air Commerce as it was in the Department of Commerce 2,778 employees. That was pursuant to law. The President wanted those employees taken over, and they were taken over.

Mr. REYNOLDS. And they were assumed initially by the

new Authority?

Mr. McCARRAN. That is correct.

Mr. REYNOLDS. In addition thereto, how many employees are there?

Mr. McCARRAN. In addition thereto there are about 375 or 400 employees.

Mr. REYNOLDS. Then, as a matter of fact, since the organization of the Civil Aeronautics Authority, the organization itself has employed only about three or four hundred new employees?

Mr. McCARRAN. That is correct; and they have now a total of 3,621 employees.

Mr. REYNOLDS. May I inquire how that compares with the total number of employees in the Department of Commerce itself? Mr. McCARRAN. I am unable to answer. I would say it is probably half; but that may be a wild guess.

Mr. REYNOLDS. May I inquire of the Senator further as to whether or not he is conversant with the number of employees under the Interstate Commerce Commission?

Mr. McCARRAN. I am not conversant with that; I cannot answer. Perhaps the Senator from Montana will answer the question. Will not the Senator from Montana enlighten the Senate as to the number of employees in the Interstate Commerce Commission, approximately?

Mr. REYNOLDS. The total number.

Mr. WHEELER. I have not the figures with me, and I would not attempt to state the approximate number.

Mr. BYRNES. The total number is 2,649.

Mr. REYNOLDS. Mr. President, I should like to be permitted to bring to the attention of the junior Senator from Nevada the fact that this Authority extends beyond continental United States; it extends into Canada, it extends to all the Territories, and, in addition, it extends to every place upon the face of the earth where we have established air lines or where American companies or financiers are about to establish air lines.

Mr. McCARRAN. Mr. President, I was about to dwell on the fact that the Civil Aeronautics Authority extends from the aurora borealis on the north to the unknown Little America on the south, and it extends from continental America to God knows where. Continental America has reached out to bring to it the commerce or the world, and I may now say, in keeping with the suggestion of the able Senator from North Carolina, that no agency in the world has ever gone so far or invested so much or taken so much upon itself as that agency, which seeks today by private investment to bring the commerce of the world to America and to take American commerce abroad.

I do not wish to mention names, I do not desire to applaud anyone, but credit is deserved by the Pan American organization, which has extended its lines throughout the entire world, and if we as a Government are lending our efforts to obtain this great spread of the commerce of the United States, and if we find ourselves employing a great number in that effort, is there any more worthy effort in all the world than that which is directed to extending the commerce of the United States at a time when we do not know where we are going or how we are going to send out our surplus products?

Mr. President, in view of the fact that it has been declared that this independent agency is a great employer of a surplus of employees, and that the Lighthouse Service of the United States today employs 5,000, let me draw the attention of the Senate to the fact that this independent agency and its facilities cover far more in territory than all the lighthouse agencies, because it extends from one end of the globe to the other, because it extends all over the United States, because in every hamlet in the United States today the people are clamoring for air facilities for the transportation of mail and for the transportation of commodities. So whatever we are expending along this line is a dollar well expended.

Mr. President, I am surprised that this organization should come in for criticism, in view of the fact that this new agency has created but a small bureau as compared with what the agency did during the years it was in existence under the Department of Commerce and under the Post Office Department. I do not want this activity to go back again under three or four political agencies. I do not want it to be destroyed. I do not want the United States to go backward a half century in air transportation. I do not want us to lose control of that which means the development of American commerce, and, at the same time, the development of American defense, because every pilot who flies a civil air line plane is a potential soldier in time of war. Every man who scans the terrain under a commercial ship is in time of war the best-equipped man to fly military planes over the same terrain. If we have expended some money in investigating that activity and developing it in our Nation, are we going to say now that we are to go backward and again put this agency under the Department of Commerce?

Not long ago the Secretary of Commerce intimated that this whole branch would come back under him again. I hope that will never take place, because I do not want to place it under Mr. Hopkins for the reason that I do not want to burden him. In his great responsibility of developing commerce in the world I would not want to burden him with something which was foreign to his particular department. It was a burden to the Department of Commerce under former Secretaries. It should stand alone, and by itself.

Nor would I want it to be placed under the Post Office Department, because the Post Office Department is an institution entirely foreign to a commercial line. The Post Office Department should not control the railroads. If it should not control the railroads, then why should it control the air lines of the country? It may well see to it that air lines are developed—and that is the provision of the bill, that air lines may be so developed that air mail may be delivered to the various sections of the country.

Let this agency stand aloof from every political agency in the country, so that no one department of Government may be held responsible, and if there be differences of opinion within the agency, Congress, the power which created the independent facility, may rectify and arrange so that the differences may not exist.

Mr. President, I ask for the yeas and nays on the amend-

Mr. AUSTIN. Mr. President, some statements made today seem to have excited Senators to form a quick judgment regarding the pending amendment. I understood the statement of the Senator from Missouri [Mr. CLARK], which seemed to excite certain Senators, to be to the effect that the Civil Aeronautics Authority employs more men than are employed by all of the air lines together. Is that correct, I The Senator from Missouri does not seem to be present.

Mr. BARKLEY. Mr. President, my recollection of the statement of the Senator from Missouri is that he said that the Civil Aeronautics Authority has more employees than all of the air lines of the United States combined.

Mr. AUSTIN. Mr. President, that is exactly the way I understood the statement. I observe that the Senator from Missouri is not present, and therefore I hesitate to make a statement, but I have been informed within a few moments of the number of employees the American air lines have, and I have been told the number of employees of some three other air lines.

The American Airline employs just under 2,000, the United Airlines employ about 2,000; the T. W. A. employs about 1,500; the Eastern Airlines employ about 1,400. That makes 7,000 employees. That alone should satisfy Senators who reacted so suddenly that the statement was slightly incorrect

I call attention to the fact that I have named only four out of a great number of air lines, and the employees of the other lines should be added to this group in order to indicate how inaccurate it is to oppose the amendment on a statement of such a character.

Mr. President, I ask leave to have inserted in the RECORD at this point in my remarks the short statement contained at page 154 and following of the hearings before the Committee on Military Affairs of the Senate, a statement by Mr. Mason regarding the activity of the Civil Aeronautics Authority in education for safe flying.

The PRESIDING OFFICER. Is there objection?

There being no objection, the statement was ordered to be printed in the RECORD, as follows:

CIVIL AERONAUTICS AUTHORITY

Washington, D. C., January 15, 1939.
Working details of the initial phase of its plan to give flight training to 20,000 students a year in the schools and colleges of the country were sent today by the Civil Aeronautics Authority to 13 educational institutions in widely separated parts of the United States which will give the program a practical try-out during the second semester of the current school year.

The schools were chosen on the basis of pioneer work they have done in aeronautical engineering and in actual flight training of

their students, as well as on their informal assurance to the Authority of their eagerness to participate in this project. Eight of the schools selected were named some time ago by the

Authority of their eagerness to participate in this project.

Eight of the schools selected were named some time ago by the Authority, and to this list were added today the names of the University of Michigan, the University of North Carolina, the University of Kansas, and San Jose State College and Pomona Junior College in California. A total of 330 students between 18 and 25 will be selected for training in the entire group of schools with \$100,000 in National Youth Administration funds allocated for the purpose by President Roosevelt when he announced the flight-training program on December 27. The President last week included in his national-defense message to Congress a request for a special appropriation of \$10,000,000 to be used by the Civil Aeronautics Authority in the training of 20,000 student pilots during the 1939-40 school year if results obtained between now and next June demonstrate the soundness of the Authority's program.

This full-scale program would require the participation of several hundred schools and colleges in all parts of the country. Eventually, it is believed that flight training under the Authority's plan can be given not only to those actually attending schools and colleges, but through properly supervised extension courses, to qualified young men and young women in all walks of life.

In a letter sent to presidents of colleges and universities which are expected to carry out the demonstration phase of its training program, the Authority disclosed that the Army Air Corps, which has given its fullest cooperation since the plan was first conceived, because of the national-defense value of the reservoir of trained filers the Authority is attempting to create, will have its flight surgeons give free physical examinations to all students selected for training. School authorities, however, have been advised that their own physicians should conduct preliminary weeding-out examinations in order to spare the Army's flight surgeons an unnecessary burden of work. A list of physical standard

warded to the educational institutions concerned.

The Authority revealed in its letter that participating colleges and universities which do not already offer flying training as a regular curricular or extracurricular activity are expected to follow in general the example of institutions that have pioneered in this field by arranging with qualified flying instructors now operating on airports within easy reach of their campuses to give the necessary flight instruction with their own planes.

As a means of insuring the wholehearted interest of the students themselves by requiring personal financial participation, it is felt that a nominal laboratory fee should be charged those taking the course.

"It is the Authority's feeling," the letter said, "that the individual schools and colleges participating in this plan should nominate the flight instructors they wish to engage and make all necessary arrangements with them, though such instructors and their equipment, of course, must be approved by the Civil Aeronautics Authority's inspectors before they can take part in our training plan."

The Authority indicated its belief that the schools selected al-

The Authority indicated its belief that the schools selected already are giving instruction in aeronautical engineering and other subjects directly related to flight training which is at least equivalent to the Civil Aeronautics Authority's requirements for ground-school training as a preliminary to actual flight instruction. It included with its letter, however, a copy of its approved ground-school curriculum as a guide to school authorities in making any minor adaptations of or additions to their existing courses which may be necessary to meet these standards.

may be necessary to meet these standards.

"In connection with the actual flight-training program," the Authority's letter said, "we are instituting a special controlled-instruction course differing materially from the general training now required for a private pilot's license, though generally similar to that required in flying schools whose curricula have been formally approved by the Civil Aeronautics Authority. This course calls for an initial period of 8 hours dual instruction plus 9 hours of dual check time by the instructor and 18 hours of solo flying time for the student, the dual check time to alternate with the student's solo flying on the basis of 30 minutes check flying for each hour of solo. It is felt that this type of instruction not only will result in a much higher degree of safety than now exists in private flight instruction where such supervision is not exercised, but that it will enable all candidates to pass with ease the required test for a private pilot's certificate at the end of 35 hours' instruction.

"As a special incentive to instructors selected under the Author-

"As a special incentive to instructors selected under the Authority's program it is intended, however, to pay for the training of each student on the basis of 50 hours' instruction with the understanding that only 35 hours' training need be given, if the student at the end of this time passes his examination for a private pilot's certificate."

A complete list of the educational institutions selected to par-A complete list of the educational institutions selected to participate in the first phase of the Authority's program follows: Purdue University, University of Alabama, University of Minnesota, University of Washington, Massachusetts Institute of Technology, Texas Agricultural and Mechanical College (Arlington, Tex., branch), Georgia School of Technology, New York University, University of Michigan, University of North Carolna (State college at Raleigh), University of Kansas, San Jose State College, Pomona Junior College.

Senetar August This is the speech Mr. Meson, and this is the

Senator Austin. This is the speech, Mr. Mason, and this is the release [indicating]?
Mr. Mason. Yes.

The PRESIDING OFFICER (Mr. Brown in the chair). The question is on agreeing to the amendment offered by the Senator from Nevada [Mr. McCarran].

Mr. McNARY. I ask for the yeas and nays.

The yeas and nays were ordered.

Mr. BYRNES. I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk called the roll, and the following Senators answered to their names:

Adams	Danaher	Johnson, Calif.	Reed
Andrews	Davis	Johnson, Colo.	Revnolds
Austin	Donahey	King	Russell
Bailey	Downey	La Follette	Schwartz
Bankhead	Ellender	Lee	Schwellenbach
Barkley	Frazier	Lodge	Sheppard
Bilbo	George	Logan	Shipstead
Bone	Gibson	Lucas	Smith
Borah	Gillette	McCarran	Stewart
Bridges	Glass	McNary	Taft
Brown	Green	Maloney	Thomas, Okla.
Bulow	Guffey	Mead	Thomas, Utah
Burke	Gurney	Minton	Tobey
Byrd	Harrison	Murray	Townsend
Byrnes	Hatch	Neely	Truman
Capper	Hayden	Norris	Tydings
Chavez	Herring	Nye	Vandenberg
Clark, Idaho	Hill	Overton	Van Nuys
Clark, Mo.	Holman	Pepper	White
Connally	Hughes	Radcliffe	Wiley

The VICE PRESIDENT. Eighty Senators have answered to their names. A quorum is present.

The question is on what is known as the McCarran amendment. The yeas and nays have been ordered. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. McKELLAR (when his name was called). On this vote I have a pair with the senior Senator from Montana [Mr. Wheeler], and therefore withhold my vote.

The roll call was concluded.

Mr. MINTON. The Senator from Utah [Mr. King] is paired with the Senator from New Jersey [Mr. Barbour].

The Senator from Massachusetts [Mr. Walsh] is detained at a meeting of the Naval Affairs Committee. I am advised that if present and voting he would vote "nay."

The Senator from West Virginia [Mr. Holt] is detained because of illness in his family.

The Senator from Arizona [Mr. Ashurst], the Senator from Utah [Mr. King], the Senator from Illinois [Mr. Lewis], and the Senator from Wyoming [Mr. O'Mahoney] are detained in committee meetings.

The Senator from Arkansas [Mrs. Caraway], the Senator from Nevada [Mr. PITTMAN], and the Senator from New York [Mr. Wagner] are detained on departmental matters.

The Senator from New Jersey [Mr. Smathers], the Senator from Minnesota [Mr. Lundeen], and the Senator from Montana [Mr. Wheeler] are absent on official business.

The Senator from Arkansas [Mr. MILLER] is attending a conference on flood-control matters.

Mr. BYRNES. I have a general pair with the Senator from Maine [Mr. Hale], which I transfer to the Senator from New Jersey [Mr. Smathers], and vote "nay."

The result was announced—yeas 38, nays 41, as follows:

The result	was announced-	-yeas so, nays	41, as 10110ws.
	YE	AS-38	
Austin Bailey Bone Borah Bridges Burke Byrd Capper Clark, Idaho Danaher	Davis Donahey Frazier Gibson Gillette Glass Gurney Holman Johnson, Calif. Johnson, Colo.	Lodge McCarran McNary Mead Murray Nye Radcliffe Reynolds Shipstead Smith	Taft Tobey Townsend Tydings Vandenberg Van Nuys White Wiley
	NA'	YS-41	
Adams Andrews Bankhead Barkley Bilbo Brown Bulow Byrnes	Downey Ellender George Green Guffey Harrison Hatch Hayden	La Follette Lee Logan Lucas Maloney Minton Neely Norris	Russell Schwartz Schwellenbach Sheppard Stewart Thomas, Okla. Thomas, Utah Truman

Connally

Hughes

Overton Pepper

NOT VOTING-17

Ashurst	Holt	Miller	Walsh
Barbour	King	O'Mahoney	Wheeler
Caraway	Lewis	Pittman	
Gerry	Lundeen	Smathers	
Hale	McKellar	Wagner	

So Mr. McCarran's amendment was rejected.

The VICE PRESIDENT. The question is on the engrossment of the amendments, and the third reading of the bill.

Mr. BYRNES. Mr. President—

The VICE PRESIDENT. Does the Senator from South Carolina desire recognition before action is taken on the engrossment of the amendments and the third reading of the bill?

Mr. BYRNES. Mr. President, I do not see the Senator from Wyoming [Mr. O'MAHONEY] on the floor of the Senate at the moment. I desire to ask whether or not the amendments he previously referred to have been offered.

The VICE PRESIDENT. The Chair is advised that the amendments have not been offered.

Mr. BYRNES. I offer the amendments.

The VICE PRESIDENT. The amendments will be stated. Mr. BYRNES. Mr. President, the Senator from Wyoming is now on the floor.

The VICE PRESIDENT. The amendments have been offered. Does the Senator from South Carolina now withdraw them?

Mr. BYRNES. Mr. President, I withdraw the amendments. Mr. O'MAHONEY. I send forward an amendment and ask to have it stated.

The VICE PRESIDENT. The amendment will be stated. The CHIEF CLERK. On page 2, line 11, it is proposed to strike out the words "or such functions thereof."

The VICE PRESIDENT. The question is on agreeing to the amendment.

The amendment was agreed to.

Mr. O'MAHONEY. I send forward another amendment which I ask to have stated.

The VICE PRESIDENT. The amendment will be stated. The CHIEF CLERK. On page 4, line 21, it is proposed to strike out the words "or the functions thereof" and to insert in lieu thereof a comma and the words "all of whose functions have been transferred pursuant to paragraph (a) of this section."

The VICE PRESIDENT. The question is on agreeing to the amendment.

The amendment was agreed to.

The VICE PRESIDENT. The question is on the engrossment of the amendments and the third reading of the bill.

The amendments were ordered to be engrossed and the bill to be read a third time.

The bill was read the third time.

The VICE PRESIDENT. The question is, Shall the bill pass?

Mr. BARKLEY and Mr. McNARY asked for the yeas and

The yeas and nays were ordered, and the Chief Clerk called the roll.

Mr. BYRD. I desire to announce a pair between the Senator from Montana [Mr. Wheeler], who is unavoidably detained, and the Senator from New Jersey [Mr. Barbour]. If the Senator from Montana were present, he would vote "yea," and if the Senator from New Jersey were present he would vote "nay."

Mr. BYRNES (after having voted in the affirmative). I have a general pair with the Senator from Maine [Mr. Hale]. I transfer that pair to the Senator from New Jersey [Mr. SMATHERS], and will allow my vote to stand. If the Senator from New Jersey were present, he would vote "yea." If the Senator from Maine were present, he would vote "nay."

Senator from Maine were present, he would vote "nay."
Mr. LEWIS. The Senator from Arkansas [Mrs. Caraway],
the Senator from New Jersey [Mr. Smathers], and the Senator from Massachusetts [Mr. Walsh] are detained at Government departments on official business. I am advised that if
present and voting they would vote "yea."

The Senator from West Virginia [Mr. Holf] is detained because of illness in his family.

The Senator from North Carolina [Mr. BAILEY] is unavoidably detained, and the Senator from Arkansas [Mr. MILLER] is absent, attending a conference on flood-control matters.

Mr. WHITE. I announce the unavoidable absence of my colleague the senior Senator from Maine [Mr. HALE]. If he were present, he would vote "nay" on the passage of the bill. The result was announced—yeas 63, nays 23, as follows:

YEAS-63

Adams	Donahey	Lewis	Reed
Andrews	Downey	Logan	Reynolds
Ashurst	Ellender	Lucas	Russell
Bankhead	George	McCarran	Schwartz
Barkley	Gillette	McKellar	Schwellenbach
Bilbo	Green	Maloney	Sheppard
Bone	Guffey	Mead	Shipstead
Brown	Harrison	Minton	Smith
Bulow	Hatch	Murray	Stewart
Burke	Hayden	Neely	Taft
Byrd	Herring	Norris	Thomas, Okla.
Byrnes	Hill	O'Mahoney	Thomas, Utah
Chavez	Hughes	Overton	Truman
Clark, Idaho	Johnson, Colo.	Pepper	Van Nuys
Clark, Mo.	La Follette	Pittman	Wagner
Connally	Lee	Radcliffe	
CONTRACTOR OF THE PARTY OF THE	NA	YS-23	
Austin	Frazier	King	Townsend
Borah	Gerry	Lodge	Tydings
Bridges	Gibson	Lundeen	Vandenberg
Capper	Gurney	McNary	White
Danaher	Holman	Nye	Wiley
Davis	Johnson, Calif.	Tobey	
Davis		OTING—10	
Bailey	Glass	Miller	Wheeler
Barbour	Hale	Smathers	
Caraway	Holt	Walsh	

So the bill H. R. 4425 was passed.

THE NATIONAL DEFENSE-CONFERENCE REPORT

Mr. LEWIS. Mr. President, I ask the Chair to lay before the Senate the conference report on House bill 3791, the military aviation bill, which lies on the table, and that it be considered at this time.

Mr. BARKLEY. Mr. President, I have no objection to bringing up the conference report at this time. If it does not involve very much debate we might consider it this afternoon. Otherwise, I ask that it go over until tomorrow.

Mr. LEWIS. I am informed that that which was controversial has been settled. The Senator from Missouri [Mr. CLARK] informs me that his objection is now satisfied. The Senator from Kentucky [Mr. Logan] and the Senator from Vermont [Mr. Austin], the other two conferees, may inform the Senate if there is any objection.

Mr. BARKLEY. I had indicated that at the conclusion of the consideration of the bill which we have had under consideration all week I intended to move that the Senate adjourn until tomorrow. If the conference report does not involve any debate, I have no objection to its consideration.

Mr. LEWIS. If it does, I shall withdraw the request. Mr. LOGAN. Mr. President, this is a very important The report should have been agreed to sometime ago. The House is very urgent about it, and so is every

one else. I do not think there is any objection. Mr. BARKLEY. I do not object to the report being brought up now. It is a privileged matter anyway.

The VICE PRESIDENT. Is there objection to the present consideration of the conference report?

There being no objection, the Senate proceeded to consider the report of the committee of conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H. R. 3791) to provide more effectively for the national defense by carrying out the recommendations of the President in his message of January 12, 1939, to the Congress.

The report is as follows:

The committee of conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H. R. 3791) to provide more effectively for the national defense by carrying out the recommendations of the President in his message of January 12, 1939, to the Congress, having met, after full and free conference, have agreed to recommend and do recommend to their respective Houses as follows: tive Houses as follows:

That the Senate recede from its amendments numbered 2, 4, 7, 8, 9, 10, 11, 12, 13, 14, 21, 24, 26, 27, 28, 29, 30, 31, 32, 33, 34, 35, 36, and 37.

That the House recede from its disagreement to the amendments of the Senate numbered 1, 3, 6, 15, 16, 17, 18, 19, 20, 22, 23, and 25, and agree to the same.

That the House recede from its disagreement to the amendment of the Senate numbered 5, and agree to the same with an amendment as follows: In Ileu of the language proposed to be inserted by the Senate amendment insert the following: "one or more of which shall be designated by the Civil Aeronautics Authority for the training of any Negro air pilots,"; and the Senate agree to the

That the House recede from its disagreement to the amendment of the Senate numbered 38, and agree to the said amendment with an amendment as follows: In lieu of the language proposed to be

of the Senate numbered 38, and agree to the said amendment with an amendment as follows: In lieu of the language proposed to be inserted by the Senate amendment insert the following:

"SEC. 14. All the provisions of section 3 of the act of March 27, 1934, as amended (48 Stat. 505; 49 Stat. 1926), and as amended by this section, shall be applicable with respect to contracts for aircraft or any portion thereof for the Army to the same extent and in the same manner that such provisions are applicable with respect to contracts for aircraft, or any portion thereof for the Navy: Provided, That the Secretary of War shall exercise all functions under such section with respect to aircraft for the Army which are exercised by the Secretary of the Navy with respect to aircraft for the Navy: Provided further, That section 3b of the act of March 27, 1934 (48 Stat. 505), as amended (49 Stat. 1926; 34 U. S. C., Supp. IV, 496), is hereby further amended by inserting in the first sentence after the words "for the construction and/or manufacture of any complete naval vessel or portion thereof, and in excess of 12 per centum of the total contract prices for the construction and/or manufacture of any complete aircraft or portion thereof"; by inserting in the first proviso after the words "That if there is a net loss on all such contracts or subcontracts" the words "for the construction and/or manufacture of any complete naval vessel or portion thereof"; and the interior at the conference of the Serveries of the construction and vessel or portion thereof"; and the interior of the construction and/or manufacture of any complete naval vessel or portion thereof." construction and/or manufacture of any complete naval vessel or portion thereof,"; and by inserting at the end of the first proviso after the words "income taxable year" a comma and the words "not that if there is a net loss, or a net profit less than 12 per centum, as aforesaid, on all such contracts or subcontracts for the construcaforesaid, on all such contracts or subcontracts for the construction and/or manufacture of any complete aircraft or portion thereof completed by the particular contractor or subcontractor within any income taxable year, such net loss or deficiency in profit shall be allowed as a credit in determining the excess profit, if any, during the next succeeding four income taxable years, and that the method of ascertaining the amount of excess profit, initially fixed upon, shall be determined on or before June 30, 1939": Provided further, That when aircraft are procured by the Secretary of War as a result of competitive bids requiring the submission of sample aircraft with bid, the Secretary is authorized, in his discretion, to purchase sample aircraft of competitors to whom an award is not made, not more than one each from not more than three such competitors, in order of merit, at prices not exceeding 75, 60, and 50 per centum, respectively, of the cost applicable in the opinion of the Secretary to the development and manufacture of such sample aircraft."

And the Senate agree to the same.

And the Senate agree to the same.

J. HAMILTON LEWIS, M. M. LOGAN, M. M. LOGAN,
WARREN R. AUSTIN,
Managers on the part of the Senate.
A. J. MAY,
EWING THOMASON,
DOW W. HARTER,
W. G. ANDREWS,
DEWING SHOPE DEWEY SHORT Managers on the part of the House.

The VICE PRESIDENT. The question is on agreeing to the conference report.

Mr. LA FOLLETTE. Mr. President, will the Senator from Illinois [Mr. Lewis] inform the Senate what disposition was made of the amendment offered by the senior Senator from Kentucky [Mr. BARKLEY]?

Mr. LEWIS. That amendment was not agreed to, and therefore is not now in the bill.

Mr. LA FOLLETTE. Does the Senator mean that the amendment was eliminated altogether?

Mr. LEWIS. The amendment has been eliminated alto-

Mr. LA FOLLETTE. I merely wish to say that I hope the employees of the country, the wage earners of the country, will appreciate that the treatment of the amendment offered by the Senator from Kentucky, which would afford protection to those employed in plants where munitions of war are to be purchased, is merely a foretaste of what will happen to labor in this country and to the legislation which has been erected for its protection if the United States should become involved in another war.

Mr. LEWIS. Mr. President, I ask for action upon the | report.

The VICE PRESIDENT. Without objection, the conference report is agreed to.

PRINTING OF HEARINGS BEFORE SPECIAL COMMITTEE ON TAXATION OF GOVERNMENTAL SECURITIES AND SALARIES

Mr. HAYDEN. Mr. President, from the Committee on Printing, I report back favorably, without amendment, Senate Concurrent Resolution 6 and ask unanimous consent for its present consideration.

There being no objection, the concurrent resolution (S. Con. Res. 6) submitted by Mr. Brown on March 7, 1939, was considered and agreed to, as follows:

Resolved by the Senate (the House of Representatives concurring), That in accordance with paragraph 3 of section 2 of the Printing Act approved March 1, 1907, the Special Committee on Taxation of Governmental Securities and Salaries of the Senate be, and is hereby, authorized and empowered to have printed for its use 1,000 additional copies of the hearings held before said committee during the current session on the resolution (S. Res. 303, 75th Cong.) establishing a Special Committee on the Taxation of Governmental Securities and Salaries.

ORDER OF BUSINESS

Mr. GEORGE. Mr. President, I desire to ask the Senator from Kentucky if it is his purpose at this time to move to

Mr. BARKLEY. Yes. I was planning to state to the Senate that it is my purpose to move to adjourn until noon

The Senator from South Carolina [Mr. SMITH] has indicated his desire to take up a cotton bill which is on the calendar, and which has been reported from the Committee on Agriculture and Forestry. I do not know anything about the merits of the measure, but the Senator is entitled to move for its consideration and to have it considered. I think that is about the only business which will be before the Senate tomorrow, except a possible call of the calendar. The Senator from Georgia [Mr. George] has a resolution lying on the table which he indicated he desires to have considered tomorrow.

Mr. GEORGE. I certainly shall bring it up tomorrow, if possible. I shall bring it up during the morning hour, and hope to obtain final consideration of it before the morning

Mr. BARKLEY. Also, I am informed by the Committee on Appropriations that no appropriation bill is now ready for the consideration of the Senate.

Mr. SMITH. Earlier in the day I spoke to the Senator from Kentucky about taking up the bill to which reference has been made. He indicated that perhaps the military appropriation bill might be ready tomorrow. Since he has indicated that it is not, I shall move tomorrow to proceed to the consideration of Senate bill 1303, which has been reported from the Committee on Agriculture and Forestry.

Mr. CONNALLY. Mr. President, I inquire of the Senator from Kentucky when he expects to have a call of the calendar.

Mr. BARKLEY. We shall have a call of the calendar tomorrow during the morning hour, if possible, or at the very earliest opportunity.

Mr. CONNALLY. I hope the Senator will do so, because it has been a number of days since there has been such a call.

Mr. BARKLEY. I realize the importance of calling the calendar at an early date.

Mr. SMITH. Mr. President, I do not intend to discuss the matter; but I ask unanimous consent that the Senate now proceed to the consideration of Senate bill 1303, to amend the Agricultural Adjustment Act of 1938, as amended, with respect to cotton.

Mr. KING. Mr. President, I ask the Senator why he does not defer that motion until tomorrow. Some of us may want to object to the consideration of the measure at this

Mr. SMITH. Mr. President, all I have to say is that I think every Member of this body ought to recognize the condition in which agriculture finds itself. When the bill is under discussion I shall give some figures to show that we have been talking about the forgotten man. He has the least resistance, and therefore he gets the butt of everything that is done here.

Mr. BARKLEY. The Senator will lose no rights by letting the matter go over until tomorrow.

Mr. SMITH. Oh, yes, Mr. President; I am perfectly willing to let it go over until tomorrow, as everything else that pertains to the farmer goes over.

EXECUTIVE SESSION

Mr. BARKLEY. I move that the Senate proceed to the consideration of executive business.

The motion was agreed to; and the Senate proceeded to the consideration of executive business.

EXECUTIVE REPORT OF A COMMITTEE

Mr. McKELLAR, from the Committee on Post Offices and Post Roads, reported favorably the nomination of Haden H. Phares to be postmaster at Clinton, La., in place of R. A. Dilly, removed, which was ordered to be placed on the Executive Calendar.

THE CALENDAR

The PRESIDING OFFICER (Mr. Van Nuys in the chair). If there be no further reports of committees, the clerk will state the nominations on the calendar.

POSTMASTERS

The legislative clerk proceeded to read sundry nominations of postmasters.

Mr. McKELLAR. I ask that the nominations of postmasters be confirmed en bloc.

The PRESIDING OFFICER. Without objection, it is so ordered. That completes the calendar.

ADJOURNMENT

Mr. BARKLEY. As in legislative session, I move that the Senate adjourn.

The motion was agreed to; and (at 4 o'clock and 3 minutes p. m.) the Senate adjourned until tomorrow, Thursday, March 23, 1939, at 12 o'clock meridian.

CONFIRMATIONS

Executive nominations confirmed by the Senate March 22 (legislative day of March 16), 1939

MONTANA

Lewis W. Fetterly, Eureka. John R. Kruger, Plains.

Albert J. Dorris, Thompson Falls.

OREGON

Ann B. Heydon, Valsetz.

PENNSYLVANIA

Millie E. Moore, Westover.

WISCONSIN

Vincent J. Dwyer, Alma Center.

HOUSE OF REPRESENTATIVES

WEDNESDAY, MARCH 22, 1939

The House met at 12 o'clock noon.

The Chaplain, Rev. James Shera Montgomery, D. D., offered the following prayer:

Blessed art Thou, O Lord God of heaven and earth. Incline our hearts to keep Thy law. Help us to accept our joys as Thy blessings, our duties as Thy commands, and our sorrows as Thine appointments. Endue us with such a strong faith that shall enable us to believe that Thou wilt turn that which seems harmful to us into everlasting good. So influence our wayward wills that we shall not walk in selfish ways, nor forget the bonds which bind us one to another. For Thy goodness and mercy, for the opportunity of service, for love and sympathy, we thank Thee. Of all this wondrous world we see, Thou art, O God, its life and light; all things fair and bright declare Thy glory. Dear Lord, forgive our failures and keep us ever Thine; so shall we be rich, indeed. Through Christ our Saviour. Amen,

The Journal of the proceedings of yesterday was read and approved.

EXTENSION OF REMARKS

Mr. SMITH of Washington. Mr. Speaker, I ask unanimous consent to extend my own remarks in the RECORD and include therein an address I delivered by electrical transcription at Washington, D. C., on March 16, 1939, and a short letter written to me by a constituent.

The SPEAKER. Is there objection to the request of the gentleman from Washington?

There was no objection.

Mr. Sabath asked and was given permission to extend his own remarks in the RECORD.

PERMISSION TO ADDRESS THE HOUSE

Mr. RICH. Mr. Speaker. I ask unanimous consent to address the House for 1 minute.

The SPEAKER. Is there objection to the request of the gentleman from Pennsylvania?

There was no objection.

Mr. RICH. Mr. Speaker, I call to your attention the enormous amount of propaganda now being sent to Members of Congress in behalf of the additional one hundred and fifty million for relief, so urgently requested by the President in his three messages to Congress. Who is behind it? I refer you to letters I received from C. I. O. affiliates:

(1) The United Federal Workers of America, affiliated with Congress of Industrial Organizations, 532 Seventeenth Street

NW., Washington, D. C.

(2) Pennsylvania Industrial Union Council, affiliated with

C. I. O., Dauphin Building, Harrisburg, Pa.

(3) A thousand circulars from Workers' Alliance of Pennsylvania, collective-bargaining agency for unemployed and W. P. A. workers, 315 Market Street, Harrisburg, Pa., stating, "Save W. P. A. jobs," and so forth; "Mr. Congressman, either," and so forth; "or," and so forth.

(4) Mr. Speaker, I received in a franked envelope from Philadelphia, Pa., postmarked March 21, 1939, from the Works Progress Administration, housekeeping aide project, 534 North Orianna Street, Philadelphia, Pa., marked "Official

business," the following:

SAVE W. P. A. JOBS

President Roosevelt has acted to stop all W. P. A. lay-offs and save W. P. A. jobs by requesting Congress to appropriate \$150,000,000 more for W. P. A.

If this money is not appropriated, 100,000 W. P. A. workers in Pennsylvania will lose their jobs.

Either: You support the request for an additional \$150,000,000

for W. P. A.

Or: I will hold you personally responsible if W. P. A. workers are laid off; if unemployment increases; if business suffers in the dis-

trict you represent.

W. P. A. Ed. and Rec., Delaware County, Pa.; Helen W. Fulweiler, Orchard, Lower Rose Valley; Priscilla Jenkins, 1721 Bainbridge Street; Rose F. M. Serwazi, 2735 Somerset Street; Andrew Falcone, 731 South Twelfth Street; Margaret Craig, 5031 Market Street; Anne M. Duffy, 2335 North Seventeenth Street; Marie F. Walter, 3322 North Fifteenth Street; Mary White, 2112 South Fifty-seventh

Also, Mr. Speaker, I herewith submit an article from the Erie Dispatch-Herald, of Erie, Pa., Monday, March 20, 1939, showing how they are intimidating the State legislators in Pennsylvania:

PICKET LINE TO PROTEST BILL-WORKERS' ALLIANCE TO FIGHT RELIEF MEASURE

Protesting against a bill which would allow county relief boards to assign relief recipients to jobs on various types of public works, members of the Workers' Alliance this afternoon were planning to picket the home of East County Assemblyman John Van Allsburg at North East.

Heading the picket line will be Joseph Kress, State president of the Pennsylvania Workers' Alliance, who is here to address a meet-ing of his organization in C. I. O. headquarters at Eleventh and State Streets this evening.

Kress attacked the bill, which Van Allsburg this morning announced would shortly be introduced before the State legislature, claiming that such a measure would fail to provide "adequate and humane relief as promised by the James' administration."

He declared that it would mean that a single man would be forced to work for perhaps an entire week for \$4.40.

Kress also stated that his organization is definitely opposed to the

county board system of relief administration because of the politi-cal dangers that such a system would involve.

The Van Allsburg home on Buffalo Road is to be picketed for several hours, Kress told the Dispatch-Herald.

Mr. Speaker, it is propaganda of the worst sort, and the people of this country certainly will resent such propaganda to get easy money. Gentlemen, we need jobs at good, hard work for 8 hours a day, and they can be had if we all put our shoulder to the wheel and help private industry. [Applause 1

EXTENSION OF REMARKS

Mr. BREWSTER. Mr. Speaker, I ask unanimous consent to extend my own remarks in the RECORD and include therein an address I delivered last night.

The SPEAKER. Is there objection to the request of the gentleman from Maine?

There was no objection.

PERMISSION TO ADDRESS THE HOUSE

Mr. BREWSTER. Mr. Speaker, I ask unanimous consent to address the House for 1 minute.

The SPEAKER. Is there objection to the request of the gentleman from Maine?

There was no objection.

Mr. BREWSTER. Mr. Speaker, the State of Maine offers to Mr. Ripley a "Believe it or not."

The State of Maine has been the subject of many goodnatured jests in recent years as a result of its peculiar political complexion. It seems proper therefore to share with our friends on the other side of the aisle and with the country the latest and best joke in the series. It is found today in the report of the Treasury Department where it appears that the State of Maine is the only State in the Union to show an increase in income-tax payments for this past year-a 20-percent increase as against an average decline for the country of 30 percent. This would seem to be a clear case to prove that political virtue is its own reward and to indicate that if the Nation will only follow Maine next year we will yet bail the country out. [Laughter and applause.]

TRUST INDENTURES

Mr. COLE of Maryland. Mr. Speaker, I ask unanimous consent to extend my own remarks in the RECORD at this point in brief explanation of a bill I have just introduced.

The SPEAKER. Is there objection to the request of the gentleman from Maryland?

There was no objection.

Mr. COLE of Maryland. Mr. Speaker, H. R. 5220 is a substitute for H. R. 2191, the proposed Trust Indenture Act of 1939, which was introduced by Mr. Lea, chairman of the House Committee on Interstate and Foreign Commerce, on January 10, 1939. The objectives of the original House bill, and of the companion Senate bill introduced by Senator BARKLEY, met with general approval, namely, the raising of the standards of corporate trust practice to the high level now observed by the more conscientious trust institutions, and the improvement of the nonbusiness features of trust indentures relating to the protection and enforcement of the rights of the bondholders. The new bill preserves those objectives and at the same time meets the criticisms of method which were developed at the hearings on the Senate bill

First. All of the requirements of the original bill have been converted into specific statutory requirements, with the exception of the provisions relating to the specific duties to be imposed upon the trustee prior to default, the kind of certificates and opinions upon which the trustee may rely, and the type of default as to which the trustee may not withhold notice from the bondholders. It is only with respect to these three matters that the S. E. C. will have any administrative authority to see that the indenture conforms to the legislative standards. All of the other requirements of the bill will be satisfied by the inclusion in the indenture of provisions in the precise language of the statute. These changes will greatly simplify compliance with the bill.

Second. In general, the bill will apply only to indentures which are now required to be filed and examined under the Securities Act of 1933. The provisions with respect to incorporation by reference and consolidation of applications, reports, and proceedings under the new bill with those under the Securities Act will avoid duplication and expense. In fact, a single combined statement will suffice, if both are filed at the same time. If the issuer desires, however, it may file its application for qualification of the indenture in advance of its registration statement and thus protect itself against the possibility of delay.

Third. The exemption limit has been increased from \$250,-000 to \$1,000,000. Statistics gathered by the S. E. C. show that the expense of registration of larger issues represents a comparatively small proportion of the total expense of public distribution, underwriter's commission, and discount being from four to nine times as important a factor.

Fourth. The provisions relating to the periodic reports by the trustee and the duties of the trustee after default have been clarified.

Fifth. The new bill is designed to insure that the S. E. C.'s refusal orders will be reviewable by the courts.

COMMITTEE ON THE JUDICIARY

Mr. CELLER. Mr. Speaker, by direction of the Committee on the Judiciary, I ask unanimous consent that that committee may sit today and tomorrow during the sessions

Mr. MARTIN of Massachusetts. Reserving the right to object, Mr. Speaker, is that agreeable to the Republican members of the committee?

Mr. CELLER. It is.

Mr. MARTIN of Massachusetts. What is the subject under consideration?

Mr. CELLER. The California oil lines bill.

The SPEAKER. Is there objection to the request of the gentleman from New York?

There was no objection.

EXTENSION OF REMARKS

Mr. CELLER. Mr. Speaker, I ask unanimous consent to revise and extend my own remarks in the RECORD on the subject of radio activities.

The SPEAKER. Is there objection to the request of the gentleman from New York?

There was no objection.

PERMISSION TO ADDRESS THE HOUSE

Mr. ALLEN of Illinois. Mr. Speaker, I ask unanimous consent to address the House for 1 minute.

The SPEAKER. Is there objection to the request of the gentleman from Illinois?

There was no objection.

Mr. ALLEN of Illinois. Mr. Speaker, now that it is generally recognized as an accepted fact that the next occupant of the White House will be a Republican, we in Illinois are particularly anxious that the next Republican National Convention be held in Chicago, the wonder city of the world. I have written to Hon. John Hamilton, chairman of the Republican National Committee, urging the selection of Chicago. I ask unanimous consent, Mr. Speaker, that I may insert a copy of my letter to Mr. Hamilton at this point in the RECORD.

The SPEAKER. Is there objection to the request of the gentleman from Illinois?

There was no objection.

Mr. ALLEN of Illinois. Mr. Speaker, the letter to which I refer is as follows:

MARCH 20, 1939.

Mr. JOHN HAMILTON

Chairman, Republican National Committee,

MY DEAR CHARMAN: This is to submit to you for your personal consideration, as well as to the Republican National Committee, a specific location in which our party should hold its 1940 national convention.

I am not unmindful of the many things to be considered by

your committee in the selection of such a convention city.

Great as are the demands that it be a city of accessibility, of temperate climate. transcontinental transportation, adequate existing facilities for essential communication, hotel accommodations,

and a dozen other items looking to the convenience and comfort of the delegates which must be considered. There is one other essential thing which transcends comfort and convenience to its delegates, which is the confidence which would flow out of a convention, held in the very heart of the United States in a land-locked city, where all American citizens could look from all points of the compass into the very heart of the convention. To a convention where they could give and dominate by the very weight of their great moral and political influence the selection of the candidates, who will carry their standards and merit their greatest support in the coming Presidential election.

The future history of our county will long revolve around this coming convention of the Republican Party.

Out of the elected delegates must come the formulation and projection of American national policies of vital interest to every citizen, the future of our children, our farmers, our labor, and our private and public fortunes, which are in the balance.

The 1940 convention should be primarily national, and only secondarily should it be partisan by the ever-lengthening of the rolls of the unemployed under the "Roosevelt Democratic New Deal Party." They can only find the solution of their unemployment and their future security insured by gainful employment in private industries.

Our agriculture, our labor, and our initiative must be given a

Our agriculture, our labor, and our initiative must be given a new birth of freedom. Our Federal Government in Washington must be stripped of its every bureaucratic and autocratic powers, its spendthrifts must be expelled from public office, or else we will continue to plunge headlong into debt repudiation, national bank-

ruptcy, and national decay.

Let these vital public questions be openly debated in a forum held in a truly American city, in an industrial city located in the heart of our great agricultural farmside. Insure the openness of its debate equally against those who wax fat, either on political

pillage, patronage, or foreign propaganda.

I submit to your consideration and urge upon your committee the name of a city, young in our national history but a city which in the not distant future will become not only the greatest but the largest city of our land. I submit to you the city of— Chicago—the hog butcher of the world; the maker of steel, of tools, and of implements; the stacker of wheat; the center of rail-

roads; the continent freight handler.

roads; the continent freight handler.

Chicago, a vital, a bureau-young American city * * * located in the Mississippi Corn Belt, set down on the shores of the Great American Lakes. A city which pulses and throbs with purely American sentiments. * * * A city built with confidence in the future of our farms and our industries.

Let there ring forth from a center such as this, national program and policies conceived by the representatives of the people in honesty and decency, to be expounded in truth by the candidate of our selection to our people everywhere.

Then, indeed, will our fellow citizens, without regard to party, fearlessly face the ballot box, confident there is a way out of this long nightmare of New Deal hard times; then will all Americans go down a highway to a greater measure of national prosperity than

down a highway to a greater measure of national prosperity than we have ever known before.

Thanking you for giving this your earnest consideration,

Very truly yours,

LEO E. ALLEN. M. C. Thirteenth Illinois District.

EXTENSION OF REMARKS

Mr. JOHNSON of Indiana. Mr. Speaker, I ask unanimous consent to extend my own remarks in the RECORD and include therein a resolution passed by the Indiana House of Representatives and Senate.

The SPEAKER. Is there objection to the request of the gentleman from Indiana?

There was no objection.

Mr. LUDLOW. Mr. Speaker, I ask unanimous consent to extend my own remarks in the RECORD by including a radio address I delivered in the New York Herald Tribune Forum last fall.

The SPEAKER. Is there objection to the request of the gentleman from Indiana?

There was no objection.

SECOND DEFICIENCY APPROPRIATION BILL, 1939

Mr. WOODRUM of Virginia, from the Committee on Appropriations, reported the bill (H. R. 5219) making appropriations to supply deficiencies in certain appropriations for the fiscal year ending June 30, 1939, and for prior fiscal years, to provide supplemental appropriations for the fiscal years ending June 30, 1939, and June 30, 1940, and for other purposes (Rept. No. 260), which was read a first and second time and, with the accompanying papers, referred to the Committee of the Whole House on the state of the Union and ordered to be printed.

Mr. TABER reserved all points of order on the bill. Mr. WOODRUM of Virginia. Mr. Speaker, I move that the House resolve itself into the Committee of the Whole House on the state of the Union for the consideration of the bill H. R. 5219, the second deficiency appropriation bill; and pending that, Mr. Speaker, I ask unanimous consent that general debate may continue for 2 hours, to be equally divided between the gentleman from New York and myself, the debate being confined to the bill.

The SPEAKER. Is there objection to the request of the

gentleman from Virginia?

There was no objection.

The motion was agreed to.

Accordingly the House resolved itself into the Committee of the Whole House on the state of the Union for the consideration of the bill H. R. 5219, the second deficiency appropriation bill, with Mr. Cole of Maryland in the chair.

The Clerk read the title of the bill.

Mr. WOODRUM of Virginia. Mr. Chairman, I ask unanimous consent that the first reading of the bill be dispensed

The CHAIRMAN. Is there objection to the request of the gentleman from Virginia?

There was no objection.

Mr. WOODRUM of Virginia. Mr. Chairman, I yield myself 10 minutes.

Mr. Chairman, the committee print of the bill and the committee print of the report are available if members of the Committee wish to have them.

The bill provides a total appropriation of \$160,833,931, and in addition to that there are some contractual authorizations. A full statement is set out on page 2 of the committee report and I shall not take the time to analyze further that statement unless there are questions to be asked about it.

There is a net reduction made by the committee of \$21,962,903 in the amount estimated by the Bureau of the Budget.

I think I shall briefly touch the high points in the bill and then yield briefly for questions, if anyone wishes to ask any.

One of the deductions made in the bill is under the Civil Aeronautics Authority. The committee allowed sufficient funds for the Civil Aeronautics Authority to continue its present set-up during the remainder of the fiscal year, or at least to function at its January expenditure rate, and earmarked \$144,750 for the procurement of airplanes for the Air Safety Board, but did not report favorably the estimate of \$7,300,000 for student-civilian pilot training, there being no organic authorization for such a program. This program, however, is now under consideration by the Interstate and Foreign Commerce Committee of the House, and doubtless that committee will shortly make some report to the Congress on the subject.

Mr. LEWIS of Colorado. Mr. Chairman, will the gentle-

man yield?

Mr. WOODRUM of Virginia. Yes.

Mr. LEWIS of Colorado. This does not indicate any hostility to the project, as I understand.

Mr. WOODRUM of Virginia. None whatever.

Mr. LEWIS of Colorado. The action of the committee was simply due to the failure to have an authorization.

Mr. WOODRUM of Virginia. It is a very broad and comprehensive program, and the deficiency subcommittee did not think such a program should be launched without a very careful hearing, which we were not in a position to give, even if we had jurisdiction.

There is an item of \$5,000,000 estimated by the Bureau of the Budget and coupled with the Works Progress Administration, which affects irrigation projects in the Dakotas and in Montana and other States in the Great Plains area. The committee went into that matter very carefully, but there is no authorization in the law for the project, as it is proposed to be handled, and I may say to the Committee that we have not brought in any item in this bill for which there is no authorization of law.

There are certain items provided in the bill for the District of Columbia, and they are payable out of District of Columbia funds.

Mr. O'CONNOR. Mr. Chairman, will the gentleman yield? Mr. WOODRUM of Virginia. I yield.

Mr. O'CONNOR. In connection with what the gentleman said about the Dakotas and Montana, I believe in a deficiency bill passed a year ago there was a provision for an appropriation of \$5,000,000 for irrigation projects in the Dakotas and Montana to take care of the drought-stricken areas there, but the appropriation was tied up by a restriction that only \$50,000 could be used for any one project, which really makes that appropriation inoperative, and I understand the Director of the Budget so advised the President, and that statement will be found in House Document 194. I believe it is. I mailed this document to the chairman of the committee yesterday. I believe that law should be amended so as to remove this restriction on the \$5,000,000.

Mr. WOODRUM of Virginia. I may say to the gentleman from Montana that the gentleman was most industrious and very much interested in this item which affects his State and in which there is undoubtedly a great deal of merit. The committee went into it very carefully and there is no possible question about the fact that at present it is not authorized by the organic law; and that being the case, regardless of its merit, we were powerless to include it in this bill.

The Department of Agriculture has about the usual sum carried here for its forest-fire-prevention program. committee did not allow an item of \$200,000 for Dutch elm disease eradication, feeling that the funds carried in the regular bill for the current fiscal year, of over \$375,000, is

Funds are allowed by the committee for the Department of Commerce, a goodly portion being for hurricane damage, and let me say here that there is carried in this bill under various titles more than \$3,000,000 for the rehabilitation of Government property under the Army, Navy, Marine Corps, and Coast Guard damaged by the New England hurricane.

Under the Interior Department an item for the Puerto Rican Reconstruction Administration of \$3,000,000 was disallowed. I want to say here what I stated in the full Committee on Appropriations this morning. I think there is some question about whether the committee acted wisely in making this reduction, although I voted for it in the committee.

I should be glad to have you read the statement of the Assistant Administrator of the Puerto Rican Reconstruction Administration on page 7 of the report, where he speaks of the economic conditions in Puerto Rico, occasioned by the application of the wage and hour law, which practically has put all of their local industries out of commission. They have a real, tragic emergency down there. The committee did not allow this item, hoping that the failure to include it would precipitate immediate consideration of the fundamental question involved as to what you are going to do with that situation, which cannot be cured by simply sending more relief there.

The Department of Justice estimate of \$600,000 for the Bureau of Investigation was cut to \$300,000. It appeared in the hearings that notwithstanding very definite budgetary limitations the Bureau of Investigation had exceeded their Budget allocations, and employed people for which they had no funds, unless the Congress would give them a deficiency appropriation. Our Committee on Appropriations and each subcommittee has been doing everything in its power to prevent departments from operating in this fashion, feeling that the Congress should, by legislative enactment, determine their policies and their programs. We allowed in this bill enough money to continue the people who are already on the rolls, but did not allow the amount they asked for for expansion. We did not allow the sum of \$70,000 requested as a deficiency for immediate expansion of the division of the Department of Justice concerned with antimonopoly and antitrust operations, feeling that that matter should come before the regular subcommittee which is shortly to take up the regular appropriation for the Department of Justice.

Items are carried here for the further carrying on of the construction program of the Navy. There are certain items for the Treasury Department, which are set out in detail.

Of course, 74 percent of the funds carried in this bill have to do with the Army and Navy, the Civil Aeronautics

Authority, and the National Advisory Committee for Aeronautics, for the defense program. We carry in the bill the funds requested by the President for critical items for the defense program. You will find them fully set out and analyzed in the report. I will say to the committee that much of the testimony on those items was, as a matter of public policy, off the record. The committee has in its possession, subject to your inspection, if you wish to look at it, intimate details in connection with this program. We went through the proposals very carefully. The bulk of the money for the Army is under the Ordnance Department. It will be used in the procurement of critical items of equipment, such as ammunition, arms, weapons, and paraphernalia of various sorts to equip our standing Army and also our National Guard units. There is an amount also for seacoast defenses, \$5,478,000, for projects in the United States, Panama, and Hawaii. A part of that amount is made up of contractual authority.

As I said, the committee went into the estimates very carefully. While there may be some little difference of opinica as to whether this or that item should be put off a year, or something of that sort, certainly in the main purpose of that defense program the committee is a unit in that the plan looks to be an orderly and logical strengthening of our defense forces, and recommends it to the Congress.

Mr. Chairman, unless there are some questions, I will yield the floor.

Mr. ANDERSON of California. Mr. Chairman, will the gentleman yield?

Mr. WOODRUM of Virginia. I yield.

Mr. ANDERSON of California. The gentleman knows I am interested in the President's recommendation for a new research station to be located on the Pacific coast. I notice that this item has been left out of this bill. Is the Committee to understand from that that the Appropriations Committee is opposed to any further research development in this country?

Mr. WOODRUM of Virginia. I am glad the gentleman from California has called my attention to that item. I am very glad to testify to his great interest in this item for Sunnyvale.

The CHAIRMAN. The time of the gentleman from Virginia has expired.

Mr. WOODRUM of Virginia. Mr. Chairman, I yield myself 3 additional minutes.

The gentleman from California [Mr. Anderson] has been very industrious and persistent in advocating this item in the appropriation bill. The committee felt, and I think I can say without exception, that the building of another laboratory for research, which would involve an initial expense of ten or fifteen million dollars, was certainly not necessary at the moment. Undoubtedly, with our expanded program for the development of the air facilities for the Army, the Navy, and the Coast Guard, we should have increased research facilities.

It may well be that under mature consideration it will be advisable to build a plant at Sunnyvale, and perhaps others; but the Deficiency Committee felt there was not any emergency about it; there was no reason for any great rush about it; and that before embarking upon so comprehensive a program there should be more leisurely and more orderly consideration given to the project. There was no hostility to it. The National Advisory Committee for Aeronautics, in my judgment, is one of the best groups we have in the Government service, and the committee thinks a great deal of that agency and is disposed to lean upon its judgment.

Mr. O'BRIEN. Mr. Chairman, will the gentleman yield?

Mr. WOODRUM of Virginia. I yield.

Mr. O'BRIEN. The gentleman spoke of the fact that there was a cut in the estimate of the Department of Justice of \$300,000?

Mr. WOODRUM of Virginia. A cut in the Budget estimate: yes.

Mr. O'BRIEN. That \$300,000 cut will not impair the efficiency of any department, particularly the Federal Bureau of Investigation, in the gentleman's estimation?

Mr. WOODRUM of Virginia. I do not think it will. We gave them enough money to keep the present force intact.

Mr. O'BRIEN. You are aware of the fact that the Federal Bureau of Investigation has returned \$10 for every dollar spent in perpetuating the organization.

Mr. WOODRUM of Virginia. I think it has been a very useful agency of the Government, but I think that every agency of the Government ought to handle its fiscal affairs in an orderly and logical way, and should not be permitted to expand its functions unless it has the authority of Congress to do so.

Mr. O'BRIEN. Has this particular branch, to the gentleman's knowledge, been guilty of such action?

Mr. WOODRUM of Virginia. Yes; it employed people right here who will have to be discharged unless we give this money. That is the difficulty about it.

Mr. TABER. Mr. Chairman, I yield 10 minutes to the gentleman from Michigan [Mr. Crawford].

Mr. CRAWFORD. Mr. Chairman, the portion of the bill which I desire to discuss at this time is that which has to do with the Federal Bureau of Investigation.

In going into the records we find that the President and the Director of the Budget have recently sent some two or three messages to the Congress in which certain items are recommended by both. Document No. 167, dated "the White House, February 16," signed by F. J. Bailey, executive assistant, Director of the Budget, recommends several items for the F. B. I., among which we find \$600,000 for salaries and expenses, Federal Bureau of Investigation.

In looking over the report which I have been able to secure within only the last few minutes I find reference made to this item, and I direct your attention thereto so that you will be more familiar with the general trend in connection with this Department.

I would like to point out first that according to the available public records of the F. B. I. during the fiscal year 1938, the Department spent \$6,222,976 for its complete operations. For the fiscal year 1939 it spent only \$5,978,000, which is \$244,000 less than the appropriation for last year.

In May 1938, former Attorney General Homer Cummings and Mr. J. Edgar Hoover, Director of the F. B. I., appeared before the Appropriations Subcommittee and stated that the Bureau would start the current fiscal year with a deficit and that additional funds would be needed in order to get through the year. As of January 1, 1939, there was an actual deficit in the appropriation of the Bureau in the amount of \$425,923.

Recently the President recommended a deficiency item for the Bureau in the amount of \$600,000. This would take care of the actual deficit and would permit the employment of 55 more special agents and 12 additional clerks for the remainder of the fiscal year.

The F. B. I. has been called upon to perform a number of duties which were not anticipated prior to the beginning of the current fiscal year. As newspaper reports indicate, considerable work has been done in connection with the investigation of members of the Federal judiciary; the antitrust work of the Department of Justice has brought about additional work for the Bureau; and espionage investigations have been required in all parts of the country. A large number of special agents is currently assigned to the two unsolved kidnaping cases—the one involving the kidnaping of Charles Fletcher Mattson, of Tacoma, Wash., and the one involving the kidnaping of Peter Levine, of New Rochelle, N. Y.

The fingerprint work of the F. B. I. has steadily increased. Recently, the President, in a public statement, encouraged the filing of the fingerprints of citizens and this is bringing about additional work. Many demands are being made upon the Bureau from all parts of the country for assistance in law-enforcement problems.

In connection with fingerprinting and the increase of work along this line you will remember that the President has just had the White House staff put through the works and had them fingerprinted. This is going to add momentum to the movement for civilian fingerprinting.

Since the passage of the Federal Kidnaping Act in June 1932 there have been 149 kidnaping cases and the Federal Bureau of Investigation has solved 147, the only unsolved cases being the two I mentioned. In bank-robbery cases there has been an 80 percent decrease of bank robberies throughout the United States since the Federal Bureau of Investigation was given jurisdiction to handle such work. Last year the Bureau brought about the conviction of 95 out of every 100 persons whom it took into court for trial. While the Bureau spent \$6,222,976 last year, the total fines imposed, savings and recoveries effected, amounted to \$47,568,419, which represents a good investment for the Government.

As I recall the gentleman from Missouri [Mr. Cochran] only a few days ago stood on this floor and pointed out this tremendous saving, and highly complimented the accomplishments of the F. B. I.

I feel that it is imperative that the Federal Bureau of Investigation be granted sufficient funds which will enable it to efficiently carry on its many functions. The Subcommittee on Appropriations has recommended that the \$600,000 deficiency item for the Federal Bureau of Investigation be reduced to \$300,000. This reduction will necessitate a drastic curtailment in the activities of the Bureau and it is felt that it is imperative that Congress restore the full amount of the deficiency item so that the Bureau will not be hampered in the deficiency bill, the necessary funds should be provided for in the regular appropriations.

I wish someone on the committee—and I think perhaps the chairman would be the appropriate person to deal with it-would make very clear whether or not this reduction which has been made in the amount approved by the President and the Budget is only a tentative disallowance; and if, in setting up the Budget for the full fiscal year 1940 in the regular appropriation bill, it is the intention of the committee to bring into the allowances the full amount which will be required to run the F. B. I. without proceeding to cut down its operating staff or to hold down its operating staff and thereby materially cripple the work of this highly important Bureau, which, in my opinion, is becoming more important every day. I also understand there has been a material reduction of some \$70,000 which the Bureau of the Budget and the President recommended, particularly in connection with the antitrust-law enforcement and the anticipation of this new work in this new field in which we are using the F. B. I. for the purpose of protecting small business. It ties in to what the Secretary of Commerce had to say at Des Moines, Iowa, the other night when he made an address of appeasement to business. There is no need for having antitrust laws unless you are going to have the F. B. I. and the Federal Trade Commission enforce them. Here we cut them down \$70,000; and I assume that the chairman of the committee will probably point out that this is a tentative disallowance. If the chairman wishes in this regard, I shall be pleased to yield to him at this point to give us further light on this highly important proposition.

Mr. WOODRUM of Virginia. Mr. Chairman, with reference to the \$70,000 to which the gentleman refers, I may say that the committee felt that, inasmuch as the regular subcommittee handling this appropriation is just about to take up the appropriation for 1940 and that that committee will consider this question, we should leave them unhampered. If they feel that the force should be augmented and expanded, they can make the necessary funds available. Our committee otherwise would be put in a position of giving them a temporary appropriation which would be a club over the head of the regular committee if, in their judgment, this work should not be expanded in 1940.

Mr. CRAWFORD. May I ask the gentleman this question: Would it be reasonable for us to assume, then, that it is not intended in any way to cripple the work of the Department, but this is simply a deferring of the appropriation for the action of the full committee?

Mr. WOODRUM of Virginia. That is correct.

Mr. CRAWFORD. In its general appropriation work?

Mr. WOODRUM of Virginia. Yes.

[Here the gavel fell.]

Mr. TABER. Mr. Chairman, I yield the gentleman 3 additional minutes. Will the gentleman yield?

Mr. CRAWFORD. I yield to the gentleman from New York. Mr. TABER. This Budget estimate that was cut by the committee, as I understand the situation, would carry the amount that is available to the F. B. I. way beyond the figure that is carried in the Budget estimate for the year 1940. The deficiency committee felt it should not pave the way for something like that immediately in advance of the Justice Department's committee's regular hearings, at which time they can go into the matter for 2 or 3 days if necessary and work out a program for next year. It felt it should not lay out next year's program in advance of the Budget.

Mr. CRAWFORD. May I ask this further question? The \$266,940 which has been allowed, I understand, is sufficient to take care of the 85 special agents and the 28 clerks which have already been put on the pay roll up to June 30 this year?

Mr. TABER. That is the idea.

Mr. CRAWFORD. Is that correct?

Mr. TABER. Yes.

Mr. CRAWFORD. This disallowance, then, in no way cripples the present staff?

Mr. TABER. That is right.

Mr. CRAWFORD. It permits them to go ahead and function?

Mr. TABER. Yes.

Mr. CRAWFORD. It simply prevents the addition of these agents and clerks which were anticipated in the Bureau's recommendation?

Mr. TABER. Yes; but it does prevent them from going beyond the 1940 bill, and prevents them getting a set-up that they could not carry on after the 1st of July, perhaps.

Mr. CRAWFORD. And thereby incur a further deficiency?

Mr. TABER. Yes.

Mr. MURDOCK of Arizona. Will the gentleman yield?

Mr. CRAWFORD. I yield to the gentleman from Arizona. Mr. MURDOCK of Arizona. The gentleman is aware of the fact that the Federal Bureau of Investigation has had to close down some of its offices all over the country. He is also aware of the fact that its staff is short, so that they are doing more overtime work in that department than in any other I know in the city of Washington? Last year, when we made \$65,000 available to F. B. I. at once, I was under the impression that that amount would remedy the situation with regard to their shortage, but apparently that was a wrong notion.

Mr. CRAWFORD. Yes. I would like to call the attention of all Members of the House to the record that was made on this particular proposition last June.

[Here the gavel fell.]

Mr. TABER. Mr. Chairman, I yield the gentleman 2 additional minutes.

Mr. CRAWFORD. Mr. Chairman, if you will refer to the RECORD of June 8, 1938, page 8552, you will find considerable information which deals with this highly important work. You will find where the late Robert Bacon, of New York, who was a Member of this House, served notice that when he returned to the present session of Congress he would lead a special fight to see that first the Bureau of the Budget recommended the necessary funds for the operation of the F. B. I., to the end that we could no longer say the fault rested in the Budget rather than in the Appropriations Committee or on the floor of this House.

This is a subject which I assure you the entire country is watching with great interest, particularly organizations of women. It is a matter which we can well afford to pay strict attention to, in order to see that that Bureau is in no way handicapped on account of a few dollars that we may let them have.

Mr. Chairman, I am just hard-headed and practical enough to know how to appraise efficiency and public service when I run across it. If it will please some of my colleagues, may I say that I am just sentimental enough to also value and appreciate efficient service on the part of a Government bureau when it functions with the speed and satisfaction to the public as the F. B. I. renders. We can talk

about letting our sentimentalism run away with us, but no other bureau of Government is called upon to face the cold steel of the underworld with all of its cunning and calculations. Running down and capturing, prosecuting, and convicting the kidnapers, bank robbers, and other thugs is no kid's play. Let the soft-living Members of this House go out and try one or two cases. Then we might have a little more respect for the personnel of the F. B. I.

WHO PLACED THE EXTRA AGENTS AND CLERKS ON THE PAY ROLL

Now let us look at the record in order to clear the brush away from some of the remarks made on the floor this afternoon. At the top of page 293 of the hearing we find this interesting statement made by Mr. Tamm to the effect that the placing on the pay rolls of the additional agents and clerks was on the specific approval of former Attorney General Homer Cummings. What should be done when extraordinary cases develop? The F. B. I. is always being called into action for the solution of "tough" problems. Let us look at the recent situation which developed in connection with the judiciary of New York City. Just refer to the remarks of Attorney General Murphy and the action which he took. Now and then the scenes shift pretty rapidly.

The F. B. I. is the "trouble shooting" organization for 130,000,000 people. Praises have been sung to the "trouble shooters" of the telephone companies and the electric light companies who stand ready at every moment to face the hazards of the elements to repair storm damage in order that homes and hospitals of a stricken area might have light and communication service. These companies carefully budget every other branch of their organization except this particular unit, because they never know what an emergency will bring. Their primary interest is the restoration of service to their customers, regardless of cost.

It is about time we made a hard-headed business application of this same nature to the agency of government entrusted with protecting the lives of the men, women, and children of this great Nation. When an emergency arises—when a dastardly crime has been committed against society—the people want action, and they generally get what they want, particularly if it is service from the F. B. I. Director Hoover has built around him a politically independent personnel that looks after the service end of this particular Bureau and the mass of American taxpayers have not complained, because they have had no room for complaints.

Complaints have been heard, to be sure, from crooked politicians who have been squeezed out of their blood-money earnings and from the un-American agitators who with their yellow and vile propaganda constitute as great a menace to society as the creatures of the underworld and their offsprings roaming the land to snatch a citizen for lust or gain.

If it is sentimentality to respect, defend, and praise the Gmen who have fearlessly smashed their way into the realms of underworld racketeers, gangsters, and murderers to the extent that the kidnaper, gunman, and their ilk have been forced into a cowardly retreat before these clean, alert young agents of Mr. Hoover, then I plead guilty. If it is sentimentality to agree with the attorney in his recent expression of hope that the improvement of law-enforcement methods and standards will continue with ever-increasing momentum—and that momentum will not exist if we stymie their operations, then I am doubly guilty of being a sentimentalist. And if those things are the mark and brand of a sentimentalist then I firmly believe I am keeping company with millions and millions of American citizens who swell with pride at the thought that the Federal Bureau of Investigation is to the protection of our society from the crouching beast of the underworld, what the Army and Navy are to the protection of our shores against the invasion of an enemy horde.

F. B. I. HAS NOT VIOLATED THE LAW

Mr. Chairman, no sane Member of this House will stand here and plead for the right of any bureau to run roughshod over the provisions of the law. For some time we have been trying to get fair recognition for the monetary needs of this activity. At one time it appears the trouble is in the Bureau

of the Budget. Again, it appears the trouble is in the Appropriation Committee. Then we may find the blame thrown at the feet of the House. There should be no "buck passing" insofar as appropriations-reasonable sums I mean-for this Bureau are concerned. If the Congress does not want the Bureau properly financed, it can assume the responsibility; but I serve notice here and now that I am going along with what I think is a reasonable sum for this Bureau. I shall study the records; try and inform myself of legitimate needs based on the increasing demands which we impose on this Department, and then lend my support to such appropriations as are necessary to properly implement the Bureau to carry out its program.

Mr. WOODRUM of Virginia. Mr. Chairman, I yield 5 minutes to the Delegate from Puerto Rico [Mr. IGLESIAS].

Mr. IGLESIAS. Mr. Chairman, this is an occasion on which I have been very excited with emotions and with tender sentiments on account of the condition of the people of Puerto Rico. The President of the United States and the administration has previously recommended the grant of \$3,000,000 as assistance and cooperation to help the people of that island, which recommendation was submitted to the

Subcommittee on Appropriations.

Mr. Chairman, I have appeared before that committee, as others did, to plead for help of the people of that island. My astonishment was great and I feel a tremendous shock when I read the report of the committee and noticed in same that it had not recommended the \$3,000,000 for the island of Puerto Rico at this critical time. It is true that the Fair Labor Standards Act is applicable to the island of Puerto Rico and that it has caused some unemployment among the people in various industries down there. The philosophy of this argument as it appears in this report means that if the Congress is not going to grant the \$3,000,000 to help those people they are not going to get the results that we are looking for. This, in my opinion, seems to be the application of a penalty to the people of the island of Puerto Rico they do not deserve. Of course, they have the ambition, perhaps the noble desire, to be assisted and cooperated with in their efforts in uplifting the conditions of the men and women who are working hard over there.

Mr. Chairman, it seems to me that the denying of this relief will be an economic catastrophe at this time. To deny such assistance and cooperation we asked of the Congress of the United States to the people of Puerto Rico could never be understood, and it could not be explained to them, that it is because the wage and hour law applied over there as well as here they are going to be penalized. It is for this that Congress is going to cut out an appropriation of \$3.000 .-000 which was suggested by the President and approved by the man in charge of the administration of the Budget.

[Here the gavel fell.]

Mr. WOODRUM of Virginia. Mr. Chairman, I yield 5 additional minutes to the gentleman from Puerto Rico.

Mr. CRAWFORD. Mr. Chairman, will the gentleman

Mr. IGLESIAS. I yield to the gentleman from Michigan. Mr. CRAWFORD. Is it not also true that in addition to the absolutely impossible conditions which have been imposed upon the people of Puerto Rico by the operation of the wage and hour law, which will destroy you as surely as the sun shines unless we correct it, you have another burden which borders on causing as great a degree of misery for you, and that is the operation of the Sugar Quota Act, which is tending to close all your sugar mills and put your people off the pay rolls?

Mr. IGLESIAS. Exactly; the gentleman is right.

Mr. CRAWFORD. Will the gentleman inform us on this point: Is any move in which the gentleman has any particular faith being made at the present time for amendment of the Wage and Hour Act to correct this situation, or do we have to correct it through additional deficiency appropriations?

Mr. IGLESIAS. Labor organizations in the island, the administration over there and here have already been at work conducting the consideration and study of proper amendments to that law, and the matter will be covered by way of a bill introduced perhaps by the chairman of the House Committee on Labor to remedy in part the conditions prevailing at this time in Puerto Rico.

Mr. CRAWFORD. Does the gentleman understand from the House Committee on Labor that there is some chance of getting an amendment like that favorably reported by the

committee?

Mr. IGLESIAS. I believe a good number at least of the House Labor Committee is in favor of remedying the situation in Puerto Rico in some way.

Mr. Chairman, I wish I could explain myself in the language with which I am most familiar, the Spanish language. I began to learn English when I was 30 years old.

You may rest sure that on this day there has been stricken out of the bill the provision of relief for the needy of Puerto Rico, because enforcement of the wage and hour law would cause more havoc and sufferings among the unemployed there than anything else. It is just the same as would happen in many other modest communities of this Nation if

something like it should occur.

Mr. Chairman, we are appreciative of the wonderful help the Congress of the United States has given to Puerto Rico for years and years, which has enabled the people of the island to make progress and continue to make that island richer and greater. We are ready all the time to do our part in correcting all bad conditions that may prevail and do it through action by the Puerto Rican Legislature and the authorities of the people in general, and this would be done always with the cooperation and the help of this House of Congress of the United States. We are in great need, the 1,800,000 inhabitants of Puerto Rico. I appeal, as their legal representative, to you for our relief which I hope to get. It will be a terrible blow to the people of Puerto Rico to find in their morning papers that it was not possible to get any help or relief and cooperation. Mr. Chairman, for many years I was a representative in some way in Washington before being a Commissioner, and therefore have known Congress for more than 40 years, thanks to the assistance of the American Federation of Labor, and I know that this great body has never been unfriendly to the people of Puerto Rico. I request, Mr. Chairman, that the Members of Congress rectify this error, which will do so much harm to the island and to the people over there. [Applause.]

[Here the gavel fell.]

Mr. TABER. Mr. Chairman, I yield 5 minutes to the gentleman from California [Mr. Anderson].

Mr. ANDERSON of California. Mr. Chairman, I wish to call to the attention of the House the fact that a vital part of our air-development program has been left out of the bill under consideration. The Congress has recently passed bills running into millions of dollars for the manufacture of aircraft that should give this country a defensive air force second to none. We are blessed with the finest airplane factories and the most able engineers in the world. There is no reason why this country should run second best in any

race for air superiority.

However, the building up of a first-class air force does not consist entirely of manufacturing airplanes. Superior design of motors and planes is of major importance. Various research experiments now under way may result in a plane or a motor of such advanced design that the airplane industry might be revolutionized almost overnight. In other words, if we are to keep abreast of competing countries we must expand our research facilities as rapidly as we expand our

aviation industry.

Some weeks ago President Roosevelt sent to this body a recommendation for the building of another research laboratory similar to the one conducted by the N. A. C. A. at Langley Field in Virginia. He recommended that this be constructed at Moffett Field in Sunnyvale, Calif. This move was not made until a careful study of location and other factors had been made. The special committee on site for a second major aeronautical research station for the National Advisory Committee for Aeronautics considered the problem from the following considerations:

First. That the new N. A. C. A. research station should be located on an Army or Navy flying field under a status similar to that of the committee's present research station at Langley

Second. That the site should be located within a convenient distance of the aircraft manufacturing industry on the west

I might add that approximately 60 percent of the airplane manufacturing industry of the country lies west of the Mississippi River.

Third. That the site should have climatic conditions that will permit the efficient conduct of flight research throughout the year.

Being from California I am not prejudiced as to climate, but we really do feel that we have something unusual out

Fourth. That adequate electric power at reasonable rates should be available.

Fifth. That the site should be near an industrial center for skilled labor and technical supplies and should afford satisfactory living and working conditions for employees.

Sixth. That the site should preferably be located at or near sea level.

I presume that is because of the fact that the Langley Field site is at sea level.

The committee considered a large number of sites. The advantages and disadvantages of each of the sites considered were carefully studied, and the conclusion arrived at that, after considering all factors, the selection of the Sunnyvale site in California for the proposed second N. A. C. A. research station would best serve the interests of the Government and, all things considered, is the best available site for the new research station from the point of view of most effectively advancing the science of aero-

It has been stated in this Chamber before that when our Army or Navy engineers render a report there is generally sufficient study behind such a report to warrant its adoption. The President's recommendation was made as the result of such a survey conducted by men in the Government who know their business. It is difficult to understand why the committee in charge of this bill has ignored this recommendation in view of the excellent testimony offered by witnesses during the hearings.

Germany has five experimental research stations, one of which employs four times the personnel now stationed at Langley Field, our only station of a comparable nature. Langley Field experimental station has about reached the end of its expansion. If we are to remain as a competing factor in the rapidly expanding aviation development in the world, further research facilities should be developed without delay. [Applause.]

Mr. WIGGLESWORTH. Mr. Chairman, I yield 10 minutes to the gentleman from New Jersey [Mr. EATON].

Mr. EATON of New Jersey. Mr. Chairman, we are confronted in this country at the present time by a very serious menace in the nature of a disease attacking the elm trees.

There are two points of view in discussing this question. One is the economic value involved, the other is the sentimental value, if I may use that term, connected with the elm as a shade tree, as it occupies a position in this Nation perhaps beyond that of any other shade tree in our country.

Many years ago we began on a dangerous scale to import pests, insects, and other disease carriers into this Nation. I remember when I was a boy on the farm away back in prehistoric times, when the potato bug and the Hessian fly began to assert themselves, an old farmer had a verse which went like this:

As long as Hessian flies exist and 'tater bugs abound, There'll be some tall profanity at times afloatin' 'round.

But profanity proved itself unequal to the task of reducing these plagues.

Since those halcyon days we have seen inconceivable numbers of pests lay destructive hold upon our grain crops, upon our vegetables, and upon our forests, not to mention the intellectual and moral pests now running riot in the country. A few years ago there came a shipment of lumber from Holland to this country, and when, a little later, after some of these logs were unloaded in Cleveland, Ohio, it was discovered that among the elm trees of that great city a new disease had taken hold, and it was found that this was what we now call the Dutch elm disease. It is a blood infection inflicted upon a healthy tree by a species of beetle flying from a diseased tree. When the blood system is thus affected the tree is doomed. Under the skillful, able, and expert leadership of our Agricultural Department a persistent attempt has been made to grapple with this problem.

The only cure so far discovered is to find the trees that are affected, cut them down, burn them, and in this way head off the spread of the disease.

We have come to Congress from time to time for the last few years asking for an adequate appropriation to meet this need. We have about 16,000,000,000 board feet of elm lumber in our forests, worth between two and three billion dollars in cash money. We sell for important commercial uses between one and two million dollars' worth a year of that lumber now. We have about 25,000,000 shade elm trees in this country, and if you want to get a picture of what it would mean to destroy these magnificent gifts of God, go out in our park here and look at those magnificent elm trees standing as a monument to His glory and His power. Look at this city and imagine what it would be if the 25,000 elm trees were cut down. Go back to your homes in New England or in New York or in New Jersey or in Illinois or in Minnesota and imagine what such a condition would be. In Minneapolis alone there are 600,000 of these trees, and they have an enormous value to the real estate in that community.

It has been estimated that the actual value of these elm trees in the shade areas alone is over \$600,000,000, and I find in this proposed deficiency bill the Budget asked for only \$200,000 more to add to the \$378,000 we had already available. We have been trifling with this thing. We have surrendered to a counsel of despair, and unless we lay hold upon this problem now and put enough money in the hands of our leaders in the Department of Agriculture, who are eminently competent to grapple with it and overcome it, we are going to see the elm trees of this Nation destroyed just as the glorious chestnut trees were a few years ago. So I would like to see, instead of striking out this \$200,000 asked for, to see it put back in this deficiency bill, and instead of having in the agricultural bill, which comes in here tomorrow, a paltry \$100,000 instead of \$370,000, I would like to see an adequate amount appropriated. Why you might as well throw the \$100,000 down a sewer pipe as pretend that that amount is sufficient to meet the need. You are just trifling with the thing. Unless we grapple with this problem with courage and intelligence, and put enough money in the hands of the experts of the Department of Agriculture to solve it, we are going to see the elm trees of this Nation destroyed. For one I am asking the Members of this House, no matter what part of the Nation you come from or what party you claim adherence to, to stand up for the trees and by your votes today and tomorrow see to it that they have some proper support and defense. [Applause.]

Mr. Chairman, I yield back the balance of my time.

Mr. TABER. I yield myself 5 minutes.

Mr. CRAWFORD. Mr. Chairman, will the gentleman yield for a question or two?

Mr. TABER. Yes.

Mr. CRAWFORD. I am particularly interested in the statements in the report of the committee with reference to the Puerto Rican allowance. I have had to read this so hurriedly that I am not very clear about what the action of the committee has been, but, as I understand, \$3,000,000 asked for has been disallowed.

Mr. TABER. That is correct.

Mr. CRAWFORD. On the theory it would simply be a mere drop in the bucket in attempting to handle the great problem which exists there at the present time. Would the gentleman enlighten us on that a little more?

Mr. TABER. The situation with reference to Puerto Rico is something like this, as I understand it, and it is pretty well developed on pages 260 to about 267 or 268 of the hearings. Including the appropriation that was made in the last Congress, there was available for Puerto Rican relief considerably over \$12,000,000. Less than one-half of that amount was spent in the first 6 months. It was spent in a very extravagant manner, in that the expenditures ran at the rate of \$54 a month, which is more than double the going wage for almost any type of employment in Puerto Rico. There is no head or tail to the whole set-up there. It is organized not on the basis of giving relief but on the basis of seeing how much money they can shovel out of the Treasury.

Mr. CRAWFORD. Will the gentleman yield there?

Mr. TABER. Yes.

Mr. CRAWFORD. The gentleman's remarks now are-

Mr. TABER. They are my own.

Mr. CRAWFORD. And they relate to the Puerto Rican Reconstruction Administration?

Mr. TABER. And the administration of W. P. A. insofar as it is handling the Puerto Rican situation.

Mr. CRAWFORD. Is it not true that that Administration has attempted to go down there, and in a way, set up planned economy, go into industry, and operate in the building of homes and the running of plantations and the manufacture of sugar, and taking other steps of that kind? That is, roughly, about the program they have been following, is it not?

Mr. TABER. They have done worse than that. For instance, the Congress has helped them to create planned economy by throwing everybody out of work by this Wage and Hour Act. That is, they have raised the minimum wage beyond any possibility of anybody paying it, and done away with home work, on which a lot of those people who did linen work and that sort of thing, have been accustomed to subsist, so that they have absolutely destroyed all employment of that type amongst the women in the island.

Mr. CRAWFORD. All needlework operation?
Mr. TABER. Yes. It has been absolutely destructive. I do not know whether the Labor Committee of the House has in mind bringing in a bill to eliminate Puerto Rico from the operations of that Wage and Hour Act or not. If they do not, Puerto Rican industries are absolutely out.

Mr. CRAWFORD. Is it the gentleman's judgment, then, that the real step that should be taken would be to correct the Wage and Hour Act, to remove its application from Puerto Rico, and let the industries go ahead and operate and give the people work, instead of trying to run them through the planned economy of the Puerto Rican Relief Administration?

Mr. TABER. Absolutely. I think that is a terrible thing. [Here the gavel fell.]

Mr. TABER. Mr. Chairman, I yield myself 5 additional

If you will turn to page 260 of the hearings, you will see there a schedule of the type of wages that are prevalent in the island. They will show that ordinary labor is not accustomed to any such wages as are provided for in the Wage and Hour Act. They have a different standard of living, different requirements, due to the type of housing they can live in, and due to the type of food they are accustomed to. A family there lives very well, for them, on 75 cents a day, and they are able to provide themselves with a great many of the luxuries. For us to go down there and set up a standard away beyond what the Puerto Ricans are accustomed to, is absolutely criminal. That is just what we have done, and that is just why the situation exists that has been described.

It was testified before our committee that they were running along on the basis of practically \$1,000,000 a month during the fall—\$1,034,000—and they had the money already in their hands to operate on that basis. That is shown on page 261. Frankly, the committee felt we should not go any

There may be some evidence that I do not know about that has not been brought to my attention, but what the Congress ought to do to help out the distress of Puerto Rico is to wipe out the application of that wage and hour bill to Puerto Rico. It in no way conflicts with our people in their employment. It in no way interferes with the work of anyone here. If they do not do the work, it will be done in China or India or Japan, perhaps, where they can hire people to work for that wage. I cannot see any sense in our forcing that employment in the needlework industry over into Asiatic countries.

Mr. CRAWFORD. Will the gentleman yield further?

Mr. TABER. I yield.

Mr. CRAWFORD. Is it not also true that in their entire economy, not only in the needlework but in all lines of manufacturing as may exist, and such agricultural work as may exist, they must compete with tropical labor in all other areas?

Mr. TABER. That is true.

Mr. CRAWFORD. And this proposition applies to the entire economy of Puerto Rico, not only to the needlework industry?

Mr. TABER. It does.

Mr. CRAWFORD. Although it falls heavier on the needlework industry?

Mr. TABER. That is the industry that has immediately

been put out of business.

Mr. CRAWFORD. If the gentleman will permit me, the Senate has been considering a bill—S. 1028, I think it is—which is an amendment to the Philippine Independence Act, which vitally affects this whole Puerto Rican situation, addirectly ties into the amount of relief money that will eventually be asked to be sent to Puerto Rico if the Philippine Independence Act gets into operation.

Mr. TABER. I think it is criminal for us to pass legislation creating set-ups that destroy this whole Puerto Rican

group.

Mr. PACE. Mr. Chairman, will the gentleman yield?

Mr. TABER. I yield.

policy must be adopted.

Mr. PACE. Does the gentleman state that their products do not come in here in competition with the American farmer?

Mr. TABER. There is no set-up of that kind in this country in connection with the needlework, that is particularly harmed by this operation. It is this fancy linen work that is bought in the Tropics that comes from there, that our people in the States do not have the patience or the time to work on. They cannot do it and sell it for a price that anyone can afford to pay for it with the wage scale that our people would be satisfied with.

The CHAIRMAN. The time of the gentleman has again

expired.

Mr. TABER. Mr. Chairman, I yield myself 5 additional minutes. I will discuss the bill briefly and then I will yield the floor.

This bill calls for \$138,000,000 of direct appropriation and, in addition, about \$46,000,000 of contract authority. Most of it goes for the Army and the Navy. The cuts that were made by the committee, with one exception, I am completely satisfied with. That is a small item of a couple of hundred thousand dollars that Dr. Eaton talked about. The Army proposition, in my opinion, provides more money than it should, because it provides for arms and ammunition on the basis of the completion of the program about 2½ years from now, which is not an emergency set-up and could just as well be spread out over a period of 5 years.

It would be better if it were; but, frankly, I seem to be so alone in the committee on the subject that I believe I shall not care to offer an amendment on the floor to correct it. I do feel that when the larger items are brought in, this

There is no particular criticism of the items that are requested so far as I can see, but I do think that the interests of the national defense would be promoted if they were strung out over a longer period in the hope that when any other program comes in, the interests of having a steady work load for our factories over a period of years will be considered and that we shall try to establish the thing on a basis where we can have a steady work load instead of an enormous build-up

and then a let-down which completely upsets our factory situation.

This is one of a series of deficiency bills that I suppose we shall have. It is supplemental, very largely, to estimates for the regular bills of next year. The deficiency items themselves, as far as I can estimate, are something like \$20,000,000. The supplemental items make up the rest of it. By supplemental items I mean additions to the 1940 appropriations which are to be used after the 1st of next July. Unless we are very careful in dealing with the public money, I can see that we are going to have a tremendous amount of money carried in deficiency bills for the rest of the year. I hope we shall be able to put the brakes on before that comes. [Applause.]

[Here the gavel fell.]

Mr. TABER. Mr. Chairman, I yield 10 minutes to the

gentleman from Massachusetts [Mr. GIFFORD].

Mr. GIFFORD. Mr. Chairman, I wish to speak about the child of this administration of which it is the most proud. Much boasting has been made of the Securities and Exchange Commission. I have gathered a great deal of information about this Commission. We shall not speak at length for the moment as much time will be needed to give it proper attention. I shall, however, make a few comments.

Early this administration tried to formulate a new principle. Formerly it was "Let the buyer beware"; when you went out shopping you were to beware lest you did not get your money's worth. This is now changed to "Let the seller beware." It is a startling change. Whenever an organization like this Commission asks the Congress for large increases of funds I think it is a good idea to consider such demands most carefully. It is stated in this report that they need it because Congress added certan duties. These extra duties are highly interesting.

I read in the Christian Science Monitor on last Saturday a very courageous article stating that with the Securities and Exchange Commission came the great freeze upon business. We cannot have an unfreezing of business until we unfreeze the Securities and Exchange Commission. Recently we have heard much about cooperation with business. This apparently has been a very recent doctrine. We wondered if they really meant it. In the New York Times of Sunday appears the explanation. After months of trying to cooperate with Wall Street, they say that cooperation was now ended. The man upon whom fell the great burden of cooperating has now been kicked upstairs, and Wall Street has to begin all over again in this work of cooperation. However, before he was rewarded he had, according to the papers, abandoned all cooperation with Wall Street.

Did this organization freeze business? Certainly it did. We watched it carefully from the first. After 3 long years of its existence I received a letter from former Commissioner Landis containing the admission that very little new business had been registered. It was nearly all refunding, taking advantage of the low-interest rates adversely affecting endowed schools, colleges, and all other such institutions, by depriving them of the long-term investments at rates of return on which they had based their activities. The refinancing obliged the investing public and public institutions to take a very low rate of interest and greatly reduced incomes from investments.

It was not until last year that the Securities and Exchange Commission seemed to acknowledge the existing fear. They decided to offer small business their own lawyers to help them prepare the troublesome documents required for presentation. We read that usually some 20,000 pages of manuscript must be furnished, as I recall the statement of last week, to which I have referred. The public desires protection, but the public has been smothered with protection. Who of you would dare form a corporation to start a new enterprise and sell securities to the public? Perhaps later it might be found that you had made misrepresentation through your enthusiasm and hopefulness that the project might succeed. And if an agent should misrepresent you in the marketing of such securities your entire directorate would be faced with a jail sentence. In England only one,

the one actually making the misrepresentation, suffers the penalty of the law.

Mr. THILL. Mr. Chairman, will the gentleman yield?

Mr. GIFFORD. I hope it is on this subject.

Mr. THILL. Yes.

Mr. GIFFORD. I yield.

Mr. THILL. Does the gentleman realize that it costs tens of thousands of dollars to register these stock issues with the Securities and Exchange Commission?

Mr. GIFFORD. Yes. The Commission says they have been working on the holding-company matters and the stock market and have not been able to send many sleuths out into the rural districts. And they said, "We have been at this more than 3 years and are gaining." Gaining what? They seem to get nowhere. They claim they have caught many of the blue-sky operators. The report reads that "we caught 33." That is not an astounding number if conditions were as painted. It has cost a great amount to catch even those few blue-sky operators. They are now to be a party at issue before the Federal courts, working in conjunction with such courts and another powerful Federal agency, all at the Nation's expense. The defendant must pay his own attorney fees, and against such an array of investigators and lawyers what chance has he?

With all the resources of the Securities and Exchange Commission before the courts, in any reorganization, scattered stockholders would be entirely at their mercy and have to accept any proposed plan in line with the views of the S. E. C. You will build up this immense organization to hound honest men, as well as culprits, and, as a prominent Senator recently stated, "Every individual is regarded as a

presumptive crook."

Mr. FITZPATRICK. Will the gentleman yield? Mr. GIFFORD. I always yield to the gentleman.

Mr. FITZPATRICK. From the remarks of the gentleman from Massachusetts, I take it he believes that these high-powered salesmen should have a free hand to go out and sell worthless securities, stocks, and bonds to the American public?

Mr. GIFFORD. No, indeed; far from that; but we now have laws sufficient to cover such activities. So-called blue-

sky laws are probably on the statutes of all States.

You have built up this tremendous organization which has caught few culprits and frightened many honest men. What culprits have the Securities and Exchange Commission caught? Has it solved the holding-company problem? Not at all. It is still at variance with business. Has it solved the stock-market problems? Not at all. It may have proved a deterrent to rascals, but it seems that the rascals are about the only ones who dare to take a chance. Certainly it has deterred the honest man in the ponderous complexity of its demands and through fear that they might honestly err. They dare not go ahead and hesitate to comply with their restrictions, furnish all this information and all the proof necessary before they are permitted to proceed. You would not attempt registration under such liability.

Mr. CRAWFORD. Will the gentleman yield?

Mr. GIFFORD. I yield to the gentleman from Michigan. Mr. CRAWFORD. Can the gentleman tell us the total amount of securities, new issues and refundings, that have passed through the Securities and Exchange Commission, and the small percentage of new capital?

Mr. GIFFORD. There has been a tremendous amount of refundings, which is probably easy; but when we come to the new issues it is another matter. It has caused a great freeze upon business and we cannot deny it. It has proven to be the greatest deterrent to business. The gentleman from Michigan and I spoke recently over a national radio hook-up on this general subject. I wish to speak of another deterrent to business, which is probably worse. Your Mr. Douglas, about to become a Supreme Court Justice, joined with us in that radio talk. We startled him into enthusiasm about his work, but I think he was somewhat annoyed by the information which we had at hand and to

which reference has been made in these remarks.

Why will business not proceed? Let me illustrate. Will business hunt business? Will investment hunt profit? Will squirrels hunt nuts? Not if you snipe at the squirrels all the time; not if you take all of his nuts in taxes; not if you take the social-security nuts you promised to save for him and he has to watch you munch them now and knows he will have to be taxed more nuts even to get his social-security nuts. Is that plain to you? [Applause.] I borrowed this suggestion from a commentator. That is another very great deterrent to business.

[Here the gavel fell.]

Mr. WIGGLESWORTH. Mr. Chairman, I yield the gentleman 4 additional minutes.

Mr. CRAWFORD. Will the gentleman yield?

Mr. GIFFORD. I yield to the gentleman from Michigan.
Mr. CRAWFORD. I understand from the Securities and
Exchange Commission that during all the period it has been
in operation only \$15,000,000,000, in round figures, of new
issues and refundings have passed through its hands, and
only about 30 percent in the form of new issues. I also
understand from the Commercial Chronicle, which is the
bible we refer to, that in January of this year new issues
dropped to the low figure of \$52,000,000, and in only 8 months
during the last 20 years have we ever scraped the bottom so
completely as we did in January, which, I think, supports the
gentleman's statement.

From the Commercial and Financial Chronicle we learn that new capital issues for 1929—total corporate securities—amounted to \$8,639,000,000; for 1930, \$4,944,000,000; and that for the period throughout the life of the Securities Exchange Act—May 27, 1933, to 1938, inclusive—we find the total new capital corporate securities amounted in 1933 to only \$161,000,000; 1934, to only \$178,000,000; 1935, to only \$404,000,000; 1936, to only \$1,215,000,000; 1937, to only \$1,227,000,000; 1938, to only \$854,000,000. The trend for 1939 down to February 28 is very bad indeed, with the month of January giving a very, very poor showing, and, outside of one large

issue, February was not so promising itself.

Bear in mind this poor and inadequate showing has been in spite of the fact the Government has pumped billions of dollars into the buying power of the Nation, yet the capital markets have failed to respond except in the very limited manner above set forth. Restrictions that have been imposed by the S. E. C. on those who would venture, added to rapidly rising taxes, civil disturbances arising from strikes condoned by the administration, low money rates artificially inspired. changes in the social order, increased regulations of business, and threats of the entry of Government into business-these have all contributed to a lack of confidence in the future on the part of those who would otherwise be entrepreneurs. A deliberately unbalanced Budget policy has been pursued by the administration, and a continued abandonment of sound fiscal policies have added their contribution to scaring would-be investors away from new enterprise. We need political peace and sound fiscal policies with a discontinuance of the enactment of punitive and unfriendly legislation, so that long-term commitments will again become attractive to our people.

If, as Commissioner Douglas has informed us, there has been handled by his Commission only \$15,000,000,000 worth of all securities—new capital and refunding—and only 30 percent new issues, we certainly need to reexamine our whole procedure. If we are to go along on the basis of around \$900,000,000 per annum or only \$75,000,000 per month for new issues, at a time when our savings are amounting to more than \$1,500,000,000 annually, the time will soon come when the very pressure of circumstances will force us to recast our

policies

Mr. GIFFORD. The gentleman's figures are always correct. To produce an \$80,000,000,000 income that you are seeking, listen to that. No doubt this administration has tried to bring about reforms. It has tried to reform everybody. In the process it has frightened everybody. No one cares to go ahead, with the feeling of fear that exists, brought about by those high in this administration.

Is it possible that these facts have not reached certain ears? Is it possible that these later advances toward cooperation with business are after all not to be taken as sincere? The collapse of cooperation is rather sudden. Before we appropriate these huge sums and give this Commission an enlarged field in which further to freeze activities we should pause and consider. Shall we make of them public administrators of every phase of business that they may deem in the public interest over protest of the defendants? At the Nation's expense, they will now supplant the district attorneys, or add to them, before the Federal courts. Heaven help the little man who may have a case in court against this array of probers and Federal prosecutors.

Shall I rejoice with you in the great success of the Securities and Exchange Commission? I hope now someone will now rise and attempt to refute the charge that this Commission has proved the greatest possible deterrent to recovery.

[Here the gavel fell.]

Mr. WIGGLESWORTH. Mr. Chairman, I yield the balance of the time on this side to the gentleman from Pennsylvania [Mr. DITTER], which I believe is 10 minutes.

Mr. DITTER. Mr. Chairman, many of us who served in the last Congress are sympathetic toward that group of new dealers who fell by the wayside last November. Many of us had a high regard for these men. All of us are concerned with the efforts which the administration has put forth to find berths that these men might occupy with profit to themselves and with a seeming degree of satisfaction to the public service. It has been a difficult thing for the New Deal to find berths for all the defeated new dealers. It was a large number. You and I have seen them around in Washington, scurrying hither, thither, and you in the hope that a job could be found. I am here today to serve that group of men, for I think I have found a lucrative place to which they might aspire. The fact of the matter is, those of the new dealers who are apprehensive today as to what may happen to them in November of 1940 might look with a great deal of interest to the same post.

The National Mediation Board has a splendid sinecure that I think every one of the defeated new dealers should make a bid for. There is less work to it, more pay to it, and certainly a great deal less worry to it than there is to any seat in the Congress. If you will turn to page 125 of the hearings you will find that a distinguished favored son of Chicago—whether there is any Kelly-Nash connection to this I do not know, and I am making no charges-by the name of Millard, who for 165 days of work last year got the fine salary of \$12,412.50. Now you figure it out for yourselves-165 days of work as a mediator, bringing in \$12,000 a year salary. In addition you may have your private law practice. You may enjoy your private clientele. You may have all the privileges that an active practitioner at the bar can have. You will not have any of the worries that annoy the new dealers today. You know how worried you are. You know the apprehension with which you look to 1940. You know how disturbed you are as to what the future holds in store for you. Out of consideration for you, because of my regard for you, I wonder whether it would not be a splendid thing for every one of you to file application now to take the place of our friend, Mr. Millard. You would be relieved of all your worries.

You would not have to worry about any of the distressing and disturbing problems with which every new dealer is faced today. With calm and ease and peace of mind that would enable you to sleep soundly you could accept this job, this sinecure, and reap your \$12,000 plus a year.

Then may I point out to you that in addition to the salary you get your subsistence. Now, subsistence is a fine thing. It means that you get your food and your drink, and where is the new dealer who is not thinking about the matter of food and drink? Those are things that bolster the waning spirit of the New Deal, and they are provided for you at Government expense. Again, you will have the privilege of traveling, paid for at Government expense. I know there are

a lot of new dealers that have been doing a lot of traveling since the 8th day of November last year. All of that is provided for you. No worries, no alarm, no apprehension, no one to disturb you; and all the food, drink, and travel that you need thrown in free.

I wonder who is going to be the first candidate? Mark you, I serve you men today. I am serving you men today, all of that group who, either because of fear or apprehension, are disturbed as to their political future.

Mr. FITZPATRICK rose.

Mr. DITTER. Here is the first applicant. I am surprised that my friend would apply. He is the least worried. I yield to my distinguished friend from New York, for whom I have the highest regard. I want to say to him before I yield to him that I did not think he would be an applicant. He is not one of those to whom I referred. However, since he appears, I now yield.

Mr. FITZPATRICK. According to the gentleman's statement, then, we are going to elect a Democratic President in 1940 to fill those vacancies. The gentleman admits it. And may I say that in 1930 in the Seventy-second Congress Members on our side took many seats from Members on your side, and some of them are holding those seats today.

Mr. DITTER. My dear sir, I am not making a political speech. There is no suggestion of politics in it. I am making a speech only because of my disturbed mind and distressed heart for those of you who today are in fear and apprehension as to what may befall you. Then again I am concerned about that group that finds itself today on the outside of the portals of the privileges of the patronage of the New Deal, our former Members. You have had them come to see you. They have been all around here. You have seen them walking up and down the corridors with anxious eyes and with disturbed faces. I am trying to serve them. I suggest to my distinguished friend that he should try to place those of his former colleagues from New York who fell by the wayside last November.

May I also point out to my esteemed friend, that my observations today do not give the assurance that he takes from them. Every new dealer is grasping at any straw. These mediators are appointed by a Board which we cannot upset when a Republican President is elected in 1940.

Mr. FITZPATRICK. In answer to that— Mr. DITTER. I have not yielded further.

Mr. FITZPATRICK. I want to tell the gentleman there was none defeated.

Mr. DITTER. I have not yielded further. I have only 1 minute left.

Mr. HOUSTON. Will not the gentleman yield to the gentleman from New York as an announced applicant for this job?

Mr. DITTER. I yield to my distinguished friend, for whom I have the highest regard.

Mr. FITZPATRICK. It happened that in our great city they were all returned except one.

Mr. DITTER. I know that my distinguished friend does not limit his vision of new dealism to the city of New York.

Mr. FITZPATRICK. The gentleman referred to New York. Mr. DITTER. I know the gentleman takes in the whole State of New York. I know the gentleman does not limit his influence to the metropolitan district. I consider my friend an outstanding new dealer from the great Empire State of New York. [Applause.]

Mr. FITZPATRICK. I saw the same thing happen in 1930 on the gentleman's side.

[Here the gavel fell.]

The Clerk read as follows:

The appropriation under the Forest Service, Department of Agriculture, for New England hurricane damage, contained in the First Deficiency Appropriation Act, fiscal year 1939, is hereby amended by including with the States named therein the State of New York: Provided, That the Federal Government shall not expend of such appropriation in such State an amount in excess of \$60,000.

Mr. EATON of New Jersey. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. Eaton of New Jersey: On page 10, line

13, after "\$60,000", insert a new paragraph, as follows:
"Dutch elm disease: For an additional amount for the eradication of Dutch elm disease, including the same purposes and objects specified under this head in the Agricultural Appropriation Act for the fiscal year 1939, \$200,000."

Mr. EATON of New Jersey. Mr. Chairman, I understand that in the agricultural bill which is coming before the House tomorrow, the regular allotment for the eradication of this elm tree disease has been cut from \$378,000 to \$100,-000, and when that bill comes before the House we who are in favor of saving our elm trees, are prepared to introduce amendments giving the battle for the life of the Nation's elms a fair chance to be won. Meanwhile the board of the Agricultural Department experts appeared before the deficiency committee and asked for an additional \$200,000 this year to the \$378,000 already allotted. This was cut out, and it was cut out for reasons which are set forth in the report. One of these reasons is that \$14,000,000 has been spent. The fact is that in this battle against the Dutch elm disease the authorities have been forced to use W. P. A. workers and the most of this \$14,000,000 has been taken from the W. P. A. funds. These workers have been absolutely incompetent. They have been absolutely unfit for the job. This is a battle for experts and I believe if we can grapple with this problem as it ought to be grappled with, and spend enough money and put in the field men who know what they are doing, know an elm tree when they see it, and are prepared to apply the remedies that are necessary to win the battle, it can be won.

For this reason I hope sincerely that the committee will agree to this amendment and give this vitally important

work the \$200,000 that it needs. [Applause.]
Mr. WOODRUM of Virginia. Mr. Chairman, I ask unanimous consent that all debate on this amendment close in 3 minutes

Mr. REED of New York. Mr. Chairman, I wish I might have just a few minutes.

Mr. EATON of New Jersey. Mr. Chairman, it seems to me a matter as important as this ought to be entitled to at least 10 minutes of our valuable time. We are treating this just as if it were child's play instead of a very important

Mr. WOODRUM of Virginia. I had in mind giving everybody all the time they asked for.

Mr. Chairman, I ask unanimous consent that all debate on this amendment close in 10 minutes.

Mr. JENKS of New Hampshire. I object, Mr. Chairman. Mr. WOODRUM of Virginia. Mr. Chairman, this is not a matter of any very great moment so far as the Committee on Appropriations is concerned. If this Committee wishes to put \$200,000 in here. I do not think anybody is going to quarrel about it. However, we do not believe it is needed. The evidence showed our committee that the Government has spent \$14,000,000 in an endeavor to eradicate this blight.

Mr. EATON of New Jersey. Mr. Chairman, will the gentleman yield?

Mr. WOODRUM of Virginia. I yield. Mr. EATON of New Jersey. I would say the Government has misspent most of that by employing incompetent help when they could have employed experts from the Department of Agriculture.

Mr. WOODRUM of Virginia. Then why misspend \$200,000 more?

Mr. EATON of New Jersey. This will be used by the Department of Agriculture.

Mr. WOODRUM of Virginia. There is no evidence that there has been any reformation from the standpoint of the Government employing competent people. All they have been doing is cutting down elm trees.

The Government has spent \$14,000,000, and the localities have spent \$1,000,000. This is just another effort to have the Government carry the whole burden of something that individuals and localities and States ought to aid the United States in doing.

Mrs. ROGERS of Massachusetts. Mr. Chairman, will the gentleman vield?

Mr. WOODRUM of Virginia. Certainly.

Mrs. ROGERS of Massachusetts. It is vital to us in New England to save the remaining elm trees. A good many of our elm trees are down as a result of the hurricane.

Mr. WOODRUM of Virginia. I thought the \$5,000,000 was going to take care of all of those elms.

Mrs. ROGERS of Massachusetts. That is to remove a tremendous fire hazard and has nothing to do with rebuilding. That work has to do with taking away underbrush, those trees that are down, to prevent fires. It is very vital to us to save our remaining trees from every standpoint.

Mr. WOODRUM of Virginia. We are going to carry \$100,-000 in the regular agricultural bill for the eradication of this Dutch elm disease. All they are doing with it, and all they expect to do with it, is to cut down elm trees.

Mr. EATON of New Jersey. Mr. Chairman, will the gentleman yield?

Mr. WOODRUM of Virginia. Certainly.

Mr. EATON of New Jersey. They are not cutting down just any old elm tree, they are cutting down diseased trees. Has the gentleman seen this work in operation?

Mr. WOODRUM of Virginia. I am not minimizing the seriousness of the proposition, I will say to the gentleman, and I am not unwilling to do whatever is reasonably proper, but the great Department of Agriculture, with all its personnel and its vast resources, including the C. C. C. camps, will have \$100,000, which, after all, is just used to cut down diseased elm trees.

Mr. EATON of New Jersey. That is what we are afterto get rid of them.

Mr. WOODRUM of Virginia. That will cut down all the diseased trees you can find.

Mr. EATON of New Jersey. How are we to find out where these trees are unless we have men employed for that purpose who know the difference between an elm tree and a thistle?

Mr. WOODRUM of Virginia. Does not the gentleman think the State park service, the Forest Service, the Conservation Service, the C. C. C. camps, and the hundreds of thousands of Department of Agriculture agents all over the country can do something along that line? Why is it that every time we find some little thing that has to be done we cannot ask a gentleman over here to turn 6 inches out of his path and disturb himself from his repose to do it? It seems we always have to set up a new agency and appropriate new funds to do it. It is an idiotic and ridiculous proposition. [Applause.] I am anxious to see how you gentlemen who are always talking economy are going to vote on this proposition. Personally, I do not care what you do with it.

Mr. REED of New York. Mr. Chairman, I move to strike out the last word.

Mr. Chairman, it was not my intention to take the floor. and I doubt if anything that I shall have to say will change the result. I yield to no man on the floor of this House in my interest in trees. I have been setting out trees ever since I was 10 years old. I have a large number of elm trees on my property, some of which are at least a foot and a half in diameter, which I set out as a boy. Elm trees mean a great deal to this country, as do all trees. It is interesting to know that the leaf surface of the averagesize elm tree covers about 5 acres. Through the process of transpiration, an average-size elm tree will throw off into the atmosphere in 1 day 7½ tons of water. Trees exercise great influence in communities where they are located, especially in the parks in the cities, where it is very hot and where women and children assemble on those days for comfort. We have had one tragedy in this country in regard to the neglect of trees. We imported a disease that has destroyed the chestnut trees all over this country. I have driven down through Virginia and it is a sad sight to see these skeleton forms of thousands of massive chestnut trees. Every chestnut tree in the United States has been wiped out, and they have found no variety that is immune to the disease. This Dutch elm disease has traveled as far west

as Cleveland, Ohio, possibly farther. When it gets in there is only one thing that can be done, and that is to destroy the diseased trees.

Why not appropriate some money to save this great national asset? There are expenditures that are perhaps reckless and wasteful, and there are other expenditures that contribute to the economic stability of the country. It is an investment. I believe at this time instead of cutting down this appropriation which was very small it should be increased. In 1938 the appropriation was \$460,000; in 1939, \$370,000, and in 1940, if the cuts are made, the appropriation will be reduced to \$100,000. More money should be appropriated as proposed by the pending amendment to protect our investment in these trees. Thousands upon thousands of elms have been set out by people, set out by school children, as the result of encouragement of the Federal Government and the State governments. Now, let us not be picayunish in regard to dealing with this disease to protect this great national investment. It is economy to adopt the amendment. I think that the amendment offered by the distinguished gentleman from New Jersey [Mr. Eaton] should receive the support of the Congress.

[Here the gavel fell.]

Mr. TREADWAY. Mr. Chairman, I move to strike out the last two words.

Mr. WOODRUM of Virginia. Mr. Chairman, will the gentleman yield?

Mr. TREADWAY. I yield.

Mr. WOODRUM of Virginia. I ask unanimous consent, Mr. Chairman, that all debate on this paragraph and all amendments thereto close in 10 minutes.

Mr. GIFFORD. I want about 2 minutes.

Mr. JENKS of New Hampshire. I would like to be heard. The CHAIRMAN. Is there objection to the request of the gentleman from Virginia?

There was no objection.

Mr. TREADWAY. Mr. Chairman, the gentleman from Virginia asks the question what those who are preaching economy in this House are going to do about this item. We are here to economize where economies should be made, not when it is vital to such an interest as that of the trees of this country. There are different kinds of economy. There is the very small type of parsimony and there is the other type of the fair economy. There is economy, Mr. Chairman, in carrying out the appropriation asked for by the amendment offered by the gentleman from New Jersey. The gentleman from New York [Mr. REED] has just explained the scientific value of these trees, and certainly the interest, as displayed by the people throughout New England and the Eastern States in this item, is positive proof that the amendment should prevail. Within the last year I do not think I have had more general correspondence with the people in my district than on this one subject. Every group of people which is interested in the well-being of New England and the Eastern States want to see this appropriation authorized. The fact that the gentleman from New Jersey [Mr. Eaton] only asked for \$200,000 shows his extreme interest in economy, because by the evidence of the Bureau of Entomology and Plant Quarantine itself more can be advantageously used.

It is not altogether as the gentleman from Virginia has said, cutting down trees; money is used in what is known as scouting—that is, studying the question as to where the disease is spreading. That is the interest that we people in western Massachusetts have, that my constituents have, in seeing that this appropriation is included in this bill. are not directly affected in my district at the present time, but there are colonies of the Dutch elm beetle in the immediate vicinity in the edge of New York State, the eastern boundary of New York State, and the northern boundary of Connecticut. We are frightened lest the wonderful growth of elm trees in western Massachusetts will very soon be seriously affected by this disease. Representing the people that I do who are interested in this subject throughout New England, I urge most strongly that we show economy in the preservation of the great natural attraction in the trees by voting unanimously for the modest appropriation asked for in the amendment offered by the gentleman from New Jersey. [Applause.]

[Here the gavel fell.]

The CHAIRMAN. The gentleman from Massachusetts [Mr. GIFFORD], the gentleman from New Hampshire [Mr. JENKS], and the gentleman from Connecticut [Mr. SHANLEY] asked to recognized. The Chair will divide the 10 minutes equally between these three gentlemen.

The gentleman from New Hampshire [Mr. Jenks] is recog-

nized for 31/3 minutes.

Mr. JENKS of New Hampshire. Mr. Chairman, while we in New Hampshire are not so much interested in this matter as neighboring States, nevertheless the fact remains that this disease and this pest is spreading and is coming our way. We have an abundance of elm trees in New Hampshire.

When the last flood came upon us in New England I had occasion the next day to motor from New York up to New Hampshire, and in doing so I passed through the city of New Haven, known as the Elm City. The destruction of trees in this city was simply appalling, and those fallen trees create another great hazard.

Let me read a statement made by Dr. J. H. Faull, professor of forest pathology at Harvard, and Dr. J. S. Boyce, professor of forest pathology at Yale. These gentlemen have just completed a joint field study of the eradication campaign. They state:

It is our belief that unless radical changes are made this coming year in the methods employed and in the system of financing the work, the battle for eradication will be lost.

[Here the gavel fell.]

The CHAIRMAN. The gentleman from Massachusetts [Mr. Gifford] is recognized for 31/3 minutes.

Mr. GIFFORD. Mr. Chairman, let me say briefly that I observed some 3 years ago while motoring through New Jersey with friends the destruction wrought over perhaps a 40-mile stretch by this pest. We were simply aghast at the tremendous damage that had been done. Any man in this House who had seen it would vote for this amendment. Elm trees with hundreds of beetles larger than hornets all over them beside the highways that we have spent thousands and thousands of dollars to build to the perfect ruination of the beauty of that whole section. It would impress anyone sufficiently to vote for this amendment.

To my amazement I found that in my own locality last year these beetles were attacking not elm trees, but maple

This destruction is too great to be passed over lightly. Minneapolis, Detroit, Dallas, Chicago, St. Louis, Sacramento, Salt Lake City, as well as New Jersey, are reported as affected. Do you wish the automobile and other carriers to spread this pest all over the United States? I repeat that if you once saw what I saw in New Jersey and what you can now see in those so-called elm cities, it would be sufficient to cause you to vote for this amendment. You who have not been eyewitnesses may say: "Let us not vote with those asking for this because they have recently voted for economy." We shall be glad to vote for real economy, and we are not logrolling this in an Interior Department bill, either. [Applause.]

Mr. PLUMLEY. Mr. Chairman, will the gentleman yield?

Mr. GIFFORD. I yield. Mr. PLUMLEY. Is it not true that this destructive beetle migrates in swarms and attacks unprotected areas without any warning?

Mr. GIFFORD. Of course we want them to cut down these trees or to paint them with poison the same as they are painting for protection against the gypsy moth, and some effective method of treatment. The utter destruction of these trees is facing us.

Mr. McCORMACK. Mr. Chairman, will the gentleman

vield?

Mr. GIFFORD. I yield.

Mr. McCORMACK. The only purpose of the amendment offered by the gentleman from New Jersey is to restore the figure recommended by the Bureau of the Budget.

Mr. GIFFORD. That is all, and there is every necessity for the greater sum.

[Here the gavel fell.]

The CHAIRMAN. The gentleman from Connecticut [Mr. SHANLEY] is recogned for 31/3 minutes.

Mr. SHANLEY. Mr. Chairman, I know that the spenders are always better organized than the savers, and I hesitate to depart from the man whom I think is one of the ablest chairmen we have, a man whose judgment I respect; and when I differ from him I do so with great reluctance, but this is a problem that interests us very deeply. This amendment is submitted to the House not because we want to override the committee, but because we believe it follows what the Bureau of the Budget wishes.

As a man who has Druidic blood in his veins I have the greatest respect for trees. Representing the City of Elms, as my city was so referred to by the distinguished gentleman from New Hampshire [Mr. Jenks] I may say that the elms have been a historical tradition of our city. The City of Elms is known throughout the country.

I believe that the recommendations made by Professor Faull, of Harvard University, and Professor Boyce, of Yale University, will materially help if they are carried out, and I hope that they will be carried out if this amendment passes. I certainly would not want these recommendations to be disregarded by the Department of Agriculture.

This amendment, plus these recommendations, in my humble opinion, will fulfill all the criticism made by the distinguished gentleman from Virginia. I believe these three things taken together with the possible suggestions contained in the amendment will enable us to eradicate and correct the criticism made by the distinguished gentleman from Virginia.

Mr. SANDAGER. Will the gentleman yield?

Mr. SHANLEY. I yield to the gentleman from Rhode Island.

Mr. SANDAGER. Is it not a fact that after the last storm in New England we can ill afford to lose any more trees up there?

Mr. SHANLEY. Certainly not in Connecticut, and I know in Rhode Island the same situation holds true.

Mr. SCHAFER of Wisconsin. Will the gentleman yield?

Mr. SHANLEY. I yield to the gentleman from Wisconsin. Mr. SCHAFER of Wisconsin. The gentleman is in favor of the amendment offered by the Republican side, indicating that the money should be expended only for cutting down trees. After we have passed the \$150,000,000 W. P. A. appropriation, can we not make provision that the W. P. A. will cut down those trees and we will call upon those gentlemen to take care of human beings as well as elm trees?

Mr. SHANLEY. The gentleman presents a vast problem and I shall try in revising and extending my remarks on the bill tomorrow to include an answer to the question.

[Here the gavel fell.]

The CHAIRMAN. The question is on the amendment offered by the gentleman from New Jersey [Mr. EATON].

The question was taken; and on a division (demanded by Mr. Woodrum of Virginia and Mr. Schafer of Wisconsin) there were—ayes 65, noes 36.

So the amendment was agreed to.

The Clerk read as follows:

Salaries and general expenses: The amount of \$50,000, available only for the payment of extra compensation for overtime services of local inspectors of steam vessels and their assistants, and United States shipping commissioners and their deputies and assistants, contained under the heading "Bureau of Marine Inspection and Navigation, salaries and general expenses," in the Department of Commerce Appropriation Act, 1939, is hereby made available also for the payment of extra compensation for overtime services of customs officers and employees, for which the United States receives reimbursement, in accordance with the provisions of the act of May 11, 1938 (52 Stat. 275–276, 345).

Mr. HOOK. Mr. Chairman, I move to strike out the last word.

Mr. Chairman, I was very much interested in the debate concerning the protection of elm trees. In that same paragraph was contained the appropriation for cleaning up the debris left after the hurricane that happened in the East.

I fully realize the immensity of the problem confronting the people of this Nation along the line of protecting elm trees. I also appreciate the problem that confronted the New England States after the hurricane of last year. May I call your attention to the fact that there has been a pest traveling throughout this Nation in the past and that pest has been the unwieldy swinging of the woodsman's ax by the lumbermen, who came into the territory of the Great Lakes States and without any thought of the future practically destroyed our virgin forests wherever they have been able to operate—not only our elms, not only our towering pines, not only our hemlocks and hardwoods but practically every tree that came within the scope of their march of destruction.

We have in the Great Lakes area, however, some very fine stands of virgin timber that can be saved. We must protect this virgin timber in order to rehabilitate the Upper Peninsula. In order to save from the woodsman's ax the last stand of these great forests, I have introduced a bill that will be considered by this House which will have for its purpose the saving of these last great stands of virgin timber. It will set up, if you please, a program of cutting by sustained yield under Government supervision.

I am in sympathy with the fact that you want to save your elms, but I hope when my bill comes to the floor of the House for consideration you will join with us from the Great Lakes States to save the great forests in that territory. I hope you will help us bring back some vestige of honest, clean, sensible cutting of those forests, so that our people will be able to carry on from an industrial angle and rehabilitate themselves, not only from part-time farming and part-time industrial work through lumbering operations, but by building up of our recreational facilities for the tourist business. I hope you will be just as anxious to save the forests in our territory as you are now interested in saving the elms for this Nation.

Mr. McCORMACK. Will the gentleman yield?

Mr. HOOK. I yield to the gentleman from Massachusetts. Mr. McCORMACK. There is also involved the question of conservation of the soil. When the forests are recklessly destroyed it has an effect upon rivers, the topsoil, and in many other ways. Is that correct?

Mr. HOOK. There is not any doubt about that. For instance, unless these great stands of virgin timber along the southern shores of Lake Superior are saved, erosion will occur in that territory to such an extent that practically all of the topsoil will be washed into Lake Superior. The erosion that will follow will destroy our rivers, our lakes, and our farms. If given the opportunity by the passage of my bill known as H. R. 931, we will set up a program which will rehabilitate one of the blackest spots in the United States today by properly caring for the forests in northern Michigan.

On January 3, 1939, I introduced the bill (H. R. 931) for the acquiring of lands in the Ottawa National Forest and other lands to safeguard the public interests in certain lands in Baraga, Gogebic, Houghton, Iron, and Ontonagon Counties in the State of Michigan. This bill would authorize and direct the Secretary of Agriculture to acquire such of said lands within the described counties as would carry out the purposes of the act under the provisions of the act approved March 1, 1911, as amended. To cover the costs of purchase the bill would authorize the appropriation of \$3,000,000 for the fiscal year of 1939, \$3,000,000 for the fiscal year 1940, and \$4,000,000 for the fiscal year 1941, the appropriations so made to continue available until expended.

As known to the Forest Service, the circumstances within the described counties which would justify enactment of the bill are as follows:

Prior to white settlement and occupancy the Lake States, in large part, supported a heavy growth of timber and for decades constituted a principal source of timber supply for the people of the United States. But widespread and destructive practices of timber utilization, without any studied provision for a maintenance of the forest capital, resulted

in the devastation of millions of acres of lands not permanently valuable for any economic service other than timber production. The communities which had been established were left without means of economic life; the thousands of people who had derived their livelihood from lumbering operations were left without adequate means of employment. Large acreages of cut-over land were allowed to revert through tax delinquency, thus markedly diminishing the means for the support of counties and public institutions. The economic and social losses thus occasioned have not adequately been offset by new types of economic activities.

These conditions, however, have not yet occurred in the extreme northwestern corner of the State of Michigan. In the five counties described in the bill there still exists a large acreage of virgin timber, which under constructive forms of forest management could be made a permanent economic asset and a permanent source of support and economic security to the population now residing within the five counties. It was recognition of that fact that led to the establishment of the Ottawa national forest-purchase unit and the initiation therein of a program of forest-land acquisition and management under the provisions of the act of March 1, 1911—Thirty-sixth United States Statutes, at page 961—as amended.

Within and adjacent to the Ottawa National Forest are to be found substantially the last large remaining stands of virgin northern hardwoods in the Lake States region which offer opportunity to practice selective cutting and sustained yield forestry. Over the years the process of timber exploitation steadily has been moving toward these remaining stands of virgin timber and during the last 10 years have partially invaded the region, with the same old processes of clear cutting which have had such disastrous consequences to social security and public welfare in other parts of the Lake States. Notwithstanding that fact there still exist a number of economically and naturally defined units of forest management in which forestry and forestry products can be maintained as one of the chief sources of income for the dependent communities and in which timber utilization is and can continue indefinitely to be the ranking industry and source of

Within the five counties described in the bill approximately 90 percent of the land area is chiefly valuable for forest purposes. It consists in part of denuded land of a type upon which artificial reforestation would be necessary; in part of cut-over lands upon which, however, an adequate secondgrowth forest has been or is being established; and in part lands supporting large volumes of merchantable timber not yet exploited industrially. The remaining 10 percent of the area consists of farm land, mining properties, town sites, lands chiefly valuable for recreational uses, and so forth, but this other 10 percent will not escape impairment and diminished economic value if the 90 percent of the 3,000,000-acre area fails to receive the constructive management necessary to realize its potentialities for timber production. On the contrary, impairment of the economic value of the 90 percent of the area chiefly valuable for forestry largely will impair the economic value of the remainder and will leave the dependent population without adequate provision for the future.

Most of the area suitable for farming is at present so used. However, farming is limited by the factors of a short growing season and of adverse soil and topographic conditions. The rainfall is ample for farm crop-production purposes, but the mean temperature varies according to the nearness of Lake Superior and to the altitude, ranging from a seasonal maximum of about 90° F. in summer to a minimum of minus 40° or 50° in severe winter. The area of really valuable and productive farmland is relatively limited.

Farming is closely related and dependent upon the mining and wood-using industries which at present demand and consume a large proportion of the farm crops locally produced. Additionally, about one-half of the resident farmers are dependent upon part-time employment, either in the mines or winter woods work of some kind, for sufficient income to enable them to maintain reasonable living standards. Thus it is evident that within this area the future economic security of agriculture to a large extent is dependent upon the continuation of the stable lumber industry which in turn depends on the continuation of stable sources of timber supply.

In earlier years the consumption requirements of the local wood-using industries were not grossly out of balance with the available sources of timber supply. These established industries own part of the forest lands upon which their operations are dependent and hoped to be able to acquire stumpage from lands held by nonoperating owners. Such nonoperating owners, however, were unwilling or unable to await such disposal of their properties, but, instead, began to arrange for or contract with additional wood-using industries, which, added to the existing ones, would greatly overdraw the forest capital

and accelerate its complete liquidation.

The logical solution of the problem seemed to be Federal acquisition of the heavily timbered holdings of the nonoperating interests, so as to withdraw them from the pressure of quick and uneconomic exploitation. With such stumpage available as a part of the continuous supply required under sustained-yield management, it would be practicable to induce the operating owners of forest lands to change their plans of utilization from those of complete exploitation to those of selective cutting, which would leave on the cut-over lands residual stands that would form the basis for succeeding cuts, the owners of such lands either to hold them for such future cuts or to exchange them with the United States for equal values of national-forest stumpage. By these means maximum control over the utilization of the timber resources could be accomplished with a minimum outlay of public funds and with due regard to the sound needs of the existing woodusing industries. Agricultural lands would not be acquired. except as minor parts of holdings primarily forest in character. Lands containing minerals would be allowed to remain in private ownership or could be acquired subject to reservations of mineral rights where the retention and exercise of such rights would not be incompatible with the objectives of forest management.

These possibilities of Federal participation in a constructive program of natural-resource management within the five counties described in the bill led the National Forest Reservation Commission, at its meeting of January 21, 1935, to approve the establishment of the Gogebic National Forest Purchase Unit, which subsequently was merged with the previously established Ottawa National Forest. This action was taken in recognition of the obvious need for a practicable solution of the serious economic problem confronting the dependent population and also of the less directed but nevertheless national interest in both the social and economic phases of the situation. At the time this project was presented for consideration the Commission was advised that the estimated cost of acquiring all of the lands involved and the timber thereon would be approximately twenty-five to twenty-eight million dollars, but that a plan of acquiring the holdings of the nonoperating companies through purchase, and then the partially cut-over holdings of the operating companies through either exchange or purchase, would make it possible to carry out the plan at a cost of approximately eight million to ten million dollars. At the time the matter was considered there were grounds for the belief that because of the large measure of unemployment relief and social welfare which would result there was reasonable promise that the necessary funds would be available.

Subsequently there was a sharp curtailment in the amount of money available for land acquisition, and due to the requirements in other established purchase units a sharp reduction in the purchase program within the Ottawa National Forest became unavoidable. It is true that 561,568 acres have been approved and in large part acquired within this unit, but these lands largely are in a cut-over condition, and to date only a minor proportion of the lands supporting the important remaining stands of merchantable timber has been acquired by the United States. While the acquisitions to date have been distinctly worth while and highly beneficial, they represent only a framework for the real program of land acquisition which remains to be accomplished.

One important consideration is the fact that, in addition to the industrial value of the existing stands of mature timber, is their supplemental value as elements of an environment rich in opportunity for outdoor recreational activities. The combination of lake, broken terrain, fishing opportunity, wildlife resources adjacent to Lake Superior and proximity to large centers of population offers promise that service to the recreational needs of the American people will be one of the major economic functions of the region in the future. Not only will this contribute to the social security and economic stabilization of the dependent populations, but it will afford to millions of American citizens needed opportunity for constructive forms of outdoor recreational activities. But the widespread removal of the present forest stand threatens to so completely impair the scenic charm and inspirational quality of the region as to make impossible types of recreational use which otherwise could be permanent features.

During the past several years a large percent of the local residents have been compelled to resort to Federal relief because of lack of opportunity for profitable employment. If the hitherto prevailing trend continues unchecked the need for relief will increase rather than diminish; will in fact become chronic and continuing. If, on the other hand, the natural resources of the region are managed constructively, with primary regard for promotion of social welfare, the demands for Federal relief should be markedly reduced or perhaps wholly eliminated. The expenditures of Federal funds necessary to establish ownership of the requisite forest lands therefore would be offset, at least in part, by these economies of Federal funds resulting from the reduction of the relief load.

The resources of this area are such as to warrant the belief that if effective principles and programs of selective cutting and sustained-yield management could be established, the volume of timber available for cutting each year would be at least as great, and might be greater, than the volume hitherto and now being removed under the prevailing clear-cutting methods, but with the difference that the sustained-yield principle would be a guaranty of economic stability of local communities, industries, and governments, and economic security to the dependent local people. Such a program, however, can be accomplished only through the whole-hearted cooperation of operators and timber-land owners in the practice of real forest management, or by the public ownership and administration of the timber resources, or by a combination of the two, as is the apparent objective of H. R. 931.

As the Ottawa National Forest now exists, it contains a gross area of 1,722,628 acres, of which, however, 348,978 acres is classified as land more valuable for purposes other than forestry, or for some other reason nonpurchasable by the United States. Within the borders of the national forest 354,000 acres have been reserved from the public domain and 561,568 acres have been or are being acquired by purchase under the act of March 1, 1911, at a cost of \$1,974,125, or an average of \$3.52 per acre. The further requirement of Federal acquisition as hitherto foreseen has involved the further purchase of 828,528 acres, at an estimated cost of \$10,646,000. It is, however, possible that the remaining desirable lands could be acquired at a lesser cost, either through changes in market values or due to the removal of some of the stumpage which they hitherto have supported. It should be noted that the bill, H. R. 931, contemplates Federal acquisition of other lands outside of the present boundaries of the national forests for which no estimate of cost hitherto has been made. But, on the basis of the facts as now known to the Forest Service, there is justification for the reasonable presumption that an expenditure of an additional \$10,000,000 in payment for lands within or adjoining the Ottawa National Forest would place the Federal Government in a position effectively to establish a sound foundation of industrial and social economy for the region.

The general topography of the area is rugged, semimountainous, there being relatively little smooth land, most of it being rolling and hilly. The elevation varies from an alti-

tude of about 500 feet along the shore of Lake Superior to a maximum of 2,023 feet, which is the elevation of the Porcupine Mountains in Ontonagon County, the highest point in the State of Michigan. The area in the main is drained by the Ontonagon River, which flows into Lake Superior, but the extreme eastern part is drained by rivers which flow into Lake Michigan, the southern part by rivers flowing into the Mississippi.

With some curtailment in mining, due to adverse conditions such as extreme depth or water or leanness of cre bodies, and the fact that the timber which constitutes the chief wealth of the counties rapidly is being removed without restriction, in such a manner that future crops will not be possible without very intensive management and replanting, there has been some decrease in population and a considerable decline in the taxable value of properties within the counties. Unless the trends are effectively checked the counties will have increased difficulty in maintaining the necessary facilities and institutions and will be confronted by numerous difficult questions of both finance and government.

Because of clear local recognition of the situation which exists or impends, Nation-wide public sentiment strongly is favorable to a constructive program of land ownership and management by the Federal Government. Thousands upon thousands have requested such action by formal petition, the editorial comment of the Nation's largest newspapers generally is supportive of the program. Support also was expressed by considerable numbers of the owners of the lands involved who have indicated willingness to cooperate in some fair and equitable adjustment of the situation.

While present and prospective conditions in northwestern Michigan are by no means unique they nevertheless merit immediate and constructive attention. Through the utilization of the forest, farm, mineral, wildlife, and recreational resources there has been developed in the Upper Peninsula of Michigan a social and industrial structure which merits preservation. The many fine communities, the public institutions of service, the public utilities, all of the essentials of civilized existence, have been established on relatively high planes. The region is characterized by a population of high cultural standards. This whole fine structure is menaced by the threatened depletion of the remainder of the natural resources upon which its existence depends. Action such as contemplated by H. R. 931 is indispensable to its preservation.

Mr. FULMER. Mr. Chairman I rise in opposition to the pro forma amendment.

Mr. Chairman, I feel it is proper at this time to make a few remarks in connection with this very important matter because of the speeches we have just listened to in respect to the important matter contained in the amendment offered by the gentleman on this side having to do with insect damage to trees and other forestry problems.

In the last Congress we passed a resolution appointing a special forestry committee. On account of last year being a campaign year, we did not have an opportunity to investigate the various problems in connection with forestry in this country. Today the Rules Committee has reported a concurrent resolution which will extend the services of this committee for 12 months, to end April 1, 1940.

This is a very important matter. Since I have been a Member of Congress, from time to time we have had various bills introduced and various amounts of money appropriated, many of them meritorious and others of a very wasteful nature. It is very important in carrying out the message of the President submitted to the Congress about 12 months ago that this committee be permitted to go into the various sections of the United States for the purpose of holding hearings to find out about the many forestry problems that we have, so that we may be able to take care of and preserve these resources for the people of the Nation.

I am merely bringing this to your attention, because if this investigation is made we will then be in position to pass upon these bills and appropriations intelligently. What has been happening in the past? Members have been introducing bills,

perhaps in the interest of their people or section that would not meet the situation or the problems in other sections. So I am hopeful that when we have an opportunity to consider this resolution—and we want to bring it up at the earliest possible moment—we shall have no trouble in passing it and continuing the service of this committee, every member of which is deeply interested in helping to solve the many forestry problems in the United States. [Applause.]

[Here the gavel fell.]

The pro forma amendments were withdrawn.

The Clerk read as follows:

The paragraph in the Second Deficiency Appropriation Act, fiscal year 1938, under the caption "National Bituminous Coal Commission," is hereby amended by striking out the following proviso: "Provided, That expenditures during the fiscal year 1939 under this head and under the head 'Salaries and expenses, office of the Consumers' Counsel, National Bituminous Coal Commission,' shall not exceed an amount equal to the aggregate receipts covered into the Treasury under the provisions of section 3 of the Bituminous Coal Act of 1937."

Mr. DITTER. Mr. Chairman, I make the point of order against the paragraph that it is legislation on an appropriation bill.

Mr. WOODRUM of Virginia. Mr. Chairman, I concede the point of order.

The CHAIRMAN. The point of order of the gentleman from Pennsylvania is conceded by the gentleman from Virginia, and is therefore sustained.

The Clerk read as follows:

Insane of Alaska: For an additional amount for the care and custody of persons legally adjudged insane in Alaska, including the same objects and for the same services specified in the Interior Department Appropriation Act, 1938, fiscal year 1938, \$759.50.

Mr. IGLESIAS. Mr. Chairman, I offer an amendment. The Clerk read as follows:

Amendment offered by Mr. IGLESIAS: Page 15, after line 15, insert a new paragraph, as follows:

"Puerto Rico Reconstruction Administration. For relief and work relief in Puerto Rico, fiscal year 1939, including the same objects and for the same purposes specified in section 1 (4) of the Emergency Relief Appropriation Act of 1938, \$3,000,000, which amount shall be added to and become a part of the appropriation contained in section 1 (4) of said act: Provided, That not to exceed \$5,000 of the foregoing amount may be used for defraying the expenses of a comprehensive study under the direction of the Secretary of the Interior of the curriculum, facilities, and operation of the University of Puerto Rico."

Mr. TABER. Mr. Chairman, I make the point of order against the amendment that it is legislation on an appropriation bill and not authorized by law.

Mr. MARCANTONIO. Mr. Chairman, will the gentleman reserve the point of order so the gentleman from Puerto Rico may explain the amendment, and so that those of us who favor this relief appropriation for Puerto Rico may be heard?

Mr. TABER. Mr. Chairman, I reserve the point of order so the gentleman from Puerto Rico may speak on the amend-

Mr. IGLESIAS. Mr. Chairman, as I stated before, this matter is of tremendous importance to the people of Puerto Rico. The help we are asking through this amendment is so badly needed in the island that I ask the gentleman from New York to withdraw the point of order and let the Committee vote in favor of the amendment. This amendment has been discussed by the members of the committee. This point of order is against the relief for the terrible situation of thousands of women, men, and children of Puerto Rico who are waiting for the action of this Congress to bring help

Mr. Chairman, I do not know how to convince the gentleman from New York [Mr. TABER], but I request and beg the gentleman to withdraw the point of order and let the House vote for this amendment.

Mr. WOODRUM of Virginia. Mr. Chairman, will the gentleman yield?

Mr. IGLESIAS. I yield to the gentleman from Virginia. Mr. WOODRUM of Virginia. May I say to the distinguished Commissioner from Puerto Rico, who is naturally very much interested in this matter which affects his people so vitally-and I may say I am in sympathy with the gentleman's attitude-that it appears the amendment is perhaps subject to a point of order and might go out if the point of order is insisted upon. I wonder if the gentleman would be willing to accept an amendment to his amendment cutting the amount to \$1,000,000, so that sum might tide over the emergency until some more permanent solution can be reached.

Mr. IGLESIAS. Of course, anything that means help to the people of Puerto Rico would be accepted if it could not be

obtained in any other way.

Mr. WOODRUM of Virginia. If the gentleman would accept such an amendment, I would entertain the hope that the gentleman from New York would withdraw his point of order.

Mr. DONDERO. Mr. Chairman, will the gentleman yield? Mr. IGLESIAS. I yield to the gentleman from Michigan. Mr. DONDERO. Is the situation the gentleman describes the result of the action of the wage and hour law in the

Mr. IGLESIAS. Some part of that situation comes from that, some part of it from the sugar quota, and some part

from commerce outside.

Mr. MARCANTONIO. If the gentleman will yield, in view of the suggestion of the distinguished gentleman from Virginia, chairman of the subcommittee, may I suggest to the Commissioner from Puerto Rico that the amendment be accepted, with the reservation, however, that we may later on in the Senate apply for the additional \$2,000,000. In other words, we do not want to be put in the position of waiving our rights to have the amount increased.

Mr. IGLESIAS. For the time being I accept the amendment of the gentleman from Virginia, because no other prac-

tical course can be got.

Mr. Chairman, I request and appeal to you to vote for the amendment.

[Here the gavel fell.]

The CHAIRMAN. Does the gentleman from New York desire to be heard on the point of order?

Mr. WOODRUM of Virginia. Mr. Chairman, is the gentleman going to insist on his point of order?

Mr. TABER. Mr. Chairman, I am willing to reserve the point of order and let the gentleman from New York [Mr. MARCANTONIO] speak on the amendment if he wishes to.

Mr. MARCANTONIO. Mr. Chairman, I rise in support of the amendment.

Mr. Chairman, just a few moments ago the Committee by an overwhelming vote went on record for a worth-while cause, the preservation of elm trees. The proposition before us presents a cause which I believe is much more worth while, and that is the cause of the suffering human beings on the island of Puerto Rico. Puerto Rico has a population of 1,700,000, and 250,000 of these people are unemployed, involving 1,125,000 persons.

I disagree with the distinguished gentleman from New York [Mr. Taber] in his contention that the Puerto Rico Reconstruction Administration, which is the relief administration for the island, is paying \$54 a month to the people on its rolls. I call his attention to page 262 of the hearings, where we find the testimony of Mr. Fairbank, assistant administrator of the Puerto Rico Reconstruction Administration. Mr. Fairbank said:

P. R. R. A. wages are not higher than the local prevailing wages. would like to explain, however, that the \$54 average man-cost I would like to explain, however, that the \$54 average man-cost per month does not represent the average amount paid by this administration for wages. The figure covers many other items such as materials, and so forth—so-called nonlabor items. The \$54 average also includes Federal funds expended by way of loans, which this administration has been authorized by the Congress to make. These do not go directly into wages. Ordinarily 60 percent of P. R. R. A. expenditures goes out for labor, the remaining 40 percent for material costs, and so forth. Thus to answer your questions, I would say that the wages paid by P. R. R. A. are the same as those paid by private employers in Puerto Rico.

I believe this answers completely the argument advanced by the gentleman from New York earlier today when he stated that this money was being squandered. The wages paid by the Puerto Rico Reconstruction Administration are the equivalent but not higher than the wages paid by private employers. There certainly cannot be any doubt left that the gentleman was in error when he stated that the wages paid were \$54 per month.

Mr. SECCOMBE. Mr. Chairman, will the gentleman yield?

Mr. MARCANTONIO. I yield.

Mr. SECCOMBE. If a condition exists in Puerto Rico such as the gentleman has described, is not that under the jurisdiction of the Secretary of the Interior?

Mr. MARCANTONIO. The direct responsibility for the shocking conditions in Puerto Rico falls on the Governor of Puerto Rico and on Mr. Ernest Gruening, Director, Division of Territories and Island Possessions, but I do not want to enter into a political discussion at this time. I shall deal with these two at the proper time, unless the President removes them before then. However, we are now dealing with a matter involving human misery and urgent relief and we must lay politics aside for the moment.

The report filed by the committee in refusing to recommend the \$3,000,000 appropriation admits the existence of a most deplorable economic situation in Puerto Rico, it admits a tremendous amount of human suffering, it admits a large percentage of unemployment in Puerto Rico; but the report in justifying the committee for not making the appropriation of \$3,000,000 and for recommending not a single penny states that no appropriation should be made because—

Obviously there is urgent need for something to be done to meet this aggravated condition. But the answer is not to provide work relief for a relatively small part of the number of employable persons who are without work but to restudy with a view to lifting or narrowing the application of the Fair Labor Standards Act as it relates to Puerto Rico. The grant of the additional appropriation now requested would be but a poor palliative. A cure is what is needed, and it is more to accentuate that fact and to stimulate action in that direction that the additional appropriation is not recommended (committee report, pp. 7 and 8).

I do not desire at this time to interject the issue of whether or not the Fair Labor Standards Act should be amended so as not to apply to Puerto Rico, because I do not want to bring into a discussion of relief any question that might jeopardize the granting of funds which is so imperative for a bare existence to the people of Puerto Rico. However, I am firmly opposed to lifting or the narrowing of the application of the wage and hour law as it relates to Puerto Rico. That law is necessary to the well-being of the people, the working people on the island of Puerto Rico. In fact, it is the only real legislation that can bring about an economic readjustment of the diabetic economy of wholesale exploitation of labor of Puerto Rico.

I wonder if the Members of the House know that chiselers who have run away from New York and other industrial sections of our country have been sending down to Puerto Rico needlework. Very little of this needlework is done in factories, where they pay the ridiculous wage of \$5 per week. The balance of this work is parceled out by contractors and subcontractors to the women on the island, who earn no more than 4 cents an hour.

Furthermore, the sad plight of Puerto Rico today cannot be attributed to the application of the Fair Labor Standards Act, because it has not been enforced up to this minute in Puerto Rico. A valiant attempt at enforcement was made by the representative of the wage and hour division in Puerto Rico, Mr. Claiborne. The story of how he was obstructed and sabotaged by the Governor of Puerto Rico and his satellites is one that will make interesting reading. But here again I do not want to go into a question which does not directly affect the real issue, and that is whether or not an emergency exists in Puerto Rico, and whether or not this emergency necessitates the appropriation of relief funds for Puerto Rico.

It seems to me that it is grossly unfair to force a change in the Fair Labor Standards Act as it applies to Puerto Rico by holding up relief funds for Puerto Rico. Despite the statement made by Mr. Fairbank against the application of this law in Puerto Rico and by Governor Winship and company, Congress should not be put in the position of saying "Repeal

the Fair Labor Standards Act as it applies to Puerto Rico or we will give Puerto Rico no relief funds."

Mr. REED of New York. Mr. Chairman, will the gentleman yield?

Mr. MARCANTONIO. For a brief question.

[Here the gavel fell.]

Mr. MARCANTONIO. Mr. Chairman, I ask unanimous consent to proceed for an additional 5 minutes.

The CHAIRMAN. The gentleman from New York [Mr. Taber] has reserved a point of order solely for the purpose of having the gentleman from New York [Mr. Marcantonio] recognized for 5 minutes.

Mr. SCHAFER of Wisconsin. Mr. Chairman, I ask unanimous consent that the representative of a great political party, the gentleman from New York, be permitted to address the House for 5 additional minutes.

Mr. TABER. Mr. Chairman, I am not going to be placed in the position of objecting, provided my reservation of a point of order may stand.

The CHAIRMAN. The gentleman's reservation of a point of order stands.

Is there objection to the request of the gentleman from Wisconsin?

There was no objection.

Mr. MARCANTONIO. I thank the gentleman from Wisconsin for the request as well as for the left-handed compliment to my political party. I yield to the gentleman from New York [Mr. Reed].

Mr. REED of New York. I thought the gentleman would be very pleased to know that the Governor of Puerto Rico was before the Ways and Means Committee this morning and gave us one of the most vivid, graphic, and convincing statements about conditions in Puerto Rico I believe I have ever heard. He pointed out that one of the reasons for the unemployment in Puerto Rico today is the trade agreement entered into with Switzerland, stating that under the most-favored-nation clause the goods they were making are now coming in from China and Japan, to the ruin of Puerto Rico; that the women in Japan engaged in that line of work are paid only 5 cents a day, as against a far higher wage paid in Puerto Rico.

Mr. MARCANTONIO. On that point I do not thoroughly agree. However, I must say that the proposed treaty with Cuba will hurt; but the cause of the deplorable conditions in Puerto Rico is not limited by any means to the trade agreements.

Mr. REED of New York. I may also say that he referred to the effect of the wage and hour bill.

Mr. MARCANTONIO. The Governor of Puerto Rico is opposed to the application of the wage and hour law to Puerto Rico. The House will be very interested to know of the saboteur role played by the Governor against a law passed by Congress and against its administrator. He and I disagree not only on that question but on many others; but, as I have said before, I am not going to enter into a discussion of the administration of Puerto Rico at this time. There is a proper time for it, and it will not be long now. I simply confine myself in this discussion to the need for relief funds for Puerto Rico, which, I submit, must be granted to relieve the people of Puerto Rico from a plight for which they are not responsible.

It is also my considered judgment that the committee's position, to the effect that funds are not recommended because a cure is what is needed and that the cure can be brought about by withholding these funds, is untenable and grossly inhuman. Certainly we cannot by means of an appropriation bill and a debate which will undoubtedly last no more than 15 minutes solve Puerto Rico's economic ills or adequately discuss its causes. Certainly we cannot solve Puerto Rico's unemployment problem through the medium of this appropriation bill. I submit that it is horrible to have 250,000 unemployed, involving 1,125,000 persons, suffer and starve until an economic cure is found for Puerto Rico.

Certainly we cannot solve Puerto Rico's unemployment problem by the refusal of relief funds. An emergency exists

and the only orthodox and humane manner of dealing with the emergency is to grant relief. The committee is in the same position as though it were coming before this House with a relief bill for our 11,000,000 unemployed and said, "Let us first solve the unemployment problem and until then let us appropriate no money for relief." That is the situation we have here and that is the position the committee is now taking. They say that granting this money now would only be a "palliative" and that Congress should wait until this problem is solved, and then we can deal with the whole matter. I say before this problem can be ultimately solved 250,000 people, with 1,125,000 people involved, are directly affected by unemployment on an island of 1,700,000 people. They are actually on the verge of starvation. We face a condition and not a theory. This is a matter of emergency relief, and relief funds should be granted until an ultimate solution is found for the problems of Puerto Rico.

Mr. TABER. Mr. Chairman, will the gentleman yield?

Mr. MARCANTONIO. I yield.

Mr. TABER. Mr. Chairman, the Puerto Rican authorities in the hearings told us that the minimum wage in Puerto Rico for needlework was \$1 a day and that there was a special classification, however, for apprentices who had only had a year or so of experience of 6¼ cents an hour. I thought that might interest the gentleman.

Mr. MARCANTONIO. Yes; and may I say to the gentleman that what he is referring to is factory work. The bulk

of the needlework in Puerto Rico is done at home.

Mr. TABER. And it is piece work?

Mr. MARCANTONIO. And the wage paid for home needlework is 4 cents an hour.

Mr. TABER. Is it not piecework?

Mr. MARCANTONIO. That does not change the picture at all. The work done at home pays no more than 4 cents an hour. The number of people employed in the factories as far as needlework is concerned is insignificant. In view of these conditions, in view of the fact that it is wrong to wait until we can obtain an ultimate solution for Puerto Rico's problems, and in view of the fact that the Fair Labor Standards Act is not responsible for these conditions, and in the face of an existing emergency, I submit that in withholding relief funds we are taking it out of innocent people, people who have nothing to do with the conditions under which they are suffering; people who find themselves in their present economic plight because of exploitation and tyranny. I submit, Mr. Chairman, and gentlemen of this Committee that this is a matter of relief, to relieve suffering. It is not a matter of politics. There are no politics in this at all. It is a matter of aiding 1,125,000 people, a great and good people. [Applause.]

[Here the gavel fell.]

Mr. WOODRUM of Virginia. Mr. Chairman, will the gentleman yield on his point of order?

Mr. TABER. I yield to the gentleman.

Mr. WOODRUM of Virginia. I was going to suggest to the gentleman that if he should see fit to withdraw the point of order it would be my intention to offer an amendment reducing the amount to \$1,000,000 and strike out the proviso.

Mr. TABER. I will be willing to go along with the gen-

tleman on that.

The CHAIRMAN. Does the gentleman from New York withdraw his point of order?

Mr. SCHAFER of Wisconsin. I renew the point of order,

Mr. Chairman.

The CHAIRMAN. The Chair did not recognize the gentleman from Wisconsin. The Chair desires to know if the gentleman from New York [Mr. Taber] withdraws his point of order?

Mr. TABER. I do, Mr. Chairman.

The CHAIRMAN. The gentleman from Virginia is recognized.

Mr. SCHAFER of Wisconsin. Mr. Chairman, I renew the point of order.

The CHAIRMAN. The Chair has recognized the gentleman from Virginia. Mr. WOODRUM of Virginia. Mr. Chairman, I offer an amendment striking out \$3,000,000 and inserting in lieu thereof \$1,000,000 and striking out the proviso.

The CHAIRMAN. If the gentleman from Wisconsin desires to make a point of order to the amendment offered by the Commissioner from Puerto Rico, the Chair will hear the gentleman. [After a pause.] The gentleman from Virginia offers an amendment to the amendment offered by the Commissioner from Puerto Rico which the Clerk will report.

The Clerk read as follows:

Amendment offered by Mr. Woodrum of Virginia to the amendment offered by Mr. IGLESIAS: Strike out the sum of \$3,000,000 and insert in lieu thereof the sum of \$1,000,000, and strike the proviso, reading as follows: "Provided, That not to exceed \$5,000 of the foregoing amount may be used for defraying the expenses of a comprehensive study under the direction of the Secretary of the Interior of the curriculum, facilities and operation of the University at Puerto Rico."

The CHAIRMAN. The question is on the amendment offered by the gentleman from Virginia to the amendment offered by the Commissioner from Puerto Rico.

The amendment to the amendment was agreed to.

The CHAIRMAN. The question now recurs on the amendment offered by the Commissioner from Puerto Rico, as amended.

The amendment, as amended, was agreed to.

The Clerk read as follows:

Salaries and expenses: For an additional amount for salaries and expenses, Federal Bureau of Investigation, fiscal year 1939, including the same objects specified under this head in the Department of Justice Appropriation Act, 1939, \$300,000.

Mr. RANDOLPH. Mr. Chairman, I offer an amendment. The Clerk read as follows:

Amendment offered by Mr. Randolph: On page 16, line 17, strike out "\$300,000" and insert in lieu thereof "\$600,000."

Mr. RANDOLPH. Mr. Chairman, there are many agencies of the Federal Government that we feel spend huge sums of money and bring little return for the funds that are expended. No one has ever charged that the Federal Bureau of Investigation has been one of these. For every dollar that the Government of the United States invests in the Federal Bureau of Investigation approximately \$7 has been returned. I believe this is a unique situation, and for that reason I offer the amendment which has just been read.

According to the available public records, the Federal Bureau of Investigation spent during the fiscal year of 1938 \$6,222,976 for its complete operation. For the fiscal year 1939 only \$5,978,200 was made available to this organization, which is \$244,776 less than the appropriation which we made for the last year. In May 1938 former Attorney General Homer Cummings, in company with the Chief of the Federal Bureau of Investigation, Mr. J. Edgar Hoover, appeared before the Appropriations Subcommittee and stated that this Bureau would begin the current fiscal year with a deficit, and that additional funds would be needed in order to get through that period. As of January 1, 1939, there was an actual deficit in the appropriation for the Bureau in the amount of \$425,923. Recently the President recommended a deficiency item for this Bureau in the amount of \$600,000. This would take care of the actual deficit which now exists and allow the employment of 55 additional special agents and 12 additional clerks working for the remainder of the fiscal year.

We all know, as a matter of fact, that the Federal Bureau of Investigation has been called upon to perform a number of duties that were not anticipated prior to the beginning of this fiscal year.

We know that considerable work has been done in connection with the investigation of the members of the Federal judiciary. We know that the antitrust work of the Department of Justice has brought about additional work to this bureau, and that espionage investigations have been required in all parts of the United States. Special agents have been currently assigned to two kidnaping cases which have not yet been solved; namely, the one involving Charles Fletcher Mattson, of Tacoma, Wash., and the one involving Peter Levine in New York.

The fingerprint work of the F. B. I. has steadily increased. Recently the President of the United States in a public statement encouraged the filing of fingerprints by citizens, and this has brought about additional work. I am a believer in this program of fingerprinting.

Many demands are made upon this bureau from all parts of the country for assistance in law-enforcement problems. Since the passage of the Federal Kidnaping Act in June 1932 there have been 149 kidnaping cases. The Bureau has settled 147 of them. There has been a decrease of 80 percent in the number of bank robberies throughout the United States since the Federal Bureau of Investigation was brought in and given jurisdiction to handle this work. Last year the Bureau brought about the conviction of 95 out of every 100 persons whom it took to court for trial.

While the Bureau spent \$6,222,976, the total fines imposed, savings, and recoveries effected amounted to \$47,568,419. That is certainly a good investment for this Government of yours and mine to make. It is absolutely necessary and imperative that the F. B. I. be granted sufficient funds to enable the organization efficiently to operate in a time like this and to carry on its rightful functions. Mr. Hoover and his staff are doing a really splendid job.

I believe that the subcommittee has erred in bringing in an item of \$300,000 when it should have been \$600,000 as recommended by the President and by the Bureau of the Budget. The F. B. I., as I say, is an agency of the Government which returns \$7 for each dollar expended, and is an arm of the Government that has the confidence of the American people. If ever there was a time when we needed to bolster the law enforcement agency of this country through an organization like the F. B. I., that time is the present. [Applause.]

[Here the gavel fell.]

Mr. DIRKSEN. Mr. Chairman, I rise in opposition to the amendment.

Mr. WOODRUM of Virginia. Mr. Chairman, will the gentleman yield?

Mr. DIRKSEN. I yield.

Mr. WOODRUM of Virginia. Mr. Chairman, I ask unanimous consent that all debate on this section and all amendments thereto close in 20 minutes, of which 5 are to be allotted to the gentleman from Illinois [Mr. Dirksen].

The CHAIRMAN. Is there objection to the request of the gentleman from Virginia?

There was no objection.

Mr. DIRKSEN. Mr. Chairman, apparently more than a generation ago there were abuses in the matter of deficiency appropriations even as there are abuses today. I was a boy in grade school only 11 years old when the Antideficiency Act went on the books passed by the Congress of the United States. It provided that there should be no deficiency appropriations except in the case of extraordinary emergencies, or unusual circumstances; and then it provided that the money had to be apportioned over a 12 months' period, and in the event that there were abuses the head of the department concerned must be summarily removed from office, and he could be fined. That law was put on the books by Congress in 1906, and it is there today.

In the deficiency bill under consideration there are items which, in my judgment, violate that act of 1906. Nobody can tell me, for instance, with respect to fingerprinting pointed out by my dearly beloved friend from West Virginia, that this activity could not have been foreseen by Mr. Edgar Hoover and the administrative personnel of the F. B. I. Nobody could convince me and persuade me that lots of the items in this bill could not have been foreseen. They have no business coming here with some of these deficiency items, but they are here; and, in my judgment, some of these department heads are violating the solemn law of the United States. When they do it, two things are happening. We have heard so much about bureaucracy! Well, Mr. Chairman, this is the way "strangling bureaucracy" really grows and gets its tentacles upon the Government of the United States. Do you not know that under the procedure that is

taking place here at the present time you are really alienating the appropriating power of the Congress?

Why, they fairly snap their fingers at the Congress down at the other end of the Avenue. They will put on 80 or 100 people if they need them and virtually say, "Oh, to the devil with Congress. We will put these people on, and then when the time comes we will go up and get ourselves the necessary money in the form of a deficiency bill. If they say 'No,' we will say, "Then we will have to furlough these people." The employees are there sometimes through the instrumentality of the influence of some Member of Congress, and, manifestly, they do not want them to be furloughed. The result is that the deficiency item is approved.

So what is happening, then, is that the power to appropriate is being transferred from Congress to an executive agency; and all they do is to come and collect afterward in the form of a deficiency bill. This is precisely what is happening here at the present time. Did this Congress authorize the F. B. I. or the Department of Justice to lend a lot of personnel to some other governmental agency or make the money available? Certainly not. Then what do they do it for? Was there an extraordinary emergency as provided by the law of 1906? Was there an unusual circumstance as provided by the law of 1906? Oh, there is nothing in writing to show that there was justification for it. Apparently it is done through the procedure and practice that has grown up under the so-called deficiency procedure. There is, consequently, first one deficiency bill and then another. Sooner or later we shall have to attack this thing and take it in hand, because these deficiency bills will be more and more numerous year after year, and they grow larger as time goes on. I say to you frankly, as one Member of Congress who still has some regard for his oath, that I do not want to see the appropriating power divested from this body and transferred to some agency in the executive branch.

It is not fair. It is a wrongful delegation of power, and we are going to have to put an end to it sometime because it simply adds to the national burden, as well as to the national debt, and it is developing the hold of bureaucracy on the Government.

Mr. MAY. Will the gentleman yield?

Mr. DIRKSEN. I yield to the gentleman from Kentucky. Mr. MAY. As I understand a deficiency appropriation, it is to provide additional money that has been spent by the departments concerned, over and above what Congress had authorized?

Mr. DIRKSEN. That is right. There are some things that we cannot foresee; but when they come in here asking for summary millions for ordinary purposes and for such things at putting on 100 or 200 people, is there anybody who would make so bold as to say that is an extraordinary emergency? Is there anybody who could command such persuasion as to say that is an unusual expense? Oh, indeed not. So we are going to have to put an end to it sometime, and I hope you will vote down the pending amendment in the interest of orderly procedure and for the purpose of preserving the appropriating power in the Congress of the United States.

[Here the gavel fell.]

The CHAIRMAN. The Chair recognizes the gentleman from Massachusetts [Mr. McCormack].

Mr. McCORMACK. Mr. Chairman, my distinguished friend from Illinois [Mr. Dirksen] remembers on this particular occasion the so-called Antideficiency Act. I wonder if there is any significance in the gentleman's remarks with reference to those that were directed at the Bureau of Investigation. I wonder if the Members of Congress and the American people are to draw the inference from the gentleman's remarks that he directs them at J. Edgar Hoover. I think for the gentleman's own benefit he ought to clarify that.

Mr. DIRKSEN. Will the gentleman yield?

Mr. McCORMACK. I yield to the gentleman from Illinois. Mr. DIRKSEN. I directed my remarks to all items in this bill that are guilty, and I may say to the gentleman I am going to strike out one item.

Mr. McCORMACK. The gentleman's remarks, of course, were addressed at a time when this particular item was up for consideration.

Mr. LAMBERTSON. Will the gentleman yield?

Mr. McCORMACK. Briefly. Mr. LAMBERTSON. Mr. Hoover did put on 89 inspectors without any authority of law, did he not?

Mr. McCORMACK. Is the gentleman through? Mr. LAMBERTSON. Yes.

Mr. McCORMACK. Coming back to my remarks in reference to the gentleman from Illinois, it is rather significant that he should address his remarks at this time, particularly when an item relating to the Bureau of Investigation is up for consideration. The thought enters my mind as to whether or not that was an implied or an indirect reflection upon J. Edgar Hoover.

Mr. DIRKSEN. No.

Mr. McCORMACK. I notice the gentleman says "no," and I am glad to have that put in the RECORD.

Mr. CRAWFORD. Will the gentleman yield? Mr. McCORMACK. I yield to the gentleman from Michi-

Mr. CRAWFORD. I came into the Hall a little while ago and I noticed when the words "F. B. I." were used, it was a direct attack upon the whole Bureau of Investigation, Director Hoover and all the rest of it. I asked the gentleman to yield and I was going to submit this question: What would the situation be if his own child was kidnaped and the F. B. I. was forced to put 150 men on the job to clean up the mess?

Mr. McCORMACK. I wanted to make the observation because I did not want the gentleman's state of mind to be misunderstood in the RECORD. The gentleman I know has a most profound respect for J. Edgar Hoover and for the Bureau of Investigation.

Mr. DIRKSEN. Will the gentleman yield?

Mr. McCORMACK. I yield to the gentleman from Illinois. Mr. DIRKSEN. May I ask the gentleman from Michigan what was there in my remarks that would be in derogation of anything having to do with the F. B. I.?

Mr. CRAWFORD. When the words "F. B. I." were used in his statement.

Mr. DIRKSEN. The gentleman talks like a sentimentalist now.

Mr. McCORMACK. He is a practical fellow, from my observation of him.

Mr. Chairman, the gentleman from Kentucky [Mr. May] asked the gentleman from Illinois [Mr. DIRKSEN] if a deficiency is to take care of an amount expended by a department or bureau in excess of that appropriated by the Congress. The gentleman's answer was "Yes," which is partly correct. However, sometimes an emergency arises between the date of an appropriation for a fiscal year and the period during the operation of that fiscal year when additional men must be put on. A deficiency appropriation is necessary to meet the situation.

Mr. MAY. Will the gentleman yield?

Mr. McCORMACK. I yield to the gentleman from Kentucky.

Mr. MAY. I merely wanted to get before the House what a deficiency was. I knew the Members knew what it was, but someone ought to ascertain how much the deficiency appropriations have amounted to in the last few years, regardless of the department it applies to.

Mr. McCORMACK. I have not drawn any inference from the gentleman's inquiry. I simply wanted to show that deficiency appropriations are made, also because of emergencies occurring during a fiscal year requiring that additional help

be put on.

The Bureau of the Budget recommended for the Bureau of Investigation the sum of \$600,000. This amount has been reduced to \$300,000. Since the beginning of the fiscal year the Bureau of Investigation has had tremendously increased responsibilities imposed upon it that were not contemplated at the time the appropriation for the present fiscal year was made. In connection with the antimonopoly, antitrust investigation there were over 100 agents assigned exclusively to that. A bill I was the author of last year, which aimed at Communist, Nazi, and Fascist activities in this country, a bill compelling those in the employ of foreign governments or foreign agencies for propaganda purposes in the United States to register, requires the emergency services of 25 special agents. That bill should be enforced. The success of the law will be its enforcement, and the enforcement of that law rests with the Bureau of Investigation.

Mr. Chairman, I respectfully submit that the amendment offered by the gentleman from West Virginia should be adopted and that the Bureau of the Budget's recommendation should be carried into this pending bill. Mr. Hoover and those associated with him have done wonderful work. They enjoy and command the respect of all of the people of the country. If favorable action is not taken on the pending amendment, I hope that the Senate will increase the amount.

[Here the gavel fell.]

Mr. WOODRUM of Virginia. Mr. Chairman, the gentleman from New York has indicated he does not care to speak. I want the last 5 minutes of the 10 minutes remaining, if anyone else desires any time.

Mr. SCHAFER of Wisconsin. Mr. Chairman, I should like

to have a minute to ask a question.

The CHAIRMAN. The gentleman from New York [Mr. REED] has notified the Chair he does not desire recognition. The gentleman from Wisconsin is recognized for 1 minute.

Mr. SCHAFER of Wisconsin. I understand this deficiency appropriation will include funds which are necessary to carry on the Department of Justice investigation and prosecution of the moving-picture monopoly?

Mr. WOODRUM of Virginia. I will give the gentleman that information in just a moment.

Mr. SCHAFER of Wisconsin. It appears that the Department will need some additional funds, because Mr. Goldwyn, who was named as a defendant in the Attorney General's moving-picture antitrust action, went to the White House and hired James Roosevelt, the President's son, at a salary of \$50,000 a year. James Roosevelt was later substituted as a defendant in the Government antitrust action in place of Mr. Goldwyn.

Mr. WOODRUM of Virginia. Mr. Chairman, much of the impassioned speeches here about this agency has been builded around its fine record in kidnaping cases. I would not for a moment detract from the fine service which has been rendered by the Bureau of Investigation, although I do not hang any halo about its head as a department or about its men as individuals. To me, it is just a branch of a Government department. To me, it has to abide by the law, and it ought to be the first one to live within the law.

One of my friends asked the melodramatic question, "How would you feel if your child were kidnaped and there were no funds available to handle the case?" I will say to my good friend that this Congress in its wisdom in the last session placed a \$150,000 emergency fund in the hands of the Attorney General to be used in cases of emergency, and not one red copper penny of it has ever been used.

Mr. CRAWFORD. Mr. Chairman, will the gentleman yield?

Mr. WOODRUM of Virginia. I yield to the gentleman from Michigan.

Mr. CRAWFORD. I had the pleasure of participating in a 2 or 3 weeks' fight to get that \$150,000 provided to meet emergencies.

Mr. WOODRUM of Virginia. And I had the pleasure of helping you get it. It is there for use in an emergency if it is needed. However, that question is not involved here. What have they done? Here is a question I asked Mr.

Mr. Woodrum. It was stated, I think, that in the fertilizer investigation there would be 200 men.

Mr. Tamm. Mr. Arnold stated that they should have 200 men assigned to that. That is correct. However, only 165 men are being assigned now and the number decreases each day as the work is completed.

You cannot work up a lot of emotionalism about the fertilizer investigation, can you? Is there anything about that that is going to cause our great Government to collapse and crime to be rampant, or, at least, before the regular subcommittee dealing with the Department of Justice has had opportunity within the next few weeks to determine whether or not the Federal Bureau of Investigation should be expanded? What happened with this agency is that we gave them a certain amount of money which they have not lived within. Listen to this question on page 293 of the

Mr. O'Neal. How many men above the number authorized were put on during the fiscal year 1939 on a full-time basis and how many on a temporary basis?

Mr. Tamm. The only personnel authorized was a total of 831. The overobligation represents 85 special agents and 28 clerical employees, or a total of 113 people.

Mr. O'Neal. In other words, in addition to the personnel allowed by the last appropriation, you have added 85 special agents and 28 other employees.

Mr. Tamm. Yes, sir: or a total of 113.

Mr. TAMM. Yes, sir; or a total of 113.

We have given them enough money, more than enough money, in fact, to take that unauthorized personnel through the rest of the fiscal year. We should not have done it. We made a mistake. We should have required the Bureau to live within its appropriation, but here again you are faced with the human element. They put the people on and they come in and say, "Well, if you don't give it to us we will have to turn them off," so Congress yields and we give them enough money to do that.

The complaint today is that in a deficiency bill we do not give them enough money for more agents and more clerks during the rest of this fiscal year. Our committee has said to them, "We would like you to go to the regular appropriating subcommittee dealing with the Department of Justice. which will be in session in a few days and which can consider whether or not there should be a further expansion of the Federal Bureau of Investigation." That is the whole case in a nutshell. This is a great law-enforcement agency. It should be required to set a good example. [Applause.]
The CHAIRMAN. The question is on the amendment

offered by the gentleman from West Virginia [Mr. RANDOLPH. 1

The amendment was rejected. The Clerk read as follows:

CHILDREN'S BUREAU

Salaries and expenses, Conference on Children in a Democracy: For expenses of holding a conference on children in a democracy For expenses of holding a conference on children in a democracy and conducting the necessary research and consultation work preparatory thereto; personal services, including employment of experts and temporary assistants without regard to the civil-service laws and regulations; purchase of reports and material for reports; travel, including attendance at meetings when authorized by the Secretary of Labor and including traveling expenses and subsistence of consultants and of members of conference committees; and other necessary expenses, fiscal year 1939, to continue available until June 30, 1940, \$18,000.

Mr. DIRKSEN. Mr. Chairman, I offer an amendment. The Clerk read as follows:

Amendment offered by Mr. Dirksen: On page 21, line 18, strike out beginning with line 18, on page 21, down to and including line 5 on page 22.

Mr. DIRKSEN. Mr. Chairman, Miss Lenroot, Director of the Children's Bureau, appeared before the committee and requested the sum of \$60,000 for the purpose of holding a conference on children in a democracy. Obviously you can always hold a conference on children in a democracy if it promotes jobs. This conference on children in a democracy was going to create 12 jobs. The \$60,000 was to be apportioned about as follows: \$6,500 for supplies, \$20,500 for travel, and \$33,000 for salaries.

I am not quite sure of what would come out of a conference of that kind, but I doubt very much that it would be very efficacious. It was, of course, to be addressed to such questions as the extent to which the needs of children are met in a democracy. I believe every father and every mother has a pretty fair idea of the extent to which those needs are met. It was to be addressed to the question of the degree of preparation of children for citizenship. Well, as a father, I have some ideas about the preparation of children for citizenship. I believe the finest kind of preparation they can have is the preparation that comes from the contentment and felicity that go with a very happy home. If you want to solve this problem of democracy, and confer upon children the full beneficences of democracy, let us start finding the solution of unemployment in this country and confer upon the homes of the land the contentment and the happiness that come from the full dinner pail; and then we will have gone a long way toward solving the problem.

Now, what can come of bringing 250 women to Washington to sit around a conference table for 2 or 3 days and then bring them back again for another 2 or 3 days and finally have them draw up 100 pages of conclusions on the position of children in a democracy.

We know what their needs are. Their needs are education, first of all; their needs are full bellies, plenty of food and plenty of nourishment. Their needs are contentment and recreation, and we do not need a lot of folks sitting around a conference table here in Washington to get out mimeograph matter by the ton telling 50,000,000 women in America what the needs of children are in a democracy.

She wanted \$60,000 for this purpose and the committee finally reduced the amount to \$18,000, but that would be \$18,000 sheerly wasted. So the purport of my amendment that is on the desk at the present time is to strike the \$18,000 out also. If you want to save pin money this afternoon, I suggest that you join with me in striking out the last vestige of this suggestion about a conference for children in a democracy and take out this \$18,000 also.

Mrs. O'DAY. Mr. Chairman, will the gentleman yield? Mr. DIRKSEN. I yield with pleasure to the gentlewoman from New York.

Mrs. O'DAY. I thank the gentleman very much. We women, and the men, too, should be very much concerned over the plight of the children in this democracy. Do you know that in the old-age pension the Federal Government matches the appropriations dollar for dollar and the old people have their lobby and there are a great many old people, and they are well represented. The Federal Government only pays one-third of what is paid by the States. in aid of dependent children who have no lobby. The consequence is the dependent children, not your children, not mine, not the children of you gentlemen here, but the dependent children are not properly looked after, and we women want to get busy on that because the old people will die off and those dependent children will be our citizens who will supplant us and take our place and hold the reins of government in their hands, and they are not taken care of.

[Here the gavel fell.]

Mr. DIRKSEN. Mr. Chairman, I ask unanimous consent to proceed for 3 additional minutes.

The CHAIRMAN. Is there objection to the request of the gentleman from Illinois?

There was no objection.

Mr. DIRKSEN. Mr. Chairman, may I say to the gentlewoman from New York [Mrs. O'DAY] that I recognize, first of all, the splendid work she has done in this connection and the interest she has manifested at all times; but now let me say this: We have been appropriating about \$360,000 a year for the Children's Bureau; secondly, we have a National Youth Administration, for which we have been appropriating \$75,000,000 a year. We spend hundreds of millions of dollars on the C. C. C. for various purposes, including some instructional work. These are the instrumentalities with which we have to carry out the democratic principle and have it pervade the youth structure of this country. So a conference like this can offer very little, except to reduce a few conclusions that we already know to paper and waste another \$60,000. This is my principal objection to it.

There are agencies of government that are already doing this work, and, finally, the work is being done through the Social Security Board and through the Children's Bureau, which articulates section 5 of the Social Security Act so far as its administrative functions are concerned.

Now, if I had been Miss Lenroot I never would have asked for this conference, because to me it would be a kind of confession that my own bureau was not doing the work for which \$360,000 was appropriated last year. This is why I am opposed to wasting even \$18,000 for this purpose. I do not believe it will do any good.

Mr. HAWKS. Mr. Chairman, will the gentleman yield?

Mr. DIRKSEN. I yield.

Mr. HAWKS. I wonder if the gentleman can tell us how many of the women who will attend these meetings or who have attended them in the past ever bore children?

Mr. DIRKSEN. I must say to the gentleman that he embarrasses me in asking a question of that kind. [Laughter.]

Mr. DITTER. Mr. Chairman, will the gentleman yield? Mr. DIRKSEN. I yield to the gentleman from Pennsyl-

Mr. DITTER. Is the gentleman familiar with the fact that the 1930 conference was held under President Hoover without any cost whatever to the Government?

Mr. DIRKSEN. Yes; I understand the 1930 conference was held without any expense to the Federal Government.

So let us not expend this \$18,000 unless we can be reasonably sure some good will accrue. There are many agencies that are carrying on this work at the present time, so we can perform a service for the taxpayer by striking the last vestige of this suggested appropriation from the bill.

Mr. FULMER. Mr. Chairman, will the gentleman yield? Mr. DIRKSEN. I yield to the gentleman.

Mr. FULMER. As a matter of fact, this is just the beginning of what will eventually be a tremendous amount requested later on for the same purpose.

Mr. DIRKSEN. I am rather inclined to believe that once we establish the idea it may become an annual conference, and then instead of \$60,000 it will go to \$100,000 and then \$200,000 and finally become a very substantial sum.

So, Mr. Chairman, I respectfully suggest that the amendment be adopted and this provision stricken from the bill.

Miss SUMNER of Illinois. Mr. Chairman, will the gentleman yield?

[Here the gavel fell.]

Mr. DIRKSEN. Mr. Chairman, I ask unanimous consent to proceed for 1 additional minute in order that I may yield for a question by the very charming lady from Illinois, the very distinguished judge from Illinois [Miss Sumner].

The CHAIRMAN. Is there objection to the request of the gentleman from Illinois?

There was no objection.

Mr. DIRKSEN. I yield to the lady from Illinois.

Miss SUMNER of Illinois. Thank you very much. I just wanted to say that as one who, during the past year as county judge in my county, had done quite a bit of work in connection with child labor and had attended several conferences, I feel the gentleman from Illinois [Mr. Dirksen] is quite right in feeling that the need is not so much for more information to be derived from conferences as for more economy and more money to be spent to help rear little children and bring them up as they should be brought up. [Applause.]

Mr. DIRKSEN. I feel honored to think the charming lady from Illinois shares my views. [Applause and laughter.]

[Here the gavel fell.]

Mr. O'NEAL. Mr. Chairman, I rise in opposition to the amendment.

It is very easy to stand before Congress and ridicule a proposition and cast doubt upon it. I think all organizations these days find it is highly profitable and very helpful to the cause to meet and confer. I do not know why there should be any exception as to women dealing with subjects relating to children, child improvement, and child care. Professional men do it. Business houses do it. It has become the common practice all over the country for groups to study and give each other the advantage of what has happened under their supervision and their observation. It is no different in this matter. Many very helpful improvements have come out as the result of these child conferences. I will not take the time to go into them. It is not a new idea. I would like to read to you from the hearings on page 310;

Conferences on child welfare under the auspices of the President of the United States have been held at intervals of approximately 10 years since 1909. The first conference was called by President Theodore Roosevelt and resulted in conclusions regarding the care of dependent children which have had far-reaching effects in encouraging provisions for preserving home life for children when the maintenance of the home was threatened by the death or illness of the father or some other catastrophe. The second was called in 1919 by President Wilson to consider irreducible minimum standards for the health, education, and welfare of children.

I think this is a subject that is very properly within the scope of conferences.

The third, designated as the White House Conference on Child Health and Protection, was called by President Hoover in 1930.

This conference has already been called. The invitations have gone out. People are expecting to be taken care of. We of the Appropriations Committee have attempted to do the job in as economic a way as possible. Sixty thousand dollars was first asked for. We insisted that the personnel of the Bureau be used, and we therefore saved the cost of personnel. There was travel expense, which we declined to appropriate for, and we cut the amount to a figure which we feel is sufficient, which will do the job economically; and we believe that satisfactory results will come out of this conference. We made the amount \$18,000. We believe that is moderate, that it is economical, and that it is enough; and we ask the Committee to vote down the amendment striking out the \$18,000. [Applause.]

Mr. DIRKSEN. Mr. Chairman, will the gentleman yield?

Mr. O'NEAL. I yield.

Mr. DIRKSEN. Is it not true that every previous conference that was held was before the time when we had C. C. C. camps, the National Youth Administration, and the child welfare work that is now being conducted under the Social Security Act?

Mr. O'NEAL. Well, I do not know that it is a complete job they are doing. I suspect some of these women know a little more about the rearing and the care of children than

some of our C. C. C. camp instructors.

Mr. DIRKSEN. Oh, that is true.

Mr. HAWKS. Mr. Chairman, will the gentleman yield?

Mr. O'NEAL. I yield.

Mr. HAWKS. I would like to insert right there that we have raised our children on the books that are gotten out by the Department of Labor. I do not believe the average wife in this country needs any more information on how to raise children than that contained in those publications put out by the Department of Labor.

Mr. O'NEAL. I think the gentleman will find that much of the information which is contained in those books has come about as the result of conferences of women on this subject.

Mr. KUNKEL. Mr. Chairman, will the gentleman yield? Mr. O'NEAL. I yield.

Mr. KUNKEL. Were appropriations made for those three previous conferences?

Mr. O'NEAL. Some of it has been paid in the past by private funds, I understand.

Mr. KUNKEL. There were no general appropriations?

Mr. O'NEAL. In some cases it has been the other way. [Here the gavel fell.]

The CHAIRMAN. The question is on the amendment offered by the gentleman from Illinois [Mr. DIRKSEN].

The question was taken; and on a division (demanded by Mr. Woodrum of Virginia) there were ayes 72 and noes 46.

Mr. WOODRUM of Virginia. Mr. Chairman, I demand tel-

Tellers were ordered, and the Chair appointed Mr. Dirksen and Mr. Woodrum of Virginia to act as tellers.

The Committee again divided; and the tellers reported that there were-ayes 84, noes 52.

So the amendment was agreed to.

The Clerk concluded the reading of the bill.

Mr. WOODRUM of Virginia. Mr. Chairman, I move that the Committee do now rise and report the bill back to the House with sundry amendments, with the recommendation that the amendments be agreed to and that the bill, as amended, do pass.

The motion was agreed to.

Accordingly the Committee rose; and the Speaker having resumed the chair, Mr. Cole of Maryland, Chairman of the Committee of the Whole House on the state of the Union, reported that that Committee, having had under consideration the bill (H. R. 5219) making appropriations to supply deficiencies in certain appropriations for the fiscal year ending June 30, 1939, and for prior fiscal years, to provide supplemental appropriations for the fiscal years ending June 30, 1939, and June 30, 1940, and for other purposes, directed him to report the same back to the House with sundry amendments, with the recommendation that the amendments be agreed to and that the bill, as amended, do pass.

Mr. WOODRUM of Virginia. Mr. Speaker, I move the previous question on the bill and all amendments to final

The previous question was ordered.

The SPEAKER. Is a separate vote demanded on any amendment?

Mr. WOODRUM of Virginia. Mr. Speaker, I ask for a separate vote on the Dirksen amendment.

Mr. SCHAFER of Wisconsin. Mr. Speaker, I ask for a separate vote on the Eaton amendment.

The SPEAKER. Is a separate vote demanded on any other amendment? If not, the Chair will put them en gross.

The amendments were agreed to.

The SPEAKER. The Clerk will report the first amendment on which a separate vote is demanded.

The Clerk read as follows:

Amendment offered by Mr. Draksen: On page 21, line 18, strike out beginning with line 18, on page 21, down to and including line 5 on page 22.

The SPEAKER. The question is on the amendment.

The question was taken; and the Chair being in doubt, the House divided, and there were-ayes 83, noes 60.

Mr. WOODRUM of Virginia. Mr. Speaker, I object to the vote on the ground that a quorum is not present.

The SPEAKER. The Chair has just counted the membership in the Chamber. Evidently there is no quorum present. The doorkeeper will close the door, the Sergeant at Arms will notify absent Members, and the Clerk will call the roll.

The question was taken; and there were-yeas 167, nays 189, not voting 76, as follows:

[Roll No. 39]

	YEA	S-167	
Alexander	Dondero	Норе	Owen
Allen, Pa.	Douglas	Horton	Pace
Andersen, H. Carl	Durham	Houston	Patton
Anderson, Calif.	Dworshak	Hull	Peterson, Ga.
Andresen, A. H.	Eaton, Calif.	Jeffries	Pierce, N. Y.
Andrews	Edmiston	Jenks, N. H.	Pittenger
Arends	Elston	Johns	Plumley
Austin	Engel	Johnson, Ill.	Rankin
Ball	Faddis	Johnson, Ind.	Reed, N. Y.
Barry	Fenton	Jones, Ohio	Rees, Kans.
Barton	Ford, Leland M.	Kean	Robertson
Beckworth	Ford, Miss.	Keefe	Robsion, Ky.
Bender	Fulmer	Kilday	Rodgers, Pa.
Bolles	Gamble	Kinzer	Routzohn
Bolton	Garrett	Kunkel	Rutherford
Boren	Gathings	Lambertson	Sandager
Bradley, Mich.	Gearhart	Landis	Satterfield
Brewster	Gehrmann	Lanham	Schafer, Wis.
Brown, Ohio	Gerlach	Lemke	Schiffler
Bryson	Gifford	Lewis, Ohio	Seccombe
Carlson	Gilchrist	Lord	Shafer, Mich.
Carter	Gillie	Luce	Smith, Maine
Case, S. Dak.	Gore	McDowell	Smith, Ohio
Chapman	Graham	McLean	Smith, W. Va.
Chiperfield	Grant, Ind.	McLeod	Springer
Church	Griswold	Mapes	Stearns, N. H.
Clason	Guyer, Kans.	Marshall	Stefan
Clevenger	Gwynne	Martin, Iowa	Sumner, Ill.
Cluett	Hall	Martin, Mass.	Taber
Coffee, Nebr.	Halleck	Mason	Talle
Cooley	Hancock	May	Thill
Corbett	Hare	Michener	Thorkelson
Cox	Harness	Miller	Tibbott
Crawford	Harter, N. Y.	Monkiewicz	Tinkham
Culkin	Hawks	Mott	Treadway
Curtis	Heinke	Mundt	Van Zandt
Darrow	Hess	Murray	Vincent, Ky.
Dirksen	Hinshaw	O'Brien	Vorys, Ohio
Ditter	Holmes	Oliver	Vreeland

ı	West	White, Ohio	Winter	Woodruff, Mich
ı	Wheat	Whittington	Wolcott	Youngdahl
ı	Whelchel	Wigglesworth	Wolfenden, Pa.	
ı		NAY	5—189	
ı	Allen, La.	Duncan	Kerr	Ramspeck
ı	Angell	Dunn	Kirwan	Randolph
ı	Ashbrook	Eaton, N. J.	Kitchens	Rayburn
ı		Eberharter	Kocialkowski	Richards
ı	Bates, Ky.	Ebernarter		
ı	Beam	Elliott	Kramer	Robinson, Utah
ı	Bell	Ellis	Larrabee	Rogers, Mass.
ı	Bland	Ferguson	Lea	Rogers, Okla.
ı	Bloom	Fernandez	Leavy	Romjue
ı	Boehne	Fitzpatrick	Lesinski	Ryan
ı	Boykin	Flaherty	Lewis, Colo.	Sabath
ı	Bradley, Pa.	Flannagan	Ludlow	Sacks
ı	Brooks	Flannery	McAndrews	Schaefer, Ill.
ı	Brown, Ga.	Folger	McArdle	Schuetz
ı	Buck	Ford, Thomas F.	McCormack	Schulte
ı	Buckler, Minn.	Fries	McLaughlin	Schwert
ı	Bulwinkle	Gavagan	McMillan, John L.	
ı	Burch	Geyer, Calif.	Maciejewski	Secrest
ı	Burdick	Gibbs	Magnuson	Shanley
ı	Burgin	Gossett	Mahon	Sheppard
l	Byrne, N. Y.	Grant, Ala.	Maloney	Sirovich
ı	Byrns, Tenn.	Green	Marcantonio	
ı	Caldwell		Martin, Colo.	Smith, Conn.
ı		Gregory		Smith, Ill.
ı	Cannon, Fla.	Griffith	Massingale	Smith, Va.
ı	Cannon, Mo.	Hart	Merritt	Snyder
ı	Casey, Mass.	Harter, Ohio	Mills, Ark.	South
ı	Celler	Hartley	Mills, La.	Spence
ı	Chandler	Havenner	Mitchell	Starnes, Ala.
ı	Clark	Healey	Monroney	Steagall
ı	Claypool	Hennings	Moser	Sutphin
ı	Cochran	Hill	Mouton	Tarver
ı	Coffee, Wash.	Hobbs	Murdock, Ariz.	Tenerowicz
ı	Cole, Md.	Hook	Murdock, Utah	Terry
ı	Collins	Hunter	Myers	Thomas, Tex.
ı	Colmer	Izac	Nelson	Thomason
ı	Connery	Jacobsen	Norrell	Tolan
ľ	Cooper	Jarman	O'Connor	Turner
ı	Costello	Jarrett	O'Day	Vinson, Ga.
ı	Crosser	Johnson, Luther A		Wallgren
ı	Cullen	Johnson, Lyndon		Warren
ľ	D'Alesandro	Johnson, Okla.	Patman	Weaver
ı	Darden	Johnson, W. Va.	Patrick	Weich
ı	Dempsey	Jones, Tex.	Pearson	Williams, Mo.
ı	DeRouen	Kee	Peterson. Fla.	
۱	Dingell	Keller	Pierce Oreg	Wood Wood

NOT VOTING-76

Pierce, Oreg. Poage Polk

Powers Rabaut

Woodrum, Va.

Zimmerman

Allen, Ill.	Dies	McGranery	Seger
Anderson, Mo.	Doughton	McKeough	Shannon
Arnold	Englebright	McMillan, Thos	
Barden	Evans	McReynolds	Simpson
Barnes	Fay	Maas	Smith, Wash.
Bates, Mass.	Fish	Mansfield	Somers, N. Y.
Blackney	Gartner	Martin. III.	Sparkman
Boland	Goldsborough	Nichols	Sullivan
Buckley, N. Y.	Gross	Norton	Sumners, Tex.
Byron	Harrington	O'Leary	Sweeney
Cartwright	Hendricks	Osmers	Taylor, Colo.
Cole, N. Y.	Hoffman	O'Toole	Taylor, Tenn.
Creal	Jenkins, Ohio	Pfeifer	Thomas, N. J.
Crowe	Jensen	Reece, Tenn.	Voorhis, Calif.
Crowther	Kennedy, Martin	Reed, Ill.	Wadsworth
Cummings	Kleberg	Rich	Walter
Curley	Knutson	Risk	White, Idaho
Delaney	LeCompte	Rockefeller	Williams, Del.
Dickstein	McGehee	Sasscer	Wolverton, N. J.

So the amendment was rejected. The Clerk announced the following pairs: On this vote:

Kelly Kennedy, Md

Kennedy, Michael

Kee Keller

Keogh

Dingell Disney Dowell

Drewry

Mr. Simpson (for) with Mr. Barnes (against),
Mr. Short (for) with Mr. O'Leary (against).
Mr. Gross (for) with Mr. McKeough (against).
Mr. Hoffman (for) with Mr. Sullivan (against).
Mr. Hoffman (for) with Mr. Bullivan (against).
Mr. Reed of Illinois (for) with Mr. Delaney (against).
Mr. Reec of Tennessee (for) with Mr. Martin J. Kennedy (against).
Mr. Bates of Massachusetts (for) with Mr. Pfeifer (against).
Mr. Gartner (for) with Mrs. Norton (against).
Mr. Cole of New York (for) with Mr. Boland (against).
Mr. Crowther (for) with Mr. Dickstein (against).
Mr. Williams of Delaware (for) with Mr. Fay (against).
Mr. Allen of Illinois (for) with Mr. Buckley of New York (against).
Mr. Rich (for) with Mr. O'Toole (against).

Until further notice:

Mr. Doughton with Mr. Wadsworth.
Mr. Mansfield with Mr. Knutson.
Mr. McReynolds with Mr. Taylor of Tennessee.
Mr. Nichols with Mr. Seger.
Mr. Cartwright with Mr. Fish.
Mr. Sparkman with Mr. Wolverton of New Jersey.
Mr. Curley with Mr. Blackney.
Mr. Dies with Mr. Engelbright.
Mr. Kleberg with Mr. Jensen.
Mr. Taylor of Colorado with Mr. Maas.

Mr. Sumners of Texas with Mr. Osmers.
Mr. Barden with Mr. Risk.
Mr. Evans with Mr. LeCompte.
Mr. McGehee with Mr. Rockefeller.
Mr. Sweeney with Mr. Martin of Illinois.
Mr. Anderson of Missouri with Mr. Crowe.
Mr. Walter with Mr. Voorhis of California.
Mr. McGranery with Mr. Creal.
Mr. Smith of Washington with Mr. Arnold.
Mr. Cummings with Mr. Somers of New York.
Mr. White of Idaho with Mr. Hendricks.
Mr. Thomas S. McMillan with Mr. Goldsborough.

Mr. Green changed his vote from "yea" to "nay."

Mr. Lanham and Mr. Hare changed their votes from "nay" to "yea."

The result of the vote was announced as above recorded.

The doors were opened.

Mr. SCHAFER of Wisconsin. Mr. Speaker, I ask unanimous consent to withdraw my request for a separate vote on the Eaton amendment in order to expedite the business

The SPEAKER. The Chair cannot entertain that motion at this time.

The Clerk will read the second amendment, on which a separate vote was demanded.

The Clerk read as follows:

Amendment offered by Mr. Eaton of New Jersey: On page 10, line 13, after the figures "\$60,000", insert a new paragraph, as follows:

"Dutch elm disease. For an additional amount for the eradication of the Dutch elm disease including the same purposes and objects specified under this head in the agricultural appropriation act for the fiscal year 1939, \$200,000."

The SPEAKER. The question is on the amendment.

The question was taken; and on a division (demanded by Mr. EATON) there were-ayes 117, noes 160.

So the amendment was rejected.

The SPEAKER. The question is on the engrossment and third reading of the bill.

The bill was ordered to be engrossed and read a third time, and was read the third time.

The SPEAKER. The question is on the passage of the

The bill was passed, and a motion to reconsider was laid on the table.

MESSAGE FROM THE SENATE

A message from the Senate, by Mr. Crockett, its Chief Clerk, announced that the Senate agrees to the report of the committee of conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H. R. 3791) entitled "An act to provide more effectively for the national defense by carrying out the recommendations of the President in his message of January 12, 1939, to the Congress."

SURVEYS AND TEST BORINGS IN RE PASSAMAQUODDY BAY

Mr. DEROUEN. Mr. Speaker, I ask unanimous consent for the immediate consideration of Senate Joint Resolution 57, authorizing the Secretary of War to cause a completion of surveys, test borings, and foundation investigations to be made to determine the advisability and cost of putting in a small experimental plant for development of tidal power in the waters in and about Passamaquoddy Bay, the cost thereof to be paid from appropriations heretofore or hereafter made for such examinations.

The Clerk read the title of the joint resolution.

The SPEAKER. Is there objection to the request of the gentleman from Louisiana [Mr. DEROUEN]?

Mr. TABER. Mr. Speaker, reserving the right to object. will the gentleman explain this?

Mr. DEROUEN. I will be glad to do so. This is a resolution dealing with the matter of review and there are no expenditures involved. As a rule, the Committee on Rivers and Harbors approves these without difficulty and they are put in an omnibus bill. I think many Members from the Rivers and Harbors Committee will admit this. However. the Senate passed this joint resolution, sending it to the House, where it was referred to the Committee on Rivers and Harbors. We have reported it back to the House and I ask that it be considered now because it is simply a review. We are asking for no money. It is not necessary to spend any money because a lump-sum appropriation has already been made.

Mr. CARTER. I do not know anything about this. Mr. TABER. Were the minority members of that committee present at the time this was considered?

Mr. DEROUEN. I do not remember. Mr. TABER. Did they approve this?

Mr. DEROUEN. Yes.

Mr. TABER. Mr. Speaker, I think this should lie over until tomorrow.

Mr. DEROUEN. Mr. Speaker, I ask unanimous consent to withdraw my request.

The SPEAKER. Without objection, the gentleman may withdraw his request.

There was no objection.

ADEQUATE NATIONAL DEFENSE

Mr. MAY. Mr. Speaker, I call up the conference report on the bill (H. R. 3791) to provide more effectively for the national defense by carrying out the recommendations of the President in his message of January 12, 1939, to the Congress, and I ask unanimous consent that the statement may be read in lieu of the report.

The Clerk read the title of the bill.

The SPEAKER. Is there objection to the request of the gentleman from Kentucky [Mr. May]?

There was no objection.

The conference report and statement are as follows:

CONFERENCE REPORT

The committee of conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H. R. 3791) to provide more effectively for the national defense by carof January 12, 1939, to the Congress, having met, after full and free conference, have agreed to recommend and do recommend to their respective Houses as follows:

That the Senate recede from its amendments numbered 2, 4, 7, 8, 9, 10, 11, 12, 13, 14, 21, 24, 26, 27, 28, 29, 30, 31, 32, 33, 34, 35, 36,

That the House recede from its disagreement to the amendments of the Senate numbered 1, 3, 6, 15, 16, 17, 18, 19, 20, 22,

23, and 25, and agree to same.

That the House recede from its disagreement to the amendment of the Senate numbered 5, and agree to the same, with an amendment as follows: In lieu of the language proposed to be inserted by the Senate amendment, insert the following: "one or more of which shall be designated by the Civil Aeronautics Authority for the training of any Negro air pilot,"; and the Senate agree to same.

That the House recede from its disagreement to the amendment by the Senate numbered 38, and agree to the said amendment with an amendment as follows: In lieu of the language proposed to be inserted by the Senate amendment, insert the following:

"See 14 All the provisions of section 3 of the cet of Moreh."

proposed to be inserted by the Senate amendment, insert the following:

"Sec. 14. All the provisions of section 3 of the act of March 27, 1934, as amended (48 Stat. 505; 49 Stat. 1926) and as amended by this section shall be applicable with respect to contracts for aircraft or any portion thereof for the Army to the same extent and in the same manner that such provisions are applicable with respect to contracts for aircraft, or any portion thereof for the Navy: Provided, That the Secretary of War shall exercise all functions under such section with respect to aircraft for the Army which are exercised by the Secretary of the Navy with respect to aircraft for the Navy: Provided further, That section 3b of the act of March 27, 1934 (48 Stat. 505) as amended (49 Stat. 1926; 34 U. S. C., Supp. IV, 496), is hereby further amended by inserting in the first sentence after the words "in excess of 10 per centum of the total contract prices" the words "for the construction and/or manufacture of any complete naval vessel or portion thereof, and in excess of 12 per centum of the total contract prices for the construction and/or manufacture of any complete aircraft or portion thereof"; by inserting in the first provise after the words "That if there is a net loss on all such contracts or subcontracts" the words "for the construction and/or manufacture of any complete naval vessel or portion thereof"; and by inserting at the end of the first provise after the words "income taxable year" a comma and the words "and that if there is a net loss, or a net profit less than 12 per centum, as aforesaid on all such contracts or subcontracts for the construction and/or manufacture of any complete aircraft or portion thereof completed by the particular contractor or subcontractor within any income taxable year. such net loss or deficiency in profit shall pleted by the particular contractor or subcontractor within any income taxable year, such net loss or deficiency in profit shall be allowed as a credit in determining the excess profit, if any, during the next succeeding four income taxable years, and that the method of ascertaining the amount of excess profit, initially

fixed upon shall be determined on or before June 30, 1939": Provided further, That when aircraft are procured by the Secretary of War as a result of competitive bids requiring the submission of sample aircraft with bid, the Secretary is authorized, in his discretion, to purchase sample aircraft of competitors to whom an award is not made, not more than one each from not more than the submission of the sub three such competitors, in order of merit, at prices not exceeding 75, 60, and 50 per cent, respectively, of the cost applicable in the opinion of the Secretary to the development and manufacture of such sample aircraft."

And the Senate agree to the same.

A. J. MAY, EWING THOMASON, DOW W. HARTER, W. G. ANDREWS, DEWEY SHORT,
Managers on the part of the House. J. HAMILTON LEWIS,

M. M. LOGAN. WARREN R. AUSTIN,
Managers on the part of the Senate.

STATEMENT

The managers on the part of the House at the conference on the disagreeing votes of the two Houses on the amendments of the Senate to H. R. 3791, "To provide more effectively for the national defense by carrying out the recommendations of the President in his message of January 12, 1939, to the Congress," submit the following statement in explanation of the effect of the action agreed upon and recommend in the accompanying conference report as to each of such amendments nearly."

of such amendments, namely:
On amendment No. 1: Authorizes an airplane strength of 6,000 instead of the 5,500 contained in the House bill. In view of recent international developments and of the fact that the number of airplanes actually procured and maintained will depend upon such appropriations as may be provided from time to time, your committee believes that the larger limit specified in the Senate amendment is not unreasonable. It is doubtful that, as a practical matter, more than the number authorized in the House bill can be maintained.

than the number authorized in the House bill can be maintained, due to accidents, necessity for overhaul, and similar factors keeping airplanes out of service for extended periods.

On amendment No. 3: Limits to \$300,000,000 the amount authorized to be appropriated for the purpose of equipping and maintaining the Air Corps with airplanes, airships, balloons, spare parts, equipment, and other accessories. That amount for such purposes is greater than the War Department contemplates expending, according to the testimony given at the hearings on the bill, and, in any event, the amount actually expended will be determined by the Congress in its action on annual appropriation bills.

On amendment No. 6: May be considered clarifying language which does not alter the legal effect of the related language in the House bill.

House bill. On amendments Nos. 22, 23, 25: Were requested by the War Department in order to broaden the sources from which officers may be secured.

On amendment No. 5: Merely provides for the designation by the Civil Aeronautics Authority of one or more schools for the training of Negro air pilots.

of Negro air pilots.

On amendments Nos. 15, 16, 17, 18, 19, and 20: Substantially restore the provisions of the House bill. It broadens the House bill so as to include all military personnel of the Army of the United States called or ordered into the active service of the United States. On amendment No. 38: Establishes a limit on the profits which may be made by manufacturers of airplanes, without imposing under head states.

may be made by manufacturers of airplanes, without imposing undue hardships on them, and also provides for reasonable reimbursement to not more than three unsuccessful competitors in airplane design competition of the costs of developing and manufacturing sample airplanes.

A. J. MAY. EWING THOMASON, DOW W. HARTER, W. G. ANDREWS, DEWEY SHORT, Managers on the part of the House.

Mr. MAY. Mr. Speaker, I move the previous question on the adoption of the conference report.

The previous question was ordered.

The conference report was agreed to, and a motion to reconsider was laid on the table.

EXTENSION OF REMARKS

Mr. WHITTINGTON. Mr. Speaker, I ask unanimous consent to revise and extend my own remarks in the RECORD, and to include an address I delivered today before the Mississippi Valley Flood Control Association.

The SPEAKER. Is there objection to the request of the gentleman from Mississippi [Mr. WHITTINGTON]?

There was no objection.

Mr. WHITTINGTON. Mr. Speaker, I ask unanimous consent to revise and extend my own remarks in the RECORD,

and to include therein an address delivered by the Chief of Engineers, Maj. Gen. Julian L. Schley, before the Mississippi Valley Flood Control Association.

The SPEAKER. Is there objection to the request of the gentleman from Mississippi [Mr. WHITTINGTON]?

There was no objection.

Mr. IZAC. Mr. Speaker, I ask unanimous consent to revise and extend my own remarks in the RECORD, and to include therein a radio broadcast engaged in by my colleagues the gentleman from Washington [Mr. HILL], the gentleman from Maine [Mr. OLIVER], and former Congressman Binderup, of Nebraska

The SPEAKER. Is there objection to the request of the gentleman from California [Mr. Izac]?

There was no objection.

Mr. KITCHENS. Mr. Speaker, I ask unanimous consent to extend my own remarks in the RECORD, and to include therein an address by the Honorable John E. Miller before the Rivers and Harbors Congress on the legal status of flood control in the Mississippi Valley.

The SPEAKER. Is there objection to the request of the gentleman from Arkansas [Mr. KITCHENS]?

There was no objection.

Mr. GIFFORD. Mr. Speaker, I ask unanimous consent to extend the remarks I made this afternoon and to include the remarks of the gentleman from Michigan [Mr. Craw-FORD] as an extension of my own remarks.

The SPEAKER. Is there objection to the request of the gentleman from Massachusetts [Mr. GIFFORD]?

There was no objection.

Mr. CRAWFORD. Mr. Speaker, I ask unanimous consent to revise and extend my own remarks in the RECORD on the bill just passed.

The SPEAKER. Is there objection to the request of the gentleman from Michigan [Mr. CRAWFORD]?

There was no objection.

PERMISSION TO ADDRESS THE HOUSE

Mrs. ROGERS of Massachusetts. Mr. Speaker, I ask unanimous consent to proceed for 1 minute.

The SPEAKER. Is there objection to the request of the gentlewoman from Massachusetts [Mrs. Rogers]?

There was no objection.

Mrs. ROGERS of Massachusetts. Mr. Speaker, I ask unanimous consent to extend my own remarks in the RECORD and to include therein a brief history of the life of the great patriot, Stephen Decatur.

The SPEAKER. Is there objection to the request of the gentlewoman from Masachusetts [Mrs. Rogers]?

There was no objection.

Mrs. ROGERS of Massachusetts. Mr. Speaker, today is the anniversary of his death, and especially in these trying days is it fitting for us to pay tribute to Americans whose lives were dedicated to their country.

A bill has been introduced in the Congress for the purchase of the Stephen Decatur house, so that it may be kept as a memorial to him and other naval heroes. It was he who was largely responsible for developing a read navy in this country.

Stephen Decatur is one of the most brilliant figures in American naval history. Born in Sinepuxent, Md., January 5, 1779, he entered the Navy as a midshipman at 19, was a lieutenant at 20, a captain at 25. At the age of 41 he died in a brave but useless duel.

He subdued the Tripolitan pirates, defeated the crack frigate of the British Navy, and helped to lay the foundation of a strong American Navy.

Admiral Lord Nelson pronounced his act of dashing into the harbor at Tripoli at the head of a small party and burning the frigate Philadelphia, which had fallen into the hands of the Tripolitans, "the most daring of the age." It was in recognition of this exploit that he was made captain, presented with a sword, and put in command of the Constitution by Commodore Preble, commander of the fleet.

Following the War of 1812 he was made Navy commissioner, with Commodore Rodgers and Commodore Porter, an office which he held until his death, March 22, 1820, in a duel with Commodore Barron at Bladensburg.

The sea was Decatur's life. His grandfather was a lieutenant in the French Navy; his father a captain of privateers in the American Revolution. The young Decatur, to quote his biographer, Irvin Anthony, "pursued his destiny with a vigorous sincerity that made his life intense-and without regret."

Our country! In her intercourse with foreign nations may she always be in the right; but our country, right or wrong. (Stephen Decatur.)

After Stephen Decatur's death, Decatur house was occu-

pied by many distinguished men.

Decatur house was designed by Benjamin H. Latrobe, architect of St. John's Church, and one of the early planners of the United States Capitol. It was built for Commodore Stephen Decatur in 1818 with the prize money he won in the wars with the Barbary pirates, and was the first private house constructed on Lafayette Square after the White House. In the roof are "look-outs" where slaves were posted during the occupancy of Martin Van Buren, Secretary of State under President Jackson. Similar ones on the White House roof made possible a system of wigwagging before the days of the telephone.

Stephen Decatur and his young bride had lived in the house little more than a year when he was brought home mortally wounded from his duel with Commodore Barron

at Bladensburg.

After Decatur's death, many famous men lived there in spite of the ghost that still haunts it. Baron Hyde de Neuville, French Minister to the United States, was the first to occupy the house. Then came Baron de Tuyll, a Russian Minister. He was followed by Henry Clay, Secretary of State under President John Quincy Adams; Martin Van Buren and Edward Livingston, succeeding Secretary of State under President Andrew Jackson; Sir Charles Vaughan, British Minister to the United States; John Gadsby, "mine host" of the old National Hotel; George M. Dallas, when Vice President under President Polk.

In 1849 to 1851 two sons of the brilliant Rufus King came to the House of Representatives, taking up their abode in Decatur house, followed by the Honorable William Appleton,

Congressman from Massachusetts.

The last tenant before the Civil War was Judah P. Benjamin, eloquent Senator from Louisiana, afterward Attorney General, then Secretary of War, and finally Secretary of State for the Confederacy. The house was used as offices during the war, but at the close was bought by Edward Fitz-gerald Beale, a Virginian, the grandson of Commodore Truxton. Edward Beale also began life in the Navy and won great distinction in the Mexican War. He explored the West and helped to found the State of California. President Grant appointed him United States Minister to Austro-Hungary. His son, the late Truxtun Beale, was formerly United States Minister to Persia and to Greece. The historic mansion is now occupied by his widow. His son, Walker Blaine Beale, was a gallant soldier in the World War, who died on the battlefields of France.

Mr. DEROUEN. Mr. Speaker, I ask unanimous consent to proceed for one-half minute.

The SPEAKER. Is there objection to the request of the gentleman from Louisiana [Mr. DEROUEN]?

There was no objection.

Mr. DEROUEN. Mr. Speaker, I ask unanimous consent to extend my own remarks in the RECORD and to include a letter from the chairman of the Committee on Rivers and Harbors commenting on the appropriation for rivers and harbors as recommended by the Bureau of the Budget.

The SPEAKER. Is there objection to the request of the gentleman from Louisiana [Mr. DEROUEN]?

There was no objection.

Mr. DEROUEN. Mr. Speaker, first, I would like to call your attention to a project which is of vital importance to the State of Louisiana, and the Nation as a whole—that is, the Calcasieu River and Pass, La., project.

The port of Lake Charles is one of the several new deepwater inland seaports created in the low country back of the Gulf coast. The port was constructed and financed entirely by local interests at a cost of \$6,000,000 and was officially opened to traffic in November 1926.

Since that time it has established a notable record for development and growth. Regular steamship services are scheduled to Atlantic and Pacific coast ports of the United States and to the principal ports of Europe and South America, with irregular sailings to all world ports.

Seagoing traffic passing through the present waterway-Lake Charles Deep Water Channel and Sabine-Neches waterway—has increased from 561,776 tons, valued at \$18,127,215 in 1930, to 3,308,595 tons in 1937, valued at over \$45,000,000, and is constantly increasing. Internal traffic has leaped from a mere 531,383 tons, valued at \$5,280,502, to 1,265,132 tons, valued at \$11,674,550, during the same period of time, and the total tonnage at this time is approximately 6,000,000

Approximately 600 ships, oceangoing vessels, visited the port of Lake Charles, La., during the year 1938. Counting motor vessels and barges, approximately 7,034 vessels visited the port during the year 1938.

It will be noted that the port of Lake Charles carries on world-wide commerce or trade, and that the construction of the new ship channel to the Gulf will be seriously impaired under the meager \$30,000,000 appropriation recommended by the Bureau of the Budget for all river and harbor improvements throughout the United States.

At this point permit me to point out that the Chief of Army Engineers, War Department, in his annual report for 1938, stated that \$102,975,800 could be profitably expended on river and harbor improvements during the fiscal year 1940. The Bureau of the Budget, on the other hand, recommends only \$30,000,000, and I feel certain the Members of the House of Representatives of the United States can readily see that such a small sum is inadequate to carry on the river and harbor improvements already authorized and under actual construction.

It will mean a tremendous expense and loss to the many contractors who are presently engaged on these projects and increase unemployment, as there will not be sufficient money to continue the many projects now in the process of construction throughout the United States. It is my hope that some remedy may be had whereby this \$30,000,000 can be increased and an adequate appropriation be made to provide for the continuation of the work now under way without any unnecessary delay being occasioned by lack of funds.

In conclusion I offer in support a letter from Hon. J. J. MANSFIELD, the able chairman of the Rivers and Harbors Committee, House of Representatives, stating his views on the inadequacy of the amount recommended by the Bureau of the Budget and endorsing an increase in this appropriation, to wit:

> COMMITTEE ON RIVERS AND HARBORS, HOUSE OF REPRESENTATIVES OF THE UNITED STATES Washington, D. C., March 21, 1939.

Hon. R. L. DEROUEN, M. C., Washington, D. C.

Washington, D. C.

My Dear Colleague: I am writing you about a matter in which I am sure the people of your district are much interested. The law imposes upon the Army engineers the duty of telling Congress each year the amount of money which should be spent upon river and harbor projects during the following fiscal year. The Army engineers during this session have advised Congress that the economic needs for new work for rivers and harbors during the next fiscal year will require an appropriation of \$102,975,800, and the Chief of Engineers has specified the projects and has set forth the amount needed for each project.

I herewith enclose you are extract from the report of the Chief of

I herewith enclose you an extract from the report of the Chief of I herewith enclose you an extract from the report of the Chief of Engineers, naming the projects in your district and in your section on which the engineers say money should be expended for new work during the next fiscal year, and the amount which they recommend for each project. The appropriation for new work on rivers and harbors for the current fiscal year was \$75,020,000. The Director of the Budget has recommended that the appropriation for new work during the next fiscal year be cut down to \$30,000,000. This means, of course, that more than two-thirds of the money which the Chief of Engineers officially reports should be expended for new

work upon the projects in your district and upon the projects in every other district in this country must be eliminated.

Friends of river and harbor work on the Rivers and Harbors Committee and in the House feel that such a drastic cut in funds for river and harbor work is not in the public interest. Experience has river and harbor work is not in the public interest. Experience has taught us that the recommendations of the Army engineers, who have no selfish interests and no interest whatsoever, except the public interest, have been sound, and I am writing you this letter to urge that you earnestly cooperate with others who share our views in an effort to procure an amendment to the nonmilitary activities bill of the War Department which will provide adequate funds for deserving and meritorious river and harbor works throughout the country. This bill is now under consideration by the Appropriations Committee. out the country. This b

Hoping for your active and earnest cooperation, I remain,

Sincerely yours,

J. J. MANSFIELD.

Projects: Red River, White and Black, Ouachita and Louisiana waterways, which the Army engineers say should be improved with new work during the next fiscal year

Project	Amount	Congressmen
Southwest Pass and South Pass, Mississippi	\$1,694,000	Rankin.
River, La. Mississippi River between Baton Rouge and	200,000	Fernandez, Maloney, Griffith.
New Orleans. Grand Bayou Pass, La	25, 000	Fernandez, Maloney.
Calcasieu River and Pass, La	1, 500, 000 81, 000	DeRouen. Mouton.
Sabine-Neches Waterway, Tex	1, 314, 000	Dies.
Louisiana-Texas Intracoastal Waterway, Sa- bine River to Corpus Christi section.	2, 034, 500	Dies, Mansfield, Kle berg.
Total for new work	6, 848, 500	Designation of the

EXTENSION OF REMARKS

Mr. KITCHENS and Mr. BENDER asked and were given permission to extend their own remarks in the RECORD.

Mr. HOOK. Mr. Speaker, I ask unanimous consent to extend my own remarks in the RECORD and include therein several letters.

The SPEAKER. Is there objection to the request of the gentleman from Michigan?

There was no objection.

Mr. COFFEE of Washington. Mr. Speaker, I ask unanimous consent to extend my own remarks in the RECORD and include therein a radio address delivered by myself, and I also ask unanimous consent to extend my own remarks and include therein a brief article by David Lawrence, well-known columnist.

The SPEAKER. Is there objection to the request of the gentleman from Washington?

There was no objection.

Mr. THORKELSON. Mr. Speaker, I ask unanimous consent to extend my own remarks at this point in the RECORD.

The SPEAKER. Is there objection to the request of the gentleman from Montana?

There was no objection.

Mr. THORKELSON. Mr. Speaker, my discussion today is to clarify my statement of yesterday, when I said: "It is dangerous to improvise on the Constitution." It is well for us to bear in mind that the Constitution of the United States is of a deeper and more fundamental significance than is generally accepted by a great number of people. It provides for a complete protection of the Government, for legislation, and regulation. It provides for the common defense of the Nation and for the general welfare of all the people. The Constitution also guarantees to every State in this Union a republican form of government.

By the introduction of amendments without due consideration-and, I desire to say, serious consideration-it is possible that constitutional government may be undermined. As I study this document I marvel at how completely all contingencies are covered, because it really provides rules for perpetual protection of our Government, a republican democracy.

I contend that Congress must adhere strictly to the Constitution without reservation or evasion in any manner whatsoever. My reason for speaking on this subject is due to the fact that I am fearful of the safety of our Government as I recall past legislation and the recent passing of the Reorganization Act of 1939 by this House.

The perpetuation of our Republic must rest upon the powers of the States to regulate everything within the State and for positive control of the Federal Government. This was provided for in the tenth amendment:

The powers not delegated to the United States by the Constitu-tion, nor prohibited by it to the States, are reserved to the States, respectively, or to the people.

It follows therefore: The Constitution limits the powers of the Federal Government, but reserves to the States their sovereign rights not only to regulate their own affairs but also to wield a beneficial control of the Federal Government. The Constitution provides for this power in section 3, para-

The Senate of the United States shall be composed of two Senators from each State, chosen by the legislature thereof, for 6 years; and each Senator shall have one vote.

This paragraph made the Senate an exclusive body in Congress because its Members were direct representatives of the States in contradistinction to the representatives in the House, who were and still are direct representatives of the people. The same paragraph was, therefore, of the most vital importance because it was actually the keystone in the arch of the Republic and upon the observation of it the life of the Republic was safe.

The repeal of this paragraph has in a sense changed the tenth amendment to read:

The powers not delegated to the United States by the Constitution, nor prohibited by it to the States are reserved to the people.

In order to have a clearer understanding of this, let me quote the seventeenth amendment:

The Senate of the United States shall be composed of two Senators from each State, elected by the people thereof for a period of 6 years and each Senator shall have 1 vote.

The seventeenth amendment made three fundamental changes. First, it deprived the States of direct representation in Congress. Second, it made the Senate and the House direct representatives of the people. Third, it changed our Government from a republic to a democracy.

The change made in the form of our Government by the seventeenth amendment is to a great extent responsible for the present chaotic state in the Nation, for it upsets balance in the Federal Government. It is my personal opinion that it would be better if the seventeenth amendment were repealed, for it will reestablish the proper balance in the Government necessary for a republican form of government.

Mr. Speaker, yesterday I called the attention of my colleagues to the danger of amending the Constitution and of enacting unconstitutional or unsound legislation. I said that it is now possible to elect a naturalized citizen President of the United States, and my reason for making that statement was in reality not only to warn Members of Congress, but the people, not to treat the Constitution disparagingly. This is how it may happen: The votes of the majority of the people now control both branches of Congress and the same majority controls the two legislative branches of the State. This majority, free from senatorial control, wields the power that elects all officials to office. As a matter of academic interest only, let us compare what may happen with past performance.

Article II of the Constitution provides:

No person except a natural-born citizen, or a citizen of the United States at the time of the adoption of this Constitution, shall be eligible to the office of President, neither shall any person be eligible to that office who shall not have attained the age of 35 years, and been 14 years a resident within the United States.

This paragraph does not state that the party nominee must be native-born, and it does not say that a naturalized citizen who has been in the United States 14 years cannot be seated. It follows, therefore, that as the complete power is now in the hands of the majority of the people, and free from State control by the Senate, unforeseen changes may take place. It is, therefore, important that Congress preserve, protect, and defend the Constitution as it actually was given to us, and not as we think it ought to be, or as we think the Supreme Court might decide, for Congress is first responsible for the constitutionality of all legislation. I am prompted to make this

statement because of arguments on the reorganization bill which I heard on both sides of the Capitol. There seems to be an opinion prevalent among some of the Members that any legislation acceptable to the Supreme Court may be looked upon as constitutional. This is not a fact, because the constitutionality does not rest upon the opinion of anyone, but must instead be decided upon the Constitution itself. Opinions in interpretation may differ, but in such event the ninth amendment prevails. Upon the reading of section 8, paragraph 5, we find:

Congress shall have the power to coin money, regulate the value thereof, and of foreign coin, and fix the standards of weights and measures.

Upon the construction of the meaning of the word "regulate," the Supreme Court upheld the constitutionality of this legislation. This act deprived the people of their right to have gold in their possession and to be secured by gold, although it allowed international credit to be settled in gold.

This act was clearly unconstitutional, but it was enacted by Congress and upheld by the Supreme Court. Is it now unreasonable to suppose that further misinterpretation may be made, particularly in the instance to which I refer? Let us not forget that we now have a democracy, and in such form of government the majority rules.

In closing, allow me to give you another comparison between a republican form of government and a democracy: Last year the head of the Democratic Party attempted to purge his own party of members who were not entirely in accord with his views. Do you suppose it would have been possible for the head of any party to wield sufficient influence within the State legislatures to force preference for a Senator agreeable to him? I say "no." It could not have been done before the enactment of the seventeenth amendment, but it was attempted last year by an appeal to the voters to bring about such repudiation.

NEED FOR TAX REFORM

The SPEAKER. Under a special order previously entered, the gentleman from New York [Mr. Celler] is recognized for 15 minutes.

Mr. CELLER. Mr. Speaker, the major problem before the country today is to put a definite end to the depression and to restore to gainful occupation the 10,000,000 unemployed workers in the Nation. For several years we have tried various remedies, most of which merely relieved the pain but did not remove the cause. It is time, therefore, that we turn to the basic reason for the conditions that exist in this country today, and then apply the remedy that will put an end to this situation.

The feeling has become fairly general that the most important need for the improvement of conditions in the United States today is drastic revision of certain tax laws. This revision is imperative because the operation of these measures tends to stop the normal functioning of any enterprise system such as that of the United States. The American system is propelled chiefly by individual savings on the one hand and business savings on the other. The value of these savings as a propellent has largely been vitiated by the higher brackets of the income tax. It is only natural, therefore, for the whole machine to slow up.

The recent statement by President Roosevelt followed in succession by similar statements by Secretary Morgenthau and Secretary Hopkins indicate clear recognition of these facts. They were openly welcomed by businessmen, and properly so. What the Nation needs now is a follow-up of these statements by tangible evidence of an intention to translate them into action.

During the past 10 months I have conferred with many groups of businessmen in various parts of the country, and almost uniformly these various groups, and individual members thereof, have impressed upon me the fact that sound tax revision would be the greatest incentive that could be offered to business today. Sound revision of our existing tax system will produce most of the capital required to stimulate industry and to provide jobs for the vast army of unemployed in this country.

Mr. Speaker, the solution of this problem will be found in the adoption of the joint resolution—House Joint Resolution 1—introduced by me at the opening session of this Congress on January 3. This resolution places a ceiling of 25 percent maximum on Federal taxes on income, gifts, and inheritances. Its adoption will accomplish definitely two things:

First. It will stimulate production and reduce unemployment. The chief and first beneficiaries will be the farming groups, miners, cattle raisers, labor in all industries, and business generally.

Second. It will actually increase the revenue to the Federal Government and will further leave to State and local governments their proper share of the tax yield of the Nation.

Prior to 1913 the National Congress had no power to tax the incomes of individuals or corporations. But in that year the sixteenth amendment to the Constitution was adopted and became part of the fundamental law of this Nation. At the time this amendment was adopted it was never dreamed that a tax on incomes of more than 25 percent would ever be imposed. At that time no one thought that it would ever reach the point where it would become what was described by Secretary Morgenthau "as a deterrent to business revival." We have seen ample demonstration of what this taxing power can do to business. Capital is scared and is afraid to come out of hiding, and will not engage in new enterprises that would put the unemployed to work until it is made secure from this danger in the future.

Before capital will flow freely into business channels the danger of future destruction must be removed. This danger can be removed only by an amendment to the Constitution limiting the power of Congress to tax incomes, gifts, and inheritances. When this course is adopted capital will pour into business with such a rush that not an idle man will be found in this country if he is willing to work.

Mr. Speaker, there is a wealth of precedents to support my position in this matter. I will not impose upon the time of the Members of this body to enumerate them in detail. I merely wish to make a few brief citations to show clearly that the position I have taken in these matters is not a new one, but merely stated anew.

The late President Wilson, in a message to Congress in 1918, advocated the principle of lowering rates to secure more revenue. He said:

The Congress might well consider whether the higher rates of income and profits taxes can in peacetime be effectively productive of revenue and whether they may not, on the contrary, be destructive of business activity and productive of waste and inefficiency. There is a point at which, in peacetime, high rates of income and profits taxes discourage energy, remove the incentive to new enterprise, encourage extravagant expenditures, and produce industrial stagnation with consequent unemployment and other attendant evils.

In his annual report to Congress in 1920 Secretary of the Treasury Houston declared:

Since the adoption of the heavy war surtaxes in the Revenue Act of 1917, the Treasury has repeatedly called attention to the fact that these surtaxes are excessive, that they have passed the point of maximum productivity. The effective way to tax the rich is to adopt rates that do not force investment in tax-exempt securities.

Senator Glass, in a speech on January 15, 1924, said, in part:

In my report as Secretary of the Treasury I specifically advocated the reduction of the maximum tax, and, indeed, of all the taxes of the upper brackets of the surtax and laid down the principle—not a new principle, but laid down anew—a perfectly well-recognized principle that the maximum surtax could easily be placed at a figure which would deprive the Government itself of revenue and would also divert capital from productive activities.

In his Lincoln Day address at New York on February 12, 1924, President Coolidge recommended tax revision a long the lines outlined by those whom I have just quoted. The President said, in part:

The first object of taxation is to secure revenue. When the taxation of large incomes is approached with that in view, the problem is to find a rate which will produce the largest returns. Experience does not show that the higher rate produces the largest revenue. Experience is all in the other way.

I agree perfectly with those who wish to relieve the small taxpayer by getting the largest possible contribution from the people with large incomes. But if the rates on large incomes are so high that they disappear, the small taxpayer will be left to bear the entire burden. If, on the other hand, the rates are placed where they will produce the most revenue from large incomes, then the small taxpayer will be relieved. The experience of the Treasury Department and the opinion of the best experts place the rate which will collect the most from the people of great wealth, thus giving the largest relief to people of moderate wealth, at not over 25 percent.

It must be borne in mind that the maximum rate, normal and surtax, at the time these statements were made was considerably lower than at the present time when the maximum rate, normal and surtax, is 79 percent. The paramount issue before the Congress today is to determine and apply the rate that will bring the most revenue to the Government and that will relieve capital for investment in private enterprise. All previous experience indicates that this rate should not be in excess of 25 percent.

Mr. Speaker, legitimate risk-taking business enterprises that could provide real jobs and real wages go begging for capital today. Who can blame the owners of this capital? Here is a case:

Suppose you were in the \$150,000 income bracket and a resident of my State of New York. You have \$100,000 in idle money to invest. If a businessman asks you to invest the \$100,000, promising a return of 6 percent, would you be interested? The promised return would be \$6,000. Of that, the New York State income tax—8 percent in your bracket—would take \$480, leaving \$5,520. Of that sum, the Federal income tax—64 percent in your bracket—would take \$3,840, leaving you a net of \$1,680 on your investment of \$100,000. Would you risk your \$100,000 on an investment of that type? Or would you buy some nice little nonrisk \$100,000 bond issued by some governmental unit and wholly exempt from taxation—a bond, let us say, that paid 3 percent interest and will yield a gross, and also a net, return of \$3,000? This is only one instance that might be multiplied many times.

There is still another point that would weigh very heavily in your decision. If you were advancing in years, you would naturally have in mind provisions for the payment of the estate taxes that would be levied when you passed away. This means that the estate must be kept in fairly liquid condition, otherwise your beneficiaries will be forced to throw your assets upon the market under distress and sell them for whatever they may bring. If your investments are in tax-exempt securities having a daily market quotation, it will be a comparatively simple matter to liquidate your estate and provide the funds for meeting the Federal and State death taxes.

Yet, such is the nature of our capitalist system that its functioning depends primarily upon risk taking. Every job in private industry owes its existence, and every job to be created will owe its creation, to capital taking risks. It does not make sense to perpetuate tax laws and to impose tax rates which discourage risk taking by those who have this type of capital to invest in productive enterprises.

Mr. Speaker, one more feature should be noted before leaving this phase of the subject. Government spending ultimately comes to an end, either by completion of the projects on which it is spent or the forced ending of "benefits" and "relief" or by precipitating bankruptcy. Spending by private industry and business, on the other hand, is continuous and grows because business and industry tend to expand and to launch new enterprises or to put on the market new products. If we are to raise our national income to the figure mentioned in the recent statement by our President, we have got to replace Government spending with private spending. Taxation is the great incubus upon the back of enterprise.

Our tax system still contains some of the "heads I win, tails you lose" principles of former measures. These principles must be changed to permit the free flow of "risk" capital on which industry depends for its lifeblood. Tax rates which go beyond true taxation become confiscation, and we have long since passed the point of diminishing returns in many of our levies. A clear intimation of the

realization of this fact is contained in recent utterances ascribed to Treasury officials who are in a better position to know the real facts than any of us.

Mr. Speaker, article V of the Constitution provides two methods of amending it. The first method is the adoption by Congress by a two-thirds vote of both Houses of a joint resolution proposing an amendment; the ratification of such amendment by the legislatures of three-fourths of the States, or by conventions in three-fourths of the States as the one or the other mode of ratification may be proposed by Congress. A second method is the adoption by the legislatures of two-thirds of the States of a resolution requesting Congress to call a convention for the purpose of proposing an amendment to the Constitution. The calling of such a convention by Congress is mandatory.

Since the introduction of my joint resolution in the Congress on January 3, many members of State legislatures that are now in session have introduced similar joint resolutions in their respective legislative bodies. The purpose of this action, of course, is to amend the Constitution by the second method which I have just described.

The legislatures of three States—Wyoming, Iowa, and New Jersey—have passed these resolutions. I am informed that at least several additional State legislatures will take similar action in the course of the next 2 or 3 weeks. My attention has also been called to the fact that many State legislatures will not permit the introduction of such a resolution except within a specified period of time, and that because of the expiration of that period it will be impossible to introduce such resolutions at the present session of their legislatures. They state, however, that at the next meeting such a resolution is sure to be introduced, and they are certain of its adoption.

I am citing these instances of action to show the sentiments throughout the country on this question. Probably the most outstanding indication of how the public feels about this question was shown in the survey recently completed by the American Institute of Public Opinion under the direction of Dr. Gallup. That survey showed that most of our people were under the impression that those in the intermediate and higher brackets were paying much lower taxes today than they actually are. In spite of this fact, they declared that in their opinion the Federal Government should collect only approximately one-fourth of the present taxes levied. This would indicate that the public generally has no sympathy for what has so frequently been called the "soak the rich" policy in our tax system. It must also be borne in mind that these surveys have been remarkably accurate for the past 2 years or more.

Mr. Speaker, there is also another angle to this question which deserves consideration. Too little emphasis has been placed upon the effects of our Federal taxing system upon State revenue and the precarious condition in which many State governments find themselves today. Conflicts of Federal and State tax laws have become so numerous and have offended the citizens' sense of justice in so many instances, that the States can no longer ignore the fact that the Federal Government has preempted most of the sources of revenue upon which States depend for their maintenance. Probably the greatest offense lies in the Federal attack upon State sovereignty contained in the rising Federal income-tax rates with successively larger amounts deducted from incomes subject to State tax.

Conflicts of this sort between taxing agencies of State, Federal, and municipal governments continue to arise more frequently in recent years. The effects of these difficulties upon State revenue are becoming more apparent. Solutions must be sought that are beneficial to State governments if they are not to be destroyed in the zeal for monopoly of modern tax sources.

The report of the Delaware State tax commissioner for 1938, recently published, shows that in 1938 the yield from the income tax shrunk more than \$600,000 in that small State through deduction of Federal income taxes from State tax returns. The report of the State tax commissioner shows clearly the greater the Federal tax, the less the State

derives from its income-tax laws. The reduction in the amount of income remaining to its owner after Federal taxes are taken by the Government is pictured in a very forceful and convincing manner. The factual data show clearly that the ratio of income remaining for State tax purposes recedes as the size of the original income increases, because of the deduction of Federal income tax. The Commissioner, in his report, declared:

The reduction in the amount of State income taxes through the increasing. Federal rates, with the consequent conversion of the intended progressive rates of Delaware law into what amounts to regressive rates leads to diminution of taxable income.

I am convinced that the action taken by certain State legislatures, to which I have previously referred, was based largely upon these grounds. I am also of the opinion that when these facts are thoroughly understood action of the two-thirds of the States necessary to bring about the adoption of my amendment will be forthcoming without much delay.

In conclusion, Mr. Speaker, I want to repeat that our problem is to get business going again. When business is prosperous, working men are employed with steady jobs and at high wages. The farmer, too, is better off because there is a wider demand, and consequently better prices for farm products. We must give business assurance of a reasonable profit and freedom from unnecessary Government interfer-The risks of new enterprises have remained, the profit possibilities have been severely limited by our tax system. Business is not asking for any special privileges or subsidies. It is willing to take its chances with the ordinary risks and vicissitudes of life that come to every business enterprise. What it does ask is that it be relieved from punitive and discriminatory taxes and excessive regimentation; that it be permitted to function under the American enterprise system—a system that gave the American people the highest living standard in the history of the world and which is still the best that can be found anywhere. [Applause.1

LEAVE OF ABSENCE

By unanimous consent, leave of absence was granted as follows:

To Mr. Sparkman (at the request of Mr. Starnes), for remainder of week, on account of important business in his district.

To Mr. Crowe, for today, on account of official business.

SENATE ENROLLED BILLS SIGNED

The SPEAKER announced his signature to enrolled bills of the Senate of the following titles:

S. 876. An act to authorize the purchase of certain lands for the Apache Tribe of the Mescalero Reservation, N. Mex.;

S. 877. An act to add certain public-domain land in Mon-

tana to the Rocky Boy Indian Reservation;

S. 1098. An act to amend section 12 of the Soil Conservation and Domestic Allotment Act, as amended, by authorizing advances for crop insurance;

S.1104. An act to provide for conveying to the United States the land, buildings, and improvements comprising the Choctaw and Chickasaw Sanatorium and General Hospital; and

S.1477. An act to repeal section 9 of the act of March 3, 1875 (18 Stat. L. 450), as amended.

ADJOURNMENT

Mr. RAYBURN. Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to; accordingly (at 4 o'clock and 44 minutes p. m.) the House adjourned until tomorrow, Thursday, March 23, 1939, at 12 o'clock noon.

COMMITTEE HEARINGS

COMMITTEE ON WAYS AND MEANS

Public hearings will continue on Thursday, March 23, 1939, at 10 a.m., on social-security legislation in the Ways and Means Committee room in the New House Office Building.

COMMITTEE ON INTERSTATE AND FOREIGN COMMERCE

There will be a meeting of the Committee on Interstate and Foreign Commerce at 10 a.m. Thursday, March 23, 1939. Business to be considered: Railroad legislation—H. R. 2531.

COMMITTEE ON COINAGE, WEIGHTS, AND MEASURES

There will be a meeting of the Committee on Coinage, Weights, and Measures at 10:30 a. m. Thursday, March 23, 1939, for the further consideration of H. R. 3325, stabilization-fund bill.

COMMITTEE ON THE PUBLIC LANDS

There will be a meeting of the Committee on the Public Lands on Thursday, March 23, 1939, at 10 a.m., in room 328, House Office Building, to consider H. R. 3759, to authorize a National Mississippi River Parkway, and matters relating thereto.

COMMITTEE ON MERCHANT MARINE AND FISHERIES

The Committee on Merchant Marine and Fisheries will hold public hearings in room 219, House Office Building, at 10 a.m., on the bills and dates listed below:

Thursday, March 23, 1939:

H. R. 141, H. R. 142, H. R. 1819, miscellaneous Panama Canal bills.

Tuesday, March 28, 1939:

H. R. 197, relating to the clearance of vessels; H. R. 199, relating to the allotment of wages by seamen; H. R. 200, relating to foreign towboats towing between American ports; H. R. 1780, relating to penalties on certain undocumented vessels and cargoes engaging in the coastwise trade or the fisheries; H. R. 1782, relating to change of masters of vessels.

Wednesday, March 29, 1939:

H. R. 198, relating to the measurement of vessels; and H. R. 132, authorizing the use of condemned Government vessels for breakwater purposes.

Tuesday, April 4, 1939:

H. R. 3209, making it a misdemeanor to stow away on vessels; H. R. 3398, regarding the down payment of construction of new vessels; H. R. 3935, relating to the discharge of seamen.

Wednesday, April 5, 1939:

H. R. 3052, uniform insignia for Naval Reserve radio operators; H. R. 1010, intercoastal subsidy bill (Welch).

Thursday, April 6, 1939:

H. R. 1011, acquisition of drydock facilities for United States Maritime Commission on San Francisco Bay (Welch); H. R. 2870, acquisition of drydock facilities for United States Maritime Commission at Los Angeles (Thomas F. Ford); H. R. 3040, acquisition of drydock facilities for United States Maritime Commission at Los Angeles (Gever of California).

Tuesday, April 11, 1939:

H. R. 1783, inspection of hulls of sail vessels and barges (Bland); H. R. 1785, motorboat bill (Bland); H. R. 1795, motorboat bill (Hendricks); H. R. 1809, inspection of motorboats, 15 gross tons up (Magnuson); H. R. 2398, regarding pilots on yachts (Angell); H. R. 3837, inspection of motorboats, 15 gross tons up (Connery).

Thursday, April 13, 1939:

H. R. 4220, load-line bill for seagoing vessels (Bland).

Tuesday, April 18, 1939:

H. R. 2404, surgeon and hospital on vessels (Sirovich); H. R. 2660, limitation of liability (Sirovich); House Joint Resolution 153 and House Joint Resolution 194, investigate conditions pertaining to lascar seamen (Sirovich).

COMMITTEE ON WORLD WAR VETERANS' LEGISLATION

There will be an executive session of the Committee on World War Veterans' Legislation on Friday morning at 10:30, March 24, 1939.

COMMITTEE ON PATENTS

A subcommittee of the Committee on Patents, House of Representatives, will hold hearings in the caucus room of the House Office Building beginning Tuesday, March 28, 1939, at 10 a.m. H. R. 4744, a bill to provide for the registration of trade-marks used in commerce, to carry out the provisions

of certain international conventions, and for other purposes. Hon. Fritz G. Lanham is chairman of the subcommittee.

Mr. Lanham announces that the procedure at these hearings will be the same as that he initiated at the hearings on trade-marks in the Seventy-fifth Congress, 1938; that is, the bill will be taken up section by section, so all testimony on a given section will be found at one place in the printed record.

REPORTS OF COMMITTEES ON PUBLIC BILLS AND RESOLUTIONS

Under clause 2 of rule XIII,

Mr. TAYLOR of Colorado: Committee on Appropriations. H. R. 5219. A bill making appropriations to supply deficiencies in certain appropriations for the fiscal year ending June 30, 1939, and for prior fiscal years, to provide supplemental appropriations for the fiscal years ending June 30, 1939, and June 30, 1940, and for other purposes; without amendment (Rept. No. 260). Referred to the Committee of the Whole House on the state of the Union.

Mr. ANDREWS: Committee on Military Affairs. S. 1301. An act to create the office of Military Secretary to the General of the Armies of the United States of America, with the rank of colonel, and for other purposes; without amendment (Rept. No. 261). Referred to the Committee of the Whole House on the state of the Union.

Mr. LUTHER A. JOHNSON: Committee on Foreign Affairs. H. R. 3065. A bill to amend Public Law No. 370, Seventy-fourth Congress, approved August 27, 1935 (49 Stat. 906); with amendment (Rept. No. 274). Referred to the Committee of the Whole House on the state of the Union.

REPORTS OF COMMITTEES ON PRIVATE BILLS AND RESOLUTIONS

Under clause 2 of rule XIII,

Mr. WINTER: Committee on Claims. H. R. 1301. A bill for the relief of John J. Trimble; with amendment (Rept. No. 262). Referred to the Committee of the Whole House.

Mr. ELLIS: Committee on Claims. H. R. 2056. A bill for the relief of the Shipowners & Merchants Towboat Co., Ltd.; with amendment (Rept. No. 263). Referred to the Committee of the Whole House.

Mr. ELLIS: Committee on Claims. H. R. 2074. A bill for the relief of Junius Alexander; with amendment (Rept. No. 264). Referred to the Committee of the Whole House.

Mr. ELLIS: Committee on Claims. H. R. 2529. A bill for the relief of W. F. Towson; with amendment (Rept. No. 265). Referred to the Committee of the Whole House

Mr. THOMAS of New Jersey: Committee on Claims. H. R. 4084. A bill to provide for the reimbursement of certain personnel or former personnel of the United States Navy and United States Marine Corps for the value of personal effects destroyed as a result of a fire at the Marine Barracks, Quantico, Va., on October 27, 1938; without amendment (Rept. No. 266). Referred to the Committee of the Whole House.

Mr. ELLIS: Committee on Claims. H. R. 4133. A bill for the relief of Joseph N. Thiele; without amendment (Rept. No. 267). Referred to the Committee of the Whole House.

Mr. KEEFE: Committee on Claims. S. 10. An act for the relief of the Fred Harvey Transportation Department; with amendment (Rept. No. 268). Referred to the Committee of the Whole House.

Mr. FENTON: Committee on Claims. S. 128. An act for the relief of Fred H. Beauregard; without amendment (Rept. No. 269). Referred to the Committee of the Whole House.

Mr. POAGE: Committee on Claims. S. 511. An act for the relief of Dolores P. de Williamson; with amendment (Rept. No. 270). Referred to the Committee of the Whole House.

Mr. KEEFE: Committee on Claims. S. 745. An act for the relief of the Pacific Telephone & Telegraph Co.; with amendment (Rept. No. 271). Referred to the Committee of the Whole House.

Mr. RAMSPECK: Committee on Claims. S. 766. An act for the relief of the Missoula Brewing Co.; with amendment

(Rept. No. 272). Referred to the Committee of the Whole House.

Mr. THOMAS of New Jersey: Committee on Claims. S. 1117. An act to provide for the reimbursement of certain enlisted men or former enlisted men of the United States Navy for the value of personal effects lost in the hurricane at the submarine base, New London, Conn., on September 21, 1938; with amendment (Rept. No. 273). Referred to the Committee of the Whole House.

CHANGE OF REFERENCE

Under clause 2 of Rule XXII, committees were discharged from the consideration of the following bills, which were referred as follows:

A bill (H. R. 1740) granting a pension to Juna Vista Murphy; Committee on Invalid Pensions discharged, and referred to the Committee on World War Veterans' Legislation.

A bill (H. R. 661) granting a pension to Cleston E. Slusher; Committee on Pensions discharged, and referred to the Committee on Invalid Pensions.

A bill (H. R. 5153) granting an increase of pension to Gail E. Plunkett; Committee on Pensions discharged, and referred to the Committee on Invalid Pensions.

A bill (H. R. 5175) granting an increase of pension to William M. Davis; Committee on Pensions discharged, and referred to the Committee on Invalid Pensions.

PUBLIC BILLS AND RESOLUTIONS

Under clause 3 of rule XXII, public bills and resolutions were introduced and severally referred as follows:

By Mr. TAYLOR of Colorado:

H. R. 5219. A bill making appropriations to supply deficiencies in certain appropriations for the fiscal year ending June 30, 1939, and for prior fiscal years, to provide supplemental appropriations for the fiscal years ending June 30, 1939, and June 30, 1940, and for other purposes; to the Committee on Appropriations.

By Mr. COLE of Maryland:

H. R. 5220. A bill to provide for the regulation of the sale of certain securities in interstate and foreign commerce and through the mails, and the regulation of the trust indentures under which the same are issued, and for other purposes; to the Committee on Interstate and Foreign Commerce.

By Mr. BOLLES:

H.R. 5221. A bill to amend section 583 of title 20 of the Code of the District of Columbia; to the Committee on the District of Columbia.

By Mr. HENNINGS:

H.R. 5222. A bill requesting the President to proclaim May 12 as Steuben Day; to the Committee on the Judiciary.

H. R. 5223. A bill, Peace Act of 1939; to the Committee on Foreign Affairs.

By Mr. MARTIN of Massachusetts:

H.R. 5224. A bill to permit warehousing of reasonable amounts of loan cotton in or near certain manufacturing centers; to the Committee on Agriculture.

By Mr. NICHOLS:

H.R. 5225. A bill to amend subsection H of section 344 of the Agricultural Adjustment Act of 1938, as amended; to the Committee on Agriculture.

By Mrs. NORTON:

H.R. 5226. A bill to authorize the Department of Labor to continue to make special statistical studies upon payment of the cost thereof, and for other purposes; to the Committee on Labor.

By Mr. D'ALESANDRO:

H. R. 5227. A bill authorizing the restoration of the U. S. frigate Constellation to Baltimore, Md., and to provide a permanent berth for it at Fort McHenry, Baltimore, Md.; to the Committee on Naval Affairs.

H. R. 5228. A bill for the admission to citizenship of aliens who came into this country prior to November 11, 1918; to the Committee on Immigration and Naturalization.

By Mr. DITTER:

H.R. 5229. A bill for the purpose of reorganizing the administrative branch of the Federal Government to promote

efficiency, and for other purposes; to the Special Committee on Government Organization.

By Mr. COFFEE of Washington:

H. R. 5230. A bill to tax the profits out of war by steeply graduated income and other taxes in order to provide for effective national defense, to promote peace, to encourage actual neutrality, to discourage war profiteering, to distribute the burdens of war, to keep democracy alive, and for other purposes; to the Committee on Ways and Means.

By Mr. HARTLEY:

H. R. 5231. A bill to amend the National Labor Relations Act (Public Law No. 198, 74th Cong., approved July 5, 1935); to the Committee on Labor.

By Mr. IZAC:

H. R. 5232. A bill to establish uniform procedure relative to proof of age and place of birth; to the Committee on the Judiciary.

By Mr. LEAVY:

H.R. 5233. A bill to tax the profits out of war by steeply graduated income and other taxes in order to provide for effective national defense, to promote peace, to encourage actual neutrality, to discourage war profiteering, to distribute the burdens of war, to keep democracy alive, and for other purposes; to the Committee on Ways and Means.

By Mr. LUDLOW:

H. R. 5234. A bill to tax the profits out of war by steeply graduated income and other taxes in order to provide for an effective national defense, to promote peace, to encourage actual neutrality, to discourage war profiteering, to distribute the burdens of war, to keep democracy alive, and for other purposes; to the Committee on Ways and Means.

By Mr. MARCANTONIO:

H. R. 5235. A bill to amend the Social Security Act to provide for the inclusion of domestic servants, and for other purposes; to the Committee on Ways and Means.

By Mr. MURDOCK of Utah:

H. R. 5236. A bill to provide for the establishment of a reservoir on Bear River, Utah, for the maintenance of water levels in the Bear River Migratory Bird Refuge, and for other purposes; to the Committee on Agriculture.

By Mr. SHAFER of Michigan:

H.R. 5237. A bill to amend an act entitled "An act for the retirement of employees in the classified civil service, and for other purposes," approved May 22, 1920; to the Committee on the Civil Service.

By Mr. NICHOLS:

H. R. 5238. A bill to regulate the practice of optometry in the District of Columbia; to the Committee on the District of Columbia.

By Mr. CANNON of Florida:

H.R. 5239. A bill providing for an examination and survey of channel from the Intracoastal Waterway to, and a turning basin at, Fort Pierce, Fla.; to the Committee on Rivers and Harbors.

By Mr. RAMSPECK:

H. J. Res. 223. Joint resolution to amend the Interstate Commerce Act, and for other purposes; to the Committee on Interstate and Foreign Commerce.

By Mr. SECREST:

H. J. Res. 224. Joint resolution to authorize the painting of the Signing of the Constitution for placement in the Capitol Building; to the Committee on the Library.

By Mr. KELLER:

H. J. Res. 225. Joint resolution amending the joint resolution entitled "Joint resolution providing for the construction and maintenance of a National Gallery of Art," approved March 24, 1937; to the Committee on the Library.

MEMORIALS

Under clause 3 of rule XXII, memorials were presented and referred as follows:

By the SPEAKER: Memorial of the Legislature of the State of Wisconsin, memorializing the President and the Congress of the United States to consider their Senate Joint

Resolution No. 24, with reference to legislation to rehabilitate the Great Lakes cut-over area; to the Committee on Agriculture.

PRIVATE BILLS AND RESOLUTIONS

Under clause 1 of rule XXII, private bills and resolutions were introduced and severally referred as follows:

By Mr. ALEXANDER:

H. R. 5240. A bill for the relief of Robert Wade; to the Committee on Claims.

H.R. 5241. A bill granting a pension to Effie G. Mallon; to the Committee on World War Veterans' Legislation.

By Mr. BRADLEY of Pennsylvania:

H. R. 5242. A bill for the relief of Neil McGilloway; to the Committee on Military Affairs.

By Mr. BROWN of Ohio:

H. R. 5243. A bill granting a pension to Anna Edgar Pollitt; to the Committee on Invalid Pensions.

By Mr. BYRNE of New York:

H. R. 5244. A bill awarding the Distinguished Service Cross to Capt. Alexander H. McLanahan; to the Committee on Military Affairs.

By Mr. CLEVENGER:

H. R. 5245. A bill granting a pension to Hazel Kline; to the Committee on Invalid Pensions.

By Mr. D'ALESANDRO:

H. R. 5246. A bill for the relief of the James Baily & Son Co., of Baltimore, Md.; to the Committee on Claims.

By Mr. LELAND M. FORD:

H. R. 5247. A bill granting a pension to Julia C. Messamore; to the Committee on Pensions.

H. R. 5248. A bill for the relief of Cecil Ray Murphy; to the Committee on Naval Affairs.

By Mr. GAMBLE:

H. R. 5249. A bill for the relief of Francesco Garuffi; to the Committee on Immigration and Naturalization.

By Mr. GRISWOLD:

H. R. 5250. A bill granting an increase of pension to Edith Pullen; to the Committee on Invalid Pensions.

By Mr. HEALEY:

H. R. 5251. A bill for the relief of Frederick Harold Carnes; to the Committee on Naval Affairs.

H. R. 5252. A bill for the relief of Niels Edmund Nielsen; to the Committee on Immigration and Naturalization.

By Mr. IZAC:

H. R. 5253. A bill for the relief of Lt. Leslie A. Williams, United States Navy, retired; to the Committee on Naval Affairs.

H. R. 5254. A bill for the relief of the captain and crew of the fishing boat *Unione No. 1*; to the Committee on Claims.

By Mr. KRAMER:

H. R. 5255. A bill to correct the naval record of Frank R. Pauley; to the Committee on Naval Affairs.

By Mr. McLAUGHLIN:

H. R. 5256. A bill for the relief of Naomi Straley and Bonnie Straley; to the Committee on Claims.

By Mr. MILLS of Arkansas:

H. R. 5257. A bill for the relief of R. D. Torian; to the Committee on Claims.

H. R. 5258. A bill for the relief of W. L. Frady; to the Committee on Claims.

By Mr. PATMAN:

H. R. 5259. A bill for the relief of Mrs. Layer Taylor; to the Committee on Claims.

By Mr. PETERSON of Florida:

H. R. 5260. A bill for the relief of Harold Price; to the Committee on Claims.

H. R. 5261. A bill for the relief of Henry T. Vest; to the Committee on Claims.

By Mr. PLUMLEY:

H. R. 5262. A bill granting an increase of pension to Euretta E. Betts; to the Committee on Invalid Pensions.

By Mr. REECE of Tennessee:

H. R. 5263. A bill granting a pension to Alva A. Anderson; to the Committee on Pensions.

By Mr. SANDAGER:

H. R. 5264. A bill for the relief of Maj. Clarence H. Greene, United States Army, retired; to the Committee on Claims.

By Mr. SCHIFFLER:

H. R. 5265. A bill for the relief of Clair C. Batson; to the Committee on Claims.

By Mr. SPRINGER:

H. R. 5266. A bill for the relief of Mina Keil; to the Committee on Claims.

By Mr. SOMERS of New York:

H. R. 5267. A bill for the relief of Celia Gladstone; to the Committee on Claims.

By Mr. THOMAS of Texas:

H. R. 5268. A bill to correct the naval record of Bernard W. Donnelly; to the Committee on Naval Affairs.

PETITIONS, ETC.

Under clause 1 of rule XXII, petitions and papers were laid on the Clerk's desk and referred as follows:

1940. By Mr. ASHBROOK: Petition of 209 citizens of Coshocton, Ohio, favoring \$150,000,000 additional for the

W. P. A.; to the Committee on Appropriations. 1941. By Mr. COFFEE of Washington: Resolution of the

1941. By Mr. COFFEE of Washington: Resolution of the City Council of Tacoma, Wash., pointing out that the State of Washington produces a major portion of fir and cedar grown in the United States, but that the supply of such timber for peeler-log purposes is limited and is fast being depleted; asserting that such timber should be preserved and protected for domestic use and that conservation thereof is urgently desirable; and, therefore, expressing hearty support of House bill 3579, introduced by Mr. Coffee of Washington, and urging the Congress to give early consideration to such measure and to pass it promptly for reasons aforesaid; to the Committee on Ways and Means.

1942. By Mr. CORBETT: Petition of Joseph W. Schwartz and eight citizens of North Side, Pittsburgh, Pa., urging Congress to adhere to the general policy of neutrality as enunciated in the act of August 31, 1935, to retain on our statute books the further and corollary act to include civil as well as international conflicts, and requesting Congress to launch an investigation of those leftist groups which are sponsoring propaganda favoring the lifting of the embargo on arms to "red" Spain; to the Committee on Foreign Affairs.

1943. Also, petition of Helen Stahman and 24 citizens of North Side, Pittsburgh, Pa., urging Congress to adhere to the general policy of neutrality as enunciated in the act of August 31, 1935, to retain on our statute books the further and corollary act to include civil as well as international conflicts, and requesting Congress to launch an investigation of those leftist groups which are sponsoring propaganda favoring the lifting of the embargo on arms to "red" Spain; to the Committee on Foreign Affairs.

1944. Also, petition of Alice Vollmer and seven citizens of North Side, Pittsburgh, Pa., urging Congress to adhere to the general policy of neutrality as enunciated in the act of August 31, 1935, to retain on our statute books the further and corollary act to include civil as well as international conflicts, and requesting Congress to launch an investigation of those leftists groups which are sponsoring propaganda favoring the lifting of the embargo on arms to "red" Spain; to the Committee on Foreign Affairs.

1945. Also, petition of Elizabeth Grady and 63 citizens of North Side, Pittsburgh, Pa., urging Congress to launch an investigation of those leftist groups which are sponsoring propaganda favoring the lifting of the embargo to "red" Spain; to the Committee on Foreign Affairs.

1946. Also, petition of R. A. Good and 24 citizens of Pittsburgh, Pa., urging Congress to launch an investigation of those leftist groups which are sponsoring propaganda favoring the lifting of the embargo to "red" Spain; to the Committee on Foreign Affairs.

1947. Also, petition of Catharine R. Miller, president, Mrs. Joseph D. Drury, vice president, Mrs. Lester H. Conway, recording secretary, and Mrs. William S. Montgomery, corresponding secretary, of the Woman's Missionary Society of

the Presbyterian Church of Sewickley, Pa., urging Congress to provide legislation which will prevent the sale of war materials of all kinds by our American people to the country of Japan or any other belligerent nation; to the Committee on Foreign Affairs.

1948. Also, petition of Joseph Wachim and nine citizens of North Side, Pittsburgh, Pa., urging Congress to vote against the lifting of the embargo to any country, and particularly Spain, and that America remain neutral according to the act of 1935; to the Committee on Foreign Affairs.

1949. By Mr. CURLEY: Letter of Harmon-Hodge-Hammond, Inc., Bronx, New York City, urging adequate appropriation for river and harbor improvement during the fiscal year 1939-40; to the Committee on Rivers and Harbors.

1950. By Mr. ELSTON: Petition signed by 43 members of Lodge No. 1728, Steel Workers' Organizing Committee, Cincinnati, Ohio, urging opposition to proposed amendment contained in Senate bill 1000 to the National Labor Relations Act, and petition of the Hamilton County Federal Teachers Union, Local No. 588, American Federation of Teachers, Cincinnati, Ohio, urging support of the \$150,000,000 deficiency appropriation for the continuation of Works Progress Administration and defeat of the Byrnes bill, which would eliminate all white-collar projects; to the Committee on Labor.

1951. By Mr. HULL: Joint resolution of the Legislature of the State of Wisconsin, memorializing the President and the Congress of the United States to enact legislation to rehabilitate the Great Lakes cut-over area; to the Committee on Agriculture.

1952. By Mr. JOHNSON of Illinois: Petition of 10 citizens of Illinois, desiring the passage of House bill 1; to the Committee on Ways and Means.

1953. By Mr. LUTHER A. JOHNSON: Petition of C. N. Williford, of Fairfield, and 21 citizens of Freestone County, Tex., favoring the Smith bill for relief of agriculture (S. 1303); to the Committee on Agriculture.

1954. By Mr. MARTIN J. KENNEDY: Petition of the Bay State Lodge, No. 73, Brotherhood of Locomotive Firemen and Enginemen, Worcester, Mass., urging passage of the Transportation Act of 1939; to the Committee on Interstate and Foreign Commerce.

1955. Also, petition of Standard Lodge, No. 158, of the Brotherhood of Locomotive Firemen and Enginemen, Detroit, Mich., urging passage of House bill 4862, the Transportation Act of 1939; to the Committee on Interstate and Foreign Commerce.

1956. Also, petition of Oil Workers International Union, Forth Worth, Tex., opposing House Joint Resolution 176, concerning submerged lands adjacent to and along the coast of the State of California, below the low-water mark and under the territorial waters of the United States of America; to the Committee on the Public Lands.

1957. Also, petition of the Hudson River Conservation Society, Inc., New York City, concerning appropriation for Dutch elm disease eradication; to the Committee on Agriculture.

1958. Also, petition of the American Communications Association, New York City, expressing opposition to any change in the National Labor Relations Act; to the Committee on Labor.

1959. Also, petition of the National Association of Manufacturers of New York City, opposing the Barkley labor contract amendment to House bill 3791, the national defense bill; to the Committee on Military Affairs.

1960. By Mr. SCHIFFLER: Petition of Gertrude Edgell, of Fairmont, W. Va., president of the Young People of the First Baptist Church, urging that church employees be excluded from the Social Security Act; to the Committee on Ways and Means.

1961. By Mr. KEOGH: Petition of Eppinger & Russell Co., New York, concerning river and harbor work appropriation; to the Committee on Appropriations.

1962. Also, petition of the Allied Patriotic Societies, Inc., New York City, concerning post exchanges in Army encampments; to the Committee on Military Affairs.

1963. By Mr. KRAMER: Resolution of the Automotive Lodge, No. 1186, International Association of Machinists, Los Angeles, relating to the reinstatement of Dr. Towne Nylander on the National Labor Relations Board; to the Committee on Labor.

1964. By Mr. LESINSKI: Senate concurrent resolution, respectfully memorializing the Congress of the United States of America to consider proposed legislation relative to the Townsend plan; to the Committee on Ways and Means.

1965. Also, House Concurrent Resolution 8, of the Legislature of the State of Michigan, memorializing the Congress of the United States to enact legislation providing for a tax of 10 cents per acre on land held by the Federal Government, especially as national forests; to the Committee on Ways and Means.

1966. Also, resolution of the Ladies Legion, Chapter No. 2, Woodrow Wilson Post, No. 2, Polish Legion of American Veterans, Detroit, Mich., opposing any change in the Wagner

Act; to the Committee on Labor.

1967. By Mr. MICHENER: Petition signed by Claire M. Wechsler, of Ann Arbor, Mich., and 121 other petitioners, urging stoppage of war supplies to Japan; to the Committee on Foreign Affairs.

1968. By Mr. PFEIFER: Petition of the American Committee for Nonparticipation in Japanese Aggression, New York City, concerning the Neutrality Act; to the Committee

on Foreign Affairs.

1969. Also, petition of the Congress of Industrial Organizations, of Washington, D. C., favoring the additional \$150,-000,000 appropriation for the Works Progress Administration; to the Committee on Appropriations.

1970. By Mr. KEOGH: Petition of the Fourth District Education Association, of Elizabethtown, Ky., concerning Federal aid for education; to the Committee on Education.

1971. Also, petition of the Nelson County schools, Bardstown, Ky., concerning the Federal-aid bill (S. 1305); to the Committee on Education.

1972. By Mr. PFEIFER: Petition of the Puritan Lighting Fixture Co., Brooklyn, N. Y., opposing any restriction of Louisiana sugar production; to the Committee on Ways and Means.

1973. Also, petition of the Allied Patriotic Societies, Inc., New York City, urging retention of post exchanges in Army encampments; to the Committee on Military Affairs.

1974. By Mr. SANDAGER: Memorial of Little Compton Post, No. 37, American Legion, Department of Rhode Island, favoring the retention of the United States Employment Service and the Veterans' Placement Service as now constituted; to the Committee on Labor.

1975. By Mr. SCHAEFER of Illinois: Petition of the Alton, Ill., Local No. 306, Alton Typographical Union, H. R. Sober, secretary, favoring amendment of the National Labor Relations Act as proposed by the American Federation of Labor;

to the Committee on Labor.

1976. Also, petition of the Chicago, Ill., Building Trades Council, urging passage of H. R. 4576, a bill authorizing appropriation of \$500,000,000 for expenditure by the Public Works Administrator; to the Committee on Appropriations.

1977. Also, petition of the Alton, Ill., Local No. 525, International Brotherhood of Teamsters, Chauffeurs, Stablemen, and Helpers of America, Elmer Howard, secretary, favoring amendment of the Wagner Labor Relations Act as proposed by the American Federation of Labor; to the Committee on Labor.

· 1978. By Mr. SHAFER of Michigan: Memorial of the Michigan State Legislature, requesting consideration of the principles of the Townsend plan; to the Committee on Ways and Means.

1979. By Mr. THOMAS of New Jersey: Resolution adopted by the Bergen County (N. J.) Real Estate Board, Inc., at its regular meeting held on February 28, 1939, wholeheartedly and unreservedly endorsing amendments to the National Housing Act which will insure a continuance of the said act; to the Committee on Banking and Currency.

1980. By the SPEAKER: Petition of the Pacific Forensic League, John W. Ackley, of Whitman College, and Brooks Crabtree, of Pomona College, assembled at Pomona, Calif., urging consideration of their resolution with reference to national and international affairs; to the Committee on Foreign Affairs.

SENATE

THURSDAY, MARCH 23, 1939

The Chaplain, Rev. Z@Barney T. Phillips, D. D., offered the following prayer:

Everlasting Father, Thou who alone canst strengthen our wills and fulfill our fondest hopes: Give to us the glory of the lighted mind, that, with a penetrative understanding of the lives of others and an ever-widening sympathy with their trials and temptations, we may count no sacrifice too grievous, no burden too heavy to be borne, if thereby we can serve the humblest of Thy children.

Make this a day provoking unto valor by its challenge, for our times demand no cloistered virtue but a robust spirit, keen with the eye of interest and quick with the pulse of power, to meet the large designs of a new and glorious day. Remove from life's horizon these lengthening shadows and once more flood our world with the glory that Thou sharedst with Thy blessed Son before the world was. We ask it in His name. Amen.

THE JOURNAL

On request of Mr. BARKLEY, and by unanimous consent, the reading of the Journal of the proceedings of the calendar day Wednesday, March 22, 1939, was dispensed with, and the Journal was approved.

MESSAGES FROM THE PRESIDENT-APPROVAL OF BILLS

Messages in writing from the President of the United States were communicated to the Senate by Mr. Latta, one of his secretaries, who also announced that the President had approved and signed the following acts:

On March 13, 1939:

S. 660. An act to amend the Agricultural Adjustment Act of 1938, as amended, to provide for the reapportionment of cotton acreage allotments not planted by farmers entitled thereto.

On March 20, 1939:

S. 218. An act for the relief of Manuel D. A. Otero, as administrator of the estate of Teresita S. Otero, deceased; and

S. 219. An act for the relief of Emma Gomez.

On March 21, 1939:

S. 539. An act for the relief of Charles E. Naghel, special disbursing agent, Department of the Interior, and Kammeyer & Medack, contractors, from disallowance of charges for additional work under a construction contract.

MESSAGE FROM THE HOUSE

A message from the House of Representatives, by Mr. Chaffee, one of its reading clerks, announced that the House had agreed to the report of the committee of conference on the disagreeing votes of the two Houses on the amendment of the Senate to the bill (H. R. 3791) to provide more effectively for the national defense by carrying out the recommendations of the President in his message of January 12, 1939, to the Congress.

The message also announced that the House had passed a bill (H. R. 5219) making appropriations to supply deficiencies in certain appropriations for the fiscal year ending June 30, 1939, and for prior fiscal years, to provide supplemental appropriations for the fiscal years ending June 30, 1939, and June 30, 1940, and for other purposes, in which it requested the concurrence of the Senate.

CALL OF THE ROLL

Mr. MINTON. I suggest the absence of a quorum. The VICE PRESIDENT. The clerk will call the roll. The Chief Clerk called the roll, and the following Senators answered to their names:

Adams	Donahey	Lewis	Schwartz
Andrews	Downey	Lodge	Schwellenbach
Ashurst	Ellender	Logan	Sheppard
Austin	Frazier	Lucas	Shipstead
Bailey	George	Lundeen	Smathers
Bankhead	Gerry	McCarran	Smith
Barkley	Gibson	McKellar	Stewart
Bilbo	Gillette	McNary	Taft
	Glass	Maloney	Thomas, Okla.
Bone	Green	Mead	Thomas, Utah
Borah	Guffey	Miller	Tobey
Bridges		Minton	Townsend
Brown	Gurney		Truman
Bulow	Harrison	Murray	Tydings
Burke	Hatch	Neely	Vandenberg
Byrd	Hayden	Norris-	Van Nuys
Byrnes	Herring	Nye	
Capper	Hill	O'Mahoney	Wagner
Caraway	Holman	Overton	Walsh
Chavez	Hughes	Pepper	Wheeler
Clark, Idaho	Johnson, Calif.	Pittman	White
Clark, Mo.	Johnson, Colo.	Radcliffe	Wiley
Connally	King	Reed	
Danaher	La Follette	Reynolds	A series and the series were
Davis	Lee	Russell	

Mr. MINTON. I announce that the junior Senator from West Virginia [Mr. Holf] is absent because of illness in his family.

The VICE PRESIDENT. Ninety-three Senators have answered to their names. A quorum is present.

SUPPLEMENTAL ESTIMATE—LEGISLATIVE ESTABLISHMENT (S. DOC. NO. 42)

The VICE PRESIDENT laid before the Senate a communication from the President of the United States, transmitting, pursuant to law, a supplemental estimate of appropriation for the legislative establishment, United States Senate, for the fiscal year 1939, in the amount of \$75,000, which, with the accompanying papers, was referred to the Committee on Appropriations and ordered to be printed.

SUPPLEMENTAL ESTIMATE—DEPARTMENT OF AGRICULTURE (S. DOC. NO. 44)

The VICE PRESIDENT laid before the Senate a communication from the President of the United States, transmitting, pursuant to law, a supplemental estimate of appropriation for the Department of Agriculture, for administration of the Sugar Act of 1937, involving a new appropriation of \$5,000,000, plus reappropriation of a 1938 unobligated balance in the sum of \$1,500,000, for the fiscal year 1939, which, with the accompanying paper, was referred to the Committee on Appropriations and ordered to be printed.

ESTIMATES-DISTRICT OF COLUMBIA (S. DOC. NO. 43)

The VICE PRESIDENT laid before the Senate a communication from the President of the United States, transmitting, pursuant to law, a deficiency and supplemental estimate of appropriation for the District of Columbia—assessor, equipment, 1939, in amount \$28,640; buildings and grounds, public schools, 1939, \$75,000; fees of jurors and witnesses, District Court of the United States for the District of Columbia, in amount \$130.70, and department of vehicles and traffic, inspection of motor vehicles, highway fund, 1939, in amount \$22,330—in total amount \$126,100.70, which, with the accompanying paper, was referred to the Committee on Appropriations and ordered to be printed.

REIMBURSEMENT OF MEMBERS OF COAST GUARD

The VICE PRESIDENT laid before the Senate a letter from the Acting Secretary of the Treasury, transmitting a draft of proposed legislation to provide for the reimbursement of certain members or former members of the United States Coast Guard for the value of personal effects lost in the hurricane of September 21, 1938, at several Coast Guard stations on the coasts of New York, Connecticut, and Rhode Island, which, with the accompanying paper, was referred to the Committee on Commerce.

AUTHORITY OF CERTAIN INDIAN SERVICE OFFICERS

The VICE PRESIDENT laid before the Senate a letter from the Acting Secretary of the Interior, transmitting a draft of proposed legislation to define the authority and power of certain Indian Service officers appointed by the Secretary of the Interior or the Commissioner of Indian Affairs to protect Indians and to maintain law and order among Indians and on Indian reservations, which, with the accompanying paper, was referred to the Committee on Indian Affairs.

IRRIGATION OF TONGUE RIVER INDIAN RESERVATION

The VICE PRESIDENT laid before the Senate a letter from the Acting Secretary of the Interior, transmitting a draft of proposed legislation to authorize the Secretary of the Interior to enter into a contract with the State Water Conservation Board of the State of Montana and the Tongue River Water Users' Association to use water to irrigate lands on the Tongue River Indian Reservation, Mont., which, with the accompanying papers, was referred to the Committee on Irrigation and Reclamation.

PETITIONS AND MEMORIALS

The VICE PRESIDENT laid before the Senate the following joint resolution of the Legislature of Nevada, which was referred to the Committee on Foreign Relations:

Assembly joint resolution memorializing Congress to adopt a strong policy of neutrality as regards foreign powers, and to continue the strong policy regarding national defense

Whereas there is a growing condition of strife among the foreign nations, involving a number of them in a state of warfare; and Whereas those foreign nations which are not at the present time

Whereas those foreign nations which are not at the present time in war are threatened with grave probabilities of becoming involved therein in the immediate future; and

Whereas many of these foreign nations are continually courting the favor of the United States, looking toward support in case of involvement in war; and

Whereas it has been the policy of the United States to remain out of the quarrels of foreign countries unless compelled by our own national rights to enter therein; and

Whereas it is believed that the best defense of the United States

Whereas it is believed that the best defense of the United States against entanglement in foreign wars is the perfection of our national defense. Now therefore be it

against entanglement in foreign wars is the perfection of our national defense; Now, therefore, be it

Resolved by the Assembly and the Senate of the State of Nevada,
That we memorialize the Congress of the United States to adopt
and adhere to a strong, determined policy of neutrality regarding
involvement in the affairs of foreign nations, and the perfection
of our national defense; and be it further

Resolved, That properly certified copies of this resolution be transmitted by the secretary of state of the State of Nevada to our Senators in the United States Senate and to our Representative in Congress.

The VICE PRESIDENT also laid before the Senate resolutions adopted by the Council of the City of Cleveland, Ohio, and the Board of Supervisors of Milwaukee County, Wis., favoring an additional appropriation of \$150,000,000 for continuation of the Works Progress Administration program, which were referred to the Committee on Appropriations.

He also laid before the Senate a resolution adopted by the Board of Supervisors of Milwaukee County, Wis., protesting against the enactment of the bill (S. 1265) to establish a Department of Public Works, to amend certain sections of the Social Security Act, and for other purposes, which was referred to the Special Committee to Investigate Unemployment and Relief.

Mr. LODGE presented a petition of sundry citizens of Northampton, Mass., praying for the enactment of legislation to prevent the shipment of arms and munitions of war to Japan for use in China, which was referred to the Committee on Foreign Relations.

Mr. CAPPER presented petitions of sundry members of the American Association of University Women, of Winfield, Kans., praying for revision of the Neutrality Act so as to enable the President to distinguish between victim and aggressor on the basis of violation of a treaty to which the United States is a party, to give the President discretion in the application of the act, and to permit him to include embargoes on raw materials for war purposes the same as munitions, which were referred to the Committee on Foreign Relations.

Mr. WILEY presented a resolution of the Common Council of the City of Milwaukee, Wis., which was referred to the Committee on Commerce and ordered to be printed in the RECORD, as follows:

Resolved by the Common Council of the City of Milwaukee, That it hereby goes on record as opposed to the Parsons Chicago diversion bill, and hereby requests the Wisconsin Representatives in the United States Senate and House of Representatives to use their best endeavors to defeat said bill.

Mr. McCARRAN presented the following joint resolution of the Legislature of Nevada, which was referred to the Committee on Indian Affairs:

Assembly joint resolution memorializing Congress to enact legislation authorizing the payment of all old-age assistance to Indians out of Federal funds.

Whereas approximately 500 Indians in Nevada are eligible for old-age assistance under the terms of the Social Security Act; and Whereas relatively few of these Indians reside on property sub-

Whereas relatively few of these Indians reside on property subject to local taxation; and
Whereas a very considerable number of these aged Indians live in counties that are least able to finance their share of the oldage assistance grants: Now, therefore, be it
Resolved by the Assembly and the Senate of the State of Nevada,
That Congress be memorialized to enact legislation authorizing the payment of old-age assistance to Indians entirely out of Federal funds; and be it further
Resolved, That the secretary of state of the State of Nevada be directed to transmit duly certified copies of this resolution to our Senators and our Representative in Congress.

Mr. McCARRAN also presented the following joint resolution of the Legislature of Nevada, which was referred to the Committee on Public Lands and Surveys:

Whereas Senator Key Pittman, on the 4th day of January 1939, introduced in the United States Senate S. 2, Seventy-sixth Congress, first session, a bill authorizing the Secretary of the Interior to convey certain land to the State of Nevada to be used for the purposes of a public park and recreational site and other public

Purposes; and
Whereas the State of Nevada requires such area for the purpose of establishing and maintaining a public park and recreational

site: and

Whereas the State of Nevada, under the Boulder Canyon Project Act, and contracts relating thereto, is allotted 18 percent of the firm horsepower developed at the Federal powerhouse at Boulder Dam for use in the State of Nevada; and

Whereas it will be essential for the State of Nevada to make avail-

whereas it will be essential for the State of Nevada of make available an ample water supply for industries desiring to contract for the use of such State power in the State of Nevada; and
Whereas the subsurface and the artesian water in the vicinity where such power would be used is inadequate for such industries, and it will therefore be necessary to pump water from Lake Mead;

Whereas the only economical and suitable area on the margin of Lake Mead from which to pump said water from Las Vegas area is within the area described in said Senate bill No. 2; and Whereas there is a wash extending from the Las Vegas area down to and into Lake Mead, formerly extending into the Colorado

River; and

River; and

Whereas the proposed pipe line for the supply of such water has been surveyed by this State down this wash to the waters of Lake Mead that are backed up into the Las Vegas wash, the water backed up into the wash forming a narrow inlet extending several miles in a northerly direction from the main body of Lake Mead; and

Whereas the State desires, at its own expense, to develop a park and recreational site on the banks of this inlet for the benefit and pleasure, in particular, of the citizens of the State of Nevada; and

Whereas the National Park Service is now actively developing an area on the westerly end of said Lake Mead, some 10 or 15 miles distant from the Las Vegas Inlet, for the general accommodation, benefit, and pleasure of tourists and all who may visit Boulder, adjacent to such development; and

Whereas a general burden is thrown upon the National Park Service to develop an enormous area surrounding Lake Mead, which services will require many years for even partial consummation; and

Whereas the State of Nevada has surveyed a road down said wash to the proposed park and recreational site and is prepared and is desirous of undertaking the development of such area immediately:

desirous of undertaking the development of such area immediately: Therefore be it

Resolved by the Assembly and Senate of the State of Nevada,
That the State of Nevada, acting through its Governor and its legislature unqualifiedly endorses said Senate bill No. 2 herein referred to and respectfully petitions the Congress of the United States to enact such bill as expeditiously as possible; and be it further

Resolved, That the secretary of state of the State of Nevada be directed to transmit duly certified copies of this resolution to the President of the United States Senate, the Speaker of the House of Representatives, to each of our Senators, and to our Congressman in Washington. in Washington.

CONTINUANCE OF INVESTIGATION OF VIOLATIONS OF CIVIL LIBERTIES, ETC.

Mr. SCHWELLENBACH presented a resolution of the executive council, American Federation of Labor, which was referred to the Committee to Audit and Control the Contingent Expenses of the Senate and ordered to be printed in the Record, without the names attached thereto, as follows:

Because of the unjust and unlawful persecution of officials of legitimate labor unions in the States of California, Oregon, and Washington, where the enemies of labor are willfully and deliberately plotting to destroy labor organizations, and because we

believe that the civil rights of citizens of the United States have been trampled upon and ignored, and that labor officials have been persecuted and prosecuted and their liberties as American citizens destroyed, the executive council of the American Federation of Labor, in meeting assembled in Washington, D. C., this 23d day of March 1939, do hereby resolve that the executive officers of the American Federation of Labor request the Senate of the United States to appropriate sufficient money to the subcommittee of the Committee on Education and Labor, otherwise known as the Senate Civil Liberties Committee, for the purpose of continuing their investigation in the above-mentioned States to the end that the rights of the workers and the citizens of those States be protected against the unlawful acts of combinations of employers, detective agencies, and other enemies of the workers. believe that the civil rights of citizens of the United States have

REPORTS OF COMMITTEES

Mr. HILL, from the Committee on Military Affairs, to which was recommitted the bill (S. 840) to amend and clarify the provisions of the act of June 15, 1936 (49 Stat. 1507), and for other purposes, reported it with an amendment and submitted a report (No. 210) thereon.

Mr. NEELY, from the Committee on the Judiciary, to which was referred the bill (S. 1681) to amend section 107 of the Judicial Code to create a mountain district in the State of Tennessee, and for other purposes, reported it without amend-

ment and submitted a report (No. 211) thereon.

Mr. MILLER, from the Committee on the Judiciary, to which was recommitted the bill (S. 197) to amend the Judicial Code in respect to claims against the United States for just compensation, reported it with an amendment and submitted a report (No. 212) thereon.

BILLS INTRODUCED

Bills were introduced, read the first time, and, by unanimous consent, the second time, and referred as follows:

By Mr. HATCH:

S. 1909. A bill to prohibit military drilling by individuals wearing uniforms or insignia of, or similar to those of, foreign countries; to the Committee on Military Affairs.

By Mr. CLARK of Missouri:

S. 1910. A bill to extend the time within which applications for benefits under the World War Adjusted Compensation Act, as amended, may be filed; to the Committee on Finance.

By Mr. DAVIS:

S. 1911 (by request). A bill for the relief of Daumit Tannaus Saleah (Dave Thomas) (with an accompanying paper); to the Committee on Immigration.

By Mr. JOHNSON of California:

S. 1912. A bill for the relief of the K. E. Parker Co.; to the Committee on Claims.

S. 1913. A bill for the relief of George Lloyd Laraway; to the Committee on Naval Affairs.

S. 1914. A bill granting an increase of pension to Harriet L. Liggett: to the Committee on Pensions.

By Mr. REED:

S. 1915. A bill relating to the transportation by railroad of persons and property for or on behalf of the United States; to the Committee on Interstate Commerce.

By Mr. FRAZIER:

S. 1916. A bill to prohibit Federal court officials from accepting or retaining membership on committees of political parties; to the Committee on the Judiciary.

S. 1917. A bill providing for Congress to coin and issue money and regulate the value thereof by establishing the Bank of the United States, owned, operated, and controlled by the Government of the United States; setting forth the scope and manner of the bank's operations; creating a Board of Control and defining the powers and duties of the Board and other persons charged with the bank's management; and for other purposes; to the Committee on Banking and Currency.

By Mr. SHEPPARD:

S. 1918. A bill relating to the retired pay of certain retired Army officers; to the Committee on Military Affairs.

By Mr. GLASS:

S. 1919. A bill to provide for the acquisition by the United States of the estate of Patrick Henry in Charlotte County, Va., known as Red Hill; to the Committee on Public Lands and Surveys.

By Mr. THOMAS of Utah:

S. 1920. A bill to amend the immigration and naturalization laws with respect to the naturalization of native-born Filipinos; to the Committee on Immigration.

S. 1921. A bill to authorize the purchase of certain interests in lands within the boundaries of the Uinta and Wasatch National Forests, Utah; to the Committee on Agriculture and Forestry.

By Mr. BYRD:

S. 1922. A bill to extend the time for filing claims for refunds of amounts collected under the Agricultural Adjustment Act: to the Committee on Finance.

By Mr. PEPPER:

S. 1923. A bill for the relief of Evanell Durrance; and

S. 1924. A bill for the relief of the Growers Fertilizer Co.; to the Committee on Claims.

By Mr. VAN NUYS:

S. 1925. A bill for the relief of Meta De Rene McLoskey; to

the Committee on Finance.

S. 1926 (by request). A bill conferring jurisdiction upon the Court of Claims, with right of appeal to the Supreme Court of the United States, to hear, examine, adjudicate, and enter judgment in all claims which the Miami Indians of Indiana who are organized and incorporated as the Miami Nation of Indians of Indiana may have against the United States, and for other purposes; to the Committee on Indian Affairs.

S. 1927. A bill for the relief of Peter S. Kaminski; to the

Committee on Military Affairs.

S. 1928. A bill granting a pension to Lottie Denny;

S. 1929. A bill granting an increase of pension to Jacob

S. 1930. A bill granting a pension to Clara B. Wright Hooper: and

S. 1931. A bill granting a pension to Mary M. Osborn; to the Committee on Pensions.

By Mr. CONNALLY:

S. 1932. A bill to forbid calling of loans and deductions from price-adjustment payments with respect to cotton on account of deficiencies in grade or staple if the warranty thereof was made in good faith; to the Committee on Agriculture and Forestry.

By Mrs. CARAWAY:

S. 1933. A bill to amend the Civil Aeronautics Act of 1938 to provide additional safety for passengers in aircraft; to the Committee on Commerce.

HOUSE BILL REFERRED

The bill (H. R. 5219) making appropriations to supply deficiencies in certain appropriations for the fiscal year ending June 30, 1939, and for prior fiscal years, to provide supplemental appropriations for the fiscal years ending June 30, 1939, and June 30, 1940, and for other purposes, was read twice by its title and referred to the Committee on Appropriations.

VIOLET M'DEVITT

Mr. OVERTON submitted the following resolution (S. Res. 110), which was referred to the Committee to Audit and Control the Contingent Expenses of the Senate:

Resolved, That the Secretary of the Senate hereby is authorized and directed to pay from the contingent fund of the Senate to Violet McDevitt, widow of Daniel L. McDevitt, late a private of United States Capitol Police, a sum equal to one year's compensation at the rate he was receiving by law at the time of his death, said sum to be considered inclusive of funeral expenses and all other allowances.

INVESTIGATION RELATIVE TO NEW TYPE OF AERIAL BOMB

Mr. LUNDEEN submitted the following resolution (S. Res. 111), which was referred to the Committee on Military

Whereas it has been widely reported that there has been developed and tested in Europe, under actual war conditions, a new type of aerial bomb of super-destructive power and supposedly liquid oxygen character; and

Whereas the officials of the United States War Department have, before the Senate Military Affairs Committee, admitted that such a super-aerial bomb was tested in Spain, but that they did not yet know the secret of that bomb or how to equal its power in aerial bombs of American design; and

Whereas it has been reported in the press that Lester P. Barlow, George B. Holderer, and Herbert Bugbird, of Baltimore and New York, all United States citizens and explosives experts and authorities on liquid oxygen-carbon explosive and aerial bombs, have made public certain information tending to reveal an extenhave made public certain information tending to reveal an extensive war hazard in the placement of large gas and oil tanks, exposed to aerial bomb attack, within the large cities of the United States, and that such tanks, if war is declared upon the United States, may be detonated by liquid oxygen bombs dropped from enemy bombing planes, and thereby cause widespread loss of life and destruction of vast sections of city property; and Whereas there is grave danger of a major war in Europe; and Whereas the United States may become involved in any such war, and it is essential that any war hazards that may exist, due to large gas and oil tanks being located in the heavily populated districts, be determined at once and the proper safeguards established: Therefore be it

Resolved. That the Committee on Military Affairs, or any duly

lished: Therefore be it Resolved, That the Committee on Military Affairs, or any duly authorized subcommittee thereof, is authorized and directed to make a full and complete investigation with respect to (1) the extent of the war hazards to the lives and properties of residents of the United States resulting from the location of large gas and oil tanks within heavily populated districts of the United States, and (2) the means of eliminating or decreasing such hazards for the purpose of more adequately insuring the safety of such lives and properties. The committee shall report to the Senate as soon as practicable the results of its investigations, together with its recommendations.

RUSSELL CREEK, S. C. (S. DOC. NO. 41) AND HENDRICKS HARBOR, SOUTHPORT, MAINE (S. DOC. NO. 40)

Mr. SHEPPARD. Mr. President, on behalf of the Committee on Commerce I present two reports from the Secretary of War on river and harbor matters and ask that they may be printed as public documents, each with an illustration. One of the reports is on a reexamination of Russell Creek, S. C.; the other report is on a reexamination of Hendricks Harbor. Southport, Maine.

The VICE PRESIDENT. Without objection, the reports

will be printed, with the illustrations.

BLOCK-BOOKING AND BLIND SELLING OF MOTION-PICTURE FILMS

Mr. NEELY. Mr. President, the eminent and always reliable majority leader [Mr. BARKLEY] has assured me that the subcommittee of which he is a member will next week conduct hearings on Senate bill 280. Under the circumstances, I ask that my motion relative to that bill go over without prejudice for a period of 10 days.

The VICE PRESIDENT. Without objection, it is so

ordered.

OFFICERS AND MEN WHO LOST THEIR LIVES ON BATTLESHIP "MAINE"

Mr. DAVIS. Mr. President, I ask unanimous consent to have printed in the RECORD a letter from Hon. CHARLES F. Risk, together with a list of the officers, sailors, and marines on board the U.S.S. Maine who were killed or drowned when that vessel was wrecked in the harbor of Habana February 15, 1898, or who subsequently died of their injuries. The Nation will ever remember these Americans who made the supreme sacrifice.

There being no objection, the letter and list were ordered

to be printed in the RECORD, as follows:

CONGRESS OF THE UNITED STATES, HOUSE OF REPRESENTATIVES Washington, D. C., March 16, 1939.

Hon. James J. Davis,

Senate Office Building, Washington, D. C.

MY DEAR SENATOR DAVIS: Following our conversation today I am pleased to enclose a list of those who were killed and also the survivors of the U. S. S. Maine at the time this battleship was blown up in the Habana Harbor on February 15, 1898.

With kindest personal regards, I am, Sincerely yours,

CHARLES F. RISK.

U. S. S. "MAINE," FIRST RATE, BLOWN UP IN HABANA HARBOR FEBRUARY 15, 1898

LIST OF OFFICERS, SAILORS, AND MARINES ON BOARD OF THE U. S. S. "MAINE" WHO WERE KILLED OR DROWNED WHEN THAT VESSEL WAS WRECKED IN THE HARBOR OF HABANA FEBRUARY 15, 1898, OR WHO SUBSEQUENTLY DIED OF THEIR INJURIES

(The men marked with an asterisk (*) died subsequently of injuries received when the U. S. S. Maine was destroyed)

Officers: Jenkins, Friend W., lieutenant; Merritt, Darwin R., as-

sistant engineer.
Sailors: Adams, John T., coal passer; Aitken, James P., boat-swain's mate (1st cl.); Anderson, John, boatswain's mate (2d cl.);

Andersen, Holm A., coal passer; Anderson, Charles, landsman; Anderson, Gustav A., seaman; Anderson, John, seaman; Anderson, Abraham, coawani, Anglund, Bernhard, Blacksmith, Auchenbach, Harry, fireman (2d cl.); Barry, John P., apprentice (1st cl.); Barry, John P., apprentice (1st cl.); Barry, Lewis L., coal passer; Baum, Henry S., landsman; Becker, Jakob, chief machinist; Bell, John R., cabin steward; Blomberg, Fred, landsman; Beockbridger, John, apprentice (2d cl.); Buller, Edwid, Arthur, chief gunner's mate; Brums, Adolph C., quartermaster (3d cl.); Burss, Edward, coal passer; Burkhardt, Robert, quartermaster (2d cl.); Burler, Frederick F., machinist (2d cl.); Burss, Edward, coal passer, Burkhardt, Robert, quartermaster (3t cl.); Clarks, James C., ship-wright; Caine, Thomas, blacksmith; Cameron, Walter, seaman; Chingi, Suke, mess attendant; Christiansen, Charles A., fireman (1st cl.); Clark, Thomas, coal passer; Cochrane, Michael, freman (1st cl.); Clark, Thomas, Coal passer; Cochrane, Michael, freman (1st cl.); Clark, Thomas, Walter, Seaman; Coleman, William, fireman (2d cl.); Curry, Charles, seaman; Donoughy, William, gramma (2d cl.); Curry, Charles, seaman; Donoughy, William, ordinary seaman; Drury, James, fireman (1st cl.); Edier, George, seaman; Eleman, 1st cl.); Edier, George, seaman; Eleman, 1st cl., spermenties, J., Seaman; Faller, Seaman; France, Seaman; J., Paller, Seaman; Propertice, F. W., gunner's mate (1st cl.); "Erickson, Andrew V., seaman; Flynch, Truble, apprentice (1st cl.); "Pisher, Frank, ordinary seaman; Pisher, Alfred J., olier, Flaherty, Michael, fireman (1st cl.); Toppermice, 1st cl., spermenties, 1st cl., spermenties,

Pinkney, James, mess attendant; Porter, John, coal passer; Powers, John, oiler; Price, Daniel, fireman (1st cl.); Quigley, Thomas J., plumber and fitter; Quinn, Charles P., oiler; Reilly, Joseph, fireman (1st cl.); Rieger, William A., gunner's mate (1st cl.); Rising, Newell, coal passer; Robinson, William, landsman; Roos, Peter, sailmaker; Rushworth, William, chief machinist; Safford, Clarence E., gunner's mate (1st cl.); Salmin, Michael E., ordinary seaman; Schroeder, August, ordinary seaman; Scott, Charles A., carpenter's mate (2d cl.); Scully, Joseph, boilermaker; Seery, Joseph, fireman (1st cl.); Sellers, Walter S., apothecary; Shea, Patrick J., fireman (1st cl.); Shea, Thomas, landsman; Shea, John J., coal passer; Sheridan, Owen, fireman (2d cl.); Shillington, John H., yeoman (3d cl.); Simmons, Alfred, coal passer; *Smith, Carl A., seaman; Smith, Nicholas J., apprentice (1st cl.); Stevenson, Nicholas, seaman; Walsh, Joseph F., coxswain; Wallace, John, ordinary seaman; Warren, John, fireman (2d cl.); White, Charles O., chief master at arms; Whiten, George, seaman; White, Robert, mess attendant; Wickstrom, Johan E., seaman; Wilson, Albert, seaman; Ziegler, John H., coal passer; Wilson, Robert, chief quartermaster; Wilbur, George W., apprentice (1st cl.).

Marines: Wagner, Henry, first sergeant; Bennet, John, private; Botting, Vincent H., private; Brosnan, George, private; Burns, James R., private; Brown, James T., sergeant; Dierking, John H., drummer; Downing, Michael J., private; Johnson, Charles E., private; Jordan, William J., private; Kean, Edward F., private; Kelly, Frank, private; Lauriette, George M., private; Losko, Peter A., private; Jordan, William J., private; Kean, Edward F., private; Roberts, James H., private; Schoen, Joseph, corporal; Stock, H. E., private; Strongman, James, private; Suman, E. B., private; Timpany, E. B., private; Van Horn, H. A., private; Warren, Asa V., private; Wills, A. O., private.

LIST OF OFFICERS, SAILORS, AND MARINES ON BOARD THE U. S. S. "MAINE" WHO WERE SAVED

Capt. Charles D. Sigsbee, commanding.
Lt. Comdr. Richard Wainwright.
Lts. George F. W. Holman, John Hood, and Carl W. Jungen.
Lts. (Jr. Gr.) George P. Blow and John J. Blandin.
Naval Cadets Jonas H. Holden, Watt T. Cluverius, Amon Bronson,

Naval Cadets Jonas H. Holden, Watt T. Cluverius, Amon Bronson, and David F. Boyd, Jr.
Surg. Lucien G. Heneberger.
Paymaster Charles M. Ray.
Chief Engineer Charles P. Howell.
Passed Assistant Engineer Frederic C. Bowers.
Assistant Engineer John R. Morris.
Naval Cadets (engineer division) Pope Washington and Arthur

Chaplain John P. Chidwick. First Lt. of Marines Albertus W. Catlin. Boatswain Francis E. Larkin.

Boatswain Francis E. Larkin.

Gunner Joseph Hill.

Carpenter George Helms.
Pay Clerk B. McCarty.

Sailors: Allen, James W., mess attendant; Anderson, Oskar, coxswain; Awo, Firsanion, steerage cook; Bergman, Charles, boatswains mate (1st cl.); Bloomer, John H., landsman; Bullock, Charles H., gunner's mate (2d cl.); Cahill, Francis D., landsman; Christiansen, Karl, fireman (1st cl.); Cronin, Daniel, landsman; David, George, ordinary seaman; Dolan, John, seaman; Dressler, Gustav J., apprentice (1st cl.); Durckin, Thomas J., ordinary seaman; Flynn, Michael, seaman; Foley, Patrick J., apprentice (1st cl.); Fox, George, landsman; Gartell, William M., fireman (1st cl.); Hallberg, Alfred, coxswain; Ham, Ambrose, apprentice (1st cl.); Harris, Westmore, mess attendant; Heffron, John, ordinary seaman; Herbert, John, landsman; Herness, Alfred B., gunner's mate (3d cl.); Hutchings, Robert, landsman; Johnson, Alfred, seaman; Kane, Joseph H., landsman; Kushida, Katsusaburo, warrant officers' steward; Lanahan, Michael, landsman; Larsen, Peder, seaman; Larsen, Martin, seaman; Load, John B., master at arms (3d cl.); Lohman, Charles A., coal passer; Mack, Thomas, landsman; Mattsen, Edward, ordinary seamas, Mattselle, Thomas, coal Michael, landsman; Larsen, Peder, seaman; Larsen, Martin, seaman; Load, John B., master at arms (3d cl.); Lohman, Charles A., coal passer; Mack, Thomas, landsman; Mattsen, Edward, ordinary seaman; Mattisen, William, ordinary seaman; Melville, Thomas, coal passer; Mikkelsen, Peter, seaman; McNair, William, ordinary seaman; Moriniere, Louis, seaman; McCann, Harry, seaman; Panck, John H., fireman (1st cl.); Pilcher, Charles F., ordinary seaman; Rau, Arthur, seaman; Reden, Martin, seaman; Richards, Walter E., apprentice (2d cl.); Rowe, James, ship's cook (4th cl.); Rusch, Frank, ordinary seaman; Schwartz, George, ship's cook (1st cl.); Shea, Jeremiah, coal passer; Teackle, Harry, seaman; Thompson, William H., landsman; Toppin, Daniel G., wardroom cook; Turpin, John H., mess attendant; Waters, Thomas J., landsman; Webber, Martin V., landsman; White, John E., landsman; Williams, James, gunner's mate (3d cl.); Williams, Henry, cabin cook; Willis, Alonzo, apprentice (2d cl.); and Wilbur, Benjamin R., coxswain.

Marines: Anthony, William, private; Coffey, John, private; Galpin, C. P., private; Germond, C. V., private; Lutz, Joseph, private; Loftus, Paul, private; McDevitt, William, private; McGuinness, William, private; McKay, Edward, private; Meehan, Michael, sergeant; and Thompson, T. G., corporal.

ORDER OF BUSINESS

Mr. BARKLEY. Mr. President, when the Senate adjourned yesterday it was understood that following the conclusion of the routine morning business today the Senator from South Carolina [Mr. SMITH] would move to take up his cotton bill, Senate bill 1303. In that connection the Senator from Georgia [Mr. George] had indicated his desire to take up his resolution, which lies on the table.

Since that time, after conferring with the Senator from South Carolina and the Senator from Georgia, it has been decided that in view of conferences which are now in progress between the members of the conference committee on the part of the Senate and the members of the conference committee on the part of the House, and also representatives of the Department of Agriculture, including the Secretary, these matters will not be brought up today but will go over until next week, in the hope that a plan may be agreed upon and worked out that will be feasible and will satisfy all parties. I think I am authorized by the chairman of the Committee on Agriculture and Forestry to make that statement.

Mr. SMITH. Yes, Mr. President. Certain matters are being considered by the committee in the House which, if they materialize, will greatly aid the situation. Therefore, I prefer to have the bill lie over until all parties can be reconciled, or until it is demonstrated that that cannot be

Mr. BARKLEY. I also wish to say to both the Senator from South Carolina and the Senator from Georgia that I am authorized to state that so far as the Secretary of Agriculture is concerned the matter will be left in statu quo until he can determine whether the conferences can work out a feasible and agreeable solution of the very distressing cotton

Mr. GEORGE. Mr. President, I so understood from the distinguished leader of the majority. On the statement and assurance that no further action is contemplated until full opportunity for conference is had, I am content to let my resolution stand over until next week.

Mr. BARKLEY. I will say to the Senator from Georgia and to all others interested that I shall attempt to arrange such a conference early next week, so that the matter may be thoroughly discussed.

Mr. McNARY. Mr. President, I desire to make an inquiry of the able leader on the Democratic side. Am I to infer that if these negotiations do not mature the Senate will take up the resolution and the bill on Monday?

Mr. BARKLEY. No; not necessarily on Monday. It probably will be impracticable to do so, because, in all probability, the conferences will not be concluded by that time; and, in my judgment, it will not be known on Monday whether or not it will be possible to work out the matter.

Mr. McNARY. Then, in the interest of orderly procedure, why would it not be well for the Senator from South Carolina to withdraw his motion? Otherwise it will block any other motion.

Mr. SMITH. I thought that was understood.

The VICE PRESIDENT. The Senator from South Carolina has not made a motion.

Mr. BARKLEY. He has not made a motion.

The VICE PRESIDENT. The Senator only gave notice that he would do so.

Mr. SMITH. I did not make the motion yesterday.

Mr. McNARY. It was my recollection that the Senator made the motion on yesterday.

Mr. BARKLEY. He was on the verge of making it, but decided not to do so.

MESSAGE FROM THE HOUSE

A message from the House of Representatives, by Mr. Chaffee, one of its reading clerks, announced that the House had disagreed to the amendments of the Senate to the bill (H. R. 4425) to provide for reorganizing agencies of the Government, and for other purposes, asked a conference with the Senate on the disagreeing votes of the two Houses thereon, and that Mr. Cochran, Mr. Warren, Mr. Robinson of Utah, Mr. Beam, Mr. Cox, Mr. Schulte, Mr. Taber, Mr. GIFFORD, and Mr. DIRKSEN were appointed managers on the part of the House at the conference.

ENROLLED BILL SIGNED

The message also announced that the Speaker has affixed his signature to the enrolled bill (S. 1476) to authorize an appropriation to pay non-Indian claimants whose claims have been extinguished under the act of June 7, 1924, but who have been found entitled to awards under said act as supplemented by the act of May 31, 1933, and it was signed by the President pro tempore.

REORGANIZATION OF EXECUTIVE DEPARTMENTS

The VICE PRESIDENT laid before the Senate the action of the House of Representatives disagreeing to the amendments of the Senate to the bill (H. R. 4425) to provide for reorganizing agencies of the Government, and for other purposes, and requesting a conference with the Senate on the disagreeing votes of the two Houses thereon.

Mr. BYRNES. I move that the Senate insist upon its amendments, agree to the request of the House for a conference, and that the Chair appoint the conferees on the part of the Senate.

The motion was agreed to; and the Vice President appointed Mr. Byrnes, Mr. Byrd, Mr. O'Mahoney, Mr. Bark-LEY, Mr. HARRISON, Mr. LUCAS, Mr. McNary, Mr. LaFollette, and Mr. Townsend conferees on the part of the Senate.

WHERE STANDS AMERICA IN THIS HOUR?-ADDRESS BY SENATOR LEWIS

[Mr. Barkley asked and obtained leave to have printed in the Record extracts from a radio address delivered by Senator Lewis on March 22, 1939, on the subject, "Where Stands America in This Hour?"; which appears in the Appendix.]

ST. PATRICK'S DAY ADDRESS BY POSTMASTER GENERAL FARLEY

[Mr. Green asked and obtained leave to have printed in the Record a St. Patrick's Day address delivered by Post-master General Farley before the Friendly Sons of St. Patrick at Providence, R. I., on March 17, 1939; which appears in the Appendix.]

THE HOUSING ISSUE—EDITORIAL FROM WASHINGTON EVENING STAR

[Mr. Pepper asked and obtained leave to have published in the RECORD an editorial from the Washington Evening Star of March 23, 1939, entitled "Threat to Housing"; which appears in the Appendix.]

THE GOVERNMENT'S MONETARY POLICY—ARTICLE FROM WALL STREET JOURNAL

[Mr. PITTMAN asked and obtained leave to have printed in the Record an article dealing with the Government's monetary policy, published in the Wall Street Journal of March 22, 1939; which appears in the Appendix.]

"A NAPOLEONIC PARALLEL?"-EDITORIAL FROM WASHINGTON EVENING STAR

[Mr. McCarran asked and obtained leave to have printed in the RECORD an editorial from the Washington Evening Star of March 22, 1939, entitled "A Napoleonic Parallel?"; which appears in the Appendix.]

CONTROL AND ERADICATION OF NOXIOUS WEEDS

Mr. GURNEY. Mr. President, I have received from the Legislature of South Dakota Senate Concurrent Resolution No. 12, requesting that Congress take some action looking toward the control and eradication of noxious weeds. I ask unanimous consent that the resolution be printed in the RECORD and that the original be referred to the Committee on Agriculture and Forestry for its consideration.

The VICE PRESIDENT. Is there objection?

There being no objection, the resolution was referred to the Committee on Agriculture and Forestry and was ordered to be printed in the RECORD, as follows:

Concurrent resolution memorializing the Congress of the United States of America to pass proper legislation for the control and eradication of noxious weeds.

Be it resolved by the Senate of the State of South Dakota (the house of rapresentatives concurring):

whereas according to figures prepared by the national weed committee of the National Plant Board the farmers of the United States lose \$3,000,000,000 a year through weed damage, which is 12 times the loss occasioned by livestock diseases; and Whereas the weed menace constitutes an enormous tax upon the

productivity of the soil, and the area infested with obnoxious weeds

has been doubling every 5 years despite all efforts of control; and Whereas billions have and are being spent for national defense, while little has been done to stop this insidious enemy that has been laying waste our lands; and that

Whereas the importation of certain chemicals which are essential for use in the eradication of noxious weeds are now subjected to heavy tariff import taxes: Now, therefore, be it hereby Resolved, That we urge upon the Congress of the United States and executive agencies of the Federal Government the following

corrective measures:

I. We ask the complete removal of all tariff duties on chlorates

and other chemicals which are necessary or may be useful in the eradication of noxious weeds.

II. We favor the manufacture of sodium chlorate and other II. We favor the manufacture of sodium chlorate and other chemical agents suitable for weed eradication at one or more of the federally financed hydroelectric plants in the Northwest, the products therefrom to be distributed without profit and with preference to farmers and cooperative organizations.

III. We request the creation of a division within the Department of Agriculture to deal specifically with the weed problem provided with sufficient funds for the purpose of:

1. Correlating a weed control and eradication program of the various States on a uniform, scientific, and practical basis.

2. To conduct research, experiment, and demonstration as to the

various States on a uniform, scientific, and practical basis.

2. To conduct research, experiment, and demonstration as to the best methods of control and eradication.

3. To investigate the use of chemicals or mixtures thereof and an appraisal of all their economic values in weed eradication.

4. To bring about the cooperation of regions and agencies in the solution of the weed problem, to foster educational work on the weed control, to bring about the development of uniform laws and regulations in the various States governing the distribution of seeds, giving particular attention to the independent truck operator buying seeds in one community and selling in another.

PRODUCTION OF MOTOR FILEI, FROM AGRICULTURAL PRODUCTS

Mr. GURNEY. Mr. President, I wish to make some brief remarks in reference to an amendment I intend to offer to House hill 3790

In my opinion, the resolution which I have presented for the RECORD notifies the Senate that the people of my State are much interested in maintaining a productive and profitable farm business. We all know that there have been in the Middle West droughts and years of grasshopper plagues with which the farmer has to contend, but even under all these hazards he is somehow making a living for his family. These, however, are not all his difficulties. Even when a crop is produced he must be content with prices on the crops he has to sell which are regulated, not by allowing the old law of supply and demand to govern, but regulated by the importations from foreign lands of food products of all kinds, against which our farmers must compete.

In addition to all this, industry has sold the farmer-and he has accepted—a new farm power, the tractor. As Senators all know, the tractor has now taken the place of horse and mule power, which used to consume a great portion of the crop that was produced on each individual farm. A question before us, then, is: Is it possible for the farmer to produce on his own land something that can be converted into motor fuel, and in that way raise at least a portion of his own power? And if he can, what effect will it have on the economics of our country?

I present at this time an amendment to the internalrevenue law which will go a long way toward accomplishing this result. This amendment I intend to propose as an addition to House bill 3790 when that bill comes before the Senate, as it opens to our constitutional reach the entire question of taxation. Therefore I ask that this amendment be printed and that it lie on the table until House bill 3790 shall be before us.

The VICE PRESIDENT. Without objection, it is so ordered.

The amendment intended to be proposed by Mr. Gurney to the bill (H. R. 3790) relating to the taxation of the compen-

Add a new section to read as follows:

"That effective on the 30th day after the day of enactment of this act, section 3412 (c) (2) of the Internal Revenue Code is amended to read as follows:

"(2) The term "received"

to read as follows:

"'(2) The term "gasoline" means (A) all products commonly or commercially known or sold as gasoline (including casinghead and natural gasoline), benzol, benzene, or naphtha, regardless of their classification or uses; and (B) any other liquid of a kind prepared, advertised, offered for sale, or sold for use as, or used as, a fuel for the propulsion of motor vehicles, motorboats, or airplanes; except that it does not include any of the foregoing mixed with 10 percent or more of anhydrous ethyl alcohol produced from annual agricultural crops grown in the continental United States and so denatured as to exempt it from the tax imposed by law upon distilled spirits, does not include any of the foregoing (other than products commonly or commercially known or sold as gasoline) sold for use other-

wise than as a fuel for the propulsion of motor vehicles, motorboats, or airplanes, and otherwise than in the manufacture or production of such fuel, and does not include kerosene, gas oil, or fuel oil."

Mr. GURNEY. Mr. President, I should like now to make a very brief statement respecting this amendment, because I am very anxious for the Members of the Senate to have sufficient time to fully acquaint themselves with its merits. The amendment, in my opinion, is a pretty good farm bill in only 19 lines. It proposes only to exempt from the present Federal tax of 1 cent per gallon a motor fuel that contains 90 percent gasoline and 10 percent power alcohol made from domestic farm crops.

In explanation of the amendment I may say that the annual consumption of motor fuel in the United States at present is approximately 21,000,000,000 gallons. This is an enormous consumption; and the farmers of the United States, being consumers of a great percentage of this motor fuel, certainly have the right to at least a part of this market. I am sure that the processors of gasoline are not so selfish that they cannot see in the future a larger sale of their gasoline product to a prosperous country and a prosperous agricultural population, even though the motor fuel of that time should contain only 90 percent of their product. I am sure their sales to a prosperous country would be larger and on a happier basis than 100 percent of the market is at this time.

While it is true that this amendment will tend to decrease the tax revenue in graduated amounts in the years to come, still this decrease in revenue would be so small, in comparison with present governmental expenditures for the benefit of agriculture, that it could and would be lost sight of.

This plan cannot go into operation tomorrow, this year, or next year. It will be a gradual program, due to the fact that large alcohol refineries will have to be built in each State in the Union near where surplus crops are producedgrain of all kinds, sugarcane, potatoes, and fruits. As such refineries are constructed, and as the power alcohol made from domestic crops becomes available, sale of the output will be automatic under the law, and the refund of the 1 cent per gallon Federal tax will make it possible for distributors of motor fuel to handle it at a profit.

This amendment does not require an appropriation of any kind. I offer it on the basis that private capital will find it advantageous to construct the refineries and operate them at a profit. They will see not only the prospective profit but a volume outlet for all they can produce. Construction of refineries could be speeded up with Reconstruction Finance Corporation industrial loans, and as about 600 refineries of this kind would be needed to produce the necessary supply, the building program with private capital, not Federal subsidies, would go a long way toward providing a healthy business recovery.

I have been asked many questions as to how much of our surplus grains this program would consume. I answer that by saying that each bushel of grain or its equivalent in other crops produces approximately 2½ gallons of power alcohol, and figuring on our consumption of motor fuel, arithmetic tells us that it would take 840,000,000 bushels of grain off the present market. In other words, upon the completion of this program industry would use this amount of that which is produced on the farm lands of the country. With the surplus taken care of, the good old law of supply and demand would again be allowed to operate, and then our farmers would receive, not the present prices, which are much under the cost of production, but a fair price for all that which could be produced from all their acres. Limited production by decree would not be necessary.

Mr. NORRIS. Mr. President

The PRESIDENT pro tempore. Does the Senator from South Dakota yield to the Senator from Nebraska?

Mr. GURNEY. I yield. Mr. NORRIS. I should like to submit to the Senator a question which has caused me a great deal of trouble in the study of the proposal which the Senator is now presenting which I think is a very interesting proposal. In considering the matter, I have found it a rather discouraging difficulty, and I am wondering whether the Senator has thought of it.

It has to do with the value of the products which would be used in making the 10 percent of alcohol, which would be mixed with 90 percent of gasoline, based on present prices of farm products, which everyone knows are away below what they ought to be.

If the increased use of these products would bring about enhancement of the price, which is part of the theory, and everyone wants to bring that about, what effect would that have upon the sale price of the finished product? I think that, based on present prices, the price of the finished product would be increased, although it is claimed-and it is probably true-that the product would be better and worth more money than it is now.

Mr. GURNEY. The idea behind the amendment is that if we can use up the surplus of grain products, fruit, potatoes, and so forth, then the going price for the entire crop would rise, and in that way agriculture would benefit immensely.

Mr. NORRIS. But would it not follow, then, that the production which is to be used in making alcohol, the 10 percent. would have to be given up?

Mr. GURNEY. The Senator wants to know whether the price of the products from which we would make this power alcohol would raise the cost of the alcohol to such an extent that it would not be possible to use it. Is that what the Senator is getting at?

Mr. NORRIS. Yes. Mr. GURNEY. As the Senator knows, there is a large surplus of grains, and of fruits of all kinds, that are of a cull grade, a second grade. For instance, in the potato section of the North a large percentage of the crop is never marketed at all, because the potatoes are under grade on account of being scabby, or small sized, and no revenue ever accrues to the producer for that percentage of his crop. The same thing is true of fruit. Fourteen percent of the fruit of the Nation never is harvested in the orchards. That could all be turned into revenue for the producer.

Mr. NORRIS. Yes; and what about corn? Mr. GURNEY. As all Senators know, there is a big surplus, and consequently we are getting a low price. I am not saying that corn is the only crop which would go into the making of alcohol. Senators have studied the situation in their own States and know that all kinds of grains may be used

Mr. NORRIS. Oh, yes; but one of the things the planning has in view is to increase, for instance, the price of corn.

Mr. GURNEY. That is correct.
Mr. NORRIS. I am not asking these questions in any faultfinding sense.

Mr. GURNEY. I am glad to have the Senator ask the

Mr. NORRIS. I am in entire sympathy with the plan. I have given it a great deal of study in my limited way; but I was very much discouraged, because if such a measure as is suggested were enacted into law, and it had the desired effect-which I think it would have-namely, increasing the prices of farm products, that very increase would further increase the cost of the finished product, and inasmuch as under present prices the cost of the finished product would be increased somewhat, I was afraid that that increase might nullify the whole plan. Frankly, that is the thing which has discouraged me more than anything else in attempting to arrive at a conclusion satisfactory in my own mind as to something which would bring about an enhancement in the prices of agricultural commodities.

Mr. VANDENBERG. Mr. President, will the Senator from South Dakota yield?

Mr. GURNEY. I yield.

Mr. VANDENBERG. Let me suggest to the Senator from Nebraska that the increased price of the ultimate product, to wit, gasoline-

Mr. GURNEY. Motor fuel.

Mr. VANDENBERG. Motor fuel-would certainly be no greater than the present tax on that fuel, and if it were possible to achieve the agricultural advantage which is claimed, we could readily dispense, as a matter of Federal economy, with the tax on the finished product, and thus perhaps offset the differential which the Senator from Nebraska has in mind.

Mr. GURNEY. I think the Senator from Nebraska had in mind that there would still be a surplus of corn.

Mr. NORRIS. Yes.

Mr. GURNEY. If the farmer had a market for all he could produce from all the surplus acres, and he knew he had a market for some other crop of grain besides corn, then he would not raise so much corn. If he had another market for part of his acres, instead of keeping them all in corn, then he could grow other things.

Mr. NORRIS. Mr. President, I should like to say to the Senator that I have gone over the question in considerable detail with some of the manufacturers of power alcohol. There is in operation now, or has been until recently, a plant in Kansas producing such a product.

Mr. GURNEY. It is located at Atchison, Kans. Mr. NORRIS. That plant was operated on a large scale at Atchison, Kans. The officials were very frank in admitting to me that what I was afraid of would take place: that if we obtained an increase in price for farm products, which after all is the object of the proposal, that increase in price would go a great way toward making it impossible to carry the program further. I will say to the Senator that I understand it is admitted by those who have studied the question most closely, and who have invested a large amount of money in developing power alcohol, that even at the present low prices of farm crops the cost of the completed product, of motor fuel, would be increased somewhat by the addition of power alcohol. It is claimed by them, however, and so far as I know, it is undisputed, that such increased price of the finished product is offset by the superior qualities of the motor fuel itself.

Mr. GURNEY. I feel that it is. The increased cost would be offset also by the increased return the farmer would get for the full 100 percent of his crop. I may say to the Senator from Nebraska that I have lived with this proposition for more than 8 years. I have sold motor fuel that contains a percentage of alcohol. I have visited the plant at Atchison, Kans. I know intimately the men who have been connected with operating that plant and others all over the United States. At the present cost of power alcohol produced at Atchison, Kans., if the 1 cent per gallon Federal tax were taken off then we would have an increased cost of four-tenths of a cent a gallon for the motor fuel at the present time. In other words, it would cost the inshipper four-tenths of a cent per gallon more than a motor fuel which contained 100 percent gasoline would cost.

Mr. VANDENBERG. Mr. President, that was precisely the point I was trying to make, that the differential in the ultimate cost may be offset by the tax which the Federal Government collects on the finished product, and certainly the Federal Government could afford to forego that source of tax revenue if at the same time it was relieved of an agricultural problem on the expenditure end of the equation.

Mr. GURNEY. And the inshipper of gasoline could well afford to pay four-tenths of a cent more per gallon in order to help secure for his customer a larger revenue on the entire crop he could raise on all the acres inside of his own

Mr. VANDENBERG. Will the Senator again yield?

Mr. GURNEY. I yield.

Mr. VANDENBERG. Further, in addition to the Federal tax on motor fuel which the Senator is discussing, of course, every State has an additional heavy tax on motor fuel.

Mr. GURNEY. That is true. The State of Nebraska now has a law which provides that the part of the motor fuel which is alcohol does not have to pay the Nebraska motor fuel tax. At the present time a refund is made in Nebraska for that part of the motor fuel.

Mr. VANDENBERG. I imagine that in every State of the Union the final ultimate tax on motor fuel is from 3 to 6 cents a gallon?

Mr. GURNEY. Yes; from 3 to 8 or 9 cents a gallon.

Mr. VANDENBERG. Very well. Then there is certainly that great factor through which can be absorbed all increased cost of the final product, if the scheme will produce agricultural relief, because government in all its branches can afford to forego a degree of revenue if in return it is immunized against the necessity for Federal subsidy to make agriculture survive.

Mr. GURNEY. And also the States can in that way increase the return to the people in their own States by getting rid of the surplus crops of all kinds at fair prices.

Mr. VANDENBERG. Yes.

Mr. FRAZIER. Mr. President, will the Senator yield?

Mr. GURNEY. I yield. Mr. FRAZIER. The Senator from South Dakota spoke of the use of inferior grades of potatoes and other farm products for making power alcohol. The products used for that purpose would be largely waste products that would not be of any financial value to the farmer at all.

Mr. GURNEY. On which he is not now receiving any

Mr. FRAZIER. Yes; and they could be turned into revenue-producing products for him, and at the same time he could get rid of the surplus of these products.

Mr. GURNEY. Yes.

Mr. LUCAS. Mr. President, will the Senator yield?

Mr. GURNEY. I yield.

Mr. LUCAS. The able Senator from South Dakota advises the Senate that he has interviewed the officials of the plant now in existence in-did he say Kansas City, Mo.?

Mr. GURNEY. At Atchison, Kans.

Mr. LUCAS. Can the Senator give any facts and figures in the way of a break-down as to the different commodities which are used in that factory for the purpose of making alcohol and other products?

Mr. GURNEY. I could do that very handily. I should like to refer the Senator to the Department of Agriculture bulletin on motor fuels, a booklet containing about 100 pages put out in December 1938, in which the Department presents a complete study and report of the entire project; and in that booklet are given break-downs of costs of making power alcohol out of grain and fruits of all kinds at their present market values.

Mr. LUCAS. What commodity is used most widely in producing that product?

Mr. GURNEY. With corn at 50 cents a bushel, power alcohol can now be made from it at close to 21 cents a gallon.

Mr. LUCAS. The point I am trying to determine is whether or not corn is the basic commodity used in that

Mr. GURNEY. Corn is the basic grain, the best grain we grow from which to make power alcohol. Power alcohol can be produced most cheaply from blackstrap molasses. Next in line comes corn. Then barley, wheat, potatoes, and fruits.

Mr. LUCAS. Since the able Senator has spoken of blackstrap molasses, will he not agree with me that in order for the amendment he has in mind to be effective in the manner he desires, it would also be necessary for the Congress to pass a law placing an excise tax upon all blackstrap molasses which is shipped into this country from tropical countries, which comes in at the present time duty-free?

Mr. GURNEY. My amendment seeks to give the refund only on the power alcohol that is produced from domestic crops; not on power alcohol produced from imported crops.

Mr. LUCAS. Yes; but in order to give the domestic crops the right-of-way, and to do what the Senator wants done, it strikes me it would be absolutely indispensable for the solution of the problem that we place an excise tax on blackstrap molasses which comes from the tropical countries by the steamship load. Cargo after cargo is shipped into my own section of Illinois, to Peoria and other industrial centers, and that blackstrap molasses comes into the State of Illinois duty-free. I will say to the Senator that as a Member of the House of Representatives I was instrumental in having a law passed by the House which placed blackstrap molasses, so far as the manufacturers' and importation taxes are concerned, upon the same basis with edible sugars

which come into this country, but the measure was defeated in the Senate. The bill was never passed.

As one Member of the Senate who is vitally interested in the corn section of Illinois, being a corn producer myself, I should be very glad to join with the Senator from South Dakota along the lines I have suggested, and I am confident that something can be worked out in the Senate which will be of tremendous benefit to the great corn producers in the Middle West.

Mr. REED. Mr. President, will the Senator yield?

Mr. GURNEY. I yield.

Mr. REED. I am sure the Senator from South Dakota wants his facts straight. It so happens that reference has been made to a plant producing power alcohol at Atchison, Kans. Very recently the operators of the Atchison, Kans., plant have been in Washington, and in their aid I have gone to the Department of Agriculture, to the Federal Surplus Commodities Corporation, and to the Reconstruction Finance Coporation, and I have had a good deal of discussion with those who operate that Atchison plant. My recollection of their statements to me, as confirmed by the Department of Agriculture, is that with corn at 40 cents a bushel instead of 50 cents, the price referred to by the Senator from South Dakota, they could produce alcohol for approximately 21 or 22 cents a gallon. I know the Senator from South Dakota desires to be accurate in his statement concerning the relationship between the price of corn and the cost of producing alcohol, and it so happens that I have had a very recent and direct contact with the officials of the Atchison plant which is producing power alcohol.

Mr. GURNEY. I will say to the Senator from Kansas that the plant at Atchison, Kans., is not one which was built in the first place to produce power alcohol from farm crops. It is a made-over brewery which used to produce beer, and it is not efficient in any way to produce power alcohol. plant I have in mind, and as described in the Department of Agriculture handbook, is a complete plant for producing power alcohol and using all the byproducts from the production of power alcohol, and the plant at Atchison, Kans., not being equipped to take care of their byproducts, cannot produce the power alcohol at the figure I quoted to the Senate. They would have to produce dry ice and byproducts of fermented grain. By using all those byproducts alcohol can be produced at the figure I quoted with 50-cent corn.

Mr. WILEY. Mr. President, will the Senator yield?

Mr. GURNEY. I yield.

Mr. WILEY. As I understand the mechanics of the matter, one-tenth of a gallon of alcohol would be added to ninetenths of a gallon of gasoline, and the increased cost would be about 2 cents. That would make the product under discussion

Mr. GURNEY. That is correct.

Mr. WILEY. I can make this contribution to the discussion: I was reading lately a book on how Norway is handling some of her problems. In Norway they even got rid of a surplus of butter by providing by law that a certain percentage of butter shall be put into oleomargarine, and they are working in that way to get rid of the surplus of butter. I understand the Senator feels that if we got rid of some of our surplus crops in this direction we would raise the general level of prices and better the farming industry.

Mr. GURNEY. That is correct. I thank the Senator very

Mr. VANDENBERG. Mr. President, will the Senator again yield?

Mr. BARKLEY. Mr. President, a parliamentary inquiry. The PRESIDENT pro tempore. The Senator will state it.

Mr. BARKLEY. Under what order are we proceeding? The PRESIDENT pro tempore. The morning hour has not

expired and the presentation of morning business is still in

Mr. BARKLEY. The present discussion is out of order. I do not wish to interrupt Senators in the discussion; but inasmuch as we have the call of the calendar ahead of us, we should proceed with the regular order. The matter now under discussion is not before the Senate for decision.

Mr. GURNEY. Mr. President, I ask the Senator if I may have just a little more time? I am almost through with my remarks, and will conclude in a few moments, if not interrupted.

Mr. BARKLEY. I appreciate that.

Mr. VANDENBERG. Does the Senator object if I interrupt for just one more question?

Mr. BARKLEY. Not at all. I am glad to have the Sena-

Mr. VANDENBERG. Is it not a fact that the power-alcohol enterprise has demonstrated complete success in many foreign

Mr. GURNEY. At the present time most foreign countries are using power alcohol, of their own domestic production, in their motor fuels. In some foreign countries up to as high as 35 percent of their motor fuel is alcohol made from farm products. So this is not a new idea, but is an idea which has been tried out in as many as 23 foreign countries.

Mr. VANDENBERG. Will the Senator name some of the countries?

Mr. GURNEY. In England all the major oil companies, some of which have their head offices in this country, are now selling a motor fuel which contains a large percentage of power alcohol, and they say in their advertisements that such motor fuel is the best in the land. A similar situation exists in France, Germany, Italy, and Argentina. Most of the European countries now have laws making it mandatory to have a large percentage of power alcohol in motor fuel.

It seems a very appropriate time for me to call this matter to the attention of the Senate for the reason that we are now all national defense-minded, and certainly it is true that one of our greatest natural resources is the crude petroleum that we have in reserve. Certainly we should do everything we can to keep this strategic material for any time in the future when there is a national emergency. Therefore, it is good business logic at this time to conserve our supply of petroleum and at the same time help the farmers raise a portion of their own motor fuel.

I hope the Senate will remember that this type of farm relief does not require an appropriation. Keep in mind the national-defense angle, and remember that using up the surplus farm crops will automatically bring the farmer a fair price for all that he can raise. When the farmer receives that fair income he will then be prosperous. Farm prosperity means national prosperity. National prosperity means larger consumption of motor fuel. The gasoline industry would be selling a larger volume of its product to a prosperous country, even though motor fuel then would be only 90 percent gasoline. This bill would provide private capital a sound investment possibility. It would allow the farmers to produce a part of their own power. In that way the farmer's oats would feed the iron horse, which has replaced the horse and mule as farm power.

THE CALENDAR

The PRESIDENT pro tempore. The next order of business is the consideration of the calendar under rule VIII.

The Senate will now proceed to the consideration of unobjected-to blils on the calendar; and the clerk will state in

order the bills on the calendar.

BILLS, RESOLUTIONS, AND JOINT RESOLUTIONS PASSED OVER

The bill (S. 326) for the payment of awards and appraisals heretofore made in favor of citizens of the United States in claims presented under the General Claims Convention of September 8, 1923, United States and Mexico, was announced as first in order.

Mr. VANDENBERG. I ask that the bill go over. I wish to make it plain that I am making the objection because of the absence from the Chamber of the Senator from Colorado [Mr. Adams].

The PRESIDENT pro tempore. The bill will be passed over

The resolution (S. Res. 58) providing that a calendar day's notice shall suffice in connection with suspension of a rule was announced as next in order.

SEVERAL SENATORS. Over.

The PRESIDENT pro tempore. The resolution will be passed over.

The resolution (S. Res. 74) providing for a Committee on Civil Aviation was announced as next in order.

Mr. VANDENBERG. Let the resolution go over.

The PRESIDENT pro tempore. The resolution will be passed over.

The bill (S. 685) to create a Division of Water Pollution Control in the United States Public Health Service, and for other purposes, was announced as next in order.

Mr. BARKLEY. Let the bill go over.

The PRESIDENT pro tempore. The bill will be passed over.

The joint resolution (S. J. Res. 45) to amend the act of July 3, 1926, entitled "An act conferring jurisdiction upon the Court of Claims to hear, examine, adjudicate, and render judgment in claims which the Crow Tribe of Indians may have against the United States, and for other purposes" was announced as next in order.

Mr. KING. Mr. President, upon two occasions I have objected to the consideration during the morning hour, when time is limited, of a number of bills which we have denominated Indian bills. I have communicated with the Interior Department, and it has promised full reports concerning those bills. As soon as the reports are received, I shall have no objection to the consideration of the bills.

For the reasons just stated, I shall object to the present consideration of Calendar Nos. 83, 88, 100, 101, 102, 104, 105, 103, 114, and 116.

The following bills and joint resolution, on objection of Mr. King, were ordered to be passed over:

The joint resolution (S. J. Res. 45) to amend the act of July 3, 1926, entitled "An act conferring jurisdiction upon the Court of Claims to hear, examine, adjudicate, and render judgment in claims which the Crow Tribe of Indians may have against the United States, and for other purposes."

The bill (S. 863) to provide for the payment of attorney's fees from Osage tribal funds.

The bill (S. 783) to amend the act, as amended, entitled "An act to refer the claims of the Delaware Indians to the Court of Claims, with the right of appeal to the Supreme Court of the United States," approved February 7, 1925.

The bill (S. 784) for the relief of certain Indians of the Winnebago Agency, Nebr.

The bill (S. 790) conferring jurisdiction upon the Court of Claims to hear and determine the claims of the Prairie Band or Tribe of Pottawatomie Indians of Kansas and Wisconsin against the United States.

The bill (S. 1222) authorizing an appropriation for payment to the Osage Tribe of Indians on account of lands sold by the United States.

The bill (S. 767) conferring jurisdiction on the Court of Claims to hear, examine, adjudicate, and enter judgment in any claims which the Assiniboine Indians may have against the United States, and for other purposes.

The bill (S. 864) authorizing the Arapahoe and Cheyenne Indians to submit claims to the Court of Claims, and for other purposes.

The bill (S. 962) to define the status of certain lands purchased for the Choctaw Indians, Mississippi.

The bill (S. 498) authorizing an appropriation to carry out the provisions of section 26 of the agreement with the Muskogee or Creek Tribe of Indians, approved March 1, 1901.

The bill (H. R. 3790) relating to taxation of the compensation of public officers and employees was announced as next in order.

Mr. McNARY. Let the bill go over.

The PRESIDENT pro tempore. The bill will be passed over.

The bill (S. 572) to provide for the common defense by acquiring stocks of strategic and critical raw materials, concentrates, and alloys essential to the needs of industry for the manufacture of supplies for the armed forces and the civilian population in time of a national emergency, and for other purposes, was announced as next in order.

Mr. McNARY, Mr. VANDENBERG, Mr. FRAZIER (and other Senators). Let the bill go over.

The PRESIDENT pro tempore. The bill will be passed

Mr. McNARY. Mr. President, if I may have the attention of the Senator from Michigan [Mr. Brown], I asked that Calendar No. 118, House bill 3790, go over, because a Member who is absent asked me to do so unless a full explanation should be offered.

Mr. BROWN. I have not the slightest objection to the bill's going over.

MERITORIOUS SERVICE MEDAL FOR UNITED STATES EMPLOYEES

The bill (S. 1582) to authorize the President to bestow a Meritorious Service Medal upon civil-service officers and employees of the United States, and for other purposes, was considered, ordered to be engrossed for a third reading, read the third time, and passed, as follows:

the third time, and passed, as follows:

Be it enacted, etc., That the President is hereby authorized, in his discretion, and upon the recommendation of a board to be created by him composed of civil officers of the United States, and in accordance with such regulations as he may prescribe, to bestow upon any civil officer or employee of the United States, including commissioned officers of the Public Health Service and of the Coast and Geodetic Survey, or his personal representative in case he is deceased, a medal suitably inscribed which shall be known as the Meritorious Service Medal for the performance of an outstanding act or service involving great physical bravery or heroism, or for the performance of a service to the Government or to humanity characterized by exceptional merit and involving a high degree of labor or effort above and beyond the ordinary and usual requirements of his office.

SEC. 2. The appropriation available to meet the expenses of the activity with which the officer or employee was connected at the time of the service rendered shall be available for any expenses made necessary by the award of the medal herein authorized.

BILLS PASSED OVER

The bill (S. 1464) to extend the facilities of the United States Public Health Service to active officers of the Foreign Service of the United States was announced as next in

The PRESIDENT pro tempore. This bill is identical with House bill 3537, Calendar No. 151.

Mr. McKELLAR. Mr. President, may we have an explanation of the bill?

The PRESIDENT pro tempore. The present occupant of the chair asks that the bill be passed over until the end of the calendar. Without objection, it is so ordered.

The bill (S. 902) to amend the act entitled "An act authorizing the temporary detail of United States employees, possessing special qualifications, to governments of American republics and the Philippines, and for other purposes," approved May 25, 1938, was announced as next in order.

The PRESIDENT pro tempore. The present occupant of the chair asks that that bill go over until the end of the calendar. Without objection, it is so ordered.

Mr. GREEN subsequently said: Mr. President, what happened to Senate bill 1464 and Senate bill 902?

The PRESIDENT pro tempore. The Senator from Tennessee [Mr. McKellar] asked for an explanation of Senate bill 1464, which is identical with House bill 3537. The present occupant of the chair, not being on the floor, asked that Senate bills 1464 and 902 go to the end of the calendar. However, the Senator from Rhode Island is at liberty to ask to recur to them.

Mr. GREEN. I shall be glad to explain the bills if there are any doubtful points that need explanation.

Mr. DANAHER. I ask that they stand at the foot of the calendar.

The PRESIDENT pro tempore. They will be passed to the foot of the calendar.

SETTLEMENT OF AMERICAN CLAIMS RESULTING FROM EXPROPRIA-TIONS BY MEXICO OF AGRARIAN PROPERTIES

The Senate proceeded to the consideration of the joint resolution (S. J. Res. 46) authorizing appropriation for expenses of a representative of the United States and of his assistants, and for one-half of the joint expenses of this Government and the Government of Mexico, in giving effect to the agreement of November 9-12, 1938, between the two Governments providing for the settlement of American claims for damages resulting from expropriations of agrarian properties since August 30, 1927, which was read, as follows:

erties since August 30, 1927, which was read, as follows:

Resolved, etc., That there is hereby authorized to be appropriated, out of any money in the Treasury not otherwise appropriated, such sums as may be necessary to provide for the expenses of participation by the United States in the settlement, in pursuance of the agreement of November 9-12, 1938, of claims of citizens of the United States against the Government of Mexico on account of expropriations of agrarian properties since August 30, 1927, including personal services in the District of Columbia or elsewhere without reference to the Classification Act of 1923, as amended; rent of offices, electric service, drinking water, rooms and rent, and purchase of equipment for the use of the representative of the United States and his assistants, in addition, if deemed necessary by the Secretary of State, to the lawful per diem; stenographic, reporting, and translating services by contract if deemed necessary, without regard to section 3709 of the Revised Statutes (U. S. C., title 41, sec. 5); traveling expenses; communication service; purchase of lawbooks and books of reference; transportation of things; printing and binding; office supplies; official cards; entertainment; expenses and honorarium of a neutral umpire in the event such an appointment is found necessary; and such other expenses as may be authorized by the Secretary of State, including the reimbursement of other appropriations from which payments may have been made for any of the purposes herein specified: Provided, That any expenditures from the amount herein authorized to be appropriated shall become a first charge upon any moneys received from the Government by the Mexican Government and deposited in the Treasury of the United States as miscellaneous receipts: And provided further, That the representative of the United States shall, upon the completion of his work, submit a report to the Secretary of State, attaching thereto (a) a statement of the expenses of himself, his assistants, and of t Resolved, etc., That there is hereby authorized to be appropriated,

Mr. McNARY. Mr. President, may we have an explanation of the joint resolution?

The PRESIDENT pro tempore. The Senator from Texas [Mr. CONNALLY] is chairman of the subcommittee on the

Mr. CONNALLY. Mr. President, I will state to the Senator from Oregon and others that the joint resolution relates to the agreement between the United States and Mexico with regard to the settlement of American claims against Mexico for the expropriation of farm and ranch lands. An agreement has been reached to submit the matter to a commission. The joint resolution merely provides authority for the former clerks and others of the American section to aid and facilitate the work of the commission. The compensation is to come out of the funds which may be collected from Mexico in settlement of the claims.

The joint resolution was ordered to be engrossed for a third reading, read the third time, and passed.

BILLS PASSED OVER

The bill (S. 95) to amend the Civil Service Retirement Act of May 22, 1920, as amended, to extend retirement to certain employees of certain Indian schools was announced as next in order.

Mr. KING. Let the bill go over.

The PRESIDENT pro tempore. The bill will be passed

The bill (S. 1706) to provide for reorganizing agencies of the Government, and for other purposes, was announced as next in order.

Mr. BARKLEY. Let the bill go over.

The PRESIDENT pro tempore. The bill will be passed

The bill (H. R. 3537) to extend the facilities of the United States Public Health Service to active officers of the Foreign Service of the United States was announced as next in order.

Mr. KING. Let the bill go over.

The PRESIDENT pro tempore. The bill will be passed over.

TWENTY-FIFTH ANNIVERSARY OF OPENING OF PANAMA CANAL

The joint resolution (S. J. Res. 70) providing for the participation of the United States in the celebration of the twenty-fifth anniversary of the opening of the Panama Canal, was announced as next in order.

The PRESIDENT pro tempore. House Joint Resolution 163, No. 206 on the calendar, is a bill of the same character.

Mr. CLARK of Missouri. I ask unanimous consent to substitute the House joint resolution for the Senate joint resolution.

The PRESIDENT pro tempore. Is there objection?

There being no objection, the Senate proceeded to consider the joint resolution (H. J. Res. 163) providing for the participation of the United States in the celebration of the twenty-fifth anniversary of the opening of the Panama Canal, which was ordered to a third reading, read the third time, and passed.

The PRESIDENT pro tempore. Without objection, Senate Joint Resolution 70 will be indefinitely postponed.

EXEMPTION OF CERTAIN VESSELS FROM PROVISIONS OF OFFICERS' COMPETENCY CERTIFICATES CONVENTION

The Senate proceeded to consider the bill (H. R. 950) to exempt all vessels of the United States of less than 200 tons gross registered tonnage from the provisions of the Officers' Competency Certificates Convention, 1936 (being International Labor Conference Treaty, Convention No. 53, adopted by the International Labor Conference at Geneva in 1936), which was read.

Mr. McKELLAR. Mr. President, may we have an explanation of the bill?

The PRESIDENT pro tempore. The Senator from Maine [Mr. White] can probably explain the bill.

Mr. WHITE. I shall be glad to explain the bill, or have it go to the end of the calendar.

The bill proposes to exempt from the provisions of the treaty ratified by the Senate in the last session of Congress all vessels of the United States under 200 gross tons register. The bill passed the House of Representatives after exhaustive hearings by the appropriate committee of that body. While the bill was not directly before the Committee on Commerce of the Senate, a subcommittee of the Committee on Commerce gave consideration to the subject matter of the bill during this session of the Congress and indicated its complete approval of the bill. I think the departments of the Government approved the bill. I understand that the labor organizations approved the bill. I know of no interest anywhere objecting to the passage of the bill. Unless it is passed, the terms of the convention will apply to all vessels of the United States over 5 tons. The convention itself recognized that its terms should not apply in all circumstances to the smaller vessels, and the convention carried a provision expressly permitting nations signatory to the treaty to exempt by their own legislation vessels up to 200 tons.

As I say, I think there is complete agreement by all parties in interest that the proposed legislation should be passed. At the time the treaty was before the Senate, no hearing was afforded to the maritime, commercial, and fishing interests of the United States. Since then an insistent demand or a very urgent request has arisen upon the Great Lakes, the Gulf, and along both coasts that legislation of this sort be enacted and that vessels of such small tonnage be exempted from the provisions of the treaty.

The bill was ordered to a third reading, read the third time, and passed.

BILLS AND JOINT RESOLUTION PASSED OVER

The bill (S. 1162) to provide for the recognition of the services of the civilian officials and employees, citizens of the United States, engaged in and about the construction of the Panama Canal was announced as next in order.

Mr. KING. Let the bill go over.

The PRESIDENT pro tempore. The bill will be passed over.

Mr. PEPPER subsequently said: Mr. President, with respect to Senate bill 1162, I should like to have the bill go to the foot of the calendar, so that it may be taken up later.

Mr. KING. I have objected to its consideration during the morning hour.

The joint resolution (S. J. Res. 86) for the relief of International Manufacturers' Sales Co. of America, Inc., A. S. Postnikoff, trustee, was announced as next in order.

Mr. McCARRAN and Mr. KING. Let the joint resolution go over.

The PRESIDENT pro tempore. The joint resolution will be passed over.

The bill (S. 43) to authorize the erection within the Canal Zone of a suitable memorial to the builders of the Panama Canal and others whose distinguished services merit recognition by the Congress was announced as next in order.

Mr. CLARK of Missouri. Let the bill go over.

The PRESIDENT pro tempore. The bill will be passed over.

The bill (S. 1155) to provide for probationary appointments of officers in the Regular Army was announced as next in order.

Mr. KING. Let the bill go over.

The PRESIDENT pro tempore. The bill will be passed over.

APPORTIONMENT OF SUGAR CROP

The bill (S. 69) relating to the apportionment of shares of the sugar crop for 1939 and 1940 was announced as next in order.

Mr. THOMAS of Utah. Mr. President, I ask for an explanation of this bill, please.

Mr. ELLENDER obtained the floor.

Mr. VANDENBERG. Mr. President, will the Senator yield?

Mr. ELLENDER. I yield.

Mr. VANDENBERG. I wish to find out whether the Senator and I are in agreement on the amendment I am offering to this bill. I have heretofore objected to the bill. I am willing to withdraw my objection if the words "sugar beets or," in line 7, may be deleted.

Mr. ELLENDER. Yes, Mr. President; I have the amendment ready to offer.

Mr. ADAMS. Mr. President, I ask the Senator from Louisiana to allow the matter to go over until the end of the calendar, because some of us who are interested in the subject may have an amendment to suggest.

Mr. ELLENDER. That is perfectly agreeable to me.

Mr. VANDENBERG. Mr. President, before the bill is passed over I enter a motion to amend the bill by striking out the words "sugar beets or," in line 7, so that the amendment may be pending if and when the bill comes before the Senate.

The PRESIDENT pro tempore. When the bill is taken up, the amendment will be received. The bill will go to the end of the calendar.

BILLS PASSED OVER

The bill (S. 1303) to amend the Agricultural Adjustment Act of 1938, as amended, with respect to cotton was announced as next in order.

SEVERAL SENATORS. Let the bill go over.

The PRESIDENT pro tempore. The bill will be passed over.

The bill (S. 1209) to extend the time for retirement of cotton-pool participation trust certificates was announced as next in order.

Mr. VANDENBERG. Let the bill go over.

The PRESIDENT pro tempore. The bill will be passed over.

BRIDGES OVER CROSS BAYOU, TWELVE MILE BAYOU, AND CADDO LAKE, LA.

The bill (S. 461) to extend the time for commencing and completing bridges across Cross Bayou, Twelve Mile Bayou, and Caddo Lake in Caddo Parish, La., was announced as next in order.

The PRESIDENT pro tempore. House bill 2192, Calendar No. 200, is an identical bill. Without objection, the House bill will be substituted for the Senate bill.

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The bill (H. R. 2192) to extend the time for commencing and completing bridges across Cross Bayou, Twelve Mile Bayou, and Caddo Lake in Caddo Parish, La., was considered, ordered to a third reading, read the third time, and passed.

The PRESIDENT pro tempore. Without objection, Senate bill 461 will be indefinitely postponed.

MISSISSIPPI RIVER BRIDGE, FRIAR POINT, MISS., AND HELENA, ARK.

The Senate proceeded to consider the bill (S. 964) creating the Arkansas-Mississippi Bridge Commission; defining the authority, power, and duties of said commission; and authorizing said commission and its successors and assigns to construct, maintain, and operate a bridge across the Mississippi River at or near Friar Point, Miss., and Helena, Ark., and for other purposes, which had been reported from the Committee on Commerce, with amendments.

The amendments were, in section 1, line 7, after the word "and", to strike out "is" and insert "its"; in section 2, page 2, line 12, after the word "Mississippi", to strike out "including real estate and other property acquired for or devoted to a public use or other purposes by the State of Arkansas or the State of Mississippi, or any governmental or political subdivisions thereof"; on the same page, line 23, after the word "respectively", to insert "The commission, its successors, and assigns is further authorized to enter into agreements with the States of Arkansas and Mississippi, and any political subdivision thereof, for the acquisition, lease, or use of any lands or property owned by such State or political subdivision"; and in section 4, page 3, line 23, after the word "bridge", to strike out "In like manner, bonds may be issued to pay the cost of improvements and permanent repairs to any bridge so constructed hereunder"; so as to make the

Be it enacted, etc., That in order to facilitate interstate commerce, improve the postal service, and provide for military and other purposes, the Arkansas-Mississippi Bridge Commission (hereinafter created, and hereinafter referred to as the "Commission"), and its successors and assigns, be, and are hereby, authorized to construct, maintain, and operate a bridge and approaches thereto, across the Mississippi River at or near the cities of Friar Point, Miss., and Helena, Ark., at a point suitable to the interest of navigation, in accordance with the provisions of the act entitled "An act to regulate the construction of bridges over navigable waters," approved March 23, 1906, subject to the conditions and limitations contained in this act.

gation, in accordance with the provisions of the act entitled "An act to regulate the construction of bridges over navigable waters," approved March 23, 1906, subject to the conditions and limitations contained in this act.

Sec. 2. There is hereby conferred upon the Commission and its successors and assigns the right and power to enter upon such lands and to acquire, condemn, occupy, possess, and use such real estate and other property in the State of Arkansas and the State of Mississippi, as may be needed for the location, construction, operation, and maintenance of any such bridge and its approaches, upon making just compensation therefor, to be ascertained and paid according to the laws of the State in which such real estate or other property is situated, and the proceedings therefor shall be the same as in the condemnation of private property for public purposes in said State, respectively. The Commission, its successors, and assigns is further authorized to enter into agreements with the States of Arkansas and Mississippi, and any political subdivision thereof, for the acquisition, lease, or use of any lands or property owned by such State or political subdivision.

Sec. 3. The Commission and its successors and assigns are hereby authorized to fix and charge tolls for transit over such bridge in accordance with the provisions of this act, subject to the approval of the Secretary of War, as provided by the act of Congress approved March 23, 1906.

Sec. 4. The Commission and its successors and assigns are hereby authorized to provide for the payment of the cost of such bridge as may be constructed, as provided herein, and approaches (including the approach highways which, in the judgment of the Commission, it is necessary or advisable to construct or cause to be constructed to provide suitable and adequate connection with existing improved highways) and the necessary lands, easements, and appurtenances thereto, by an issue or issues of negotiable bonds of the Commission, bearing interest at the rate or rate

may be fixed by the Commission prior to the issuance of the bonds. The Commission, when it deems it to be to the best interest of the Commission, may issue refunding bonds to repurchase and redeem any outstanding bonds before the maturity thereof: Provided, That the refunding bonds shall mature at such time or times, not exceeding 50 years from the date of approval of this act, as the Commission may determine. The Commission may enter into any agreement with any bank or trust company in the United States as trustee having the power to make such agreement, setting forth the duties of the Commission in respect to the purchase, construction, maintenance, operation, repair, and insurance of the bridge, the conservation and application of all funds, the security for payment of the bonds, the safeguarding of money on hand or on deposit, and the rights and remedies of said trustee and the holders of the bonds, restricting the individual right of action of the bondholders as is customary in trust agreements respecting bonds of corporations. Such trust in trust agreements respecting bonds of corporations. Such trust agreement may contain such provisions for protecting and enforcing the rights and remedies of the trustee and the bondholders may be reasonable and proper and not inconsistent with the law.

as may be reasonable and proper and not inconsistent with the law.

Said bonds shall be sold in such manner and at such time or times and at such price as the Commission may determine, but no such sale shall be made at a*price so low as to require the payment of interest at the rate of more than 6 percent per annum on the money received therefor, computed with relation to the absolute maturity of the bonds in accordance with standard tables of bond values, and the face amount thereof shall be so calculated as to produce, at the price of their sale, the cost of the bridge constructed, and approaches and the lands, easements, and appurtenances, used in connection therewith when added to any other funds made available to the Commission for the use of said purposes. The cost of the bridge to be constructed as provided herein, together with approaches and approach highways, shall be deemed to include interest during construction of said bridge, and for 12 months thereafter, and all engineering, legal, architectural, traffic surveying, and other expense incident to the construction of the bridge and the acquisition of the necessary property, incident to the financing thereof, including cost of acquiring lands. If the proceeds of the bonds issued shall exceed the cost as finally determined, the excess shall be placed in the sinking fund hereinafter provided. Prior to the preparation of definite bonds the Commission may, under like restrictions, issue temporary bonds or interim certificates, with or without coupons, of any denomination whatsoever, exchangeable for definite bonds when such bonds that have been executed are available for delivery.

Sec. 5. In fixing the rates of toll to be charged for the use delivery.

delivery.

SEC. 5. In fixing the rates of toll to be charged for the use of such bridge, in accordance with the act of Congress approved March 23, 1906, the same shall be so adjusted as to provide a fund sufficient to pay for the reasonable cost of maintaining, repairing, and operating the bridge and approaches under economical management, and to provide a sinking fund sufficient to pay the principal and interest of such bonds as the same shall fall due, and the redemption or repurchase price of all or any thereof redeemed or repurchased before maturity as herein provided. All tolls and other revenues from said bridge are hereby pledged to such uses and to the application thereof as hereinafter in this section required. After payment or provision for payment therefrom of all such cost of maintaining, repairing, and operating, and the reservation of an amount of money estimated to be sufficient for the same purpose during an ensuing period of not more than 6 months, the remainder of tolls collected shall be placed in the sinking fund, at intervals to be determined by the Commission prior to the issuance of the bonds. An accurate record of the cost of the bridge and approaches, the expenditures for maintaining, repairing, and operating the same, and of the daily tolls collected, shall be kept and shall be available for the information of all persons interested. The Commission shall classify in a reasonable way all traffic over the bridge so that the tolls shall be so fixed and adjusted by it as to be uniform in the application thereof to all traffic falling within reasonable classes, regardless of the status or character of any person, firm, or corporation participating in such traffic, and shall prevent all use of such bridge for traffic except upon payment of tolls so fixed and adjusted. No toll shall be charged officials or employees of the Commission, nor shall toll be charged officials or the Government of the United States while in the discharge of duties incident to their office or employment, nor shall to SEC. 5. In fixing the rates of toll to be charged for the use

Within a reasonable time after the construction of the bridge the Commission shall file with the Bureau of Public Roads of the United States Department of Agriculture a sworn itemized statement, showing the cost of constructing the bridge and its approaches, the cost of acquiring any interest in real or other property necessary therefor, and the amount of bonds, debentures, or other evidences of indeptedness issued in connection with the construction. evidence of indebtedness issued in connection with the construc-tion of said bridge.

SEC. 6. After payment of the bonds and interest, or after a sinking fund sufficient for such payment shall have been provided and shall be held for that purpose, the Commission shall deliver deeds or other suitable instruments of conveyance of the interest of the Commission in and to the bridge extending between the State of Arkansas and the State of Mississippi, that part of said bridge within Arkansas to the State of Arkansas, or any municipality or agency

thereof as may be authorized by or pursuant to law to accept the same (hereafter referred to as the "Arkansas interest") and that part of said bridge within Mississippi to the State of Mississippi, or part of said bridge within Mississippi to the State of Mississippi, or any municipality or agency thereof as may be authorized by or pursuant to law to accept the same (hereinafter referred to as the "Mississippi interest"), under the condition that the bridge shall thereafter be free of tolls and be properly maintained, operated, and repaired, by the Arkansas interest and the Mississippi interest as may be agreed upon; but if the Arkansas interest or the Mississippi interest, or any other interest hereinabove mentioned, shall not be authorized to accept or shall not accept the same under such conditions, then the bridge shall continue to be owned, maintained, operated, and repaired by the Commission, and the rates of tolls shall be so adjusted as to provide a fund of not to exceed the amount necessary for the maintenance, repair, and operation of the bridge and approaches under economical management, until such time as the Arkansas interest and the Mississippi interest, or any other interest hereinabove mentioned, shall be authorized to accept and shall accept such conveyance under such conditions. Notwithstanding any restriction or limitation imposed by the act

to accept and shall accept such conveyance under such conditions. Notwithstanding any restriction or limitation imposed by the act entitled "An act to provide that the United States shall aid the States in the construction of rural post roads, and for other purposes," approved July 11, 1916, or by the Federal Highway Act, or by an act amendatory of, or supplemental to either thereof, the Secretary of Agriculture, or any other Federal department or agency of the United States Government may extend Federal aid under such acts for the construction of said bridge out of any money allocated to the State of Arkansas with the consent of the State highway commission of said State, and out of money allocated to the State of Mississippi with the consent of the highway department of said State. of said State

SEC. 7. For the purpose of carrying into effect the objects stated in this act, there is hereby created the Arkansas-Mississippi Bridge Commission, and by that name, style, and title said body shall have perpetual succession, may contract, and be contracted with, sue and be sued, implead and be impleaded, complain and defend in all courts of law and equity; may make and have a common seal; may purchase or otherwise acquire and hold or dispose of real estate and other property. May account and receive departions on effect of the contract of the contract and receive departions on effect and sealers.

all courts of law and equity; may make and have a common seal; may purchase or otherwise acquire and hold or dispose of real estate and other property; may accept and receive donations or gifts of money or property and apply the same to the purposes of this act; and shall have and possess all powers necessary, convenient, or proper for carrying into effect the objects stated in this act.

The Commission shall consist of six members to be appointed by the Secretary of Agriculture, three of whom are to be residents and citizens of the State of Mississippi and the other three to be residents and citizens of the State of Arkansas. Such Commission shall be a public body corporate and politic. Each member of the Commission shall qualify within 30 days after his appointment by filing in the office of the Secretary of Agriculture an oath that he will faithfully perform the duties imposed upon him by this act, and each person appointed to fill a vacancy shall file in like manner within 30 days after his appointment. Any vacancy occurring in said Commission by reason of failure to qualify as above provided, or by reason of death or resignation, shall be filled by the Secretary of Agriculture, and in filling such vacancy the Secretary of Agriculture shall at all times make the appointment so that the respective States shall at all times have equal representation on said Commission. Before the issuance of bonds, as hereinabove provided, each member of the Commission shall give such bond as may be fixed by the Chief of the Bureau of Public Roads of the Department of Agriculture, conditioned upon the faithful performance of all duties required by this act. The cost of such surety prior to and during the construction of the bridge shall be paid or reimbursed from the bond proceeds and thereafter such cost shall be deemed an operating expense. The Commission shall elect a chairman and vice chairman from its members, and shall establish rules and regulations for the government of its own business. A majority of the members shal

SEC. 8. The Commission shall have no capital stock or shares of interest or participation, and all revenues and receipts thereof shall be applied to the purposes specified in this act. The members of the Commission shall be entitled to a per diem compensation for their services of \$10 for each day actually spent in the business of the Commission but the maximum compensation of the chairman in any year shall not exceed \$1,200, and of each other member shall not exceed \$600. The members of the Commission shall also be entitled to receive traveling-expense allowance of 10 cents a mile for each mile actually traveled on the business of the Commission. The Commission may employ a secretary, treasurer, engineers, attorneys, and such other experts, assistants, and employees as they may deem necessary, who shall be entitled to receive such compensation as the Commission may determine. All salaries and expenses shall be paid solely from the funds provided SEC. 8. The Commission shall have no capital stock or shares of receive such compensation as the Commission may determine. All salaries and expenses shall be paid solely from the funds provided under the authority of this act. After all bonds and interest thereon shall have been paid and all other obligations of the Commission paid or discharged, or provision for all such payment shall have been made as hereinbefore provided, and after the bridge shall have been conveyed to the Arkansas interest and the Mississippi interest, as herein provided, or otherwise disposed of, as provided herein, the Commission shall be dissolved and shall cease to have further existence by an order of the Chief of the Bureau of Public Roads, made upon his own intitative or upon emplication of the Commission cany members or members thereof. application of the Commission or any member or members thereof, but only after a public hearing in the city of Helena, Ark., notice of time and place of which hearing and the purpose thereof shall have been published once, at least 30 days before the date thereof, in a newspaper published in the cities of Helena, Ark., and Clarksdale, Miss. At the time of such dissolution all moneys in the hands of or to the credit of the Commission shall be divided and distribution made between the interests of the States as may be determined by the Chief of the Bureau of Public Roads of the

determined by the Chief of the Bureau of Public Roads of the United States.

SEC. 9. Notwithstanding any of the provisions of this act, the Commission shall have full power and authority to negotiate and enter into a contract or contracts with the State Highway Commission of Arkansas, and the State Highway Commission of Mississippi, the cities of Helena, Ark., and Clarksdale, Miss., or any county or municipality in the State of Arkansas and State of Mississippi, whereby the Commission may receive financial aid in the construction or maintenance of the bridge and approaches thereto, and said Commission, in its discretion, may avail itself of all of the facilities of the State Highway Commissions of the State of Arkansas and the State of Mississippi with regard to the construction of said bridge, and the Commission may make and enter into any contract or contracts which it deems expedient and proper with the State Highway Commissions of Arkansas and Mississippi, whereby said highway departments, or either of them, may construct, operate, and maintain, or participate with the Commission in the construction, operation, and maintenance of said bridge constructed hereunder, and the approaches thereto. It is hereby declared to be the purpose of Congress to facilitate the construction of a bridge and proper approaches across the Mississippi River at or near Helena, Ark., and Friar Point, Miss., and to authorize the Commission to promote said object and purpose, with full power to contract with either the State Highway Commission of Arkansas or the State Highway Commission of Mississippi, or with any agency or department of the Federal Government, or both, in relation to the construction, operation, and maintenance of said bridge and approaches. tion to the construction, operation, and maintenance of said bridge and approaches.

SEC. 10. Nothing herein contained shall be construed to authorize or permit the Commission or any member thereof to create or obligate or incur any liability other than such obligations and liabilities as are dischargeable solely from funds contemplated to be provided by this act. No obligation created or liability incurred pursuant to this act shall be a personal obligation or liability of any member or members of the Commission but shall be chargeable solely to the funds herein provided, nor shall any indebtedness created pursuant to this act be an indebtedness of the United States.

SEC 11. The design and construction of any bridge which may be built pursuant to this act shall be in accordance with the standard specifications for highway bridges adopted by the American Association of State Highway Officials.

SEC. 12. The right to alter, amend, or repeal this act is hereby

expressly reserved.

The amendments were agreed to.

The bill was ordered to be engrossed for a third reading, read the third time, and passed.

COMMANDER HENRY COYLE, UNITED STATES COAST GUARD

The joint resolution (S. J. Res. 75) to authorize Commander Henry Coyle, United States Coast Guard, to accept the decoration and diploma of the Marine Medal of Class 1 (gold) conferred upon him by the Government of Greece was announced as next in order.

The PRESIDENT pro tempore. The next measure on the calendar, House Joint Resolution 110, is an identical measure. Without objection, the House joint resolution will

be substituted for the Senate joint resolution.

The joint resolution (H. J. Res. 110) to authorize Commander Henry Coyle, United States Coast Guard, to accept the decoration and diploma of the Marine Medal of Class 1 (gold) conferred upon him by the Government of Greece was considered, ordered to a third reading, read the third time, and passed.

The PRESIDENT pro tempore. Without objection, Senate Joint Resolution 75 will be indefinitely postponed.

J. VERNON PHILLIPS

The Senate proceeded to consider the bill (S. 1692) for the relief of J. Vernon Phillips, which had been reported from the Committee on Claims with amendments, on page 1, line 5, after the word "Treasury", to strike out "appropriated for the maintenance and operation of the Soil Conservation Service" and insert "not otherwise appropriated"; in line 9, after the words "South Carolina", to insert "the sum of \$231.10"; in line 10, after the words "United States", to strike out "a sum equal to the total amount" and insert "for 25 days and 4 hours of accrued annual leave which"; and at the end of the bill to insert a proviso, so as to make the bill read:

Be it enacted, etc., That the Secretary of the Treasury be, and he is hereby, authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, to J. Vernon Phillips, formerly an employee of the Soil Conservation Service, Department

of Agriculture, in Gaffney, S. C., the sum of \$231.10, in full satisfaction of his claim against the United States, for 25 days and 4 hours of accrued annual leave which he would have received had he been continued on the pay roll after July 31, 1936, until the date of the expiration of his accumulated annual leave: Provided, That no part of the amount appropriated in this act in excess of 10 percent thereof shall be paid or delivered to or received by any agent or attorney on account of services rendered in connection with this claim, and the same shall be unlawful, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding \$1.000.

The amendments were agreed to.

The bill was ordered to be engrossed for a third reading, read the third time, and passed.

BILL PASSED OVER

The bill (S. 1186) for the relief of Herbert M. Snapp was announced as next in order.

Mr. KING. Let the bill go over.

The PRESIDENT pro tempore. The bill will be passed

TDA MAY LENNON

The Senate proceeded to consider the bill (S. 1387) for the relief of Ida May Lennon, which had been reported from the Committee on Claims with an amendment, on page 1, line 5, after the words "sum of", to strike out "\$264.78" and insert "\$179.08", so as to make the bill read:

Be it enacted, etc., That the Secretary of the Treasury is authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, to Ida May Lennon, of Bedford, Ohio, the sum of \$179.08, in full satisfaction of her claims against the United States for compensation for damage done to a building owned by her in St. Ignace, Mich., by blasting of the Civil Works Administration during February and March 1934: Provided, That no part of the amount appropriated in this act in excess of 10 percent thereof shall be paid or delivered to or received by any agent or of the amount appropriated in this act in excess of 10 percent thereof shall be paid or delivered to or received by any agent or agents, attorney or attorneys, on account of services rendered in connection with said claim. It shall be unlawful for any agent or agents, attorney or attorneys, to exact, collect, withhold, or receive any sum of the amount appropriated in this act in excess of 10 percent thereof on account of services rendered in connection with said claim, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding \$1,000.

The amendment was agreed to.

The bill was ordered to be engrossed for a third reading, read the third time, and passed.

CAPT. FRANCIS H. A. M'KEON

The bill (H. R. 3100) for the relief of Capt. Francis H. A. McKeon was considered, ordered to a third reading, read the third time, and passed.

DONNA L. I. CARLISLE

The bill (S. 1502) for the relief of Donna L. I. Carlisle was considered, ordered to be engrossed for a third reading, read the third time, and passed, as follows:

read the third time, and passed, as follows:

Be it enacted, etc., That the Secretary of the Treasury is authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, to Donna L. I. Carlisle, of Orange Grove, Calif., the sum of \$5,000, in full satisfaction of her claim against the United States for compensation on account of the death of her son, Arthur W. Lawrence, who was killed on July 22, 1929, by being crushed underneath an Army truck while a trainee at a citizens' military training camp at Fort Missoula, Mont.: Provided, That no part of the amount appropriated in this act in excess of 10 percent thereof shall be paid or delivered to or received by any agent or agents, attorney or attorneys, on account of services rendered in connection with such claim. It shall be unlawful for any agent or agents, attorney or attorneys, to exact, collect, withhold, or receive any sum of the amount appropriated in this act in excess of 10 percent thereof on account of services rendered in connection with such claim, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding \$1,000.

BARKMAN LUMBER CO.

The bill (S. 1385) for the relief of the Barkman Lumber Co. was considered, ordered to be engrossed for a third reading, read the third time, and passed, as follows:

Be it enacted, etc., That the Secretary of the Treasury is authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, to the Barkman Lumber Co., of East Tawas, Mich., the sum of \$310.48, in full satisfaction of its claims for the remission of liquidated damages deducted from amounts otherwise due it for lumber and building materials furnished the United States Forest Service, Department of Agriculture, under unnumbered contracts dated May 29, 1936, and under contract No. ER-A9fs-100, dated June 9, 1936, and contract No. ER-A9fs-ccc-1126, dated June 10, 1936: Provided, That no part of the amounts appropriated in this act in excess of 10 percent thereof shall be paid or delivered to or received by any agent or agents, attorney or attorneys, on account of service rendered in connection with said claims. It shall be unlawful for any agent or agents, attorney or attorneys, to exact, collect, withhold, or receive any sum of the amounts appropriated in this act in excess of 10 percent thereof on account of services rendered in connection with said claims, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding \$1,000.

DOROTHY ELIZABETH SISSON, A MINOR

The Senate proceeded to consider the bill (S. 1430) for the relief of Dorothy Elizabeth Sisson, a minor, which had been reported from the Committee on Claims with amendments, on page 1, line 7, after the words "sum of", to strike out "\$3,000" and insert "\$1,230"; in line 8, after the word "claims", to insert "or judgments"; and in line 9, after the words "United States", to insert "or J. H. Rochester, of Memphis, Tenn.", so as to make the bill read:

Tenn.", so as to make the bill read:

Be it enacted, etc., That the Secretary of the Treasury be, and he is hereby, authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, to the legal guardian of Dorothy Elizabeth Sisson, a minor, of Memphis, Tenn., the sum of \$1,230. The payment of such sum shall be in full settlement of all claims or judgments against the United States, or J. H. Rochester, of Memphis, Tenn., on account of personal injuries received by said Dorothy Elizabeth Sisson, when struck, on March 19, 1935, in Memphis, Tenn., by a United States mail truck: Provided, That no part of the amount appropriated in this act in excess of 10 percent thereof shall be paid or delivered to or received by any agent or attorney on account of services rendered in connection with this claim, and the same shall be unlawful, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be fined in any sum not exceeding \$1,000.

The amendments were agreed to.

The bill was ordered to be engrossed for a third reading, read the third time, and passed.

The title was amended so as to read: "A bill for the relief of the legal guardian of Dorothy Elizabeth Sisson, a minor.'

THIRD INTERNATIONAL CONGRESS FOR MICROBIOLOGY

The joint resolution (H. J. Res. 150) to amend the joint resolution entitled "Joint resolution to provide that the United States extend to foreign governments invitations to participate in the Third International Congress for Microbiology to be held in the United States during the calendar year 1939," was considered, ordered to a third reading, read the third time, and passed.

PROHIBITION OF SHIPMENT OF PETROLEUM IN VIOLATION OF STATE LAW

The bill (S. 1302) to make permanently effective the act entitled "An act to regulate interstate and foreign commerce in petroleum and its products by prohibiting the shipment in such commerce of petroleum and its products produced in violation of State law and for other purposes", approved February 22, 1935, as amended, and for other purposes, was considered, ordered to be engrossed for a third reading, read the third time, and passed, as follows:

Be it enacted, etc., That section 13 of the act entitled "An act to regulate interstate and foreign commerce in petroleum and its products by prohibiting the shipment in such commerce of petroleum and its products produced in violation of State law, and for other purposes," approved February 22, 1935, as amended, is hereby represented. repealed.

repealed.

Sec. 2. (a) No action or prosecution for the enforcement or collection of any penalty, forfeiture, or liability for any violation of such act, before or after the date of enactment of this act, shall be deemed to be barred or prevented by reason of the expiration, after the date of such violation, of (1) the period to which the effectiveness of such act of February 22, 1935, would have been limited under such section 13, as originally enacted, (2) the period to which the effectiveness of such act would have been limited under such section 13, as amended by the act of June 14, 1937, or (3) the effective period of any State law, regulation, or order, with respect to contraband oil.

(b) If any provision of this section, or the application thereof to any person or circumstance or with respect to any period of time, shall be held invalid, the remainder of the section, and the application of such provision to other persons or circumstances or with respect to other periods of time, shall not be affected thereby.

RILL PASSED OVER

The bill (S. 1096) to amend section 8c of the Agricultural Marketing Agreement Act of 1937, as amended, to make its provisions applicable to Pacific Northwest boxed apples was announced as next in order.

Mr. KING. Let the bill go over.

The PRESIDENT pro tempore. The bill will be passed

MARIA BARTOLO

The bill (S. 139) for the relief of Maria Bartolo was considered, ordered to be engrossed for a third reading, read the third time, and passed, as follows:

Be it enacted, etc., That in the administration of the immigration laws Maria Bartolo (nee Mariannina D'Amore), wife of Carmine Bartolo, a citizen of the United States, shall not be denied an immigration visa, nor denied admission to the United States for permanent residence, because of the fact that she entered the United States in December 1924 by the use of an immigration visa

issued to Carmela Savelli.

SEC. 2. The Secretary of Labor is authorized and directed to cancel any warrants of arrest or orders of deportation which may have been issued in the case of the said Maria Bartolo upon the ground of unlawful residence in the United States and to permit her to permanently remain in the United States.

MARY COHEN BIENVENU

The joint resolution (S. J. Res. 72) readmitting Mary Cohen Bienvenu to citizenship was considered, ordered to be engrossed for a third reading, read the third time, and passed,

Resolved, etc., That Mary Cohen Bienvenu, a native citizen of the United States, born in Atlanta, Ga., the daughter of John Sanford Cohen, a former Senator of the United States from the State of Georgia, who is alleged to have forfeited her citizenship by marriage with an alien in 1934, be, and she is hereby, on her own application unconditionally readmitted to the character and privileges of a citizen of the United States of America.

WILLIAM CARL LAUDE

The bill (S. 1291) for the relief of William Carl Laude was considered, ordered to be engrossed for a third reading, read the third time, and passed, as follows:

Be it enacted, etc., That for the purposes of the immigration and naturalization laws, William Carl Laude, brother of the religious order of St. Benedict, Atchison, Kans., shall be considered to have been lawfully admitted at Buffalo, N. Y., on August 29, 1936, to the United States for permanent residence.

JOHANNES KOSTIUK AND OTHERS

The bill (S. 1394) for the relief of Johannes or John, Julia, Michael, William, and Anna Kostiuk was considered, ordered to be engrossed for a third reading, read the third time, and passed, as follows:

Be it enacted, etc., That in the administration of the immigration and naturalization laws the Secretary of Labor is hereby authorized and directed to cancel the warrant of arrest and the order of deportation heretofore issued against Johannes or John, Julia, Michael, William, and Anna Kostiuk. Hereafter, for the purposes of the immigration and naturalization laws, such aliens shall be deemed to have been lawfully admitted for all purposes to the United States for permanent residence on April 15, 1925.

MRS. HENRY FRANCIS PARKS

The bill (S. 837) to admit Mrs. Henry Francis Parks permanently to the United States was considered, ordered to be engrossed for a third reading, read the third time, and passed, as follows:

Be it enacted, etc., That notwithstanding the provisions of section 13 (c) of the Immigration Act of 1924 (43 Stat. 153; U. S. C., title 8, sec. 213c) relating to the exclusion from the United States of aliens ineligible to citizenship, Mrs. Henry Francis Parks shall be granted an immigration visa and admitted into the United States if she applies for such visa and admission within 6 months from the date of the enactment of this act and is found to be otherwise admissible under the immigration laws.

EMIL FRIEDRICH DISCHLEIT

The Senate proceeded to consider the bill (S. 1269) for the relief of Emil Friedrich Dischleit, which had been reported from the Committee on Immigration with an amendment, on page 1, after line 7, to strike out:

SEC. 2. Any proceedings heretofore or hereafter instituted for the deportation of the said Emil Friedrich Dischleit on the ground of unlawful residence in the United States shall be null and void.

And insert:

SEC. 2. From and after the date of the approval of this act Emil Friedrich Dischleit shall not again be subject to deportation by reason of the same facts upon which the outstanding proceedings

So as to make the bill read:

Be it enacted, etc., That in the administration of the immigration and naturalization laws Emil Friedrich Dischleit, of Meriden, Conn., shall be held and considered to have been legally admitted to the United States for permanent residence on August 21, 1931.

SEC. 2. From and after the date of the approval of this act, Emil Friedrich Dischleit shall not again be subject to deportation by reason of the same facts upon which the outstanding proceedings rest.

The amendment was agreed to.

The bill was ordered to be engrossed for a third reading, read the third time, and passed.

CALLIOPE MINACA PILAVAKIS

The bill (S. 808) for the relief of Calliope Minaca Pilavakis was considered, ordered to be engrossed for a third reading, read the third time, and passed, as follows:

Be it enacted, etc., That in the administration of the immigration and naturalization laws Calliope Minaca Pilavakis, of Newark, N. J., the wife of Xenophon Pilavakis and the mother of two children born in the United States, shall be held and considered to have been legally admitted to the United States for permanent residence on February 7, 1936.

Sec. 2 Any receedings beretafore or bereafter instituted for the

SEC. 2. Any proceedings heretofore or hereafter instituted for the deportation of the said Calliope Minaca Pilavakis on the ground of unlawful residence in the United States shall be null and void.

HEARINGS BEFORE COMMITTEE ON THE DISTRICT OF COLUMBIA

The resolution (S. Res. 83), submitted by Mr. King on February 20, 1939, authorizing the Committee on the District of Columbia to hold hearings during the Seventy-sixth Congress, was considered and agreed to, as follows:

Resolved, That the Committee on the District of Columbia, or any subcommittee thereof, is hereby authorized during the Seventy-sixth Congress to send for persons, books, and papers, to administer oaths, and to employ a stenographer, at a cost not exceeding 25 cents per hundred words, to report such hearings as may be had on any subject before said committee, the expense thereof to be paid from the contingent fund of the Senate; and that the committee, or any subcommittee thereof, may sit during any session or recess of the Senate.

AMENDMENT OF TENNESSEE VALLEY AUTHORITY ACT, 1933

The bill (S. 1796) to amend the Tennessee Valley Authority Act of 1933, was announced as next in order.

Mr. KING. Mr. President, that is a very important bill. It cannot be discussed in the limited time available under

the present procedure. Let it be passed over.

The PRESIDENT pro tempore. The bill will be passed

Mr. NORRIS. Mr. President, if the Senator has examined the bill he will find that, so far as I know, no one interested anywhere objects. All the parties are in favor of it. It simply carries out an agreement made between the Tennessee Electric Power Co. or the Commonwealth & Southern Co. and the Tennessee Valley Authority by which certain properties of the Tennessee Electric Power Co. are to be sold, and authorizes the issuance of bonds to make the sale to the Tennessee Valley Authority. It requires no appropriation. In fact, it will lessen appropriations, because in the future, as the report points out, if the plan of the Tennessee Valley Authority is carried out, the one dam that is included in the transfer of properties will be paid for by the sale of power, and it will be unnecessary to make any appropriations for it. That is true also of all the transmission lines included in the property.

Mr. KING. Mr. President, I have examined the bill. I

am opposed to the entire policy of the measure. I desire to submit some observations regarding the bill, and to offer one amendment. I should not feel like having it taken up in the limited time available under the 5-minute rule.

Mr. NORRIS. Will the Senator submit his amendment so that it may be examined?

Mr. KING. I shall do so tomorrow.

Mr. McCARRAN. Mr. President, will the amendment be printed, so that we may all have a view of it?

Mr. KING. I will submit it for the RECORD.

Mr. McCARRAN. I ask that it may be printed and lie on the table, so that we may view it, and so that the committee may consider it. Otherwise, I shall object.

APPORTIONMENT OF SUGAR CROP

Mr. ELLENDER. Mr. President, I ask now that the Senate revert to Senate bill 69.

The PRESIDENT pro tempore. The Senator from Louisiana asks that the Senate revert to Senate bill 69, the title of which will be read by the clerk.

The CHIEF CLERK. A bill (S. 69) relating to the apportionment of shares of the sugar crop for 1939 and 1940.

Mr. McCARRAN. Let the bill go over.

Mr. ADAMS. Mr. President, I desire to submit two amendments to the bill. I have discussed them with the Senator from Louisiana and with some other Senators who are interested in the sugar-beet situation.

The PRESIDENT pro tempore. Is there objection to recurring to the bill for the purpose of receiving the amendments? Mr. HARRISON. Mr. President, reserving for a moment the right to object. I desire to make a brief statement.

This is a bill in connection with which the other day I called attention to the fact that I thought it should have been referred to the Finance Committee. Upon looking into the matter I find that no tax is involved; but the question is one which was heretofore considered by the Finance Committee, and when the bill was before the committee at that time a tax was involved.

I am not going to raise any objection to the bill; but I call attention to the fact that I think it is a bad way to legislate, to settle these quotas by amendment on the floor of the Senate, especially in view of the fact that the Secretary of Agriculture has made an unfavorable report on the bill. The bill came from the Agricultural Committee.

Mr. ADAMS. Mr. President, let me add, in reference to the amendments submitted, that they are submitted on behalf of the senior Senator from Nebraska [Mr. Norris], the senior Senator from Montana [Mr. Wheeler], the senior Senator from Wyoming [Mr. O'Mahoney], and myself in an effort to protect the beet-sugar situation in the West. That is, we felt that the bill as submitted would be all right with these amendments. The Senator from Louisiana can and will explain the emergency which necessitates the presentation of the bill on behalf of the cane-sugar areas.

Mr. NORRIS. Mr. President, I should like to make an inquiry of the Senator from Mississippi. If the amendment submitted by the Senator from Colorado is agreed to, will it not do away with the only objections that were made to the original bill by the Secretary of Agriculture or otherwise?

Mr. HARRISON. I will say to the Senator that I was one of those who tried to help in the study of the quota matter with reference to sugar, both for sugarcane and for sugar beets. The amendments will increase the quotas of sugar from sugar beets, as the bill does as to sugar from sugarcane. I think the bill of the Senator from Louisiana is a very meritorious one as offered; but I merely call attention to the fact that the question is a most delicate question and hard to solve.

We took a good many weeks in the consideration of this question before the Finance Committee, so I wanted to call it to the attention of the Senate. I do not know what the amendments are, except that they increase the quota of sugar that may come in.

Mr. NORRIS. Let me say to the Senator from Mississippi that I do not think a delay would be objected to so much by the beet-sugar men; but I was very much impressed by the statement made before the committee by the Senator from Louisiana. If this bill is not passed within the next few days, it will leave the producers of cane sugar in Louisiana in such a position that they will be bound to lose a good deal of money and will have to plow up some land now planted to sugarcane. I think that is a fair statement. I should like to ask the Senator from Louisiana about it.

Mr. ELLENDER. Mr. President, will the Senator yield to me at that point?

The VICE PRESIDENT. Does the Senator from Nebraska yield to the Senator from Louisiana?

Mr. NORRIS. I yield.

Mr. ELLENDER. In connection with the Senator's statement about plowing up sugarcane, I wish to inform the Senate that orders have already been issued by the Department of Agriculture to the effect that cane farmers must signify their intention to take acreage cuts on April 1 so as to be entitled to their benefit payments. Thousands of them must agree to plow up much of their acreage so as to obtain their payment. It is because of that situation that I am anxious to have the Senate consider the bill without delay.

Mr. McCARRAN. Mr. President, I ask that the bill go over, and that the amendments be printed, so that those who are interested in the subject may have an opportunity to view the situation.

the situation.

The PRESIDENT pro tempore. The bill will be passed over.

COMMISSARY PRIVILEGES AT FOREIGN NAVAL STATIONS

The bill (S. 499) to amend the act entitled "An act making appropriations for the naval service for the fiscal year ending June 30, 1910, and for other purposes," approved March 3, 1909, as amended, so as to extend commissary privileges to civilian officers and employees of the United States at naval stations beyond the continental limits of the United States or in Alaska, was announced as next in order.

Mr. KING. Let the bill go over.

The PRESIDENT pro tempore. The bill will be passed over.

Mr. HATCH. Mr. President, what was the action on Senate bill 499?

The PRESIDENT pro tempore. It was objected to.

Mr. HATCH. I wonder if the Senator who made the objection would like to have the bill explained.

Mr. KING. I objected to it. I will withhold the objection

to hear an explanation.

Mr. HATCH. A similar bill passed the Senate at the last session, and a similar bill passed the House. Since that time the pending bill was introduced at the request of the Department. It has the recommendation of the Budget Director and also of the Secretary of the Navy. It merely extends to certain civilian employees of the United States Government the right to purchase at the naval stores, particularly in China, a right which is already enjoyed by nearly all the military, naval, and civilian workers stationed in China; but there are a few who are not covered by the existing law.

Mr. KING. Does it relate merely to China?

Mr. HATCH. No; it relates to all such places. But the Secretary points out that the naval stores in China are about the only ones which would be affected. If in the other places a certain portion of the civilian employees have a right to purchase at these stores, as they do now, is it not obvious that the right should be extended to others of the same class; and that if that is not done the right should be taken away from the others?

Mr. KING. There is a great deal of logic in the last part of the Senator's statement. I have objected heretofore to the Federal Government permitting all of its employees to have the opportunity of obtaining these services. Of course, we have permitted the personnel and officers of the Army and the Navy to obtain supplies at these stores, but to take care of all the employees of the Government, nearly 2,000,000 of them now, including those in the various camps, and have the naval stores take on the responsibility of enlarging their storehouses and their staffs to purchase and handle and dispose of goods to the thousands and hundreds of thousands of Federal employees is something which I do not think the Federal Government should assume, and I do not think it is just that it should.

Mr. HATCH. I might agree with the Senator from Utah if the matter he is submitting now were an original proposition, but the Government is already doing it. The privilege has been extended, and absolute discrimination now exists as to a small group of employees who do not come under the present law.

Mr. KING. Of course, a bad precedent is always resorted to as a basis to justify another evil. I shall not object, but I give notice that I shall present a bill-I prepared one at the last session—to repeal other measures which resulted in the Federal Government taking over the responsibility of distributing goods to an enormous number of Federal employees, which increases the costs of the Federal Government.

Mr. HATCH. I thank the Senator for his stand in with-

drawing his objection at this time.

The PRESIDENT pro tempore. Is there objection to the consideration of the bill?

There being no objection, the bill was considered, ordered to be engrossed for a third reading, read the third time, and passed, as follows:

Be it enacted, etc., That such part of the act of March 3, 1909 (ch. 255, 35 Stat. 768; U. S. C., title 34, sec. 533), as amended by the act of April 14, 1937 (50 Stat. 63), which provides—
"That hereafter such stores as the Secretary of the Navy may designate may be procured and sold to officers and enlisted men of the Navy, Marine Corps, and Coast Guard; to the widows of such officers and enlisted men; to civilian employees of the Navy Department and to officers of the Foreign Service of the United States at naval stations beyond the continental limits of the United States and in Alaska, under such regulations as the Secretary of the Navy may prescribe." tary of the Navy may prescribe," is further amended to read as follows:

"That hereafter such stores as the Secretary of the Navy may designate may be procured and sold to officers and enlisted men of the Navy, Marine Corps, and Coast Guard; to the widows of such officers and enlisted men; and to civilian officers and employees of the United States at naval stations and post exchanges beyond the continental limits of the United States or in Alaska, under such regulations as the Secretary of the Navy may

POST-OFFICE BUILDING AT POPLARVILLE, MISS.

The bill (S. 1725) relating to the acquisition of the site for the post-office building to be constructed in Poplarville, Miss., was considered, ordered to be engrossed for a third reading, read the third time, and passed, as follows:

Be it enacted, etc., That the provisions of section 3741 of the Revised Statutes (U. S. C., 1934 edition, title 41, sec. 22) and sections 114 and 115 of the Criminal Code of the United States (U. S. C., 1934 edition, title 18, secs. 204 and 205) shall not be applicable with respect to any contract or agreement entered into by or on behalf of the United States for the acquisition of any part of the site for the post-office building to be constructed in Poplarville, Miss.

BILLS PASSED OVER

The bill (H. R. 2971) for the relief of certain Indians of the Winnebago Agency was announced as next in order.

Mr. KING. Over.

The PRESIDENT pro tempore. The bill will be passed over.

The bill (H. R. 3134) to amend the act entitled "An act authorizing the temporary detail of United States employees, possessing special qualifications, to governments of American republics and the Philippines, and for other purposes," approved May 25, 1938, was announced as next in order.

The PRESIDENT pro tempore. The bill will be passed over, under a former objection.

The bill (H. R. 3367) to define the status of certain lands purchased for the Choctaw Indians, Mississippi, was announced as next in order.

Mr. KING. Let that go over.

The PRESIDENT pro tempore. The bill will be passed over.

The bill (H. R. 3801) to extend the time for retirement of cotton-pool participation trust certificates was announced as next in order.

Mr. KING. Let us have an explanation of the bill.

The PRESIDENT pro tempore. The bill will be passed

The bill (H. R. 4117) to provide for the payment of attorney's fees from Osage tribal funds was announced as next in order.

Mr. McKELLAR. Let that go over.

The PRESIDENT pro tempore. The bill will be passed over.

NAOMI STRALEY AND BONNIE STRALEY

The bill (S. 1847) for the relief of Naomi Straley and Bonnie Straley was considered, ordered to be engrossed for a third reading, read the third time, and passed, as follows:

Be it enacted, etc., That the Secretary of the Treasury is authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, to Naomi Straley, of Omaha, Nebr., the sum of \$500, in full satisfaction of her claims against the United States for damages for personal injuries sustained by her, and to Bonnie Straley, of Omaha, Nebr., the sum of \$4,500 in full satisfaction of all her claims against the United States for damages for personal injuries received by her and for the death of her mother, said injuries and death having resulted from a collision for personal injuries received by her and for the death of her mother, said injuries and death having resulted from a collision on the night of December 11, 1935, near Tacoma, Wash., on the Tacoma-Vancouver Highway, between the automobile Bonnie Straley was driving and a truck in the use of the Works Progress Administration standing crosswise on said highway and left improperly lighted and guarded: Provided, That no part of the amount appropriated in this act in excess of 10 percent thereof shall be paid or delivered to or received by any agent or attorney on account of services rendered in connection with this claim, and the same shall be unlawful, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding \$1,000.

JOINT RESOLUTION, CONCURRENT RESOLUTION, AND BILLS PASSED OVER

The joint resolution (S. J. Res. 11) directing the Comptroller General to readjust the account between the United States and the State of Vermont was announced as next in

Mr. BURKE. Let that go over.

The PRESIDENT pro tempore. The joint resolution will be passed over.

The concurrent resolution (S. Con. Res. 5) continuing the authority of the Joint Committee on Forestry, established by Senate Concurrent Resolution 31, Seventy-fifth Congress, was announced as next in order.

Mr. KING. Let that go over.

The PRESIDENT pro tempore. The concurrent resolution will be passed over.

The bill (S. 1554) to provide that the district judge for the western district of Washington, authorized to be appointed under the act of May 31, 1938, shall be a district judge for the eastern and western districts of Washington was announced as next in order.

Mr. BURKE. Let that go over. The PRESIDENT pro tempore. The bill will be passed over.

HEIRS OF T. J. KINSER

The bill (S. 39) for the relief of the heirs of T. J. Kinser was considered, ordered to be engrossed for a third reading, read the third time, and passed, as follows:

Be it enacted, etc., That the Veterans' Administration is hereby Be it enacted, etc., That the Veterans' Administration is hereby authorized and directed to reopen the case of T. J. Kinser, late of Troop I, Eighth Regiment United States Cavalry, and consider the facts as submitted and now on file in the record, and receive such additional evidence as may be presented, and, in the event it should be held that the Bureau of Pensions was in error in depriving the said T. J. Kinser of the rights and benefits which had been granted him as a disabled soldier, it shall determine and make provisions for the payment of any sum of which the said Kinser was deprived by reason of the order of the Pension Bureau to the heirs of the said T. J. Kinser upon application and proof of heirsbip. said T. J. Kinser upon application and proof of heirship.

BILL PASSED OVER

The bill (S. 1016) to authorize reimbursement of appropriations on account of expenditures in connection with disposition of old material, condemned stores, etc., was announced as next in order.

Mr. McKELLAR. May we have an explanation of this bill? In the absence of an explanation, let it go over.

The PRESIDENT pro tempore. The bill will be passed

GRADES AND RATINGS OF ENLISTED MEN OF THE ARMY

The Senate proceeded to consider the bill (S. 841) to authorize the Secretary of War to prescribe the number of grades and ratings of enlisted men of the Army, which was read, as follows:

Be it enacted, etc., That section 4b of the National Defense Act, as amended, be, and is hereby, amended to read as follows:
"Sec. 4b. Enlisted men: Commencing July 1, 1939, the grades and ratings of enlisted men shall be such as the Secretary of War

may from time to time direct, with monthly base pay in each grade and pay for each rating as prescribed by law. The numbers in grades and/or ratings of enlisted men shall be such as are authorized from time to time by the Secretary of War: Provided, That nothing in this section shall operate to reduce the pay which any enlisted man is now receiving, during his current enlistment and while he holds his present grade and rating, nor to change the present rate of pay of any enlisted man now on the retired list, nor to change existing provisions of law relating to flying cadets: Provided further, That the transportation privileges authorized by section 12 of the act of Congress approved May 18, 1920, shall apply only to enlisted men of the first three grades: Provided further, That nothing herein shall be construed to authorize any increase in the number of the enlisted personnel of the Regular Army."

Mr. KING. Mr. President, I will ask my colleague, who is a member of the Committee on Military Affairs, for an explanation of the bill.

Mr. LOGAN. Mr. President, this is rather a complicated matter, and it would be necessary for the Senator to consider the report and some of the hearings. I do not think it should be passed without everyone considering it.

Mr. KING. Then let it go over, if my colleague will assent to that

The PRESIDENT pro tempore. The bill will be passed

PARTICIPATION IN TWELFTH OLYMPIC GAMES

The bill (S. 1019) to authorize the Secretary of War to pay certain expenses incident to the training, attendance, and participation of the equestrian and modern pentathlon teams in the Twelfth Olympic Games was considered, ordered to be engrossed for a third reading, read the third time, and passed, as follows:

Be it enacted, etc., That the Secretary of War is hereby authorized Be it enacted, etc., That the Secretary of War is hereby authorized to direct the training and attendance of personnel and animals of the Regular Army as participants in the Twelfth Olympic Games: Provided, That all expenses incident to training, attendance, and participation in the Twelfth Olympic Games, including the use of such supplies, material, and equipment as in the opinion of the Secretary of War may be necessary, may be charged to the appropriations for the support of the Army: Provided further, That applicable allowances which are or may be fixed by law or regulations for participation in other military activities shall not be exceeded.

BILL PASSED OVER

The bill (S. 1462) to amend an act entitled "An act for making further and more effectual provision for the national defense, and for other purposes," approved June 3, 1916, as amended by the act of June 4, 1920, so as to confer on the commanding general, General Headquarters Air Force, the same retirement privileges now enjoyed by chiefs of branches, was announced as next in order.

Mr. KING. Let us have an explanation.

The PRESIDENT pro tempore. The bill will be passed

RENT-A-CAR CO.

The bill (S. 1258) for the relief of the Rent-A-Car Co. was considered, ordered to be engrossed for a third reading, read the third time, and passed, as follows:

Be it enacted, etc., That the Secretary of the Treasury is authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, to the Rent-A-Car Co., of Memphis, Tenn., the sum of \$144.80, in full satisfaction of its claim against the United States for reimbursement of expenses incurred in repairing an automobile rented on November 14, 1933, by a special agent of the Department of Justice and damaged while being used by such person on official business: Provided, That no part of the amount appropriated in this act in excess of 10 percent thereof shall be paid or delivered to or received by any agent or agents, attorney or attorneys, on account of services rendered in connection with said claim. It shall be unlawful for any agent or agents, attorney or attorneys, to exact, collect, withhold, or receive any sum of the amount appropriated in this act in excess of 10 percent thereof on account of services rendered in connection with said claim, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding \$1,000.

ALBERT PINA AFONSO Be it enacted, etc., That the Secretary of the Treasury is author-

ALBERT PINA AFONSO

The Senate proceeded to consider the bill (S. 1001) for the relief of Albert Pina Afonso, a minor, which had been reported from the Committee on Claims with amendments, on page 1, line 6, before the word "Massachusetts", to strike out "Doburn" and insert "Woburn", and on line 7 to strike out '\$5,000" and insert "\$3,000", so as to make the bill read:

Be it enacted, etc., That the Secretary of the Treasury be, and he is hereby, authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, to the legal guardian of Albert Pina Afonso, a minor, of Woburn, Mass., the sum of \$3,000, in full satisfaction of all claims against the United States for damages sustained by the said Albert Pina Afonso as a result of being struck and injured by a United States mail truck in Woburn, Mass., on January 28, 1932: Provided, That no part of the amount appropriated in this act in excess of 10 percent thereof shall be paid or delivered to or received by any agent or attorney on account of services rendered in connection with this claim, and the same shall be unlawful, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding \$1,000.

The amendments were agreed to.

The bill was ordered to be engrossed for a third reading, read the third time, and passed.

HYMAN GINSBERG

The bill (H. R. 1430) for the relief of Hyman Ginsberg was considered, ordered to a third reading, read the third time, and passed.

JACK NELSON

The bill (H. R. 1836) for the relief of Jack Nelson, a minor, was considered, ordered to a third reading, read the third time, and passed.

C. R. HENDERSON

The bill (H. R. 3090) for the relief of C. R. Henderson, was considered, ordered to a third reading, read the third time, and passed.

A. C. WILLIAMS. ADMINISTRATOR OF ESTATE OF JULIA F. WILLIAMS.

The Senate proceeded to consider the bill (S. 216) for the relief of A. C. Williams, administrator of the estate of his wife, Julia F. Williams, which had been reported from the Committee on Claims with an amendment, on page 1, line 7, to strike out "\$5,000" and insert "\$1,000", so as to make the bill read:

make the bill read:

Be it enacted, etc., That the Secretary of the Treasury be, and he is hereby, authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, to A. C. Williams, of Sentinel, Okla., administrator of the estate of his wife, Julia F. Williams, the sum of \$1,000 in full settlement of any and all claims against the Government on account of the death of his wife, Julia F. Williams, who died as a result of injuries received in an automobile collision with a truck owned by the Government and driven by Charles Cordell, agent and employee of the Government, in the service of the Works Progress Administration, near Socorro, N. Mex., on July 31, 1936: Provided, That no part of the amount appropriated in this act in excess of 10 percent thereof shall be paid or delivered to or received by any agent or attorney on account of services rendered in connection with this claim, and the same shall be unlawful, any contract to the contrary notwithstandsame shall be unlawful, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding \$1,000.

The amendment was agreed to.

The bill was ordered to be engrossed for a third reading, read the third time, and passed.

CHARLES T. WISE

The Senate proceeded to consider the bill (H. R. 2079) for the relief of Charles T. Wise, which was read, as follows:

Be it enacted, etc., That Charles T. Wise, former owner of three farms consisting of 304 acres of land, more or less, near Camp Knox in Hardin County, Ky., is, as such former owner, hereby authorized to bring such suit or suits as he may respectively desire to so do against the United States of America to recover damages, if any, for loss or losses which he may have sustained or suffered, as such owner, by reason of establishment, construction, or maintenance of Camp Knox in the State of Kentucky. Jurisdiction is hereby conferred upon the District Court of the United States for the Western District of Kentucky to hear consider determine and render judge. ferred upon the District Court of the United States for the Western District of Kentucky to hear, consider, determine, and render judgments for the respective amounts of such damages, if any, as may be found to have been sustained or suffered by the said owner of said farms, with the same right of appeal as in other cases, and notwithstanding any lapse of time or statute of limitation: Provided, That such action will be brought within 1 year from the date that this act shall become effective.

Mr. KING. Let the bill go over.

Mr. BROWN. I can explain the bill.

Mr. LOGAN. Mr. President, I should like to explain the bill.

Fort Knox was established in Kentucky and took in quite an expanse of territory. There were a number of landowners who were damaged very materially, as has been established in the courts. Nearly all of the landowners-I believe all, perhaps, except the particular individual here involved-had a bill passed authorizing them to institute suit in the Federal court at Louisville, so that the question of damages might be determined. That is all there is in the bill; it merely bestows the same right upon this man that has been bestowed upon 17 others. I think, some of whom have had their claims already tried.

In this case it is almost impossible for the Committee on Claims of the Senate to determine what the amount of damage is. It is pretty considerable, I know. So the policy heretofore adopted has been followed, of referring the case to the United States district court, and the United States district attorney will represent the Government. This property, an easement, I believe, rather than real estate, was taken without any condemnation proceedings at all. The bill merely gives this man a right to go to court, and the law department of the Government says he ought to have the right.

Mr. KING. I have no objection.
The PRESIDENT pro tempore. The question is on the third reading of the bill.

The bill was ordered to a third reading, read the third time, and passed.

HERBERT M. SNAPP

Mr. MILLER. Mr. President, I ask unanimous consent that we return to Calendar No. 180, Senate bill 1186, and I ask for its consideration.

The PRESIDENT pro tempore. Is there objection?

There being no objection, the Senate proceeded to consider the bill (S. 1186) for the relief of Herbert M. Snapp, which had been reported from the Committee on Claims with an amendment, on page 2, line 1, after the word "disability", to insert "to his left eye", so as to make the bill

Be it enacted, etc., That notwithstanding the provisions and limitations of sections 15 to 20, both inclusive, of the act entitled "An act to provide compensation for employees of the United States suffering injuries while in the performance of their duties, and for other purposes", approved September 7, 1916, as amended and as limited by the act of February 15, 1934 (48 Stat. 351), the United States Employees' Compensation Commission be, and the same is hereby, authorized and directed to receive and consider, when filed, the claim of Herbert M. Snapp, of Desha Route, Batesville, Ark., for disability to his left eye alleged to have been incurred by him on April 3, 1937, while employed as a foreman at Sylamore Camp F-8, Ozark National Forest, Calico Rock, Ark.: Provided, That claim hereunder shall be filed within 6 months after the approval of this act: Provided further, That no benefits shall accrue prior to the enactment of this act.

The amendment was agreed to.

The bill was ordered to be engrossed for a third reading, read the third time, and passed.

BENJAMIN WEISENBERG

The bill (H. R. 767) for the relief of Benjamin Weisenberg was considered, ordered to a third reading, read the third time, and passed.

GEORGE FRANCIS BURKE

The Senate proceeded to consider the bill (S. 473) for the relief of George Francis Burke, which had been reported from the Committee on Military Affairs with an amendment to strike out all after the enacting clause and to insert the

That the Administrator of Veterans' Affairs be, and he is hereby, That the Administrator of Veterans' Affairs be, and he is hereby, authorized and directed to consider, and authorized to grant, the application of George Francis Burke (Army serial No. 763094), formerly a second lieutenant, United States Army, for such of the benefits under the act approved May 24, 1928, as amended, entitled "An act making eligible for retirement, under certain conditions, officers and former officers of the Army, Navy, and Marine Corps of the United States, other than officers of the Regular Army, Navy, or Marine Corps, who incurred physical disability in line of duty while in the service of the United States during the World War,"

as the said George Francis Burke may be entitled to: Provided, That the application of the said George Francis Burke shall be filed with the Veterans' Administration within 6 months from the date of the approval of this act.

The amendment was agreed to.

The bill was ordered to be engrossed for a third reading, read the third time, and passed.

BILL PASSED OVER

The bill (S. 795) to provide for the education of all types of physically handicapped children, to make an appropriation of money therefor, and to regulate its expenditure was announced as next in order.

Mr. McKELLAR. Let the bill go over.

Mr. PEPPER. Mr. President, I merely wish to make the statement that the report was just filed yesterday and is not yet in the files of Senators.

The PRESIDENT pro tempore. Objection being heard, the bill will be passed over. That completes the calendar.

EXTENSION OF FACILITIES OF UNITED STATES PUBLIC HEALTH SERVICE

The PRESIDENT pro tempore. The first bill passed over was Order of Business 128, which was passed to the end of the calendar. The bill will be stated by title.

The CHIEF CLERK. Senate bill 1464, to extend the facilities of the United States Public Health Service to active officers of the Foreign Service of the United States, an identical bill being Order of Business 151, with the same title.

The PRESIDENT pro tempore. Is there objection to the consideration of the bill?

Mr. KING. Mr. President, may I inquire of the distinguished occupant of the chair if this bill came from his committee?

The PRESIDENT pro tempore. The junior Senator from Rhode Island [Mr. Green] was on the subcommittee of the Committee on Foreign Relations having the bill in charge.

Mr. GREEN. What is the question? Mr. KING. I was asking the Presiding Officer whether the bill came from his committee. I should be glad to hear an explanation of the bill by the Senator from Rhode Island.

Mr. GREEN. Mr. President, the bill extends the facilities of the United States Public Health Service to a limited extent to active officers in the Foreign Service of the United States, and to members of their families. The reason for the change in the existing law is that because of climatic conditions it often happens that our foreign diplomats, or members of their families, go to stations which are un-healthful, and because of the altitude, or because of the temperature, or because of the degree of moisture, they contract ailments, which it seems fair for the United States Government to heal or remedy. It is for that purpose, in rather carefully guarded phraseology, the services of the United States Public Health Service are made available for these persons. It is in line with similar services which are rendered some dozen other classes of employees of the United States Government.

Mr. KING. Mr. President, will the Senator yield?

Mr. GREEN. I yield. Mr. KING. Would the bill, if it became a law, compel the Federal Government to furnish public health service in every part of the world where it has representatives?

Mr. GREEN. No; it does not require any additional public health service. They can only avail themselves of the public health service where it is otherwise established.

Mr. KING. I have no objection.

Mr. McCARRAN. Let the bill go over.

The PRESIDENT pro tempore. The bill will be passed

BILL PASSED OVER

Mr. LOGAN. Mr. President, I ask unanimous consent to

return to Calendar No. 163, Senate bill 43.

The PRESIDENT pro tempore. Let the Chair state the present situation. Three bills were passed over and placed at the foot of the calendar. One has just been taken up and disposed of. Two other bills remain at the foot of the calendar. The clerk will state the first of those two bills.

The CHIEF CLERK. Calendar No. 133, Senate bill 902, to amend the act entitled "An act authorizing the temporary detail of United States employees, possessing special qualifications, to governments of American republics and the Philippines, and for other purposes," approved May 25, 1938. Calendar No. 202, House bill 3134, is a similar bill.

Mr. GREEN. I may state for information, Mr. President, that the Senate bill is substantially the same as the House bill, there being only changes in phraseology. The committee thought it would be better to pass the Senate bill rather than try to amend the House bill, because in the 31/2-page House bill there are some 13 amendments which would have

to be enumerated. The PRESIDENT pro tempore. Is there objection to the substitution of the Senate bill for the House bill?

Mr. McCARRAN. I ask that the bill be passed over. The PRESIDENT pro tempore. The bill will be passed

MEMORIAL TO THE BUILDERS OF THE PANAMA CANAL

The PRESIDENT pro tempore. There is one other bill at the foot of the calendar, which was previously passed over, being Calendar No. 163, Senate bill 43.

Mr. DANAHER rose.

The PRESIDENT pro tempore. Does the Senator from Connecticut wish to address the Chair?

Mr. DANAHER. I am interested in Calendar No. 133. Calendar 163, Senate bill 43, is the next bill for consideration. The PRESIDENT pro tempore. Is there objection to the present consideration of Senate bill 43?

There being no objection, the Senate proceeded to consider the bill (S. 43) to authorize the erection within the Canal Zone of a suitable memorial to the builders of the Panama Canal and others whose distinguished services merit recognition by the Congress, which had been reported from the Committee on Military Affairs with amendments.

The PRESIDENT pro tempore. The first committee amendment, on page 2, line 2, has heretofore been agreed to. The next amendment will be stated.

The next amendment was, on page 2, line 10, after the words "by the", to strike out "Congress." and to insert "Congress:".

The amendment was agreed to.

The next amendment was, after line 10, to insert a new subsection, as follows:

(b) A hall to be used as a historical museum in which to display documents, books, pictures, and articles of historical interest in connection with the Canal.

The amendment was agreed to.

The bill was ordered to be engrossed for a third reading, read the third time, and passed, as follows:

read the third time, and passed, as follows:

Be it enacted, etc., That the President of the United States is authorized, through such person or persons as he may designate, to select an appropriate site within the Canal Zone and to cause to be erected thereon a suitable memorial auditorium in commemoration of the services rendered to the United States by all those who aided in the successful completion of the Panama Canal.

SEC. 2. The memorial auditorium shall be designated as the Panama Canal Memorial Auditorium. It shall contain—

(a) A suitable hall of honor as a repository of portraits, tablets, busts, and similar individual memorials to those who rendered signally distinguished service in the construction of the Canal on the Canal Zone prior to July 12, 1920: Provided, That no person shall be honored by an individual memorial in such hall except pursuant to authorization by the Congress;

(b) A hall to be used as a historical museum in which to display documents, books, pictures, and articles of historical interest in connection with the Canal.

SEC. 3. The design and location of such memorial and the plan for the display and the plan for the display

SEC. 3. The design and location of such memorial and the plan for the development of the site shall be submitted to the Commission of Fine Arts for advisory assistance.

SEC. 4. An individual memorial to Maj. Gen. William L. Sibert is

hereby authorized to be installed in the hall of honor of the Panama Canal Memorial Auditorium in recognition by the Congress of his signally distinguished services rendered to the United States in the construction of the Panama Canal, and the President is authorized to provide a suitable memorial as a part of the completion of the auditorium

SEC. 5. The sum of \$800,000 is hereby authorized to be appropriated, out of any money in the Treasury not otherwise appropriated, for the design and construction of the memorial auditorium herein authorized

Mr. ELLENDER. Mr. President, does that complete the the calendar?

The PRESIDENT pro tempore. The calendar is now completed.

APPORTIONMENT OF SUGAR CROP

Mr. ELLENDER. I now move that the Senate proceed to consider Senate bill 69, relating to the apportionment of shares of the sugar crop for 1939 and 1940.

Mr. McCARRAN. That is a debatable question, is it not? The PRESIDENT pro tempore. The question of taking up the bill is not debatable in the morning hour.

Mr. McCARRAN. Is the discussion limited to 5 minutes under the rule?

The PRESIDENT pro tempore. If the bill is taken up on motion, the 5-minute limitation does not apply.

Mr. McCARRAN. Then I understand the pending motion is to take up the bill.

The PRESIDENT pro tempore. The motion of the Senator from Louisiana is that the Senate proceed to consider the bill. That motion is not debatable. If the bill is taken up the subject of the bill is debatable, of course.

Mr. McCARRAN. The motion to take up is not debatable. The PRESIDENT pro tempore. That is not debatable.

The question is on the motion of the Senator from Louisiana to proceed to the consideration of Senate bill 69.

Mr. McNARY. Mr. President, after the morning hour, after the arrival of 2 o'clock, the question would be debatable? The PRESIDENT pro tempore. The motion to take up the bill would be debatable after 2 o'clock.

Mr. McCARRAN. I suggest the absence of a quorum.

The PRESIDENT pro tempore. The clerk will call the roll. The legislative clerk called the roll, and the following Senators answered to their names:

Adams	Donahey	Lewis	Schwartz
Andrews	Downey	Lodge	Schwellenbach
Ashurst	Ellender	Logan	Sheppard
Austin	Frazier	Lucas	Shipstead
Bailey	George	Lundeen	Smathers
Bankhead	Gerry	McCarran	Smith
Barkley	Gibson	McKellar	Stewart
Bilbo	Gillette	McNary	Taft
Bone	Glass	Maloney	Thomas, Okla.
Borah	Green	Mead	Thomas, Utah
Bridges	Guffey	Miller	Tobey
Brown	Gurney	Minton	Townsend
Bulow	Harrison	Murray	Truman
Burke	Hatch	Neely	Tydings
Byrd	Hayden	Norris	Vandenberg
Byrnes	Herring	Nye	Van Nuys
Capper	Hill	O'Mahoney	Wagner
Caraway	Holman	Overton	Walsh
Chavez	Hughes	Pepper	Wheeler
Clark, Idaho	Johnson, Calif.	Pittman	White
Clark, Mo.	Johnson, Colo.	Radcliffe	Wiley
Connally	King	Reed	and the firm section
Danaher	La Follette	Reynolds	
Davis	Lee	Russell	

The PRESIDING OFFICER (Mr. NEELY in the chair). Ninety-three Senators have answered to their names. quorum is present.

The question is on agreeing to the motion of the junior. Senator from Louisiana [Mr. ELLENDER] that the Senate proceed to the consideration of Senate bill 69. The question is not debatable.

Mr. McCARRAN. Mr. President, I move that the motion of the junior Senator from Louisana be laid on the table.

The PRESIDING OFFICER. The question is on agreeing to the motion of the Senator from Nevada [Mr. McCarran] to lay on the table the motion of the Senator from Louisiana [Mr. ELLENDER].

The motion was rejected.

Mr. McCARRAN. I suggest the absence of a quorum.

Mr. VANDENBERG. Mr. President, a point of order.

The PRESIDING OFFICER. The Senator will state it. Mr. VANDENBERG. Has any business intervened to justify another quorum call?

The PRESIDING OFFICER. Yes; there was a vote on the motion to lay on the table the motion of the Senator from Louisiana [Mr. ELLENDER]. The clerk will call the roll,

The Chief Clerk called the roll, and the following Senators answered to their names:

Adams	Donahey	Lewis	Schwartz
Andrews	Downey	Lodge	Schwellenbach
Ashurst	Ellender	Logan	Sheppard
Austin	Frazier	Lucas	Shipstead
Bailey	George	Lundeen	Smathers
Bankhead	Gerry	McCarran	Smith
Barkley	Gibson	McKellar	Stewart
Bilbo	Gillette	McNary	Taft
Bone	Glass	Maloney	Thomas, Okla.
Borah	Green	Mead	Thomas, Utah
Bridges	Guffey	Miller	Tobey
Brown	Gurney	Minton	Townsend
Bulow	Harrison	Murray	Truman
Burke	Hatch	Neely	Tydings
Byrd	Hayden	Norris	Vandenberg
Byrnes	Herring	Nye	Van Nuys
Capper	Hill	O'Mahoney	Wagner
Caraway	Holman	Overton	Walsh
Chavez	Hughes	Pepper	Wheeler
Clark, Idaho	Johnson, Calif.	Pittman	White
Clark, Mo.	Johnson, Colo.	Radcliffe	Wiley
Connally	King	Reed	
Danaher	La Follette	Reynolds	
Davis	Lee	Russell	

The VICE PRESIDENT. Ninety-three Senators having answered to their names, a quorum is present. The question is on the motion of the Senator from Louisiana [Mr. EL-LENDER] that the Senate proceed to the consideration of Senate bill 69.

Mr. McNARY. Mr. President, I do not intend to debate the motion.

The VICE PRESIDENT. The Parliamentarian advises the Chair, and the Chair thinks the Senate ought to understand the fact, that this motion was made prior to 2 o'clock, and therefore it is not debatable. The Chair is not familiar with the rule concerning a situation of that kind.

Mr. McNARY. Mr. President, much as I should like to do so, I cannot yield to the judgment of the Chair in that

The VICE PRESIDENT. The Chair is only repeating the statement made to him by the Parliamentarian, who has called the Chair's attention to the rule on the subject.

Mr. McNARY. Yes; I am familiar with the rule.

The VICE PRESIDENT. If the Senator will permit the Chair to do so, he will read the rule.

Mr. McNARY. I thank the Chair. I have read it.

The VICE PRESIDENT. The second paragraph of rule VIII reads:

All motions made before 2 o'clock to proceed to the consideration of any matter shall be determined without debate.

Mr. McNARY. Yes, Mr. President; but that is the point I want to make. The rule has been construed at various times to mean that before 2 o'clock a motion made is not debatable; but if the motion is made before 2 o'clock, and a roll call intervenes, as it has today, and in the meantime the hour of 2 o'clock arrives, the motion is debatable. There is a difference between the two situations.

Mr. BARKLEY. Mr. President, for the benefit of the Senate in the future I desire to state that I am inclined to agree that the spirit of the rule intended that up to 2 o'clock a motion of this sort made before 2 o'clock could not be debated; but if it is not disposed of by 2 o'clock I see no logical reason why it would not be as much debatable after that time as if it had been made after 2 o'clock.

Mr. McNARY. Mr. President, that is the view I take. That is the statement I have made, and it has been so ruled by some Presiding Officers.

The VICE PRESIDENT. The Chair desires to say that this is the first time he has had occasion to rule on the matter. The Parliamentarian tells the Chair that the precedents are the other way. The Chair would be disposed to rule as the Senator from Oregon and the Senator from Kentucky have stated, but the Parliamentarian says the precedents are the other way.

The Senate makes many precedents. As the Senator from Oregon knows, if the Senate wants to do something today, it does it. If it wants to reverse its action next week, it does so. So it is for the Senate now to say whether or not it will consider the bill; and the first question is, Will the Senate take up the bill for consideration? The next question is. Is the motion debatable? Since it is now after 2 o'clock, the Chair thinks it is.

Mr. McNARY. Mr. President, I think the Chair is correct in his ruling; but I am not going to debate the motion. I am very glad to have the Chair's ruling. As I stated, it is quite in accord with my own view. I will state to the Senator who has moved to take up the bill that I realize that some action must be taken shortly to satisfy the cane growers of Mississippi and Louisiana.

Mr. ELLENDER. Of Louisiana and Florida.

Mr. McNARY. I also realize that both the senior Senator and the junior Senator from Nevada [Mr. PITTMAN and Mr. McCarran] are entitled to a little time for a study of this proposal. It meets a situation in their State, in which there has been no program of allotment. Consequently, they must adjust themselves to meet the situation.

Mr. McCARRAN. Mr. President, will the Senator yield at that point so that I may interrupt him? In view of the fact that a number of amendments have been offered to the

Mr. McNARY. In view of these two situations, and the fact that we have no business regularly set for Monday, I ask unanimous consent that Senate bill 69 be made the special order for Monday next at 12 o'clock.

The VICE PRESIDENT. Is there objection?

Mr. BARKLEY. Mr. President, in that connection I desire to say that it is proposed to adjourn, not to recess, until Monday; and the proposal of the Senator from Oregon will interfere with the morning hour.

Mr. McNARY. Then, Mr. President, I modify the unanimous-consent request, and request that the bill be made a special order for 2 o'clock on Monday, so that we may have the privilege of the routine morning business and hour.

Mr. McCARRAN. Mr. President, if I may interrupt the able Senator from Oregon, I believe some arrangement may be made as a result of conferences that have been going on for some time on the floor of the Senate. I believe that the two Senators from Nevada will offer an amendment that will solve the problem which is now before us; at least, we hope so. We hope the amendment may be adopted by the Senate, and may go forward.

In that connection, I ask the Senator to yield to me for just a moment longer in order that I may say that the State represented by the senior Senator from Nevada and the junior Senator from Nevada is confronted with an unusual condition. For many years—nearly half a century, if I may say so—we have been entirely dependent upon one predominant crop. That predominant crop has been what the westerner knows as alfalfa. We now find ourselves confronted with what is known as an alfalfa blight, as a result of which the crop is completely wiped out. I may say that the Federal Government is involved in this matter. I apologize for taking the time of the Senator from Oregon.

Mr. McNARY. That is perfectly all right.

Mr. McCARRAN. The Federal Government has invested large sums of money in reclamation projects. The Newlands reclamation project, which the junior Senator from Nevada visited only a few weeks ago, finds itself confronted with the prospect of its entire alfalfa crop being wiped out. The alfalfa blight has taken it. The reclamationists there are no longer able to carry the burden of the pro rata of the debt they owe from year to year. So we are now confronted with this situation, that we must convert the land that was heretofore adapted for alfalfa into beet culture.

With that in mind, the two Senators from Nevada, in cooperation with the Senator from Louisiana and other Senators, have tried to work out an amendment which we believe will solve the entire problem if the Senate will accept it.

Mr. BARKLEY. Mr. President, will the Senator yield? Mr. McCARRAN. I yield. Mr. BARKLEY. Is the amendment ready to be offered,

if the bill shall be taken up for consideration, so that it may be disposed of?

Mr. McCARRAN. That is our view. We are working toward that end, and we hope we may get it through.

Mr. BARKLEY. Is there any need for delay on a vote to take up the bill for consideration now?

Mr. McCARRAN. I should like to have the senior Senator from Nevada, who is a parliamentarian, handle that part of the matter.

Mr. BARKLEY. The motion pending is a motion to proceed to consider the bill.

Mr. McNARY. No, Mr. President; the pending question is the request of the Senator from Oregon for a unanimousconsent agreement.

The VICE PRESIDENT. The Chair understands that the Senator from Oregon has asked unanimous consent that on Monday next at 2 o'clock the Senate proceed to the consideration of Senate bill 69.

Mr. BARKLEY. Mr. President, reserving the right to object, with reference to the particular bill before us, I do not know the relative merits as between the various sections producing sugar; but I am informed that if any action is to be taken which will be effective it ought to be taken now, and not next week.

Because of certain limitations which have been referred to, if it is possible that the same consideration can be given to the measure now, and if there is an emergency which demands immediate consideration of the measure, the bill should not go over until next Monday.

Mr. O'MAHONEY. Mr. President, will the Senator from

Oregon yield for just a question?

Mr. McNARY. Just a moment, Mr. President. I have conferred with the Senator from Mississippi and the Senator from Louisiana and they are satisfied that the bill go over until Monday. I am merely proposing this in order to get some definite understanding. If the Senators have come to an agreement, I am very happy to withdraw my request.

Mr. O'MAHONEY. Mr. President, it is my understanding that an agreement has been reached, and the Senators from Nevada are about to offer a modification of the pending amendment, which I understand will solve the problem.

Mr. McNARY. Mr. President, I have accomplished my purpose in rising and making my proposal. In view of the statement of the Senator, I withdraw the proposal.

Mr. NORRIS. A parliamentary inquiry.

The VICE PRESIDENT. The Senator will state it.

Mr. NORRIS. Has the Chair held that a motion made prior to 2 o'clock and which is not disposed of by 2 o'clock then becomes debatable?

The VICE PRESIDENT. The Chair's understanding is that it is debatable.

Mr. NORRIS. Mr. President, I did not hear the Chair when that ruling was made-although the question was raised by the Senator from Oregon-and, of course, it is too late now to take the question up; but I did not want the decision to pass unchallenged. I wish briefly to state that in my opinion the decision of the Chair completely nullifies the rule. No parliamentarian hereafter, if that rule is to be followed, will ever be prevented from making a motion to take up a certain bill or resolution and have it debatable, even if the motion be made before 2 o'clock. All he will have to do will be to make points of order, appeal from the decision of the Chair, and suggest the absence of a quorum, and he can easily, alone and unassisted, carry the matter over until 2 o'clock, and then the debate will be unlimited. I merely want to enter my protest against the decision, so that anyone looking the question up in the future may see that at least one Senator did not agree with the decision.

The VICE PRESIDENT. If the Senator from Nebraska moved during the morning hour that the Senate consider a bill, it certainly would be the philosophy of the rules, as the Chair understands them, that when the morning hour closed at 2 o'clock the Senator could immediately move to take up the same bill. He certainly would have that right. That is the only thing the Chair has decided. The Senator who had the floor, who was discussing the matter at the hour of 2 o'clock, then made a motion to take up Senate bill 69. The Senator from Oregon asked unanimous consent that it go over until Monday. That is the Chair's understanding of the parliamentary situation.

Mr. NORRIS. Let me again submit a parliamentary inquiry.

The VICE PRESIDENT. The Senator will state it.

Mr. NORRIS. Was the motion to proceed to consider the bill made prior to 2 o'clock?

The VICE PRESIDENT. It was made prior to 2 o'clock, and when the hour of 2 o'clock arrived, the Senator discussing the bill still had the floor and had a right to renew the motion. He had just as much right to make the motion then as any other Senator would have a right to move to take up another bill. Whoever gets the floor now, under the parliamentary situation, is entitled to move to take up a bill.

Mr. PITTMAN. Mr. President, I ask unanimous consent that I may make a statement on behalf of the junior Senator from Nevada and myself, since this matter has been discussed ad libitum.

The VICE PRESIDENT. Is there objection? The Chair hears none.

Mr. PITTMAN. Mr. President, for 4 or 5 months the junior Senator from Nevada and myself have been discussing the law relating to this matter with the department of the Government concerned in the administration of the law. While the act, we concluded, might have permitted an allocation of a part of the 30,000 acres of unallocated land in Nevada, the administration decided that it could not do so. Recently they agreed with us that it was quite necessary that the farmers in Nevada should plant some of the alfalfa land, particularly on the Government project there, to sugar beets, but they could not do it. Unless an amendment such as I intend to present on behalf of the junior Senator from Nevada and myself shall be agreed to, the situation in Nevada will be hopeless, because our people are not producers of sugar beets. They are forced to become producers of sugar beets by reason of the alfalfa blight, and are ordered to plow the alfalfa under for 3 years. I understand the amendment will be agreeable to the Senator from Colorado, and I understand also that the amendment of the Senator from Colorado, as amended by this amendment, will be agreeable to the Senator from Louisiana.

Mr. ELLENDER. That is correct.

Mr. PITTMAN. I therefore offer the amendment.

Mr. ELLENDER. Mr. President-

Mr. McNARY. A point of order.

The VICE PRESIDENT. The Senator will state it.

Mr. McNARY. The Senator from Nevada has offered an amendment. The proper course would be to have it reported by the clerk before any other Senator is recognized.

The VICE PRESIDENT. The parliamentarian advises the Chair that the motion of the Senator from Louisiana is pending. It was made before the hour of 2 o'clock arrived. If it passes over, the Chair understands the Senator from Nebraska to contend that it would not be pending. If it was not pending after 2 o'clock, then any Senator rising in his place would have a right to make a motion.

Mr. BARKLEY. Mr. President, a motion to take up a bill during the morning hour, up to 2 o'clock, is not debatable.

The VICE PRESIDENT. That is correct.

Mr. BARKLEY. If the motion is not disposed of by the hour of 2 o'clock, I do not understand that it automatically dies unless there is a special order pending in the Senate which would take precedence over it. The question the Chair passed on a while ago was whether a motion made during the 2-hour morning period becomes debatable if not disposed of at 2 o'clock, and the Chair held that it would be debatable after 2 o'clock. So my contention is that the motion made prior to 2 o'clock, which was not then debatable, is still pending at the hour of 2 o'clock unless there is some prior order which would substitute itself for it in precedence.

The VICE PRESIDENT. According to the Senator from Nebraska, and according to the parliamentarian, that is not the rule of the Senate.

Mr. BARKLEY. The Senator from Nebraska merely made an objection to a previous ruling of the Chair, that after 2 o'clock it becomes debatable, on the ground that anyone could postpone action on a motion made prior to 2 o'clock and thereby defeat the philosophy of the rule. That may be debatable.

But the point now is, regardless of whether it is debatable or not debatable, whether a motion made prior to 2 o'clock is the pending business when the hour of 2 o'clock arrives.

The VICE PRESIDENT. The Chair passed on that. The Senator from Nebraska contends that it does not go over and become the pending business. If it does go over and becomes

the pending business, it certainly is debatable.

Mr. CONNALLY. Mr. President, let me say just a few words reinforcing what has been said by the Senator from Kentucky. It is the view of the Senator from Texas that under the rule if a motion is made prior to 2 o'clock, it is not debatable at that time, but if the hour of 2 o'clock arrives before the Senate has taken any action to displace the matter, it continues to pend. If the Senate entertains jurisdiction at any time of a motion to take up a bill, or anything else, the philosophy of all parliamentary rules is that the Senate continues to consider that matter until under the rules it is displaced.

What happened to the motion? It was pending at 2 o'clock. The hour of 2 o'clock arrived and we passed over into the following period; no other business was taken up; there was no motion to take up any other business. Then why, under the philosophy of the rule, is not the motion to take up the bill still pending, and if it is pending, why is it not debatable just as any other matter pending before the Senate?

I have not consulted the precedents; I have not read all the rulings; but it seems to me that basically the philosophy of parliamentary procedure would suggest that the motion pending at 2 o'clock and not being displaced would be debatable. I agree that under the rules, if there is a special order when the hour of 2 o'clock is reached, or if the leader gets the floor and moves to proceed to some other matter, the proceedings under way at 2 o'clock would be displaced; but that has not occurred.

The VICE PRESIDENT. Let the Chair say just a word with reference to the parliamentary situation. If a motion is under consideration during the morning hour and the hour of 2 o'clock arrives and the Senate still has before it that motion which is not debatable, the query arises, when the hour of 2 o'clock arrives, is that motion still pending? The Senator from Nebraska claims it is not; but it appears to the Chair that the sound reasoning would be that the motion would be pending, especially if the Senator is recognized and moves that the bill be taken up for consideration.

In the ordinary control of the Senate it might be said that the Chair would not recognize the Senator from Louisiana, but would recognize the leader, because the leader might want to have another bill taken up. That would be the procedure in ordinary control. It is the theory of a parliamentary body that those in charge, the leadership, should have the right of control. If the rule should be that the Chair was obliged to recognize a Senator whose bill was pending at 2 o'clock, that would, as the Senator from Nebraska has stated, take away from the leadership the right to guide and control with respect to what particular legislation should be considered. But the Chair has now recognized the Senator from Louisiana.

Mr. ELLENDER. Mr. President-

Mr. NORRIS. Mr. President, will the Senator yield to me? Mr. ELLENDER. I renew my motion that the Senate proceed to the consideration of Senate bill 69.

The VICE PRESIDENT. The Senator from Louisiana has moved that the Senate proceed to consider Senate bill 69. Does the Senator from Louisiana yield to the Senator from Nebraska?

Mr. ELLENDER. I yield.

Mr. NORRIS. I could take time on the motion itself, because it is now debatable.

Mr. President, I do not think the Chair quite correctly stated my position with respect to the parliamentary situation. I am not so particularly interested in the motion now under discussion. I am interested only because the decision and action of the Senate and the Presiding Officer may have a very important bearing at some time when it is of importance. I care nothing about this particular case; but my position is that a motion made before 2 o'clock to take up a bill is not debatable. If the motion is carried and the question raised extends beyond 2 o'clock, it can be debated, and it becomes then the unfinished business of the Senate, and discussion of it may continue for weeks.

There was only one point with respect to which I think the Chair was wrong. When the motion was made, and properly made, before 2 o'clock, under the rules of the Senate, it was not debatable; but suggestions of no quorum were made, and appeals from rulings could have been made-none were made, but they could have been made-appeals from the decision of the Chair, or motions to adjourn could have been made: all sorts of dilatory tactics could have been indulged in. It would be a very easy matter, for an ordinary parliamentarian to take up the time until after 2 o'clock.

It seems to me that, if he can, the Chair ought to give effect to the rule, rather than to destroy it by his ruling. The decision of the Chair for practical purposes nullifies the rule entirely, and it is no longer of any importance. If any Senator wants to take advantage of the ordinary procedure under parliamentary law and delay action until 2 o'clock, he accomplishes his purpose, and thereby practically nullifies the rule.

Mr. BARKLEY. Mr. President, may I make an observa-tion at that point? The philosophy of the rule against the debatability of a motion to take up a bill during the 2-hour period does not relate particularly to that bill, but is for the purpose of protecting other legislation which might be taken up during the 2-hour period. That is also the philosophy of the 5-minute rule of debate, so that the whole 2-hour period may not be taken up in interminable debate on one measure or on a number of measures.

If a bill is the unfinished order of the Senate, such as the bill we disposed of yesterday, the reorganization measure was the unfinished business of the Senate, when the hour of 2 o'clock arrives any day during the discussion, automatically that bill is the unfinished business, and is continued as the unfinished business.

But if there is no unfinished business on the calendar of the Senate, if there is no special order, if there is nothing which takes priority at the hour of 2 o'clock, an undisposedof motion to take up a bill during the 2-hour period goes over into the remaining period for that session, and is still subject to consideration. The 5-minute rule does not apply in the consideration of the bill after 2 o'clock. It is subject to the ordinary rules of debate of the Senate. So it seems to me that in the consideration of a bill taken up during the 2-hour period, and which goes over into the next period, the 5-minute rule does not apply, but the bill is subject to unlimited debate. The same philosophy would apply to the debatability of a motion to take it up after 2 o'clock, in the same relation as the limitation of debate during the 2-hour period and its unlimited condition after 2 o'clock.

The object of all these limitations during the 2-hour period is to protect other legislation and make it possible to consider other bills. It has no relationship particularly to the bill under consideration, except that the 2-hour period may be devoted to other bills besides the one that is up for consideration.

The VICE PRESIDENT. May the Chair ask the Senator from Kentucky a question? The Chair understands the Senator from Nebraska [Mr. Norris] to claim, and it seems that the Chair with good philosophy can say, that at the end of the 2 hours the bill under consideration has no right of preference. The Senator made the argument that it would come up with a right of preference.

Mr. BARKLEY. It would not come up automatically if

there were something pending.

The VICE PRESIDENT. The Chair means if there is nothing pending before the Senate.

Mr. BARKLEY. If there is nothing pending before the Senate when the hour of 2 o'clock arrives, if there is not anything that would be entitled to priority or preference, the bill might be taken up at the hour of 2 o'clock.

The VICE PRESIDENT. If there is nothing with a right of priority.

Mr. BARKLEY. If there is nothing with a right of priority it seems to me that the motion made during the 2-hour period extends beyond 2 o'clock. The only question raised by the Senator from Nebraska was whether, the motion so continuing, it is subject to debate. He did not make the point that originally it went over for action at 2 o'clock.

The VICE PRESIDENT. The Senator from Kentucky says that when a motion is made during the morning hour and continues until 2 o'clock it then automatically comes up. The Senator from Nebraska says it does not. There is a

difference of viewpoint.

Mr. NORRIS. I conceive that if there is unfinished business pending—

The VICE PRESIDENT. There is no unfinished business pending.

Mr. NORRIS. In the present instance there is no unfinished business. At the hour of 2 o'clock, if the motion is voted on, and the bill is taken up, it comes on just like any other bill. I call the attention of the present Presiding Officer to the fact that this very question was raised a year or two ago on a motion made by me, and although the motion was voted on prior to 2 o'clock—there being no unfinished business, however—we paid no attention to the hour of 2 o'clock being reached. There is nothing to interfere at 2 o'clock. It is just the same as if there were no hour of 2 o'clock because there is no order that supersedes what the Senate is doing.

Mr. BARKLEY. In a situation such as that, when there is debate on a bill, if it has been taken up during the 2-hour period, debate is limited to 5 minutes.

Mr. NORRIS. No, it is not limited.

Mr. BARKLEY. Within the 2-hour period.

Mr. NORRIS. No; there is no limitation on the time of speaking. We are not calling the calendar.

Mr. BARKLEY. I understand that; but we do have a 5-minute limitation.

Mr. NORRIS. We do have a 5-minute limitation when we are proceeding with a call of the calendar.

Mr. BARKLEY. Yes; when we are considering the cal-

Mr. NORRIS. But that has no application, as I see it, to a question of this kind. If a bill were taken up during the morning hour on motion, a limitation of debate would not apply at all.

Mr. BARKLEY. The same 2 hours might be consumed in debate on the bill itself as would be consumed, under the interpretation of the Chair, on the motion to take it up.

Mr. NORRIS. Yes; we might continue the debate until 2 o'clock, and then the bill would be laid aside. But here is a case where nothing else is pending. The morning business has been completed. Two o'clock has not yet arrived. A motion is made to take up a bill for consideration. It is conceded that that motion is not debatable.

Mr. BARKLEY. That is true. If a bill is taken up on the call of the calendar during the 2-hour period, which is a part of the morning hour business, then the debate on the bill taken up on the call of the calendar before the morning hour

ends would be limited to 5 minutes.

Mr. NORRIS. Suppose someone objects after a motion is made to take up a bill and it is taken up on that motion; then the 5-minute limitation of debate does not apply at all.

Mr. BARKLEY. No; it does not apply at all.

The VICE PRESIDENT. Let the Chair make known his views and what he is going to rule in the future when he is in the chair.

When the morning hour is ended no Senator, by virtue of his action during the preceding 2 hours, should have an advantage of any other Senator in the Chamber. That means that the leadership of the Senate will be recognized at the end of the 2 hours to make a motion to take up whatever they want to take up, and that no Senator, by virtue of having made a motion during the morning hour, shall have an advantage, such as we find now exists with reference to the Senator from Louisiana.

The Chair has recognized the Senator from Louisiana, and is going to do so now, but in the future there will be no advantage taken by any Senator by virtue of the fact that he was recognized 5 minutes prior or 2 minutes prior to 2 o'clock, and then, as a result of action on his motion, his bill would be pending. That, it seems to the Chair, would be taking advantage of the other Senators, and especially of the leadership of the Senate.

The Chair recognizes the Senator from Louisiana.

Mr. ELLENDER. Mr. President, I suggest that my motion to take up the bill be stated.

The VICE PRESIDENT. The clerk will state the motion of the Senator from Louisiana.

The Legislative Clerk. It is moved that the Senate proceed to the consideration of Calendar No. 169, Senate bill 69, relating to the apportionment of shares of the sugar crop for 1939 and 1940.

The VICE PRESIDENT. The question is on the motion of the Senator from Louisiana to take up the bill for consideration.

The motion was agreed to; and the Senate proceeded to consider the bill (S. 69) relating to the apportionment of shares of the sugar crop for 1939 and 1940.

Mr. ELLENDER. Mr. President, it is not my purpose to speak at length on the pending bill. That is not necessary for the reason that the bill contains but one sentence, which reads as follows:

That in the administration of the Sugar Act of 1937, the proportionate share (expressed in terms of planted acreage) for any farm, as determined by the Secretary pursuant to the provisions of section 302 of such act, of the quantity of the crop of sugar beets or sugarcane for the calendar years 1939 and 1940 required to be processed to enable the area in which such crop of sugar beets or sugarcane is grown to meet the quota (and provide a normal carry-over inventory) shall be so fixed or adjusted that the share of such crop for such farm shall be an amount not less than the amount of the share of the 1938 crop for such farm.

It will be observed that the object of the bill is simply to fix the minimum acreage for each sugar farm for 1939 and 1940 at not less than the amount allocated to such farm for the 1938 crops. With the Senate's kind indulgence, I am going to read the report of the Committee on Agriculture and Forestry on the pending bill, for I believe it expresses in a few words the conditions that led me to introduce the bill. I quote:

When the bill was called up for discussion there was not available to the members of the committee a report from the Department of Agriculture, although the bill was submitted to the Department by the Committee on January 9, with the request that a report be furnished.

The author of the bill submitted to the committee that he understood that an adverse report would be filed by the Agriculture Department, but that he felt the said Department was sympathetic with the conditions that presently exist in the sugar-producing States. It was explained to the committee that the purpose of the bill is simply to have the Department of Agriculture fix or adjust the share of sugar acreage for each farm for the crop years 1939 and 1940 in an amount of not less than the amount that was allotted each farm for the 1938 crop.

each farm for the 1938 crop.

The author of the bill stated to the committee that in October 1937 a few months after the 1937 Sugar Act became law, the Department of Agriculture, acting through Mr. Hutson, came to Louisiana and discussed the sugar problem with the farmers of Louisiana at a called meeting, in order to determine the procedure to be followed in allocating sufficient acreage to all sugarcane farmers, in accord with the law. A formula was proposed, which met with some objection, but was finally accepted by those interested in growing sugarcane, and adopted by the Department. Under said formula a certain number of acres was allocated to each Louisiana sugarcane farm for producing its pro rata share of the sugar quota provided for under the bill. This same procedure was followed with reference to the Florida sugar producers.

reference to the Florida sugar producers.

Again, on October 6, 1938, the Department of Agriculture instructed Mr. Hutson to come to Louisiana and fix the sugarcane quota for 1939. At the meeting of Louisiana sugarcane farmers that was held it was represented to Mr. Hutson that over 90 percent of the sugarcane land for the crop year of 1939 had already been planted. All cane farmers had felt at the time that they would receive an acreage for 1939 equal to at least what was allotted to each of them in 1937 for the crop year of 1938. However, a new formula was drafted by the Department, which would necessitate a considerable reduction in acreage to all cane farmers except those having 30 acres of land or less adaptable to the cultivation of sugarcane. The new formula that was finally issued and that would affect the sugarcane farmers for the crop years of 1939 and 1940 calls for a reduction in sugarcane acreage ranging from 25 to 47 percent, with the possibility that the acreage cut might even be in

excess of said 47 percent. The same regulations were prescribed

excess of said 47 percent. The same regulations were prescribed by the Department for the Florida producers.

In view of the fact that sugarcane is usually planted in Louisiana and Florida once every 3 years, and since the life of the Sugar Act of 1937 is for a period of 3 years, it is felt that any acreage fixed for any farm for the first year of the existence of said act should be no less than that amount for the 2 succeeding years. In other words, cane farmers always plan on having about one-third of their allotted acreage each year in plant cane, one-third in first-year stubble, and the remaining one-third in second-year stubble. In fact, that crop balance is recommended by the Department of Agriculture officials who have made an intensive study of sugarcane fact, that crop balance is recommended by the Department of Agri-culture officials who have made an intensive study of sugarcane farming over the past few years and have contributed to a large extent to the present stability of the industry. Under the most recent regulations of the Department, a sugarcane farmer must take for 1939 a cut of not less than 25 percent of his 1938 allotted acreage, in order not to be penalized further in 1940. A farmer who takes no cut in 1939 will have to take a cut of at least 47 percent in 1940, and in all probability a greater amount than said 47 percent

The present bill, if enacted into law, will mean that all sugar farmers whose acreage allotment for the 1938 crop was fixed by the Department at a certain amount shall receive for each of the succeeding crop years of 1939 and 1940 an amount of acreage which shall be not less than that allotted them for the 1938 crop. The present bill does not provide for increases in sugarcane acreage over the 1938 crop—it merely provides that there shall be no decreases below the 1938 crop. It is felt that such a proposal is just and equitable, and therefore the committee recommends the passage of equitable, and therefore the committee recommends the passage of the bill. In view of the lateness of the season, it is the committee's opinion that the present bill should be enacted by the Congress

within the next several weeks.

Mr. President, that is the story, and I do hope that the Senate will act favorably on the bill without further delay.

Mr. President, I ask unanimous consent that there may be printed in the RECORD in connection with my remarks an excerpt from a memorandum that I submitted some time ago to the President on the subject of sugar.

The VICE PRESIDENT. Is there objection?
There being no objection, the memorandum was ordered to be printed in the RECORD, as follows:

It was thought by all of us who fostered the 1937 Sugar Act that sufficient sugar would be permitted to enter this country so as to supply the demand and thereby cause the prices thereof to remain constant. The Sugar Division is empowered not only to care for the welfare of the consumer but also for that of the producer. Notwithstanding the fact that we had a surplus at the end of the last year of over 400,000 tons of sugar over and above consumption, the Department established a quota for the next year far in excess of our consumptive requirements, and in so doing caused the price of our consumptive requirements, and in so doing caused the price of raws to decline to the lowest figure in the history of sugar. As the result of such a policy Colonel Batista, of Cuba, visited 'his country in an effort to obtain a further differential for Cuba. His

country in an effort to obtain a further differential for Cuba. His visit, together with statements attributed to him later, wherein he stated that an accord had been reached between his country and ours whereby the tariff on sugar would be reduced 15 points, resulted in a further decline of the sugar market.

What Colonel Batista, and what the sugar people of Louisiana and other sugar-producing States desire, is a fair price for sugar. When I say fair price I refer principally to raws. A comparison of the differential between raws and refined sugar over the past few years will show that the American consumers have benefited very little from the reduction in the price of raw sugar; what has happened is that the decline in raw-sugar prices has taken away from the American sugar producers the differential, and the refiners have pocketed most of the difference.

I took the Cuban tariff reduction matter up with Secretary of

the American sugar producers the differential, and the refiners have pocketed most of the difference.

I took the Cuban tariff reduction matter up with Secretary of Agriculture Wallace and his Sugar Division on several occasions, and later with Secretary of State Hull, and I pointed out to both of these officials that what Cuba desires and what the sugar producers of continental United States desire, as well as our insular possessions, is a little better price for their sugar, and that could be easily done by simply having the Department of Agriculture lower its sugar-requirements estimate so as to meet the actual demand of the trade. There is a provision in the law to the effect that if the Secretary should make the quota too low, and thereby cause the sugar price to go too high, he can immediately let the bars down and permit more sugar to enter the ccuntry. Why not have the Secretary of Agriculture exercise the authority granted him under the Sugar Act of 1937, and protect the producers of sugar? I am sure that there is ample authority in the law for him to do so. It is my honest conviction that if the State Department further tinkers with Cuba in respect to the sugar tariff, and attempts to further help Cuba and thereby further demoralize the sugar market of continental United States, the whole scheme of trade agreements may be severely attacked and probably defeated when it comes up for renewal next year. I hesitate to attempt to discuss this through memorandum, but I would like the opportunity of going over the proposition in person with you Mr. President.

In connection with the Cuban Trade Agreement that is now being considered should Cuba insist upon a further 15-cent

In connection with the Cuban Trade Agreement that is now eing considered, should Cuba insist upon a further 15-cent

differential, why not have the Department to suggest a reduction of Cuba's quota, in an amount of say 200,000 tons, and let that quota be distributed among the continental producers. It strikes me very forcibly that continental United States should be permitted to produce a least 40 percent of our consumptive requirements, and, as far as I am concerned, I propose to work to that end as long as I am in the Senate. In the near future I would like to further discuss this phase of the question with

with particular reference to Louisiana, I have introduced in the Senate a resolution and a bill, copies of which are hereto attached. Soon after the Sugar Act of 1937 became effective, the Department of Agriculture, acting through Mr. Hutson, came to Louisiana and established farm-acreage quotas for 1938. When those quotas were fixed the producers of sugarcane felt that they were being fixed for a period of 3 years, because, as you may know, sugarcane is generally planted once every 3 years in Louisiana. The acreage was agreed upon, and I may say that there was a decided cut in acreage to what was planted in the past as among a large number of growers. It was agreed that no farm should plant in excess of 60 percent of its available land that was suitable for cane culture, and a formula was written out for small and new growers. The majority of the producers were well satisfied with the determination made for 1938. On October 6, 1938, the Secretary of Agriculture, acting through the same official, again came to Louisiana to fix the determination of acreage for the crop year of 1939. At the meeting it was pointed out that over 90 percent of to Louisiana to fix the determination of acreage for the crop year of 1939. At the meeting it was pointed out that over 90 percent of the sugarcane had already been planted for 1939; but notwithstanding that fact the Department decided that there should be a cut in Louisiana acreage from what was planted in 1938. That determination has caused considerable dissatisfaction among the growers and resulted in mass meetings being held throughout the sugarcane district. They are striving all they can to make both ends meet at this time, even in the face of much lower prices. The prices for raw sugar are the lowest in history, and the cost of producing sugar has increased 25 percent because of better wages and living quarters being extended to employees under Government regulations. Under such conditions as I have enumerated above an industry is being made to suffer unduly.

producing sugar has increased 25 percent because of better wages and living quarters being extended to employees under Government regulations. Under such conditions as I have enumerated above an industry is being made to suffer unduly.

My proposal, as will be noted in the attached bill, is simply to let matters remain as they are; that is, let the first determination made in 1937 for 1938 prevail and be the minimum quotas for 1939 and 1940, and not force the plowing up of many acres of sugarcane. If any farmer has produced more than the acreage allotted in 1937 for 1938, he of course should be penalized, but as to those farmers who in good faith planted their allotted acreage for 1938 and again for 1939 in accord with what they thought was allotted them, I do not believe they should be forced to destroy any of their sugarcane. I am hopeful that the Department will work out some plan, and I think it is feasible under the law, whereby no sugarcane acreage already planted, as well as the first- and second-year stools, will be destroyed.

I am informed that because of certain conditions such as drought, and so forth, the beet producers of the United States have been afforded a substantial increase in acreage. Notwithstanding the fact that on 931,000 acres of sugar beets, there was produced in 1938 a bumper crop of sugar, which yielded almost 200,000 tons of sugar in excess of the quota provided for the beet area, the Department increased the acreage to 1,030,000. By the same token, it seems to me that the Department could raise the estimated acreage needs of the Louisiana sugar producers so as not to disturb present acreage. True, we have exceeded our quota for 1938, but the Lord was good to us in that our sugar yields were beyond expectations. We have not had a storm in 11 years, nor a severe freeze, but either or both could strike us next year and reduce our yield to half of what it should be.

I believe the Department should take the above facts into consideration in establishing our 1939 quotas. We have had ou

The VICE PRESIDENT. The clerk will state the amendment previously proposed by the Senator from Michigan [Mr. VANDENBERG].

The LEGISLATIVE CLERK. On page 1, line 7, it is proposed to strike out the words "sugar beets or."

The VICE PRESIDENT. The question is on agreeing to the amendment of the Senator from Michigan.

Mr. ELLENDER. Mr. President, in view of the amendments to be submitted by the Senator from Colorado [Mr. ADAMS], I should think that amendment ought to be withdrawn. Am I not correct in that assumption?

Mr. VANDENBERG. No: I think not, Mr. President. I think that amendment still maintains its right in that portion of the bill, and I think we are agreed on it.

Mr. ELLENDER. Very well. I desire to assure the Senator from Michigan that it is not my desire to change the status of the sugar-beet producers.

The VICE PRESIDENT. The question is on agreeing to the amendment offered by the Senator from Michigan.

The amendment was agreed to.

The VICE PRESIDENT. The bill is still open to amend-

Mr. ADAMS. I send forward two amendments to the bill, which I ask to have stated.

The VICE PRESIDENT. The clerk will state the first amendment of the Senator from Colorado.

The LEGISLATIVE CLERK. After line 13, it is proposed to insert:

SEC. 2. That section 201 of the Sugar Act of 1937 is hereby amended so as to read as follows:

amended so as to read as follows:

"SEC. 201. The Secretary shall determine for each calendar year the amount of sugar needed to meet the requirements of consumers in the continental United States; such determinations shall be made during the month of December in each year for the succeeding calendar year and at such other times during such calendar year as the Secretary may deem necessary to meet such requirements. In making such determinations the Secretary shall use as a basis the quantity of direct-consumption sugar distributed for consumption, as indicated by official statistics of the Department of Agriculture, during the 12-month period ending October 31 next preceding the calendar year for which the determination is being made, and shall make allowances for a deficiency or surplus in inventories of sugar, and changes in consumption, as computed from statistics published by agencies of the Federal Government with respect to inventories of sugar, population, and demand conditions."

The VICE PRESIDENT. The question is on agreeing to the the amendment offered by the Senator from Colorado.

Mr. PITTMAN. Mr. President-

Mr. ADAMS. Mr. President, I may suggest to the Senator from Nevada that his proposed amendment fits in with the other amendment I have sent to the desk, rather than the one which was just read.

Mr. PITTMAN. I will wait and offer my amendment to

the Senator's amendment when it is stated.

The VICE PRESIDENT. The question is on agreeing to the amendment of the Senator from Colorado.

Mr. SCHWELLENBACH. Mr. President, will the Senator from Colorado yield for a question?

Mr. ADAMS. Certainly.

Mr. SCHWELLENBACH. As the Senator from Colorado knows, during the past few years we have built up the sugarbeet industry in the Pacific Northwest to a much greater extent than ever before. At the time of the original act the industry in the State of Washington, for example, was not of particular importance. I should like to inquire of the Senator from Colorado whether or not there is anything in his amendment which would be detrimental to the sugarbeet industry in the Pacific Northwest.

Mr. ADAMS. In answer to the inquiry, I will say that the reverse is the situation. The occasion for the second amendment which I shall offer is in order that there may be an additional quota to cover the increased production of all sugar in Washington, Oregon, and the Northwest. So the amendments will be beneficial and not detrimental.

The VICE PRESIDENT. The question is on agreeing to the first amendment offered by the Senator from Colorado.

The amendment was agreed to.

The VICE PRESIDENT. The second amendment offered by the Senator from Colorado will be stated.

The LEGISLATIVE CLERK. At the proper place in the bill it is proposed to insert the following:

SEC. 3. That section 202 of said act shall be amended to read as

"Sec. 202. Whenever a determination is made, pursuant to section 201, of the amount of sugar needed to meet the requirements of consumers, the Secretary shall establish quotas or revise existing

"(a) For domestic sugar-producing areas by prorating among such areas 60 percent of such amount of sugar (but not less than 3,715,000 short tons) on the following basis:

Area and percent 44. 72 12. 31 23. 25 Mainland cane sugar____ Hawaii Puerto Rico _ 19.48 Virgin Islands _____

"(b) For foreign countries, and the commonwealth of the Philippine Islands, by prorating 40 percent of such amount of sugar (except, if such amount of sugar is less than 6,682,670 short tons, the excess of such amount over 3,715,000 short tons) on the following

Area and percent

Commonwealth of the Philippine Islands_____ -- 64.41 Foreign countries other than Cuba. . 89

"In no case shall the quota for the commonwealth of the Philip-pine Islands be less than the duty-free quota now established by

pine Islands be less than the duty-free quota now established by the provisions of the Philippine Independence Act.

"The quota for foreign countries other than Cuba shall be prorated among such countries on the basis of the division of the quota for such countries made in General Sugar Quota Regulations, series 4, No. 1, issued December 12, 1936, pursuant to the Agricultural Adjustment Act, as amended."

The VICE PRESIDENT. The question is on agreeing to the amendment.

Mr. PITTMAN. Mr. President, on behalf of my colleague [Mr. McCarran] and myself, I offer the following amendment to the second amendment offered by the Senator from Colorado. After "Virgin Islands, 0.24" insert:

Provided, That of the increased acreage of sugar production provided for by increased domestic-produced sugar, 6,000 acres shall be allotted to the State of Nevada.

Mr. ADAMS. Mr. President, I accept the amendment to my amendment.

The VICE PRESIDENT. The question is on agreeing to the amendment offered by the Senator from Nevada, on behalf of himself and his colleague [Mr. McCarran], to the amendment offered by the Senator from Colorado. jection-

Mr. NORRIS. Mr. President, I wish to be heard on that amendment.

The VICE PRESIDENT. On the amendment to the amendment?

Mr. NORRIS. Yes. That is the pending question. Mr. President, I have no objection whatever to the increase of production allowed to Nevada. I realize that there ought to be one. It makes no difference whether one is driven into the production of sugar because his alfalfa crop fails, or because his corn crop, or wheat crop, or any other crop has failed year after year by reason of dry weather. So the people of Nevada are in exactly the same position and condition as the people of other parts of the West, where they are unable to produce what they formerly producedmostly corn-because of the drought which has afflicted that particular locality for 5 or 6 years in succession.

I call attention to two streams in the State of Nebraska, the North Loup and the Middle Loup, the valleys of which are as beautiful as any valleys anywhere in the United States. Those streams have a reputation, even in Europe, as steady streams. They are not large. They are quite small. The volume of water going down those streams is practically the same the year around. So there is no lack of water coming from the streams themselves.

During the past 2 or 3 years each of those streams had an irrigation project under the P. W. A.; and on each of them the irrigation project has been practically completed. In the case of one it has been entirely completed, and in the case of the other it is very nearly completed. The irrigation systems were put in by the P. W. A. with Government money. They are exceptionally well designed for the production of sugar beets. That fact was one of the main arguments advanced when the two projects were under consideration. They have now been allowed, but under the law they cannot obtain any quota of sugar beets.

Mr. ADAMS. Mr. President, will the Senator yield? Mr. NORRIS. I yield.

Mr. ADAMS. I think the Senator is in error in that statement. As a matter of fact, in my State there are areas similar to those described in the Senator's State. In my State a reclamation project is being constructed to cover land where beets are not now raised. There are other such areas; and I am quite convinced that increasing the quota to be supplied by the American production will make available a quota for the Senator's project, and for the projects which will be established in my State. I should not have

offered the amendments if I had felt that those areas would not be included.

Mr. NORRIS. The Senator misunderstands me. I am talking about the amendment offered by the Senator from Nevada to the second amendment offered by the Senator from Colorado.

Mr. ADAMS. I understand. Mr. NORRIS. I have no objection to the amendment offered by the Senator from Colorado.

Mr. ADAMS. Am I to understand that the Senator feels that the new projects in Nebraska would not benefit from the amendments which are now pending?

Mr. NORRIS. No. Mr. ADAMS. The amendment of the Senator from Nevada to my second amendment was accepted by me because of the fact that the Senator from Nevada seemed to feel that the situation in Nevada was somewhat different. Personally I do not see the difference. I have the same basic feeling which I think the Senator from Nebraska has, that the correct approach to the whole problem is to find out how much sugar the American farmers can produce and give the remainder to the offshore or foreign producers. However, we have been compelled to accept the other theory as a matter of necessity and to work out quotas for all production sources. An effort is now being made to increase very modestly the existing quotas in order to take care of areas such as those being developed in Nebraska, those in Nevada, those in the Northwest, and some areas in Michigan. I have felt very confident that the increased tonnage, which amounts to some 300,000 tons, will be equitably distributed.

Mr. O'MAHONEY. Mr. President, in making the list I hope the Senator will not omit the States of Colorado and

Mr. ADAMS. Of course, the Senator and I are not concerned about that matter!

Mr. NORRIS. If the Senator from Colorado is through with his statement, I shall now proceed to answer it. The Senator, in saying that I am in error as to the quota-

Mr. ADAMS. I probably was in error in my understanding. I thought the Senator was saying that the Nebraska area would not benefit.

Mr. NORRIS. I am speaking of two particular projects. They will not be benefited. I think they are on all fours with Nevada. I am not objecting to Nevada's receiving an exemption. I am not objecting to the amendment which the Senator from Colorado has offered. I conferred with him before he offered the amendment. I am in entire harmony with it. What I am trying to convince the Senator is that the two projects which I have mentioned are on all fours with Nevada, and that they ought to be exempted. They ought to receive a new quota in the same way that Nevada would receive a new quota under the amendment to the amendment offered by the Senator from Nevada [Mr. PITTMAN]. The Senator from Colorado, as I have tried to say before, thinks I am in error as to obtaining quotas for the two areas to which I have referred. I hope I am.

Mr. ADAMS. Mr. President-

Mr. NORRIS. Before the Senator again interrupts me, let me finish my statement and tell him why I feel that I

I have had the question up in writing. I have tried to obtain a quota. I have met with absolute refusal to give a quota for the two valleys in Nebraska which were made irrigable by Federal money. Yet the Federal Governmentat least, the sugar authorities of the Federal Governmentrefuse to allot a quota for those two valleys. The producers in the valleys would not be able to sell beets if they raised them under the irrigation provided. That is the point I am trying to make. I should like to see Nebraska come in under the shelter under which Nevada is coming in, which I think is all right. I agree with the Senator that the quota ought to be larger for the entire country.

Fundamentally, Mr. President, I think it is wrong to have a quota on an agricultural product of which we cannot produce enough to supply home consumption. That is true of all sugar, both cane and beet sugar. We cannot produce enough sugar to satisfy the American people. Why should we have a quota in a case of that kind which prevents the production in America of that agricultural product, in order that we may take in the quota of some foreign country? I understand that we have quotas for Ecuador, Brazil, and Cuba, and that we are not permitted to produce sugar in the United States if our production conflicts with the production of sugar from those other countries.

Mr. President, I cannot see any justice in that theory. Fundamentally, it seems to me it is absolutely wrong to deny to our people the right to produce a product when the consumption of such product is always greater than the amount we can possibly produce. It seems to me that that theory cannot be defended on any fundamental ground of reason or logic. I have stated how the theory applies in two instances, both of them small. The farmers in those two valleys desire to produce on at least 10,000 acres, but the quota could not be allowed them unless the quota in other parts of Nebraska were decreased. Of course, nobody could justly ask that that be done. That would not be fair.

Nevada has been producing alfalfa. On account of the blight she cannot now produce alfalfa, and she wants to produce sugar beets. That is all right. I am in entire agreement with that. I am not finding fault with that. Fundamentally, as I see it, there is no objection and can be no objection to that desire. But the two valleys in Nebraska to which I have referred formerly produced corn, just as Nevada formerly produced alfalfa. They cannot now produce corn. They have produced no corn to amount to anything for 5 years in succession. These valleys are as beautiful valleys as can be found outdoors. They were absolutely burned up every year. We now have irrigation in each of them. During the coming year we could produce enough beets, if we were allowed to do so, to make necessary the construction of another sugar factory. The men who know about the amount of sugar beets which can be processed in a beet-sugar factory have told me that there would be no question about the construction of another sugar factory if the farmers were allowed to produce beets. a product preeminently adapted to those valleys, on their own land.

I want to have those valleys taken in under the amendment which the Senator from Nevada has offered. I cannot offer an amendment to his amendment, because in a parliamentary sense it would be an amendment in the third degree; but I should like to have the amendment modified so that it would not only exempt Nevada but perhaps would be put in general language, so that it would exempt any locality, and permit it to produce beets and have a quota if it were prevented from producing other crops, no matter what might be the cause.

Mr. O'MAHONEY. Mr. President, will the Senator yield to me?

Mr. NORRIS. I yield to the Senator from Wyoming.

Mr. O'MAHONEY. If I understand the act which is being amended, the amendment offered by the Senator from Colorado [Mr. Adams] on behalf of three or four of us who have been studying this problem, and the perfected amendment which has now been offered by the Senator from Nevada, the question which the Senator from Nebraska raises is actually not involved. The amendment offered by the Senator from Colorado increases the total quota for domestic sugarproducing areas. Under the law as it now stands, that increase may be apportioned among all sugar-producing areas upon the basis of their present production. The difficulty with respect to Nevada is that it has no production of sugar.

Mr. NORRIS. That is exactly the difficulty that exists in these two valleys. They have no production, and if a quota should be based on their former production, they would get nothing.

Mr. O'MAHONEY. But that is not true with respect to Nebraska.

Mr. NORRIS. Yes; it is true with respect to these particular valleys.

Mr. O'MAHONEY. With respect to the valleys, but not with respect to the State of Nebraska, nor the State of Wyoming, nor the State of Colorado; and, if I understand the operation of this act, is it not a fact that the increase could be prorated among States like Nebraska, Colorado, Wyoming, and the other States of the Northwest, but Nevada probably would not be included, because it does not have a quota?

Mr. ADAMS. If I may answer the inquiry of the Senator, the situation, as I understand it, is this: The valleys in Nebraska in which the Senator is interested were denied a quota under the existing law for a very definite reason—that the purpose of the Sugar Act of 1937 was to maintain and preserve the situation as it was, and there were more acres devoted to sugar beets than the quota permitted, so that a new area could not be devoted to beet raising without denying to an existing sugar-beet field the right to produce. It was not by reason of the law, but was by reason of the fact. We are now trying to meet that very situation by increasing by some 200,000 acres the acreage which may be devoted to this purpose, which will take care of existing beet acreages and leave an adequate amount to take care of the new areas in Nebraska. In my judgment, it would have taken care of Nevada without the amendment.

A section of the Sugar Act itself, subsection (b) of sec-

tion 301, says:

In determining the proportionate shares with respect to a farm, the Secretary may take into consideration the past production on the farm of sugar beets and sugarcane marketed (or processed) for the extraction of sugar or liquid sugar and the ability to produce such sugar beets or sugarcane, and the Secretary shall, insofar as practicable, protect the interests of new producers.

There is a specific direction in the existing law to protect the interests of new producers. The Secretary was unable to do it by reason of the limited quota. Now that we are increasing the quota, there will be available acreage and tonnage to cover the farms and the areas in which the Senator from Nebraska is interested.

Mr. NORRIS. Perhaps there will be, and perhaps there will not be. I am not finding fault with the refusal of the Sugar Bureau of the Agriculture Department to give a quota to these two valleys, because, as the Senator from Colorado says, in carrying out the quota there was not anything to do but to turn down their applications, which has been done; but the proposed amendment gives no assurance about an increase that will be sufficient to take care of places that do not have a quota because they have not produced beets in the

Mr. OVERTON. Mr. President, will the Senator yield

to me?

Mr. NORRIS. In just a moment. In my judgment, the small increase provided for by the amendment of the Senator from Colorado will not be sufficient to take care of new localities where no beets have been produced in the past.

Mr. GLASS. Mr. President, why may not the Senator from Colorado modify his own amendment by increasing the quota

roundly?

Mr. NORRIS. Of course, I should be glad to have that done; and I think the Senator from Colorado would, too.

Mr. ADAMS. Mr. President, if the Senator will permit me, I am perfectly willing to accept an amendment that 10,000 acres shall be allotted to new areas in Nebraska, if that will make the Senator happier.

Mr. NORRIS. Yes; it will.

The VICE PRESIDENT. Let the Chair state to the Senator from Nebraska that the Senator from Colorado has accepted the amendment offered by the Senator from Nevada. Therefore an amendment by the Senator from Nebraska would be in order.

Mr. NORRIS. I did not know the Senator had accepted the amendment. I shall be very glad, if that is agreeable to the Senator from Colorado, to offer the amendment he has suggested, or to have him offer it. Will the Senator offer the amendment he has suggested as part of his amendment?

The VICE PRESIDENT. Does the Senator from Colorado desire to offer the amendment?

Mr. ADAMS. I do.

Mr. FRAZIER. Mr. President, we have had a drought in North Dakota for the past 10 years. We raise a few sugar beets. We have only one beet-sugar factory. I have had letters from businessmen there who say there is no question, if our quota is raised, that we can produce enough sugar for three factories, at least, in the Red River Valley of North Dakota and Minnesota. If the quota is to be raised, we want it raised so that we may get in on it, too. We need a quota of 10,000 acres in North Dakota.

Mr. OVERTON. Mr. President-

Mr. NORRIS. I yield to the Senator from Louisiana. Mr. OVERTON. I have listened to the philosophy relating to this subject expressed by the Senator from Nebraska, and I find myself in thorough accord with his views.

Let me say to the Senator that what is being parcelled out under the quota system is the continental market of the United States. It is the sugar that is consumed here continentally. We take this continental market and place a restriction on production in the Senator's State, on production in my State, on production in Colorado, and in all other beet-producing or cane-producing States, in order that more sugar may be imported from foreign countries, or additional sugar produced in our Territories and insular possessions.

I think the solution is-and I invite the Senator's attention to it-to have a continental quota; not simply a beet quota for the continental production and a sugarcane quota for the continental production, but a continental quota; and that continental quota should be adequate to take care of all the production in the continental United States. Then, when we have taken care of the American farmer and American production, we can undertake to quota amongst foreign countries what we cannot produce domestically.

Mr. KING. Mr. President, will the Senator yield? Mr. OVERTON. Pardon me just one moment.

Sugar is an import crop. We are today restricted in our production to less than one-third of what we consume here continentally, in order that we may subserve the interests of foreign production. The philosophy underlying this whole legislation ought to be to permit the American farmer-and by "the American farmer" I mean the continental producer-to produce all that he can of this import crop for continental consumption, and then quota the residue in other sugar-producing areas.

Mr. KING. Mr. President, will the Senator from Nebraska permit me to ask the Senator from Louisiana a question?

Mr. NORRIS. Yes.

Mr. KING. I am very much in sympathy with much of what the Senator from Louisiana has said; but in the consideration of this question I do not think we should exclude the rights of the people of Hawaii and Puerto Rico. They are a part of the United States-not continental United States, but they are under the flag. They are Territories; and it seems to me we should not discriminate against them.

Mr. OVERTON. I am in sympathy with what the Senator suggests. There is, however, this difference, to which I wish to call his attention: Of course Hawaii is a part of the United States, but Hawaii may produce for her own consumption all the sugar that she wishes to produce. There is no limitation upon her in that regard. Then she is given a quota of sugar for continental consumption.

What is being parceled out under existing sugar legislation is not the sugar that is consumed in Hawaii and Puerto Rico and in the Philippine Islands; it is not the Hawaiian market and the Puerto Rican market and the Philippine market; but what is being parceled out under this quota system is solely and exclusively the continental market for sugar here in the United States.

Mr. KING. Mr. President, will the Senator again yield? Mr. NORRIS. Yes.

Mr. KING. It seems to me that Hawaii and Puerto Rico ought to stand in the same situation as the State of Louisiana; they are under the flag and a part of the United States. Though Louisiana produces more sugar than she consumes, I have no right to urge that the production of Louisiana shall be reduced so that it may not flood beyond the State limits and be sold in other parts of the United States; and the same thing is true of Hawaii and Puerto Rico.

Mr. OVERTON. That is very true.

Mr. KING. I am simply applying to Louisiana the same rule that I am applying to Hawaii and Puerto Rico.

Mr. OVERTON. But the Senator realizes that under the Sugar Act Hawaii may consume what she produces, and what she consumes is not counted against her quota; but what Louisiana consumes is counted against her quota, and what the Senator's own State of Utah consumes of her own production is counted against her quota. So I think the satisfactory arrangement and proper readjustment of the whole sugar program would be first to authorize an adequate continental quota. We have to have a quota, because we have entered into a reciprocal-trade agreement with Cuba which requires us, in effect, to have a quota in the United States; but that continental quota can be increased and ought to be increased so as to allow a proper expansion in Nevada, in Nebraska, in Utah, in Louisiana, and in Florida.

Mr. KING. Mr. President, will the Senator from Nebraska yield for a moment?

Mr. NORRIS. I think I will yield the floor.

Mr. BARKLEY. Mr. President, I desire to ask a question of the Senator from Louisiana, or the Senator from Colorado, or the Senator from Nevada, or some other Senator.

Ordinarily, this character of legislation has been considered and reported upon by the Committee on Finance, of which I happen to be a member. For that reason, I may not know as much about this particular bill as I ought to know: but I am interested to inquire whether the bill is limited altogether in its effect to the readjustment of the domestic production of sugar among the various regions, or whether it has any effect upon any existing trade agreement which we have with Cuba or with any other country. Can the Senator from Louisiana answer that question?

Mr. OVERTON. It does not affect the trade agreement with Cuha

Mr. BARKLEY. Or any existing trade agreement?
Mr. OVERTON. Or any existing trade agreement; and if I am in error, some other Senator will correct me.

Mr. BARKLEY. It is a readjustment of the quotas which may be produced in the United States among the various types of sugar?

Mr. OVERTON. It is a readjustment of the quotas, both domestic and foreign.

Mr. BARKLEY. I am trying to find out whether it affects any foreign quotas which are subject to existing trade agreements.

Mr. OVERTON. This measure would not be in violation of any reciprocal-trade agreement.

Mr. ANDREWS. Mr. President, the amendment materially affects the sugar industry in Florida. As we all know, and as has just been stated, the sugar producers in the continental area of the United States are not allowed to produce a third of the sugar which the people in continental United States consume.

The Senate will recall that about a year ago, when a similar bill was before us, one of the Senators from Florida-I think it was the junior Senator [Mr. Pepper]-submitted an amendment providing that each State should be allowed to produce at least as much as its own people consumed. In the case of Florida, we are not allowed to produce one-half as much as the people of the State of Florida themselves

The State of Florida some 20 years ago began a process of draining the Everglades. The people of Florida, out of their own pockets, have paid in the neighborhood of twelve or 15 million dollars to drain that land for the production of sugarcane and winter vegetables. The land has been drained and made ready for the production of sugarcane and vegetables. The soil there which has been drained is anywhere from 2 to 8 feet deep. The Valley of the Nile is no comparison at all.

We are now asking that we be allowed to produce the cane for the production of which the Everglades were drained. Recently an order was issued which would in substance require the sugar producers in the Everglades to plow up about every fifth row of cane that has already been planted. The producers were operating under the quota for 3 years plant-

ing, which was provided for in 1937. Nineteen hundred and thirty-eight has passed, and we complied with the quota, but in order to do it we planted additional cane, and now, after it is planted, we are asked to plow it up.

The truth is that Cuba sends to this country 2,000,000 tons of sugar a year. We consume only 6,500,000 tons. The desire was to establish a reciprocal-trade agreement with Cuba. If we examine the records of exports and imports we find that Cuba has exported to the United States about \$176,000,000 worth of cane sugar and other exports, and the United States has exported to Cuba about half that amount. In sugar we find at least one agricultural product in this country which is "nonsurplus," at least one, and we are not allowed to raise it. It is the most ridiculous situation in which the American people could ever place themselves.

An American working on a cane-sugar plantation in the Everglades earns something like \$2 a day. In Cuba the wage is 56 cents a day. The American who earns the \$2 a day spends every cent of it in the United States, for American products. He spends more in 1 year than a hundred of those employed in Cuba producing sugar would spend.

There is no use attempting to explain this matter to our people in the Everglades. It cannot be explained to them. It cannot be explained to anyone. I think the time has come when America should look after her own people, and I hope that this measure is a start. But this is not the last bill that will be introduced on the subject.

Mr. BARKLEY. Mr. President, a moment ago I made an inquiry of the senior Senator from Louisiana and other Senators interested in the bill as to whether the pending measure in any way affected any existing trade agreement between the United States and Cuba, or any other country. The Senator from Wyoming has been frank and kind enough to call my attention to the fact that it does. I do not know that it will make any difference in the vote of the Senate on the subject, but I do feel it my duty to correct an impression I received a while ago in response to my inquiry.

Mr. OVERTON. Mr. President-

The PRESIDING OFFICER (Mr. HARRISON in the chair). Does the Senator from Kentucky yield to the Senator from Louisiana.

Mr. BARKLEY. I yield.

Mr. OVERTON. It is my understanding that the provision of the reciprocal-trade agreement between the United States and Cuba is that we cannot impose a quota on the importation of sugar from Cuba unless we also impose a quota on the production of sugar in the United States; but there is no provision in the treaty that the quota either on the importation of sugar from Cuba into the United States or the quota on the production in the United States shall be of any particular quantity. Therefore these quotas can be changed from time to time without a violation of the reciprocal-trade agreement.

Mr. BARKLEY. I wish to call attention to the law. Section 202 provides:

Whenever a determination is made, pursuant to section 201 of the amount of sugar needed to meet the requirements of consumers, the Secretary shall establish quotas, or revise existing quotas,

(a) For domestic sugar-producing areas by prorating among such eas 55.59 percent of such amount of sugar (but not less than 3,715,000 tons).

It allocates that 55.59 percent among domestic beet sugar, mainland cane sugar, Hawaii, Puerto Rico, and the Virgin Islands.

Mr. OVERTON. That is the Federal statute? Mr. BARKLEY. That is the Federal statute. Then in subdivision (b):

For foreign countries, and the Commonwealth of the Philippine Islands, by prorating 44.41 percent.

In other words, under this law 55.59 percent are prorated among domestic producers, 44.41 percent among foreign pro-

The pending bill readjusts that ratio by substituting 60 for 55.59, as I understand it, and for foreign producers by substituting 40 for 44.41. So that it would, whether directly or

indirectly, affect the amount of sugar which could be imported into the United States, and that, it seems to me, would affect our existing trade agreement with Cuba.

If the law itself is so flexible and adjustable that this could be done without in any way affecting it, I think that should be made plain.

Mr. OVERTON. Mr. President, prior to the enactment of the Sugar Act of 1937, and while the same reciprocal-trade agreement between the United States and Cuba obtained as it does today, there was a somewhat different system of quotas than presently provided by the 1937 act. In 1937 we made some modifications in our quotas, and the purpose of this bill is to make other modifications.

The Cuban treaty does not specify any particular percentage of continental consumption to be produced in the United States and provides for no specific quantity of sugar to be imported from Cuba into our country.

imported from Cuba into our country.

Mr. BARKLEY. That was what I asked awhile ago—
whether the bill really provided for a readjustment of these
quotas among domestic producers, or whether it affected our
trade agreement with Cuba especially.

I have no legislative interest in sugar; we do not produce it in my section of the country. I want all sugar producers in all parts of the United States to receive fair treatment. I have in no sense any prejudice against a fair distribution of the ability of the American people in the way of producing sugar or anything else. But we have authorized the President to enter into agreements through the State Department. Pursuant to the law which we have passed we have entered into such agreements, and I could not consistently support or vote for a measure which violated an agreement which we have authorized the President to make over a period of years by merely passing a law.

I feel that the Secretary of State has in good faith attempted to carry out the provisions of the law. He has attempted to do it in the interest of American business as a whole and American agriculture as a whole, and I think the results of these agreements, it can be demonstrated, have been on the whole beneficial to the American people.

I realize that different conditions may exist in some particular industry or some particular branch of agriculture; but, on the whole, I think these treaties have been wholesome and have been justified by results. I am not one who desires, by any indirection, to break down the effect of the treaties and the effect of the fine spirit which has been brought about in international trade by the attitude and the accomplishments of the Secretary of State.

If we do not any longer approve that policy, Congress ought in broad, open daylight, frankly, to repeal the law and pursue another course; but so long as we are following that course I myself do not feel—and I speak only in my individual capacity, I do not, of course, know that it will have any effect, and I am not expecting it to have any effect on the attitude of other Senators—that I can consistently support a measure which, through the back door or in any indirect way, undertakes to break down or, whether it undertakes deliberately to do it or not, whose effect would be to break down the continuity of this policy, so long as it is our policy, and so long as it is carried out in response to a mandate of the Congress of the United States.

As I stated, I would like to have the matter made clear, because the pending bill, which ordinarily would have come from the Finance Committee, was sidetracked or detoured around through the Committee on Agriculture and Forestry, which is, of course, a committee very active and naturally interested in all agricultural matters. But we have had this matter up and hearings have been in progress at this session on the very subject of sugar, and we are trying to ascertain what effect the various bills and hearings will have on the subject.

If I am in error in my apprehension as to the effect of the bill. I should like to be set right.

Mr. OVERTON. Mr. President, I think I may assure the Senator that the bill does not violate any provision of the trade agreement between the United States and Cuba.

The extent of the provision of the reciprocal-trade agreement is that we cannot impose a quota on importations of sugar from Cuba into the United States so long as we do not impose quotas on the production of sugar in continental United States, so long as we have domestically a sugar regime analogous to the quota restrictions imposed on Cuba.

The Cuban reciprocal-trade agreement, as I interpret it, goes no further than to require a quota system for the United States as a prerequisite to imposing a quota upon Cuban importation.

Mr. NORRIS. Mr. President, will the Senator yield?

The PRESIDING OFFICER (Mr. LA FOLLETTE in the chair). Does the Senator from Louisiana yield to the Senator from Nebraska?

Mr. OVERTON. I yield.

Mr. NORRIS. Is it not true that these quotas are based on an act of Congress which by its own terms will expire shortly—I think in 1 year?

Mr. OVERTON. The expiration date is December 31, 1940. Mr. NORRIS. The act will then expire by its own terms. In other words, the act is limited to that time.

I wish to ask the Senator another question. I think the Senator from Louisiana had some participation in the negotiations with the Senators representing beet-sugar States which resulted in the act in question. The whole thing to a great extent was based upon production which existed at that time. Since that time various things have happened, such as some I have mentioned, and others which have been mentioned by the Senator from Nevada in his State, which caused the total quotas of that day to be exceeded. In other words, the sugar business has expanded, it has been growing, and the law that was passed at that time fixing a quota standard does not have a fair application to the conditions which now exist.

Mr. OVERTON. The Senator from Nebraska is correct in making that statement. I am in thorough sympathy with all the views he has expressed.

Mr. NORRIS. I think the Senator is correct. As I understand, nothing in the pending measure will in any way conflict with the lawful agreements which have been made, even though we might want to get out from under them. There is no attempt to do so. No one has any idea of trying to disregard any lawful contract which our Government has made with any other government.

Mr. OVERTON. The Senator is a better lawyer than am I, and so is the Senator from Kentucky, but if the proposed statute would result in violating the reciprocal-trade agreement with Cuba, it is possible that the agreement would prevail over the statute.

Mr. NORRIS. We have given Cuba a preferential right ever since she obtained her independence. I think that preferential right is fundamentally wrong. I do not believe it can be sustained by any logic. Years and years have passed since it was first urged that because the United States had been instrumental in Cuba obtaining her freedom we owed it to her to give her preferential treatment with respect to her principal product in order that she might get on her feet and start off right as a nation. I think all sympathized with that idea, even if they did not believe it was the right thing to do at the time. But as I see it, the time for that has long passed, and we are not now under any obligation to injure those of our people who are trying to produce this agricultural product by giving a preferential right of any kind to a foreign government. That is especially applicable to Cuba, which we have assisted in many ways for a number

Mr. BARKLEY. Mr. President, will the Senator yield? Mr. NORRIS. I yield.

Mr. BARKLEY. I have no desire to prolong this matter, and I agree in the main with the Senator from Nebraska. We have a right to do as we think best in behalf of our own country in respect to quotas and all the tariff questions which we are constantly discussing. The point I made was that I myself did not wish to support a bill which violated an agreement we had made with some other nation, especially with Cuba.

Mr. NORRIS. I understand that if the Senator supports the bill he will not support a measure which violates a previous agreement. I would not want to do such a thing.

Mr. BARKLEY. No. Mr. NORRIS. Mr. President, I wish to say, in conclusion, that after the debate which took place between myself and the Senator from Colorado about the amendment, it would have been entirely satisfactory to me, but after conferences with other Senators from the western part of the country, particularly those interested in beet production, I have decided not to offer any amendment. It would simply lead to other amendments applying perhaps to other States in the same degree that my amendment would apply to my own State. So I am not going to offer any amendment. I understand that the amendment offered by the Senator from Colorado would, if enacted into law, increase the production of beet sugar and the beet-sugar quotas, and of course that would include my own State, and would result very likely in some quotas being given to those parts of the State where no beet sugar had been produced before, and where now farmers are exceptionally well qualified to produce beet sugar. Even though it should not result in what I think ought to come to those localities, I am going to content myself by not offering the amendment, and, so far as I am concerned, I shall not object to the bill.

Mr. HATCH. Mr. President, will the Senator yield?

Mr. NORRIS. I yield.

Mr. HATCH. I wish to ask the Senator from Nebraska if the committee amendment he referred to would have set aside the specific acreage in Nebraska.

Mr. NORRIS. Yes.

Mr. HATCH. That is all I desire to ask. I merely desire to add a word along the same line the Senator from Nebraska has just been discussing. We have in the State of New Mexico a situation which is similar to that which exists in Nebraska, except that in certain parts of New Mexico in years past the raising of sugar beets was a considerable industry, and a considerable acreage was devoted to that industry. For various reasons and at different times that acreage was abandoned, until now there is very little acreage planted to sugar beets in the State of New Mexico.

Since the present program has been in effect there has been a desire in several localities to go back, at least in part, to the acreage formerly planted in sugar beets. We have had a great deal of difficulty in obtaining the necessary allotment. It had been my intention also to offer an amendment setting aside specific acreage to my State. I am also assured by the Senator from Colorado that the bill as it is now offered will increase the acreage generally, and that probably the best opportunity we have in New Mexico to secure added acreage is by not resisting this bill or insisting on amendments, but to let the measure go through as it is at this time. The Senator from Colorado assures me that is correct. For that reason, Mr. President, I shall not urge a specific amendment now.

ORDER FOR ADJOURNMENT-AUTHORIZATION FOR REPORTING AND SIGNING BILLS, ETC.

Mr. BARKLEY. I ask unanimous consent that when the Senate concludes its business today it stand in adjournment until 12 o'clock noon on Monday next, and that in the meantime committees may report bills, resolutions, and nominations, that the Vice President may sign bills ready for his signature, and the Secretary of the Senate may receive messages from the House.

The PRESIDING OFFICER. Is there objection to the unanimous-consent request of the Senator from Kentucky? The Chair hears none, and it is so ordered.

PROHIBITION OF SALE OF AMERICAN COTTON TO FOREIGN PURCHASERS BELOW COST OF PRODUCTION

Mr. GEORGE. Mr. President, I rise not to address myself to the particular piece of legislation under discussion, but to supplement a statement I made this morning when during the morning hour it was announced that Senate bill 1303 would go over until Monday, or some other day early next week, because of negotiations and conferences between the

Secretary of Agriculture and the committees, or representatives of the committees of the two Houses of Congress. In view of that fact, and the suggestion which came to me from the leader of the Senate that he would like to leave the Senate early today and have the Senate adjourn until Monday, I agreed to postpone consideration, or at least to make no effort to bring up for immediate consideration a resolution which I submitted in this body on the 20th day of March, the legislative day of the 16th of March, a resolution based upon the arrangements then in progress, as I was advised, and had every reason to believe, and as I am now advised and now believe to be true and know to be true, involving the sale by our Government of American cotton to the foreign trade at considerably below the actual price advanced by the Government on some 11,000,000 bales of American cotton. I need not say also, Mr. President, that the Government contemplated a sale to the foreign trade at a price quite considerably below the actual cost of producing the cotton.

I therefore submitted the resolution, and asked that, pending the world crisis, no American cotton be sold to foreign buyers below the figure of the actual investment of the Government in that cotton, and that the Secretary of Agriculture be directed to negotiate no sale of American cotton below the actual cost of the cotton to the Government without first bringing that matter to the attention of

the Congress.

The majority leader conferred with the Secretary of Agriculture before I would consent not to bring my resolution up for immediate consideration. I am quite confident that in the utmost good faith he reported to me precisely and exactly what has already been said in the Senate, to wit, that the Secretary of Agriculture would take no steps whatever to subsidize the sale of any American cotton to foreign purchasers that is to be used or manufactured outside the United States until further conference was had and until the opportunity to present the resolution was afforded early next week.

Mr. President, I know full well that we cannot rely upon all statements which reach us in Washington, but in my place I now say that I have received information which seems to me reliable that while the Secretary of Agriculture has apparently abandoned the idea of subsidizing the foreign users of American cotton in order to stimulate export of cotton from this country, other agencies of the Government are at work to conclude an arrangement which would have identically and precisely the same effect. According to my information, it is proposed to induce the American farmers who have placed their cotton in Government loans to accept a small subsidy or pittance of \$1.25 a bale, and take their cotton out of the loan, thereby enabling the Commodity Credit Corporation, the Export-Import Bank, or some other agency under the control of the executive branch of the Government, to do precisely what I ask the Senate in the resolution, to express itself as opposing; that is, to sell the cotton, when taken out of the loan by the farmer and the producer under the inducement of a \$1.25 per bale bonus to him, for export, with a subsidy to the export buyer, the foreign consumer, of approximately 2 cents a pound, or \$10 per bale.

Mr. President, in the absence of the Senator from Kentucky [Mr. Barkley] I would not ask for consideration of the resolution, but inasmuch as the Senator has just returned to the Chamber I shall be glad to ask for consideration of the resolution as soon as the pending bill is disposed of. I wish to make it perfectly plain that I have acted in the utmost good faith, as I am sure the majority leader has done. I do not charge the Secretary of Agriculture with not acting in good faith. However, if the information which I have received is correct, it is obvious that somebody in the Government is willing to play hide-and-seek with the American Congress and the American people.

Mr. BARKLEY. Mr. President, will the Senator yield?

Mr. GEORGE. I yield. Mr. BARKLEY. I was out of the Chamber when the Senator started his remarks. I do not know what has happened, since the colloquy earlier in the day, to call forth his

remarks. Will the Senator advise me of any new information which has come to him?

Mr. GEORGE. I had stated what occurred earlier in the day, and that I was satisfied that the Senator from Kentucky had correctly understood the matter, and had correctly stated to me that the Department of Agriculture would take no steps until further conferences could be had upon the matter of disposing of American cotton, and until the opportunity should arise to present the resolution if it was desired to do so. I also stated that subsequently I had been informed, upon what I believed to be responsible information, that other agencies of the Government are now perfecting a scheme by which American cotton would be taken out of the Commodity Credit Corporation and sold abroad under substantially an export subsidy plan.

Mr. BARKLEY. Of course, I do not know who has provided the Senator with the information, and I would not ask the Senator to divulge the name of his informant unless he is willing to do so. The statements which I made this morning were based upon a conversation which I had with the Secretary of Agriculture, in which he stated that under present circumstances he could not sell the cotton, and that he had no plan to sell it, and that certainly nothing would be done in that direction until we could have an opportunity early next week to have a conference of members of the Committee on Agriculture and Forestry of the Senate, including the Senator from South Carolina [Mr. SMITH], the chairman, who. I understand, is at present constantly in conference with the Committee on Agriculture in the House, in which conferences the Secretary of Agriculture has participated.

Mr. GEORGE. I so understood.

Mr. BARKLEY. I do not know what other agency, unless it be some subordinate agency of the Reconstruction Finance Corporation, the Commodity Credit Corporation, or some other such organization, could be undertaking to perfect a scheme to carry out a plan which is not in harmony with what the Secretary of Agriculture told me. I do not know what the Senator has learned, or how reliable is the information which has come to him, but it would be surprising to me if the two agencies of the Government which have until now worked together with regard to cotton should suddenly find themselves separated in their purposes and designs.

Based upon the conferences we had earlier in the day and the assurances given me by the Secretary, I still feel that it would be unwise to press the resolution until we can get together, if possible. I will say to the Senator that I applanning to try to get the conferences in progress as early as possible in the week, so that we may find out what can be done. If nothing can be done, of course, Congress can then pursue its own remedy.

Mr. GEORGE. I wish the Senator from Kentucky to know that nothing I have said has in any wise conflicted with anything he is now saying. I specifically stated that I did not know whether or not the information which had reached me was correct.

Mr. BARKLEY. It seems to me it would be impossible for any such plan as has been described to be carried out between now and next Tuesday or Wednesday, or even Monday, even if it were in contemplation. Before taking action I should like to have the opportunity to check the information and have the Senator check the reliability of the information. I will say to the Senator that I had planned to leave the city at 4:30 o'clock.

Mr. GEORGE. I knew of the Senator's plan. I shall not press the motion this afternoon. However, I wish to make this statement so that, if the precise scheme which those of us interested in this matter are seeking to circumvent, or the same scheme in substance is actually under way and about to be consummated through any other agency of government, it will be done with full notice of my position on the subject.

I will say frankly to the Senator that I accept the statement of the Secretary of Agriculture in the utmost good faith. If such a scheme is contemplated through any other agency of government, I shall offer and press daily for consideration

a resolution to investigate the agency of the Government which would undertake to circumvent the wishes of Congress.

Mr. BARKLEY. Mr. President, I wish to endorse what the Senator has said. I have not the slightest doubt about the good faith of the Secretary of Agriculture. I presume only the future can tell whether or not he is pursuing or in recent weeks has pursued the course that may ultimately work out the solution of this problem. The Secretary has been diligent in his efforts to do so; and it was at the suggestion of the Senator from South Carolina [Mr. Smith] himself, earlier in the day, that it was agreed that the whole matter should go over until next week, to allow the two committees and the Secretary an opportunity to see what could be done to work out the problem.

We all want legislation which will work. It is of no value to pass a bill through the Senate unless it finally becomes a law. Although not very much cotton is produced in Kentucky, I am familiar with the cotton situation, and I am very sympathetic toward what is being attempted and the objectives to be attained.

In view of the imminence of the efforts to cooperate and work out a plan, I feel that we are justified in not acting in haste or precipitately, at least until those concerned have been given a further opportunity to work out the matter. I do not for a moment believe that the Secretary of Agriculture would connive with any other agency of the Government to do the thing which he says he does not contemplate doing, or that he would approve of such an effort. I think it may serve a good purpose to bring this matter up publicly and discuss it this afternoon, so that if any other agency is contemplating such a course, in view of what the Secretary of Agriculture has stated to us, it will desist until we find out whether or not the efforts now in progress will be successful.

APPORTIONMENT OF SUGAR CROP

The Senate resumed the consideration of the bill (S. 69) relating to the apportionment of shares of the sugar crop for 1939 and 1940.

The PRESIDING OFFICER. The question is on agreeing to the amendment offered by the Senator from Colorado [Mr. Adams], as amended.

The amendment, as amended, was agreed to.

The PRESIDING OFFICER. The bill is still before the Senate and open to amendment.

Mr. HARRISON. Mr. President, I merely wish to make one observation.

I did not object to the consideration of the bill. I anticipated that these amendments would be offered. They present a difficult problem. If I should find that the amendments violate the agreement with Cuba, and if the opportunity is still ripe for me to move to reconsider the bill, I shall do so. After the bill goes to the House, if the House should agree to the amendments, when the report comes back to the Senate I can then oppose it if it does violate a trade agreement, and I shall do so.

However, for the present I shall raise no question, because I have not had time to study the matter. Other Members have not had time to study the amendments in connection with the agreements, so as to come to any definite conclusion.

Mr. KING. Mr. President, before the bill is passed, I should like to be assured that there are no provisions in the bill which will in any way affect disadvantageously Hawaii or Puerto Rico, or change their status or relation to continental United States. If the bill in any way changes the quotas to which they are now entitled, except to their advantage, which advantage would be shared by the residents of the United States, or in any way interferes with the quota privileges which they now enjoy, with relation to the quota privileges enjoyed by continental United States, I would seek to amend it. May I ask the Senator from Colorado to enlighten me?

Mr. ADAMS. Mr. President, the intention was to leave Hawaii and Puerto Rico with the same quotas they now have. The domestic quota was increased with the idea of increasing the productive quota of the continental area. There was no intention of increasing the quota of Hawaii or Puerto

Rico. The excess which was to be created was to be distributed within the continental area. The figures were adjusted on that basis. They may not be accurate to the sixth point, but the effort was made to maintain the present situation. I am sure that if there should be a slight mathematical error one way or the other, the House would maintain the present basis.

Mr. KING. Then, as I understand the Senator, Puerto Rico and Hawaii would come within the category of continental United States?

Mr. ADAMS. No; they would not. The effort was made to see that Hawaii and Puerto Rico continued with the quota in tons which they now have, and that there should be no reduction. The bill should not be to their advantage or disadvantage.

Mr. KING. But they do not obtain any advantage if there is an increase of 200,000 or 300,000 tons.

 Mr. ADAMS. That is correct. The purpose was to meet the greatly increased production of beet sugar and cane sugar in continental United States.

Mr. KING. The Senator is a very fair man. In view of the fact that Hawaii and Puerto Rico are now a part of the United States, that American citizens reside there, and American capital is invested there, does the Senator think it is quite moral or just that we should discriminate against them or enact a measure which would be wholly of advantage to continental United States?

Mr. ADAMS. Mr. President, I will say to the Senator that I do not see that Hawaii or Puerto Rico is particularly concerned when new areas are opened in Oregon or in Washington or in Idaho and those areas acquire the right to increase their production. The quotas allotted to Hawaii and Puerto Rico are right up to their maximum production at any time.

Mr. KING. I do not quite agree with my friend with respect to the last statement he has made. The only point I am trying to make is that I should not like to see any legislation enacted which would indicate that American citizens residing in Puerto Rico and Hawaii are denied the same privileges and rights that are enjoyed by American citizens residing in continental United States.

We have taken over Puerto Rico—I may say that we took it over by force of arms—and we have given the people there American citizenship. I would not look with favor upon any measure which might be construed or interpreted as a discrimination against American citizens residing in Puerto Rico or Hawaii, or in any other Territory that is under the American flag. It seems to me that the same privileges that are given to the people of Colorado or Utah or any other State of the Union ought to be given to Puerto Rico and Hawaii in the allocation of these additional 300,000 tons. I understand, however, that that will not be done under the terms of this bill.

Mr. ADAMS. The Senator is correct. There will be no discrimination against them based on any fair measure of justice.

Mr. KING. I suppose it is justified upon the assumption that this increase is to be devoted exclusively to the cultivation of lands which heretofore have been denied cultivation.

Mr. ADAMS. That is not entirely the case. There is some increase due to drought. We have drought conditions, and in the cane area there has been an increased production due to the development of new canes. As a matter of fact, in the formulation of the 1937 Sugar Act the quota of the cane areas was increased, as I recollect, from some 260,000 tons up to the neighborhood of 400,000 tons. Then there was an effort to meet a situation in one portion of the United States which was justly entitled to consideration. A proportionate increase was not given to the beet areas. A proportionate increase was not given to Puerto Rico. The effort has been to be fair, and also to stimulate the production of sugar for American consumption on American soil.

Mr. KING. Mr. President, just one other word.

I agree with very much of what was stated by the Senator from Florida [Mr. Andrews]. We are producing in the United States only about 24 or 25 percent, possibly 27 percent, of our consumptive needs. We have millions of acres of

fine agricultural land that may not be cultivated because of the restrictions, I believe, in part, of the Agricultural Department, and because of other reasons not necessary to indicate. Much of that land could be utilized for the production of beets. Sugar beets may be raised in many of the States. They are one of the few profitable agricultural crops. I should say, however, that they are not always profitable, and for many years the beet-sugar growers have been "in the red." They have had many hazards, and have passed through many vicissitudes; and it is only recently that there has been a little emancipation from the dark clouds which have hung over them for so many years.

I should be glad to see a policy which would encourage a larger production of sugar beets and of cane sugar in continental United States. I wish the time might come when we would produce in the United States and in Puerto Rico and in Hawaii at least 60 percent of the consumptive needs in sugar of the American people. Though I am opposed to the theory of bounties and subsidies, I would be willing to support a policy that would encourage the production of sugar beets and sugarcane in continental United States and our Territorial possessions.

A policy to accomplish that end might require a modification of some of the treaties or trade agreements which our Government has with other countries, but in view of the condition of agriculture today, I would be glad to see a sound and proper policy adopted which would increase agricultural production and the utilization of fertile lands which would yield profitable and valuable crops.

I shall not delay the Senate, but hope that when the bill reaches the House there will be taken into account the rights, moral as well as legal, of the inhabitants of the Territories referred to, and that the bill when finally perfected shall meet every just requirement.

The PRESIDING OFFICER. The bill is still before the Senate and open to amendment. If there be no further amendment to be proposed, the question is on the engrossment and third reading of the bill.

The bill was ordered to be engrossed for a third reading, read the third time, and passed.

RETIREMENT OF COTTON POOL PARTICIPATION TRUST CERTIFICATES

Mr. BANKHEAD. Mr. President, earlier in the day, during the call of the calendar, I was necessarily absent; and House bill 3801, Calendar No. 204, was reached and passed over. I have since spoken to the senior Senator from Michigan [Mr. Vandenberg] about the bill and explained it to him.

The PRESIDING OFFICER. The bill will be read by title for the information of the Senate.

The CHIEF CLERK. A bill (H. R. 3801) to extend the time for retirement of cotton pool participation trust certificates. The PRESIDING OFFICER. Is there objection to the

present consideration of the bill?

There being no objection, the Senate proceeded to con-

sider the bill.

Mr. BANKHEAD. Mr. President, I desire to propose two amendments with reference to date in the bill as passed by

amendments with reference to date in the bill as passed by the House. On page 1, line 9, and also on page 2, line 1, I move to strike out "June 30, 1939," and substitute "September 30, 1939." That will give a little more time in which to file the claims.

The PRESIDING OFFICER. The amendments will be stated.

The amendments were, on page 1, line 9, after the words "day of", to strike out "June" and insert "September"; and on page 2, line 1, after the word "before", to strike out "June" and insert "September", so as to make the bill read:

Be it enacted, etc., That the appropriation of \$1,800,000 made in the Department of Agriculture Appropriation Act, 1939, under the item entitled "Retirement of cotton pool participation trust certificates" shall remain available until December 31, 1939, and the authority of the manager, cotton pool, to purchase and pay for participation trust certificates, Form C-5-I, shall extend to and include the 30th day of September 1939, but after the expiration of said limit the purchase may be consummated of any such certificate tendered to the manager, cotton pool, on or before September 30, 1939, but where for any reason the purchase price shall not have been paid by the manager, cotton pool.

The amendments were agreed to.

The amendments were ordered to be engrossed and the bill to be read a third time.

The bill was read the third time and passed.

The PRESIDING OFFICER. Without objection, the companion Senate bill (S. 1209) will be indefinitely postponed.

EXECUTIVE SESSION

Mr. PITTMAN. Mr. President, if there is no further legislative business. I move that the Senate proceed to the consideration of executive business.

The motion was agreed to; and the Senate proceeded to the consideration of executive business.

EXECUTIVE MESSAGES REFERRED

The PRESIDING OFFICER (Mr. LA FOLLETTE in the chair) laid before the Senate messages from the President of the United States submitting sundry nominations of postmasters. which were referred to the Committee on Post Offices and Post Roads.

(For nominations this day received, see the end of Senate proceedings.)

EXECUTIVE REPORTS OF A COMMITTEE

Mr. McKELLAR, from the Committee on Post Offices and Post Roads, reported favorably the nominations of several postmasters in the State of Pennsylvania, which were ordered to be placed on the Executive Calendar.

THE CALENDAR

The PRESIDING OFFICER. If there be no further reports of committees, the clerk will state the nomination on the calendar.

POSTMASTER

The legislative clerk read the nomination of Haden H. Phares to be postmaster at Clinton, La.

The PRESIDING OFFICER. Without objection, the nomination is confirmed.

That completes the calendar.

ADJOURNMENT TO MONDAY

Mr. PITTMAN. Under the order previously entered, I move that the Senate adjourn until Monday next.

The motion was agreed to; and (at 4 o'clock and 7 minutes p. m.) the Senate, under the order previously entered, adjourned until Monday, March 27, 1939, at 12 o'clock meridian.

NOMINATIONS

Executive nominations received by the Senate March 23, 1939

POSTMASTERS

Eva D. Reid to be postmaster at Vina, Ala., in place of D. G. Pearce, transferred.

Wayne S. Ross to be postmaster at Gillham, Ark., in place of E. H. Bonds, resigned.

Herbert A. Wegmann to be postmaster at Avalon, Calif., in place of J. B. Ogden, removed.

Louis C. De Armond to be postmaster at Blairsden, Calif. Office became Presidential July 1, 1938.

Margaret S. Dewhurst to be postmaster at Brisbane, Calif. Office became Presidential July 1, 1938.

Mary B. Buswell to be postmaster at Delhi, Calif. Office became Presidential July 1, 1938.

Felix G. Young to be postmaster at Desert Center, Calif.,

in place of L. F. Young, resigned.

Irene Crane Jones to be postmaster at Nubieber, Calif. Office became Presidential July 1, 1938.

George A. Chapman to be postmaster at Seaside, Calif. Office became Presidential July 1, 1938.

COLORADO

William D. McIntyre to be postmaster at Oak Creek, Colo., in place of P. V. DeWitt, removed.

DELAWARE

Walton Owens to be postmaster at Bridgeville, Del., in place of B. P. Jones, removed.

Mary C. O'Connor to be postmaster at Greenville, Del.

Office became Presidential July 1, 1938.

FLORIDA

Kirby L. Sandlin to be postmaster at Jasper, Fla., in place of Myrtis Lawson, resigned.

Carey C. Earnest to be postmaster at Blairsville. Ga., in place of C. W. Hill, resigned.

George H. Busha to be postmaster at Toccoa, Ga., in place of G. H. Busha. Incumbent's commission expired June 6.

ILLINOIS

Raymond J. Kelley to be postmaster at Huntley, Ill., in place of R. J. Kelley. Incumbent's commission expired June 6, 1938.

Lenora B. Dickerson to be postmaster at La Fayette, Ill. Office became Presidential July 1, 1938.

Herman C. Thiemann to be postmaster at Roselle, Ill., in place of H. C. Thiemann. Incumbent's commission expired June 18, 1938.

Lillian R. M. Yerke to be postmaster at Union, Ill., in place of L. R. M. Yerke. Incumbent's commission expired June 18.

August Grewe to be postmaster at Wheeling, Ill., in place of E. J. Welflin, resigned.

Albert Rea Petscher to be postmaster at Aurora, Ind., in place of J. A. Petscher, deceased.

James N. Hileman to be postmaster at Mount Pleasant. Iowa, in place of R. C. Campbell, deceased.

Ada Mildred Whistler to be postmaster at Havana, Kans. Office became Presidential July 1, 1938.

James F. Ellis to be postmaster at Sulphur, La., in place of T. L. Ellis, resigned.

MARYLAND

Thomas M. Simpson to be postmaster at Hagerstown, Md., in place of J. T. Hartle, deceased.

MICHIGAN

Flossie A. Brown to be postmaster at Williamston, Mich., in place of F. A. Brown. Incumbent's commission expired May 22, 1938.

MISSISSIPPI

William E. Mitchell to be postmaster at Stewart, Miss. Office became Presidential July 1, 1938.

MONTANA

Edward F. O'Neil to be postmaster at Glendive, Mont., in place of E. F. O'Neil. Incumbent's commission expired May 22, 1938.

NEBRASKA

Silas J. Anderson to be postmaster at Rosalie, Nebr. Office became Presidential July 1, 1938.

NEW JERSEY

Mary R. Warren to be postmaster at Tuckahoe, N. J. Office became Presidential July 1, 1938.

NEW MEXICO

George T. Meyers to be postmaster at Hillsboro, N. Mex., in place of G. T. Meyers. Incumbent's commission expired June

Eugene Montague to be postmaster at Lordsburg, N. Mex., in place of Eugene Montague. Incumbent's commission expired June 7, 1938.

NEW YORK

Charles Hogan to be postmaster at Harrisville, N. Y., in place of Charles Hogan. Incumbent's commission expired June 18, 1938.

James M. Hall to be postmaster at Roseboro, N. C., in place of J. M. Hall. Incumbent's commission expired June 18, 1938.

Carl A. Rickard to be postmaster at Alliance, Ohio, in place of F. D. Miller, deceased.

OKLAHOMA

Delbert H. Rounsaville to be postmaster at Atoka, Okla., in place of D. H. Rounsaville. Incumbent's commission expired May 29, 1938.

PENNSYLVANIA

Frank J. Studeny to be postmaster at Johnstown, Pa., in place of F. J. Studeny. Incumbent's commission expired June

W. Fred Williams to be postmaster at Shippenville, Pa., in place of W. F. Williams. Incumbent's commission expired June 6, 1938.

TEXAS

Tom Calhoon to be postmaster at Liberty, Tex., in place of Tom Calhoon. Incumbent's commission expired June 1, 1938.

James F. Trainer to be postmaster at Lyndon Station, Wis., in place of J. F. Trainer. Incumbent's commission expired June 18, 1938.

Dan F. Vicker to be postmaster at Park Falls, Wis., in place of D. F. Vicker. Incumbent's commission expired June 12, 1938.

CONFIRMATION

Executive nomination confirmed by the Senate March 23, 1939

POSTMASTER

LOUISIANA

Haden H. Phares, Clinton.

HOUSE OF REPRESENTATIVES

THURSDAY, MARCH 23, 1939

The House met at 12 o'clock noon.

The Chaplain, Rev. James Shera Montgomery, D. D., offered the following prayer:

Dear Heavenly Father, we thank Thee for the love that keeps us through the night and for that renewed strength that through our being flows. Conscious of our needs, we rejoice in the assurance of the divine Fatherhood. We are thankful for the infinite compassion of the Christ, for His conquest of evil, and for His rise to moral grandeur. We beseech Thee that His holy hand may touch our energies, converting them into deep resolution, growing self-restraint, affection, and devotion. We pray that the Sun of Righteousness may rise until His full-orbed glory shall stand midheaven above our homeland; our hope and faith are in Thee and in mankind.

In Him were all things created, in the heavens and upon the earth, things visible and things invisible, whether thrones or dominions or principalities or powers; all things have been created through Him and unto Him; and He is before all things, and in Him all things hold together.

We pray in His holy name. Amen.

The Journal of the proceedings of yesterday was read and approved.

MESSAGE FROM THE SENATE

A message from the Senate by Mr. Frazier, its legislative clerk, announced that the Senate had passed, with amendments in which the concurrence of the House is requested, a bill of the House of the following title:

H. R. 4425. An act to provide for reorganizing agencies of the Government, and for other purposes.

The message also announced that the Senate had passed a concurrent resolution of the following title, in which the concurrence of the House is requested:

S. Con. Res. 6. A concurrent resolution providing for the printing of additional copies of the hearings held before the Special Committee on Taxation of Governmental Securities and Salaries.

The message also announced that the Senate agrees to the amendments of the House to a bill of the Senate of the following title:

S. 1476. An act to authorize an appropriation to pay non-Indian claimants whose claims have been extinguished under the act of June 7, 1924, but who have been found entitled to awards under said act as supplemented by the act of May 31, 1933.

The message also announced that the Vice President had appointed Mr. BARKLEY and Mr. GIRSON members of the Joint Select Committee on the part of the Senate, as provided for in the act of February 16, 1889, as amended by the act of March 2, 1895, entitled "An act to authorize and provide for the disposition of useless papers in the executive departments," for the disposition of executive papers in the following Department:

Department of War.

EXCLUSION AND DEPORTATION OF ALIENS

Mr. DEMPSEY. Mr. Speaker, I ask unanimous consent for the immediate consideration of the bill (H. R. 4860) to amend existing law so as to provide for the exclusion and deportation of aliens who advocate the making of fundamental changes in the American form of government.

The SPEAKER. The Chair has agreed to recognize the gentleman to submit a unanimous consent to consider this bill, with the understanding it will not be controversial and will not consume any time.

The Clerk read the title of the bill.

The SPEAKER. Is there objection to the present consideration of the bill?

There was no objection.

The Clerk read the bill, as follows:

Be it enacted, etc., That paragraph (c) of section 1 of the act entitled "An act to exclude and expel from the United States aliens who are members of the anarchistic and similar classes," approved October 16, 1918, as amended (U. S. C., 1934 edition, title 8, sec. 137 (c)), is amended by striking out "or (4) sabotage" and inserting in lieu thereof "(4) sabotage, or (5) the making of fundamental changes in the American form of government."

SEC. 2. Paragraph (d) of such section 1, as amended (U. S. C., 1934 edition, title 8, sec. 137 (d)), is amended by striking out "or (4) sabotage" and inserting in lieu thereof "(4) sabotage, or (5) the making of fundamental changes in the American form of government."

With the following committee amendments:

Page 1, line 9, after the word "of", strike out the word "fundamental" and insert the word "any."

On page 2, in line 4, strike out the word "fundamental" and insert the word "any."

In line 6 insert a new paragraph, as follows:

"Sec. 3. The Commissioner of Immigration and Naturalization, with the approval of the Secretary of Labor, shall prescribe such rules and regulations as may be necessary for the enforcement of this act." this act.'

Amend the title.

The committee amendments were agreed to.

The bill as amended was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

The title was amended so as to read: "A bill to amend existing law so as to provide for the exclusion and deportation of aliens who advocate the making of any changes in the American form of government."

EXTENSION OF REMARKS

Mr. SHANLEY. Mr. Speaker, I ask unanimous consent to extend my own remarks in the RECORD, and to include therein a concluding address at a memorable tercentenary in the city of New Haven.

The SPEAKER. Is there objection to the request of the gentleman from Connecticut?

There was no objection.

Mr. IGLESIAS. Mr. Speaker, I ask unanimous consent to extend my own remarks in the RECORD, and to include therein a resolution of the Labor Federation of Puerto Rico.

The SPEAKER. Is there objection to the request of the ! gentleman from Puerto Rico?

There was no objection.

CRITICAL MATERIALS BILL

Mr. ANDREWS. Mr. Speaker, I ask unanimous consent that I may have until midnight tonight to file separate minority views covering the bill H. R. 5191, the so-called critical materials bill of the War Department.

The SPEAKER. Is there objection to the request of the

gentleman from New York? There was no objection.

EXTENSION OF REMARKS

Mr. Burdick asked and was given permission to revise and extend his own remarks in the RECORD.

SPECIAL JOINT COMMITTEE ON FORESTRY

Mr. SABATH, from the Committee on Rules, reported the following privileged resolution (H. Con. Res. 11), which was referred to the Union Calendar and ordered to be printed:

House Concurrent Resolution 11

House Concurrent Resolution 11

Resolved by the House of Representatives (the Senate concurring), That the special joint committee which was authorized and directed to study and make investigation of the present and prospective situation with respect to the forest land of the United States, its condition, ownership, and management, as it affects a balanced timber budget, watershed protection, flood control, and the other commodities and social economic benefits which may be derived from such land, be authorized to continue the investigation begun under Senate Concurrent Resolution 31 of the Seventy-fifth Congress, and for such purposes said committee shall have the same power and authority as were conferred upon it by Senate Concurrent Resolution 31 of the Seventy-fifth Congress, and shall report to the House as soon as practicable, and not later than April 1, 1940, the results of its investigation, together with its recommendation for necessary legislation. necessary legislation.

GOVERNMENT REORGANIZATION BILL

Mr. COCHRAN. Mr. Speaker, I ask unanimous consent to take from the Speaker's table the bill (H. R. 4425) to provide for reorganizing agencies of the Government, and for other purposes, with Senate amendments, disagree to the Senate amendments, and ask for a conference.

The SPEAKER. Is there objection to the request of the gentleman from Missouri? [After a pause.] The Chair hears none, and appoints the following conferees: Messrs. COCHRAN, WARREN, ROBINSON of Utah, BEAM, COX, SCHULTE, TABER, GIFFORD, and DIRKSEN.

VETERANS' LEGISLATION

Mr. SMITH of Washington. Mr. Speaker, by direction of the Committee on Pensions, I ask unanimous consent that that committee be discharged from the further consideration of the bill (H. R. 1008) to confer to certain persons who served in the Quartermaster Corps or under the jurisdiction of the Quartermaster General during the War with Spain, the Philippine Insurrection, or the China Relief Expedition the benefits of hospitalization and the privileges of the soldiers' homes, and that it be referred to the Committee on World War Veterans' Legislation.

The SPEAKER. Is there objection to the request of the gentleman from Washington?

There was no objection.

EXEMPTION OF RESIDENT INMATES OF UNITED STATES SOLDIERS' HOMES AND THE NAVAL HOME, PHILADELPHIA

Mr. SMITH of Washington. Mr. Speaker, by direction of the Committee on Pensions, I ask unanimous consent that the committee be discharged from further consideration of the bill (H. R. 901) to exempt resident inmates of the United States Soldiers' Home, Washington, D. C., and the Naval Home, Philadelphia, Pa., from pension reduction as prescribed by Veterans Regulation No. 6-Series, and that it be re-referred to the Committee on Invalid Pensions.

The SPEAKER. Is there objection to the request of the gentleman from Washington?

There was no objection.

AGRICULTURAL APPROPRIATION BILL, 1940

Mr. CANNON of Missouri, by direction of the Committee on Appropriations, reported the bill (H. R. 5269) making appropriations for the Department of Agriculture and for the

Farm Credit Administration for the fiscal year ending June 30, 1940, and for other purposes, which was read a first and second time and, with the accompanying papers, referred to the Committee of the Whole House on the state of the Union and ordered printed.

Mr. LAMBERTSON reserved all points of order.

Mr. CANNON of Missouri. Mr. Speaker, I move that the House resolve itself into the Committee on the Whole House on the state of the Union for the consideration of the bill (H. R. 5269) making appropriations for the Department of Agriculture and for the Farm Credit Administration for the fiscal year ending June 30, 1940, and for other purposes; and, pending that motion, I would like to reach some agreement with the gentleman from Kansas [Mr. LAMBERTSON] as to general debate. I have had some conference with gentlemen on the other side, and, in keeping with that conference, Mr. Speaker, I ask unanimous consent that general debate extend until 4 o'clock this afternoon, the time to be equally divided between the gentleman from Kansas [Mr. Lambertson] and myself.

The SPEAKER. The gentleman from Missouri moves that the House resolve itself into the Committee of the Whole House on the state of the Union for the consideration of the bill H. R. 5269, the Department of Agriculture appropriation bill, and, pending that motion, asks unanimous consent that general debate on the bill be concluded not later than 4 o'clock this afternoon, the time to be equally divided between himself and the gentleman from Kansas [Mr.

LAMBERTSON]. Is there objection?

Mr. LAMBERTSON. Mr. Speaker, reserving the right to object, I have requests on this side for 6 hours' time. I do not see how I can accept that agreement.

Mr. CANNON of Missouri. Is that time to be confined to

the bill?

Mr. LAMBERTSON. I do not think so.

Mr. CANNON of Missouri. We have always concluded consideration of this bill in 2 days. We have never taken more than 2 days to pass the Agriculture appropriation bill. What is the gentleman's suggestion?

Mr. LAMBERTSON. I suggest we let the general debate run throughout the day, divided equally, and make some

decision later.

Mr. CANNON of Missouri. That would, of course, mean that we might not be able to complete the bill this week. I am certain the gentleman would rather have an agreement under which the time would be equally divided.

Mr. LAMBERTSON. In view of the fact that there were so many days spent last week on the Department of the Interior appropriation bill, there seem to be many subjects about which the Members want to talk, and I think it would be advisable to have 2 full days of general debate on this bill. I have requests for over half of that time myself on this side.

Mr. CANNON of Missouri. The gentleman did not men-

tion that when we discussed it yesterday.

Mr. LAMBERTSON. I will say to the gentleman that the gentleman from New York [Mr. TABER] had requests for 2 or 3 hours' time that he had not told me about when I talked with the gentleman yesterday. I had requests for 3 hours myself, and the gentleman from New York [Mr. TABER] had requests for 3 hours made to him, which he transferred to me last night.

Mr. CANNON of Missouri. Mr. Speaker, I move that the House resolve itself into the Committee of the Whole House on the state of the Union for the consideration of the bill H. R. 5269, the Department of Agriculture appropriation

CALL OF THE HOUSE

Mr. TABER. Mr. Speaker, a point of order.

The SPEAKER. The gentleman will state the point of

Mr. TABER. Mr. Speaker, I make the point of order that a quorum is not present.

The SPEAKER. The gentleman from New York makes the point of order that a quorum is not present. The Chair will count. [After counting.] One hundred and twentyseven Members are present, not a quorum.

Mr. CANNON of Missouri. Mr. Speaker, I move a call of the House.

A call of the House was ordered.

The Clerk called the roll, and the following Members failed to answer to their names:

[Roll No. 401

Arnold	Doughton	McGehee	Seger
Barden	Duncan	McKeough	Shannon
Bates, Mass.	Evans	McReynolds	Short
Blackney	Folger	Maas	Sparkman
Boland	Leland M. Ford	Magnuson	Sumners, Tex.
Buckley, N. Y.	Gathings	Mansfield	Sweeney
Burdick	Goldsborough	Martin, Ill.	Taylor, Colo.
Byrne, N. Y.	Hartley	Norton	Thomas, N. J.
Byron	Jeffries	Osmers	Thomas, Tex.
Creal	Knutson	O'Toole	White, Idaho
Crosser	Lea	Reece, Tenn.	
Curley	LeCompte	Risk	
Dies	McArdle	Sasscer	

The SPEAKER. On this roll call 383 Members have answered to their names, a quorum.

By unanimous consent, further proceedings under the call were dispensed with.

AGRICULTURAL APPROPRIATION BILL, 1940

Mr. CANNON of Missouri. Mr. Speaker, I move that the House resolve itself into the Committee of the Whole House on the state of the Union for the consideration of the bill (H. R. 5269) making appropriations for the Department of Agriculture and for the Farm Credit Administration for the fiscal year ending June 30, 1940, and for other purposes; and pending that—in a spirit of generous cooperation with my friends on the other side of the aisle—I ask unanimous consent that the remainder of the day be devoted to general debate, the time to be equally divided and to be controlled by myself and the gentleman from Kansas [Mr. LAMBERTSON].

Mr. LAMBERTSON. Mr. Speaker, that is satisfactory. The SPEAKER. Is there objection to the request of the

gentleman from Missouri?

There was no objection.

The SPEAKER. The question is on the motion of the gentleman from Missouri.

The motion was agreed to.

Accordingly the Committee resolved itself into the Committee of the Whole House on the state of the Union for the consideration of the bill, H. R. 5269, the agricultural appropriation bill, 1940, with Mr. Patman in the chair.

The Clerk read the title of the bill.

By unanimous consent, the first reading of the bill was dispensed with.

Mr. CANNON of Missouri. Mr. Chairman, I yield myself 10 minutes.

Mr. Chairman, we are reporting the largest agricultural appropriation bill ever reported in the history of the United States Congress. And for the first time this session we are reporting one of the general supply bills above the Budget estimate—a greater increase over the Budget estimate than any agricultural appropriation bill that I recall since I have been a member of the Appropriations Committee-to be exact, \$244,357,507 above the Budget estimate; and yet, Mr. Chairman, there are men who want to increase it. Large as it is, huge as is the amount the bill appropriates, it still is not large enough, it still does not appropriate money enough to satisfy a great many Members, who propose to offer amendments to increase the size of this already top-heavy bill. But, Mr. Chairman, I do not recall in recent years an agricultural appropriation bill which has been so heavily pared, so far as the establishment is concerned, so far as the Department of Agriculture appropriation is concerned, as this bill. This is an anomaly. This bill is more heavily pruned than any bill we have offered in recent years, still it appropriates a larger amount and is further above the estimate than any bill in the history of Congress for this purpose.

The difference, Mr. Chairman, is in two items only: The item for soil conservation, which has been increased \$15,000,-000 above the Budget estimate to give the same amount we gave for that purpose last year; and \$250,000,000 for parity payments, providing the same percentage of parity to the farmers of the country that was provided in the bill for the current year. With the exception of these two items, soil conservation and parity payments, we have cut this bill so heavily throughout that, notwithstanding increases in response to bills enacted by the Congress since the last agricultural appropriation bill was reported, we report a bill otherwise far below the Budget estimate.

It is not necessary to discuss soil conservation. No appropriation has been made in recent years which meets with such general approval as the appropriation for soil conservation. The other proposition, that of parity payments, is to carry out a policy which has been adopted by the Congress after many years of experimentation, after years of debate on innumerable measures proposed to bring back farm prosperity, to give the farmers economic equality with industry and labor. Every political party in its national platform has resolved that the farmer is entitled to parity, and the Congress itself by solemn enactment has provided that the farmer should have parity. This appropriation is to implement that law.

What is parity? Parity provides that the farmer shall have for his labor, for his product, and for his service as fair a wage, as fair a price, as fair a return as he pays industry and labor for their products, their labor, and their services. It provides that the farmer shall receive as fair a price for what he sells as he pays for what he buys.

Mr. FISH. Mr. Chairman, will the gentleman yield? Mr. CANNON of Missouri. I yield to my friend the gentleman from New York.

Mr. FISH. I wish the gentleman would explain a little more in detail this parity payment. What would be the parity on cotton?

Mr. CANNON of Missouri. Parity is the price that the farmer received during the years 1909 to 1914, inclusive. That is taken as the basis. It was presumed that in those years the farmer was on a plane of equality with industry and labor. The truth about the matter is that the farmer did not receive parity even during those years. The fact is that during those years the price of farm lands was increasing steadily so that the farmer having served a lifetime producing food and fiber for the Nation could retire, not on the profits made in farming, but on the increment of his land. So really what we call parity today is not complete parity, but it is the nearest approach to a fair base we can adopt.

Mr. FISH. What would that mean for cotton? What would the parity price on cotton be?

Mr. FULMER. Will the gentleman yield?

Mr. CANNON of Missouri. I yield to the gentleman from South Carolina.

Mr. FULMER. I would say to the gentleman that at this time it is 15.6 cents.

Mr. FISH. The gentleman says it will be 15.6 cents and I believe that to be correct. I want the gentleman who knows a great deal about this subject to explain to the House that if the cotton parity price is 15.6, under this appropriation of \$250,000,000 they will not get that parity price, they probably will not get more than 12 cents; therefore, it is not a parity price at all under this bill. Is that not correct?

Mr. CANNON of Missouri. I am glad the gentleman has called attention to that fact. This appropriation of \$250,-000,000 will give the farmer not to exceed 75 percent of parity.

Mr. FISH. Is it not a fact it will not give him 75 percent

of parity price on cotton?

Mr. CANNON of Missouri. It is calculated to give him 75 percent. This fund operates until the price reaches 75 percent of parity and does not operate thereafter. For this reason it will not apply at present prices to either tobacco or rice which are today quoted at more than 75 percent of the parity price. It will apply to the other three basic agricultural products—cotton, wheat, and corn. Mr. PACE. Will the gentleman yield?

Mr. CANNON of Missouri. I yield to the gentleman from Georgia.

Mr. PACE. Is it not true that the 75-percent provision is a limitation that no community shall exceed that amount, but the \$250,000,000 will not pay 75 percent of the parity price to all of the five commodities? When a commodity reaches 75 percent it does not receive any more of the fund and the balance, if any, will be transferred to a commodity that is

not up to 75 percent parity?

Mr. CANNON of Missouri. Of course, no categorical statement can be made on that because prices continually fluctuate. We have increased the amount this time from \$212,-000,000 provided in the last bill to \$250,000,000, with the hope that the price of agricultural products will be such as to permit us to give at least 75 percent or as close to that percentage as possible. To give him 100 percent would require, as the Secretary of Agriculture testified, more than \$1,000,000,000.

[Here the gavel fell.]

Mr. CANNON of Missouri. Mr. Chairman, I yield myself 5 additional minutes.

Mr. NELSON. Will the gentleman yield?

Mr. CANNON of Missouri. I yield to the gentleman from Missouri.

Mr. NELSON. Further referring to the definition of parity price, am I right in my understanding that parity price means in effect that what the farmer has to sell will buy as much of what he has to buy as during the years used as a base, and it is dependent upon this rather than merely upon the price that the farmer receives?

Mr. CANNON of Missouri. That is the technical definition.

Mr. TABER. Will the gentleman yield?

Mr. CANNON of Missouri. I yield to the gentleman from New York.

Mr. TABER. I wonder if the gentleman has any memoranda indicating how the \$212,000,000 that was appropriated during the last session of the Congress is being spent and for what purpose and to what extent?

Mr. CANNON of Missouri. Yes.

Mr. TABER. There is nothing in the hearings that I can find on that matter

Mr. CANNON of Missouri. The Department of Agriculture, as well as a representative of the Farm Bureau, appeared before the committee and gave those figures. The gentleman will find them on page 1689.

Mr. TARVER. Will the gentleman yield?

Mr. CANNON of Missouri. I yield to the gentleman from

Mr. TARVER. I may say to the gentleman that cotton received \$84,000,000 out of the \$212,000,000, and cotton will receive \$88,000,000 out of this appropriation. In the record appears statistics showing exactly how much each crop will get out of the \$212,000,000 and how much it is estimated they will receive out of the \$250,000,000, if allowed.

Mr. CANNON of Missouri. The exact amounts appear in the hearings at the page indicated.

Mr. DOWELL. Will the gentleman yield?

Mr. CANNON of Missouri. I yield to the gentleman from

Mr. DOWELL. The gentleman did not state how much would be allowed out of the \$250,000,000 for corn.

Mr. CANNON of Missouri. The amount as given in the hearings is \$61,613,000.

Mr. DOWELL. Is it intended that this bill shall carry the same proportion?

Mr. CANNON of Missouri. Exactly the same proportion and approximately the same percentage of parity.

Mr. FERGUSON. Will the gentleman yield?

Mr. CANNON of Missouri. I yield to the gentleman from Oklahoma.

Mr. FERGUSON. I want to be sure of the mechanics of this parity-payment proposition. As I understand it, the \$212,000,000 will be paid on the 1938 crop provided the man complies in 1939 and the \$250,000,000 provided in this bill will be paid on the 1939 crop if the man complies in 1940? Mr. CANNON of Missouri. That is right.

Mr. FERGUSON. If that is so, every year the payment, although made on the basis of the allotments, hinges on his compliance the following year?

Mr. CANNON of Missouri. The gentleman is correct.

Mr. POAGE. Will the gentleman yield?

Mr. CANNON of Missouri. I yield to the gentleman from Texas.

Mr. POAGE. Do I understand then that we have the situation that if there was a payment made last year, 1938, on the 1937 crop that this year there will be a payment made on the 1938 crop?

Mr. CANNON of Missouri. That is correct.

Mr. POAGE. And in 1940 there will be a payment made on the 1939 crop, which is the crop we are now planting?

Mr. CANNON of Missouri. Payment will be made just as soon as the basis of the crop and the compliance can be ascertained under the \$212,000,000 for the current-year payments are ready now for winter wheat and for cotton the payments will not be ready until August, or possibly September. The information from the Department is that payments under the \$250,000,000 appropriation will be at approximately

the corresponding dates in 1940.

Mr. POAGE. That is presumed to be this fall, in 1939, which, if we actually have a situation of paying on each of these crops, would require two payments in the calendar year of 1939 because we have not received a payment for the 1938 crop as yet. It is presumed that we will be able to calculate compliance in 1939 very promptly because we know the allotment at the very beginning of the year and we do not have to have the delay we had last year, so that would require that two payments be made during the calendar year of 1939.

Mr. CANNON of Missouri. Of course, we cannot predict the exact date on which these payments will be made, but there is this difference in the provision carried in the bill and the provision carried in the bill last year.

[Here the gavel fell.]

Mr. CANNON of Missouri. Mr. Chairman, I yield myself 5 additional minutes.

For the current year we based the payments upon the 1939 crop and the 1939 compliance, which of course delayed the ascertainment. This year, instead of basing it on the 1940 crop and the 1940 compliance, which we would have done had we followed this year's bill, we have based it on the 1939 crop and the 1940 compliance.

Mr. POAGE. I can understand about the 1940 crop but I am still troubled about this situation. The Department of Agriculture has circulated throughout my section of the country, at least, questions and answers, and one of the questions is, "Will payment be made on the 1938 or 1939 crop, or both?" The answer given is "The 1939 crop." There never has been a payment made on the 1938 crop. What I want to get straight is, what is going to happen with the 1938 crop? There are 3 years involved; 1937, 1938, and 1939 have come, and all but 1939 have gone. During these 3 years we know we are going to get two payments, but are we ever going to get three payments for the three crop years?

Mr. CANNON of Missouri. Payment for the 1938 crop will be made this year.

Mr. TARVER. Mr. Chairman, will the gentleman yield? Mr. CANNON of Missouri. I yield to the gentleman from Georgia.

Mr. TARVER. Payments under the \$212,000,000 appropriation made last year allocated to cotton will, I am informed, not begin until September of the present year. It is not anticipated that if this appropriation is made cottonparity payments will begin until September or perhaps October of 1940. There is no proposal of having two payments in 1 year and that contingency could not possibly come about.

Mr. FERGUSON. Mr. Chairman, will the gentleman yield? Mr. CANNON of Missouri. I yield to the gentleman from

Mr. FERGUSON. In reality, there is no 1938 payment? Mr. TARVER. In reality, it was the intention of Congress to provide for a payment on the 1938 crop, and the regulations adopted by the Department of Agriculture providing for payment on the basis of the acreage allotment for the 1939 program in effect carry out the intent of Congress, so there will be this year out of the \$212,000,000 parity payments based on the 1938 crop in fact. The proposal here is to

provide \$250,000,000 in parity payments to be based on the 1939 crop, to be paid after compliance with the 1940 program is determined.

Mr. FERGUSON. So, in reality, there are just two payments, in 1939 and 1940.

Mr. MASSINGALE. Mr. Chairman, will the gentleman vield?

Mr. CANNON of Missouri. I yield to the gentleman from

Mr. MASSINGALE. I understood the chairman to state that any hope of receiving parity for the 1939 crop will depend upon compliance with the 1940 program.

Mr. CANNON of Missouri. The gentleman is correct.

Mr. MASSINGALE. I should like to ask the gentleman just this simple question: Suppose there is no 1940 program? Suppose this act should be repealed or some new act substituted in its stead? There would be no 1939 parity payments, would there?

Mr. CANNON of Missouri. That is a hypothetical question which falls under the province of the legislative com-

Mr. AUGUST H. ANDRESEN. Mr. Chairman, will the gentleman yield?

Mr. CANNON of Missouri. I yield to the gentleman from

Mr. AUGUST H. ANDRESEN. As I understand, there is provided \$500,000,000, approximately, for soil conservation, \$250,000,000 for additional parity payments, and an additional sum provided under section 32 of \$130,000,000.

Mr. CANNON of Missouri. That is in no way connected with this proposition. Does the gentleman refer to the section 32 under which we take a portion of the funds collected as duties?

Mr. AUGUST H. ANDRESEN. Yes. That is not in this

Mr. CANNON of Missouri. That is not in this item.

Mr. Chairman, the farm problem is the key to every problem before the Nation today. On its solution depends the alleviation of unemployment, the development of an adequate national income and recovery from the depression. Unless the farmer receives a price for his products which will provide buying power to enable him to buy the products of labor and industry, unemployment will continue, the national income will remain in the lower brackets, and the depression will be aggravated rather than lessened. The only items in this bill which will affect farm prices are the two in excess of the Budget estimates-soil conservation and parity payments. They are not sufficient to provide full parity. They do not begin to solve the problem. But on the theory that half a loaf is better than no bread at all, we offer them as the only contribution toward farm equality available at this time. [Applause.]

[Here the gavel fell.]

Mr. LAMBERTSON. Mr. Chairman, I yield 10 minutes to the gentleman from New York [Mr. TABER].

Mr. TABER. Mr. Chairman, we are considering here a bill calling for an appropriation of \$1,067,274,427. This is the largest bill for agricultural purposes that has ever been presented to the House. Two items were carried in the 1938 so-called relief bill last year, one amounting to \$175,000,000 for loans and rural relief through the Farm Security Administration, and the other amounting to \$212,000,000 for parity payments that were carried in other than the agricultural bill last year. These items in the report make it appear erroneously that the amount carried was larger last year than now.

Perhaps the most interesting and astounding statement that has ever been made to the House of Representatives was that made by the chairman of the subcommittee when he presented the bill. I am not going to attempt to quote him exactly, but as I understood him, he said he had never known a bill to be presented to the House that had so much padding in it as this bill, insofar as departmental activities were concerned.

Mr. CANNON of Missouri. Mr. Chairman, will the gentleman yield?

Mr. TABER. I yield to the gentleman.

Mr. CANNON of Missouri. I trust the gentleman will not make any mistake in attempting to quote me. I have the highest respect for the gentleman's memory and his accuracy.

Mr. TABER. If I have made a mistake, I shall be pleased to let the gentleman correct it.

Mr. CANNON of Missouri. I said there were still several millions of dollars in this bill that I thought ought to be taken out, but I did not say it contained more for this purpose than any other bill because as I have said, we have cut it more than any bill I recall in several years for the expenses of the establishment.

Mr. TABER. If I have made a mistake, I accept the gentleman's correction, nevertheless that leaves the bill, insofar as its administrative activities are concerned and insofar as a large number of other appropriations are concerned, where it will stand, in the interest of efficiency and economy, substantial cuts without any impairment of efficiency.

I am now going to call attention to one or two items. The Appropriations Committee has recommended one amendment which provides for cutting out an item of \$240,000 above the Budget for the National Arboretum. I hope the committee will make this cut.

There is an increase in the amount of the direct appropriation for soil conservation and use of agricultural land resources, including payments, from \$345,000,000 direct appropriation, to \$429,000,000. This represents practically the same amount that was available for this year; and this year, as near as I can figure, they are estimating that \$70,000,000 will not be used. It would seem that this item could be placed upon the basis of the use that is anticipated for this year and that \$70,000,000 could be cut from it.

Then there is this price adjustment item of \$250,000,000,

and I am going to discuss that in a moment.

Then there is, further down, an item of farm tenancy of over \$24,000,000 plus unobligated balances that might be carried over. How much that will be I do not know. In my own mind this farm tenancy item, providing approximately two set-ups in each county in the United States, is terrible scourge upon the Government of the United States, the idea of taking two tenant farmers in one county and setting them up as farmers, as near as I can figure it, on the basis of a cost of at least \$5,000 each and putting them in the farming business and picking them out of a whole group of farmers. Frankly, I do not think we will ever get anywhere in helping to solve the farm-tenancy problem in that way, and I think we would be much better off if we abandoned the program.

Now, with reference to this parity payment of \$250,000,000, let me tell you what the situation is in the United States. Our agricultural situation is bad for a great many reasons. It is bad because we have the competition of foreign agricultural products and the price of our agricultural products has been forced down as a result of the reciprocal-trade agreements to a level with the foreign price all the way through. Now we are advised that there are very few agricultural imports.

Mr. COOLEY. Mr. Chairman, will the gentleman yield? Mr. TABER. Not at this point; when I have completed my statement, if I have an opportunity I shall be pleased to yield, but I want this question made clear.

We are told that these reciprocal-trade agreements do not result in large imports. Let me say to you that they result in putting down the price of agricultural products to the level of the foreign products. We cannot, of course, bring about large imports in agricultural products by these agreements, but we do get the result of cutting the price down and this has been the situation with reference to large items. It is estimated that if we have proper protection for our farmers that the agricultural imports would result in the operation of 85,000,000 acres of land in the United States that is now idle. Under these circumstances we cannot expect anything like a parity price for our farmers. This applies to wheat, it applies to corn, it applies to cotton, it applies to tobacco, it applies to milk and dairy products, and unless we have some sort of basis for parity prices in the line of a tariff that has been almost destroyed or has never

been imposed, such as cotton, we are in a situation where no matter what we do we cannot establish anything like a parity for the farmer.

[Here the gavel fell.]

Mr. LAMBERTSON. Mr. Chairman, I yield the gentleman 5 additional minutes.

Mr. DOWELL. Mr. Chairman, will the gentleman yield?

Mr. TABER. I yield.

Mr. DOWELL. Will the gentleman insert in the RECORD, as a part of his remarks, the amount of these products that have been received in the United States?

Mr. TABER. I will do the best I can and I know that tremendous volumes of other agricultural products have had their price scuttled by reason of the absence of adequate protection for the farmer.

In 1935 agricultural imports exceeded \$2,500,000,000. 1936 agricultural imports exceeded \$2,200,000,000. In 1937 agricultural imports exceeded \$3,400,000,000. They have become over 60 percent of our total imports.

I have not available the 1938 figures.

Mr. COOLEY. Mr. Chairman, will the gentleman yield?

Mr. TABER. I yield. Mr. COOLEY. What reciprocal-trade agreement has adversely affected cotton?

Mr. TABER. None. We do not have any tariff upon cotton, but farm production has affected the price of cotton.

Mr. COOLEY. But the gentleman made the statement that reciprocal-trade treaties had adversely affected these commodities and put them in such position that they could not receive proper prices.

Mr. TABER. Oh, the gentleman did not understand what I said. I said that the price of farm products in general had been very largely affected by reciprocal-trade agreements and by the failure of having any adequate tariff. There is no tariff on cotton. There have been very substantial imports of cotton. I know that consumers of cotton in my territory have had foreign cotton offered to them in the New York City market below the price at which they could buy domestic cotton.

Mr. COOLEY. Will the gentleman yield further?

Mr. TABER. Yes.

Mr. COOLEY. Would the gentleman be kind enough to explain to the House in what manner and in what reciprocal trade agreements these commodities have been adversely affected?

Mr. TABER. Why, the gentleman knows that the reciprocal trade agreements with Holland and with Canada and a great many of the other countries have seriously, adversely affected the price of agricultural products. It is well known.

Mr. CARLSON. Mr. Chairman, will the gentleman yield? Mr. TABER. I yield to the gentleman from Kansas.

Mr. CARLSON. If the gentleman from New York [Mr. TABER] will permit, I would like to call his attention to the importation of cattle as the result of the Canadian reciprocal trade treaty. The quota arrangement carries the provision that a total of not more than 60,000 head of low-duty cattle, weighing over 700 pounds, may be imported in any one calendar quarter. The Canada low-duty imports are limited to 51,720 head and Mexico cannot exceed 8,280 head per quarter. Canada and Mexico shipped 23,762 head of cattle into the United States the first 2 weeks of this year and the quota was completely filled the first part of February. The next quarterly quota begins on April 1. The population of cattle on Canadian farms on June 1, 1938, totaled 8,511,300 head, according to a statement by the Minister of Agriculture. January imports of live cattle were the highest ever recorded and more than five times as large as those of January 1938. The imports amounted to 11.7 percent of the total inspected cattle slaughtered in our yards.

This should be positive proof that we are importing competitive farm products.

Mr. TABER. And scuttle the price of American cattle.

Mr. REED of New York. Mr. Chairman, will the gentleman

Mr. TABER. I yield. LXXXIV-201

Mr. REED of New York. There is one idea that they overlook when they ask these questions, and that is that when we enter into these agreements with one country under the most-favored-nation clause, those rates go on to all of the other countries.

Mr. TABER. That is true.

Mr. REED of New York. So it is the same as writing trade agreements with each of them.

Mr. TABER. The gentleman is correct.

Mr. FITZPATRICK. Mr. Chairman, will the gentleman vield?

Mr. TABER. I yield for a question.

Mr. FITZPATRICK. How do our exports compare with imports on the questions you have just been discussing?

Would you put both in the RECORD?

Mr. TABER. There are comparatively small agricultural exports. I am going to tell the gentleman something about the import question and something about the opportunity that the folks in foreign countries have to sell us things when we have a protective tariff. I would like to have some of these folks understand this. When we have a protective tariff, this is the situation: We have generally had higher prices for our farmers. We have generally had more employment for our people in our factories. We have had larger purchasing power in America, and our imports of noncompetitive items have almost always, under those circumstances, been much larger than they have been when we have scuttled our tariff and destroyed our market for agricultural products, destroyed our market for manufactured products. The result of these things does not promote good will, and it does not promote imports. It does not provide a market for their products, such as they would have when we were buying things that were not competitive to our own people.

Mr. KERR. Mr. Chairman, will the gentleman yield?

Mr. TABER. I yield for a question. Mr. KERR. The gentleman will admit, will he not, that the poor price of cotton is due to the overproduction of cotton in the South, largely?

Mr. TABER. I do not think it is entirely due to that, but it is due largely, and I think the gentleman would find that, to the loss of the export market for cotton.

The CHAIRMAN. The time of the gentleman from New York [Mr. TABER] has again expired.

Mr. LAMBERTSON. Mr. Chairman, I yield the gentleman 3 additional minutes.

Mr. TABER. It is due very largely to that fact, and the fact that we have gone ahead and bought up a great lot of cotton. As I remember the figures, the bales of cotton on hand run something like ten million. I am told it is eleven and one-half million bales. That is more than a full year's consumption in the United States. No effort has been made to solve the export problem. No effort has been made to retain the American market for cotton. With that situation we are just piling up that cotton in warehouses, and it is a continuous menace to the price of cotton just so long as it stays there. I am going to let you folks discuss that in your own time, but unless you get rid of that practice of piling up cotton in warehouses and destroying your own markets, you will never help solve your agricultural problem.

In addition to that we have had a policy in this country for 6 years of destroying the farm-tenancy situation in the South and the opportunity of your farm tenants to earn a living through the W. P. A. operations and through the relief build-up that has been going on there. You have gone ahead and absolutely destroyed your own situation by unsound, uneconomic procedure. I wish, instead of something like this so-called parity payment, there could be some sound program to get rid of these destructive features that have destroyed your market for cotton, destroyed your agricultural situation through the country, and prevented any possibility of a comeback.

I do not see how any friend of the cotton farmer can come into the Well of the House and support these measures that have continuously destroyed and prevented any possible recovery of their situation. I hope that as these items are reached in the bill the gentleman from Missouri, who understands a great deal about this situation, will offer amendments which will cut down amounts appropriated for the department which are excessive and which are unnecessary, and which he complains about, and that we will support those amendments and save some money.

[Here the gavel fell.]

Mr. CANNON of Missouri. Mr. Chairman, I yield myself 3 minutes.

Mr. Chairman, I was very glad to hear my friend from New York bring up a fallacy which has been consistently preached from every political platform in the country, to the effect that the amount of agricultural imports entering this country from abroad has brought down the price of farm products. The testimony before our committee last year was that even in the drought years when importations were heaviest the total importations were 2.8, so small in amount as to be negligible; and that in normal years the amount of meat, for example, imported into this country was less than 1 percent of the amount consumed and could not materially

affect the price of American products.

But I was especially astonished to hear my friend say that when the tariff was high farmers prospered and received a high price for their products. Mr. Chairman, we gave here, and it is in the Congressional Record, figures covering a period of more than 2 years showing that with a tariff of 42 cents a bushel on wheat, every single day of the 2 years, as reported by the Chicago Tribune, the price of wheat in Winnipeg, where there was no tariff, was higher than the price of wheat in Minneapolis, just a few miles away, for the same grade of wheat on which there was a tariff of 42 cents. On the face of the daily market reports it is conclusively demonstrated that the tariff on wheat has had no effect whatever on the price.

One more significant statement, my friends, and I trust you will put this down in your notebooks: The imports today of all farm commodities is less than it was for the average of the period 1920 to 1929. We heard nothing back in those days about the effect upon the farmers' prices of imports from abroad; yet from 1920 to 1929, as shown by the statistical reports of the United States Department of Agriculture, there was brought into this country under Republican administrations more farm products than we are importing

Mr. CASE of South Dakota. Mr. Chairman, will the gentleman yield?

Mr. CANNON of Missouri. I yield.

Mr. CASE of South Dakota. Was not the reason for the larger imports in those years because the prices of farm products were better, and we had a better market at that

Mr. CANNON of Missouri. Every year, beginning in 1929, down to 1932 the price of every agricultural product declined; and all that time every agricultural product carried the highest tariff that could be levied.

[Here the gavel fell.]

Mr. KERR. Mr. Chairman, will not the gentleman take 1 more minute to let me ask a question?

Mr. CANNON of Missouri. Mr. Chairman, I yield myself one-half minute to answer the gentleman's question.

Mr. KERR. The gentleman from Missouri has been a Member of this Congress for a great number of years. Has he ever known the Republican Party to offer any remedy for anything that involved the Government's welfare except that of raising the tariff?

Mr. CANNON of Missouri. I have never known them to bring in any legislative proposition which resulted in the increase of the price of any agricultural product. [Applause.]

[Here the gavel fell.]

Mr. LAMBERTSON. Mr. Chairman. I yield myself 5 minutes.

Mr. Chairman, I did not take this time to discuss the subject last mentioned by the gentleman from Missouri, but a thing that must not be overlooked in this connection is that while imports have increased or held their own, exports have materially decreased out of all proportion to former years.

What I want to emphasize in the brief time I have allowed myself is to point out very clearly that there are two large items in this bill making up three-quarters of its total: \$250,000,000 for parity payments, and \$500,000,000 for soil conservation. This is three-quarters of a billion dollars. Now, this is in your lap. You will take care of the committee's recommendation in this regard one way or another and will do it without any influence from the committee.

The less than \$300,000,000 left represents items for the regular agricultural establishment, and on these the committee has done a fine job. If any of you have brought any powder here to shoot, you can help us by shooting it to hold down this bill to its present figure. The thing we fear, and the thing we face, is an increase in this bill. It has been suggested that perhaps there is some more that we could cut out. Yes. In the committee I favored cutting out several things. I favored raising others. We have, however, done a fine job on the regular department, and I do not want you to get the impression that this committee has been extravagant. We need your help to hold it even to the figure we have recommended.

The other thing I want to emphasize is the parity payment item. The administration forced the farm bill on us. I voted against it from the beginning. I do not think my farm people wanted it. The administration, however, has gone ahead with their plan. I think the administration is most unfair, almost cowardly in that they did not in their Budget bring this item in here. They forced this farm bill on the farmers of the United States. I think it is reprehensible that the administration in charge of the Budget did not follow up with a Budget estimate.

They wanted to hold the Budget estimate down and at the same time promised the farmers this money without asking for the taxes to raise it or the appropriation.

Mr. COOLEY. Will the gentleman yield?

Mr. LAMBERTSON. I yield to the gentleman from North

Mr. COOLEY. Do I understand that the committee was not furnished with proper estimates of the amount needed to pay parity prices to the producers of surplus commodities? Mr. LAMBERTSON. The committee was furnished very

substantial estimates.

Mr. COOLEY. And the gentleman did have the benefit of those estimates?

Mr. LAMBERTSON. We had no Budget estimates.

Mr. COOLEY. That is what I mean.

Mr. LAMBERTSON. We had no Budget estimates. What I am criticizing is the administration forcing on the farmers of the United States this proposition when they were reasonably well satisfied with the soil-conservation program. If on top of what they had added cheaper interest rates and curtailed importations, the farmers would have been reasonably well satisfied. The Secretary of Agriculture, however, went out and on his own initiative forced this thing on the farmers. He forced it through the House and Senate like they forced the reorganization bill through the other day; yet they do not provide any way of paying the farmers who will go out and meet the requirements.

Mr. COOLEY. Does the gentleman mean to state he believes that the farmers of the Nation would be pretty well

satisfied without parity payments?

Mr. LAMBERTSON. They would have been pretty well satisfied, yes, without parity prices, with soil conservation and curtailed importations and cheaper interest rates. That is what I said. The farmers would have been satisfied. farmers never asked for the last farm bill.

Mr. COOLEY. Does the gentleman believe that the farmers of America should be satisfied with anything less than parity prices?

Mr. LAMBERTSON. I am telling the gentleman the situation as it existed.

Mr. COOLEY. Will the gentleman answer that question? [Here the gavel fell.]

Mr. LAMBERTSON. Mr. Chairman, I yield 15 minutes to the gentleman from Massachusetts [Mr. Treadway].

TRADE TREATIES AND THE FARMER

Mr. TREADWAY. Mr. Chairman, on two different occasions during this session of Congress I have addressed the House on the question of reciprocal treaties. I have endeavored to look at the picture from a general viewpoint. But today, in view of the fact that we are discussing the agricultural appropriation bill, I want particularly to discuss the subject from the agricultural standpoint.

We were told that it was the farmer who was going to get all the benefits, or practically all the benefits, from the reciprocal treaties, but it is a very strange thing that up to date none of that improvement in farm conditions has been realized in any appreciable degree as the result of reciprocal treaties. Five years ago this promise was made, and negotiations have been carried on with 19 different countries, resulting in 20 agreements.

The American farmer has seen his foreign market disappear and his home market gradually surrendered to the foreign producer. There are the concrete results of your reciprocal treaties as applied to the farm industry.

Mr. CANNON of Missouri. Will the gentleman yield?

Mr. TREADWAY. I yield to the gentleman.

Mr. CANNON of Missouri. I wonder if the gentleman has compared the figures at the beginning of the decrease of our foreign market with those after the enactment of the tariff act, which was the real cause of the decline?

Mr. TREADWAY. There is no question in my mind, answering the distinguished gentleman from Missouri, that the adverse results of the reciprocal treaties are very apparent to everybody interested in the well-being of the farmer.

Our tariff rates on foreign products have been drastically reduced under the treaty program and the reduced rates extended gratuitously to the whole world, notwithstanding President Roosevelt's very definite promise to the farmers in the 1932 campaign that agricultural tariffs would not be cut.

Mr. CASE of South Dakota. Will the gentleman yield? Mr. TREADWAY. I yield to the gentleman from South Dakota.

Mr. CASE of South Dakota. Is it not a fact that the very necessity for such payments as these parity payments and other appropriations of a similar sort are themselves evidence of the failure of the New Deal program to accomplish anything substantial for the farmers?

Mr. TREADWAY. There is no question about it. Moreover, if the rates of duty had been maintained on agricultural products, I do not think the gentleman would claim we

would need any parity payments.

Mr. Chairman, the administration has turned a deaf ear to pleas to exempt farm products from reductions under the treaty program, as we Republicans have more than once proposed. If the Members of the House will look over the debates of 1934 and 1937, when the reciprocal tariff and its extension were brought up, it will be found there were no end of amendments offered by the Republican side of the House favorable to the farmer that were voted down by the Democratic side.

If the Tariff Commission were attending to its duty in accordance with the law in recommending adjustment of rates in accordance with the cost-of-production formula, instead of helping the State Department to tear down farm tariffs, we might make some definite progress toward alleviating the distressed condition of agriculture. But the Tariff Commission today is entirely under the dictation of the Secretary of State, and is simply checking up for him and various committees in an effort to reduce all tariffs under their supervision. I claim that the Tariff Commission today is not performing its true functions as laid down by Congress.

It is hardly necessary for me to point out that the Republican flexible-tariff provisions are still the law of the land, although they have been nullified insofar as items covered by trade treaties are concerned. However, with respect to other products the President has power to increase the agricultural rates where they do not at present equalize competitive conditions at home and abroad, but he has refused to use this power for the farmers' benefit.

If the administration cannot find foreign markets for our farm surpluses, it might at least give our farmers the first chance to supply the needs of the domestic market. [Applause.] The home market is the birthright of American producers, and following the elections in 1940 the Republican Party is going to restore it to them. [Applause.]

The trade-treaty program is not only impoverishing our farm population by direct reductions in agricultural tariffs but it is doing so indirectly by reductions on products that compete with American industry and the workers engaged therein. Take for example the reduction made on woolen goods under the British trade treaty. The other day I called attention to the active campaign a British tailoring concern is making in this country to interest our people in placing orders for British clothing. Following that announcement of solicitation of orders in this country, action was taken in the State of Rhode Island by the tailoring organization, and letters were sent both to the Representatives from Rhode Island in this House and to other Members. They boast in their advertisements that under the trade-treaty program there has been a reduction of 15 percent in the cost of a suit. Now, what is the result of even such a reduction as that? In the first place, it takes jobs away from the American workers, who are the farmers' greatest and richest market.

Mr. SANDAGER. Mr. Chairman, will the gentleman vield?

Mr. TREADWAY. I yield to the gentleman from Rhode Island.

Mr. SANDAGER. I may say to the gentleman from Massachusetts that this is hitting the little fellow, the small journeyman tailor.

Mr. TREADWAY. Certainly. Mr. SANDAGER. They advertise that their suits can be purchased \$15 cheaper apiece. This is not hurting big business; it is hurting the small men.

Mr. TREADWAY. I call the attention of the gentleman to the fact that the trade-treaty program hurts everybody.

Mr. SANDAGER. May I interject that the new dealers apparently have no sympathy for big business, but they might open their hearts a little bit to the small-business man?

Mr. TREADWAY. That is true. It is also true that the new dealers who are responsible for the trade treaties have no heart or consideration for the American farmer, and he is the man we are talking about at this time. [Applause.]

Here is another angle to this foreign clothing proposition. It means that the wool which goes into that suit is also furnished from abroad. Thus the farmer not only loses a market for his wool but he loses a market for his foodstuffs which would ordinarily be sold to the weavers and the tailors who make the cloth and the clothing. The adverse effect has very wide ramifications.

On March 10 the gentleman from Ohio [Mr. Brown] placed in the Record a very illuminating statement showing the tremendous increase in wool and woolen imports the first month the British treaty was in operation. For example, imports of noils increased from 278,000 pounds in 1938 to over 1,000,000 pounds in January 1939. Imports of wool rags increased from 99,000 pounds to nearly 1,120,000 pounds in the same period. Increases of 100 percent or more were shown in imports of woolen goods. There is a concrete example of the adverse effect of trade treaties on our own producers.

Is there not a great deal of wool raised in this country? You western Members know the wool situation a great deal better than I do; nevertheless, it is apparent that by these importations American products of the farm are being displaced.

Mr. THORKELSON. Mr. Chairman, will the gentleman vield?

Mr. TREADWAY. I yield to the gentleman from Mon-

Mr. THORKELSON. I can say this about wool, because we have wool in Montana, that wool is now selling for about 14 to 12 cents a pound, the cheapest it has ever been. If you take 40 percent off that you can readily see what wool is sold for right now.

Mr. TREADWAY. In other words, the gentleman illustrates very clearly the very matter I am discussing at this time, that the trade treaty has ruined your wool market.

Mr. THORKELSON. It absolutely has.

Mr. TREADWAY. In addition to the gentleman who has just spoken, I wish to compliment the gentleman from Wisconsin [Mr. Griswold], who made a speech on this floor on Tuesday last. There was a dairyman from the State of Wisconsin telling definitely, from his own first-hand knowledge, the experience of the dairy people in his State. I venture to say, and I should like corroboration from other gentlemen from Wisconsin sitting in this audience, that the reciprocal-treaty program was a very great factor in the election of so many Republicans to this House.

Mr. SCHAFER of Wisconsin. Mr. Chairman, will the gentleman yield?

Mr. TREADWAY. I yield to the gentleman from Wisconsin.

Mr. SCHAFER of Wisconsin. It was one of the biggest factors.

Mr. TREADWAY. I thank the gentleman; and it will be next year, too.

Mr. SCHAFER of Wisconsin. In 1940 we will have more Republicans here and in the other body.

Mr. TREADWAY. Certainly.

I have already said that the trade-treaty program will be an important factor in the 1940 election, and the gentleman from Wisconsin and other gentlemen from that State confirm that statement.

Mr. CULKIN. Mr. Chairman, will the gentleman yield?

Mr. TREADWAY. I yield to the gentleman from New York.

Mr. CULKIN. Did the distinguished gentleman from Massachusetts note that Secretary Wallace in a recent hearing before the Monopoly Committee said the trade-agreement program was not working out as well as was expected?

Mr. TREADWAY. I am surprised at even that admission from the Secretary of Agriculture, that there was anything about the New Deal program that did not suit him.

Mr. CULKIN. Despite the propaganda financed at great cost by the international bankers, the people are beginning to find out about the effect of these trade agreements.

Mr. TREADWAY. Mr. Chairman, last evening the Assistant Secretary of State, Dr. Sayre, a very eloquent and highly educated gentleman, made an address, according to this morning's press, in which he attempted to present the alleged value of the trade-treaty program along the lines of peace and in other directions. I would a great deal rather have the evidence from this floor of a practical dairyman, such as the gentleman from Wisconsin [Mr. Griswold], than the hifalutin' words of the Assistant Secretary of State on the effects of this trade-treaty program. [Applause.]

Mr. SCHAFER of Wisconsin. Mr. Chairman, will the gentleman yield?

Mr. TREADWAY. I yield to the gentleman from Wisconsin.
Mr. SCHAFER of Wisconsin. I receive each day many letters from Louisiana, Florida, and other States in the southern section of the country violently protesting against the New Deal tariff treaties and indicating that these treaties are destroying the markets for their sugar and vegetable products in the South as well as destroying the market for their cotton products.

Mr. TREADWAY. There is no question but that in theory the trade-treaty program is probably a good one, but in its practical benefits to the American farmer and the American people it is a joke. By reason of the reductions made on competitive foreign imports, it harms much more than it helps, if any.

Mr. SCHAFER of Wisconsin. In fact, instead of fighting the Republican protective tariff, the people in the New Deal States in the South had better put a little heat behind their rubber-stamp Senators and Congressmen to support it.

Mr. TREADWAY. The gentleman expresses my own thought in different language. I should like to have this message go back to the people in the districts that are represented now by some of these Democratic Members.

I hope that other Members will follow the example of the gentleman from Wisconsin [Mr. Griswold] and point out the adverse effects of the treaty program on their own sections. Only in this way can we offset the one-sided and frequently misleading propaganda which the administration is putting out in reference to the treaty program. The farmers are entitled to know what the administration is doing to them, and when they become fully aware of what is going on, the Republicans will no longer be the minority party in this House.

Mr. WOLCOTT. Mr. Chairman, will the gentleman yield?

Mr. TREADWAY. I yield to the gentleman.

Mr. WOLCOTT. May I observe also in connection with the British trade agreement that a depreciation in value of the British pound sterling of 10 percent would wipe out all the advantage which the United States gets from that trade agreement; either that or compel us to depreciate our currency along with the pound sterling.

Mr. TREADWAY. The gentleman is absolutely correct. If they cannot find one way to do it, they are going to do it in another way. There is little advantage for this country under the British treaty, in any event. In many cases all we got was the binding of existing tariff treatment of our products.

Mr. LEWIS of Ohio. Mr. Chairman, will the gentleman yield?

Mr. TREADWAY. Yes; but may I solicit a little more time?

Mr. DIRKSEN. Mr. Chairman, I yield the gentleman 5 additional minutes.

Mr. LEWIS of Ohio. Is it not a fact also that because of these trade agreements you cannot buy a pound of canned beef that was canned in America in any grocery store in the land?

Mr. TREADWAY. The administration has refused to take any steps to protect the American farmer from these importations.

The Members of this House doubtless have seen the pamphlet recently issued setting forth the reduction in the various items under the trade-treaty program. I have previously called the attention of the House to the fact that these reductions number over a thousand. It requires 21 pages in this document just to list the reductions in the agricultural schedule. Of course there are many agricultural products which are listed in other schedules, such as sugar, tobacco, wool, and so on. It would take a considerable time to enumerate the items on which reductions were made. However, they affect agriculture in almost all of its branches, including cattle raising, grain production, dairying, fruits and vegetables, poultry, and, as I have indicated, tobacco and sugar.

Let me refer at this point to a table which I have prepared, showing the rates of duty on certain major farm products under the Democratic Tariff Act of 1913, the Republican act of 1930, and the present rates under the trade-treaty program.

You will recall that the 1913 Tariff Act was the so-called Underwood bill, wherein practically all agricultural products were on the free list. When the Republican act of 1922 was passed we restored farm products to the protected list and in 1930 we raised those rates quite considerably. The Democratic treaty program has reduced practically every one of those items to the total amount of 50 percent allowed under the law. There is no telling how much further the administration would have gone in the direction of free trade if the limitation had not been imposed. I want to insert those items.

Comparative tariff rates on certain farm products

Article	Democratic act of 1913	Republican act of 1930	Democratic trade treaty program
Cattle: Less than 200 pounds each 700 pounds or more:	Free	2½ cents per pound.	1½ cents per pound.
Dairy cows	do	3 cents per	Do.
Swine	do	2 cents per	Do. 1 cent per pound.
Pork, fresh or chilled	do	2½ cents per pound.	1¼ cents per
Bacon, ham, shoulders	do	3¼ cents per pound.	2 cents per
Whole milk		6½ cents per	3¼ cents per
Cream	do	56.6 cents per gallon.	28.3 cents per gallon.2
Cheese: Cheddar	20 percent		4 cents per pound but not less than 25 percent.
Swiss.	do	do	5 cents per pound but not less than 20 percent.
Poultry (live)	1 cent per pound.	8 cents per pound.	4 cents per pound.
Eggs	Free	10 cents per dozen.	5 cents per dozen.
Honey	10 cents per gallon.	3 cents per pound.	11/2 cents per pound.
Barley (unhulled)	15 cents per bushel.	20 cents per bushel.	15 cents per bushel.
Oats (unhulled)	6 cents per bushel.	16 cents per bushel.	8 cents per bushel.
Rye	Free	15 cents per bushel.	12 cents per bushel.
Apples	10 cents per bushel.	25 cents per bushel.	15 cents per bushel.
Cherries	do	2 cents per pound.	1 cent per
Potatoes	Free	75 cents per hundred- weight.	37½ cents per hundred- weight.3

1 Treaty rate applicable to first 3,000,000 gallons imported annually; balance of im-

ports pay regular rate.

Treaty rate applicable to first 1,500,000 gallons imported annually; balance of imports pay regular rate.
Treaty rate applicable to imports from Mar. 1 to Nov. 30 each year; treaty rate for imports between Dec. 1 and last day of February is 60 cents per hundredweight.

This only refers to a few selected items. This injury to the farmer goes right down through almost every single product

that can be produced on the farm.

As I have indicated, nearly all agricultural products under the Democratic Tariff Act of 1913 were on the free list. The only thing that saved the country following the passage of the 1913 act was the outbreak of the World War, which gave us a large foreign market and eliminated competition in the home market.

We are all familiar with what happened after the war was over and foreign nations got back on a more normal production basis. Our markets began to be flooded with the cheap products of the whole world, which came in without hindrance under the free-trade Democratic Tariff Act of 1913, of which the present Secretary of State—who is in direct charge of the trade-treaty program—was one of the principal authors. The Underwood tariff of 1913 expresses his tariff philosophy-free trade. Under the trade-treaty program he is carrying this country as far in that direction as the Reciprocal Tariff Act permits, namely, by reducing our tariffs by as much as 50 percent.

When the Republican Party came into control of the House and Senate in 1920-21, it promptly passed a farmers' emergency tariff to stem the tide of ruinous foreign imports which were displacing American products and depressing the price structure. President Wilson vetoed this measure the day before he went out of office. However, President Harding called a special session which again passed the measure and it became a law. It was superseded by the Fordney-McCumber Act of 1922, which restored the protective tariff for agriculture, industry, and labor.

When the act of 1922 was passed, our Democratic friends predicted that it would absolutely stifle our foreign trade and cause us to lose our export markets. Their dire predictions failed to materialize. Our foreign trade, both imports and

exports, grew by leaps and bounds. Instead of our exports declining they increased as follows between 1922 and 1929:

United States export trade	
1922	\$3, 832, 000, 000
1923	4, 167, 000, 000
1924	4, 591, 000, 000
1925	4, 910, 000, 000
1926	4, 809, 000, 000
1927	4, 865, 000, 000
1928	5, 128, 000, 000
1929	5. 241. 000. 000

And instead of the protective tariff act of 1922 shutting out our imports, they increased as follows:

United States import trad	le
1922	\$3, 113, 000, 000
1923	3, 792, 000, 000
1924	3, 610, 000, 000
1925	4, 227, 000, 000
1926	
1927	
1928	
1929	4 399 000 000

In the light of these official figures, trade-treaty proponents cannot possibly argue that the Republican tariff policy of the twenties shut off our foreign trade. "But what about the Tariff Act of 1930?", they will say. The Tariff Act of 1930 was not passed until 9 months after the 1929 depression began. Our foreign trade from 1929 to 1932 declined just as did our internal trade. It was a world-wide condition. We bought less from abroad because we had less purchasing power. We sold less abroad because other countries had less purchasing power.

The proof of this fact is the recent Roosevelt depression. In spite of reduced tariffs under trade treaties, the Roosevelt depression came upon us. Our imports declined during this depression not because of increased tariffs but because of decreased purchasing power at home. Our exports held up fairly well because in other countries more progress has been made toward recovery than in the United States.

Another proof that the Tariff Act of 1930 had nothing to do with the 1929 depression is that our imports of items on the free list fell off in exactly the same percentage as our imports of items on which the tariff was collected. This shows without a doubt that our imports are based upon our prosperity at home.

If the act of 1930 is blamed for our decline in foreign trade from 1929 to 1932, then to be fair, trade-treaty proponents must also give it credit for the rise in our foreign trade from 1932 until the time the trade-treaty program came into effect.

Also it must be given credit for the increase in trade from 1932 to date with countries with which we do not have trade treaties. As a matter of fact, there is every reason to believe that our trade with treaty countries would have increased to a large extent even without the treaties, as was the case before the treaties were entered into.

Another argument we hear is that it was financed by foreign loans. Some of it was; that is true. But practically 100 percent of our foreign trade during the war years was financed by foreign loans which have never been repaid. And under the present administration our foreign trade is again being financed by loans, as, for example, the Export-Import Bank.

The only difference between the financing of foreign trade under Republican and Democratic administrations is that under the former the financing was done by private interests while under the present and previous Democratic administrations the taxpayers' money was used.

I have cited the great increase of our foreign trade under the 1922 Tariff Act as definitely proving that tariff protection and the expansion of foreign trade are not inconsistent with each other. Neither are protection and true reciprocity, because under true reciprocity we trade our exportable surpluses for the things we need but do not produce

That is the kind of reciprocity which the Republican Party put into effect under McKinley. The present administration, however, is laboring under the mistaken theory that only by surrendering our home market to competitive foreign products can we expand our export trade. Even if that were the only way—which I do not for a moment concede—it would be a costly price to pay, since it involves the trading off of the greatest and richest market on earth for relatively lean and illusory foreign markets.

The trade-treaty program is not the only method by which the American market is being surrendered. Under the sugar-control program, American cane- and beet-sugar producers are put on a strict production quota in order that a large share of the home market may be given to the non-Cuban capitalists who own the Cuban sugar industry. Not only has a quota on domestic production been imposed, but the tariff has been reduced, both under the flexible tariff and under the treaty program, first from 2 cents per pound to $1\frac{1}{2}$ cents, and then down to nine-tenths of 1 cent. When the Cuban dictator, Colonel Batista, was recently in this country, we heard rumors that a still further reduction might be made.

During the social-security hearings now going on before the Ways and Means Committee, several witnesses appeared to ask for social-security benefits for Puerto Rico and pointed out the deplorable conditions now prevailing there. Among these witnesses was Dr. Gruening, Director of the Division of Territories and Insular Possessions of the Interior Department. He was asked what caused the deplorable conditions in Puerto Rico, and among other things pointed to the sugarquota law and the trade treaties.

Under the sugar-quota law Puerto Rico lost employment for 20,000 people because of restricted production.

Under the trade treaties the pineapple industry was almost completely wiped out because of the tariff reductions granted to Cuba. The tariff on coconuts was cut in two under the British treaty, giving the British possessions in the Caribbean a competitive advantage in the American market over Puerto Rican coconuts. Under the Swiss treaty the reduction in the tariff on needlework, along with the 25-cent minimum wage law, has wiped out the previously flourishing needlework industry in the island. Here we have an administration witness testifying as to the adverse effects of the treaty program. What applies to Puerto Rico applies even more to the continental United States with its higher living standards, higher production costs, and higher wage levels.

No proponent of the trade-treaty program can dispute the fact that the only logical and sensible purpose of foreign trade is to sell what we do not need and buy what we do need but do not produce ourselves. If this premise is accepted as sound—and I submit that it is sound—then the present trade-treaty methods just do not make sense.

Here we are, with factories running at part time, or wholly closed down, and with millions of men out of jobs, encouraging and inviting the importation of the competitive products of the whole world under the treaty program. We cannot put men back to work if we let foreign workingmen produce the things we need.

Here we are with controlled agricultural production and huge exportable surpluses of farm products, inviting and encouraging the importation of competitive farm products from abroad under the trade-treaty program. We cannot solve the agricultural problem by letting foreign farmers produce the products our people consume. We have never in the past had to take things we do not need in order to sell our surpluses, and we do not have to do so now.

In the most prosperous days of our foreign trade, under Republican protective-tariff laws, two-thirds of our imports came in free of duty. We should use this free market in America for noncompetitive foreign products as a lever for securing foreign markets for our own products. If that were done, everyone would benefit and no one would be injured.

But when, as at present, the administration strikes down one group of farmers or one industry in order to increase the export trade of another group or industry, not only is one American group injured to help another, but there is no net gain. And where the foreign markets fail to materialize, as is usually the case, there may be a net loss. For example, many of our concessions on industrial products have

been made with a view to securing foreign concessions on American farm products. But when these foreign markets are not developed, the farmer not only is not helped, but his home market is diminished to the extent that American workingmen are sacrificed in an effort to secure these illusory foreign markets for him.

We have heard a good deal of talk of late by trade-treaty proponents about the recent pick-up in exports of grains, and they are trying to give credit for this to the treaty program. As a matter of fact, the treaties have very little to do with it. Two factors not connected with the treaty program have more to do with it than anything else; namely, large domestic crops and competitive world prices. If we look over the trade treaties negotiated to date, we will find very little in the way of foreign concessions on American grains. Only two countries, Canada and Britain, have reduced the duty on wheat, and only one country, Cuba, has reduced the duty on corn.

The other day I pointed out that the State Department was giving credit to the treaty program for the increased exports of tobacco, whereas 90 percent of the increase went to nontreaty countries. This is just an example of the type of exaggerations being made.

If the trade-treaty program is of such great benefit to farmers, it is strange we are hearing so much complaint from them. Perhaps it is because they know their own business better than the gentlemen farmers with silk hats, cutaway coats, and spats, who are running the treaty program.

The reason farm organizations are clamoring for congressional ratification of the treaties is that they feel they are in many instances inimical to their interests. They know also that more treaties are under consideration which may involve further reductions on farm products which have not yet been affected by the treaty program.

Reports are current that treaties with Argentina and Australia are being considered. Of course, the chief export products of these countries are farm products. The only basis on which we could enter into treaties with these countries is by making concessions on their chief exports to this country, which already offer serious competition to our own farmers in their home market.

A reduction in the duty on wool is a very likely possibility in any treaty with Australia. The lifting of our embargo and a reduction in rates on Argentine meat products would undoubtedly be a concession in any treaty with Argentina. A reduction in the duty on butter would probably be involved in any treaty with New Zealand.

The farmers of America are not going to permit this to go on much longer, in my opinion. The farmers of the country do not want another free-trade tariff act, such as we are rapidly approaching under the present treaty program. With their foreign markets fast disappearing, it is all the more reason why they should at least have the first chance at supplying the needs of the domestic market.

The gentleman from California [Mr. Gearhart] inserted in the Appendix of the Record, page 329, a very informative table which everyone interested in agriculture should carefully examine. It shows the tremendous acreage now being displaced in this country by imports of foreign farm products. The latest figures are for 1937, and they show that it would have required over 87,000,000 acres to produce the foreign crops which were imported in that year and which displaced like or competitive American farm products.

Think of that—87,000,000 acres of land displaced by foreign imports in 1937.

Not only is there urgent need for retaining our present level of protection on farm products, but in many cases increased duties would be justified on the basis of differences in foreign and domestic production costs. Yet every time the suggestion is made about increasing agricultural duties, whether directly or through the medium of import excises, the State Department throws up its hands in horror and says that it would be inconsistent with the treaty program.

I say, What of it? The welfare of our own citizens should be considered ahead of the welfare of foreign nations.

It is time we had a show-down on this proposition. We should not sacrifice the interests of American farmers, American workingmen, and those who are dependent upon them, just to carry out a whimsical, fallacious, and dangerous pet theory of the Secretary of State regarding foreign trade.

Do not mistake me—I am not arguing against reciprocity as such. I am simply arguing against the proposition that the present trade-treaty methods are in the interest of our Nation as a whole. I say they are not; they are in the interest of the other nations of the world, not our own.

The only reciprocity that can possibly be of benefit to this Nation is that which is based upon the proposition that foreign trade is carried on to exchange our surpluses for the things we need but do not produce. I offer this proposition as a basis upon which the Republican Party can go before the people in 1940. The tariff, as I have indicated, will be one of the chief issues in that campaign.

In view of what I have said, Mr. Chairman, is it not fair to say that the Republican Party for many, many years, or indefinitely, has been the real friend of the American farmer, and there has been no genuine interest shown in him by the Democratic Party, irrespective of the pledges that may have been given by candidates for office? [Applause.]

Mr. LEAVY. Mr. Chairman, will the gentleman yield?

Mr. TREADWAY. My time is so limited.

Mr. LEAVY. I think they will give the gentleman another minute.

Mr. TREADWAY. No; they have already extended my time 5 minutes.

Mr. LEAVY. I am willing for the chairman of the subcommittee to grant the gentleman an additional minute, so he may answer my question.

The gentleman speaks of the prosperity of the American farmer under a Republican protective tariff from 1920 on or until the Democrats came in. I want to ask the gentleman if it is not a fact that in the crop season of 1932 and 1933, when the American farmer was enjoying the protection of a Republican tariff, cotton was selling for 5 cents a pound and wheat for 30 cents a bushel?

Mr. TREADWAY. The price of cotton was low because of the world-wide decline of purchasing power and not because of tariffs, either here or abroad. I will say to the gentleman that while there was a discussion here with the gentleman from New York [Mr. Taber] relative to raw cotton, and your side was claiming there was no detriment under the trade-treaty program to raw cotton, there also has been no benefit, and let me tell the gentleman also that the spindles manufacturing cotton into cloth in New England are not operating, and that is largely because a reduction has been made in the tariff act.

In conclusion, Mr. Chairman, let me say that the present treaty program contributes to the fear and uncertainty which is holding back recovery. It has aggravated our farm problem and helped to swell the ranks of the unemployed. It is undermining the protective-tariff rock upon which our American wage and living standards have been built. And it is a part and parcel of the earlier program of the New Deal in which the effort was made to centralize all authority in the Executive.

In 1940 the people are going to place the responsibility for tariff legislation back in the hands of their elected representatives, where it constitutionally belongs, and the Republican Seventy-seventh Congress will restore the protectivetariff policy under which this Nation has grown so great.

[Here the gavel fell.]

Mr. CANNON of Missouri. Mr. Chairman, I yield myself

Mr. Chairman, it is a treat and a privilege to listen to the gentleman from Massachusetts [Mr. Treadway]. His long and distinguished service here mark him as one of the greatest authorities on the tariff question in this body. Of course 15 minutes is a short time. I realize the gentleman could not discuss every phase of the question in that limited time, so I supplement what the gentleman has said by calling attention to the fact that the reduction in the foreign market for

American farm products began in 1922 with the passage of the Fordney-McCumber Act. It did not become so immediately effective, because during all that time we were loaning money to Europe and they were using that money with which to buy our farm products; but with the passage of the Smoot-Hawley Act in 1928 the debacle began. From that time on the market for American products was all but closed by retaliatory tariff acts passed by foreign nations who had been our good customers for years in rensentment against the Hawley-Smoot Tariff Act; that amounted to an embargo. Here are the actual figures showing the effect of this ill-advised tariff:

Exports before and after retaliatory tariffs of foreign countries invoked by the Smoot-Hawley Tariff Act

	Average for period over 1926-29	Average for period over 1930-33
Index number of volume of all agricultural exports	118	92
Wheatbushels	123, 000, 000 8, 500, 000	58, 000, 000 7, 600, 000

And while political medicine is being brewed, I also noted the gentleman's reference to the number of Republicans elected to this House in place of Democrats, and his statement that some incident or other was the reason "so many Republicans were elected" to Congress. Do you know how many Republicans were elected to Congress this time? Only 169 Republicans elected to the House. The gentleman ought not to parade the weakness of his party. It is a sensitive subject. Why back in the Sixty-sixth Congress there were 237 Republicans, in the Sixty-seventh Congress there were 300 Republicans, and so on down to the Seventy-first Congress when there were 267 Republicans. And now the gentleman calls embarrassing attention that today there are only 169 Republicans. Why call that up? The gentleman should be more considerate.

I was also both interested and edified to hear the gentleman acclaim the Republican Party as the friend of the farmer. Oh, yes. The Republican Party the friend of the farmer! When the Republican Party came into power in 1922 wheat was selling at \$2.40 a bushel. When they went out of power in 1932 wheat was selling at 30 cents a bushel. When they came into power in 1920 corn was selling at \$1.50 a bushel. And after 12 years of uninterrupted control of every branch of the Government corn was selling at 15 cents a bushel; cotton fell from 40 cents per pound to 5 cents per pound. Hogs dropped from \$24 per hundred pounds to \$2; and everything else in proportion.

Oh, yes, my friends, the Republican Party is the "friend of the farmer," but if that is true, God save us from our friends. [Applause and laughter.]

[Here the gavel fell.]

Mr. DIRKSEN. Mr. Chairman, I yield myself 15 minutes. Mr. Chairman, you know it is small comfort to read the market page. It is very thin and tenuous comfort to turn to the last page of the newspaper day after day and observe the price of corn, wheat, hogs, cotton, lard, tobacco, and so forth. I have been examining the Journal of Commerce of New York about an hour ago, and I have been examining the market pages right along to see how agriculture fared. Wheat closed yesterday at 67% cents a bushel. Corn closed at 47%. Oats closed at 29½. Rye closed at 42½. Now, you must deduct commissions, transportation costs, and so forth.

Mr. CANNON of Missouri. Mr. Chairman, will the gentleman yield?

Mr. DIRKSEN. Yes; I yield.

Mr. CANNON of Missouri. I will be glad if the gentleman would include the quotations for the same items on this day of the year in 1932.

Mr. DIRKSEN. I shall try to get them and insert them.

Mr. CANNON of Missouri. To save time, I might say wheat was 30 cents, cotton was a nickel, corn 15 cents, hogs \$2, eggs 6 cents, and other products in proportion.

Mr. DIRKSEN. From those quotations you must deduct, manifestly, the transportation costs, brokerage, and commission charges. Let us assume that that is 7 cents in the case of a bushel of corn, so that corn today to the farmer stands about 39 or 40 cents a bushel. I see my friend from Illinois [Mr. Arends], who is a practical farmer, nod his head in the affirmative. Thirty-nine to forty cents a bushel, gentlemen, is less than 50 percent of this golden goal of parity that we have been seeking for the last 6 years. There is not much comfort in that answer, is there? For our friends on the other side of the aisle who have an abiding interest in cotton, and who have been pecking at the gentleman from Massachusetts [Mr. TREADWAY] and others, may I say to you that April cotton closed yesterday at \$8.17. Not so good, is it? December cotton closed at \$7.51. Not so good, is it? That is on the basis of the 59-cent dollar. Translate that into terms of a dollar that is on a 59-cent basis and you are down to the 1932 level.

But that is not the tragic aspect of this farm problem. It is a fact that, first of all, we see eye to eye in the matter. We see with an eye of single purpose to the objective of achieving prosperity for the farmer, and then we proceed on so many parallel tracks, as it were, and never quite get into the destination. You know it always moves me to go back to the day when Abraham Lincoln signed the bill by which the Department of Agriculture was created in 1862. The first appropriation in 1864 was only \$119,700. They did all their business in one building, with a very small personnel, and the building only cost \$140,000. Now, they have 12 acres of stone down here that they own; they rent sundry millions of square feet of space in Washington and elsewhere, and we bring you a bill here that is in excess of \$1,000,000,000 for the Department of Agriculture. It is a far cry from that first regular appropriation of \$119,000 to more than \$1,100,000,000.

What intrigues me even more is that this vast increase of expenditure for agriculture has brought such meager and negligible results. If we go back to 1909 when the agricultural income was approximately \$6,250,000,000-mind you, that is 1909, that is 30 years ago-we spent only \$4,000,000 or \$5,000,000 for the whole Department of Agriculture; so that the expenditure was only one-tenth of 1 percent of the gross farm income. But now let us see what the picture is for other years. If we take 1939, or if we take 1940 as represented by this bill and exclude those items that are not essentially agricultural, such as the Biological Survey, Forestry, Weather Bureau, and Food and Drug Administration, and stick to the action programs, experimentation, research, administrative, and so forth, almost 11 percent of the gross agricultural income is extended in the amount carried by this bill. It is an astonishing percentage when you stop to think of it, and yet when we look at the market page morning after morning we see the real story told, and I am wondering what the answer to this whole thing is.

Divers functions have crept in since the time when Abraham Lincoln signed the original bill setting up the Department. That original act provided for the acquisition and diffusion of useful information in the domain of agriculture. We have gone a long way since then. We not only go in for the acquisition and diffusion of useful agricultural information, but we build roads, we trap and shoot coyotes and bobcats and mountain lions; and we export wheat to China and to Australia; we have a tremendous Bureau of Biological Survey; we build forest roads and trails; we chase cattle ticks and Japanese beetles and the pink boll worm; and we do a lot of things that probably were not in contemplation at that time. This is an indication of why the Department of Agriculture's appropriations have grown to such astronomical proportions. But I want to bring it down to a more contemporary period, and that is 1932 and 1933, to see just how this thing stacks up. We all remember 1932 when the agricultural income dropped to \$4,300,000,000; and, of course, you know what happened. Herbert Hoover lost every State in the Farm Belt. That is the way they rewarded him. That is the natural reaction. There is no criticism to make about it, because the farmer, after all, translates the efficacy of the national administration in terms of farm prosperity, and if it does not materialize, out comes the ax; and it is possible that the ax will come out again before very long.

In 1933 we first began to hear about action programs, about benefits to the farmers, and subsidies which helped the farmers in 1933 to the extent of \$162,000,000. His income went up to \$5,980,000,000. That is an increase over the year before of about \$1,600,000. In 1934 the benefits, however, increased from \$162,000,000 to \$556,000,000, and then farm income went up to \$6,836,000,000. In 1935 subsidies and benefits had gone to \$583,000,000. Income was going up then, and everybody was rather happy about it, including Mr. Wallace, because farm income had gone to \$7,800,000,000. In 1936 the Agricultural Adjustment Act was invalidated by the Supreme Court. In that year only \$287,000,000 was expended in benefits to agriculture. Farm income, oddly enough, after we had cut the benefits half in two, had gone up to a little over \$9,000,000,000. That is the highest it had ever been for many years. In 1937 we increased the subsidies a little more. That year it was \$367,000,000, and farm income was coming right along, everybody was happy, and said, "Well, isn't everything hunky-dory?" Farm income had gone to \$9,636,000,000

Finally, weather conditions became normal, the grass-hoppers learned to behave, and the effect of the drought was spent.

Then what happened in 1938? General benefits to farmers had jumped to \$550,000,000, but the farm income had dropped to \$8,400,000,000. This is a drop of 12 percent following 1937. You know, what is worrying the administration right now is fear of the old ax which was taken out in 1932, and rightly so, since the picture is none too bright in 1939. This year, considering \$212,000,000 price-adjustment payments, \$500,000,000 soil-conservation payments, and the funds that are used under section 32 to provide for the export of surpluses and for the purchase of surpluses to be given over to relief, we are making available benefits in the aggregate of almost \$770,000,000 in 1939. The answer, of course, measured by the yardstick of results as reflected in the daily market page can be determined by any Member of this House, by any farmer, whether he is raising cotton in Texas, producing milk in Wisconsin, corn in Illinois, fruit in Washington, or tobacco in North Carolina. These people can measure the results, and I have just read you the results as indicated in the closing figures for last night's market.

Mr. JOHNS. Mr. Chairman, will the gentleman yield? Mr. DIRKSEN. I yield.

Mr. JOHNS. As I have been sitting here listening to what the gentleman has to say I have been wondering why the older Members of the Republican Party here did not think of this idea of borrowing money from yourself and taxing yourself to pay it back again that you might pay yourself benefits and raise the price of your own products. [Laughter.]

Mr. DIRKSEN. I suppose each in his own individual way has thought of it and seen that those who have tried it have fallen into a great, big, deep, dark pit, and did not try it again thereafter.

Mr. THORKELSON. Mr. Chairman, will the gentleman yield?

Mr. DIRKSEN. I shall be pleased to yield later, if the gentleman does not mind.

We are facing another crop year and we are making available in this bill \$250,000,000 of adjusted payments, \$500,000,000 for soil-conservation payments, and \$90,000,000 out of section 32 funds with which to carry on exports.

In addition thereto, look at what other things we have undertaken that were not undertaken before 1932 in order to repair the farm situation. Here is this inane, asinine silver bill that was put on the books, whereby we bought silver in the world market and bought domestic silver. What did they tell us about that on the floor in 1934? They said, "Gentlemen, China is on a silver basis; Bolivia is on a silver basis; Mexico is on a silver basis. Give us this bill and it will stimulate the exportation of farm products to these countries." Instead of stimulating exports it has enriched the smugglers,

it has impoverished the Treasury of the United States, and it has run most of these countries off of their metal base and onto a basis of managed currency. The farmer never secured one jota of good.

Secondly, you came along with the trade-agreement program. Much has been said about the trade-agreement program, but I prefer to let the Secretary of Agriculture speak, even as he spoke to our subcommittee. Mr. Chairman, you will find this on page 33 of the hearings. I asked him:

You still believe that it will be a long time before we can regain

Referring to the foreign markets, and he said:

I still believe it is impossible by any type of tariff adjustment or trade agreements to regain the market for agricultural products that we enjoyed in the early 1920's.

I will put the rest of it in. While he goes along with Secretary Hull, he has not too much confidence in the matter.

Then with respect to the expanding of the culture of products that we raise and those raised in foreign countries, turn to page 37 of the hearings, at the bottom of the page. I asked him this question the year before and I thought I would ask it all over again, especially with reference to cotton:

Assuming that could be done with wheat, is it likely it can be done with cotton, and if it were done with cotton, would other nations recede from the 9,000,000 acres of expansion in cotton culture that has taken place?

Read his answer. He said that the probability is they will not recede.

[Here the gavel fell.]

Mr. DIRKSEN. Mr. Chairman, I yield myself 5 additional

Mr. Chairman, you see therefore we have handed other nations some 9,000,000 acres with which to expand their cotton and that is gone as far as we are concerned. Meanwhile Uncle Sam owns 12,000,000 bales of cotton. We are the owners of 12,000,000 bales of cotton in which we have a frightful investment and on which we stand to lose \$500,000,-000 before we get through, and, of course, the loss will be borne by all of the taxpayers of the Nation.

Mr. Chairman, it is not a very promising or rosy picture. In this respect I want to refer to the gentleman from Missouri who spoke a moment ago about the Smoot-Hawley Tariff Act of 1930. I have been sitting here year after year with a kind of quiet glow of expectant and hopeful confidence, waiting for one of our distinguished brethren on that side of the aisle to drop a bill in the hopper to this effect: "Be it enacted by the Senate and House of Representatives in Congress assembled, That the Tariff Act of 1930 is hereby repealed."

I have never seen such a bill introduced as yet. It has not been done. I have heard it indicted in statements out in my country, but I have heard none of my brethren over here ever undertake to repeal this thing known as the Tariff Act of 1930.

Mr. LUTHER A. JOHNSON. Will the gentleman yield? Mr. DIRKSEN. I yield to the gentleman from Texas.

Mr. LUTHER A. JOHNSON. I rise to ask this question: Would the gentleman vote to repeal the Tariff Act of 1930?

Mr. DIRKSEN. If you gentlemen will vote with us, we will be glad to.

Mr. LUTHER A. JOHNSON. The gentleman has too many conditions attached. Will the gentleman vote for its

Mr. DIRKSEN. First, the gentleman must give me assurances that he can get a majority on that side to go along with that viewpoint, then I shall share that pleasure and go along with you.

Mr. CANNON of Missouri. Will the gentleman yield?

Mr. DIRKSEN. I yield to the gentleman from Missouri.

Mr. CANNON of Missouri. I am glad to hear the gentleman concede it was a great mistake to pass the bill.

Mr. DIRKSEN. Mr. Chairman, I did not concede that.

Mr. CANNON of Missouri. Well, he would not agree to repeal it unless it was a mistake. But it is too late to lock the stable now; the horse has been stolen. The Secretary of Agriculture said we cannot regain the foreign market which the passage of that bill took away from us.

Mr. DIRKSEN. O Mr. Chairman, that is not what the Secretary of Agriculture said. He was referring very specifically to this host of very singular and anomalous trade agreements that the Secretary of State was seeking to promulgate with other nations. He very specifically referred to that and said nothing about the Tariff Act of 1930.

Mr. DONDERO. Will the gentleman yield?
Mr. DIRKSEN. I yield to the gentleman from Michigan.
Mr. DONDERO. A great and beloved former Speaker of this House, Mr. Rainey, said on this floor in regard to the tariff act:

You Republicans won't repeal it, and we Democrats don't dare

Mr. THORKELSON. Will the gentleman yield?

Mr. DIRKSEN. I yield to the gentleman from Montana.

Mr. THORKELSON. Before 1933 the farmers were paid at the rate of 100 cents of gold to the dollar for their farm products, is that correct?

Mr. DIRKSEN. I think that is correct.

Mr. THORKELSON. What is the value of that today in relation to gold?

Mr. DIRKSEN. May I say to the gentleman that under the abstruse monetary policies carried on today nobody seems to know.

Mr. VOORHIS of California. Will the gentleman yield?

Mr. DIRKSEN. I yield to the gentleman from California.

Mr. VOORHIS of California. Does the gentleman feel that if we had an effective tariff it would be a solution to the agricultural problem in America?

Mr. DIRKSEN. Does the gentleman mean an entire solution or a part'al solution?

Mr. VOORHIS of California. I have been listening to the gentleman with great interest. I am one Member who feels we have not found the solution to this problem. I would like to have the gentleman give us some suggestion as to what he thinks that solution would be?

Mr. DIRKSEN. I think the gentleman from Massachusetts struck the keynote in that respect when he said the American market after all is the birthright of the American farmer.

Why should we permit the foreign farmer to preempt the American market? While it is not an entire solution, it is at least a step in the direction of a resolution to let him sell in the American market first.

[Here the gavel fell.]

Mr. DIRKSEN. Mr. Chairman, I yield myself 5 additional minutes.

Let me say this also: If you will look at the table of gross income for agriculture in the years 1913 to 1917 you will find that it ranged from \$13,000,000,000 to \$17,000,000,000 in a single year. Some will say, "Oh, of course, those were the war years." Very well; then let us look at the figures from Those were not war years. The income then 1923 to 1929. ranged from \$10,000,000,000 to \$12,500,000,000, and that is the goal we have been seeking to achieve, a sort of 1926 average or a 1909-14 base, the prices that were in effect when the Republicans were in power.

One should not discuss the future of agriculture or the present welfare of agriculture in terms of politics. farmer is not by instinct nor is he essentially one who thinks in terms of politics. He is thinking in terms of the price he gets for cotton, for wheat, for lard, for hogs, for beef, and for everything else that he produces. We all have a single objective in mind, irrespective of the side on which we sit. We want to bring prosperity to the farmer. Is it not rather strange, is it not astonishing, that the best minds in the country have been devoted to this problem for the last 6 or 7 years and we have spent hundreds of millions of dollars, and then when you look at the market page you find we are receding rather than moving in the direction of the objective and that we are 12 percent further away from it in 1939 than we were in 1938, although we have spent more It reminds me of the Chinaman who was very ill. He called in Dr. Carver, and it did not do him any good. After the doctor left his condition became worse. Then he called in Dr. Jones, and Dr. Jones left, and it did not do him any good. Then he called in still another doctor, but he kept getting progressively worse. Finally he did not call any doctor, and he got better. He made this statement: "Me callee first one doctor, then another. Me callee no doctor, me gettee better." Sometimes I think if agriculture did not call any doctor maybe it would get better. We have called all these doctors and spent all this money, and here we are receding from the goal that has been set down on paper.

Mr. SCHAFER of Wisconsin. Mr. Chairman, will the

gentleman yield?

Mr. DIRKSEN. I yield to the gentleman from Wisconsin. Mr. SCHAFER of Wisconsin. The gentleman from Missouri [Mr. Cannon] asked the gentleman to incorporate in his remarks the 1932 figures indicating the price of farm commodities. Perhaps he wanted the gentleman to incorporate in the Record that low price. If you do incorporate it in the Record, also place in the Record the facts and indicate that the Republicans did not have control of the Government in 1932, that at the 1930 election our New Deal brethern had control of the House and the Senate. They are responsible for the low prices in 1932, not the Republicans.

Mr. DIRKSEN. No, I will do better than that. I will have to call up the Government Printing Office and tell them to tear off two-fifths of every page those figures appear on, to show they are based on a 59-cent dollar.

Mrs. ROGERS of Massachusetts. Mr. Chairman, will the gentleman yield?

Mr. DIRKSEN. I yield to the gentlewoman from Massachusetts

Mrs. ROGERS of Massachusetts. This question has to do with trade for the wool growers and the cotton growers. I saw in the press that when Queen Elizabeth of England comes to this country she is to wear a dress made of woolen cloth from England. Also, Mrs. Roosevelt will wear a woolen dress made of cloth from England. I suggest that when the beautiful Queen comes to this country it will be gracious of her if she will wear a dress of woolen cloth made in the United States and also bring cotton dresses fabricated in the United States, because it will be very warm in June. When the Prince of Wales-known all over the world as England's best seller—came to the United States the last time he set the fashion for blue shirts. The manufacturers of this country did not have blue shirting in stock, so hundreds of yards of blue shirting was bought from England. It is true also that English tailors got a great deal of work. They should buy

Mr. DIRKSEN. I may say to the gentlewoman from Massachusetts we will seek to prevail upon our genial chairman to send a little note, with the endorsement of the committee, to the King and Queen asking them to wear garments that have been fabricated in the United States of America.

Mrs. ROGERS of Massachusetts. Will the Congress vote

on that? [Applause.]

Mr. DIRKSEN. Oh, yes; I think it ought to be brought before this body for its approval. [Laughter and applause.]

[Here the gavel fell.]

Mr. CANNON of Missouri. Every woman in America is a queen, as deep as is our reverence and affection for the mother country. We cater first to her royal majesty, the American woman.

Mr. Chairman, I yield 10 minutes to the gentleman from Georgia [Mr. Pace].

Mr. VOORHIS of California. Mr. Chairman, will the gentleman yield briefly?

Mr. PACE. I yield to the gentleman from California.

Mr. VOORHIS of California. Were the farmers in the gentleman's district in a prosperous condition during the 1920's?

Mr. PACE. I will undertake to discuss that question in the course of my remarks.

Mr. Chairman, I hope for just a few minutes we can let politics adjourn. I am not concerned much with the past, except for the lessons it teaches. I know the farmers of this Nation are in rather desperate circumstances. Regardless of where the fault should be placed for the farmers' condition, this Congress has solemnly declared the farmers should be placed on a parity with other American industries and wage earners. It is to this subject, free of all politics, that I should like very much to direct your attention for the next 10 minutes.

I want to begin with the statement that fundamentally no American citizen, no American industry, and no class of American citizens is entitled to special legislation at the

hands of the Congress.

Fundamentally we are all free-born American citizens, and there should be no preferences, and there should be no special favors. I want to begin my remarks, then, by a straight line, as near as I can draw it. Here [indicating on the black-board] is the American manufacturer, the American wage earner, the American farmer, and every other American citizen. They were in the beginning all on the same plane, or should now be.

Now, before I go further, there seems to be such little understanding of what parity is. Parity is that relation a pound of cotton or a bushel of wheat had during the period 1909 to 1914 to a manufactured commodity; we will say a plow point. Anyone who has followed the plow will understand what a plow point is. The Bureau of Economics found that during the period from 1909 to 1914, due to many conditions that existed during that period, there was a proper relation between a bushel of wheat and a plow point, between a pound of cotton and some other farm implement; that a pound of cotton could buy what it should buy, and that a bushel of wheat could buy what it should buy. In 1910 the cotton crop and the seed were worth \$910,000,000, and they could buy \$910,000,000 worth of commodities or necessities. Its purchasing power was 100 percent. In 1938 the cotton crop, the lint and the seed, was worth \$600,000,000, but not only was there a reduction in the amount the crop produced but that \$600,000,000 had a purchasing power of only 55 percent, or \$330,000,000. Let me repeat, not only had there been a 33percent reduction in the cash returns but there had been a 45-percent reduction in the purchasing power of the reduced amount, and that is one of the troubles with the farmer today.

Let us now see what happened. Since 1909 to 1914, which is the parity period, or the period we use to establish the parity, among other things you have enacted the Smoot-Hawley tariff. I am sure the gentleman from Massachusetts and no one else will contend that the Smoot-Hawley tariff or any other tariff does not add to the cost of what the farmer must pay for his necessities. Then, first, you raised the

tariff wall.

Now, what else has happened since then? You passed, among other things, and I will mention just a few, the wage and hour law. Now, what does the wage and hour law do? It increases the cost of processing the farmer's com-Therefore, when the farmer goes to purchase his raw product in a manufactured article it costs him more, in proportion to what it did before. There is one false theory, and I say it is false, notwithstanding the fact that some high authorities accept it as true, but both the Democratic and Republican administrations are acting on the presumption that if you increase the purchasing power of the wage earner that is all the farmer needs. I deny that theory, and I say that the conditions that exist at this hour dispute that theory. You increase the wages, you will say, of the wage earner, and you give him more purchasing power, but you overlook that at the same moment you also increase the cost of processing the commodity which the wage earner is to

Let me give you an illustration, and these are figures just prepared by the Department of Agriculture. Today, a bale of cotton costs \$40. The shirts made out of that bale of cotton—broadcloth shirts—are worth \$1,000. What is the ratio? It is 25 to 1. A pound of cotton costs 8 cents, the

finished product of that pound of cotton costs 25 times as much, which is \$2. Therefore, when you increase solely the industrial wage earner's pay, you have not helped the farmer, you have not benefited the farmer, unless you give him something to go along with it, because every time you lift the wage scale you lift the cost of the commodity and usually the increased cost of the commodity is equal to the increased purchasing power.

Now, let me go on further. In addition to your tariff wall, in addition to the wage and hour law and, of course, the accompanying legislation—the Walsh-Healey Act, the National Labor Relations Act—we have the W. P. A. to increase your tax burden. This has not helped the farmer. The farmer, except an individual man here and there, has received no benefit from W. P. A. Then you have slum clearance. You know there is a funny thing about slum clearance. You not only have issued \$800,000,000 in bonds and they are here asking for \$800,000,000 more, but when you asked for the \$800,000,000 in bonds, you appropriated for each year for 60 long years a \$28,000,000 subsidy to go with it.

If you get the other eight hundred million in bonds, of course, you double the amount of the subsidy and there will be a continuous appropriation for 60 long years of \$60,000,000 for the benefit of a small group in the large cities. Slum clearance has been of no benefit to the 30,-000,000 farmers, but has added to their burden of taxation.

Mr. HEALEY. Mr. Chairman, will the gentleman yield?

Mr. PACE. Of course.

Mr. HEALEY. Does the gentleman seriously contend that the increase of living standards made possible through labor legislation does not reflect itself in increased ability of people who reside in urban centers to consume cotton and other commodities of the farmer?

Mr. PACE. I contend that there is possibly some small, indirect benefit, but there is no such benefit as can justify the attitude of those who contend that all we need to do to help the farmer is to increase the wages of the wage earner, when you and I know that when you do that you increase the cost of the manufactured product, and thereby nullify the increase in purchasing power.

Mr. HEALEY. Who buys the products of the farmer? Who buys those commodities?

Mr. PACE. Of course the wage earner buys a share of them, and I want to help in improving the standard of living and working conditions of the wage earners, but I also want to help the farmers.

Mr. COOLEY. Mr. Chairman, will the gentleman yield?

Mr. PACE. I yield.

Mr. COOLEY. And is it not a fact that the farmers of the Nation consume largely the things they produce-overalls, shirts, and so forth?

Mr. PACE. Of course they do.

Mr. CRAWFORD. Mr. Chairman, will the gentleman vield?

Mr. PACE. I yield.

Mr. CRAWFORD. It is also a fact that no sane man will attempt to disprove that the wage-earning class, as such, sets aside more out of his earnings as savings or hoardings, which never get back into the purchase of those things which the farmer produces, as evidenced by the much higher standard of living which the wage earner enjoys than the men on the farms.

Mr. PACE. The farmers have nothing to save.

Mr. HEALEY. Will the gentleman yield right there?

Mr. PACE. I yield to the gentleman from Massachusetts.

Mr. HEALEY. Does the gentleman believe that anyone sets aside or hoards any money from W. P. A. earnings?

Mr. PACE. No; I do not.

Mr. HEALEY. Does the gentleman believe that anyone today, any wage earner, is able to set aside as savings or hoardings any amount of money at all?

Mr. PACE. Probably those in the skilled trades.

Mr. CRAWFORD. Will the gentleman yield further?

Mr. PACE. I yield. Mr. CRAWFORD. But the standard of living of the P. W. A. worker and the W. P. A. worker is far above that of the standard of living of the farmer in the gentleman's own State and in my State.

Mr. PACE. There is no question about that. My contention is this: Of course, we should help the wage earner, and I have voted for many of the provisions to aid him, but my contention is that when we aid the wage earner we are justified, not only justified but required to do something for the farmer. Let me show you what has happened. In 1910 the national income was \$27,924,000,000, and in 1938 the national income was \$65,991,000,000.

In 1910 the wheat crop was worth \$505,000,000. That was 1.81 percent of the total national income. In 1938 the wheat crop was worth \$440,000,000, while there had been only a 15-percent reduction in the proceeds, and its part of the national income had dropped down to 0.67 percent. In 1910 the hog crop was worth \$907,000,000. It represented 3.25 percent of the national income. Last year, although the hog crop had gone up to \$1,090,000,000, its percentage of the national income had dropped down to 1.65. Now, how do you gentlemen explain that? My explanation is this: That up to now we have legislated the farmer almost out of business. [Applause.] My explanation is you have legislated for every class at the expense of the farmer. But if you have created that condition, if you have built up a standard of living, if you have increased the cost of the finished commodity, should you not in fairness, and have not the farmers of this Nation the right to demand, that they shall receive of the Congress, which has created this condition, at least a parity price for their commodities? [Applause.]

In 1910 the cotton crop of \$880,500,000 represented 3.15 percent of the national income, while the 1938 cotton crop of \$667,200,000 represented only 1.01 percent of the national income.

There has been no change in the farm population. It was 32,000,000 in 1910 and is the same today. But since 1910 the nonfarm population has increased 40 percent, or from 59,402,000 to 97,881,000. Such an increase in the number of people using farm products should ordinarily materially increase the demand and the price of farm products, but at this hour our farmers have millions of bales of cotton and millions of bushels of wheat without any buyers.

[Here the gavel fell.]

Mr. CANNON of Missouri. Mr. Chairman, I yield 5 minutes to the gentleman from Missouri [Mr. Nelson].

Mr. NELSON. Mr. Chairman, I feel that I have not in the years I have been in this House heard a more illuminating or more helpful discussion of the farm question. I am especially interested, and my sole purpose in speaking at this time is to further refer to what we understand by "parity."

My understanding of "parity" is that a given quantity of what the farmer has to sell shall purchase as much of what he must buy as it did during the base period. Parity may be arrived at in two different ways: Parity may come to the farmer in an increased price for what he has to sell or it may be realized in a lowered price for what he has to buy, or through both steps. Prosperity is measured not alone by the price the farmer receives. The prices he must pay for his purchases are equally important. In other words, it is profit-something above the cost of production-that determines purchasing power. If there is no profit in what he has to sell, the farmer has no purchasing power. So long as the farmer receives less than the cost of production, neither the farmer nor industry can profit as a result of agricultural activities. Whether we represent the city or the country, all of us are interested in bringing about a condition which will make it possible for the farmer to operate at a profit. I repeat that if there is no profit in production there is no purchasing power.

Again referring to parity, I suggest that although the farmer may receive more than the cost of production for what he has to sell, that price may be less than a parity price, and certainly so if the price of the article that he has to buy has been advanced to a point where it is higher than the corresponding advance in what he has to sell. The farmer is interested not alone in the price he receives for his product. He is equally interested in what he has to pay-what his

Again, as in the beginning, I say I merely took the floor at this time to try to develop, at least to my own satisfaction, what we mean by parity price. [Applause.]

Mr. Chairman, I yield back the balance of my time.

The CHAIRMAN. The gentleman yields back 2 minutes. Mr. DIRKSEN. Mr. Chairman, I yield 10 minutes to the gentleman from Kansas [Mr. REES].

Mr. REES of Kansas. Mr. Chairman, I am interested in the statement just made by the gentleman from Georgia [Mr. PACE] to the effect that in his judgment we have come to a place where we have almost legislated the farmer out of business. I am wondering if he is not about right. Especially in view of the situation as we find it today. Even with the best of intentions, we have more or less sold the farmer down the river.

We have a bill before us that provides for the expenditure of more than \$1,000,000,000. I particularly want to direct your attention in a few moments to some figures I have compiled from statistics secured from the Department of Agriculture-to show that the average farmer who really needs this help and who is really entitled to help, gets a very small portion of it. I believe that after all, and fundamentally, the farmer does not want a subsidy if it can be prevented. What he really wants is a fair and reasonable price for his products, on the basis that he is required to pay for the things he needs.

I think we may as well agree that so far as soil-conservation payments are concerned—they are really subsidies. They do help the farmer to some extent to preserve his own land, but under our program we agree to pay him, if he will conserve his land, and provided he will cut down his own production. After all, what we are trying to do is to pass a little sum of money to the farmer to help take care of him while his prices are extremely low.

During the years 1937 and 1938 there were approximately 6,000,000 farmers in this country; 3,657,000 of these farmers and landowners received benefits under the soil-conservation program. About \$315,500,000 was actually spent in payments to the farmers for soil conservation, and \$43,500,000 for administration expenses.

If the \$315,500,000 were evenly distributed to those who complied with the soil-conservation plan-the average payment would be approximately \$100.

But, here are some figures to which I want to direct your particular attention: Out of 3,657,000 farmers-1,091,540 or almost one-third of them—received less than \$20 each. There were 773,000 who received between \$20 and \$40 each; 500,000 who received between \$40 and \$60 each; and 556,000 who got between \$60 and \$100.

If the one-third of all farmers who received less than \$20 annually, averaged as much as \$15 each—and that is a liberal estimate-\$15,000,000 would pay their bill.

If the 774,000 farmers who received between \$20 and \$40 each, received an average of \$30-\$22,000,000 would have paid their contracts.

Then, as to the 500,000 farmers who got less than \$60-if they received an average of \$50 each-\$25,000,000 would pay

Then we have 556,000 farmers who received between \$60 and \$100. If their average payment was \$80-and this is liberal—they would have received \$44,480,000.

In other words, with \$107,000,000 we paid approximately 3,000,000 farmers. Or, putting it another way, 80 percent of all the farmers received less than one-half of the funds allocated to the farmers and farm operators. Just think of itonly a comparatively few of the 3,000,000 farmers got as much as \$100! As a matter of fact, they received an average of less than \$50 each.

Furthermore, it took approximately \$18,000,000 to pay the administration expenses in Washington and in the States, and it took \$26,000,000 for county expenses, making a total of \$44,000,000 for administering the fund.

This was more money than was actually paid to 1,800,000 farmers, being more than half of those who participated in the program, and who got less than \$40 each. These farmers received thirty-eight and one-half million dollars, and it took \$44,000,000 to administer the fund.

After deducting the \$107,000,000 which was paid to the 3,000,000 farmers, we have a balance, in round figures, of \$208,000,000, which was divided among the remaining onefifth of the farmers

So it would appear that the remaining one-fifth of those who took part in this program in 1937 received approximately \$200,000,000, or two-thirds of the amount actually distributed in soil-conservation payments.

Mr. HOPE. Mr. Chairman, will the gentleman yield? Mr. REES of Kansas. I will yield for a question.

Mr. HOPE. It is the gentleman's idea that this money should be distributed only among the farmers, and that they should not be required to do anything to earn it in the way of soil-conservation activities?

Mr. REES of Kansas. I answer the gentleman from Kansas by repeating what I said a moment ago, that the soilconservation payments are subsidies in accordance with a prepared plan. The answer to the gentleman's question, of course, is implied in the mere asking of it. Certainly I think it would be better if they earned it, but I am also saying that this is not so much paid to him as earnings, as it is as a subsidy, because we want to help him out during this period of such extremely low prices. We say to him in substance that if he will permit a part of his land to be idle, we will pay him for doing so; that if he curtails production, he will be entitled to soil-conservation payments. It is my feeling that the help should go to the small or average farmer—the man who operates the family-size farm-and not so much to the great land operator in the gentleman's State and mine and in other States-where great tracts of land are tilled by machinery and hired help. We should not create a situation whereby a large proportion of these funds goes to the big operator who really does not need them. The average farmer does need this assistance, and we should find some way to help him a little more proportionately than the one who operates his thousands of acres by hired help.

Mr. HOPE. Mr. Chairman, will the gentleman yield further?

Mr. REES of Kansas. I yield for a brief question.

Mr. HOPE. The gentleman is aware, I am sure, that there are in this country according to the 1935 farm census approximately 6,000,000 farms. Out of this number, something like 4,000,000 are under 100 acres in extent. If we are to make these payments on the basis of a farmer's doing something to earn it—then mere mathematical computation shows that the man with 10 acres or 20 acres cannot possibly do as much as the man who has 160 acres. If the man with the larger acreage does more than the man with the smaller acreage to help meet the problem, should both receive the same benefit?

Mr. REES of Kansas. I answer the gentleman's question by saying "yes," because if you are going to operate under a crop-control program the man who has a small acreage gives up more proportionately than the one with the larger acreage; and furthermore is not so much responsible for overproduction as the large operator. I have just said that in my opinion these payments are subsidies. This for the reason that the farmer receives the money for conserving his own land. Let me make it clear that I do not object to soil-conservation payments. I am only objecting to the large sum of money that goes to the large operators and for administration expenses, and the small percentage that goes to the ordinary, average farmer.

Mr. LORD. Will the gentleman yield?

Mr. REES of Kansas. I yield to the gentleman from New

Mr. LORD. I want to make the statement that in my section the little 10-, 20-, or 100-acre farmer who needs help most cannot get anything.

Mr. REES of Kansas. I think that is true, generally. We hear a lot about the "forgotten man." He has been discussed a great deal here lately. The forgotten man is the one who operates the small, average, or family sized farm. I want to call your attention to some statistics. There are 2,800,000 farm tenants in this country. Forty-two percent of our farmers are tenants. We need more farm owners and fewer tenants. One of our great statesmen once said, "No man ever shouldered a musket to defend a boarding house," and he was right.

Mr. Chairman, my time is getting short, but I do want to call attention to one or two additional factors entering into

We pay these operators soil-conservation money. We talk about it being a subsidy.

[Here the gavel fell.]

Mr. LAMBERTSON. Mr. Chairman, I yield the gentleman 5 additional minutes.

Mr. REES of Kansas. After all, they are getting a subsidy for their corn, wheat, and cotton on the basis and to the extent of the amount they raise. And they are entitled

I do not think the farmer really wants to be paid a subsidy for operating his own farm. What he really wants is a fair price for his products. He is entitled to the first right to supply the American market just as far as he can do it on a reasonable basis, just in the same manner as the laborer is entitled to the same thing. There is no question about that.

I have not the time here to put figures in the RECORD. However, I would like to make some further suggestions concerning the question of importations. You cannot convince me that imports from foreign countries do not affect our home market. Neither can you convince me that bringing in some 60,000 cattle from Canada in January of this year did not affect our cattle market. And there will be more in April.

Mr. WHITE of Ohio. Will the gentleman yield?

Mr. REES of Kansas. I yield to the gentleman from Ohio.

Mr. WHITE of Ohio. Inasmuch as Federal taxation is now consuming almost 30 percent of the farm income, does not the gentleman think lower taxes would also be of benefit to the farmer?

Mr. REES of Kansas. There is no question about that.

In 1937, among other things, there was brought into this country one item of tapioca flour, duty free. It is estimated that the importation of this product alone took the place of cornstarch that could have been produced from 150,000 acres of our own land. This tapioca flour was produced by people of Asia who work 12 to 16 hours per day and get 14 cents to 18 cents for it. Why, Swift, Armour, and Cudahy have their own packing plants in South America. They are processing South American meat and bringing it here in competition with our American product. You cannot tell me that it does not affect the American farmer's market. There is no question about it.

Let us help the farmers. Certainly, but let us try to help the farmer help himself. Since we are going to pay subsidies, then let us take care of the fellow who actually needs it. That is what you are doing in other respects, as far as subsidies are concerned. Let us take care of the man who needs

a subsidy in times of trouble.

Furthermore, just the other day we appropriated millions of dollars for the purpose of bringing great tracts of arid land into production in the Northwest, to compete with the small, average farmer. We used taxpayers' money, if you please. Then we tell the farmer out in the Middle West, the East and South, that he must cut down his production; that he is raising too much. On the one hand, you talk about the abundant life and on the other hand about planned scarcity.

We talk about overproduction on one side, and then say that one-third of our people are ill-fed, ill-housed, and illclad. The important question is that of maldistribution, and with it we have the great problem of underconsumption.

Mr. CRAWFORD. Will the gentleman yield?

Mr. REES of Kansas. I yield to the gentleman from Michigan.

Mr. CRAWFORD. Would the gentleman say that the greater percentage of farmers who reside in his district have a cash income in excess of \$500 per year per family, and that their standard of living with reference to sanitary conditions, entertainment, culture, and development is higher than the W. P. A. and P. W. A. workers who reside in the city?

Mr. REES of Kansas. Not generally speaking. May I call attention to something else? My farmers live in ordinary

homes valued at from \$1,000 to \$1,500.

Mr. CRAWFORD. Many of them do not have bathrooms or running water?

Mr. REES of Kansas. No.

Mr. CRAWFORD. Do all of them have radios?

Mr. REES of Kansas. Certainly not.

Mr. CRAWFORD. Do all of them attend movie shows?

Mr. REES of Kansas. No; they cannot afford it.

Mr. CRAWFORD. So they live on a lower standard than the man in the city?

Mr. REES of Kansas. The other day we passed a bill providing for the building of homes in the slum areas. I am for clearing up the slums, but the bill we passed provided that those homes must not cost less than five or six thousand dollars per unit. The people out in my country would be glad to have homes worth \$2,000.

Mr. CRAWFORD. The same in my district.

Mr. MARCANTONIO. Will the gentleman yield?
Mr. REES of Kansas. I yield to the gentleman from New

Mr. MARCANTONIO. That does not justify efforts to tear down the standards of living of the people who live in the cities, does it? I agree that the standard of living of the farmers should be raised.

Mr. REES of Kansas. I understand that, Mr. MARCANTONIO. You do not raise their standard of living by tearing down the standard of living of the people who reside in the cities.

Mr. REES of Kansas. Certainly not. No one has suggested tearing down such standards. It does seem that we are a little out of line when in the name of "emergency" we ask our Government to provide millions to build and help maintain big, modern apartment houses in large cities like New York at a cost of \$6,000 per family unit. To me it appears extravagant.

[Here the gavel fell.]

Mr. LAMBERTSON. Mr. Chairman, I yield 5 minutes to the gentleman from Minnesota [Mr. PITTENGER].

Mr. PITTENGER. Mr. Chairman, I appreciate the courtesy of the gentleman from Kansas in yielding me time this afternoon. I have enjoyed the solution of the farm problem this afternoon as it has come from both sides of the House. I want to make one brief contribution to the matter which is probably a little away from the line of debate in which you have indulged.

The farmer among other things is interested in the cost of getting his products to market, so I want to talk about the transportation angle so far as it concerns the farmer.

RIVERS AND HARBORS CONGRESS MEETING IN WASHINGTON

My purpose in asking the House for indulgence at this time is just this: I have before me a letter inviting Members of Congress to attend the Thirty-fourth National Rivers and Harbors Congress, an organization which is meeting at this time, in Washington, D. C. This organization is composed of a group of very distinguished persons. A former Member of Congress, William J. Driver, is its president. The chairman of the board is Senator Overton, of Louisiana, and Senator MILLER, of Arkansas, also a former Member of the House, is a member of that body, as is former Congressman Reid, of Illinois. Two of our distinguished colleagues are members, DEWEY SHORT and JACK NICHOLS. They, together with many other civic-minded people, make up the personnel of that

In the call for this meeting it is stated that their purpose and their excuse for existence is to have everyone interested in navigation, flood control, irrigation, reclamation, hydroelectric power, reforestation, the prevention of shore

and soil erosion, water pollution, the protection of life and property from floods and drought, and the development of the American merchant marine, attend their meetings and become interested in the different projects. This is an ambitious program.

ST. LAWRENCE WATERWAY PROJECT WILL REDUCE TRANSPORTATION RATES FOR THE FARMERS AND PRODUCERS

My purpose in rising today is to direct the attention of the members of the committee to this meeting and to call the attention of the National Rivers and Harbors Congress to the St. Lawrence seaway project, which is one of the great projects in which the farmers of the Northwest, a landlocked empire of some 40,000,000 people, are interested. They are interested because it will help to solve to a degree the farm problem by reducing the freight rates on the products of the farm and also on other products in that great territory.

A former Member of this House, J. Adam Bede, who now resides in my district and who is an expert on transportation matters, in an article many years ago stated the very essence of this problem of transportation. He said that in 1854-

One man with a horse and cart transferred all the commerce be-One man with a horse and cart transferred all the commerce between Lake Superior and Lake Huron, more than a mile and a half, around the rapids of the Ste. Marie River, now popularly known as the Soo. One day some men with vision decided it would facilitate transportation to channel the rapids and let the ships go through without unloading at this halfway point. But the owner of the horse and cart opposed the movement and declared its advocates had hysteria. However, the dream came true; the horse and cart and their obstreperous owner, long in restraint of trade, have returned to dust, and a hundred million tons of freight pass through the Soo in a single season.

This quotation from Mr. Bede's article on the transportation question shows how vital it is to the farmer that there be a reduction in the rates that are charged for getting his products to the market and how indispensable such a reduction is to any recovery program.

NATIONAL VIEWPOINT REGARDING ST. LAWRENCE WATERWAY NEEDED

The National Rivers and Harbors Congress of the United States is one of the most important civic bodies in the United States and it has for its main objective the improvement of all rivers and harbors in this country so that transportation of products can be made cheaper and the public benefited thereby. This organization, national so far as its membership is concerned, is supposed to consider all projects which will help the people of the United States in securing cheap waterway transportation and in removing the burden of freight rates and other handicaps to cheap transportation of commodities throughout this country.

I want to commend the purpose for which the National Rivers and Harbors Congress was created. It should be national and not sectional in its approach to the problems of navigation, flood control, water pollution, and other matters in which the people of this country with a national aim

in view are interested.

It is my hope, as a Member of the Congress of the United States, that I may approach all legislation providing for improvements of rivers and harbors with a national viewpoint in mind and with the question of sectionalism left in the background. Waterway transportation is still the cheapest and most economical that has been devised. Other great methods of transportation have their place in our economic scheme and program. I have in mind, for instance, the railroads, and I recognize the great value that they are to the United States. However, in all fairness, I think it proper for me to say that over long distances they cannot compete with water transportation which has this field to itself. If we look at the transportation problem in its broader aspects. and in view of the fact that freight rates are based upon distance, so far as railroads are concerned, then we will see that there is no competition in the waterway transportation matter so far as long distance transportation is concerned, with waterway transportation. For short distances and for geographic sections which cannot be served by the waterways, you must depend upon the highly developed railroad transportation system in this country.

TRANSPORTATION PROBLEM NATIONAL IN SCOPE

Now the problem of waterway transportation is, in my opinion, national in scope. Cheap waterway transportation which helps one section of the country is also of advantage to every section of the country. I base this statement upon the philosophy that when we help the other fellow, we indirectly help ourselves, and that when we harm the other fellow, we indirectly harm ourselves. In other words, no program or project is worthy of consideration that believes in tearing down another one in order to build itself.

So, with this thought in mind, I want to commend the purpose and object of the National Rivers and Harbors Congress. I am not unmindful of the fact that in the past this great organization has not supported the St. Lawrence Waterway project, which is one of the greatest transportation waterway propositions of modern times. So far as this project is concerned, and so far as opposition to it from individuals connected with the National Rivers and Harbors Congress is concerned, it is my opinion that such opposition is of a sectional character. In other words, the viewpoint of those individuals is sectional and not national and falls short of what is best for this great country of ours.

SECTIONALISM BENEFITS NO ONE

In this connection, I have before me a bulletin of the Mississippi Valley Association which, under date of January 1939, undertakes to say that the St. Lawrence Waterway project will benefit Canada and by implication gives the impression that the economic interests of the United States will not be served if such treaty with Canada is ratified. I regret that my good friends in the Mississippi Valley have lended themselves to such a wrong viewpoint. Of course, the St. Lawrence project will benefit Canada, or else Canada would have no interest therein. But every time that it benefits Canada by lower freight rates and by power development, to that extent and probably more, the St. Lawrence Seaway project benefits the United States. The history of this project is a long one over a great period of years. People interested in transportation have consistently advocated the St. Lawrence Waterway project. Now, what is the St. Lawrence Waterway project? This much can be said—it is a project which will not be approved by the National Rivers and Harbors Congress, unless I am sadly mistaken, or by the Mississippi Valley Association, because those organizations are primarily interested in another section of the United States and for some mistaken reason believe that what will help the great Midwest, will harm the Mississippi Valley. This is a sad and a mistaken viewpoint. It is the sectional viewpoint.

BENEFITS OF ST. LAWRENCE WATERWAY PROJECT

The St. Lawrence Waterway project, in brief, is sponsored by civic organizations and civic-minded people who advocate the deepening of the St. Lawrence River, the building of locks therein, and power developments. All of this is in accordance with the recommendations of the Army engineers of the United States of America.

This waterway, when improved in accordance with plans now considered, will permit ocean-going vessels to make the harbor at Duluth, Minn., and Superior, Wis., their objective and will add to the seacoast of the United States something like 3,000 additional miles. It has been estimated that some 40,000,000 people would benefit from cheap transportation rates if this project could be realized. These people live in what is known as the Middle West. I do not here discuss the opposition to the St. Lawrence waterway, but wellinformed people know that this opposition is selfish and sectional. I realize that objections have been raised as to the cost of this project, but those objections can be discounted because they are without merit.

The St. Lawrence Waterway project, were it undertaken now, would contribute to the solution of the unemployment problem because it would give work to many thousands of people. Incidentally, it would create great power developments and in the future electric energy will become more and more important to the people of the United States, as well as to the people of Canada. It is estimated that 5,000,000 hydroelectric horsepower would be made available as an incident to the improvement of this navigation project. In time of war, speaking from the standpoint of national defense, the completion of this project would be of great help both to the United States and to Canada. Several years ago the manufacturing interests in New England realized the great value of this canal, and one of the organizations in New England prepared a booklet showing how New England could send its manufactured products through the canal to the great Midwest and receive in exchange commodities which the great Midwest of this continent had to offer. This same attitude will apply with respect to other seaboard cities of the United States. From the standpoint of this country alone and from the standpoint of industry and manufacturers on both seaboards, the St. Lawrence waterway project would help with its cheap water transportation in opening up new markets, when, at a time like this, European markets are not available. I earnestly urge upon the National Rivers and Harbors Congress this national viewpoint in connection with waterway transportation.

PROJECT AWAITS TREATY WITH CANADA

I realize that there are difficulties ahead; that two countries are involved, Canada and the United States; that the United States, through its President, in November 1938, forwarded to the Canadian Government a proposed treaty ratifying the St. Lawrence waterway project and which treaty would be agreeable to the United States. This, of course, was the beginning of a series of negotiations between two great governments. Such negotiations are of a diplomatic character, and I do not deviate from the rule that our State Department should conduct the same. I do not here discuss the present status of the waterway treaty, so far as Canada is concerned. I do know that Mr. Roosevelt, as well as his predecessor in office, favors the St. Lawrence waterway project for the reason that it will provide cheap waterway transportation and contribute directly to the economic welfare of millions of people in Canada and the United States.

Let me say, Mr. Chairman, in conclusion, that it is my hope that the Congress of the United States will look with favor upon this great river project which will permit oceangoing boats to traverse the Great Lakes of the United States and make Duluth, Minn., and Superior, Wis., their destination. I feel confident that in time broad-minded and patriotic people of this country will recognize the great advantages of this waterway-transportation improvement, and that to the East and West and to the South and to the North our people will recognize the doctrine that when you help another section of the country you help your own. In due time this broadminded attitude will be reflected in the ratification of a treaty with Canada bringing to a successful completion the so-called St. Lawrence waterway project. When this occurs, another great step will be taken for the economic betterment of all the people of two great countries. And if eventually, why not now? [Applause.]

[Here the gavel fell.]

Mr. CANNON of Missouri. Mr. Chairman, I yield 15 minutes to the gentleman from Oklahoma [Mr. Massingale].

Mr. MASSINGALE. Mr. Chairman, I want to discuss for a brief time the bill H. R. 2371, known as the cost of production bill, which has been introduced under that number in this session of Congress. My reason for wanting to discuss it at this time is that I believe if there is anything on which the Members of this House are in accord it is that the present Agricultural Adjustment Act is a colossal failure, and that instead of benefiting the American farmer it is pauperizing him. The Congress and the country, including the farmers, are looking to this body to relieve them from the disastrous effects of the further continuance of this Agricultural Adjustment Act.

The cost of production bill provides for several things, and I will run over the mechanics of them as speedily as I can. I call your attention to the fact that hearings have been had on this bill in both the Senate and the House. These hearings have been concluded, and there has been filed with the Speaker motion No. 5 to withdraw this bill from the consideration of the Rules Committee and have it available when the proper time comes for submission to the House. This may not be necessary, but we want to take that precaution so the American farmer will not be disappointed in the fail-

ure of this House to pass some kind of worth-while farm legislation.

Forty-nine or fifty of the seventy agricultural products are recognized in this bill. These 49 or 50 products constitute 99 percent plus of all agricultural production. In respect of most of these products there is no surplus, all we produce of those items being consumed domestically. In the case of a few of them, particularly cotton, tobacco, wheat, and some other items, there is a vast quantity for export. The total export last year of farm commodities was \$453,000,000. Cotton accounted for \$338,000,000 of these exports.

Now let us consider cotton. I am more familiar with cotton than I am with any other item of farm production. Cotton is the sixth most important crop in the Union.

It is the largest export crop, the largest surplus crop, and, of course, it is the most difficult to handle and dispose of.

Under the terms of this bill any farm product is a subject of interstate commerce where there is in excess of \$10,000,000 worth of that product entering into interstate commerce in one year.

The Secretary of Agriculture will ascertain the average cost of producing a pound of lint cotton, say, and that is not a difficult or abstruse thing to do. He can sit in his office down here in the Department building and from census data and from the yearbooks, he has everything necessary to enable him and his force to determine what the cost of production of any farm product on an average is in the United States.

He will determine under this bill the beginning and the ending of marketing years and he will estimate the volume of current crops. I am dealing now with cotton, but the same thing applies to wheat and corn or any other commodity coming within the provisions of the bill. Then he will estimate the percentage of the crop needed for the domestic market. For instance, we know, as growers of cotton, this general thing to be true—that the domestic consumption of cotton in the United States in the last 5 years, based upon a 5-year average, is something like six or seven million bales. We know that on an average about 80 or 90 percent of the wheat of the country is consumed here at home. The Secretary will find when he determines how much cotton is going to be grown in the United States what it costs on an average to grow a pound of cotton. Let me pause here just for a moment to digress and say that recently or within the year the Secretary of Agriculture has caused to be made a survey in the cotton States of the average cost of producing a pound of lint cotton; and, probably to the surprise of some of you, the average cost of producing a pound of lint cotton in North Carolina or in Oklahoma or in Texas or in Louisiana does not vary as much as a cent per pound. So it is with the cost of wheat or any other kind of crop that is grown.

Let us say that the Secretary finds that the crop estimate of cotton for 1940 will be 12,000,000 bales, and he also finds that the amount required for domestic needs of the United States will be 6,000,000 bales, and he finds the average cost of producing a pound of lint cotton to be 27 cents. That is about what the cost of production is now, as I understand it. If 50 percent of the cotton is allotted for domestic consumption and 50 percent is allowed for export trade or for reserves, then it is an easy matter, mathematically, to determine how this cotton will be disposed of. The law provides that if we consume 50 percent of our cotton here, domestically, and we have 50 percent of it left for the export trade and a man grows 10 bales of cotton, he will receive for the 5 bales of cotton that is required for domestic consumption the domestic price or the cost-of-production price of 27 cents a pound.

He will sell the other half of his crop at the world price or on the world market; and he gets, say, 8 cents a pound for that, as he is getting now, except he will not handle it directly. The Secretary of Agriculture will handle it by taking that cotton and selling it in a methodical, orderly kind of way, so it will bring the best price. The cotton will be freed of any kind of Government control or ownership, because you and I and every other man that handles cotton or any other crop knows that as long as you have more loaned against a bale of cotton than the world price of that cotton will bring you you cannot sell it abroad, and that is the trouble. The cotton market is glutted; the farmer cannot sell it; nobody can sell it; and we have now probably 12,000,000 or 14,000,000 bales of cotton, for which there is no market.

Now, let us see what this will do to the American farmer. There are 2,700,000 cotton farmers in the United States. It will astound you to know that 2,400,000 of these cotton farmers own an average of 15 acres of land each-get thatof which 5 acres, on the average, is what each one of these 2,400,000 Americans plants to cotton. The average acre of cotton produces 187 pounds, or the 5 acres produce 935 pounds, or just short of 2 bales. The other 300,000 farmers, of course, are larger and grow more cotton. They will get more money out of their operations under this bill, but the way it is now these 2,400,000, the most destitute and more neglected and less cared for of any part of our population in the United States, get now at the most what 935 pounds of lint cotton will bring at 8 cents a pound, which is the

Mr. PIERCE of Oregon. Mr. Chairman, will the gentleman yield?

Mr. MASSINGALE. Yes.

Mr. PIERCE of Oregon. I do not believe there is any doubt that you have the ideal bill. I introduced a companion measure, but the thing that troubles me is the question of control and I wish the gentleman would talk more about the mechanics of the bill and how you are going to control it. How are you going to control production? That is what worries me.

Mr. MASSINGALE. Governor, there is no such thing as control of production in this bill. We are getting away from control of production. Control of production has been a failure. The Secretary of Agriculture in testifying before the Committee on Agriculture of the House of Representatives yesterday admitted that the farmer of America could not hope even for parity under the further operation of his bill, and that the only method he knew of by which the farmer could get anything like approximate parity would be through the cost-of-production bill. Since we had these hearings before your committee there has been a committee printing of the bill in which certain suggested amendments have been incorporated that will take care of every objection that was made before the committee. But the object is to make it possible for the farmer to have more purchasing power so he can make a living on his farm, and this is so imperative that Congress cannot afford to overlook it.

Because the bill may not be in all respects perfect, and it is not perfect, is no reason not to do the right thing by him; but what are you going to do when you have a population of thirty-five or thirty-six million cotton farmers? You talk about abject poverty. Do you know what the average income of the cotton family in the United States is? It is \$173 a year. You talk about standards of living!

Mr. CRAWFORD. Mr. Chairman, will the gentleman yield?

Mr. MASSINGALE. Would the gentleman wait until I finish this, please?

You talk about the standards of living for the American citizen. The cotton farmer gets \$173, on the average, per year, and next above him in the scale of standards of living in America is the industrial worker, who earns, on an average, \$908 a year, and then tell me that the Congress of the United States shall sit supinely by and try to satisfy the farmer and give him security by doling out at each session of Congress \$250,000,000, \$500,000,000, \$1,000,000,000, in order to help him attain parity.

The CHAIRMAN. The time of the gentleman from Oklahoma has expired.

Mr. CANNON of Missouri. Mr. Chairman, I yield 5 additional minutes to the gentleman from Oklahoma.

Mr. MAHON. Mr. Chairman, will the gentleman yield? Mr. MASSINGALE. I yield.

Mr. MAHON. The gentleman was referring to the average income of the cotton farmer and the gentleman said it was something like \$173 a year.

Mr. MASSINGALE. One hundred and seventy-three dollars a year.

Mr. MAHON. Is it not true that in many States W. P. A. workers get a great deal more than that?

Mr. MASSINGALE. The American farmer, the cotton grower of the South, has the lowest standard of living of any person in America.

Mr. MAHON. Is it not true that if the farm problem is not at least partially solved it will increase the relief burden and therefore raise the expenses of Government? The farmer is entitled to at least the so-called parity price for his products. I feel that an adequate increase of the income of the cotton farmer—the farmer generally—is positively necessary if our farm population is to survive.

Mr. MASSINGALE. I think the gentleman is correct about that. I make this further statement as a prediction, that if this Congress does not do something to relieve the intolerable situation that exists, just among the cotton farmersand, of course, it exists in other sections of the countrythere is going to be a Congress come here next time that will do it; and there ought to be one that will do it.

Now, let me get along a little further. Under this bill, as small as the items are, do you know what it will do to the 2,400,000 cotton farmers that grow 2 bales of cotton? Can you think of it in America? Two million four hundred thousand American men limited to a gross income of \$173 a year, and the Congress of the United States will not take any notice of them? It is a most serious thing. It is a tragic thing. Just let me say this to you gentlemen: I wish I had time to discuss this bill; but I do not have time, and I just wanted to touch on the mechanics of it. I just want to say to you that the greatest tragedy in America that has ever been enacted in America is being enacted right now. It is a serious thing. In every cotton home in the South that is, the small ones, the 2,400,000 two-bale fellows-every day in the year there is being enacted a phase of this great American tragedy that ought to put the men of the Nation to shame for tolerating that kind of a condition. You have to get away from it.

Now, somebody said this morning in the debate they wanted to make a test to find out who is the friend of the farmer. I will tell you a good test. You go up there and sign No. 5 if you are a friend of the farmer. That is a petition to force this bill out of committee and for consideration of this House, and then follow it up and vote the enactment of this bill into law. Secretary Wallace, testifying yesterday before the House Committee on Agriculture, admitted that his bill would not do the work. What are you going to do about it?

Mr. KEEFE. Mr. Chairman, will the gentleman yield?

Mr. MASSINGALE. I yield. Mr. KEEFE. Here are two gentlemen from Wisconsin going up to sign your petition right now.

Mr. MASSINGALE. I am very glad I converted you. Thank you.

This is not a Democratic bill. It is not a Republican bill. God knows the farmers have a bill against the Democrats as well as against the Republicans.

I saw a little statement not long ago that pictured to my mind the real situation that all of us ought to look into. That was this: A wall was drawn in America around the manufacturing establishments of the country. That was the tariff wall. The farmer cannot get inside to get what he needs on his farm and for his family, unless he pays the price of those things plus the duty that is imposed upon them when they are brought in here from foreign countries. Butand here is where the Democrats catch it—the Democrats are continuing this kind of program by letting the fellow that is behind the tariff wall go out under reciprocal agree-

[Here the gavel fell.]

Mr. CANNON of Missouri. Mr. Chairman, I yield 5 additional minutes to the gentleman from Oklahoma.

Mr. MASSINGALE. The man inside the tariff walls, the man who is protected by the tariff-and I do not care to discuss that-has his protection and has had it for 150 years. The farmer has not any, he never has had any, and you have driven him now to despair. What is going to become of America if we continue this kind of program? I want to say to you men that it does not make any difference about politics, I do not give a darn whether you are a Democrat or a Republican if you will do the American thing by voting either for this bill or some other American program that will enable this great class of our citizenship to get to that point in our economy where they can make a living, where they can go to the farm instead of the W. P. A. and the dole, and keep their families upon an American farmstead.

Mr. HOFFMAN. Mr. Chairman, will the gentleman yield? Mr. MASSINGALE. I yield.

Mr. HOFFMAN. Mr. Chairman, I make the point of order that a quorum is not present.

The CHAIRMAN. The Chair will count. (After counting.) One hundred and one Members are present, a quorum.

Mr. MASSINGALE. Mr. Chairman-

Mr. KEEFE. Mr. Chairman, will the gentleman yield?

Mr. MASSINGALE. I yield.

Mr. KEEFE. The gentleman suggested a few moments ago that he was glad he had converted me to his position.

Mr. MASSINGALE. I knew where the gentleman stood. Mr. KEEFE. I may say to the gentleman from Oklahoma that the Republican platform in Wisconsin calls for cost of production for the farmer. I was elected on that platform and I stand with other Members from Wisconsin for cost of

production for the farmer. [Applause.] Mr. MASSINGALE. I congratulate the gentleman. I knew

where the gentleman stood.

Mr. KEEFE. If the gentleman will permit, I direct his attention to the fact that in the pending bill nothing is done for the dairy farmer of Wisconsin. We get nothing except soil-conservation checks, that is all.

Mr. MASSINGALE. I do not know how it operates in Wisconsin. I may say to the gentleman that I do not care anything about politics. I appreciate the gentleman's Americanism. He has just as much right to belong to the minority party as I have to belong to the majority party in this Congress, and I do not believe it makes any more difference to the gentleman, from what I have observed as to how he votes, than if he did not belong to any party. I know something about the history of politics, however. I know that in 1932 my own party nationally had a cost-of-production plank in its platform, and the Republican Party in that year had the program in view that Mr. Wallace is now operating under. When we were elected we stole it from you. Which party is more at fault? [Laughter.]

Mr. HEALEY. Mr. Chairman, will the gentleman yield?

Mr. MASSINGALE. I yield.

Mr. HEALEY. I observe an item in this appropriation bill of \$250,000,000 for the maintenance of parity prices. I know the gentleman from Oklahoma has a liberal attitude not only toward the farmer but toward the industrial worker. In view of this largesse to the farmer, does not the gentleman think we ought to recognize the plight of the unemployed in the industrial centers and that we ought to vote the full \$150,000,000 that has been requested for W. P. A. appropriations?

Mr. MASSINGALE. I am about the same kind of Democrat that my colleague from Massachusetts is, and I agree with him very largely on nearly every policy that has come before this Congress since I have been a Member of it. Speaking of the \$150,000,000, I am going to vote for it.

I hope every Member will sign discharge petition No. 5 and the companion bill which gives Congress the power to rehabilitate and save for the farmer his premises. It is worth more to the Government, worth far more to the Government of the United States than it is to start out on a new program of buying a farm and a mule for a fellow

I shall further discuss cost of production before the House

within the next few days.

[Here the gavel fell.] LXXXIV--202

Mr. DIRKSEN. Mr. Chairman, I vield 12 minutes to the gentleman from Illinois [Mr. Johnson].

Mr. JOHNSON of Illinois. Mr. Chairman, it is indeed with the most profound respect and appreciation that gentlemen from both sides of the aisle have in the past hour listened to the practically united sentiment expressed in behalf of perhaps the greatest problem confronting the Nation today, the distressed plight of the American farmer.

Mr. Chairman, about 25 years ago the United States was endeavoring to feed not only her own people but many Euro-

pean nations then engaged in the World War.

Wheat sold up to \$3 per bushel, hogs \$25 per hundredweight, with nearly all agricultural commodities proportionately high. It was then that the people of the United States became alarmed lest our cities would suffer the pangs of hunger through inability of our farmers to grow food for all.

It was then Congress enacted legislation creating Federal subsidized county agents for the sole purpose of providing trained agriculturists to serve as county agents in extending education information concerning scientific crop rotation, selective breeding in animal husbandry, and other information to our farmers for the purpose of increasing agricultural production through better farming methods. Theoretically, to produce two blades of grass where one grew before.

What a change in a short 25 years. From a grave fear of food shortage to present-day alleged food surpluses which have become our agricultural economic problem since the Civil War. Along with our distressed agriculture we have between ten and eleven million unemployed wage earners unable to provide their families with shelter, food, or clothing.

That the present A. A. A. has relieved the despair of our farmers to some extent no one can deny. After 6 years of experimentation with benefit payments and loans our agriculture is still looking to Congress for a sound farm program that involves no semblance of crop control. The American farmer does not want crop restriction of any kind, but he does want a fair price based upon the cost of production for his cotton, his wheat, his corn, his tobacco, his hogs, his beef. The farmer was promised parity; he expected it; but he has not received it and his patience is almost exhausted.

My colleague from North Dakota, Mr. Lemke, recently said, "every county courthouse has become a poorhouse," and I want to add that every county agent's office has become a dole dispensary, with an administration pay roll of more than 88,000 Federal employees to dispense this dole under the deceptive but charitable name of "earned-benefit payments.

We are paying part of these benefit checks to farmers to not grow some soil-depleting crops, while part of it is paid for enriching the soil to grow bigger crops in succeeding

No nation is rich enough to pay a great mass of people for not producing the necessities of life while one-third of our people are underfed, underhoused, and underclothed in our cities and on our farms.

Mr. PIERCE of Oregon. Mr. Chairman, will the gentleman vield?

Mr. JOHNSON of Illinois. After I have completed my statement. My time is very limited.

Mr. PIERCE of Oregon. Get down to the facts. What are the facts?

Mr. JOHNSON of Illinois. Mr. Chairman, true prosperity comes from the soil. Whenever our farmers are able to realize the cost of production for their commodities on that portion used for domestic consumption they will start the greatest wave of buying this country has ever seen. Our implement factories will again run full blast, our cotton will move into the clothing trade, the farmer will repair his house, refurnish his home, and renew wornout fences. It is very easy to visualize the reemployment that would automatically follow throughout the Nation.

As a co-sponsor of the Massingale-Lemke "cost-of-production bill," I am firm in my opinion that it is sound, workable, and the mechanics of its operation are simple and positive, requiring an administrative force insignificant as compared with cost of our present 88,600 A. A. A. employees.

Briefly, the cost-of-production measure provides not less than cost of production for that portion of farm commodities sold for domestic consumption. The average cost of production for the various commodities is determined on the same basis as the formula industry uses, giving due consideration to labor, depreciation, and so forth.

If a farmer delivers 1,000 bushels of corn to the elevator and the Secretary of Agriculture estimates that 90 percent of the visible crop is needed for domestic consumption, for instance, then the farmer receives the cost of production on 900 bushels of corn and the remainder, 100 bushels, is turned over to the Secretary of Agriculture for disposition in export or otherwise, but not to be in competition in domestic channels with American agricultural products.

Herein lies the importance of Agrol as the possible solution of the alleged farm-commodities surpluses. Agrol is simply anhydrous alcohol, which means that the normal 6 percent of water has been removed. A 10-percent blend of Agrol with a cheap grade of gasoline makes a motor fuel comparable with the regular lead-processed gasoline. A 10-percent blend with the regular grades gives a motor fuel superior to the premium grades.

The reason the manufacture and use of Agrol presents the most immediate and greatest opportunity for the relief of agriculture is because, first, the processing plants are most easily constructed and established; second, they would be small community plants scattered throughout the Nation; third, the blending process is a simple one and presents no obstacles; fourth, no change in internal-combustion motors or carburetor is necessary to use the blend; fifth, the distributing system is already established.

The one obstacle which thus far has stood in the way has been the hostility of gasoline manufacturers themselves to the plan. There is no reason why this should be so.

I have not time to go into these details now, but I do say that measures can be worked out that would enable the oil companies not to make less money or sell less gasoline, but to sell more gasoline and make more money on the gasoline consumed.

ADVANTAGES

Alcohol is a solvent of carbon and when used in a 10-percent blend renders a motor practically carbon free. Its antiknock qualities are pronounced. Agrol blend motor fuel gives greater mileage. I personally used an alcohol blend continuously for 15,000 miles last summer and fall. I found it highly satisfactory as a motor fuel.

COSTS

We know from authoritative sources, as determined by certified public accountants, under actual plant distillation, using 40-cent corn and including the Government regulation of denaturing at a cost of 2.58 cents per gallon that Agrol can be produced for 18 cents per gallon. With simple and improved methods of denaturing, the cost of denaturing for motor fuel uses, should be about one-half cent per gallon. It is reasonable to assume that 40-cent corn should produce Agrol at a cost of 14 cents per gallon.

Agrol can be produced in practically every agricultural section of the United States. Experiments have proved that Agrol can be produced from corn, wheat, rye, barley, potatoes—sweet or Irish—artichokes, beets, blackstrap molasses, rice, and grain sorghums. As is well known, damaged or moldy grains, heated or dirty grains, ordinarily unmarketable for food, find a ready market at distilling plants.

A bushel of corn will produce approximately 2.5 gallons of Agrol. At 40 bushels per acre, an acre of corn will produce 100 gallons of Agrol.

Our annual consumption of gasoline is about 20,000,-000,000 gallons. A 10-percent blend would require 2,000,-000,000 gallons of Agrol, requiring 800,000,000 bushels of corn or the equivalent in the other agricultural products.

PRACTICAL USES

The development that has so far been made in the United States has been through private initiative and private capital. The National Motor Fuel Association, the Illinois Oil Co. of Rock Island, Ill., as well as others are deserving of

credit for pioneering the regular distribution and use of Agrol blended motor fuel against intense and unfair competition of regular oil companies. J. R. Heiple, president of the Alcohol Motor Fuel Association of Gridley, III., estimates his 1939 distribution of Alcohol blend will be 20,000,000 gallons, based on his distribution for the first 60 days of this year, and assuming a total of 8 months of distribution. Mr. Heiple informs me that a large oil company has just been added to his distributor list. Twenty-one nations of the world are using alcohol blend motor fuel today.

FOREIGN USERS

The Standard Oil Co. of New Jersey joined hands with the English Distillers Co. in England and announced through extensive advertisements "the most perfect motor fuel the world has ever known—Cleveland Discol 33½ percent British alcohol." They have widely advertised the many virtues of alcohol-blend motor fuel, that is, in England, but not the United States.

In Sugar News, a trade journal in the Philippines, International Harvester Co. advertises McCormick-Deering tractors which will burn 100-percent farm alcohol in the Philippines and which will also operate economically and efficiently on gasoline or kerosene without any change in the motor. There are a few well-known United States manufacturers of trucks who also advertise their trucks to operate on 100-percent alcohol in the Philippines. When the automotive and tractor industries replaced the farmers' hay- and grain-consuming horse power they also destroyed markets for millions of acres of power-producing crops.

The farmer is entitled to recover at least a fair portion of that market which the petroleum industry took from him. The farmer has become poorer while the oil industry has richly prospered. The farmer, through the universal use of alcohol-blend motor fuel, could again enjoy the comforts of life and the oil industry could enjoy a greater prosperity through regained purchasing power of both the farmer and the city dweller.

A few weeks ago I heard a nationally known scientist make the statement that the United States have but a 3 months' supply of gasoline. Known petroleum fields are estimated to last but 10 or 15 years. As each known oil structure is developed, the probability of new producing fields dimnishes. In the interest of conservation of our national resources we should proceed in an orderly manner to conserve a portion of our limited supply of petroleum and gradually replace it with our wealth of unlimited motor-fuel alcohol.

I offer these observations for the most serious consideration by the Members of Congress as a ready means of returning American farmers to a normal state of contentment and prosperity so that we as a nation may again enjoy a full and abundant life. [Applause.]

Mr. CANNON of Missouri. Mr. Chairman, I yield 15 minutes to the gentleman from Texas [Mr. Sumners].

Mr. SUMNERS of Texas. Mr. Chairman, I am going to touch on a few high points, and I hope you excuse my method of presentation.

I have not had the opportunity to examine this bill in detail. That is one of the most serious results of this great concentration of governmental power and responsibility in Washington. So much time must be given to other matters there is not time properly to attend to the Federal business. In the midst of our perplexing problems there is one thing which is reassuring. We are beginning to realize that economically and politically in America we are all in the same boat. We observe in the House and we observe generally now and then some evidence of partisan spirit and partisan attitude, of class spirit and class attitude. That is inevitable. Under ordinary conditions, we probably could afford to indulge in this sort of thing in America, but not now, when great interest and great dangers challenge us to a greater efficiency than division makes possible. I do not believe anybody who has average intelligence can fail to realize that the problems before us are equal in difficulty to the best contribution which a united people can make.

I have observed this House for a long time. I want to say to the American people, in compliment to the House of Representatives and in fairness to the Members thereof, that I have observed the Members of this House Democrats and Republicans, when the supreme challenge came, to turn from the bitterness of partisan struggle and respond to the call of their country. I have never seen them fail yet.

In the 26 years I have observed the House of Representatives I have never seen the time when Members have been conscious that their country required a united nonpartisan consideration of public questions that the House of Representatives was not able to respond. [Applause.] We are all in the same boat, governmentally and economically, and this boat will not stand much political rocking. The economic problems of agriculture are the problems of everybody—of every section of this country. Men and women of sober judgment are serious when they confront the question whether or not America can survive as a democracy. We almost have to pinch ourselves to realize that we in America actually have to recognize that in a definite sense that question actually confronts the American people. I think we will win, I know we will win easily. We have got a long, hard road ahead of us. Divided we fall.

Our economic fortunes and our political future are inseparably associated in this country as they have not been associated at any other time in our history. Our greatest difficulty and our greatest danger, as I see it, is that we will divide ourselves into little groups, each group concerned in getting some group advantage without regard to the general common interest upon which all groups depend for their

security. I want to emphasize that.

I had occasion to study the situation in Germany in 1927, and I suggested to some of my friends at that time that Germany did not have a chance to win out. There were in Germany 13 political parties, so-called. They called them parties, but they were in reality 13 class groups, with but few exceptions, each struggling for class advantage. The line of cleavage ran through them from the top to the bottom. There was no national solidarity, no general acceptance of any fundamental principles which held them together while they fought out their many differences, no realization of interdependence. A people thus divided found themselves unable to offer to the government in the hour of the government's great need, its great crises, an instrumentality that could carry forward the business of the government. I want to emphasize this thought. It is a fact established absolutely by the history of the ages.

No people who have acquired the opportunity of self-government, except by conquest, ever had their democracies destroyed from anything that was done to them from the outside. It is all right to be concerned about what people are saying on soap boxes, but free governments, except by conquest, are destroyed from within and not from without. Whenever the problems of a government exceed the governmental capacity of its people, then there must be a change in that government. That cannot be challenged. That is the great warning of history to the American people today.

This country will not lose, it will not cease to be a democracy, so long as our people are equal to their governmental difficulties. Whenever the people cease to be equal to their governmental difficulties, we will cease to be a democracy. That is a self-evident fact, because Government must be operated, and when the people no longer afford the Government an agency through which its business can be done, then Government has to have a different sort of agency.

I hope I am not appearing presumptuous in what I am stating. I realize I state these things with a good deal of positiveness; I am positive because I have thoroughly investigated the matter from top to bottom. We are in the same boat, all classes and all parties now interdependent upon each other in the effort to reach the shore. As I said I am

just touching a few high points.

I turn now to our economic organization, having in mind particularly the position of agriculture. As I am compelled to admit, and I do so with much regret, I have not examined the details of this bill, but I have examined the relationships involved. I come from a city. I said to a friend of mine not long ago who asked me if I had read some books on

economics, "I do not know much about the books that have been written on economics, but I know a little something about the economics that books are being written about." It is all right to read books about things, but it is better to look at the thing itself than to go stumbling over the thing with one's face hidden in a third-rate book written by some fourth-rate theorist.

There is not an economic law in the world that one cannot observe working in a village of 2 or 3 thousand people if he has trained himself to observe things which are within his vision. God Almighty has so organized the machinery of the world that it is within the capacity of people of ordinary intelligence, with the help which others contribute, to have the opportunity for observation and to know what they ought to do about things which fall within their responsibility.

I do not want to be taken too literally about books. They are all right in their place, but their place is to inform and stimulate thinking—not substitute for either observing or thinking.

Each business in America in a sense, and to a degree that it has not heretofore been, is a part of every other business. Agriculture is our most basic business. Agriculture fell into great disadvantage under the influence of the application of steam, electricity, and gasoline, to our human activities. When the individual ceased to be the industrial unit and the community ceased to be the industrial organization, and many people who theretofore had been manufacturing and producing the raw materials ceased to produce the manufactured commodities, when the home factories moved and were concentrated in the great cities, agriculture was not able to adjust itself to that tremendous economic revolution. Others sold products and services at the cost of production plus a profit. Agriculture sold to the highest bidder regardless of cost of production or profit.

Let me see if I can get across in my time the one thought I want to leave with you. I am not trying now to thoroughly discuss anything nor to thoroughly analyze anything. I apologized in the beginning for this discussion. I am merely trying to leave a few thoughts with you.

This illustrates the relative disadvantage of agriculture which must be considered in formulating any general public

policy.

Whoever can hand you a bill for goods furnished or for services rendered has a chance to pass on to you a part of whatever has been passed on to him, whether it be a tariff boost, a wage boost, or whatever it may be. The merchant figures into his selling price whatever the cost was plus profit and his overhead, so does the physician and all those who sell and serve, if they hand you a bill. They must do it or go broke. Farmers cannot do it and they go broke. When we come to the great group of agricultural producers in America they cannot pass on these boosts because they were selling to the highest bidder in competition with the cheapest producers in the world. They are at the end of the passing line.

Most of the statements I have heard indicating the disadvantage of agriculture state that the farmer pays more for what he buys than he would have to pay if he could buy in the free markets of the world where his selling prices are fixed. But that is only a part of the picture.

The protective tariff places a part of our commodities above free-trade prices, and by that result places farmers producing agricultural surpluses below free-trade prices, because he sells at world prices but buys at tariff-boosted

prices. But that does not give the full picture.

When the farmer sends his daughter to school, for instance, he pays an increased price for her clothes by reason of the tariff, and in the price that he pays for his daughter's tuition he has to pay a part of the increase in the cost of the clothes the teacher's family wears, and that of the family of the man who laid the brick that built the schoolhouse, and of the physician and all the rest. He cannot pass these on. He sells to the highest bidder. He is at the end of the passing line. I shall not complete that picture. In other words, we pass these things from one to the other, and whoever, as I say, can hand you a bill representing the cost of

labor services has a chance at least to pass it on. But when you get to the man who sells to the highest bidder, without regard to the cost of production, he cannot pass it on; he has to absorb it. How much can he absorb, and what happens when he can no longer absorb, when his buying power becomes paralyzed?

Those of you who have watched the economic development before our depression or crashes, or whatever we designate them, recall the fact that our economic difficulties became acute in each instance with the paralysis of the buying power of the farmers of this country. When their prices got so low that it limited the quantity of the purchase of our commodities, our commodities began to pile up in the warehouses and people began to be idle.

Then the villages that were dependent directly upon these 30,000,000 farm people got where they could not buy, and the larger towns that sold to the villages got where they could not buy, and the first thing we knew the whole economic body of this country was paralyzed. Our industries, all interrelated, make up our economic body, and that body has a circulatory system identical with that of the human body. There must be relative equality of blood flowing into all parts of the body if every part of the body is to remain healthy and the body normal.

Mr. CANNON of Missouri. Mr. Chairman, I yield 5 additional minutes to the gentleman from Texas.

Mr. SUMNERS of Texas. You understand I cannot analyze this great subject in a few minutes. We confront that definite possibility, that definite danger of recurrence of the results of the early thirties. It is not a probability; it is a certainty if agriculture again becomes paralyzed. I am suggesting to the thinkers. Democrats and Republicans alike—and I have just the interest which you have—that all our businesses are interrelated and interdependent. It is not possible in America to paralyze the buying power of 30,000,000 people living right next to the soil without that paralysis extending up through the whole economic structure. This is a fascinating subject, and sometime I am going to ask the indulgence of the House so I may discuss analytically what happened to us after the war, its causes, and so forth, and that sort of thing.

I do not criticize what is being done in fixing minimum wages and doing a lot of other things of that sort which, in part, are passed on to the end of the passing line, but it would be foolish to ignore the fact or its consequences. It increases the interest and increases the necessity to regard the economic problems of agriculture as things not apart from our own business. There is not a human being living in the biggest city in America who can continue to operate normally or profitably if these farmers who are right down next to the soil lose their purchasing power. When you examine it, in a very peculiar sense, in a sense different from that which applies with reference to any other business, the farmers are the roots of the industrial plants. That is where the sap comes from, in a sense that is not true of any other business. It is a very interesting thing.

I appreciate the fact two gentlemen have yielded to me to give me an opportunity to make this little talk, and I am very grateful to them. I have not tried to make a speech. I have taken advantage of this opportunity to advance a few ideas worth thinking about. Whatever we can do to help each other to revive the almost lost art of thinking is about as good a public service as we can render now. [Applause.]

Mr. CANNON of Missouri. Mr. Chairman, I yield 10 minutes to the gentleman from Montana [Mr. O'CONNOR].

Mr. O'CONNOR. Mr. Chairman, I want in some respects to supplement what the distinguished gentleman from Wisconsin said with reference to sugar beets. In my own State-Montana—the farm value of the sugar-beet industry in 1933 was \$4,575,000; in 1934 it was \$4,095,000; in 1935, \$3,625,000; and in 1936 it was \$4,120,000, nearly a half million dollars less than in 1933, owing to the quota curtailments. It is significant to note at this point that only 28 percent of the sugar consumed in the United States is produced in the United

Notwithstanding the fact that we raise only 28 percent of the sugar consumed in the United States, under the operation of these trade agreements the sugar industry in Montana, Wyoming, and all of the West is gradually being curtailed.

Mr. KEEFE. Mr. Chairman, will the gentleman yield? Mr. O'CONNOR. No: sorry I have not the time.

Mr. Chairman, the main thing I want to speak about is rather in aid of or supplementing the remarks of the distinguished gentleman from Texas [Mr. SUMNERS]. I think the people of the United States are mighty fortunate in having as a Member of this great body, and having had for the last 26 years, a man with the honest heart and brilliant mind of the gentleman from Texas. [Applause.] He reminds me of the great late Senator, Senator Walsh, of Montana, whom you all remember as one of the greatest statesmen who ever lived in the United States. [Applause.]

Mr. KEEFE. Originally from Wisconsin.

Mr. O'CONNOR. The gentleman is correct.

I was reminded, when I listened to the remarks of the distinguished gentleman from Texas this afternoon, of the statement made by a great English historian something like 150 years ago, whose name, as I recall, was Macauley. He said that it was impossible for a democracy to survive, and predicted that this democracy would never survive. Mr. Chairman, with this statement I do not agree. In one of the last speeches I heard Senator Walsh make, in the campaign of 1932, he made this statement, or substantially this statement: "That this country had to be on its guard and take care of the forgotten people or else the statement made by Macauley 150 years ago might come true."

What are the facts? And I am going to direct myself now to the bill under consideration—not really the bill, but to the principles involved. I want to approach the subject as near as I can from a nonpolitical standpoint, and I want to say to the membership of the House that the present agricultural adjustment bill has served a mighty good purpose, in my mind. Were it not for the lending features of this bill that stopped the price of wheat in its downward plunge, wheat today in Montana and elsewhere over the United States would probably be selling at "two bits" or lower per bushel.

That bill has many good things in it, but it has not answered the question, it has not answered the problem of the farmer; and if the membership of the House will pardon me for speaking personally for just a moment, I want to carry forward part of the argument made by the distinguished gentleman from Texas. It reminded me of an incident that occurred when I worked for the Government as prosecuting attorney for the Federal Trade Commission during the war. I was prosecuting an action involving the harness and saddlery industry of this country. The charge was that they were violating the Sherman antitrust law and the Clayton amendment to that law. I had upon the witness stand a manufacturer of harness from the State of Wisconsin-my friend's State. I developed from him that a set of harness that cost the manufacturer at that time about \$35 per set was put upon the horse's back out in States like Iowa, Illinois, and Montana at as high as \$160 per set.

I saw that he was quite honest, and made the following statement to him:

Now, the farmer is required to sell in an open market and take anything he can get for his product.

In other words, he is required to accept the other fellow's price for everything he produces regardless of cost of production, and when he pays a profit to the manufacturer of the harness, a profit to the jobber, to the wholesaler, and to the retailer, including their taxes as they went along, because as that harness passed through their various hands they added their taxes, their living expenses, and their profits. I told him to bear in mind that the farmer had to pay that fixed price because you gentlemen have your fixed price. Of course, it is not fixed by contract, because that is in violation of the Sherman antitrust law, but they have a gentleman's agreement, entered into at banquets, and so forth, where the understanding is that so much will be charged for this and that. I asked him then the following

"In view of the farmers having to pay fixed prices for everything they buy and taking the other fellow's prices for everything they sell, how long can the American farmer continue in the picture? Is he not an orphan in our economic set-up?" The harness is a typical case, everything he buys is on the same basis.

He answered: "Since you put it that way, I will answer the question this way"—and these words have rung in my ears ever since—"ultimately the farmer has got to join the Indian class."

I said, "By that you mean just what?" He says, "The vanishing American, because he cannot survive."

Mr. Chairman, I received a letter from what I would call a conservative, successful farmer, so far as we can find them under our present economic set-up, a success. He writes me as follows:

I have been very much interested in the farm program because I felt that the farmer's economic position was very unfavorable and very unfair, that unless something was done to equalize things and to change the economic current, we would all be eventually reduced to a state of peonage, just working for those interests who hold mortgages on our lands and our cattle. Of course, I realize that we cannot all make a success, nor all achieve wealth, but nevertheless when a man is willing to work hard, long hours, use fairly good judgment in his trades, has good land and good equipment and in spite of all he can do, sees his income fail to make his expenses year after year, his crops and cattle selling for less than cost of production, in spite of every economy, then I believe there is something fundamentally wrong.

That, Mr. Chairman, is the history of men who use good judgment and do the best they can.

The evidence of the plight of the American farmer is written in the county clerk's office of every county of every State in the Union where agriculture is one of the principal industries. Why do I say that? Because the mortgage indebtedness has gradually increased. Either that or the American farmer has had to abandon his home and leave it. We know that the finest people in the United States are the farmers and we cannot afford to lose them.

I was born and raised on a farm in Iowa and I have lived among them all my life. My district is an agricultural district. I can name on the fingers of my two hands the number of farmers who are now in my county who were farming when I came to the State of Montana in the fall of 1904. They have all gone or have been sold out.

[Here the gavel fell.]

Mr. CANNON of Missouri. Mr. Chairman, I yield the gentleman 5 additional minutes.

Mr. O'CONNOR. Mr. Chairman, I want to call particular attention to this. You put the farmer on the same basis as industry and we will get somewhere. In this connection may I say that we might as well face the truth. The time is going to come in this Congress when it will not vote appropriations as subsidies and that time is not far off. When the time comes what is going to happen? Why, I have seen my good friends on the Republican side vote for what they call economy measures; but God bless them, if they knew that the Democrats on this side of the House would not vote to feed the hungry, you Members would come forward and vote to do the job. [Applause.] I know you would.

I heard a statement made upon the floor of this House by the distinguished gentleman who is chairman of the Committee on Agriculture of the House which still rings in my ears. He was quoting history, but it is something that deserves to be quoted nearly every time an agricultural problem is presented to the House. He referred to the words of Alexander Hamilton. When the first tariff bill was ever presented to this Congress, Hamilton said:

If we adopt the tariff system in order to place the farmer on the basis of equality with the tariff-protected industry, we must pay him a subsidy—

Now get these words-

"not as a gift but as a restitution" in order to restore something to the farmer that has been taken away from him by the tariff system which we have permitted to grow up in this country.

Mr. Chairman, give the farmers a chance to improve their property, rebuild their buildings, fence their land, and do the things that are required to have a comfortable home in which to live and they will solve the unemployment problem in this country. The farmer is the greatest buyer there is. You know he never saves his money. He buys things for his wife, his children, and himself and to improve his home. He will buy the manufactured articles. He will put to work people in the manufacturing institutions of our country. In addition to that he will employ help to improve his farm. He will solve your problem if you will permit him to have a square deal in this economic picture.

Your President has done what he can, but the question is still unanswered. The unemployment question is still unanswered in this country. We have in the neighborhood of 10,000,000 hungry men, women, and children out of employment, and this condition will prevail until you put the farmers in a position to enter the market.

How long is this great body of unemployed going to remain peaceful? What makes Communists? Hungry bellies of men, women, and children.

How long is this Congress going to be called on to appropriate out of the Treasury of the United States in the neighborhood of a billion dollars for relief? When is Congress going to quit; and if it quits, what will happen? Every Member of this House knows that in the spring of 1933 this country was facing a civil war because of the conditions about which I am now talking to you. I say the President of the United States and this Congress saved the country then. But we have not solved the fundamental thing that is wrong. We have not put the people to work. We still have unemployment. Mr. Chairman, you are going to go a long way, you are going to take a long step toward solving this problem when you put the American farmer upon his feet so he can buy new clothes for his wife and something for his little children and still have something left over for his own employment and to make needed improvements. He is the only one today who sells at less than the cost of production. [Applause.]

[Here the gavel fell.]

Mr. LAMBERTSON. Mr. Chairman, I yield to the gentleman from Pennsylvania [Mr. Differ] such time as he may desire.

Mr. DITTER. Mr. Chairman, economy seems to be the most elusive thing in the House of Representatives. gestures of the majority along this line are grotesque. Today the Appropriations Committee for the Department of Agriculture comes with a bill carrying the largest appropriation in the history of the country. The spenders are loose again. They are having another field day at the expense of the taxpapers. The professions of economy made by the majority have been just as prolific as the promises of the New Deal. and they have had just as much substantiality to them. But a few short weeks ago frantic efforts were made by the administration to impress upon the country that it had become economy-minded, that it had seen the error of its ways, that its eyes had been opened to the falsity and futility of its financial program, and that business could find some crumb of comfort in an assurance of appeasement. An erstwhile profligate spender overnight took on a new mantle of moderation as the transformation was made from a Works Progress Administrator to a Secretary of the Department of Commerce. A strange apparition appeared before stunned audiences. Could it be real, or was it fancy? Hope springs eternal in the human breast.

In order to supplement the profusion of promises for economy, a reorganization bill was hurriedly drafted and more hurriedly presented to the House. During the course of the debate on that bill every effort was made to impress upon the country the thought that its purpose was to save money, to eliminate extravagance, to promote efficiency, and to give to the taxpayers some little ray of hope that a new day was about to dawn. The night has been long and wearisome. Many of us were not persuaded. Still more of us sensed the surrender to the Executive of responsibilities which should be discharged by the Congress.

In the hope that the majority would assert its prerogatives and by legislative action demonstrate to the country its purpose to eliminate useless executive agencies, I have introduced a bill providing for the termination of unnecessary functions of the National Government and the merging of other activities. I am convinced it will be a step in the right direction. Others can follow. Each will effect some saving. All will be helpful. In the aggregate the taxpayer can get some long-needed and eagerly awaited relief. In the light of the tremendous expenditures of the present administration, the savings may seem insignificant, but it may be that the majority will pursue the project further after it has once been started on the road of reason.

Section 1 of the bill provides for the abolition of the Central Statistical Board. This Board was set up in 1935. It is a creation of the New Deal, one of the many new creations. It performs no useful function that could not be performed better by other agencies under existing law. The Budget and Accounting Act of 1921 confers upon the Bureau of the Budget power to carry out all work now being done by this Board; in fact, Mr. Chairman, I believe the Bureau of the Budget is equipped to do a far superior type of work than that which is now being performed by the Central Statistical Board. The coordination of statistical information is not a task apart from the general administrative work of Government establishments. Such work is not an end in itself. When the Bureau of the Budget considers appropriations or requests for appropriations it is in an excellent position to evaluate the work being done by the Government establishments and to terminate those activities which are duplications by refusing to consider any estimates for duplicating

Section 2 provides for the abolition of the National Resources Committee. This abolition should be made at once. It is imperative that its operations have the stop sign flashed on immediately. It deserves no consideration. It is merely a propaganda device for spreading socialistic doctrine throughout the country under the masquerade of impartial Government research. It does no research of its own. Its impartiality is as colored as its research is impotent. Neither exist. It merely puts out costly pamphlets, bizarre brochures, and seductive studies designed to influence the people and paid for by the innocent taxpayers. These are as impartial as a communistic tract. The whole expenditure for this Committee can be classified under no other heading than propaganda, and at that, propaganda of a very dangerous type.

The National Resources Committee is a part of that machinery of Government created during the last 6 years that seems to take a fiendish delight in spending money just for the sake of spending it. It were better had it never seen the light of day. There is no need for socialistic indoctrination. Many new dealers have come to realize the fallacy of the experiments in these fields which have cost us so much and produced next to nothing. The National Resources Committee might with profit to the country "fold its tents and silently

Section 3 provides for the abolition of the Prison Industries Reorganization Administration. If it is desirable that a continued study be made of prison industries, I submit, Mr. Chairman, it can be done more effectively by the Bureau of Prisons or the Prison Industries, Inc. At all events, the additional agency is unnecessary.

Section 4 touches a sore spot. I realize that I venture on dangerous ground when I include the National Emergency Council with other useless and extravagant activities. Most people look upon the National Emergency Council as a political adjunct of the Democratic National Committee.

To some this may warrant its continuance. Some of us have come to another conclusion. The testimony of the Director in the deficiency hearings for the fiscal year 1939 are illuminating as he requested extra funds for the operation of his council. The congressional elections were to be held during that fiscal year. It is to be hoped, however, that the suggested abolition will be welcomed by the Democratic leadership of the House to aid it in its high-minded and lofty purposes. To say the least, the country would applaud the move.

Section 5 provides for the abolition of the office of the Comptroller of the Currency. The primary purpose of this office is the supervision of the national banks, and since

each national bank must be a member of both the Federal Reserve System and of the Federal Deposit Insurance Corporation, there appears to be an overlapping which could be dispensed with. I submit, Mr. Chairman, the work of the Comptroller of the Currency distinctly duplicates in every respect the supervisory work of the Federal Deposit Insurance Corporation, and therefore constitutes an unnecessary duplicating device of the Federal Government. It is suggested that all of its functions be transferred to the Federal Deposit Insurance Corporation with the exception of the control and supervision over the issuance and retirement of national-bank notes and Federal Reserve notes. These functions can be transferred and satisfactorily carried on by the Public Debt Service in the Department of the Treasury. Since the Comptroller of the Currency is a member of the board of directors of the Federal Deposit Insurance Corporation, provision is made that the present incumbent of the office of Comptroller of the Currency shall continue as a member of the board of directors.

Section 6 provides for the transfer of the United States Employment Service from the Department of Labor to the Social Security Board.

As will be recalled, section 3 of the Social Security Act requires that all benefit payments for unemployment insurance shall be made through public employment offices. This provision has encouraged the creation of cooperative employment services in all the States. It has imposed upon these public employment offices a great additional amount of work that had not been performed before by them. Their work is more closely integrated with that of the Social Security Board than with the work of the Department of Labor. As a consequence of the increment in work resulting from the administration of the unemployment insurance provisions of the Social Security Act, the Social Security Board has found it necessary to give to the States additional grants-in-aid for the administration and operation of the cooperative employment service. At the present time according to the hearings before the independent offices subcommittee of the House Appropriations Committee for the fiscal year 1940, it appears that the Social Security Board is contributing 80 percent of the cost of financing the cooperative employment service, the Department of Labor through the United States Employment Service 10 percent. and the States 10 percent. Thus it would appear that it is quite anomalous for the Department of Labor to control the cooperative employment service when it only puts up 10 percent of the cost, and 80 percent of the cost comes from the Social Security Board, which has no control over it. Therefore, it appears to be desirable in light of the above conditions to transfer the United States Employment Service from the Department of Labor to the Social Security Board.

This section provides for the abolition of the office of the Director of the United States Employment Service. This is justifiable. The present statute provides that the officer shall be appointed by the President by and with the advice and consent of the Senate. The heads of bureaus and divisions in the Social Security Board are appointed by the Board, and many of them are under civil service. It would not appear to be logical to have the head of the Employment Service under the jurisdiction of the Social Security Board in a different position from the heads of the other bureaus or divisions. In all probability, the United States Employment Service, if placed in the Social Security Board, would not be a separate board but would be a division in the Bureau of Compensation. This provision goes on to amend section 2 of the act creating the Employment Service, and provides that all appointments made under the jurisdiction of this act shall be under civilservice laws and subject to the Classification Act of 1923. Section 2 as it now stands in the act of 1933 expressly exempts the United States Employment Service from both of these laws. This would not appear to be a very desirable situation, since we all believe in the extension of the merit system. It is thought this suggestion will appeal to the Democratic leadership in the House under present prevailing conditions.

Section 7 provides for the transfer of the Farm Security Administration and the Farmers Home Corporation from the Department of Agriculture to the Farm Credit Administration. The activities here are along the same lines. The Farm Credit Administration is engaged in the administration of similar and comparable lending operations such as those carried on by the two other agencies. Many of us are of the opinion that it has maintained a much sounder credit policy than has the office of the Secretary of Agriculture and the Farm Credit Security Administration. The similarity of operations are apparent to everyone. Sound fiscal policies suggest the advisability of such transfers which could be effected with some saving and considerable benefit in operations.

Section 8 provides for the amalgamation of the Federal Housing Administration and the Home Owners' Loan Corporation. It will be recalled that the latter outfit took mortgages on real estate where such mortgages were in default at that time. It has no power to grant mortgages at this time. It has become merely a service and liquidating agency. On the other hand, the Federal Housing Administration is insuring mortgages made by banking institutions. It is a going concern. Its activities center around real estate operations. It supervises loans and administers the liquidation of defaulted properties. Duplicating functions are present again. With the Federal Government so actively engaged in the real estate field, with Uncle Sam as a giant realtor, it appears logical to center the activities under one

Sections 9, 10, and 11 have the same general purpose; the concentration of Federal activities in the field of power in one agency. The other sections are to make effective the transfers, mergers, consolidations, and terminations.

I submit, Mr. Chairman, the first move in reorganizing the agencies of the executive branch of the Government should be made by the Congress. The Congress created them. The Congress is responsible for them. The Congress owes a duty to the people to continue such creatures as it provides only so long as they can be justified. Then it owes a duty to put them out of existence.

In many instances the suggested transfers and abolitions would result in a decreased personnel with an attendant decrease in costs and a resulting decrease in the taxpayers load. Efficiency with economy is a desired objective. It can be accomplished.

Let us have less words and more action. Let us show the way to the President for economy by putting into practice the professions that have been made.

Mr. LAMBERTSON. Mr. Chairman, I yield 15 minutes to the gentleman from Illinois [Mr. Mason].

Mr. MASON. Mr. Chairman, I have had in mind for several weeks the problems which I am going to discuss today. My purpose is to consider these questions from a wholly nonpartisan standpoint. What I shall have to say is not directed at any individual, party, section, or group, as such.

Mr. Chairman, we in this Nation are confronted with domestic problems that are dangerous to the welfare of our people and our posterity. These problems, fundamentally, are neither political nor sectional. Basically they are economic and social, and they have to do with the whole Nation and all the people, because in this country we are one people and our interests are so integrated that we cannot possibly have a durable, general prosperity so long as any great section of the Nation, or so long as any considerable group or class of our citizens, are poverty-stricken.

Critics—both Republicans and Democrats—during the past 5 years have been saying that we were pursuing wrong methods when trying to solve these problems; that instead of alleviating our troubles we have been aggravating them. Those criticisms have been confirmed by time and events.

Mr. Roosevelt and his spokesmen have recently said, in effect, to the critics of the New Deal administration, "You object to our methods, you object to our experiments, you question the results we have produced; all right, now you tell us what you propose to do with it. Tell us what your solution is to these problems."

Now, that is a fair challenge, Mr. Chairman. Whenever any individual, or group, or party is placed in a position of power; whenever that individual or that group or that party proceeds along certain lines, and whenever critics object to methods or results, we have to concede that it is only fair for those who are criticized to say to their critics, "All right, tell us what you would do."

At this point I want to impress this fact upon this House and upon the country: If we are going to find our way out of our troubles in America, we are going to have to do it with an eye single to the recovery of prosperity in this country, and with no thought of trying to gain any partisan advantage by playing politics with these grave and vital prob-

The first requirement in this situation is that we be Americans first and foremost and partisans afterward, if partisans we must be at all.

I have said that the President and his spokesmen have issued a perfectly fair challenge when they have demanded that their critics propose something better than has been done by the New Deal administration to remedy these conditions which confront us. Since that is true, it is also perfectly fair and very necessary for the critics of the administration's policies and methods to take stock of conditions as they are after 6 years of the New Deal, in order that we may intelligently and dispassionately approach the task of determining what, if anything, we will propose to do that the New Deal has not done, what different methods we would employ that the New Deal has not employed, or what we would undo that the New Deal has done.

Now, without rancor and in a wholly nonpartisan spirit, let us look squarely at the picture as it is today in this country and see, if we can, what problems confront us for solution. In other words, what is the state of the Nation after 6 years of the New Deal?

I think our situation has never been better summed up than it was recently on the floor of this House by my distinguished colleague from Kentucky [Mr. Robsion]. I cannot improve upon that summary, so for the sake of reemphasis and as a foundation for what I have to say, I use his words:

What are the net results of 6 years of the New Deal?
We have a national debt of \$39,850,000,000, the highest in the history of our Nation, and it will go to \$45,000,000,000, the statutory debt limit, by June 30, 1940.
We face the tenth consecutive annual deficit.

We still have an army of jobless and suffering wage earners in

this country.

We have a banking system overloaded with Government bonds.

We have capital and industry fearful of investment or expansion. Industry and business are torn by labor disorders and

We have a division in the ranks of organized labor that has esulted in the bitterest interunion warfare the country has ever known

We have the highest taxation in our history.

We have the greatest number of employees on the Federal pay rolls since the Nation was founded.

We have the biggest, most powerful, most expensive political bureaucracy the Nation has ever known.

We are up to our ears in an acrimonious controversy with certain other Nations. Our Ambassador to Germany remains at home, while Germany's Ambassador to the United States does likewise.

while Germany's Ambassador to the United States does likewise. We have a failure of the good-neighbor policy in Mexico, with American property expropriated, and little or nothing yet done about it.

We have relief as an apparently permanent or semipermanent

We have a ruinously low farm income.

We have ruinously low farm prices. We have a complete failure of the administration's farm policy. Our foreign trade is falling off.

Sectional and class and racial hatreds and prejudices have been

nurtured and fanned until they are bitter and dangerous.

We have had a succession of inconsistencies, contradictions, broken promises, and political experiments—all of which have left the country in the darkest doubt even as to the objectives of the administration.

Now, we have President Roosevelt, Secretary of the Treasury Morgenthau, and Secretary of Commerce Harry L. Hopkins all admitting as true the warnings the Republicans have been giving the country for 4 or 5 years, that these New Deal policies, practices, and experiments would retard recovery and prolong the depression. But these New Deal spokesmen do not propose any

concrete amendments or modifications to the injurious experimental legislation. They do not offer to return any of the President's extraordinary emergency powers to the Congress, where they belong. They do not propose to stop wasteful spending and

dent's extraordinary emergency powers to the Congress, where they belong. They do not propose to stop wasteful spending and squandering of the taxpayer's money.

We are in utter ignorance of what, if any, foreign policy the administration has, except that we know that on this sixth anniversary of the New Deal administration we are in the throes of a jingoistic campaign of saber-rattling and war talk exceedingly dangerous in the present state of the world temper.

These conditions must be remedied as quickly as possible. Congress must move along nonpartisan lines in order to achieve, or begin to achieve solutions to these problems which still face us.

begin to achieve, solutions to these problems which still face us. The Republican delegation in the Congress is ready to move along such lines, putting the welfare of the country above any partisan consideration.

I would add to the picture or summary of the gentleman from Kentucky, Congressman Robsion, these further facts:

The administration has frankly abandoned all pretense of attempting to balance the Budget.

The administration has frankly abandoned all attempts to reduce the deficits.

It appears from recent statements by administration spokesmen that the administration is now in process of abandoning its promises to appease business by "machining down" the legislation passed during the last 6 years under conditions which were not conducive to sound government, nor to safe procedure on the part of Congress; because mature deliberation, careful study, and adequate debate were denied the Congress.

In view of our national debt of nearly \$40,000,000,000, in view of the fact that the administration now recognizes that we will be up to the statutory limit of \$45,000,000,000 very soon, and in view of the fact that we now know that we will have a tenth successive deficit, what are we to do?

Mr. Chairman, there is no difference in principle in the methods that must be employed by a nation, a State, a county, a municipality, a corporation, or a private family, when confronted by the dangerous fact that outgo is exceeding income. So let us analyze this from a purely commonsense basis.

What does a family consisting of a father and mother and several children do when the family income is exceeded by the

We all know what any sensible family does and must do: The head of the family sits down with his wife and takes stock of the expenditures to see where a little can be saved here, and a little there, and a little some place else, until the family expenditures can be brought at least within the limits of the family income. Father cuts out 10-cent cigars and goes to a pipe, perhaps. Mother does without that new coat she was intending to buy. They decide not to take such long Sunday trips in the automobile and to buy less gasoline. Susy has to give up her dream of a new party dress. Johnny does not get the new suit he has written home from college about. Every member of the family has to bear his or her part of the general sacrifices of luxuries, and even of necessities, in order that the sum total of economies may bring the family expenses within the limits of the family income.

Is this a new idea? Let us see if it is.

At Pittsburgh, Pa., in 1932, Mr. Roosevelt, then a candidate, said:

What used to be analogous to an old-fashioned account book, that all the family could understand, has become in Washington a maze of intricate double-entry bookkeeping which only a few highly trained, technical, expert accountants could possibly understand.

If Mr. Roosevelt found this objection to Government bookkeeping in 1932, I ask you, my colleagues, what is to be said of the New Deal method of bookkeeping today?

Now at Buffalo, N. Y., in 1932, Mr. Roosevelt said something else:

The credit of the family depends chiefly on whether that family The credit of the family depends chiefly on whether that family is living within its income. And that is equally true of the Nation. If the Nation is living within its income, its credit is good. If, in some crises, it lives beyond its income for a year or two, it can usually borrow temporarily at reasonable rates. But if, like a spend-thrift, it throws discretion to the winds and is willing to make no sacrifice at all in spending—if it extends its taxing to the limit of the people's power to pay and continues to pile up deficits, then it is on the road to bankruptcy.

Mr. Roosevelt never made a truer statement in his life, and his statement is just as true today as it was on the 18th day of October 1932, albeit Mr. Roosevelt has turned his back squarely upon those campaign declarations.

Now again I ask, What are we to do? Mr. Roosevelt has said to us, "You do it. You tell me where to cut." I might observe that this House told Mr. Roosevelt where to cut \$150,000,000, and he has come back with request after request and demand after demand that that cut be restored; although, as someone has pointed out, it is difficult to see how an 18-percent cut in relief appropriations will necessitate a lay-off of 42 percent of the people on relief, as is now threatened by the President. It has been proposed that Mr. Roosevelt stop buying silver we do not need. Mr. Roosevelt does not want to do that. It has been suggested that Mr. Roosevelt buy less gold at \$35 an ounce to bury down in Kentucky. Mr. Roosevelt does not want to do that. It has been suggested that Mr. Roosevelt reduce some of his multifarious commissions and bureaus and departments and let some of the high-priced political henchmen who infest the halls and corridors of the Government buildings in Washington, and who plague and pester the people over the country, go back home to work for a living. Mr. Roosevelt and his bureaucrats do not want to do that. It has been suggested that Mr. Roosevelt quit overloading the banking system with Government bonds. Mr. Roosevelt will not hear to that. It has been suggested that we eliminate those taxes that are deterrents to capital investment and industrial expansion. Mr. Roosevelt does not want to do that. It has been suggested that we investigate the W. P. A. for the purpose of finding out how to achieve efficiency and economy, in order that every dollar of taxes that goes into relief shall go furthest toward relieving those entitled to relief, while those not entitled to relief shall be ruthlessly separated from the rolls. Mr. Roosevelt does not want to do that.

Now, Mr. Chairman, when Mr. Roosevelt came into office he came in on a platform which declared, without qualification, that he would achieve a 25-percent reduction in the then cost of Government. Mr. Roosevelt did not do that. Instead, he started to increase the cost of Government from the day he took office, and he has continued to increase that cost of government every month he has been in office up to the present hour.

Now let us be fair. I am perfectly willing to concede that Mr. Roosevelt learned a lot more about the problems of government after he was elected President than he ever knew before. I am perfectly willing to concede, if you please, that Mr. Roosevelt's criticisms of the Hoover administration, of Government bookkeeping, of Government cost, of the national debt, of Government deficits, of the cost of national defense-criticisms which now after 6 years appear so strange as we read them—were spoken by him not in malice but rather from lack of knowledge and experience.

I am perfectly willing to concede that when Mr. Roosevelt came face to face with the necessity of dealing with these problems, he not only had the right to change his mind, but was forced by the facts to do so.

But, conceding all of that, is it not true that for 6 years under Mr. Roosevelt's administration we have been going in exactly those directions; that for 6 years we have been doing exactly the very things that Mr. Roosevelt himself and all of his supporters declared in 1932 would inevitably lead to the bankruptcy of this Nation and privation and suffering of its people? I repeat, Are those not the facts of the case?

Now, Mr. Chairman, a nonpartisan, disinterested, dispassionate, cold survey made by expert economists in the Brookings Institution and published under the title "Reorganization of the National Government" shows that-I quote:

To bring about genuinely significant savings, such as the 25 percent promised by the Democratic platform of 1932, it would be necessary to abandon or curtail functions, activities, services, grants, loans, etc. Abandonment or curtailment may operate in the entire range of national expenditures with the exception of • • • interest on the public debt.

At this point the question arises as to how we are going to begin to bring our expenditures within the limits of our income, or how we are going to increase our income to cover the limits of our expenditures.

So, then, Mr. Roosevelt's challenge to the Congress to tell him where to cut was a perfectly safe challenge from his standpoint, because he must have known then, as we know now, that under the New Deal administration the activities and functions of government have so expanded and multiplied and accelerated that there is no single answer to that challenge. In other words, in order to say where to cut, we simply have to reply, cut wherever we can as much as we can, precisely as the private family has to cut on the things that father wants, and that mother wants, and that the children want, if it is not to end up in bankruptcy and poverty.

Now, of course, Mr. Chairman, when we begin to talk about cutting here and yonder and the other place, we run squarely into sectional interests and pressure group interests; precisely as father, when he begins to recast the family budget, runs into objections from mother and the sons and the daughters of the family, who do not realize what faces the breadwinner unless he can make his outgo fit his income,

or vice versa.

So, then, I am not going to attempt today to specify those activities of the Government which ought to be cut or can be cut, or how much each of them should be cut. What I do want to say is that if this Congress is going to fulfill its duty to this Nation, it will move to get a survey of all activities of government—and I mean a survey not controlled by any partisan group or by the administration—to find where these reductions and curtailments can be made with the minimum of hardship or loss of service or function and with the maximum of saving.

It was recently proposed by the President that we increase the national income to \$80,000,000,000 a year or more in order that the tax revenues would provide adequate returns by which to finance these swollen and extravagant expenditures of government.

Easily said, hard to do. It was Mr. Roosevelt himself who declared at Pittsburgh in 1932:

I regard reduction in Federal spending as one of the most important issues of this campaign. In my opinion, it is the most direct and effective contribution that Government can make to business.

That was a fact then. That is a fact now. It still is true that a reduction in the Federal debt and Federal deficits would be the most effective contribution the Government could make to business.

Now, Mr. Chairman, we are not considering here a question of party appeal or partisan advantage. We are here today looking at this great Nation and the picture that is presented, and we are trying to face, I hope, the grave fact that we cannot go on for another 6 years, or for another 4 years, if you please, in the way we have been going for the past 6 years without facing national bankruptcy, chaos, poverty, suffering among our people, and nobody knows what worse results.

All well and good to talk about increasing the national income to \$80,000,000,000 in order that we can tax that income to pay extravagant and wasteful governmental expenditures. All well and good for mother and Susie and Johnny and the rest of the children to say to father, "Dad, get a raise in salary, or get into a business where you can make more money." Of course, dad would do that if he could, and he would not have to be told to do it by mother and Susie and Johnny if he knew how to do it. Of course, we would gladly raise the national income, not to \$80,000,000,000 but to \$180,000,000,000 if we knew how to do it.

So many of us seem to forget that if we could get capital to reinvest, if we could get the wheels of industry turning again, unemployment would immediately begin to be reduced and the relief load would automatically diminish. With lessened demands on Government money, the necessity for the present ruinous taxes would diminish also, and we would start to spiral back upward to a balanced prosperity in this country.

In that same connection it might be observed that there are two ways in which to increase income for the average citizen. One is for him to be able to sell his goods or services at a fair profit in greater amounts. The other is to increase the purchasing value of the dollars he gets in return for his goods or services. That is just as true of the wage earner as it is of the farmer or the manufacturer. But, Mr. Chairman, when we talk about arbitrarily increasing prices to the point where the citizens cannot afford to buy, we would not increase the aggregate income of the farmer or the wage earner or the manufacturer; we would merely make it impossible for the consumers to buy their products.

We might just as well face this fixed economic fact now. All purchasing power flows out of the process of the manufacture and distribution of goods and services, including mining, of course. There is no other way in which to generate purchasing power. There is a certain amount of purchasing power extant at all times in the United States. That purchasing power will buy a certain amount of goods and services at one price level, and if you increase the price of goods and services to an exorbitant point by artificial methods, you do not increase the amount of purchasing power; you merely reduce the amount of goods and services that can be purchased by the aggregate amount of purchasing power extant in the Nation at that time.

Take the farmer, for instance. We all want the farmer to get fair profits for his products. If instead of having to plow under or refrain from planting and reaping the farmers of America today could be provided with a market which would absorb their maximum production at a fair price and a fair profit, we would not have to give the farmers a nickel out of the United States Treasury, and they would not ask it.

By the same token, if confidence were restored to capital and business, and if the idle wage earners of this country could be put back into jobs at fair wages, they would not have to have a single dollar out of the United States Treasury in the form of relief funds and they would again become customers for the American farmers.

The question now, Mr. Chairman, is whether or not we in America are ready to pull in our belts, forego some of our luxuries and unnecessary governmental activities, and begin to bring the national outgo, in some degree at least, nearer to the national income—not by taxing the people more but by spending less.

The American people, when they have been told the truth about a situation, have never in the history of this Nation failed to have the courage to meet it.

Do you think it would be useless to show the people of this country where, by curtailing some of the activities of the Government, some of the subsidies and special privileges, Government expenditures could be reduced, taxes subsequently cut, and a start made toward eliminating deficits and balancing the Budget? Do you believe, Mr. Chairman, the American people do not have the courage and intelligence to face such a situation and do the sensible thing? Why, sir, in less than two centuries the greatest nation on the face of the globe, with the finest form of government, the finest educational system, the highest level of living for its people, the greatest degree of liberty and tolerance, was carved out of the primeval forests and the unwatered plains. How? By the courage, the strength, the determination, the intelligence, the industry, and the thrift of our forefathers. Have the people of this country grown so soft that they have lost every vestige of that courage and independence which enabled their forefathers to take wives and families of children, an ox cart, an ax, and a flintlock gun, and go into the depths of the primeval forests and there not only wrest a good living for themselves and their dependents but clear the land, build their homes, and eventually establish a great civilization? I do not believe it.

What I am attempting to say is this: If this Congress will move, through some nonpartisan, disinterested agency, to get a thorough and careful survey of all our governmental activities, together with an analysis of where and how we can reduce in order to bring our outgo more nearly into balance with our income, and if those facts are laid frankly before the American people, I believe American intelligence and American courage will meet that issue and this Congress will find itself urged to make those savings.

Now, mark you, that would mean that a lot of well-fed, high-salaried bureaucrats would have to go back to work for a living. They would object. That would mean that an army of political henchmen would have to give up their sinecures and go back to making a living the hard way. They would object. That would mean that some people on relief who prefer to remain on relief as a way of life instead of working for a living would object. It would mean, in short, that every individual who under the New Deal has come to believe that he has acquired a vested right in receiving something for nothing from the Government would object.

If we are going to be deterred and intimidated by these objections, Mr. Chairman, then we will be in the position of the head of the family who cannot deny his wife and his children the luxuries they cannot afford until the operation of inexorable economic law lands them in poverty and suffering, and they have to give up the luxuries anyway.

There has been a disquieting development in the last few days. A suggestion was made recently that the President's present power to inflate the currency by some \$6,000,000,000 be annulled, and what was the President's reply? It was, in effect, that he probably never would use the power, but that it was a good club to have in the closet.

Now, Mr. Chairman, I must confess that to me that attitude is illogical. That is like a man driving a team of horses saying he wants a whip in the socket which he never expects to use but which is useful to have handy. If a man driving a team of horses has in the socket a whip that he does not intend to use, that whip is useless. The only conceivable reason any man driving a team could want a whip handy in the socket is because he thinks he may want to use it and because he intends to use it if he thinks it desirable to do so.

The only conceivable reason Mr. Roosevelt could want to retain the power to inflate the currency is because he believes he may want to inflate the currency and because he intends to do it if he believes it desirable.

Now, inflation, whether used as a threat to try to compel business to greater expansion, or capital to greater investment, is a most dangerous weapon in the hands of any executive or any government.

Many a man in days gone by has overloaded his wagon, and when his team was struggling to the limit of its strength to drag the load up a hill, he has applied the whip in the mistaken belief that it was adding to the pulling power of the team, only to find before he reached the top of the hill that he had ruined his horses and made them worthless, and in some cases they dropped in the harness, dead from bursted hearts.

Any man or any group of men who believe they can by inflation, or the threat of it, force capital and industry to carry too heavy a load of taxation, limitation, and governmental competition, would be doing to this Nation exactly what the teamster did when he whipped his horses not into greater strength but into exhaustion. The surest way to rupture the heart of this Nation economically is to turn to inflation

Oh, I know, Mr. Chairman, there are those who talk glibly on the floor of this House about "controlled inflation." The trouble is that once you begin to use the economic opium of inflation it is never controlled; it never can be controlled; it always brings you to ruin.

The threat hanging over business, over industry, over capital involved in those inflationary powers possessed by the President, is one of the deterrents to business that should be removed.

Now, Mr. Chairman, it is perfectly futile and foolish for this Congress to talk about doing the necessary things in the way of curtailing or abolishing governmental activities unless the people are first given a frank, complete, and simple statement of where, how, and why this must and can be done. This is not a problem for the Congress alone. It is not something the Congress alone can do. It is not something the President alone can do. It is something that must have the approval of the country, and the entire country must be willing to undergo the sacrifices, give up the luxuries, do without services that may be very pleasant but are

not essential to the people. Until the country is ready to do that, we here all know that the Congress is not going to do it. Until the country says it wants it done, we know the President is not going to do it. Until we rise above partisan consideration and party politics, neither the Congress nor the President will do it. It will not be done until the country is convinced that it ought to be done; and when the country is convinced that it ought to be done, Congress will move in a hurry to do it, and there will be no serious objection from the President.

We have reached the time when we must decide whether or not we are going to quit playing politics with this condition of affairs and get down to the business of removing these obstacles to normal prosperity. There is not a man or a woman in this House who can deny that politics have been played with absolutely every one of the problems that has faced this country, and that is largely the reason we are in the condition we are today.

It is sheer nonsense merely to criticize each other and to talk lofty platitudes and spout trite truisms. The situation calls for action. It is sheer nonsense to indulge in wishful thinking and empty political oratory when the vital need is for practical, sound performance.

The only way we can prepare this country for practical, sound action is to acquaint the people with the necessity therefor, and to convince them that we are going to proceed along the line of sound action irrespective of partisanship or party advantage.

It is sheer nonsense for the administration to challenge us to point out where we would cut and curtail, because, as I have said, to do that would be to cover the whole range of governmental activities. The job can be done only after a thorough and careful survey and a dispassionate and sound analysis of the needs and the possibilities for increased efficiency and economy has been made. Finally, growing out of all that, we will have a restored confidence on the part of capital, industry, business, agriculture, labor, and the people, which will permit us to go forward and upward to that level of normal prosperity of which this country, more than any country in the world, is capable, and which we can attain if we have the intelligence and the courage to do it. [Applause.]

Mr. CANNON of Missouri. Mr. Chairman, I yield 10 minutes to the gentleman from Texas [Mr. Poage].

Mr. POAGE. Mr. Chairman, I come to you at this late hour without any statistics and without any charts, but simply to review one or two things that have been probably more ably discussed than I can discuss them. However, they are matters that I believe cannot be too often discussed.

I know every Member of this House wants to do what is necessary to be done to bring the greatest possible prosperity to the great masses of our people. I do not believe there is a man on either side of this aisle who will not agree that he is doing that very thing as far as he knows how, but there is a vast difference of opinion among many of us as to what ought to be done. Much of that difference of opinion I believe is difference of viewpoint; difference of understanding of various problems. When the gentleman discussed the cheese situation, I could not follow his remarks in their entirety because I do not know the cheese problem. I imagine the gentleman does not know the cotton problem. So it is with the various sections of the Nation. However, I believe we can all agree upon this fundamental: that until agriculture has a reasonable return there will be a great group of our people who will be deprived of any reasonable purchasing power.

I know there are those who do not represent agricultural districts who feel that that makes no particular difference. I do not mean they are callous to the needs of agriculture, but they feel that it makes no more difference from the standpoint of the Nation than it does if any other group is without purchasing power. I may be wrong, and I may be looking at it from a purely local viewpoint, but I am thoroughly convinced that it makes a great deal more difference to the prosperity of this Nation when you have idle farms, idle farmers, and a decline in farm income than it does when any other

group is similarly afflicted, because no group other than the farmer, and to a very small extent the miner, can actually bring into the channels of commerce newly created wealth. There are those in many sections who work upon the products of the farm and the products of the mines to enhance their value, but from no other source do we add new units to the usable goods of the Nation.

It strikes me that when you stop the addition of new wealth to the stream of commerce you also stop the labor of the man who has been engaged in processing the newly produced materials. When you stop the stream at the source there is no water to turn the mill on the downward course of the stream. You can stop it farther down and though you do injury to the people below, but you have not stopped the whole stream as you do when you stop agriculture. So it strikes me that it is of vital importance that we see that our farm population be given at least reasonable opportunity to buy the products of the other sections of the Nation.

I have here a watch which I believe was made in Massachusetts. I am sure the man who made it drew a fairly good wage per hour, but I am sure the gentleman from Massachusetts [Mr. Connery] will agree with me that the man who made it is not making a very large yearly income. Why? Because the man for whom he made the watch, the owner of the factory in which it was made, cannot sell many of those watches in my section or in Iowa or Georgia, or anywhere else in the great agricultural regions of the Nation.

If the owner of the factory cannot sell those watches, that artisan who makes the watches cannot work many days per month. If he does not work a reasonable number of days per month, the high wage per hour gives him no purchasing power. You have to go to the source and give the farmers a chance to buy the watches in order to turn the wheels. I would not belittle the contribution of any group to our national economy, but I cannot agree with those who feel that you can give the same impetus to recovery by adding a given amount to the purchasing power of any group. I believe that only by increasing farm income can you materially increase the income of all groups. All of the charts you have seen this afternoon show that industrial income and wages follow directly the increase and decrease of farm income. The trend in wages and industrial income always follows, it never precedes, changes in farm income. The reason is, to my mind, quite simple-everyone who has any income at all is now buying almost as much wheat, corn, and cotton as he would if his income were much greater-it is true that an increase in industrial wages would result in a slight increase in the consumption of farm products, but only a very slight portion of any such increase would go to the purchase of farm products.

By far the larger part of any wage increase or of any industrial profits are spent on the purchase of the products of other industries. The prosperity created by these expenditures bypasses the farmer to a very large degree. On the other hand, if the new money went first to the farmer as additional income, he would no less surely spend it on the products of industry and thereby bring added prosperity to all groups of our economic structure.

I know many of you in good conscience believe we have subsidized the farming sections of this country to a tremendous extent. Let me call your attention to the facts, because I know there are Members here who do not realize just what is being done or how little has been done. I turn to cotton not only because I am more familiar with cotton, but also because there is far less understanding of the cotton problem than of any of the great farm problems. Cotton is in worse shape than any of the farm crops of the Nation, probably in large measure because of that lack of understanding. Cotton is a crop grown only in one section of the Nation, and many of our people do not know anything about the growing of cotton.

They think in all good faith—and I have heard my good friends stand here and suggest—that this Government had subsidized the cotton farmers so that every cotton farmer ought to be driving at least a Buick automobile and maybe a Cadillac.

Let me call attention to the figures that we have heard this afternoon, and, as I say, I bring no statistics; but I think it is generally agreed that when the gentleman who spoke a few minutes ago said there were 2,700,000 farmers engaged in the production of cotton that is substantially correct. I know from reading the legislation heretofore passed by this Congress that there was appropriated last year only \$212,000,000 for subsidy for all farm crops, and I know that the hearings on this bill show that there was only a little more than \$84,000,000 allocated to cotton; and, by a little arithmetic, when I divide that I find that each cotton farmer in the United States received only \$31 in the way of subsidy for a year's work.

A man whose average annual income is often less than \$300 receiving a subsidy of only \$31 for a whole year's work. After all, have we subsidized the farming interests of this country so far out of proportion to what we have given to other sections of this Nation?

I come here not to criticize any of the other actions. I know that there have been circumstances requiring action on other lines; sometimes things I did not understand as well as I think I understand this problem. For instance, I look to the problem of relief, and I realize, as you do, that we have subsidized and must continue to subsidize the unorganized and unemployed worker, but the subsidy to the unemployed worker in most of the States of this Union is twice as much in 1 month as the subsidy to the cotton farmer in an entire year.

Have we been unduly generous with the farming interests of this country? Can it be said that this Congress has given to the farmer the same opportunity to become a real factor in the purchasing set-up of this Nation that we have attempted to give to other sections and to other groups of our citizenship? Until we give to that farmer that same opportunity to buy, we cannot expect the wheels of our industry to mesh in gear.

Mr. AUGUST H. ANDRESEN. Mr. Chairman, will the gentleman yield?

Mr. POAGE. I yield to the gentleman.

Mr. AUGUST H. ANDRESEN. I know the gentleman is very much interested in the farm problem and so are we who are on the Committee on Agriculture.

Mr. POAGE. I know that.

Mr. AUGUST H. ANDRESEN. We have tried several experiments over a period of years. Congress has appropriated money for subsidy payments and we find that despite all that has been done the cotton farmer and many other farmers are just as bad off now as they were in 1932. Does not the gentleman think that we probably should forget about some of these experiments and try something else rather than to follow the same course which we now know is a failure and will bring, eventually, ruin not only to the cotton farmers but to the entire country?

Mr. POAGE. I think the gentleman has asked a very fair question, and I will frankly tell him that I think we must make a fundamental change in our method of approach to the farm problem. I think we cannot increase the wealth of the Nation by failing to produce wealth. But I recognize that at the present time, that at this moment. in Texas, there is cotton already up.

There is cottonseed going into the ground by the thousands of acres every day in Texas. I know that it is too late in the year of 1939 to change our farm program. I know that the program must be the same this year, in general outline, as it was last year, and that being true, it leaves us but one alternative at this time. That is to do for the farmer what we have done for other groups, and that means to add to his buying power, substantially, right now. I do not say that this is panacea. I do not say that it is a solution, but I do say that the only way he can have a living this year is for you to do for him the same as you are doing—

[Here the gavel fell.]

Mr. CANNON of Missouri. Mr. Chairman, I yield the gentleman 5 additional minutes.

Mr. AUGUST H. ANDRESEN. Mr. Chairman, will the gentleman yield for one question?

Mr. POAGE. Yes.

Mr. AUGUST H. ANDRESEN. I concede everything the gentleman has said, but does not the gentleman believe we should get down to fundamentals and adopt some permanent program that will be of long and lasting benefit to the farmers of this country?

Mr. POAGE. I quite agree with the gentleman. The gentleman will recall that last year I suggested that the domestic-allotment plan, a reversed tariff plan, was to my way of thinking preferable to the plan we adopted, but this Congress did not see it as I did.

We cannot now adopt another plan. It is too late to adopt another plan for 1939. We cannot let these farmers starve during the year 1939. We must give them some consideration this year; and if you let us make the same tragic mistake that we made last year, if you let our farmers go with a purchasing power of practically zero, you cannot expect to start your industries this year or next year. You have got to put purchasing power in the hands of those farmers this year. You must give the farmers purchasing power now, and this can only be done by giving them a substantial subsidy; and when I say "subsidy," that is just what I mean—a bounty paid out of the Federal Treasury. I am not talking about giving them something for something they have done.

It is an outright gift from the standpoint of the Federal Government, and we might as well recognize it as such; but from the standpoint of the farmer it is but partial restitution for the inequities he has so long suffered under the protective-tariff system. It is but belated and imperfect justice to the farmer, and from the national standpoint we cannot spend our money in any better way. We must give to the farming industry the same kind of treatment we have accorded others, and we certainly do not do it when we give to the farmers only \$31 per year. Thirty-one dollars a year will not start the factories. Thirty-one dollars a year will not put men to work.

Let me make one further observation and then I will yield for a question. I want to get one thing before the Members of this House who are interested, as I am, from the standpoint of cotton. I hope every man in this House, regardless of where he lives, will realize that his own district, the welfare of his own people, is influenced by the greatest export crop that this Nation now or at any time in the past has ever grown. Most all of the new money that has ever been brought into the United States—at least 75 percent of the total trade balances of America during our history—has come from the exportation of cotton. You must realize that no crop that bears that tremendous relationship to the entire export history of America can be taken lightly in any district. It affects every district in the United States.

Unless we have assurance here today we are going to find that the cotton farmer received a subsidy on the 1937 crop; that he is going to receive a subsidy of \$84,000,000 on the 1939 crop; and not one thin dime, not one dime will he receive on the 1938 crop. You cannot figure from the calculations that the Department of Agriculture is now giving out where they are going to pay one thin dime of cotton subsidy on the 1938 crop. I hope that before this bill is finally passed the chairman of the committee who brought it in, and he has done a good work and is sincerely interested in the welfare of agriculture, will give us assurance that the cotton farmer, as well as other farmers, will receive some kind of consideration, something to help increase their purchasing power, based on the 1938 crop. Not to do it is to break faith with those farmers who were led to expect that kind of treatment when they voted last fall, at the instigation of the Department of Agriculture, for a continuation of cotton quotas, which means that they can only produce some 60 percent of their normal production. I had planned to offer an amendment to this bill to increase the appropriation for price adjustment or subsidy payments so that the failure to make payments on the 1938 crop could not be charged to Congress, but I have been assured that a member of the Committee on Agriculture will offer such an amendment. I shall, of course, support it.

If you were to give every man in the South 15.7 cents a pound, which is today parity on cotton, on the present rate of allowable production you would be giving him but 60 cents on the dollar with which to purchase the things that farmers have to purchase in the markets of the world, as compared with his ability to purchase in the parity period from 1909 to 1914. Then, my friends, you wonder why your factories are closed; why your laboring men are out of jobs. You put that purchasing power back in the hands of the farmers and do it with a direct subsidy from the Government, and you will turn your factory wheels and work your factory hands. [Applause.]

[Here the gavel fell.]

Mr. LAMBERTSON. Mr. Chairman, I yield 10 minutes to the gentleman from New York [Mr. Lord].

Mr. LORD. Mr. Chairman, I think we have all listened with a great deal of interest to the gentleman from Texas [Mr. Poage], who has just spoken. He has brought out some of the things we will have to do if we are ever to bring this country back to normal conditions and to prosperity. We cannot continue to give shots in the arm. We will have to be constructive. The Committee on Agriculture has been hearing witnesses for some 6 or 8 weeks now with regard to the different panaceas that would bring us back to prosperity. If we would adopt all that has been brought before us, the farming conditions of this Nation would sink into a deeper rut than they are today; and that we know is bad enough.

Cotton seems to be king in this Nation, as it always has been, and they all want "bigger and better" subsidies. The condition of the cotton farmer and what we are going to do to help him is the question that is always brought before us. I consider that the cotton farmer has got to be taken care of or else the farmers of the North, the dairy farmer and the wheat farmer and the corn farmer is going to lose his business, for, of necessity, if the cotton farmer cannot prosper he must go into general lines of farming, and when he goes into the general line of farming, dairying and wheat raising and pork raising, then he comes in direct competition with the northern farmer, and they are both hurt by this procedure.

I think we all know what has happened to the farmers engaged in raising cotton, wheat, corn. They have all had some form of subsidy. While the dairy farmer, as we see it, has had no help whatever, he has been the forgotten man and still is. The Surplus Commodities Corporation has bought up some butter and cheese but it has been at a low price; it has been at less than the cost of production, and we in the dairy districts believe that it has hurt rather than helped the dairy farmer. It has established a price for the dairy products that is below the cost of production, and we feel we would have been better off if the Surplus Commodities Corporation had not existed.

Mr. WHITE of Idaho. Mr. Chairman, will the gentleman yield at that point? I want to get a little information from some of these gentlemen from farm districts.

Mr. LORD. In just a minute. I want to turn back to cotton again. We have on hand now about 11.500,000 bales of cotton, and I think there is a total of about 17,000,000 bales of cotton in the country. It developed from the hearings in the committee that only recently England sent a delegation here to try to arrange some way to buy cotton from the United States. Other countries are trying to buy cotton here, but the cotton is held by the Government, and the Government cannot sell it. Therefore the export trade that we might have is going to Brazil, Egypt, and other countries for their supply. Until such time as we can make some arrangement to feed out the cotton to the foreign trade that is in storage the cotton growers of the South cannot hope to prosper. Certain grades of cotton are available only from the Government, and the Government is not able to sell this cotton. The cost of carrying this cotton is something like \$4 per bale besides the interest and other charges. Were the Government to sell out the cotton today, it would be at a tremendous loss, at a loss, I suppose, of perhaps

\$500,000,000; but this is not the greatest loss. The real loss about which we should worry is the loss of our export markets.

We consume about 6,000,000 bales of cotton in this country for domestic needs and used to have a foreign market for from 6,000,000 to 8,000,000 bales, but that market has dwindled away one-half or more, and the chances of our regaining it are very remote, because other countries have begun to grow cotton. The wheat and the corn farmers have their troubles. Prices are very low and foreign competition is upon them whenever prices advance.

The dairy farmer, as I have said before, is not making the cost of production; he is not making a living. They are losing their farms, and unless something is done to bring back buying power he is going to be in a worse condition than he has ever been. This condition is aggravated and to a considerable extent brought about by the reciprocal-trade agreements. Foreign dairy products come into this country to compete with our farmers. Another part of the fault lies with high taxes. Taxes generally come at a time of year when the farmer has no money; and if, in addition to that, he has to meet interest on his mortgage, he has to scurry around and sell a cow or two in order to pay his taxes and interest.

Mr. CARLSON. Mr. Chairman, will the gentleman yield?

Mr. LORD. I yield.

Mr. CARLSON. I do not remember the exact number of pounds of butter imported, but I remember hearing the statement made that the Federal Surplus Commodities Corporation has bought and taken off the market the same number of pounds that have been imported. Can the gentleman tell us if this is correct?

Mr. LORD. I have heard similar reports, to the effect that butter and cheese to the same number of pounds as that imported has been taken off the market by the Surplus Commodities Corporation. While this Corporation has tried to be of some assistance, it has not helped us at all. It would have helped, perhaps, if the price had not been lowered because of the amount that has been imported.

A REMEDY FOR COTTON INDUSTRY

One of the best witnesses who appeared before our committee was a gentleman from a southern cotton State. He told us, in substance, that if we would put a tariff on oils and fats coming into this country high enough to protect our home market that cottonseed would pay the farmer and that cotton might become a byproduct; in other words, if we would protect the American cotton farmer so that he was sure of getting pay for his cottonseed and his cottonseed oil he would get along without subsidies, and we would be far on the way to recovery.

What we need for all our farm products is a home market, the American market for the American farmer. When he gets his home market that belongs to him and has buying power, and industry has some assurance from the Government that they can go ahead and run their own business without interference, then we commence to get out of the hole and on to better times.

A short time ago we read in our papers about a demonstration of farmers and sharecroppers in the Southwest, who were camped along the highways and suffering greatly from cold and want. They put on this demonstration to call attention to the bad conditions of the sharecropper, and it was brought out that their income was only about \$150 a year for the support of their families. Now I am informed that the landlords in this and many other sections are putting the sharecroppers off their farms and that by hiring day labor for a short time at around 75 cents or a dollar a day, they can operate these large tracts themselves, and with the subsidy payments make good money out of their farming, while the tenant farmers go on relief.

I believe this situation can be remedied, if we are to have subsidies, which I doubt the wisdom of, by only the farmers on family sized farms or the real sharecroppers who work farms being given the subsidies.

[Here the gavel fell.]

Mr. LAMBERTSON. Mr. Chairman, I yield the gentleman 3 additional minutes. STICAR

Mr. LORD. Mr. Chairman, we have a vast territory in this country that can produce sugarcane and sugar beets, yet because of the small quota that is given to the States under the quota system, only a very small portion of the sugar we consume is produced in the United States. Florida and Louisiana are urging Secretary Wallace to allow them to raise sugarcane. Michigan, the Middle West, and West could put many thousands of men to work raising sugar beets if they could get the right to raise them. On the other hand, our reciprocal-trade treaties have reduced the tariff on sugar from \$2 a ton to something like 75 cents a ton and the sugar is being raised principally in Cuba. This could be raised in the United States and it would make our farmers more prosperous. This would help all agriculture. Only yesterday we made an appropriation for the relief of Puerto Rico of \$1,000,000. We cut down by 25 percent the amount of sugar that Puerto Rico can produce. They have in Puerto Rico now 300,000,000 tons of sugar they cannot sell until 1940 on account of their quota. One-third of the 1,800,000 people in Puerto Rico are on relief. That is 600,000 people. Yet we take away from them 25 percent of the sugar they normally could produce, and give it to Cuba at the same time keeping our people on relief.

Mr. Chairman, it is far better to keep the people of this country working and keep them raising sugar, wheat, corn, cotton, and dairy products, and keeping our sugar factories working than to go haywire as we have with the reciprocal-trade treaties.

We cut down the production in the Virgin Islands. We even put an export tax on all the sugar they ship out of the country. No one seems to know why. I asked Secretary Wallace why they put that tax on sugar going out of the country, and he stated he did not know. The only conclusion I could come to is that they want to force the farmers to sell it to the Government rum factory down there so that they can produce a greater quantity of rum.

Mr. Chairman, I have only shown a few instances where people can be put to work in agriculture. There are many more places where we can do the same thing. Our Nation seems to be out of joint, but we could get it back to normal if we would listen to the farmers of this country. Secretary Wallace in a whole day before our committee did not suggest any reforms or any constructive manner in which we could improve ourselves so far as the farm industry is concerned.

Mr. SCHAFER of Wisconsin. Will the gentleman yield? Mr. LORD. I yield to the gentleman from Wisconsin.

Mr. SCHAFER of Wisconsin. We have heard a great deal of discussion about the plight of the cotton industry in the South. In view of the fact that Brazil has taken a great deal of our southern cotton export market, does the gentleman think it is going to assist that sick cotton industry in the South by following the Morgenthau-Hull program of opening up a pipe line from the taxpayers' Treasury in Washington and pouring over a hundred million dollars into Brazil so that it can take the rest of our export cotton market?

Mr. LORD. In conclusion, Mr. Chairman, I have presented two ways that we can protect the American farmer, by just letting our farmers raise as much as they can of the sugar that we consume. Let the State of Florida raise the sugar they consume, and by protecting cottonseed oil we could do away with our subsidy payments and bring about better business and distribute our farming so all would have work. The whole New Deal farm program is unsound and has ruined many thousands of farmers. [Applause.]

[Here the gavel fell.]

Mr. CANNON of Missouri. Mr. Chairman, I yield 10 minutes to the Delegate from Puerto Rico [Mr. IGLESIAS].

Mr. IGLESIAS. Mr. Chairman, I am aware of the numerous important problems that have been discussed this afternoon in connection with the bill now under consideration. I am speaking at this time on behalf of 1,800,000 inhabitants of the island of Puerto Rico. You have been presented with many great problems that involve conditions very near to those that prevail among the people of the island.

My purpose now is to call your attention to one item of this bill which interests the agriculture of Puerto Rico very much. I beg to submit for the consideration of the Members of this House the reasons why we are seeking to obtain additional Federal funds appropriated by Public Act 407 for the support of extension in agriculture and home economics in Puerto Rico. It is a very peculiar position for us to have passed a law by Congress that is in force now, and at the same time to notice that this bill has cut out almost half of the money that such law directs shall be given for extension of agriculture work in Puerto Rico.

A small allotment for forestry extension work is available to Puerto Rico, but is at present available only under the provisions of the Smith-Lever Act of 1914 as extended to Puerto Rico by the act of March 4, 1931. The sum of \$45,000 was authorized last year from funds appropriated by Public Act 407. The amounts authorized by Public Act 407 do not affect the amounts authorized for payments for the States and Territories as provided in the original Bankhead-Jones

Puerto Rico has an area of 3,400 square miles, with a population of 1,723,534, or 501 persons per square mile. Of this total population, 1,200,000 has been classed as rural. The 1935 census reported 837,350 acres of cropland, thus only allotting 0.48 of an acre of cropland per capita. Statistics show an increase in population of 35,000 a year. Therefore, with such rate of increase in population and such small amount of arable land, every piece of available land must be intensively cultivated in order to supply work and subsistence for its population.

The census of 1935 shows that 75 percent of the total number of farms range from 0 to 9 acres of cropland, representing only 15 percent of the total value of farms; and farms ranging from 10 to 19 acres represent 12.3 percent of the total number of farms with a farm value of 7.2 percent. Therefore it may be safely concluded that 80 percent of the farm operators are small farmers.

The cash income of these small-farm operators is very low, ranging from \$250 to \$500 a year.

Puerto Rican farms of this type are scattered over 76 municipalities. A large portion of them are found in the interior municipalities of very mountainous topography where communication facilities are very scarce.

The responsibility of the Extension Service is to bring to these rural people the latest information regarding agriculture and home economics and to help them adopt improved methods and practices in the production and marketing of crops and livestock, the growing of gardens, and the diversification of agriculture for the best interests of the people there. The Governor of Puerto Rico and the farmers have come to the conclusion that it is necessary in view of the unemployment situation to allot to the farmers lots of land and help in diversification of the production especially of food for workers all over the island. This Agriculture appropriation bill has reduced the little appropriation that was intended to help this plan of diversification in Puerto Rico to help in the betterment of condition of the people in general in that island.

It is obvious that the Extension Service in Puerto Rico has a tremendous responsibility placed upon it by the insular and Federal authorities. Therefore, we respectfully request of this House to modify the item relative to Puerto Rico and giving us the cooperation granted by Public Act 407 reinstating the sum of \$123,000 in the bill that is now being considered.

You may know that 80 percent of every dollar invested in Puerto Rico returns to the United States to foster employment and business. The fact is that 95 percent of the \$100,-000,000 of goods imported annually by Puerto Rico comes from the United States. [Applause.]

[Here the gavel fell.]

Mr. LAMBERTSON. Mr. Chairman, I yield 10 minutes to the gentleman from New York [Mr. Reed].

Mr. REED of New York. Mr. Chairman, I get a little impatient sometimes when this tariff question is up for debate and Members advocate lower tariffs, and yet I am one of

those who believe that to have my own opinions respected I ought to respect the sincerity if not the opinions of others who disagree with me on the tariff issue.

We have before us now a bill involving a billion dollars, with hearings covering 1,720 pages. We are facing a great National and State debt. It seems to me that under the circumstances every provision of this bill should be very carefully considered and scrutinized to see if without doing any injury to the country we can be helpful to the taxpayers by reducing the appropriations.

I wish to discuss a subject for you men to think about. There is nothing partisan in what I have to offer. There are certain new factors that have entered into the consideration of all our legislation so far as the importance of our market is concerned. I think what is going on in the other countries of the world is often overlooked, and I am not referring to the wars and the threats of wars. I refer to a change that has been taking place in many nations during the past few years, to which we have paid very slight attention.

There have been set up in various nations of the world new forms of government. You can call them totalitarian or collectivist or whatever you like. Each of these countries has organized its economic forces for two purposes, one military and the other on the basis of export. Each country is preparing to penetrate the markets of the world. They are organizing their governments to reduce the cost of production. Each is now equipped with the latest technological improvements.

The birth of the first collectivist government, one that was organized not only for its own needs but for export purposes, was in Russia. The first 5-year plan under this new system of production was from 1928 to 1932. The collectivist sector of farming increased from 3 percent to 60 percent in 4 years of that period. To put it another way, 16,000,000 peasants were organized under a collectivist plan for the purpose of producing farm products at the lowest possible cost, largely under a system of regimentation. The second 5-year plan was in operation from 1933 to 1937. During this period these industries were organized and socialized for mass production: 178 coal mines, 93 oil-cracking plants, 95 electric stations, 45 blast furnaces, and 38 silk, linen, and woolen mills. Stress during that period was placed upon production of agricultural products for export purposes.

The third 5-year plan will extend from 1938 to 1942. The purpose of this mass-production system is to reduce cost to a point where Russia will ultimately be enabled to penetrate the markets of the world on a large scale.

Italy has organized under a mass-production plan. The system operates under an autonomous administration of state monopolies. Even those who produce certain crops in my district, and I am speaking of the farmers, have to face the competition of exports from Italy into this country to the detriment of my people.

On March 5, 1934—and I am only touching the high spots—the Cotton Institute was placed in control of the purchase of raw materials and the regulation of production and sales for the entire cotton industry in Italy. In April 1935 this control of all cotton imports and exports was confirmed. In July 1935 the Coal Institute was formed to exploit coal mines for the purpose of national defense and export.

Germany is now organized under a state-control, massproduction plan. In December 1936 General Goering was appointed to supervise a 4-year plan with state control over output, prices, wages, hours, and working conditions in all branches of industry. Of course, their purposes are twofold—military and export.

Germany has absolute control over industry, commerce, banking, insurance, power, transportation, agriculture, and of its entire economic life, and by its recent drives, of course, it has brought within its area of control practically all of those economic assets which it lost under the Versailles Treaty.

Japan organized a 5-year plan on June 15, 1937. Here again the economic interests are under absolute state control to lower the cost of production. The Japanese Government on June 29, 1938, by decree, prohibited cotton imports, per-

mitting only imports used for military purposes or manufactured for export. The New York Times correspondent re-

In the factories, men, women, and young girls work cheerfully for wages that would stagger a day laborer in the United States. They will tell you a fraction of the wage of each worker goes into each product. "If we work for less, these goods can be sold for less. The world will buy cheaper Japanese articles in preference to more expensive ones from other nations."

I have mentioned these major countries which are competitors of ours in all fields, but, mind you, there are 17 other countries of lesser magnitude, each of which has some form of state control over industry and agriculture to lower the cost of production. These countries are in competition, practically all of them, to some extent, with the United States of America. Now, just remember that the United States is the best cash market in the world, and it is the envy of every totalitarian state organized for export purposes.

Mr. WHITE of Idaho. Mr. Chairman, will the gentleman vield?

Mr. REED of New York. No; I have not much time.

They are organized to penetrate our markets in industry and in agriculture.

Now, just make note of this: We are the highest-cost production country in the world. We have the highest standard of living in the world. Now, I ask any reasonable man on either side of the House, can we hope to compete with these governments-totalitarian governments, state controlled, regimented governments with the same technological machinery as we possess, but with a wage scale infinitely lower than ours?

[Here the gavel fell.]

Mr. LAMBERTSON. Mr. Chairman, I yield the gentleman 2 additional minutes.

Mr. REED of New York. Can we hope to compete with these countries, maintain our standard of living, and continue to be a high-cost production country? There is only one alternative. We must either protect our markets, whether it is for cotton or any agricultural or industrial product-we must either do that or submit to the same standard of living as the competitor that can manufacture and sell the cheapest in our markets.

If this is not logical, I want to know the reason why. I will admit that I have endeavored to look upon this question in a nonpartisan way. The two countries that are anywhere near comparable in their standard of wages in the whole world today are the United States and Great Britain, and Great Britain, of course, is many percent lower than we in their level of wages and in their standard of living; and just consider this, too. All of these totalitarian states, every last one of them, by financial manipulation, inflation, and what not, has each absolutely wiped out its internal debt. They are not paying interest as we are on a colossal national debt. This lowers the cost of production of the nations that do not have this burden of debt, but Great Britain and the United States of America are together carrying a mortgage of \$100,000,000,000 on industry and agriculture. Not only this, our internal debts and England's internal debts have not been wiped out, and we might just as well, as a country, when we are considering these public questions, face the facts like reasonable men, submerge our partisanship, and legislate in the interest of the country. We are not doing this when we invite and even urge all low-cost production nations to enter our market and undersell our farmers and our laboring men. This administration is doing this under the trade agreements. [Applause.]

[Here the gavel fell.]

Mr. CANNON of Missouri. Mr. Chairman, I move that the Committee do now rise.

The motion was agreed to.

Accordingly the Committee rose; and the Speaker pro tempore [Mr. RAYBURN] having resumed the chair, Mr. PATMAN, Chairman of the Committee of the Whole House on the state of the Union, reported that that Committee, having had under consideration the bill (H. R. 5269) making appropriations for the Department of Agriculture and the Farm Credit Administration for the fiscal year ending June 30, 1940, had come to no resolution thereon.

A further message from the Senate, by Mr. St. Claire, one of its clerks, announced that the Senate insists upon its amendments to the bill (H. R. 4425) entitled "An act to provide for reorganizing agencies of the Government, and for other purposes," disagreed to by the House; agrees to the conference asked by the House on the disagreeing votes of the two Houses thereon, and appoints Mr. BYRNES, Mr. BYRD, Mr. O'MAHONEY, Mr. BARKLEY, Mr. HARRISON, Mr. LUcas, and Mr. McNary to be the conferees on the part of the Senate.

GENERAL LEAVE TO EXTEND REMARKS

Mr. CANNON of Missouri. Mr. Speaker, I desire to ask unanimous consent that all Members who have spoken on the bill today and who will speak on the bill tomorrow may have permission to revise and extend their remarks in the RECORD

The SPEAKER pro tempore. Without objection, it is so ordered.

There was no objection.

EXTENSION OF REMARKS

Mr. WHITTINGTON. Mr. Speaker, I ask unanimous consent to revise and extend my remarks and include therein an address that I delivered today before the National Rivers and Harbors Congress in this city.

The SPEAKER pro tempore. Without objection it is so ordered.

There was no objection.

Mr. WHITTINGTON. Mr. Speaker, I ask unanimous consent to extend my own remarks in the RECORD and include therein an address delivered by Col. Julian Schley, Chief of Engineers, before the National Rivers and Harbors Congress in this city today.

The SPEAKER pro tempore. Without objection it is so ordered.

There was no objection.

Mr. WHITE of Idaho. Mr. Speaker, I ask unanimous consent to revise and extend my remarks and include therein an address made by me today before the National Rivers and Harbors Congress.

The SPEAKER pro tempore. Without objection, it is so ordered.

There was no objection.

Mr. FERGUSON. Mr. Speaker, I ask unanimous consent to revise and extend my remarks at this point in the RECORD and to include therein two short tables on agricultural prices.

The SPEAKER pro tempore. Without objection it is so ordered.

There was no objection.

Mr. FERGUSON. Mr. Speaker, before I discuss the amendment which I propose to offer on page 91 of the farm appropriation bill, up for discussion. I want to refresh the minds of the membership by setting out section 303 of the Farm Act of 1938:

SEC. 303. If and when appropriations are made therefor, the Secretary is authorized and directed to make payments to producers of corn, wheat, cotton, rice, or tobacco, on their normal production of such commodities in amounts which, together with the proceeds thereof, will provide a return to such producers which is as nearly equal to parity price as the funds so made available will permit. All funds available for such payments with respect to these commodities shall, unless otherwise provided by law, be apportioned to these commodities in proportion to the amount by which each falls to reach the parity income. Such payments shall be in addition to and not in substitution for any other payments authorized by law. by law.

In order to make this section work and actually pay parity, or rather approach parity, I am proposing the following amendments.

On page 91, line 3, strike out the sign and figure "\$250,000,000" and insert "\$500,000,000."

On page 91, line 17, strike out "1939" and insert "1940."

On page 91, line 25, strike out "75 per centum of."

At this point in the RECORD I wish to insert two tables. Table I shows the division of agricultural payments for 1939, the use of the \$212,000,000 appropriated for parity payments last year. Table II shows what will be accomplished by the appropriation of \$500,000,000 in this bill for the 1940 crop. The appropriation of this \$500,000,000 brings the price of the five basic crops in the 1938 Agricultural Adjustment Act to about 90 percent of parity.

I also propose another amendment prohibiting loans on the 1939 crop if a farmer intends to accept parity payments on his 1940 crop. Thus a farmer who accepts a loan on his 1939 crop will be ineligible to receive parity payments in 1940. This amendment would read:

Page 91, line 25, after the word "price", strike out the period and insert a semicolon and add: "And provided further, any producer who accepts a loan under provisions of the Agricultural Adjustment Act of 1938 on his 1939 crop shall not be eligible for payments provided by this section."

Every Member of this House realizes that loans above the market price obstruct both domestic and foreign channels of trade. Such parity payments as provided by this \$500,000,000 appropriation will obviate the necessity of loans, clear the channels of trade, and allow this country to regain its export market of wheat, cotton, and corn. Every Member of

this House has at one time or another pledged allegiance to the farmer and his problem. The appropriation of this \$500,000,000 will go a long way in solving the farm problem, restoring purchasing power to the farm area, and in my opinion one dollar in the hands of the farmer generates more industrial activity than a similar amount in the hands of any other group.

TABLE I .- Division of agricultural payments for 1939

dron and file	Distribu- tion of \$212, 000, 000 under sec. 303	1939 agri- cultural conser- vation program	Average actual price, 1938	Conservation payment, 1939	Parity payment from \$212,000,- 000	Total, 1939	Parity
Cotton	\$84, 578, 000	\$113, 592, 000	Cents 8, 6	Cents 2.0	Cents 1.6	Cents 12.2	Cents 15. 7
cial area)	61, 613, 000 64, 113, 000 1, 696, 000	82, 740, 000 88, 882, 000 1, 433, 000 10, 232, 000	47. 3 53. 4 1. 34	9.0 17.0 .10	6.0 11.0 .12	623. 0 81. 4 154. 0	72. 2 112. 2 229. 0
Total	212, 000, 000	296, 879, 000					

TABLE II .- Division of payments for 1940 if \$500,000,000 voted

[Distribution of \$500,000,000 for parity payments based on amounts by which the sum of proceeds of production and Agricultural Conservation Program payments fail to reach parity income, with resulting total proceeds and total proceeds per unit of yield]

	U Bres	Distribut \$500,000		SIPIL-1572		Payment p	er unit of y	rield	To other		to the state
Commodity 1938 actual farm price		basis of amounts by which sum of proceeds and Ag- ricultural Con- servation Pro- gram payments		Sum of proceeds, Agricultural Conservation Program payments and parity payments		Unit	Agricul- tural Conser- vation Program	Parity payment (cents) 2	and Ag Conse Program	Sum of farm price and Agricultural Conservation Program and par- ity payments rates per unit	
	Percent	\$1,000	\$1,000	Percent of parity value	Cigaros est est milysaren i so geografia	payment (cents)		Cents 3	Percent of parity price 3	on edition	
Cotton	8.6 cents 47.3 cents 53.4 cents \$1.34	42. 160 30. 718 25. 100 1. 292	210, 800 153, 590 125, 500 6, 460	957, 240 954, 917 711, 430 39, 479	81. 0 85. 4 84. 2 85. 2	Pounds	2. 0 9. 0 17. 0 10. 0	4. 2 17. 5 25. 3 47. 4	14.8 73.8 95.7 191.4	94. 3 102. 2 85. 3 83. 6	15.7 cents. 72.2 cents. 112.2 cents \$2.34.
Types 11-14 Types 21-24, 35-37 Type 31 Types 42-44, 46, 51-55		.117	585	181, 522 13, 779 77, 232	133, 0 95, 6 129, 1	Pounds	.8 1.4 .8	.4	23. 2 10. 3 20. 1	127. 5 105. 1 119. 7	and the
Type 41			3, 065	13, 592 5, 107	80. 7 148. 2	Pounds	1.0	4.1	16. 3 16. 0	115. 6 151. 0	111111111111111111111111111111111111111
Total		100.000	500,000	2, 954, 298							-0.1(0.00)

See column 10, table I.

EXTENSION OF REMARKS

Mr. CONNERY. Mr. Speaker, I ask unanimous consent to revise and extend my own remarks.

The SPEAKER pro tempore. Without objection, it is so ordered.

There was no objection.

Mr. DITTER. Mr. Speaker, on behalf of my colleague from New York [Mr. Taber] I ask unanimous consent that he be given the privilege of revising and extending his own remarks and to include certain tables bearing upon the remarks he made today in Committee of the Whole.

The SPEAKER pro tempore. Without objection, it is so ordered.

There was no objection.

HOUR OF MEETING TOMORROW

Mr. CANNON of Missouri. Mr. Speaker, I ask unanimous consent that when the House adjourns today it adjourn to meet tomorrow at 11 o'clock.

The SPEAKER pro tempore. Without objection, it is so ordered.

There was no objection.

GENERAL DEBATE ON DEPARTMENT OF AGRICULTURE APPROPRIATION BILL

Mr. CANNON of Missouri. Mr. Speaker, I ask unanimous consent that when the consideration of the bill is resumed

tomorrow that general debate be limited to 3 hours, one-half to be controlled by the gentleman from Kansas [Mr. Lambertson] and one-half by myself.

The SPEAKER pro tempore. Without objection, it is so ordered.

There was no objection.

LEAVE OF ABSENCE

By unanimous consent, leave of absence was granted as follows:

To Mr. Celler, indefinitely, on account of illness.

To Mr. Magnuson, for March 23 and 24, on account of official business.

To Mrs. Norron (at the request of Mr. Harr), on account of death in family.

SPECIAL ORDERS

The SPEAKER pro tempore. Under previous order of the House, the gentleman from Michigan [Mr. Hoffman] may be recognized for 20 minutes. [After a pause.] The Chair does not see the gentleman from Michigan in the Chamber.

Under previous order of the House, the gentleman from Massachusetts [Mr. Connery] is recognized for 10 minutes. Congressional investigation of conditions with regard to RADIO BROADCASTING

Mr. CONNERY. Mr. Speaker, during the last session of Congress there was considerable discussion relative to the

¹ Assuming same acreage allotments, normal yields and percentage participation as estimated for 1939 agricultural conservation program. No deductions have been made for administrative expenses.

¹ Applies to cooperating producers only.

need of a congressional investigation of the nauseating conditions which exist in radio broadcasting. This condition applies probably with as much force to the Federal Communications Commission as it does to the radio monopoly, which everybody, with the exception of the Federal Communications Commission, seemingly knows to exist.

The Congress of the United States, in the Communications Act of 1934, specifically provided that radio broadcasting licenses should be issued only when public interest is served. The Congress further authorized the F. C. C. to issue licenses in its discretion, and it naturally expected that the F. C. C. would eliminate any possibility of a radio monopoly. Yet, while the public records will disclose that some 95 percent of the power used at night for radio broadcasting is controlled by a few people, I find that the Chairman of the F. C. C. and the attorneys of that Commission seemingly are in doubt that a radio monopoly is in existence.

Evidence already in the Congressional Record shows clearly that a radio monopoly does exist wherein a few persons located in New York City decide what the American people shall listen to if they wish to listen to radio. Surely no sensible person will contend that a few persons controlling radio and located in New York City can correctly define what constitutes public interest in the many States and congressional districts of our country.

Mr. Speaker, a congressional investigation of the Federal Communications Commission and the radio monopoly will definitely show: First, that this Commission has operated solely for the benefit of vested interests; secondly, that this condition was in full force and effect when the Roosevelt administration came into power; third, that the contracts which the networks hold with affiliated stations force the affiliated stations to blindly accept such radio programs as the radio network monopolists decide the people of every community of America must listen to, especially between the hours of 6 o'clock and 11 o'clock at night.

The radio monopoly has gone to great lengths to force all its affiliated stations to accept its judgment of what programs must be broadcast over the air. An investigation will disclose that both the National Broadcasting Co. and Columbia Broadcasting System force the 300 or more radio stations, which they control through operation or affiliation, to blindly accept those programs which the radio monopoly itself decides shall be broadcast.

For years there has been a persistent and growing demand for the elimination of block booking in motion pictures. If I recall correctly, such legislation was unanimously adopted by the Senate last year, and I know it has the support of a large number of Members of the House. Block booking is conceded to be harmful and deprives the local picture-house owner of the privilege of rejecting those pictures which he, knowing the sentiment of his patrons, feels they would not care to see or have their children see.

Yet he at least has the opportunity of knowing the contents thereof. Further, he has the opportunity of not showing the picture even though it may result in a monetary loss to him.

The local radio stations affiliated with the networks are not so privileged. They must accept blindly and without any opportunity of substituting something else that which the radio monopolists in New York decide constitutes "public interest" in almost every hamlet in America.

Yet it is my understanding that in many cases these affiliated or leased stations are forced to operate as much as 75 percent of their time on the air broadcasting radio programs originated by these dominating radio monopolies hundreds of miles from the locality where the station is located. Will anyone contend that such affiliated or leased stations, licensed by the Government to serve "public interest," are serving the public interest in that locality which they are supposed to serve?

A congressional investigation will disclose that the radio monopolists force the affiliated radio-station owner to sign a contract wherein the local station owner agrees that that station's facilities will not be permitted to broadcast any program of any network other than the one with which he is affiliated.

Further, an investigation will disclose that prior to 1936 there existed a gentlemen's agreement between the officials of the National Broadcasting Co. and the Columbia Broadcasting System wherein both agreed they would not service with programs any station which had a contract or was affiliated with a so-called competitor.

Further, an investigation will disclose that both of these radio monopolists force the local affiliate into signing a contract of exclusiveness which virtually deprives the station licensee of operating his station in the public interest, because by so contracting for the sale of time to the network he is forced to give to a few persons in New York City, to all intents and purposes, the operation and control of his radio station.

Were the members of the Federal Communications Commission free to function in the public interest as the Congress intended, no such contract could legally exist, let alone secure the approval of this governmental agency. But the F. C. C. has totally ignored this practice—a practice that has resulted in greater monopoly for a few.

As an illustration of how tightly the radio monopolists control their affiliated stations, let me state to you that if a mayor of a city or a Governor of a State sought to deliver a radio address between the hours of 7 and 10 o'clock at night over a station affiliated with the National Broadcasting Co. or the Columbia Broadcasting System he would not have that opportunity; he would be compelled to accept time on the air when many of his constituents have retired for the night. I have heard it alleged that the radio monopolists have educated the White House not to ask for time before 10 o'clock at night.

Yet, Mr. Speaker, it is my understanding that some of those officials attached to the public pay roll in the Federal Communications Commission have the audacity to ask, Is there a radio lobby?

Mr. Speaker, the Congress of the United States indicated a month ago the virtual contempt which it has for the apparent malfeasance in office of those who constitute the Federal Communications Commission under the leadership of Chairman McNinch when the Congress enacted the independent offices appropriation bill without appropriating a dollar for the further support of this agency.

A perusal of the Congressional Record shows that this matter was called to our attention; the Appropriations Committee very rightfully stated that it could not recommend any appropriation until new legislation had been enacted.

The Congressional Record of last year contains many indictments not only of the radio monopoly but of the subserviency to vested interests of those who constitute the Commission.

Mr. Speaker, I know of no other situation wherein on the floor of the Congress charges have been made to the effect that the moneys of those holding franchises from the Government have been used to corrupt and debauch elected representatives of the people as well as judicial officials. Charges have also been made that those holding licenses or franchises issued by the Government have indulged in legal blackjacking wherein a complaint is put in print charging a competitor with monopoly for the purpose of forcing that competitor, because of what those who made the charges know and most likely could prove, to divide the spoils at the expense of the American people.

Yet, despite these most unusual charges of the use of moneys, secured through the holding of franchises issued by the Government, to corrupt and debauch elected representatives of the people and officials of our judiciary, the radio monopoly had sufficient influence last year to prevail upon many Members of this House to vote against the congressional investigation.

It is true that many Members of the House were influenced to vote against such an investigation on the promise of House leaders that the Monopoly Investigating Committee which was being authorized would conduct an investigation of this monopoly in radio. We must bear in mind

that those who made such promises may have thought at that time that the Monopoly Committee would investigate the radio monopoly. But, may I ask if there is any evidence in existence that the Monopoly Committee has made or intends to make any investigation of the radio monopoly?

The all important Appropriations Committee of the Congress of the United States has taken the position that before appropriating further funds for the support of this subservient Commission, we should enact new legislation. In view of the charges of debauchery and corruption, of virtually proven monopoly, of a condition in the Commission itself with which the President of the United States has publicly stated he is thoroughly dissatisfied, I do not believe, Mr. Speaker, that any fair-minded Member of this House can disagree that we should not enact any legislation until a full and thorough congressional investigation is made into the many ramifications of the power which resides in those entrusted with the molding of public opinion, through the licenses granted by this governmental agency known as the Federal Communications Commission.

During the past few months I have discussed this matter with several Members of the House, and I was surprised to find that many Democratic Members, while conversant with the corrupt conditions which exist and who freely admit the need of a congressional investigation, hesitated because they believed it would reflect upon the Roosevelt administration. Mr. Speaker, I have gone into this matter of radio at some length, and I want to say to every Member of the House that the most distressing conditions existing today in the field of radio broadcasting are the result of the power, the practices, and the licenses granted to the radio monopoly prior to the induction into office of President Roosevelt.

Naturally, we are at fault when we entrust the issuance of radio licenses to a chairman who was rewarded by President Hoover with appointment to Federal office because of his desertion of the Democratic Party. The present Chairman of the Federal Communications Commission rose to fame in his local community as a leader of Democracy. In 1928 he deserted Democracy and was rewarded for such desertion by appointment by President Hoover to an office in Washington which he publicly testified paid him 10 times more per year than his prior average yearly earnings. This gentleman, as the records show, was accused publicly of failing to file a report of funds used in a political campaign to defeat the candidate of the Democratic Party for President of the United States; of having been appointed to a Federal position because of his treachery to the political party which had honored him with public office. For some unknown reason, shortly after Democracy came into power, this gentleman was placed at the head of first one and then another influential and powerful Government agency. His administration of the latter agency for the past 18 months has been such that on January 24 last President Roosevelt publicly stated that he was thoroughly dissatisfied with the conditions within the Commission.

To further indicate the attitude which President Roosevelt takes toward that Commission, I call the attention of the House to the President's recent public statement at a press conference when, as I understand, even before the President had received the resignation of one of the present members of the Communications Commission, he accepted that resignation before it was handed to him.

Many Members of the Congress have demanded economy in administration agencies. It might be of some interest for those Members of the Congress to know that the clerical costs alone of running the individual office of the present Chairman of the Federal Communications Commission this year has increased, without either reason or results, more than 100 percent over those of his predecessor.

In addition, the Publicity Division, operated last year at a cost of some \$7,000, now is operated on a basis of some \$17,000. This additional cost is due entirely to new attachés brought into the Commission by the Chairman himself.

Shortly after a substantial number of the Members of the House had indicated their lack of confidence in the Federal Communications Commission by voting for a congressional investigation, this Commission, realizing that something must be done to satisfy the public demand for the elimination of a monopoly in radio, went through the motions of investigating the radio monopoly. Imagine, if you can, those who illegally made the radio monopoly possible investigating their own activities. As was well said by a well-known news commentator, it reminded him of "the witches going on a witch hunt."

There are pending before the House Rules Committee two resolutions calling for an investigation of the radio monopoly as well as an investigation of the Commission itself. I have the honor of having presented one of these resolutions. I have no pride of authorship and am perfectly content for the Rules Committee, in its wisdom, to report out either of these resolutions or its own resolution.

I appeal to the House to protect its own good name, especially in view of the unchallenged charges which are contained in the Congressional Record of the moneys of holders of government franchises having been used to corrupt and debauch elected representatives of the people as well as judicial officials, to investigate a condition which is wholly contrary to the spirit, if not the language of the legislation enacted by the Congress, wherein a few persons located in New York alone decide what constitutes public interest in every community in our country. Further, I appeal to the House to investigate these charges and the entire trouble which exists in the radio broadcasting field before we try hurriedly and without due consideration to enact new radio legislation. [Applause.]

SENATE CONCURRENT RESOLUTION REFERRED

A concurrent resolution of the Senate of the following title was taken from the Speaker's table and, under the rule, referred as follows:

S. Con. Res. 6. Concurrent resolution providing for the printing of additional copies of the hearings held before the Special Committee on Taxation of Governmental Securities and Salaries; to the Committee on Printing.

SENATE ENROLLED BILL SIGNED

The SPEAKER announced his signature to an enrolled bill of the Senate of the following title:

S. 1476. An act to authorize an appropriation to pay non-Indian claimants whose claims have been extinguished under the act of June 7, 1924, but who have been found entitled to awards under said act as supplemented by the act of May 31, 1933.

ADJOURNMENT

Mr. CANNON of Missouri. Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to; accordingly (at 6 o'clock and 5 minutes p. m.), pursuant to the order heretofore made, the House adjourned until tomorrow, Friday, March 24, 1939, at 11 o'clock a. m.

COMMITTEE HEARINGS

COMMITTEE ON WAYS AND MEANS

Public hearings will continue on Friday, March 24, 1939, at 10 a.m., on social-security legislation in the Ways and Means Committee room in the New House Office Building.

COMMITTEE ON INTERSTATE AND FOREIGN COMMERCE

There will be a meeting of the Committee on Interstate and Foreign Commerce at 10 a.m. Friday, March 24, 1939. Business to be considered: Railroad legislation—H. R. 2531.

There will be a meeting of the Committee on Interstate and Foreign Commerce at 10 a.m. Monday, March 27, 1939. Business to be considered: Continuation of hearing on H. R. 5093—training air pilots.

There will be a meeting of the Business Research Subcommittee of the Committee on Interstate and Foreign Commerce at 10 a. m. Monday, April 3, 1939. Business to be considered: Hearing on H. R. 3395—business research bill.

COMMITTEE ON WORLD WAR VETERANS' LEGISLATION

There will be an executive session of the Committee on World War Veterans' Legislation on Friday morning at 10:30, March 24, 1939.

COMMITTEE ON PATENTS

A subcommittee of the Committee on Patents. House of Representatives, will hold hearings in the caucus room of the House Office Building beginning Tuesday, March 28, 1939, at 10 a.m., on H. R. 4744, a bill to provide for the registration of trade-marks used in commerce, to carry out the provisions of certain international conventions, and for other purposes. Hon, Fritz G. Lanham is chairman of the subcommittee.

Mr. Lanham announces that the procedure at these hearings will be the same as that he initiated at the hearings on trade-marks in the Seventy-fifth Congress, 1938; that is, the bill will be taken up section by section, so all testimony on a given section will be found at one place in the printed record.

COMMITTEE ON MERCHANT MARINE AND FISHERIES

The Committee on Merchant Marine and Fisheries will hold public hearings in room 219, House Office Building, at 10 a.m., on the bills and dates listed below:

Tuesday, March 28, 1939:

H. R. 197, relating to the clearance of vessels; H. R. 199, relating to the allotment of wages by seamen; H. R. 200, relating to foreign towboats towing between American ports; H. R. 1780, relating to penalties on certain undocumented vessels and cargoes engaging in the coastwise trade or the fisheries: H. R. 1782, relating to change of masters of vessels.

Wednesday, March 29, 1939:

H. R. 198, relating to the measurement of vessels; and H. R. 132, authorizing the use of condemned Government vessels for breakwater purposes.

COMMITTEE ON RIVERS AND HARBORS

The Committee on Rivers and Harbors will meet Tuesday, April 4, 1939, at 10:30 a. m., to continue hearings on the project for the Connecticut River, Conn. and Mass.

Tuesday, April 4, 1939:

H. R. 3209, making it a misdemeanor to stow away on vessels; H. R. 3398, regarding the down payment of construction of new vessels; H. R. 3935, relating to the discharge of seamen.

Wednesday, April 5, 1939:

H. R. 3052, uniform insignia for Naval Reserve radio operators; H. R. 1010, intercoastal subsidy bill (Welch).

Thursday, April 6, 1939:

H. R. 1011, acquisition of drydock facilities for United States Maritime Commission on San Francisco Bay (Welch); H. R. 2870, acquisition of drydock facilities for United States Maritime Commission at Los Angeles (Thomas F. Ford); H. R. 3040, acquisition of drydock facilities for United States Maritime Commission at Los Angeles (Geyer of California). Tuesday, April 11, 1939:

H. R. 1783, inspection of hulls of sail vessels and barges (Bland); H. R. 1785, motorboat bill (Bland); H. R. 1795, motorboat bill (HENDRICKS); H. R. 1809, inspection of motorboats, 15 gross tons up (Magnuson); H. R. 2398, regarding pilots on yachts (ANGELL); H. R. 3837, inspection of motorboats, 15 gross tons up (CONNERY).

Thursday, April 13, 1939:

H. R. 4220, load-line bill for seagoing vessels (BLAND).

Tuesday, April 18, 1939:

H. R. 2404, surgeon and hospital on vessels (Sirovich); H. R. 2660, limitation of liability (STROVICH); House Joint Resolution 153 and House Joint Resolution 194, investigate conditions pertaining to lascar seamen (SIROVICH).

EXECUTIVE COMMUNICATIONS, ETC.

Under clause 2 of rule XXIV, executive communications were taken from the Speaker's table and referred as follows:

564. A letter from the Secretary of War, transmitting a letter from the Chief of Engineers, United States Army, dated March 15, 1939, submitting a report, together with accompanying papers and illustrations, on reexamination of Louisiana-Texas Intracoastal Waterway from the Mississippi River at or near New Orleans, La., to Corpus Christi, Tex., requested by resolutions of the Committee on Rivers and Harbors, House of Representatives, adopted June 8, 1938, and the Committee on Commerce, United States Senate, adopted July 5, 1938 (H. Doc. No. 230); to the Committee on Rivers and Harbors and ordered to be printed, with two illustrations.

565. A letter from the Secretary of War, transmitting a letter from the Chief of Engineers, United States Army, dated March 15, 1939, submitting a report, together with accompanying papers and an illustration, on reexamination of Mississippi River between the Ohio River and mouth of the Missouri River, with a view to determining whether any mcdification in the existing project for improvement of Mississippi River between the mouth of the Missouri River and East St. Louis, Ill., is advisable at the present time, requested by resolution of the Committee on Rivers and Harbors, House of Representatives, adopted October 31, 1938 (H. Doc. No. 231); to the Committee on Rivers and Harbors and ordered to be printed, with an illustration.

566. A letter from the Secretary of War, transmitting a letter from the Chief of Engineers, United States Army, dated March 15, 1939, submitting a report, together with accompanying papers and an illustration, on reexamination of Cleveland Harbor, Ohio, including the channel in Cuyahoga River, requested by resolutions of the Committee on Rivers and Harbors, House of Representatives, adopted March 24, 1937, and April 13, 1937 (H. Doc. No. 232); to the Committee on Rivers and Harbors and ordered to be printed, with an illustration.

567. A letter from the Secretary of War, transmitting a letter from the Chief of Engineers, United States Army, dated March 15, 1939, submitting a report, together with accompanying papers and an illustration, on reexamination of Calumet Harbor and River, Ill. and Ind., requested by resolution of the Committee on Rivers and Harbors, House of Representatives, adopted December 22, 1936 (H. Doc. No. 233); to the Committee on Rivers and Harbors and ordered to be printed, with an illustration.

568. A letter from the Secretary of War, transmitting a letter from the Chief of Engineers, United States Army, dated December 28, 1938, submitting a report, together with accompanying papers and an illustration, on a preliminary examination and survey of channel from Pamlico Sound through Pughs Channel to the town of Rodanthe, N. C., authorized by the River and Harbor Act approved August 26, 1937 (H. Doc. No. 234); to the Committee on Rivers and Harbors and crdered to be printed, with an illustration.

569. A letter from the Secretary of War, transmitting a letter from the Chief of Engineers, United States Army, dated December 28, 1938, submitting a report, together with accompanying papers and an illustration, on a preliminary examination and survey of channel from Edenton Bay, N. C., into Pembroke Creek to United States Fish Hatchery, authorized by the River and Harbor Act, approved August 26, 1937 (H. Doc. No. 235); to the Committee on Rivers and Harbors and ordered to be printed, with an illustration.

570. A letter from the Secretary of War, transmitting a letter from the Chief of Engineers, United States Army, dated March 15, 1939, submitting a report, together with accompanying papers and an illustration, on a preliminary examination and survey of channel leading from the southeasterly end of Rollinson Channel, N. C., to the wharves in front of the town of Hatteras, N. C., authorized by the River and Harbor Act approved August 26, 1937 (H. Doc. No. 236); to the Committee on Rivers and Harbors and ordered to be printed, with an illustration.

571. A letter from the Secretary of War, transmitting a letter from the Chief of Engineers, United States Army, dated March 15, 1939, submitting a report, together with accompanying papers and an illustration, on reexamination of Peconic River, N. Y., requested by resolution of the Committee on Rivers and Harbors, House of Representatives, adopted February 23, 1938 (H. Doc. No. 237); to the Committee on Rivers and Harbors and ordered to be printed, with an illustration.

572. A letter from the Secretary of War, transmitting a letter from the Chief of Engineers, United States Army, dated January 11, 1939, submitting a report, together with accompanying papers and an illustration, on a preliminary examination and survey of Lower Thoroughfare, Deals Island, Md., authorized by the River and Harbor Act, approved August 26, 1937 (H. Doc. No. 238); to the Committee on Rivers and Harbors and ordered to be printed, with an illustration.

573. A letter from the Secretary of War, transmitting a letter from the Chief of Engineers, United States Army, dated December 28, 1938, submitting a report, together with accompanying papers and an illustration, on reexamination of waterway connecting Swan Quarter Bay with Deep Bay. N. C., including the Swan Quarter Canal, requested by resolution of the Committee on Rivers and Harbors, House of Representatives, adopted January 11, 1938 (H. Doc. No. 239); to the Committee on Rivers and Harbors and ordered to be printed, with an illustration.

574. A letter from the Secretary of War, transmitting a letter from the Chief of Engineers, United States Army, dated December 28, 1938, submitting a report, together with accompanying papers and an illustration, on a survey of Clinton Harbor, Conn., authorized by the River and Harbor Act approved August 26, 1937 (H. Doc. No. 240); to the Committee on Rivers and Harbors and ordered to be printed, with an illustration.

575. A letter from the Secretary of War, transmitting a letter from the Chief of Engineers, United States Army, dated December 28, 1938, submitting a report, together with accompanying papers and an illustration, on a preliminary examination and survey of Duck Point Cove (Hearns Creek), Md., authorized by the River and Harbor Act approved August 26, 1937 (H. Doc. No. 241); to the Committee on Rivers and Harbors and ordered to be printed, with an illustration.

576. A letter from the Secretary of War, transmitting a letter from the Chief of Engineers, United States Army, dated December 28, 1938, submitting a report, together with accompanying papers and an illustration, on a preliminary examination and survey of St. Catherines Sound, St. Marys County, Md., authorized by the River and Harbor Act approved August 26, 1937 (H. Doc. No. 242); to the Committee on Rivers and Harbors and ordered to be printed, with an illustration. 577. A letter from the Secretary of War, transmitting a

577. A letter from the Secretary of War, transmitting a letter from the Chief of Engineers, United States Army, dated March 15, 1939, submitting a report, together with accompanying papers and illustrations, on a preliminary examination and survey of Anclote River, Fla., authorized by the River and Harbor Act approved August 26, 1937 (H. Doc. No. 243); to the Committee on Rivers and Harbors and ordered to be printed, with three illustrations.

578. A letter from the Acting Secretary of the Interior, transmitting the draft of a proposed bill to define the authority and power of certain Indian Service officers appointed by the Secretary of the Interior or the Commissioner of Indian Affairs; to the Committee on Indian Affairs.

579. A letter from the Acting Secretary of the Treasury, transmitting the draft of a proposed bill to provide for the reimbursement of certain members of the United States Coast Guard for the value of personal effects lost; to the Committee on Claims.

580. A letter from the Acting Secretary of the Navy, transmitting the draft of a proposed bill to provide for the construction of a graving drydock in New York Harbor or its vicinity; to the Committee on Naval Affairs.

581. A letter from the Acting Secretary of the Interior, transmitting the draft of proposed legislation to authorize the Secretary of the Interior to enter into a contract with the State Water Conservation Board of the State of Montana; to the Committee on Indian Affairs.

582. A letter from the Chairman of the Reconstruction Finance Corporation, transmitting a report covering the operations of the Reconstruction Finance Corporation for the fourth quarter of 1938, and for the period from the organization of the Corporation on February 2, 1932, to December 31, 1938, inclusive (H. Doc. No. 244); to the Committee on Banking and Currency and ordered to be printed.

REPORTS OF COMMITTEES ON PUBLIC BILLS AND RESOLUTIONS

Under clause 2 of rule XIII,

Mr. GREGORY. Committee on the Post Office and Post Roads. H. R. 4771. A bill limiting working hours of pneumatic-tube-system employees to 8 in 10 hours a day; without amendment (Rept. No. 275). Referred to the Committee of the Whole House on the state of the Union.

Mr. GREGORY: Committee on the Post Office and Post Roads. H. R. 4772. A bill to provide time credits for substitutes in the pneumatic-tube service; without amendment (Rept. No. 276). Referred to the Committee of the Whole House on the state of the Union.

Mr. GREGORY: Committee on the Post Office and Post Roads. H. R. 4785. A bill to provide a differential in pay for night work to pneumatic-tube-system employees in the Postal Service; without amendment (Rept. No. 277). Referred to the Committee of the Whole House on the state of the Union.

Mr. GREGORY: Committee on the Post Office and Post Roads. H. R. 4786. A bill to extend the provisions of the 40-hour law to pneumatie-tube-system employees in the Postal Service; without amendment (Rept. No. 278). Referred to the Committee of the Whole House on the state of the Union.

Mr. CANNON of Missouri: Committee on Appropriations. H. R. 5269. A bill making appropriations for the Department of Agriculture and for the Farm Credit Administration for the fiscal year ending June 30, 1940, and for other purposes (Rept. No. 279). Referred to the Committee of the Whole House on the state of the Union.

Mr. SABATH: Committee on Rules. House Concurrent Resolution 11. Concurrent resolution continuing the special Joint Committee on Forestry; without amendment (Rept. No. 280). Referred to the Committee of the Whole House on the state of the Union.

Mr. SUTPHIN: Committee on Naval Affairs. H. R. 4897. A bill to authorize the Secretary of the Navy to proceed with the construction of a naval supply depot, Oakland, Calif., and for other purposes; with amendment (Rept. No. 281). Referred to the Committee of the Whole House on the state of the Union.

Mr. CANNON of Florida: Committee on Naval Affairs. H. R. 3946. A bill to authorize the attendance of the Marine Band at the United Confederate Veterans' 1939 reunion at Trinidad, Colo., August 22, 23, 24, and 25, 1939, and for other purposes; without amendment (Rept. No. 282). Referred to the Committee of the Whole House on the state of the Union.

Mr. MAY: Committee on Military Affairs. H. R. 5191. A bill to provide for the common defense by acquiring stocks of strategic and critical materials essential to the needs of industry for the manufacture of supplies for armed forces and the civilian population in time of national emergency, and to encourage the development of these resources within the United States, and for other purposes; without amendment (Rept. No. 283). Referred to the Committee of the Whole House on the state of the Union.

Mr. ELLIOTT: Committee on the Disposition of Executive Papers. House Report No. 300. Report on the disposition of executive papers in the War Department. Ordered to be printed.

Mr. KELLER: Committee on the Library. Senate Concurrent Resolution 1. Concurrent resolution authorizing the holding of ceremonies in the rotunda in connection with the presentation of a statue of the late Will Rogers; without amendment (Rept. No. 301). Referred to the House Calendar.

REPORTS OF COMMITTEES ON PRIVATE BILLS AND RESOLUTIONS

Under clause 2 of rule XIII,

Mr. RAMSPEK: Committee on Claims. H. R. 3673. A bill for the relief of the Allegheny Forging Co.; with amend-

ment (Rept. No. 284). Referred to the Committee of the Whole House.

Mr. WINTER: Committee on Claims. H. R. 3674. A bill for the relief of the Allegheny Forging Co.; with amendment (Rept. No. 285). Referred to the Committee of the Whole House.

Mr. RAMSPECK: Committee on Claims. H. R. 3675. A bill for the relief of the Allegheny Forging Co.; with amendment (Rept. No. 286). Referred to the Committee of the Whole House

Mr. EBERHARTER: Committee on Claims. H. R. 3726. A bill for the relief of Charles Weisz; with amendment (Rept. No. 287). Referred to the Committee of the Whole House.

Mr. COFFEE of Washington: Committee on Claims. H. R. 3784. A bill for the relief of the estate of J. D. Warlick; with amendment (Rept. No. 288). Referred to the Committee of the Whole House.

Mr. ROCKEFELLER: Committee on Claims. H. R. 3887. A bill for the relief of Capt. Walter L. Shearman; with amendment (Rept. No. 289). Referred to the Committee of the Whole House.

Mr. KENNEDY of Maryland: Committee on Claims. H. R. 3897. A bill for the relief of Harry L. Smigell; without amendment (Rept. No. 290). Referred to the Committee of the Whole House.

Mr. KENNEDY of Maryland: Committee on Claims. H. R. 4031. A bill to confer jurisdiction on the Court of Claims to hear, determine, and render judgment upon the claim or claims of the Recording & Computing Machines Co., of Dayton, Ohio; with amendment (Rept. No. 291). Referred to the Committee of the Whole House.

Mr. KEOGH: Committee on Claims. H. R. 4456. A bill for the relief of William O'Connell; without amendment (Rept. No. 292). Referred to the Committee of the Whole House

Mr. McGEHEE: Committee on Claims. H. R. 4843. A bill to confer jurisdiction on the Court of Claims of the United States to hear, determine, and render judgment upon the claim of John L. Alcock; without amendment (Rept. No. 293). Referred to the Committee of the Whole House.

Mr. KENNEDY of Maryland: Committee on Claims. H. R. 5089. A bill conferring jurisdiction upon the Court of Claims of the United States to hear, examine, adjudicate, and render judgment on the claim of the legal representative of the estate of Rexford M. Smith; without amendment (Rept. No. 294). Referred to the Committee of the Whole House.

Mr. MACIEJEWSKI: Committee on Claims. S. 11. An act for the relief of Hubert H. Clark and Dr. W. C. Copeland; with amendment (Rept. No. 295). Referred to the Committee of the Whole House.

Mr. MACIEJEWSKI: Committee on Claims. S. 754. An act for the relief of J. G. Mayfield; with amendment (Rept. No. 296). Referred to the Committee of the Whole House.

Mr. WINTER: Committee on Claims. S. 1174. An act for the relief of Alex St. Louis and Dr. J. P. Lake; without amendment (Rept. No. 297). Referred to the Committee of the Whole House.

Mr. MACIEJEWSKI: Committee on Claims. S. 1253. An act for the relief of John B. Dow; with amendment (Rept. No. 298). Referred to the Committee of the Whole House.

Mr. WINTER: Committee on Claims. S. 911. An act for the relief of Roscoe C. Prescott, Howard Joslyn, Arthur E. Tuttle, and Robert J. Toulouse; with amendment (Rept. No. 299). Referred to the Committee of the Whole House.

CHANGE OF REFERENCE

Under clause 2 of rule XXII, committees were discharged from the consideration of the following bills, which were referred as follows:

A bill (H. R. 901) to exempt resident inmates of the United States Soldiers' Home, Washington, D. C., and the Naval Home, Philadelphia, Pa., from pension reduction as prescribed by Veterans Regulation No. 6-Series; Committee on

Pensions discharged, and referred to the Committee on Invalid Pensions.

A bill (H. R. 1008) to confer to certain persons who served in the Quartermaster Corps or under the jurisdiction of the Quartermaster General during the War with Spain, the Philippine Insurrection, or the China Relief Expedition the benefits of hospitalization and the privileges of the soldiers' homes; Committee on Pensions discharged, and referred to the Committee on World War Veterans' Legislation.

A bill (H. R. 3108) for the relief of R. E. Rule; Committee on the Civil Service discharged, and referred to the Committee on Claims.

PUBLIC BILLS AND RESOLUTIONS

Under clause 3 of rule XXII, public bills and resolutions were introduced and severally referred as follows:

By Mr. COFFEE of Washington:

H. R. 5270. A bill prohibiting the use of United States supplies and equipment by National Guard organizations ordered in active service in connection with labor disputes, except under certain conditions; prohibiting private gifts and donations to National Guard organizations; and for other purposes; to the Committee on Military Affairs.

By Mr. DINGELL:

H. R. 5271. A bill to provide for reamortization of certain loans made by the Home Owners' Loan Corporation; to the Committee on Banking and Currency.

By Mr. DUNN:

H.R. 5272. A bill to add section 1007 to title X of the Social Security Act so that each State shall have the right to adopt its own interpretation of the phrase "needy individuals who are blind," as used in this act; to the Committee on Ways and Means.

By Mr. GERLACH:

H.R. 5273. A bill to authorize a preliminary examination and survey of the Delaware River and its tributaries at and in the vicinity of Morrisville, Bucks County, Pa., with a view to the control of floods resulting from ice jams, for run-off and water-flow retardation, and for soil-erosion prevention; to the Committee on Flood Control.

By Mr. HOUSTON:

H. R. 5274. A bill to tax the profits out of war by steeply graduated income and other taxes in order to provide for an effective national defense, to promote peace, to encourage actual neutrality, to discourage war profiteering, to distribute the burdens of war, to keep democracy alive, and for other purposes: to the Committee on Ways and Means.

By Mr. HOBBS:

H. R. 5275. A bill to repeal certain duties on vetch under the Tariff Act of 1930; to the Committee on Ways and Means.

By Mr. MARTIN J. KENNEDY:

H. R. 5276. A bill to amend the act entitled "An act to adjust the compensation of certain employees in the Customs Service," approved May 29, 1928, to the Committee on Ways and Means.

By Mr. LEMKE:

H.R. 5277. A bill to regulate interstate and foreign commerce in agricultural products; to prevent unfair competition; to provide for the orderly marketing of such products; to promote the general welfare by assuring an abundant and permanent supply of such products by securing to the producers a minimum price of not less than cost of production; and for other purposes; to the Committee on Agriculture.

By Mr. ROMJUE:

H. R. 5278 (by request). A bill to place postmasters of the fourth class on an annual salary basis, and for other purposes; to the Committee on the Post Office and Post Roads.

By Mr. STEAGALL:

H. R. 5279. A bill to amend subsection (g) of section 22 of the Federal Reserve Act, as amended, and for other purposes; to the Committee on Banking and Currency.

By Mr. CONNERY:

H. R. 5280. A bill to amend the Social Security Act; to the Committee on Ways and Means.

H. R. 5281. A bill to amend the Social Security Act; to the Committee on Ways and Means.

H. R. 5282. A bill to amend the Social Security Act; to the Committee on Ways and Means.

By Mr. HENDRICKS:

H. R. 5283. A bill to amend section 13 of the Fair Labor Standards Act; to the Committee on Labor.

By Mr. MERRITT:

H.R. 5284. A bill to authorize the erection of a United States Veterans' Administration General Medical Surgical Hospital and domiciliary facility at Whitehall, N. Y., or vicinity; to the Committee on World War Veterans' Legislation.

By Mr. TALLE:

H. R. 5285. A bill to make permanent an interest rate of $3\frac{1}{2}$ percent on Federal land bank and Land Bank Commissioner loans and to authorize longer maturities on certain Commissioner loans; to the Committee on Agriculture.

By Mr. VOORHIS of California:

H.R. 5286. A bill to amend Veterans Regulation No. 1 (a), part III, paragraph I (e), as amended; to the Committee on World War Veterans' Legislation.

By Mr. BARRY:

H. R. 5287. A bill relating to the importation of distilled spirits for consumption at the New York World's Fair, 1939, and the Golden Gate International Exposition of 1939, and to duties on certain articles to be exhibited at the New York World's Fair, 1939; to the Committee on Ways and Means.

By Mr. KENNEDY of Maryland:

H. R. 5288. A bill to amend section 691-a of the Code of Law of the District of Columbia, approved March 3, 1901, and of any act or acts amendatory thereof, relating to foreign building and loan associations doing business in the District of Columbia; to the Committee on the District of Columbia.

By Mr. SCRUGHAM:

H. R. 5289. A bill authorizing the Secretary of the Interior to erect and lease or operate custom mills for the treatment of gold and silver ore; to the Committee on Mines and Mining.

By Mr. SHEPPARD:

H.R. 5290. A bill to tax the profits out of war by steeply graduated income and other taxes in order to provide for an effective national defense, to promote peace, to encourage actual neutrality, to discourage war profiteering, to distribute the burdens of war, to keep democracy alive, and for other purposes; to the Committee on Ways and Means.

By Mr. RANKIN:

H.R. 5291. A bill to provide certain benefits for World War veterans and their dependents, and for other purposes; to the Committee on World War Veterans' Legislation.

By Mr. SUMNERS of Texas:

H. R. 5292. A bill to extend the privilege of retirement to the judges of the District Court for the District of Alaska, the District Court of the United States for Puerto Rico, the District Court of the Virgin Islands, the United States District Court for the District of the Canal Zone, and the United States Court for China; to the Committee on the Judiciary.

H. R. 5293. A bill to provide that no statute of limitations shall apply to offenses punishable by death; to the Committee on the Judiciary.

H. R. 5294. A bill to amend the Criminal Code in regard to obtaining money by false pretenses on the high seas; to the Committee on the Judiciary.

By Mr. GEYER of California:

H. J. Res. 226. Joint resolution to amend the Neutrality Act; to the Committee on Foreign Affairs.

By Mr. DIES:

H. Res. 139. Resolution requesting the Department of Justice to report on Nazi and Fascist activities in the United States; to the Committee on Rules.

By Mr. LEWIS of Ohio:

H. Res. 140. Resolution directing the United States Tariff Commission to make investigations and reports under the authority of section 336 of the Tariff Act of 1930; to the Committee on Ways and Means,

MEMORIALS

Under clause 3 of rule XXII, memorials were presented and referred as follows:

By the SPEAKER: Memorial of the Legislature of the Territory of Alaska, memorializing the President and the Congress of the United States to consider their House Joint Memorial No. 37, with reference to House bill 2412, concerning the construction of a port; to the Committee on Rivers and Harbors.

Also, memorial of the Legislature of the State of Michigan, memorializing the President and the Congress of the United States to consider their Senate Concurrent Resolution 11, with reference to the so-called Townsend plan; to the Committee on Ways and Means.

Also, memorial of the Legislature of the State of New Mexico, memorializing the President and the Congress of the United States to consider their House Joint Memorial No. 7, with reference to public lands; to the Committee on the Public Lands.

PRIVATE BILLS AND RESOLUTIONS

Under clause 1 of rule XXII, private bills and resolutions were introduced and severally referred as follows:

By Mr. DARDEN:

H. R. 5295. A bill for the relief of the Priest Lumber Co., Inc.; to the Committee on Claims.

By Mr. DIES:

H. R. 5296. A bill for the relief of the estate of Fred Scroggins; to the Committee on Claims.

By Mr. JEFFRIES:

H. R. 5297. A bill for the relief of Stanley V. Smith; to the Committee on Claims.

H.R. 5298. A bill for the relief of Harry Seaman; to the Committee on Military Affairs.

By Mr. JOHNSON of Indiana:

H. R. 5299. A bill graning a pension to Jesse L. Fisher; to the Committee on Pensions.

By Mr. KEOGH:

H. R. 5300. A bill for the relief of John McDonald; to the Committee on Naval Affairs.

By Mr. KIRWAN:

H. R. 5301. A bill for the relief of Adam Emanuel Tsagournis; to the Committee on Immigration and Naturalization. By Mr. McLEOD:

H. R. 5302. A bill for the relief of Frank Drodowsky, otherwise known as Frank Weber; to the Committee on Military

By Mr. THOMAS S. McMILLAN:

H.R. 5303. A bill for the relief of Solomon Brown; to the Committee on Claims.

By Mr. MERRITT:

H. R. 5304. A bill authorizing the President of the United States to present, in the name of Congress, a Distinguished Flying Cross to Thor Solberg; to the Committee on Military Affairs.

By Mr. SECCOMBE:

H. R. 5305. A bill granting a pension to Anna G. Van Horn; to the Committee on Pensions.

By Mr. SNYDER:

H. R. 5306. A bill for the relief of Clark Wilfred Martin; to the Committee on Patents.

H. R. 5307. A bill granting an increase of pension to Caroline Smith: to the Committee on Invalid Pensions.

By Mr. TAYLOR of Tennessee:

H. R. 5308. A bill granting an increase of pension to Ravon Cawood; to the Committee on Invalid Pensions.

H. R. 5309. A bill for the relief of Robert L. Taylor; to the Committee on Claims.

H.R. 5310. A bill for the relief of James T. Rich; to the Committee on Claims.

By Mr. THOMASON:

H. R. 5311. A bill granting a pension to Juanita N. Meeks; to the Committee on Pensions.

By Mr. WEAVER:

H. R. 5312. A bill for the relief of Baxter Campbell and Glestie Campbell Jones; to the Committee on Claims.

By Mr. WOOD:

H. R. 5313. A bill granting a pension to Mary Stone; to the Committee on Invalid Pensions.

By Mr. YOUNGDAHL:

H. R. 5314. A bill for the relief of Paul J. Kohanik; to the Committee on Claims.

PETITIONS, ETC.

Under clause 1 of rule XXII, petitions and papers were laid on the Clerk's desk and referred as follows:

1981. By Mr. CARTER: Petition of E. A. Leonard, John Edgar Ellery, and 98 other residents of Alameda County, State of California, urging enactment of legislation to prevent resources of this country being used to aid treaty-breaking nations in any war of aggression; to the Committee on Foreign Affairs.

1982. Also, petition of the Board of Supervisors of Contra Costa County, Calif., memorializing the Congress to use San Francisco Bay as the base and headquarters for onehalf of the United States Fleet; to the Committee on Naval

Affairs.

1983. By Mr. CURLEY: Petition of the International Association of Machinists, expressing vigorous opposition to House bill 4910, introduced by Congressman Hoffman, to provide for the registration of labor organizations having members engaged in interstate or foreign commerce, and to impose duties upon such labor organizations and the members thereof; also to impose liability for unlawful acts upon such organizations and the members thereof, and for other purposes; to the Committee on Labor.

1984. By Mr. DONDERO: Petition of sundry citizens of Farmington, Mich., urging legislation for the proper regulation or prohibition of the great advertising campaign for the sale of alcoholic beverages through the medium of interstate commerce by the press and radio; to the Committee

on Interstate and Foreign Commerce.

1985. By Mr. ELSTON: Petition of Lodge No. 1702, Steel Workers Organizing Committee, Norwood, Ohio, submitted by John Schwall, recording secretary, protesting against amending the National Labor Relations Act, in particular Senate bill 1000; to the Committee on Labor.

1986. By Mr. FAY: Petition of Rev. Anthony Russo Alisi, S. J., pastor of Nativity Church, and 15,000 members of Nativity Church, urging that at least \$150,000,000 requested by President Roosevelt be immediately appropriated to maintain 3,000,000 workers on the rolls of the Works Progress Administration; to the Committee on Appropriations.

1987. By Mr. HARTER of New York: Petition of the Railway Mail Association, Second Division, Buffalo, N. Y.; to the Committee on the Post Office and Post Roads.

1988. By Mr. JOHNS: A joint resolution of the Wisconsin State Legislature, memorializing the President and the Congress of the United States to enact legislation to rehabilitate the Great Lakes cut-over area; to the Committee on Agriculture.

1989. By Mr. MARTIN J. KENNEDY: Petition of the Federation of Architects, Engineers, Chemists, and Technicians, New York City, urging support of the President's third request for the \$150,000,000 supplementary Works Progress Administration appropriations; to the Committee on Ways and Means.

1990. Also, petition of Miroslov Svec, New York City, signed by several hundred people, concerning the Czechoslovak

crisis; to the Committee on Foreign Affairs.

1991. Also, petition of Grand River Lodge, No. 265, Brother-hood of Locomotive Firemen and Enginemen, Grand Rapids, Mich., urging passage of House bill 4862; to the Committee on Interstate and Foreign Commerce.

1992. Also, petition of Old Kentucky Lodge, No. 764, Brother-hood of Locomotive Firemen and Enginemen, Paris, Ky., urging passage of House bill 4862; to the Committee on Interstate and Foreign Commerce.

1993. Also, petition of Crescent Lodge, No. 1551, International Association of Machinists, Jamestown, N. Y., urging passage of House bill 4862; to the Committee on Interstate and Foreign Commerce.

1994. Also, petition of Washington Lodge, No. 193, International Association of Machinists, Washington, D. C., urging passage of House bill 4862; to the Committee on Interstate and Foreign Commerce.

1995. By Mr. KEOGH: Petition of the Jenkins Parent-Teacher Association, Jenkins, Ky., concerning House bill 3517 and Senate bill 1305; to the Committee on Education.

1996. Also, petition of the Belle Glade Chamber of Commerce, Belle Glade, Fla., concerning freight rates on fruits and vegetables; to the Committee on Interstate and Foreign Commerce.

1997. Also, petition of the Valley Stream Free Library, Valley Stream, Long Island, N. Y., concerning Senate bill 1305 and House bill 3517; to the Committee on Education.

1998. Also, petition of the Rochester Ropes, Inc., Jamaica, N. Y., concerning Budget provision for river and harbor work; to the Committee on Rivers and Harbors.

1999. Also, petition of Du Quoin city schools, Illinois, concerning the Harrison-Thomas-Larrabee bill; to the Committee on Education.

2000. By Mr. LEWIS of Colorado: Senate Joint Memorial No. 10, of the Thirty-second General Assembly of the State of Colorado, urging the Congress to provide funds to carry out the Norris-Doxey Act of 1937; to the Committee on Agriculture.

2001. Also, House Joint Memorial No. 8, Thirty-second General Assembly of the State of Colorado, urging that the War Department designate Ray Wilson, Inc., as one of the commercial air schools which is to participate in the Air Corps training program; to the Committee on Military Affairs.

2002. By Mr. LEWIS of Ohio: Petition of sundry citizens of Jefferson County, urging action against selling munitions to foreign countries; to the Committee on Foreign Affairs.

2003. By Mr. McCORMACK: Memorial of the City Council of Boston, W. J. Doyle, city clerk, urging favorable consideration of the additional appropriation of \$150,000,000 recommended by President Roosevelt for the maintenance of the Works Progress Administration activities; to the Committee on Appropriations.

2004. By Mr. MASSINGALE: Concurrent resolution of the Oklahoma State Legislature, requesting the Federal Government to reimburse the State of Oklahoma for all revenue lost by the State of Oklahoma, due to the exemption from taxation by the Federal Government of Indian lands located in the State of Oklahoma; to the Committee on Indian Affairs.

2005. By Mr. MERRITT: Resolution of delegates attending the Metropolitan Conference of Home Owners Loan Corporation Mortgagors, called by the Consolidated Home and Farm Owners Mortgage Committee and the council of Home Owners Loan Corporation Mortgagors, urging Congress to enact immediately the following amendments to the Home Owners' Loan Act: (1) Extend the amortization period from 15 to 30 years, (2) reduce interest to 3 percent, (3) completely eliminate deficiency judgments, (4) have the right to redeem homes already foreclosed, (5) create a legal division in the Home Owners' Loan Corporation to handle foreclosures, and (6) provide 2 years' moratorium on principal payments where the owner pays interest and taxes; to the Committee on Banking and Currency.

2006. By Mr. PFEIFER: Petition of the Belle Glade Chamber of Commerce, Belle Glade, Fla., favoring lower freight rates on fruits and vegetables from Florida; to the Committee on Interstate and Foreign Commerce.

2007. Also, petition of the Chinese-American Citizens Alliance, San Francisco, Calif., concerning our neutrality policy; to the Committee on Foreign Affairs.

2008. By Mr. PITTENGER: Concurrent resolution of the Minnesota Legislature, memorializing the Congress of the United States to enact legislation to stabilize prices on dairy products; to the Committee on Agriculture.

2009. Also, concurrent resolution of the Minnesota Legislature, memorializing the Congress of the United States to propose an amendment to the Constitution of the United States preventing the issuance of tax-exempt securities; to the Committee on Ways and Means.

2010. Also, concurrent resolution of the Minnesota Legislature, memorializing the Congress of the United States and the Secretary of Agriculture on the need to establish a more stable program of subsidies to farmers for development and maintenance of farm woodlands and shelterbelts; to the Committee on Agriculture.

2011. Also, Joint Resolution No. 5 of the Legislature of the State of Minnesota, memorializing Congress to take action to assist in controlling the grasshopper menace by making an appropriation of at least \$6,000,000; to the Committee on

Appropriations.

2012. Also, Concurrent Resolution No. 6 of the Legislature of the State of Minnesota, petitioning the Congress of the United States and President Franklin D. Roosevelt, respectively, to pass and approve an amendment to the Federal Social Security Act to provide Federal financial assistance to States for aid to needy crippled persons; to the Committee on Ways and Means.

2013. Also, Concurrent Resolution No. 1 of the Legislature of the State of Minnesota, memorializing the Congress of the United States and the Secretary of Agriculture to take action modifying the restrictions on the production of spring or hard wheat grown in the Northern States; to the Committee on

Agriculture.

2014. Also, Resolution No. 7 of the Legislature of the State of Minnesota, memorializing Congress and the President of the United States to continue a low minimum rate of interest on farm loans through the Federal land-bank system; to the Committee on Banking and Currency.

2015. Also, concurrent resolution of the Minnesota Legislature memorializing Congress to stabilize prices on farm

products; to the Committee on Agriculture.

2016. By Mr. SCHAEFER of Illinois: Petition of the Illinois State Federation of Labor, Victor A. Olander, secretary, urging passage of the proposed amendments to the National Labor Relations Act as introduced in the United States Senate by the Honorable David I. Walsh, of Massachusetts; to the Committee on Labor.

2017. By Mr. SCHIFFLER: Petition of Rev. C. H. McDonald, of the First Presbyterian Church, Moundsville, W. Va., urging that the Presbyterian ministers be excluded from social security; to the Committee on Ways and Means.

2018. By Mr. WEAVER: Petition of certain citizens of Haywood County, N. C.; to the Committee on Foreign Affairs.

2019. By the SPEAKER: Petition of the California Association of Port Authorities, California, petitioning consideration of their resolution with reference to submerged lands and tidelands of the Nation; to the Committee on the Judiciary.

2020. Also, petition of John W. Lane, of Rockland, Maine, and others, petitioning consideration of their resolution with reference to Federal relief; to the Committee on Ways and

Means.

HOUSE OF REPRESENTATIVES

FRIDAY, MARCH 24, 1939

The House met at 11 o'clock a. m.

The Chaplain, Rev. James Shera Montgomery, D. D., offered the following prayer:

Eternal God, our Father, we rejoice, since Thou art the fountain of all life, that Thou hast manifested Thyself in the Christ our Saviour; in Him is the plenitude of Thy patience, mercy, and benevolent love. We pray Thee to take away all fear—the fear of the present and the fear of the future. Nothing can separate us from the love of God; Thou art our hope and shield, our armor and our defense. We praise Thee that Thou hast laid Thy scepter upon that which is noblest in human nature; do Thou open the living way for all who may be burdened and tempted beyond their endurance; soften sobs into sweet harmonies and blend discords into psalms of praise. Thou who knowest the secret of life and the mystery of death, we thank Thee for the splendor of that light which broke upon the world in the glorious Resurrection. We wait; there is a void in our breasts; there

is a silence in our hearts. A notable Christian gentleman has left us. Well done thou good and faithful servant. So long as faith, hope, and love live, so long the immortality of the soul is assured. Through Jesus Christ our Lord. Amen.

The Journal of the proceedings of yesterday was read and approved.

MESSAGE FROM THE SENATE

A message from the Senate, by Mr. Frazier, its legislative clerk, announced that the Senate had passed without amendment bills and joint resolutions of the House of the following titles:

H. R. 767. An act for the relief of Benjamin Weisenberg;

H. R. 950. An act to exempt all vessels of the United States of less than 200 tons gross registered tonnage from the provisions of the Officers' Competency Certificates Convention, 1936 (being International Labor Conference Treaty, Convention No. 53, adopted by the International Labor Conference at Geneva in 1936);

H. R. 1430. An act for the relief of Hyman Ginsberg;

H. R. 1836. An act for the relief of Jack Nelson, a minor;

H. R. 2079. An act for the relief of Charles T. Wise;

H. R. 2192. An act to extend the time for commencing and completing bridges across Cross Bayou, Twelve Mile Bayou, and Caddo Lake in Caddo Parish, La.;

H. R. 3090. An act for the relief of C. R. Henderson:

H. R. 3100. An act for the relief of Capt. Francis H. A. Mc-Keon;

H. J. Res. 110. Joint resolution to authorize Commander Henry Coyle, United States Coast Guard, to accept the decoration and diploma of the Marine Medal of Class 1 (gold), conferred upon him by the Government of Greece;

H. J. Res. 150. Joint resolution to amend the joint resolution entitled "Joint resolution to provide that the United States extend to foreign governments invitations to participate in the Third International Congress for Microbiology to be held in the United States during the calendar year 1939"; and

H. J. Res. 163. Joint resolution providing for the participation of the United States in the celebration of the twenty-fifth anniversary of the opening of the Panama Canal.

The message also announced that the Senate had passed, with amendments, in which the concurrence of the House is requested, a bill of the House of the following title:

H. R. 3801. An act to extend the time for retirement of

cotton pool participation trust certificates.

The message also announced that the Senate had passed bills and joint resolutions of the following titles, in which the concurrence of the House is requested:

S. 39. An act for the relief of the heirs of T. J. Kinser;

S. 43. An act to authorize the erection within the Canal Zone of a suitable memorial to the builders of the Panama Canal and others whose distinguished services merit recognition by the Congress;

S. 69. An act relating to the apportionment of shares of

the sugar crop for 1939 and 1940;

S. 139. An act for the relief of Maria Bartolo;

S. 216. An act for the relief of A. C. Williams, administrator of the estate of his wife, Julia F. Williams;

S. 473. An act for the relief of George Francis Burke;

S. 499. An act to amend the act entitled "An act making appropriations for the naval service for the fiscal year ending June 30, 1910, and for other purposes," approved March 3, 1909, as amended, so as to extend commissary privileges to civilian officers and employees of the United States at naval stations beyond the continental limits of the United States or in Alaska;

S. 808. An act for the relief of Calliope Minaca Pilavakis; S. 837. An act to admit Mrs. Henry Francis Parks permanently to the United States;

S. 964. An act creating the Arkansas-Mississippi Bridge Commission; defining the authority, power, and duties of said commission; and authorizing said commission and its successors and assigns to construct, maintain, and operate a bridge across the Mississippi River at or near Friar Point, Miss., and Helena, Ark.; and for other purposes;

S. 1001. An act for the relief of Albert Pina Afonso. a minor

S. 1019. An act to authorize the Secretary of War to pay certain expenses incident to the training, attendance, and participation of the equestrian and modern pentathlon teams in the Twelfth Olympic Games;

S. 1186. An act for the relief of Herbert M. Snapp;

S. 1258. An act for the relief of the Rent-A-Car Co.;

S. 1269. An act for the relief of Emil Friedrich Dischleit;

S. 1291. An act for the relief of William Carl Laude;

S. 1302. An act to make permanently effective the act entitled "An act to regulate interstate and foreign commerce in petroleum and its products by prohibiting the shipment in such commerce of petroleum and its products produced in violation of State law, and for other purposes," approved February 22, 1935, as amended, and for other purposes;

S. 1385. An act for the relief of the Barkman Lumber Co.;

S. 1387. An act for the relief of Ida May Lennon;

S. 1394. An act for the relief of Johannes or John, Julia, Michael, William, and Anna Kostiuk:

S. 1430. An act for the relief of the legal guardian of Dorothy Elizabeth Sisson, a minor;

S. 1502. An act for the relief of Donna L. I. Carlisle;

S. 1582. An act to authorize the President to bestow a Meritorious Service Medal upon civil-service officers and employees of the United States, and for other purposes;

S. 1692. An act for the relief of J. Vernon Phillips;

S. 1725. An act relating to the acquisition of the site for the post-office building to be constructed in Poplarville,

S. 1847. An act for the relief of Naomi Straley and Bonnie Straley

S. J. Res. 46. Joint resolution authorizing appropriation for expenses of a representative of the United States and of his assistants, and for one-half of the joint expenses of this Government and the Government of Mexico, in giving effect to the agreement of November 9-12, 1938, between the two Governments providing for the settlement of American claims for damages resulting from expropriations of agrarian properties since August 30, 1927; and

S. J. Res. 72. Joint resolution readmitting Mary Cohen

Bienvenu to citizenship.

EXTENSION OF REMARKS

Mr. COX. Mr. Speaker, I ask unanimous consent to extend my own remarks in the RECORD by inserting a statement made by John P. Frey, president of the metal trades department of the American Federation of Labor, who, I think, is one of the outstanding labor statesmen of the world, in which he asks and answers the question: "Did the Communist Party originate C. I. O. proposal for unity?"

The SPEAKER. Is there objection to the request of the gentleman from Georgia?

There was no objection.

Mr. PLUMLEY. Mr. Speaker, I ask unanimous consent to extend my own remarks in the Appendix of the RECORD, and to include therein an address made to the Rivers and Harbors Congress.

The SPEAKER. Is there objection to the request of the gentleman from Vermont?

There was no objection.

Mr. SANDAGER. Mr. Speaker, I ask unanimous consent to extend my own remarks in the Record and to include therein a letter from the Merchant Tailors' Association of Providence protesting against the trade agreements.

The SPEAKER. Is there objection to the request of the

gentleman from Rhode Island?

There was no objection.

Mr. ALEXANDER. Mr. Speaker, I ask unanimous consent to extend my own remarks in the RECORD and to include therein the Keller analysis of the Dies committee reports and to include a letter from Mrs. Charles Lundquist, of Minne-

The SPEAKER. Is there objection to the request of the gentleman from Minnesota?

There was no objection.

WHY PROCRASTINATE WITH WORTHY BILLS?

Mr. ALEXANDER. Mr. Speaker, I ask unanimous consent to address the House for 1 minute.

The SPEAKER. Without objection, it is so ordered.

There was no objection.

Mr. ALEXANDER. Mr. Speaker, there are some things which it is difficult for a newcomer in Congress to understand. One of them is the delay occasioned in getting some meritorious bills out of committee and on the floor of the House for final disposition. Among such bills which have been introduced at this session and seemingly pigeonholed is H. R. 3400, which is aimed at an amendment of section 15 of the Interstate Commerce Act, as amended, in relation to through routes, and for other purposes.

This bill has been in the House committee without action since January 30, 1939, although it has already been heard before a Senate subcommittee and the hearings have been

printed there.

The bill has the approval and active backing and support of 300 short-line railway companies throughout America. It has been approved by the big four of the railroad brotherhoods in the city of Minneapolis, and doubtless similarly throughout the Nation.

I am being importuned daily as to the reason for delay on this and other important measures, so I am asking this question publicly: Can we not speed up action on this and a few other meritorious measures?

I am in receipt of the following letter from the city clerk of the city of Minneapolis, which also shows the unanimity of support for this bill:

> CITY OF MINNEAPOLIS OFFICE OF CITY CLERK, March 20, 1939.

Congressman John G. Alexander,

House of Representatives, Washington, D. C.

Dear Sir: Attached you will find copy of action of the city council of the city of Minneapolis, Minn., at a meeting held March 10, 1939, advising you that the city council favors H. R. 3400 (bill to amend sec. 15 of the Interstate Commerce Act, as amended, in relation to through routes, and for other purposes).

Very truly yours,

CHAS. C. SWANSON, City Clerk.

Alderman Anderson moved that the city council go on record as favoring H. R. 3400 (bill to amend sec. 15 of the Interstate Commerce Act, as amended, in relation to through routes, and for other purposes), and so advise all the Senators and Congressmen from State of Minnesota. Adopted.

Mr. Speaker, I ask unanimous consent to revise and extend my remarks and to include therein a letter from the city clerk of the city of Minneapolis.

The SPEAKER. Without objection, it is so ordered.

There was no objection.

EXTENSION OF REMARKS

Mr. ANDERSON of California. Mr. Speaker, I ask unanimous consent to extend my own remarks in the RECORD, and to include therein an exchange of letters between the Secretary of Agriculture and myself with reference to pears imported from the Argentine.

The SPEAKER. Without objection, it is so ordered.

There was no objection.

Mr. IGLESIAS. Mr. Speaker, I ask unanimous consent to extend my own remarks in the RECORD and to insert therein an address delivered by the Governor of Puerto Rico at the Rivers and Harbors Congress.

The SPEAKER. Without objection, it is so ordered.

There was no objection.

Mr. BUCKLER of Minnesota. Mr. Speaker, I ask unanimous consent to extend my own remarks in the RECORD.

The SPEAKER. Without objection, it is so ordered.

There was no objection.

OVERREGULATING AGRICULTURE

Mr. RICH. Mr. Speaker, I ask unanimous consent to address the House for 1 minute.

The SPEAKER. Without objection, it is so ordered.

There was no objection.

Mr. RICH. Mr. Speaker, debate on the agricultural appropriation bill has been limited to 3 hours today. In this bill we are appropriating \$1,067,000,000. Think of less than 9 hours of general debate on such an important measure and one so vital to our country's welfare.

When we note that the prices of farm commodities according to yesterday's quotations were probably as low as they have been at any time in the history of this country, wheat 67 cents, corn 471/4 cents, oats 291/4 cents, rye 421/4 cents, lard 63/10 cents, and so forth, it seems to me we ought either to try to figure out what we are doing so far as this agricultural appropriation bill is concerned or else stop molesting the farmers. With all the regulations and rules that you have laid down for the farmers of this country, farm conditions are getting worse. The farmers are worried and everybody else. If the Congress would leave the farmers of the country alone and simply let them work out their own salvation, stop importation of farm commodities the farmers produce, and take away all the political leeches, the farmers will benefit greatly. If Congress would take off the farmers' backs half of the individuals that are now trying to regulate them, men who do not know how to farm, it seems to me the country would be better off, the farmers would be better off, and I am sure the Treasury of the United States would be better off. [Applause.]

[Here the gavel fell.]

Mr. SABATH. Mr. Speaker, I ask unanimous consent to address the House for 1 minute.

The SPEAKER. Without objection it is so ordered.

There was no objection.

Mr. SABATH. Mr. Speaker, hardly a day passes but what my beloved friend, the gentleman from Pennsylvania, takes the floor to criticize the efforts of the administration. I have not as yet heard him or his party submit a program that would aid the farmers or help the country. I would be immensely pleased if some day the gentleman from Pennsylvania and the Republicans would submit from the floor a proposition that would be really helpful and beneficial to help us aid the farmers, as we are attempting to do.

When he states that nothing has been done to help the farmers he forgets the fact that when his party was in power the farmers were getting 2 cents a pound for cattle and hogs, and 17 cents a bushel for corn, and 23 cents a bushel for wheat. Today's prices would be at a still higher level if the Republicans would work with us to make the farm program a success. While the gentleman from Pennsylvania and his associates may mean well, their efforts are detrimental to the farmers, to the country, and to business. [Applause.]

Republicans are most eloquent when it comes to criticizing the administration, but they present the appearance of deaf, dumb, and blind men when it comes to the point of themselves offering a plan for the improvement of the evils they complain of. The blunt truth is the Republicans have no plan or program, unless it be one to hamper the administration in its every attempt to accomplish something in the interests of the American people.

I think it is only fair that if I criticize and find fault with someone who is conscientiously trying to do something that I should say what I myself would do if I were in his shoes. The Republicans rant that everything is wrong, but not a solitary soul of them offers or has a practical suggestion as to how they would go about it to make everything right. Or would they return to the old Hoover policies, which placed this country on the very verge of revolution?

I would like to put this query to the Republican side of the House. Supposing at the next election that unfortunately you were given a majority in this body. Supposing, again, unfortunately you were able to elect a Republican to the White House. Just how would you go about it to solve the economic, social, unemployment, and other problems which you say the administration has not solved? If you have a plan, is it fair to the people to keep it a secret? I say that it is not fair or playing the game. Either let us know what you would do were you in power, or quit criticizing so much and cooperate with the administration which is really trying to do something constructive and beneficial for the benefit of the people and the country as a whole.

The Republicans accuse; they denounce; they ridicule; they misrepresent-but they have no plan. Or, if they do have one, they are either afraid or ashamed to let the country in on it.

Mr. RICH. If the gentleman will come to my office and give me an hour, I will tell him how to do it.

Mr. SABATH. It would be an hour wasted on my part. [Here the gavel fell.]

EXTENSION OF REMARKS

Mr. JONES of Ohio. Mr. Speaker, I ask unanimous consent to extend my own remarks in the RECORD and to include therein an article by Paul Block on the timely subject Helping the Democracies of the World.

The SPEAKER. Is there objection to the request of the gentleman from Ohio [Mr. Jones]?

There was no objection.

Mr. HORTON. Mr. Speaker, I ask unanimous consent to extend my own remarks in the RECORD and to include three brief memorials from the Legislature of the State of Wyom-

The SPEAKER. Is their objection to the request of the gentleman from Wyoming?

There was no objection.

AGRICULTURAL APPROPRIATION BILL, 1940

Mr. CANNON of Missouri. Mr. Speaker, I move that the House resolve itself into the Committee of the Whole House on the state of the Union for the further consideration of the bill (H. R. 5269) making appropriations for the Department of Agriculture and for the Farm Credit Administration for the fiscal year ending June 30, 1940, and for other purposes.

The motion was agreed to.

Accordingly the House resolved itself into the Committee of the Whole House on the state of the Union for the further consideration of the bill H. R. 5269, the Agricultural appropriation bill, 1940, with Mr. Parman in the chair. The Clerk read the title of the bill.

Mr. CANNON of Missouri. Mr. Chairman, I yield 5 minutes to the gentleman from Oklahoma [Mr. Ferguson].

Mr. FERGUSON. Mr. Chairman, I first want to call the attention of the Members of the House to pages 3211-3212 of the RECORD, which outlines the amendment I propose to offer on page 91 of the bill. It is right at the end of yesterday's

This Hall has resounded now during many sessions with pleas for the farmer, but this has been in the nature of a shell game. The pea was always under a different shell. We never go forward under a program that exists. Someone always has a better plan to help the farmer-something over the hill at the next session. The result is Congress waits for a better plan and the farmer gets the short end of the stick.

But today is the day—the chance to help the farmer is before us this minute. The committee has had the courage to come in here with an appropriation of \$250,000,000 to pay parity prices. If every Member who has made the statement that he advocated parity prices for the farmers would go through with it now, Congress today will vote parity.

I shall propose an amendment to increase the \$250,000,000 to \$500,000,000, which will bring the five basic crops under this bill to 90 percent of parity. If you do not take this opportunity, every Member who has pretended to be the farmer's friend is going to pass the only opportunity he will have in this Congress to raise the farmer's income up to an approach of where it belongs.

Mr. Chairman, this farm program the Government is sponsoring is not a squirrel cage. It is not the deterrent to agriculture that some of our friends on the Republican side of the aisle would have you believe. It is an intelligent approach to the farm problem in this Nation. First, it is based on soil conservation, taking the excess acres out of soil-depleting crops and building them up so that future generations may use them. Second, through loans maintain the price. If we had not had loans this year cotton would be down to 5 cents, wheat would be down to 25 cents, and corn would be down to 10 cents. It was only the loans that saved the price of those crops.

Mr. Chairman, what are we faced with? If we continue this loan policy we are going to build up a reserve in agricultural products that will ruin the price structure of all those products. The only way to avoid a continuation of this loan policy is to provide enough money under section 303 to obviate the necessity of loans and let those products go into the channels of trade freely and not be dammed up behind the loans. If the Congress does not provide this money to pay parity it will be guilty of fostering these huge surpluses behind the loans which will break the prices of cotton, wheat, corn, rice, and tobacco. It will be on our heads. The future of agriculture will suffer.

Let me read the existing loans as of March 15, 1939: \$118,049,526.38 on 207,439,813 bushels of corn; \$559,328,837.32 on 11,292,368 bales of cotton; \$47,070,192.73 on 81,522,118 bushels of wheat backing up this surplus. If the House will vote my amendment providing for \$500,000,000 for parity payments, I will propose another amendment providing that a man who accepts parity payments will not be eligible for a loan on his 1939 crop. The parity payments will pay the difference between what the farmer gets for his product and what he is entitled to receive, since he has to make all his purchases in a protected market.

[Here the gavel fell.]

Mr. CANNON of Missouri. Mr. Chairman, I yield the gentleman 3 additional minutes.

Mr. RANKIN. Will the gentleman yield?

Mr. FERGUSON. I yield to the gentleman from Mississippi. Mr. RANKIN. The gentleman says this will guarantee the farmer 90 percent of parity. What does he call "parity"?

Mr. FERGUSON. If the gentleman will look at the tables I have inserted in the RECORD and have called attention to, this \$500,000,000 provided by my amendment would give the farmer 14.8 cents for cotton as against a parity of 15.7 cents. In the case of cotton it would be 94 percent of parity.

Mr. RANKIN. Does the gentleman think that 15 cents a pound would put cotton on a parity with industry?

Mr. FERGUSON. I certainly do not, but it would approach parity a whole lot closer than we have in the past.

Mr. RANKIN. I agree with the gentleman. The only thing I am complaining of is that the gentleman does not go far enough. Agriculture is entitled to the same treatment as industry.

Mr. FERGUSON. To achieve full parity would require \$1,024,094,000.

Mr. RANKIN. What price would that make for cotton and wheat?

Mr. FERGUSON. That would raise cotton to 16½ cents to achieve full parity.

Mr. PACE. Will the gentleman yield?

Mr. FERGUSON. I yield to the gentleman from Georgia.
Mr. PACE. The figures that the gentleman has inserted
in the Record are official figures from the Department of
Agriculture?

Mr. FERGUSON. Yes; they are the official figures from the Department of Agriculture.

Mr. HULL. Mr. Chairman, will the gentleman yield?

Mr. FERGUSON. I yield to the gentleman from Wisconsin. Mr. HULL. What does the gentleman propose to do for the dairy farmers out of the \$500,000,000 he is seeking?

Mr. FERGUSON. The dairy farmer is not under the bill, probably through choice. Of course, he is entitled to payments under the general crop features of the bill and entitled to the money he has received under section 32.

Mr. HULL. Will the gentleman yield for another question? Mr. FERGUSON. I do not want to yield now; I have just a minute more. I am sorry.

We have a program in this bill, and I want to congratulate the committee on it, that provides for the study and development and the use of native grasses and the use of trees with the idea of not depleting the soil of this Nation and not planting more than we can possibly use and export, and conserving the soil for future generations by putting the excess 30,000,000 acres back to grass and back to trees, so that future generations and the future of this country, when it

becomes necessary, will be protected by having that soil built up and held in reserve for the future needs of this Nation.

Any man who stands up and advocates that we turn the farmers loose, as the gentleman from Pennsylvania [Mr. Rich] did a minute ago, shows that he has not made any investigations of the farm problem of this Nation. We must have control. We must put this Nation on a basis of producing what we consume now and what we export now, not what we may intend to export or hope to export.

I urge the Members to take this opportunity to keep your word given many times that you desire to aid the farmer, and vote for this amendment. [Applause.]

[Here the gavel fell.]

Mr. LAMBERTSON. Mr. Chairman, I yield 5 minutes to the gentleman from North Dakota [Mr. Burdick].

Mr. BURDICK. Mr. Chairman, I find that the legislation on this bill is about as illogical as the legislation on most bills. This is the situation in which I find myself. We are called upon to make appropriations for an existing program. If we are to have no other program then I am in favor of carrying out the one we have to the extent of our ability and the ability of this country. I had supposed all the time, however, from the promises made by both parties, that at least in this session of Congress there would be a farm bill forthcoming that would make a lot of these appropriations unnecessary. But this bill is here, and the only possible way we can bring about any justice through parity prices to the farmers of this country, which in my judgment are essential to any kind of recovery, is the adoption of the program suggested by the gentleman from Oklahoma.

Mr. LUTHER A. JOHNSON. Mr. Chairman, will the gentleman yield?

Mr. BURDICK. I yield to the gentleman from Texas.

Mr. LUTHER A. JOHNSON. Is it not true that every dollar we spend in restoring the purchasing power of the farmer will be worth five for one in reducing expenditures for relief?

Mr. BURDICK. Yes.

Mr. Chairman, I also wish to say that before we can ever hope to unravel this injustice to the farmers we must attack the markets.

The law regulating futures trading was passed by Congress June 15, 1936. The actual purpose of the law was to confer such power on the Commodity Exchange Administration as would limit the activities of operators for speculative purposes.

Under the act the Administration was authorized to make such rules and regulations as would best carry out the purposes of the act. I find that no regulations were promulgated until August 1937—as applied to futures contracts.

I have insisted that the Secretary of Agriculture has not carried out the duties imposed on him by the law. He is only one member of the Administration, but naturally the Attorney General and the Secretary of Commerce, who have quite different fields, would follow the advice of the Secretary of Agriculture.

The particular thing that I point to in the charge that the Secretary of Agriculture has been negligent, careless, and indifferent is as follows. The act reads:

When, and only when, the governing board thereof provides for the making and filing by the board (board of trade) or any member thereof, as the Secretary of Agriculture may direct, of reports in accordance with the rules and regulations, and in such manner and form and at such times as may be prescribed by the Secretary of Agriculture, showing the details and terms of all transactions entered into by the board or the members thereof, either in cash transactions consummated at, on, or in a board of trade, or transactions to future delivery * * *. Such board shall be authorized to do business.

These are conditions precedent to securing authority to operate a board of trade.

No reports of cash transactions have ever been made by the Chicago Board of Trade, but still they have been authorized to do business in violation of law. Mr. J. W. Duvel is the administrator of the act, but I do not wish to criticize him for this failure to require the information set forth in the law. That is the absolute and entire responsibility of his superiors—the Administration.

The fact is, as stated, that no such information—cash transactions—has ever been required of the Chicago Board of Trade or any other contract market. The result is that there is nothing on record here in the office of the Administration to even suggest the amount of cash sales on the Chicago Board of Trade. The Administration admits this charge under date of March 17, 1939. I quote:

With reference to your request for figures showing cash transactions in wheat consummated at, on, or in the Chicago Board of Trade, I must advise that we have no figures procured under authority of section 5 (b) of the act which meet that description.

Mr. Chairman, that is my case. I restate that the Commodity Exchange Act is not being administered as prescribed by law, and that the Commodity Exchange Administration, and particularly the Secretary of Agriculture, is responsible for it. The above facts prove it beyond any explanation or excuse.

I have stated on the floor of this House before, and now repeat it, that the percentages of sales of futures contracts to actual delivery settlements under those futures contracts is greater this year than it was last. I have received letters from grain operators saying I must be dreaming, or, as the attorney for the Chicago Board of Trade says, "Burdick shot off his mouth up on the Hill." The fact is demonstrated beyond all possible denial that the percentage of wind sales to actual deliveries under those contracts is higher today than it ever has been in the history of the Chicago Board of Trade. I shall now prove this statement from the Commodity Exchange Administration itself. On page 11 of the report of the Chief of the Commodity Exchange Administration the following table appears:

DELIVERIES

As is customary, the percentage of futures contracts settled by delivery during the fiscal year was exceedingly small. Of the total volume of trading in wheat futures on the Chicago Board of Trade, only 0.13 percent was settled by delivery, as shown in table 16. The percentage for the other grains and for cotton was less than 1 in each case. For butter, eggs, and potatoes the percentages ranged from 3.40 to 6.21.

Table 16.—Volume of trading during life of all futures and total futures contracts settled by delivery for specified commodities upon contract markets, fiscal year 1938

Market	Commod- ity	Unit	Total volume of trading during life of all futures maturing in fiscal year ¹	Futures contracts settled by delivery	Percent settled by delivery as re- lated to total trading
Chicago Board of Trade.	Wheat Corn Oats Rye	Bushels Bushels Bushels	10, 410, 441, 000 2, 477, 929, 000 618, 009, 000 285, 784, 000		. 55
of Commerce. New York Cotton Ex-	Barley Flaxseed. Cotton	Bushels Bushels Bales	23, 266, 000 13, 148, 000 38, 518, 100	254, 000 626, 000	1.09 4.76
change. New Orleans Cotton Exchange.	do	Bales	8, 222, 450		100000
Chicago Mercantile Exchange.	Butter Eggs Potatoes.	Carlots Carlots	15, 488 43, 544 1, 819	527 1, 484 113	3. 40 3. 41 6. 21
St. Louis Merchants' Exchange.	Millfeeds.	Tons	291, 925	16, 925	5, 80
Kansas City Board of Trade.	do	Tons	183, 050	14, 400	7.87

¹ These totals are not comparable with those of the volume of trading during the fiscal year inasmuch as trading began approximately 10 months before delivery month and consequently covers a longer period than the fiscal year.

Not only do most hedgers as well as speculators prefer not to receive delivery in settlement of futures contracts, but the vast proportion of futures trades remain open for very short periods. The closing out of open contracts in any given future takes place to a large extent before the beginning of the delivery month.

This is an admission that not even 1 percent of the futures contracts result in delivery of actual wheat, but only thirteen one-hundredths of 1 percent. One percent would be 1 bushel delivery to 100 bushels in futures contracts sold. Constructing these percentages in the reverse figures to determine bushels we find that to every 1 bushel delivered under futures contract 719 bushels in futures contracts are involved. Based on deliveries then every bushel delivered on futures transac-

tions has been sold 719 times. (See testimony, p. 978, agricultural appropriation bill for 1940.)

Yet the Administration on the same page says:

I would say that the markets during the last year have been quite free from large scale speculative operations.

Just what evidence does this Administration want before they are willing to put a stop to this high-powered, authorized gambling operation?

The Administration states to me that it would require a large appropriation to secure the information as to cash transactions, yet the same Administration makes no demand for any appropriation for this purpose. (See p. 969 of the hearings.) Furthermore, no appropriation would be required at all, if the law were enforced as written. The filing of these reports would be as the law plainly states a condition precedent to being authorized to gamble in farm products. If those requirements were demanded, and the board of trade did not file the reports, their authority could be canceled.

All I ask in House Resolution 25, which is now on the Speaker's desk under petition No. 3, is for this House to appoint a committee to investigate the whole situation and report back to Congress. No more than \$10,000 is asked to carry on this work, and when the report comes in this Congress will be armed with the information it needs to deal with this most important subject. For this Congress to play ostrich and hide its head in the sand while the board of trade sells every bushel of wheat delivered under futures contracts 719 times is to admit that we either do not care anything about depressed prices or we are in favor of breaking every wheat farmer in America. I may say that, in my opinion, those who actually handle the administrative end of the Commodity Exchange Administration would not be adverse to this resolution.

The Speaker of the House would appoint the committee, thus the Democratic administration would control the investigation, but I have respect enough for the integrity of the Democratic Members of this House to say that in my opinion any committee so appointed by the Speaker of this House would be thorough, fair to everyone involved, and just to the American producers.

You can see what happens when people go on the board of trade and sell millions and millions of bushels of wheat as the Russians did a few years ago. They ran the price of wheat down, with no intention of ever delivering a bushel of wheat on this side of the Atlantic Ocean, and as soon as the price went down they bought back and took their millions and went back to Russia.

Mr. FULMER. Mr. Chairman, will the gentleman yield?

Mr. BURDICK. I yield to the gentleman from South Carolina.

Mr. FULMER. I wish to congratulate the gentleman on the fine work he is doing, and to say to him the same condition exists on the cotton exchange.

Mr. BURDICK. Exactly.

Mr. FULMER. Just the other day, on a rumor, the speculators put down the price of cotton \$2.85 a bale; and I challenge the Department or anyone else to show even 100 bales of actual cotton passing hands from one person to another.

Mr. BURDICK. The gentleman is right, and I thank him for his contribution.

Mr. RANKIN. Mr. Chairman, will the gentleman yield?

Mr. BURDICK. I yield to the gentleman from Mississippi.

Mr. RANKIN. The gentleman confuses the gamblers with the manipulators. The gamblers are bad enough, but the worst enemies the farmers have are the manipulators, who manipulate the market on the exchange and force it up and down. They do not gamble on the price. They get behind the scene and fix the price or arrange to drive it down. I investigated the cotton exchange in 1927, and I can show you how with a few thousand bales of dogtail cotton they drove the market from 22 cents a pound down to 14 cents a pound in 3 weeks.

Mr. BURDICK. I wish to say before my time expires that I have a petition on the Speaker's desk asking an investigation of the exchange in Chicago. I should like every Member who wants information to sign the petition, and that is

all. I am not asking you to do anything until we have the facts before the Congress of the United States. [Applause.]
[Here the gavel fell.]

Mr. LAMBERTSON. Mr. Chairman, I yield 5 minutes to the gentleman from Iowa [Mr. GILCHRIST].

Mr. GILCHRIST. Mr. Chairman, farmers have always been weak in group action. They have been divided regionally and they have been divided into crop groups and into political groups.

This morning the gentleman from Illinois [Mr. Sabath] spoke about the prices that were paid in 1932 for corn. I can recall back under a Democratic administration when corn was selling for 6 and 7 cents a bushel instead of 10 cents, and many of you gentlemen can too.

But I do not want to put any partisanship in the discussion of this bill. I think we all should go ahead on both sides of this aisle and do what we can for the farmer.

The gentleman from Illinois has asked what the Republicans are going to do. Why, as was stated by the gentleman from Oklahoma [Mr. Massingale] yesterday, the Democrats have simply stolen the program that was announced by the Republican Party in its platform of 1932. I have here what they said. They talked about the fundamental problem of American agriculture and then the platform of the Republican Party in 1932 went on to discuss it under three different headings, and said:

A third element equally as important is the control of acreage of land under cultivation as an aid to the efforts of the farmer to balance production.

And that is exactly what the present plan does. It is an attempt to control acreage under cultivation as an aid to balance the production of the farmer to the demands of the market. This is Republican doctrine.

What is the use of us farmers here trying to divide into State groups, regional groups, crop groups, and political groups, when we are making an attempt to get parity? Parity is that price which will restore to the farmer an income that will give him the same comparative buying power that he had in those years between 1909 and 1914.

Mr. SABATH. Mr. Chairman, will the gentleman yield? Mr. GILCHRIST. I am sorry, but I have only 5 minutes. The parity price of corn at this time, as shown by the hearings, and I call this to the attention of the gentleman from Oklahoma [Mr. FERGUSON] is 80.9 cents, and it is selling for only about 40 cents out on the farms of Iowa, and still you expect the farmer to progess and to buy your products from down East and from Massachusetts and Pennsyl-

what he ought to get to restore him to a position of parity.

Mr. RANKIN. Mr. Chairman, will the gentleman yield?

Mr. GILCHRIST. I wish I had the time to yield to the gentleman, but I just cannot do it. I would like to yield very much.

vania, and elsewhere, when he is getting only 50 percent of

When talking about what we are doing for the other groups, remember that the farmers are joining in to help you other folks. There is your wage and hour bill, providing for 40 hours a week. The farmer is undoubtedly working from 80 to 84 hours a week. The farmer in 1938 was only getting \$164 per capita income for the year available for living expenses. He was getting only 77.9 percent of what nonfarm workers were getting. These things are all disclosed in the hearings as published and presented here this morning.

Now, talking about the buying power, I remember back in former days a binder could be bought for as low as \$85. Today a farmer who binds his grain in Iowa will pay \$300, or even \$350, for a binder. This is a mere example. The farmer just has not been able to live under these conditions, and what is resulting? Foreclosures, and more of them! Why, even the Farm Credit Administration itself, a Government agency, foreclosed more than 15,000 farms last year and took them away from the farmer because he just could not pay the interest, the taxes, the upkeep, and meet his other expenses. He was getting that money at three and a half percent. There is in this bill an appropriation to the

Farm Credit Administration to enable them to continue the $3\frac{1}{2}$ -percent rate.

[Here the gavel fell.]

Mr. LAMBERTSON. Mr. Chairman, I yield the gentleman 3 additional minutes.

Mr. GILCHRIST. I thank the gentleman.

As a matter of fact, the Farm Credit Administration of the Government is making money off of the farmers in loaning at $3\frac{1}{2}$ percent, and this can be demonstrated by the figures as published by the Farm Credit Administration itself.

Farmers work about twice as many hours per week as other people do. Farmers get less return for living expenses than any other class of people. It is true that farm loans are made, but the Federal land bank loans only 50 percent of the value of the farm, while the Government guarantees homeowners' loans at 90 percent of the value. Farmers sometimes get 75 percent of the value if they borrow through the commissioner, but even here they are discriminated against. Furthermore, a farm loan is safer than a loan on a building because the land will stay where it is and will not depreciate, if taken care of, while houses always depreciate. Taxpayers are allowed to write off 4 percent on wooden buildings each year in making income-tax returns. The Government subdizes many forms of rival industries. It puts hundreds of thousands of other farms into competition with them by furnishing the money to irrigate such other lands. Imagine what would happen if the Government would do this with shoe factories. In making these loans the farmers must, and do, contribute the capital to the Federal land bank, so when the face of the loan is \$100 they get only \$95. Farmers are exposed to every contingency-drought, frost, wind, floods, chinch bugs, grasshoppers, Mormon crickets, boll weevil, army worms, corn borers, rust, and many other infestations. We help laborers, manufacturers, bankers, and almost every other form of business. We limit the number of professional men-doctors, lawyers, dentists, barbers, and cosmeticians. Farmers alone are exposed to the hazards of gambling on future contracts in grain and cotton pits. They pay high tariff duties and buy in a protected market, but are forced to sell in one which has little if any real protection for them.

Here is a chance for us to protect future generations, and I would like to put into the Record an excerpt from a tragic story about soil erosion, and I ask permission to do so. This shows how we are really mining our soils, how we are menacing future generations and how hereafter we may expect that the farm lands of this country may be even as they are in parts of China, where they are not productive at all.

We have a duty in this respect toward our children, our children's children, and toward future times and ages. In the next 25 years the evil agricultural practices of three centuries must be righted—the soil depletion, the erosion, the deforestation. I quote from an article recently published, entitled "Tragic Truth About Soil Erosion:"

The soil-erosion specialists tell us that the duststorm of May 11, 1934, swept 300,000,000 tons of fertile topsoil off of the great wheat plains; that 400,000,000 tons of soil are washed annually into the Gulf of Mexico by the Mississippi River; that water and wind erosion together each remove beyond use 3,000,000,000 tons of soil. At this rate it would require a train of freight cars long enough to encircle the world 32 times to carry this load. They find that 100,000,000 once fertile acres of farm land equal to Illinois, Ohio, Maryland, and North Carolina combined have been essentially destroyed for profitable farming; that another 100,000,000 acres are threatened—all belonging to the best land in the United States.

And further, that the present annual money loss to landowners

And further, that the present annual money loss to landowners and to the Nation is not less than \$400,000,000 each year; that the annual rate has been increasing; that the cumulative loss may be conservatively stated as already not less than \$10,000,000,000; and that if this wastage is not stopped, in another 50 years the cumulative loss will reach the staggering figure of twenty-five or thirty billion dollars, equivalent to a loss of \$4,000 on each and every farm in the United States. The present loss to farmers and ranchers is \$400,000,000 annually.

I want, therefore, to appeal to Members on both sides of this aisle to quit party bickerings and see if we cannot do something to restore prosperity to the farmer. When you do this, benefits will come to everybody else, because statistics show that when you give the farmer a dollar you add to the national income at least \$7 and you give to factory employees at least another dollar. So, in the interest of everyone, it is well that we quit the idea of keeping the farmer down. Let us go ahead and help him to be prosperous and to live happily with his family, just as they do in other industries. This is the program and this is the platform that both sides and all parties have promised to the farmer.

This is your promise. Now let us keep that promise here

today and pass this bill.

As the gentleman from Oklahoma has said, this bill will not accomplish the business of giving the farmer parity, but it will help to give him parity; and if there is any other program announced, we can discuss it and go ahead with it in the future, but I think we ought now to vote for these appropriations. [Applause.]

[Here the gavel fell.]

Mr. CANNON of Missouri. Mr. Chairman, I yield 5 min-

utes to the gentleman from Illinois [Mr. SABATH].

Mr. SABATH. Mr. Chairman, I do believe that the gentleman from Iowa [Mr. GILCHRIST] is interested in the farmers. He is an intelligent man. I have heard him make many speeches in their behalf, but so far, I am sorry to say, the Republican Party has not had the intelligence to follow his advice and to cooperate with him.

The Republican Party has promised to help the farmer, and I know that the gentleman spoke the truth when he said that the Democrats have taken a plank of the Republican Party in promising relief to the farmers. The important thing is that we are carrying out that pledge, while the Republicans have always promised much but done little except to oppose our efforts.

It would mean a lot to the farmers if the Republicans would really cooperate with us, and that cooperation should extend to assisting us in seeing that the laboring classes in the cities are given a living wage in order that their prosperity may in turn bring prosperity to the farmer.

The gentleman from Iowa [Mr. Dowell], who is sitting here before me, whom I cherish as a dear friend of long standing, has been unceasing in his efforts to help the farmers. He can tell you that I have always voted for farmelief legislation. Is that correct, Mr. Dowell?

Mr. DOWELL. It is.

Mr. SABATH. I always have and always will, because I think that the farmer does not receive the price for his product that he is entitled to; but, on the other hand, neither does the laborer. In fact, the laborer today does not receive enough to exist on, but when we appeal to you gentlemen from the rural sections to help the needy of the cities, you turn against us and refuse assistance.

But now I appeal to you again, and I appeal to all those who are interested in helping the farmers, and ask them to see that our efforts in behalf of the city dwellers will receive

their sympathy and aid.

Only a few days ago I promised the gentleman from North Dakota [Mr. Burdick] that I would do what I could to help him get action on his resolution to investigate commodity exchanges which have grown up in this country and which rob the farmers and consumers alike. They play both ends against the middle, and always have. I promised that I would help to put these greedy parasites out of business, and I intend to keep that promise if I possibly can. I think the opportunity will soon present itself.

This is not a matter of being a Democrat or a Republican but a question of humanity with me. I assure you I want to be fair, but I must appeal to you to cooperate with us from the cities and not to turn your back on the city dwellers in all their misery.

When my vote will really help the farmer, no one needs persuade me. I appeal to you now to aid the starving people in the cities when you have the opportunity, and that opportunity will probably come within a few days. These city people constitute the greatest potential market for the products of the farm that you will ever have.

I am thankful to the gentleman from Iowa [Mr. Gilchrist] for calling my attention to these things, and I hope that in

conjunction with those who are honest and sincere in aiding the needy that they will help to bring about legislation that will be helpful not only to the farmers but to the country in general. [Applause.]

Mr. LAMBERTSON. Mr. Chairman, I yield 5 minutes to the gentleman from Wisconsin [Mr. KEEFE].

Mr. KEEFE. Mr. Chairman, I have been here during the debate on this agricultural bill and I have listened with extreme interest to the concessions which have been made by gentleman after gentleman from the Democratic side, who have stood here before the Congress, man after man, and have been kind enough and honest enough to concede that the farm problem in America is still just as vital and still just as bad as it was in 1932. I compliment the honesty of gentlemen on the Democratic side who stand here before the Congress and admit today that the labor situation in America is just as bad today as it was in 1932. It seems to be a good thing—a confession you all ought to make, as confessed by the gentleman from Illinois [Mr. SABATH], who just spoke. He said that this is no longer a political question, and he is correct. However, my mind goes back to 1932, when it was a political question, when we heard the mouthpieces of the Democratic Party telling the people of America, "If you will only place us in office, we will relieve the intolerable conditions of labor; we will relieve the intolerable conditions of agriculture; give us an opportunity to see what we can do." The people of America listened to the siren voice over the radio, and they were entranced by the spectacular and glamorous presence of the leader of that party, who flew in an airplane to the city of Chicago and stood on the platform in a very theatrical manner and told the people of America, "I stand foursquare on this platform"—a platform, Mr. Chairman, which attracted the attention of not only the Democrats but the attention of the thinking people throughout this country; a platform which, if carried out, would have kept the Democratic Party in power, in my judgment, for a very long period of time.

It was a magnificent platform of principles, if you please. What happened to them? Despite the promises that they were going to do something for the farmer, about the only thing that has been done is to spend money in a vain attempt to carry on the philosophy of the Secretary of Agriculture, which the gentlemen who spoke yesterday, man after man, conceded has been a complete and absolute failure. They freely confessed that we are as bad off as we were in 1932, and worse off, if you please, because we have saddled onto the backs of the people engaged in agriculture a staggering debt that they and their children will never be able to pay.

What have you done for labor? Oh, yes. These men who rise up and proclaim their liberalism and their great avowed interest in the welfare of the common man, the laborer, what have you done for him? It is true you passed some legislation that is worth while, but as represented in the interest of the common man and his ability to earn his daily bread and educate his children and protect his family, what have you done? You have assured him the right to bargain collectively, it is true. You have assured him that through that right of collective bargaining he will have the possibility of getting a larger hourly wage; but you have not insured to labor today a guaranty of a single hour of work, and when labor gets a contract from an employer guaranteeing an increase in his hourly rate of pay, that laborer has not been guaranteed a single hour of labor.

We find a situation today where honest and decent members of labor organizations have gone out and fought for better labor conditions, and they find that they have only been given a stone instead of a piece of bread. I have been interested in this labor situation as well as the farm situation. I have sat in strike negotiations for months at a time only to find that as a result of those negotiations, under the beneficent influence of the New Deal, that when labor got all through there was not any work to perform, and no hours of labor for them. They were worse off when they got through than when they started.

[Here the gavel fell.]

Mr. LAMBERTSON. Mr. Chairman, I yield the gentleman from Wisconsin 3 additional minutes.

Mr. KEEFE. We still have our millions of unemployed with us. You talk about what Hitler is doing in Germany and the newspapers write editorials denouncing him because he is taking away the property of the Jews in Germany. Good old Uncle Sam, throughout the length and breadth of the land of this country, is taking away, day by day, the homes and farms of citizens of America, driving their occupants out into the streets. I think we ought to think somewhat of what is taking place here in America instead of thinking so much and spending so much of our time worrying about what is taking place abroad. [Applause.]

Mr. CANNON of Missouri. Mr. Chairman, will the gentleman yield?

Mr. KEEFE. I do not have time to yield at this point. I only have a couple of moments, if you please.

The CHAIRMAN. The gentleman from Wisconsin declines to yield.

Mr. KEEFE. I say to you that Wisconsin is a great dairy State and the dairy industry represents between 25 and 30 percent of the gross farm income of this country. What are you doing for the dairymen? What are you doing in this bill for the dairymen of Wisconsin? You are doing absolutely nothing for them except to give them little payments that come as the result of your soil-conservation subsidies. They do not amount to the snap of your finger. It is true you did help the farmers in Wisconsin to some extent when you made an appropriation to the Surplus Commodities Corporation and permitted them to go into the market and buy surplus dairy products, but now you have taken that away from us. When the farmers of Wisconsin sold their dairy products to the Surplus Commodities Corporation they did not receive a subsidy. They gave them something in return, and they sold them dairy products to feed the people of America, that cost them 25 percent more to produce than they received. You cannot be very proud of what you have done for the dairy farmer in America. You are doing nothing for the farmers of Wisconsin who are being dispossessed of their farms. Fifteen thousand of them will be turned out into the streets this year. What are you doing for them in this bill? What are you doing to insure parity for the dairy farmers in America? [Applause.]

The CHAIRMAN. The time of the gentleman from Wisconsin has again expired.

Mr. CANNON of Missouri. Mr. Chairman, I yield myself 2 minutes.

I seldom make so emphatic a statement, but truth compels me to say that the remarks of the gentleman from Wisconsin carry more misinformation than any speech of the same length I have ever heard in all the years I have been on this floor. [Laughter and applause.] When the Republican administration went out of power they had quit selling farms under the hammer because the market was so congested they could no longer get anyone to bid on them. One-third of the farmers of the United States were dispossessed of their farms under the administration of President Hoover. On the other hand, it is a matter of common knowledge that as soon as the Democratic administration came into power loans were provided to save the rest of the farms still in the hands of farmers, and I submit herewith a tabulated statement showing the decline in forced sales in the dairy States:

Estimated number of farms changing ownership by forced sales per 1,000 of all farms, 12 months ended Mar. 15, 1933-36, in States in which dairying is a major farm enterprise

State	1933	1934	1935	1936
New Hampshire	24	19	19	13
Vermont	17	19 20	19 21 17	19
Massachusetts	13	16	17	1
Rhode Island	5	5	5	
Connecticut	9	7	4	34
New York	33 24	32	27	2 2 2
Pennsylvania	24	21 31 42 39	27 20 24 29	2
Wisconsin	- 40	31	24	2
Minnesota.	67	42	29	3
United States	54	39	28	2

Mr. RICH. Mr. Chairman, will the gentleman yield? Mr. CANNON of Missouri. I regret I cannot yield. I only have 2 minutes.

I also append a comparative summary of the decline of the mortgage debt of the dairy States in the last year of the Hoover administration and as of today:

Estimated farm-mortgage debt, Jan. 1, 1930, 1935, and 1938, in States where dairying is a major farm enterprise

State	1930	1935	1938
New Hampshire	1,000 dollars 10, 632 32, 749 45, 782 4, 009 31, 817 237,003 168, 472 504, 016 492, 800	1,000 dollars 11, 335 32, 228 53, 270 4, 526 49, 091 212, 154 147, 688 436, 982 407, 888	1,000 dollars 12,097 33,878 56,131 5,114 50,370 210,252 139,992 421,053 355,601
Total, 9 States	1,527,280	1, 355, 162 25	1, 284, 488

Contrary to the gentleman's position, the mortgage burden which had risen to an all-time high in the closing years of the Hoover administration has declined successively every year of the present administration. And in the gentleman's State in particular it dropped from \$504,000,000 in 1930 to \$421,000,000 in 1938.

And what is even more to the point, the value of dairy-farm real estate, which in 1932 touched the lowest level ever reached since the land was cleared of virgin forest, advanced consistently throughout the dairy district, as follows:

Farm real estate—Estimated value per acre, in terms of pre-war average value, Mar. 1, 1933, and 1938, in States in which dairying is a major farm enterprise

State	1933	1938
New Hampshire Vermont Massachusetts Rhode Island Connecticut New York Pennsylvania Wisconsin Minnesota	Percent 92 101 112 118 124 82 78 80 79	Percent 93 100 111 112 122 83 88 88 88
United States average	73	85

It will be noted that in Wisconsin, the gentleman's home State, the increase was from 80 percent in 1933 to 88 percent in 1938. These are official statistics reported in the Annual Agricultural Yearbooks.

And let it not be overlooked that under the Republican administration every dairy farmer paid a rate of interest on his farm mortgage varying from 5½ percent to 8 percent, while under this administration the rates of interest on Federal farm mortgages have been decreased until they are as low as 3½ percent, and amortized over a long period of time—the lowest rate of interest and the most advantageous terms ever offered the farmers of any country in any period of the world's history. What has the gentleman to say to that? On the item of interest alone the dairy farmers of America are saving vast sums of money, not to mention the worry and anxiety which always attended the negotiation of a farm loan in the good old times back in 1932 to which the gentleman refers so affectionately.

Mr. KEEFE. Mr. Chairman, will the gentleman yield? [Here the gavel fell.]

Mr. CANNON of Missouri. Mr. Chairman, I will take 2 additional minutes in order to yield to my friend the gentleman from Wisconsin.

Mr. KEEFE. While it is true that you have plastered a great portion of the farms of Wisconsin with mortgages, is it not also true, and do not the same records disclose, that even in the face of the low rate of interest, that due to your Democratic farm program the farmers are not able to get sufficient

income to pay even that low rate of interest; and you are foreclosing upon them and dispossessing them right and left.

Mr. CANNON of Missouri. No; that statement is not true at all. The records disclose quite the contrary, as the tabulations above conclusively demonstrate.

And it is even more astonishing to hear the gentleman from Wisconsin say that this administration has done nothing for the dairy industry. In order that there may be no question about it, I give the amounts paid the dairy farmers of the gentleman's section in cash. In the golden days of the Republican administration to which the gentleman refers in which dairy prices dropped lower, and dairy farms were valued at less, and mortgages were higher than ever before or since, the Government passed by like the Levite without contributing a cent. But under this administration which the gentleman condemns so unreservedly the dairy farmers have received:

Payments under the 1936, 1937, and 1938 agricultural conservation programs in States where dairying is a major farm enterprise

ESTATE OF THE PROPERTY OF	Total payments				
State State	1936	1937	1938		
New Hampshire Vermont Massachusetts Rhode Island Connecticut New York Pennsylvania Wisconsin Minnesota	\$98 000 305,000 215,000 10,000 370,000 2,951,000 2,801,000 11,307,000 18,240,000	\$195,000 447,000 367,000 27,000 337,000 3,824,000 3,301,000 8,134,000 12,838,000	\$189,000 503,000 410,000 35,000 417,000 3,119,000 3,539,000 9,777,000 15,936,000		
Total, 9 States	36, 297, 000	29, 470, 000	33, 925, 000		

And that is only a part of the generous aid provided by this beneficent Government for the dairy States. In 1933–34 the Government, through the Federal Surplus Commodities Corporation, bought in the open market in round figures \$14,000,000 worth of dairy products for the purpose of supporting dairy prices and distributed them through the Relief Administration. In 1934–35, between \$5,000,000 and \$7,000,000, and in 1935–36 a similar amount was used for the same purpose. In 1936–37, approximately \$10,000,000 was used in buying the surplus that was weighing down the dairy markets. In 1937–38 this amount was increased to \$15,000,000. And for the current fiscal year, the Government in order to relieve the market is setting aside \$4,000,000 for the purchase of fluid milk, \$2,250,000 for the purchase of butter.

These sums do not include the loans made available to dairy farmers which with the above amounts aggregate an approximate total of \$44,000,000 provided by the Federal Surplus Commodities Corporation for the relief of the dairy industry in this one year. And yet the gentleman says the Government is doing nothing for the dairy farmer. As wide a latitude as is ordinarily permitted for political buncombe, I appeal to the elemental sense of fairness of the American people, and the Wisconsin dairy farmer in particular, to say whether the statements made here this morning are within the pale of even our generous standards of political tolerance. [Applause.]

Mr. NELSON. Mr. Chairman, will the gentleman yield? Mr. CANNON of Missouri. I yield.

Mr. NELSON. In connection with the figures the gentleman said he would insert will he not also insert figures showing comparative prices in 1932 and at the present time; what the farmer receives?

Mr. CANNON of Missouri. I thank the gentleman. I was about to overlook that. And that is the most significant of all the benefactions conferred by the present administration. It is especially impressive when compared with the prices received by the dairy farmer in the closing days of the Wilson administration and the closing days of the Hoover administration after the party of the gentleman from Wisconsin had enjoyed 12 years of uninterrupted control of every branch of the Government. Here are the prices of representative dairy products under the three administrations:

Prices received by farmers for dairy products in January 1920, 1933, and 1939

peralignable to socillary the word the projection of social as relief users had	1920	1933	1939
ButterButterfat	59.6	20. 6	26, 2
	61.8	18. 9	25, 2

Reducing these prices to index numbers in order to show the treatment accorded the dairy industry in comparison with other industries, we find the price of dairy products consistently higher throughout this administration than the prices of other commodities, as follows:

Index of prices received by farmers for dairy products and all commodities, 1932-38
[August 1909-July 1914=100]

Year Year	Dairy products	All com- modities
1932	83 82 95 108	65 70 90
1935 1936 1937 1938	108 119 124 109	108 114 121 98

In addition to all these services to the dairy farmer this administration, through marketing agreements and the Dairy Products Marketing Association, has stabilized the marketing of milk, both in terms and prices. And while the guaranteed prices so secured have been of immeasurable benefit to the farmer, at the same time they have assured the consumer an adequate supply of wholesome milk and reduced the hazards of shortages arising from farm strikes or the producer being forced out of business by losing prices. This administration has benefited the producer and the consumer of dairy products in a manner and to a degree without precedent in the history of agriculture, and partisan politics should not be permitted to minimize or obscure a record of such invaluable service not only to the industry but to the Nation as a whole.

Mr. Chairman, I regret the necessity of this diversion from the immediate discussion of the bill, but representative government must be based on facts; and, in the words of Josh Billings, "It is better not to know so much than to know so much that ain't so."

Mr. Chairman, I yield 10 minutes to the gentleman from Texas [Mr. Jones].

Mr. JONES of Texas. Mr. Chairman, I am not interested in partisan discussion today. This question far transcends in its vital effect on the American people any party preference.

Those who talk about the size of this bill forget the importance of the business of farming. There is more than \$35,-000,000,000 of value in the farm and range lands of America, and this figure does not include the livestock or the machinery. At present rates the gross farm income of America is more than \$8,000,000,000 annually. Thirty million people are directly affected, and all America is indirectly affected. There is no business in this land comparable to it either in value, volume, or number of people affected.

Had there been no adverse legislation—the gentleman from Pennsylvania [Mr. Rich] said we should leave the farmer alone—had there been no special legislation; had there been no tariffs, no trade barriers, no trusts, no monopolies, no wage and hour law, there would have been no need for special farm legislation; but for over 100 years special groups have come down here and secured legislation favorable to their interests. I am not talking about the merits or demerits, I am not criticizing; I am just commenting. Behind the tariff wall everyone recognizes that prices of industrial products have been increased to the American people around \$4,000,000,000 a year. This is a conservative estimate. I do not believe the most ardent protectionist will claim that the cotton farmer gets any advantage of that—he gets all the disadvantages from that system. The roots of the farm prob-

lem are to be found in 50 years of favoritism in legislation. I think some of you will remember that about a year ago I quoted from Thomas Jefferson and Alexander Hamilton. When the Declaration of Independence was written, the first statement of principle was that in a democracy all men are created equal—referring to the application of the laws of the country. That is a statement by Thomas Jefferson.

There are not many principles of government. Most of what we call principles are simply policies. There are just a few fundamental principles; for instance, in mechanics, the same principle is involved in the wheelbarrow that is involved in the automobile, just the one little principle of the lever, that is all. No man can create power; it is simply a transfer of power. But if you try to use the same policy in running the automobile that you use in running the wheelbarrow you would run it into the ditch. The one great fundamental principle involved is that of equality. Alexander Hamilton also recognized that in his first message on manufactures on December 5, 1791—and I wish I had time to read that part of his statement to you. He, being intellectually honest, recognized that the farmer would not get the same benefits from the tariff that industry would and he said: "There should be an offset to the tariff in the form of bounties to the farmer." Go read that.

When the tariff bill was enacted the farmer was left out of the picture. Selfish groups got together and enacted the tariff bill, and for 100 years we have marched down the line

with the one-sided system.

Both those men occupied positions far apart. I agree with Mr. Jefferson's philosophy. They both, however, were honest enough to agree on the same basic principle, differing on the means or policy of reaching that end. Thus the adoption of the tariff policy made the farmer of America the first forgotten man. That is the literal truth about the situation.

Mr. Chairman, there is a good deal of money involved in this bill, but there are 4,850,000 farmers who have received checks as an offset to the tariff totaling \$712,000,000 when the funds appropriated last year are finally spent. There have been over \$2,000,000,000 spent for 3,000,000 people on relief, and some of those people have received more than many of the farmers. I am not criticizing the relief funds.

I do not think anybody should be permitted to starve. But when you talk about the amounts that are being appropriated you people in the city do not forget that as a complement to the \$712,000,000 that has been given to the 4,850,000 farmers, we have given also \$2,000,000,000 to keep about 3,000,000 people on relief. Contrast those figures when you

are talking about what is fair.

Mr. Chairman, I am going to support the committee on this proposition contained in this provision. I had thought some of offering an amendment to increase to \$500,000,000 the amount of these payments on condition that they be available only to participating farmers who waive the privilege of loans on their 1939 production. I believe that that might save money in the long run by keeping most of the commodities free for the general markets. But the Parliamentarian advises me that that restriction cannot be attached to the amendment without making it subject to a point of order. As that provision cannot be tied into this appropriation, I am going to support the committee, although, of course, we have an act that commits us to the doctrine of parity. We have to go as far as we can in achieving that. I do not know but that I will vote for whatever sum is offered, but I think it would be wise if we used our good judgment in connection with this matter.

Mr. Chairman, we have had a lot of discussion about the farm bill and what it has and has not done. We forget many things when we get to talking in a partisan and enthusiastic way. The farmer received in 1938, even under the low prices prevailing, three and one-half billion dollars more than he did the year the program became effective. Due to decreased interest rates, the amounts paid in interest of farm mortgages has been one hundred and sixty million per year less than in 1932, and I am stating that conservatively. The interest rates have been reduced. Purchases have been made of surplus

commodities. There have been rural electrification and other policies involved in our farm program. I wish I had the time to discuss them more fully.

We have the freight-rate provision in the farm bill. We have the research provision. We have the purchase and distribution of surplus commodities. We have soil-conservation payments. We have many other advantages. There is just one element on which there is a difference of opinion and even that, may I say to you, is a matter that is finally left to the vote of the farmer. Whether it is wise or unwise has not been determined. However, the farmer is infinitely better off today than he was before the program became effective.

Mr. Chairman, I hate to hear some of my friends make the statements they do at times. My good friend from Oklahoma, for whom I have a great affection, said the farm bill is a colossal failure. I do not think the effort to correct freight rates would constitute a failure. I do not think requeing interest rates \$160,000,000 a year is a failure. We now have the lowest interest rates in history as was so clearly stated by the gentleman from Missouri. I do not think soil conservation, which protects the soil of America, can be designated a failure. I admit we have not reached the end of the road, but anyone who thinks he has a simple panacea for solving all the problems of the farmer is dreaming. I wish it were not so, but this is a vast and conflicting piece of machinery, as shown by past experience.

Mr. Chairman, this farm situation is not a bill. It is a movement. And, bless your hearts, we are going to keep what we have and press on until we get on a basis of equality and bring the country to the fundamentals on which we started and which we departed from when we began the passage of special group legislation. You will remember the old and oft repeated story of Aesop about the dog and a piece of meat he had in his mouth. He looked down in the water and saw what he thought was a better piece of meat. He turned loose the meat he had and grasped at the reflection and lost the substance of what he had. Aesop spoke that philosophy 2600 years ago. True then, it is true today, and will be true tomorrow.

I know it is easy to paint rosy pictures. I know it is easy when you do not have the responsibility of doing a job to say, "Why, all this is very simple"; but you must remember there are scores of commodities and an infinite variety

of types and grades.

[Here the gavel fell.]

Mr. CANNON of Missouri. Mr. Chairman, I yield the gentleman 2 additional minutes.

Mr. JONES of Texas. Mr. Chairman, there is the winter wheat of the Southwest, the spring wheat of the Northwest, and the type of wheat in some parts of the country sometimes referred to as the macaroni wheat. There are more than 100 different types and varieties grown by farmers living 2,000 miles apart. Even parts of certain commodities compete with other parts of that commodity. Consider the scores of different commodities, the subdivisions thereof and the different grades grown by farmers who live here, there, and yonder. When a thing irritates us we Americans always reserve the right to beef. We are supposed to kick and complain. But you ask the men who live out on the farms, the men who stay on the farms. Ask them if they want the 31/2-percent interest rate of the Farm Credit Administration, and the average private rate of 41/2 percent that has followed the Government rate. Ask them if they want that restored to the old rate of 51/2 to 8 percent which they formerly paid. Get out your pencil and figure out the difference before you shipwreck a program that it took us years and years to sell to the country. Do that before you try to scuttle and wreck it. Figure what the results are going to be. I went through the wracking tragedy and heartbreaking experience of having bill after bill defeated on the floor of this House in the twenties when the farm Representatives on both sides of the aisle were not together.

Together we represent only about 30 percent of the American people, and we have to appeal to the good sense and

the common interest of the people who live in the cities to go along with us. We have to be fair to them, and they must be fair to us.

We have two horses to this team. For a long time we have overfed one horse and underfed the other. Let us drive toward the position of getting them back on a basis of equality. [Applause.]

[Here the gavel fell.]

Mr. LAMBERTSON. Mr. Chairman, I yield 5 minutes to the gentleman from Michigan [Mr. CRAWFORD].

SECTION 32: MONEY-"UNITED EFFORT-THE WAY TO PLENTY"

Mr. CRAWFORD. Mr. Chairman, August 24, 1935, the President approved Public Law No. 320, Seventy-fourth Congress (H. R. 8492) to amend the Agricultural Adjustment Act, and for other purposes.

Section 31 of this bill amended the Agricultural Adjustment Act by adding thereto the following:

SEC. 32. There is hereby appropriated for each fiscal year beginning with the fiscal year ending June 30, 1936, an amount equal to 30 percent of the gross receipts from duties collected under the customs laws during the period January 1 to December 31, both inclusive, preceding the beginning of each such fiscal year. Such sums shall be maintained in a separate fund and shall be used by the Secretary of Agriculture only to (1) encourage the exportation of agricultural commodities and products thereof by the payment of benefits in connection with the exportation thereof or of indemnities for losses incurred in connection with such exportation or by payments to producers in connection with the production of that part of any agricultural commodity required for domestic consumption; (2) encourage the domestic consumption of such comthat part of any agricultural commodity required for domestic consumption; (2) encourage the domestic consumption of such commodities or products by diverting them, by the payment of benefits or indemnities or by other means, from the normal channels of trade and commerce; and (3) finance adjustments in the quantity planted or produced for market of agricultural commodities. The amounts appropriated under this section shall be expended for such of the above-specified purposes, and at such times, in such manner, and in such amounts as the Secretary of Agriculture finds will tend to increase the exportation of agricultural commodities and products thereof and increase the domestic consumption of agricultural commodities and products thereof: Provided, That no part of the funds appropriated by this section shall be expended pursuant to clause (3) hereof unless the Secretary of Agriculture determines that the expenditure of such part pursuant to clauses (1) and (2) is not necessary to effectuate the purposes of this section: Provided further, That no part of the funds appropriated by this section shall be used for the payment of benefits in connection with the exportation of unmanufactured cotton. of unmanufactured cotton.

This section, therefore, authorized the use of 30 percent of the gross receipts from duties to, first, encourage exportation of agricultural commodities or make payments to producersfarmers-in connection with the production of that part of any agricultural commodity required for domestic consumption and, second, encourage domestic consumption of such commodities and, third, finance adjustments in the quantity planted or produced for market. These three specified purposes to which the 30 percent of the gross receipts from duties may be applied are, of course, most significant and should be constantly kept in mind in consideration of practices which have developed and plans now under way for the future.

FOOD PURCHASED, CUSTOMS COLLECTED, APPROPRIATIONS UNDER SECTION 32

During the past 31/2 years about 3,000,000,000 pounds of food have been purchased and distributed through State relief agencies. This food was purchased from individual farmers, farm cooperatives, and dealers in farm products. In most cases the Secretary delayed purchasing these surplus foods from farmers until prices fell to 75 percent of parity, and often purchases were delayed until the price fell to less than 60 percent of parity. Ordinarily carload shipments have been made of the surplus foods purchased to the States wanting the food for the purpose of distributing through State relief agencies. This method of distribution led to complaints on the part of the food distributing trade against the loss of retail markets and general disturbance caused by such a method of the distribution of free food. There has been a cognizance of the waste and unfair distribution to individuals and altogether considerable pressure has been brought against the Secretary of Agriculture and his agency, the Federal Surplus Commodities Corporation.

We find obligations under section 32 of Public, No. 320:

AND THE PARTY OF	Fiscal year—					
THE MAN IN THE WHITE	1936	1937	1938	1939		
Funds appropriated by sec. 32 Cotton price-adjustment	\$92, 111, 741	\$109, 135, 621	\$125, 097, 214	\$144, 024, 893		
payments (including administration expenses)	42, 271, 000	1 64, 000	65, 000, 000	64, 713, 285		
Return to Treasury, end of year	2 35, 249, 935	3 92, 974, 552	5, 895, 006	esada eda Estada eda		
ministrative expense) Unallotted reserve	14, 590, 806	16, 097, 069	- 54, 202, 208	73, 497, 526 5, 814, 082		

Payments for domestic flax production.
Later made available by Congress for tax refunds.
Later made available by the Congress for payments under the 1938 program of the Soil Conservation and Domestic Allotment Act.

We also find from Mr. Tapp's testimony that customs receipts and amounts available to the Secretary of Agriculture for the encouragement of exportation and domestic consumption to be as follows for the years stated:

Calendar year of the same of t	Customs	Fiscal year	Amount available to Secre- tary of Agricul- ture!
1935.	\$307, 039, 136	1936	\$92, 111, 741
1936.	363, 785, 403	1937	109, 135, 621
1937.	416, 990, 713	1938	125, 097, 214
1938.	460, 082, 976	1939	144, 024, 893
1939.	307, 000, 000	1940	2 92, 000, 000

¹ Equals 30 percent of the customs receipts for the previous calendar year.
² Estimated roughly.

Mr. Chairman, March 13 the Secretary of Agriculture, addressing a meeting of the Food and Grocery Conference Committee in Washington in discussing this plan, said:

If this plan is fully successful, it means that the day is not far distant when all of the people of the United States will be adequately nourished.

The Secretary also pointed out that-

It is our sincere hope that this plan in operation will prove the most simple and practical method developed so far for getting an increased flow of surplus agricultural commodities into the hands of those who need them.

From these brief observations, selected from the Secretary's general statement, we can come to only one conclusion, that is, that if the plan in its experimental application proves reasonably satisfactory to all parties concerned, it will be applied toward the reduction of such surpluses as may, from time to time, appear on the retail markets of this country. The Department of Agriculture has made it very clear "that such a program merits a trial" and that a "limited number of cities be selected as experimental areas. ranging in population upward from 50,000, at least one or two of which should have as one of its primary sources of income agricultural back country, to get the greatest experimental value from the farmers' standpoint."

There is no doubt left as to the experimental nature of this plan.

SOCIAL CREDIT, PRINCIPLES OF FINANCE, AND MONETARY MANAGEMENT

The Secretary's approach through "section 32" money and his application of the two-price system-locally and internally, but not internationally—to the purchase at retail, of products domestically produced, and ruled by the Department of Agriculture as surplus, and to be distributed through the use of "blue stamp" money, impinges on the principles involved in our contemporary conception of social credit and monetary reforms. A close analysis of the statements which have been made by the Secretary and his associates, together with the releases submitted to the public by the spokesmen of the distributors of food products in this

country, leads us to assume that the objectives sought by the Secretary's two-price idea are—

First. To reduce or eliminate surpluses so there will follow a higher total price to the producers of the total output of domestic agriculture.

Second. Through the operation of the plan, to obtain a greater consumption of food—later the plan to be extended to fibers, cotton and wool—products through increasing the consumption of those people the Secretary now classes as "underconsumers."

If the second objective could be attained, the Secretary argues indirectly, a considerable approach could be made to the first objective; that is, a higher total price.

In the early days when the two-price idea was less developed, the Secretary talked about a plan that would provide a two-way retail price. It was suggested that processors and distributors enter into agreements with the Secretary whereby surplus commodities would be sold on a basis which, when manufactured, would move to the consumer at a price per unit less than the price prevailing on the products processed out of goods not covered by a two-price agreement. The promotion of such a plan, of course, invited criticism. Retailers objected. They took the position that consumers enjoying the lower retail prices would buy more than actual needs, resell at a higher price, and thereby disturb the relationship of the retailer to his consuming trade. It was contended that such a program would reduce the retailers' volume of business, and, of course, had such a plan been adopted, the tendency would have been to force the retail price on goods not covered by a two-price agreement, into the channels of consumption at the same price as units fabricated out of the raw products covered by the two-price agreement. Some contended that a two-price idea so operated would be the equivalent of a type of Government-subsidized processing and retailing activity and would therefore cut directly across the path of private enterprise.

Now, through section 32 money the Secretary is about to place in operation a plan—a form of monetary management, if you please—which answers or sets aside, as evidenced by the overwhelming approval of the trade, the complaints originally emanating from the retail trade against the two-price idea. This elimination is accomplished through the mechanism which gives to the retailer his full price on all sales, whether the purchase price is burdened directly on the purchasers or met through some subsidized method or channel. But with this section 32 money plan about to take form and with the Secretary having made statements which justify an assumption that this monetary management reform may spread to a volume calling for hundreds of millions of dollars—or even billions—of subsidy, the Secretary invites the objections of another group—that is, the taxpayers.

The issuance of "the way to plenty-blue stamp' money" obtained or financed through the sale of interest-bearing, tax-exempt bonds and with the monetization value applying to the retail prices on commodities designated as surplus concerns vitally, of course, two specific groups-taxpayers generally, and farmers growing and marketing commodities designated as surplus and operating as primary producers and taxpayers. Now, if the Secretary, or the administration, and the Government desires to escape the condemnation of the taxpayer and the unorganized primary producerthe farmer-and if, at the same time, the compensation represented by the dollar value of the "blue stamp" money is to be provided by Government, it is reasonable to assume the new credit which we have as the basis for the blue-stamp money will have to be obtained not through borrowing but through the creation of interest-free credit.

PLANS CALL FOR SHIFTING OF CONSUMERS' LOYALTY

Now, it is proposed, by high-pressure advertising participated in by Government agencies as well as the grocery trade, to shift the desires of consumers away from some particular food item they may be using and divert that consumer loyalty to the item advertised as surplus food. It has even been claimed, I am informed, by the grocery trade that it will be possible to sell \$200,000 worth of surplus foods where hereto-

fore only \$100,000 worth has been sold. The original thought was, it appears, that through the issuance of the "blue stamp" money the sales might have been increased on the items designated as surplus as much as 20 percent. But to this original thought of an increase of only 20 percent has been added the suggestion that through specific advertising, offering of leaders, and general coordination of the efforts of the allied food trade along with the efforts of Government agencies, some proponents claim the sales can be doubled that is, where only \$100,000 worth of surplus goods previously moved, retail sales can, under the new plan, be increased up to \$200,000. I assume, of course, that the quantity moved will be also increased 100 percent or more and that the increase in dollar sales volume will not represent any material gain in unit selling price.

Now, if the "way to plenty—'blue stamp' money" plan brings such startling results in a shift of consumer loyalty and increased sales of 200 percent or less of goods by quantity and dollar value, let us inquire as to what is likely to happen to the producer adversely affected. If through the operation of the natural law of demand and supply—as natural as it can operate today—there develops a reasonably high market on potatoes, or a market that would allow, let us say, cost of production; and if this occurs at a time beans are advertised as surplus food, it would appear under these circumstances the potato grower would find his product advertised against until the surplus of beans disappeared into consumers' stomachs. Probably by that time, there would be a surplus of rice or potatoes—both being somewhat of a substitute food for beans.

NEW ECONOMIC FORCES AT WORK

It is very clear that we are here, through the issuance of "way to plenty—'blue stamp' money," placing in operation a new monetary and economic force which adds to the natural hazards faced by an enterpriser in any given line of production, artificial barriers which he cannot with any degree of certainty forecast and which we can measure only when the decision of the Secretary is reached to specify as surplus some given food product; the Secretary's decision to be followed by the coordinated effort of the allied food trade through advertising and other sales pressure to direct consumer loyalty to the item so declared and advertised.

MONETIZATION OF GOODS AT RETAIL PRICE

Mr. Chairman, I am of the belief at this moment, having in mind the limited time in which we have had to consider this far-reaching plan, that the mechanism here created very definitely monetizes goods at the retail price, the money element in the form of "blue stamps" being secured through the sale of interest-bearing tax-exempt bonds arranged through the customary agencies of the Budget and the Treasury. If the "blue stamps" were issued directly against the commodities involved and at the price for which the primary producer—farmer—sold the products and without incident to interest-bearing bonds, the economic consequences would be very dissimilar to those which must follow the present plan. Or perhaps we should also observe that if the "blue stamp" money was issued directly to the farmer, instead of against the retail price level, the farmers' income would be greatly increased and his buying power correspondingly raised.

The Secretary and the Treasury could have given consideration, and we may say that an experiment could have been tried wherein the Secretary of Agriculture would declare to the Treasury the accrual in supply of food commodities, naming quantity and price at not less than cost of production, representing surpluses. If upon receiving this report of an accrued surplus from the Department of Agriculture the Department of the Treasury then proceeded to monetize the surplus through a special issue of currency, debt free, without bank reserve characteristics, and thus not having a basis for bank creation of credit, and in a sum sufficient to cover the farmers' cost of production on the raw material involved, the farmer would, under this plan, directly benefit. With his increased buying power other phases of industry would also share in the returns from the

COSTS INVOLVED IN "BLUE STAMP" MONEY PLAN

If, as the Secretary has indicated, the plan is to be spread sufficiently wide to take in all surpluses arising out of agricultural operations, we must come to the conclusion the appropriations heretofore made and limited by 30 percent of custom receipts will in no way finance the undertaking. Ten times the ninety to one hundred and fifty million dollars per annum will no doubt be involved. Now if this vast sum is to be raised through the issuance of tax-exempt interest-bearing bonds and the whole procedure is to clear through the operations of the Treasury it is indeed an undertaking in which the taxpayer is vitally concerned. The amount which he must use as a basis of calculation is represented by the retail value of such commodities, at raw or processed value, as the Secretary may hold to be a

FISCAL POLICY OF GOVERNMENT WILL NOT BEAR UP UNDER THE WEIGHT

Mr. Chairman, when we consider the present direct debt of the Federal Government, the mounting and continued deficits which we face, the channeling of custom receipts from the general funds of the Treasury in this manner, the plans, in the rough, to reach out and embrace all surplus agricultural commodities as they may appear under our present limited planned economy and the fact that this whole procedure is based on the theory of tax-exempt interest-bearing bonds which now amount to more than \$65,000,000,000, I say, Mr. Chairman, that if this is the general conception back of the "section 32-united effortthe way to plenty-'blue stamp' money," it is time we make rapid calculations to see and determine in advance as best we can, just where this last experiment is to take us.

It appears to me it is high time we take a saner course, follow fundamentally sound procedure and eliminate much of the experimenting which has already led us into troublesome days. In 1940 the people of this country will again have an opportunity to express their views and indicate their appraisal of policies now being followed.

Mr. CANNON of Missouri. Mr. Chairman, I yield to the gentleman from Texas [Mr. Luther A. Johnson] such time

as he may require.

Mr. LUTHER A. JOHNSON. Mr. Chairman, this bill is not a farm bill nor an agricultural bill prescribing a formula but is merely an appropriation bill to appropriate funds out of the Federal Treasury to carry on agencies created by the Government to aid farmers and to make available money to be paid directly to the farmers. Later in the session the Committee on Agriculture will, I hope, bring in a general farm bill by which methods of aiding farmers may be materially improved. The distress of farmers certainly warrants and demands that such relief be afforded.

The item in this appropriation bill in which I am especially interested is the \$250,000,000 for parity payments, which, added to other items, would make approximately \$750,000,000 available for payments to farmers. This is only about \$38,-000,000 increase over last year, and I am surprised that there should be any opposition to it. Surely if the Members from the city districts knew of the great need of farmers. they would not oppose this slight increase. It should be even greater, and I will vote for a larger amount if opportunity is

afforded.

Mr. Chairman, I represent an agricultural district, but in my judgment those who represent districts that are not agricultural should realize that for every dollar that is spent in restoring the purchasing power to the farmers of America they will lessen the expense of relief and other forms of relief throughout the country. For every dollar's aid to the farmer, the Government will relatively reduce expenditures to be made elsewhere, and it is foolish, short-sighted, and inexcusable for those from the cities and industrial centers to vote against this assistance to the farmers of America.

Mr. LAMBERTSON. Mr. Chairman, I yield 15 minutes to the gentleman from North Dakota [Mr. LEMKE].

Mr. LEMKE. Mr. Chairman, this is not a political issue. It is neither Democratic nor Republican; as a matter of fact, the agricultural problem can never be solved by Republicans or Democrats alone but must be solved by the united action of this Congress.

I am for the bill here under consideration for the same reason that I am for the W. P. A., because agriculture is in distress and we have unemployed and hungry people, but we have no business in having them in the United States. If the proper legislation had been passed years ago, we would not have this problem before us today.

If the farmer had been given cost of production years ago, you would not have this situation. As a matter of fact, neither party need be very proud of its record on agriculture. They have been farm-boarded under the previous administration until they were sick, and now they have been triple-A'd until they are sick; and what the farmer really

wants and needs is cost of production.

I shall discuss briefly in the short time I have the Massingale cost-of-production bill. I may say that that bill provides that the Secretary of Agriculture shall fix the average minimum price at the average cost of production on all agricultural products that entered into interstate or foreign commerce in excess of \$10,000,000 the previous year. This takes in over 99 percent of all the farm products that are raised in the United States and sold.

We feel that you have to approach this problem, not in a little canoe of your own on cotton, not in a little canoe of your own on wheat, but we must take the whole agricultural structure out of the mire and give cost of production as a minimum price to all the products that enter into interstate or foreign commerce, because if you give cost of production on just one or two items, then you will find that they will be overproduced.

We intend to leave the agricultural structure or the relative position of the various products on an even keel and in the relative position that they are in today, so that when you get cost of production for one product you will also get cost of production for the other; that is, for that part which is domestically consumed.

We are not so much interested in the part that we raise for export, but we are concerned with the American market for the American farmer and we are going to have it even-

tually, why not now? [Applause.]

Now, what is this cost of production? This is the question I am asked. How are you going to arrive at it? We provide in this bill that the cost of production of farm products shall be derived at the same as industry or the manufacturer finds cost of production for his product; that is, he first figures what it costs for raw material, then his investment, and he is entitled to a return on that, and then he figures his labor and the labor of others whom he employs, and with that kind of formula you will find that the cost of production is practically the same throughout the United States of America.

Do you know that it costs within a few cents as much to operate a 500-acre farm in North Dakota as it does a 150acre farm in Iowa, and do you know that because of different conditions that exist, the income from the North Dakota farm is within \$63 a year as much as the income of the Iowa farm? The fact is that we have not been conscious that the cost of production is practically uniform throughout this Nation, because unknown to us the cost of production has made uniform the average cost at which you can produce. This because of the higher price of land, the higher price of fertilizer and of labor, and because of climatic conditions, and so forth. Those are facts that have been ascertained, and that the Agricultural Department has at its fingertips.

The cost of production of wheat in North Dakota is practically the same per bushel as in Illinois and Indiana, and again the cost of a pound of tobacco in one State or in one locality is within 1 cent per pound the same as in another, and the same is true of cotton. But you must take an average of years; that is, an average period of 5 or more years. cannot take just 1 year, as the Department of Agriculture has been doing, because in that 1 year your corn crop or your tobacco crop or your cotton crop may be an entire failure, and therefore, it would cost some \$3 a pound to produce for that year, but take an average of 5 or more years, and you will find that the cost of production of 1 pound of cotton in Texas is practically the same as the cost of production of 1 pound of cotton in South Carolina or any other southern

Considering the average individual farm as a business unit we find that the average farm in Iowa consists of 158 acres. That the total fixed charges and operating costs of the farm in 1930 was \$4,487. The average gross income of the average Iowa farm in the same year was \$3,395, or a loss of \$1,092.

Then taking the average individual North Dakota farm in 1930 and we find that it consisted of 495 acres, or 337 acres larger than the Iowa farm, yet the total fixed charges and operating costs of the Dakota farm was \$4,488, or just \$1 more than the Iowa farm.

Again the average gross income of the Dakota farm was

\$3,332, or just \$63 less than the Iowa farm.

So you may take any of the principal farm commodities and you will find that the average cost of production over a 5-year period is virtually the same throughout the United States. This because of the difference in transportation charges, the difference in the amount of taxes, the necessity of fertilization, climatic conditions, and so forth. All these have silently adjusted the cost of production of agricultural products throughout the Nation without our knowledge.

Next, how will we enforce the provisions of the cost-ofproduction bill? We have the Secretary of Agriculture find the minimum price, the cost of production, each year, and, at the same time, he will tell the producers before they plant the domestic requirements of that product. Then when the crop is harvested the farmer can do with it as he pleases until he sells the product to a dealer who deals in interstate commerce. He is under no obligation to sell until he is ready. He may give it to his neighbor or he may feed it to his stock, but when he does sell to a dealer in interstate commerce he will get the cost-of-production price for that percentage of his product which is domestically consumed.

For illustration, let us take wheat. Let us say that we will consume 90 percent of the production each year. Then when you take 100 bushels of wheat to the elevator you will get the cost of production for 90 bushels, which would be approximately \$1.50 a bushel, and for the other 10 bushels you would get a certificate from the Secretary of Agriculture. The bill provides that the Secretary will have to sell that in a foreign market, or he may sell it to a domestic mill, provided the mill gives him a bond that it will sell all of the products in a foreign market. Only in case of a shortage at home can the Secretary use any part of such product for domestic consumption, and when he does use it for domestic consumption he will have to pay the farmers the cost of pro-

Ever since 1920 there has been a real farm problem. Ever since 1920 hundreds and thousands of farmers have been losing their homes by mortgage foreclosure, judgment, forced, and tax sales. Hundreds and thousands of innocent men, women, and children have been evicted from their homeshundreds and thousands more lost their farms and became tenants or sharecroppers and serfs for absentee landlords. In this nefarious work the Federal land banks have been some of the worst offenders.

Since 1920 over 10,000,000 farm boys and girls have been driven into the already overcrowded cities to swell the ranks of the unemployed-compelled to look for W. P. A. jobs or doles. This is an insult to our intelligence. This condition has been brought about because we have compelled the men, women, and children who live on the farms to feed the Nation-to feed us-below the cost of production. Any intelligent person knows that a farmer can no more continue in business by selling the things we eat, drink, and wear for

The truth is we have not been honest with ourselves or with the farmers. We have permitted the curtailment and the destruction of agricultural wealth by cutting the throats of little pigs, by shooting calves, and by setting fire, and plowing under cotton, wheat, and corn. Congress has been influenced by a "brainless trust" during this administration and by

less than it costs him to produce them than a businessman

can stay in business and sell goods for less than he pays for

a "do nothing bump on the log" during the past administration.

Ever since 1920 there have been, and there are pending today, before Congress bills which, if passed, would solve the farm problem once and for all. But whenever one of these bills, such as the Frazier-Lemke refinance bill or the nonpartisan cost-of-production farm bill, comes up for consideration then every reformer in the land attempts to amend it so as to include some pet reform or idea of his own. The Department of Agriculture—which is supposed to represent the farmer but does not—is always there with its ax there with its political machine, built at the expense of the taxpayers—with its salaried lobbyists to defeat the bill.

Ever since 1920 we have done the wrong thing, we traveled in reverse, back and forth, we have never had the courage to tackle the proposition as we should. We have gone backward and forward. We have done everything in the wrong

way, the most illogical way.

We talk of overproduction. I have said, and I repeat today, that we have an overproduction of just one thing in the United States, and that is an overproduction of ignorance at both ends of Pennsylvania Avenue. We have had these problems and the solution of them at our fingertips ever since I have been a Member of Congress, and I came here with Mr. Wallace 6 years ago.

Oh, you need not apologize for Mr. Wallace on this side of the House. He was not born a Democrat. He became a Democrat by adoption. The trouble is that you adopted the wrong baby. He appeared before our Committee on Agriculture the other day and virtually admitted that his Triple A was a flop. He said that you cannot continue with the Triple A and give the farmer parity; that he has never received parity, and never would unless you give him a processing tax.

But he forgot to tell us that the processing tax was charged back to the farmer in lower prices. The farmer paid the processing tax. He forget to tell us that his own Department had made a report that the farmer paid the tax in lower prices. It reported that the farmer who signed the hog and corn contract received \$2.34 less per hundred pounds when the tax went into effect. Therefore, the farmer paid \$2.34 processing tax in order to get \$2.20.

Since only 17 out of every 100 hog producers signed the contract, therefore 83 out of every hundred farmers who paid the \$2.34 processing tax per hundred pounds in lower prices received nothing in return. They were taxed without getting any benefit. They were short changed \$2.34 for every hundred pounds they produced. This is the deception practiced

upon the farmer that we object to.

The Secretary of Agriculture now admits he cannot make the Triple A work unless you give him the processing tax, so that he can fool the farmers some more and tell them he is giving them something for nothing, when they have to pay \$7 for every dollar they receive. That is not all. He says if you do not do that, then you will have to appropriate millions and millions, and the Treasury cannot stand it. That is the millions we have before us today, and I am going to vote for it, because you are responsible for that law; not I; nor those men and women who fought with John A. Simpson years ago to give us cost of production, the thing that we were promised by the former Governor of New York.

Let us go a little further. How are we going to enforce the payment of the cost of production? We are following the same system that Mr. Hoover used when he was Food Administrator. He licensed the buyers of wheat, and they had to pay \$2.20 a bushel at Minneapolis, and \$2.26 at Chicago, and similar prices at other primary markets. When he had that price fixed, then if a dealer in grain who held a license paid more or less, he took his license away.

You do not need 88,000 wet nurses to wait on the farmers if you give them the Massingale cost-of-production bill. Neither do you need to appropriate millions and millions each year to keep it going. The cost-of-production price will then be paid for that part that goes into domestic consumption. Then if we have a shortage, the Secretary of Agriculture can take part of the surplus to supply the necessities of this

Nation. If he does not need it all, then he must dispose of it on the foreign market.

You in the South have had a splendid example with your cotton. You have got 11,000,000 bales piled up in front of you and you do not know how to let loose of any of it. You seem to be in the same position that I felt the Secretary of Agriculture was the other day. It seemed to me that he felt he had a bear by the tail and he did not know how to let loose and he was virtually begging the Committee on Agriculture to cut the tail off so that the bear could escape without embarrassment to Secretary Wallace. There is the situation that you have.

Now, we have in the Massingale bill section 10, which provides that whenever the cost of production has been established, then if there is any competing commodity that comes in from the outside that would bring that price below the cost of production, the Secretary of Agriculture will notify the Secretary of the Treasury and he will immediately put into effect a duty equal to the difference in cost of production abroad, as figured in United States currency, plus a 10-percent profit or advantage to the American farmer. Surely, the American farmer is entitled to have an advantage of 10 percent over the foreign farmer or over the peon and slave labor of foreign countries. There can be no question about that.

There is nothing new in this bill. It makes use of the same Federal power to help agriculture that has been used to help industry. The Interstate Commerce Act fixes the rates for the transportation of commodities in interstate and foreign commerce. The Packers and Stockyards Act regulates commission and yardage charges and fixes the price per bushel or ton on corn and hay charged farmers for feed for their stock while awaiting sale. The Commodity and Exchange Act regulates interstate and foreign commerce in the commodity markets of the Nation. It regulates the amount of commissions charged for the sale of grain. The Supreme Court has held all these acts constitutional.

This bill will not cost the Federal Government one penny. When it becomes a law there will be no further need for subsidies to the farmer. There will be no further need of the 27 varieties of Federal agencies now riding on the farmer's back. There will be no further need for an army of Federal employees to regulate the daily lives of the farmers. It will take at least 3,000,000 off the W. P. A. pay rolls because they will find useful employment. Prosperity and security for agriculture means prosperity for labor and business as well. When this bill becomes a law the Government will no longer have to bail out the farmer—the farmer will bail out the Government.

This bill will not materially increase the cost of living. This is true because the cost of the raw material is usually only a very small part of the finished product. The leech and the parasite, who still thinks that the farmer can or will feed him below the cost of production, will now be smoked out. He will have to come out in the open and be counted. This bill, together with the Frazier-Lemke refinance bill, is a complete solution of the agricultural problem and, also, largely, of the unemployment problem.

We imported from foreign nations \$8,373,652,981 of agricultural products, substitutes, and manufactured products thereof in the last 6 years. That is the foreign valuation. The domestic valuation would be over \$16,750,000,000. That is what the consumer paid. That is what our own people should have received instead of foreigners.

This would have been sufficient to have handed to every head of our 6,000,000 farm families a check for \$2,790. That money would have done billions of dollars' worth of business in our own country. It would have kept the idle employed. It would have given buying power to the Nation—that is what the cost-of-production bill will do.

I would like to discuss this bill for about an hour, but I only have time to hit a few of the high spots.

A great deal has been said about the tariff and duty. My friends, let us be honest with ourselves.

[Here the gavel fell.]

Mr. LAMBERTSON. Mr. Chairman, I yield the gentleman from North Dakota [Mr. Lemke] 5 additional minutes.

Mr. LEMKE. Let us take up that situation for a minute. Do you know that since 1933 we have imported something like \$8,000,000,000 worth of agricultural products and substitutes? Do you know that that is the foreign valuation, and do you know that the domestic valuation would be \$16,000,000,000? Do you know that that would be equal to a check for \$2,700 to every family of the 6,000,000 farm families? That is no small item. These imports do control the domestic price.

I know what I talk about, because I was in Chicago when a shipload of corn came in from Argentina that was sold for 34½ cents a bushel. Our corn in Cass County, N. Dak., was 85 cents a bushel at that time, but it immediately came down to 35 cents a bushel. It is self-evident that if you are in the corn-buying business, you would buy that cheaper foreign corn as long as you could get it, and if one shipload was not enough, you would get more.

Now, again, we talk of the low price of farm products and we always go back to 1932, but I would like to take you back to 1933 and I would like to take 6 years prior to Mr. Wallace's reign and 6 years before, and you will find the advantages are all in favor of the 6 years before. That is no credit or argument or criticism of either party. It is simply saying to you that we have been a miserable failure when we have legislated on agriculture up to date.

I want to repeat, my friends, that there are two petitions—petitions Nos. 5 and 6—at the Speaker's desk. If you will bring those two laws out, the cost-of-production and the Frazier-Lemke bill to refinance the farmer, this agricultural problem will be solved once and for all. We have a lot to say about appropriations. I regret that we have millions unemployed. I regret that one farmer out of every five has lost his farm by foreclosure, tax sale, or judgment sale since I have been a Member of Congress, and Mr. Wallace has been at the head of the Department of Agriculture. These figures were questioned the other day when I gave them in the Committee on Agriculture, but I will give to you or anyone who questions them my authority, and I will show it to you in print from Mr. Wallace's own Department, in his circular on the farm-debt situation.

There you will find that 170 farmers out of every 1,000 lost their farms and homes in the first 5 years of Mr. Wallace's reign—1 out of every 6; and if you include 1938 you will find that 1 out of every 5 has lost his farm since 1933. There are 435 Members of Congress, 96 Senators, and the Chief Executive at the other end of the Avenue. Working together, we can intelligently solve this problem if we will make up our minds to do so; and we are going to do so, because the American people demand that it be done. Let us do this thing and stop this curtailment and destruction of agricultural wealth. No nation ever became great because it destroyed its wealth, but only because it always produced more.

There never has been overproduction of any agricultural products as a whole in the United States. The National Reclamation Association shows the amount of agricultural displacement by importation, as follows:

Total agricultural displacements

Year	Foreign values	United States displacement	United States acres to produce
1935	\$812, 660, 463	\$2,656,310,744	73, 461, 118
	869, 765, 000	2,209,295,000	75, 746, 570
	1, 136, 802, 000	3,410,406,000	87, 234, 280

Mr. AUGUST H. ANDRESEN. Mr. Chairman, will the gentleman yield?

Mr. LEMKE. I yield.

Mr. AUGUST H. ANDRESEN. Is it not the duty of Congress to legislate rather than to let some bureaucrats in the departments legislate for Congress?

Mr. LEMKE. I will say that we as Members of Congress are the hired men of the Government and that these bureau-

crats are our hired men, not our bosses. The time has come when we should rise to the supreme occasion and let the American people know that we are going to write the Nation's laws and write them correctly for the benefit of all the people. The millions of unemployed and the farmers who have been dispossessed of their homes are a far greater danger to our democracy than all the armies of Hitler, Mussolini, and Stalin combined. [Applause.]

[Here the gavel fell.]

Mr. TARVER. Mr. Chairman, I yield 10 minutes to the gentleman from Georgia [Mr. Brown].

Mr. BROWN of Georgia. Mr. Chairman, naturally we all are very much interested in the welfare of the people of our country. It is my opinion that if we can secure parity prices for cotton, wheat, corn, and other basic commodities, this will, in the long run, be the economical thing to do.

We have spent billions of dollars for relief, and are continuing to spend large sums for this purpose. Of course, no one wants to see people suffer for the want of food and

clothing

Should we obtain parity prices for these agricultural commodities, the people in the agricultural areas can remain off of relief and those who have left the farms and have gone to the cities and towns could return and earn their livelihood on the farms, where they can secure fair returns for their farm products and, in addition, have their gardens and lands on which to produce their food crops. I contend that parity prices, in a great measure, will solve the farm problem, as well as take care of a great part of the relief load. The Government cannot continue to pay the large sums for relief, especially in view of the fact that the number of unemployed is not decreasing.

Unless the buying power of the farmer is materially raised, many of the industries of this country cannot operate, and, furthermore, most of our farmers will be forced to leave the

farms and go on relief.

Cotton in my district and State, and in many States of the South, is the only money crop, and it is impossible for these cotton growers to reside on the farm when obtaining only 8 and 10 cents a pound for their product. Last year in my district the average one-horse farmer, with a family group consisting of a wife and two or three children, did not make more than 1½ bales of cotton on account of infestation of the boll weevil. These growers have no other money crops and cannot remain on their farms without outside assistance.

The farmers of the South last year had only a gross income of about \$84 for each individual laborer for 1 year's work. I do not mean \$84 per family group but \$84 for each individual of the family group. Out of this they had to pay the cost of fertilizer, poison for boll weevils, livestock, farm implements, taxes, interest, and other essentials. Therefore, no one can doubt that the cotton grower of the South is the problem No. 1 of this Nation. Unless the cotton farmers are given an improved program over what we have now, they

will remain problem No. 1 for some time.

We have sufficient land in the agricultural sections of the country to place every man that is on relief in a home, where he will become happier and more contented, at much less expense than under the present program. A man on relief has very little to look forward to in this life, with no gardens, cows, hogs, poultry, and nothing to better his condition. All he receives is the small monthly amount the Government pays him to work in all kinds of weather. Of course, many people will do anything, and are justified, to prevent starving and keep their small children and loved ones from hunger.

The amount the cotton farmers of the South and the grain growers of the West receive as benefit payments and subsidies, together with the small amount paid for relief, is not as much per person as the sum paid for relief in many of the cities and States of the North. Therefore, if we could secure parity prices for our farm products of the South and West, we would need very little for relief in these sections of the country. Therefore, from an economical standpoint it would be good business, would prevent further abandoning of the farms, and people from the cities and towns would return to the farms.

The growers of agriculture, especially the cotton growers, must have price protection which will enable them to sell their cotton in any market and obtain sufficient funds to keep them in the necessities of life.

If northern and eastern industrial labor is protected from cheap foreign labor by a tariff, the western and southern farmer, whose purchasing power is thereby diminished by just that amount, should certainly be paid parity and receive benefits to offset this disadvantage.

The present price of cotton is around 8 cents per pound, which means \$40 per bale. When this same cotton is manufactured into cloth and sold to the cotton farmer of the South it costs him many dollars per pound. I see no reason and no justice for such a spread. Anyone can easily see that the cotton grower is not getting his just part of the product.

Under the present plan of small allotment and the low price of cotton, the cotton growers of the South have very little to look forward to; and I wish to impress upon you that in many sections of the South, if the cotton growers leave cotton, they can produce nothing else on their farms for sale for want of markets.

Under this bill the portion of the \$250,000,000 to be allotted to the cotton growers is nothing like parity for the growers; and, while it is helpful, I do not see how this class of farmers can live on the cotton farms even with the present subsidy added to the present price.

The hearings show that the present price of cotton now is little less than 8½ cents per pound; that parity price is little less than 16 cents per pound. Therefore there is a difference of about 7 cents per pound between the present price and parity price.

Without commodity loans the farmer probably would not be receiving more than 5 cents a pound for his cotton. I think these loans have prevented the price of cotton from going to 5 cents a pound or lower. The same can be said of corn as well as wheat.

I am sure that if parity price is paid the farmers of the South and West for their commodities the difference between what we are now paying and parity price would not compare in amount to the large sums we are paying for the relief load in the towns and cities. These people certainly would be more contented and satisfied on the farms.

Several weeks ago I introduced H. R. 4675, which is practically the same bill as S. 1303, introduced by Senator SMITH, of South Carolina, and known as the Smith bill, with the exception that I undertake to raise the price of cotton to much nearer parity, and I think we certainly should have parity. I shall vote for the amendment to be offered, and I hope it will pass, to this pending bill to raise cotton and other basic commodities to parity prices. If we are unable to secure this amendment, I hope H. R. 4675 will later be enacted. It proposes to supplement, strengthen, and improve the farm programs by amending the Agricultural Adjustment Act in four important respects, as follows:

Part 1, if enacted into law, assures to the cotton farmer 90 percent of the parity price, which is approximately 14 cents a pound at present market. Cotton upon which a price-adjustment payment is made is not eligible for Government loans. As the adjustment payments will very probably yield more income to the cotton producer than by placing his production of cotton under Government loans, it is very probable that the movement of cotton into domestic consumption and export through regular channels will be expedited and that there would not be a further accumulation of stocks of cotton under Government loans.

While the Government loan programs have doubtless been of great benefit in emergency periods in the past and have been instrumental in helping to maintain the income of the cotton producers, stocks have now accumulated under the loans to such an extent that the probable good effects of the loan programs in the future will be impaired and the interest of the industry as a whole is best served through a normal movement of cotton into trade channels.

The terms of the bill provide an assurance of a fair income to the cotton producer on a normal crop and restores to a considerable extent normal purchasing power to this large group. This will doubtless prove an important factor in bringing greater prosperity to the South and the Nation. When this is done there will be a greater demand for cotton and cotton products, and it is predicted that the price of cotton will rise to a point where the cost to the Government under the formula provided for price-adjustment payments would not be great.

When the proposed amendments to the Agricultural Adjustment Act of 1938 are adopted the necessary additions to the act will have been made and Congress will have provided the necessary laws for the operation of farm programs which will, in a large measure, solve our difficult agricultural problems.

Part 2 authorizes the Commodity Credit Corporation to transfer to the Federal Surplus Commodities Corporation approximately 1,666,000 bales remaining from the 1934 crop as security for loans. The Federal Surplus Commodities Corporation, under the direction of the Secretary of Agriculture, may use this cotton in a way that will tend to expand markets and increase consumption of cotton and cotton products. Not exceeding 500,000 bales of the cotton or the products thereof may be donated for distribution to those in need. Under this proposal, a considerable amount of cotton is provided for new-use programs and expanding the markets for cotton and cotton products. An ample amount is also set aside for relief purposes.

Part 3 offers a method whereby cotton producers may reduce their cotton acreage in 1939 by not less than 20 percent nor more than 75 percent below the farm acreage for such farm, and for so doing may have released to them by the Commodity Credit Corporation cotton at a price of 3 cents per pound from the 1937 or 1938 loan stocks in an amount equal to the normal production of acreage taken out of production under this formula. There is also a provision in the bill which enables the Commodity Credit Corporation to acquire title to such cotton as is required for the purposes of this particular section.

Part 4 provides for release, after July 1, 1940, by the Commodity Credit Corporation of cotton held under the loans similar to plans of release in operation in 1936 and 1937 by the Corporation. This section provides a plan under which not exceeding 2,500,000 bales may be marketed annually. Under this plan, domestic mill and export requirements can be met as marketing conditions warrant.

If the farm problem is not solved at this session of Congress so as to give the cotton grower and growers of other basic commodities more benefits than they are receiving now, producers of farm commodities will not be able to remain on the farms, and the Democratic Party will be criticized. [Applause.]

Mr. LAMBERTSON. Mr. Chairman, I yield 10 minutes to the gentleman from Minnesota [Mr. August H. Andresen].

Mr. AUGUST H. ANDRESEN. Mr. Chairman, passing the buck and blaming Congress for the failure of the farm program and other New Deal policies has now become a popular sport on the part of President Roosevelt and his New Deal associates.

The "rubber stamp" Congresses of the past 6 years are largely responsible for the economic condition of the present day. This Congress must accept the criticisms in all sincerity and immediately get busy to undo the damage that has been done to the American people and our economic structure by the dictatorial few who have ruled this country by executive flat under the New Deal.

The Democratic majority is responsible for the surrender of legislative power to the Executive. They are still in control of Congress. As representatives of the people it is up to all of us to forget about partisan politics and join together as Americans to: (1) Recapture from the executive branch of the Government the power that constitutionally belongs solely to Congress; (2) repeal all laws and Executive orders that are now working a hardship on business, agriculture, and labor; (3) restore confidence in our American Government and institutions so that business and agriculture may again assume a profitable place in our economic structure and pro-

vide employment for the millions of unemployed at an American scale of wages.

It is up to Congress now to save America. The New Deal program has failed, and it is the responsibility of Congress to function. Get busy, and do it now.

Mr. Chairman, a few days ago Secretary Wallace honored our Committee on Agriculture by appearing as a witness to discuss the subject of farm legislation. He made some rather startling revelations before the committee, and it is my desire to call your attention specifically to those revelations in the short time that I have. Secretary Wallace said—and I quote from his remarks before the Committee on Agriculture—that our farm income for 1938 amounts to \$8,880,000,000. He stated:

If we take into account the lower level of prices of commodities purchased by farmers, interest, and taxes in 1937 and 1938 compared with 1929, we find that the purchasing power of agriculture has been restored practically to the 1929 level, and this improvement was shared generally in all agricultural regions except those that were affected by drought conditions.

Mr. JOHNS. Mr. Chairman, will the gentleman yield for a question?

Mr. AUGUST H. ANDRESEN. I yield.

Mr. JOHNS. Does the figure the gentleman quoted include the payments made to the farmers?

Mr. AUGUST H. ANDRESEN. The amount of \$8,880,-000.000 includes \$462,000,000 in benefit payments.

It is rather interesting to note the way the Secretary has juggled figures. He states that the income for the farmers in 1938 was \$8,880,000,000. On the 1st of February the Department of Agriculture issued a publication called Crops and Markets, which was received by most of the Members of Congress—at least by those who come from agricultural sections—in which the following statement was made:

Cash farm income in 1938. Cash farm income and Government payments to farmers in 1938 are estimated by the Bureau of Agricultural Economics at \$7,632,000,000, which includes benefit payments, loans on cotton, wheat, and corn as well as cash received from sale of all farm products.

This amount is \$1,200,000,000 lower than the figure that Secretary Wallace gave us the other day.

Mr. REED of New York. Mr. Chairman, will the gentleman yield?

Mr. AUGUST H. ANDRESEN. I yield.

Mr. REED of New York. Is that measured in 59-cent

Mr. AUGUST H. ANDRESEN. Both these figures are measured in 59-cent dollars; and when I questioned the Secretary on his statement with reference to the fact that agriculture was in as good shape today as it was in 1929 I asked him about the prices that the farmers received today as compared with 1929. In 1929 the farmers received from 50 to 60 cents a pound for butterfat; today they receive from 22 to 25 cents a pound. In 1929 they received from \$1.35 to \$1.65 a bushel for wheat; today they receive from 37 cents to 65 cents a bushel; and so I could enumerate many commodities, including cotton, in which so many people are interested. In 1929 the cotton farmer received from 18 to 22 cents a pound for cotton as against from 7 to 81/4 cents a pound today. There is quite a difference between the income of the farmers today and their income in 1929. If Mr. Wallace has not wakened to the fact that there is a difference in farm income between 1929 and 1938 he had better examine the figures of the Department over which he has jurisdiction. How he could make a mistake from the official figures issued by his Department of \$1,200,000,000 in the income for 1938 no one can comprehend.

The only conclusion I could draw was to the effect that possibly he juggled the figures on income of the farmers the same way he juggled the corn figures last year when he stopped the referendum vote because he knew the farmers in the Corn Belt would not vote for compulsory control or marketing control from Washington.

I notice the gentleman from Oregon is present and I want to quote from a letter I received from one of his farmers. Possibly this is not from his district, but this farmer from Oregon sends me the prices he has received for his wheat since 1922.

In 1922 he received 89 cents; in 1923, 82 cents; in 1924, \$1.24; 1925, \$1.40; 1926, \$1.13; 1927, 97 cents; 1928, 84 cents; 1929, 96 cents. Today he states he is receiving from 46¼ to 48¼ cents. I will put these in the Record for the benefit of the gentleman who, I know, is always interested in the welfare of agriculture and who is generally working on the right side when politics do not interfere.

Secretary Wallace has taken occasion several times to criticize my stand on farm legislation. You will recall that when we had the Agricultural Adjustment Act up for consideration in December 1937 I opposed the compulsory features of that bill. In appearing before the committee this week Secretary Wallace said, referring to me:

As a matter of fact, so far as Mr. Andresen and myself are concerned, I am sure that personally we have much in common, but as a matter of the farm program I suspect I differ from him mowen widely than I differ from any member of this committee, as a matter of policy, because I feel his attitude is definitely disadvantageous to the farmers of this country.

Secretary Wallace stands for controlled regimentation of American agriculture. He stands for the present farm bill, which has broken down agricultural prices, destroyed our foreign markets, and has brought distress not only to the 30,000,000 people residing on our farms but to the entire country; while, on the other hand, I stand for free agriculture; I stand for protection of the commodities that may be produced upon American farms; I stand for high prices, and I want to aid the farmers in recapturing their world markets. I want to help them in every possible way to bring about parity income or cost of production or such prices as will make it profitable to them to operate their farms.

I cannot go along with the program of regimentation and the control as administered by Secretary Wallace. The Secretary admits a break-down of the program. We know that the program has broken down and the farmers of this country know that as well as we do.

At a later date, when more time is available, I will discuss at length a sound solution for the agricultural problem and point out in detail the causes for the break-down of the New Deal program for American agriculture.

I will vote for the benefit and parity payments provided in this bill for the reason that the farmers of this country cannot be held responsible for the break-down in agricultural prices. The responsibility lies with the New Deal.

[Here the gavel fell.]

Mr. CANNON of Missouri. Mr. Chairman, I yield 5 minutes to the gentleman from Oregon [Mr. Pierce].

Mr. PIERCE of Oregon. Mr. Chairman, and Members of the Committee, a slogan that hits the public fancy just right at the psychological moment, a few brief words that click just at the critical time, may be worth a million votes in a general election. The slogan may far outweigh solid, substantial arguments. It has been said that most people do not seriously think over and study public questions. They have neither time nor necessary information at hand. They want an impression and they can get that impression from a slogan, or a newspaper headline which may belie the article under it. "He kept us out of war" probably elected Wilson in 1916. "A full dinner pail" added thousands of votes to the McKinley total. "Fifty-four-forty or fight" contributed largely to Polk's election. A few years ago the Railroad Commission of Oregon made a ruling that the street railway of Portland could charge and collect 6 cents for a ride, even though their charter said that 5 cents should be the limit. A candidate for office swept Oregon by the thousands by simply declaring "6 cents is too much for a 5-cent

"Cost of production" for the farmers' products will, I predict, in the 1940 campaign, ring from the hills of Oregon to the potato patches of Maine. The election may turn upon these magic words. I warn my associates on the Democratic side of this House that we must not allow our political opponents on my left to capitalize on this slogan. I believe in cost of production for farmers, as well as for industrialists.

We must analyze the situation as we find it, and not be led astray by our desires.

I introduced one of the several companion bills on cost of production in order to secure a complete hearing on this much-heralded policy. I wanted it gone into thoroughly. I have given it a great deal of serious thought, especially since the Massingale bill has been under consideration by the Agricultural Committee. The hearings have been thorough and extensive, and more questions have arisen in my mind every day. What I want to know, and what I realize every thinking Member of this House wants to hear discussed on this floor, is how this proposed law is going to work. We want to know about the mechanics of it. Is it possible by a simple decree or law to proclaim that cost of production will be paid and have it come true? Our learned and eloquent colleague from Oklahoma says there is going to be no compulsion, no cost to the Government, if his bill is passed and put into effect. Ideal, perfect! We all want to free the taxpayers from these heavy appropriations which are constantly adding to the national deficit.

I warn you Republican Members of this House who won your seats in this Seventy-sixth Congress by such a slogan, against talking about cost of production. Yes; I warn you that there is going to be great resentment if this extensive country must be filled, from ocean to ocean, with agents and inspectors, enforcing iron-clad laws, making certain that every farmer gets his share, and no more, of the percentage of his crop which goes into domestic consumption. Remember, we were told in the Committee on Agriculture that this law will affect more than 50 commodities, all of which must have cost of production for the amount consumed within the United States. And we were also told that if we attempt to make wheat the guinea pig, or allow the law to only cover a few basic commodities, then we would kill the effect and make it impossible to bring about the happy day dreamed of by those who want the law passed as it was introduced.

Understand, there is to be no limit, no law regulating the amount a farmer may plant of any commodity. Take to-matoes—a man has been growing tomatoes, say, in New Jersey for the New York market, 10 acres. He plants 20 acres. When it comes to harvest, does he get cost of production on the 20 acres, or cost of production on the 10 acres? Suppose he has a brother, sister, or friend, who is willing to claim to be the producer of the second 10 acres, will that substitute get cost of production on his additional acres?

Take wheat—suppose the estimate is for 800,000,000 bushels, domestic consumption being 640,000,000 bushels, or 80 percent, with a cost of production guarantee at \$1.25 a bushel. Suppose a farmer has been raising 100 acres of wheat, 100 acres of corn, 100 acres of alfalfa. Remember, raising wheat on a large scale is largely through the use of machines. It is indeed a lazy man's job. Under this plan, the man is guaranteed cost of production on 80 percent of what he raises. He plows up his alfalfa, quits corn, puts 300 acres in wheat. He is obliged to hire very little extra help in harvest. Is he guaranteed cost of production on 80 percent of this 300 acres with no control over planting? Is it possible, or are we fooling somebody, including ourselves?

I raised wheat in a big way during the war years, and wish I could do it again, as it was the most satisfactory farming of my life. When raising of wheat was under war conditions, we had an unlimited market. The Allies stood ready to accept, at the fixed price, every bushel we raised. The Chicago Board of Trade ceased to exist for many months. The market we had in those World War years is gone, and probably will never return even though there be another great European war.

Suppose a farmer in my colleague's district in Oklahoma comes to town after harvesting his crop of, say, 300 bushels of wheat, bringing it all in for sale except what he is allowed to keep for seed and feed. The allotment for domestic consumption being 80 percent, 240 bushels, he confidently expects to receive \$300, the cost of production price of his crop, if it is fixed at \$1.25. He finds nobody ready to pay it; there are no buyers. Mills refuse it. Suppose this happens in Cordell, Okla. He hunts up the author of the bill, which

has become a law and demands that somebody take his 240 bushels of wheat going into domestic consumption, and pay him the \$1.25 a bushel. He calls on our colleague and he says, "What about it?" Echo answers, "What about it?"

Members of the Committee, under that bill would it not be necessary to provide millions of dollars in money to make good our boasted cost of production price, not only on wheat but on cotton, strawberries, cherries, butter? Yes; ninety-odd percent of all the farm products would fall under the plan. Our Government might, of necessity, become the ultimate buyer.

I am becoming a firm believer in America self-contained, American markets for the American farmers, as well as for the American industrialist, in spite of the boasted advantages of reciprocal-trade agreements. In our attempts to bolster up farm income we should not forget, for 1 single minute, the fact that we are trying to do something which has never been done before in the history of the human race. The tillers of the soil have ever been peasants, have ever been slaves, except under our modern democracies. Those who could manipulate them and their commodities have accumulated the wealth. Never has it been better stated than by Beard in his History of American Civilization, where he uses these significant words:

In every age, in every clime where civilization has passed its most primitive form, there has always appeared a small group of men devoted to finance, commerce, and industry. These three groups—commerce, finance, and industry—have always borne down with terrific oppression upon that group which derived its sustenance from agriculture.

It was true on the Euphrates and on the Nile. It has been true everywhere. We are attempting to keep it from coming true in America. Nowhere in any place nor at any time has the farmer had the opportunity he has here enjoyed in the last century and a half during which we have lived under our present Constitution. That opportunity is in jeopardy; it may have passed.

This administration clipped the wings of the group devoted to finance when it provided materially lower interest rates. The inventive geniuses who have given us the automobile and the truck have helped free the farmer from the clutches of those who controlled transportation. The Congress has helped by improving navigable rivers, but the industrialist still reigns supreme, ready to exact for his agricultural tools, for the articles that the farmer must have, and for the transportation of his crops whatever price his whims may desire and his speculative manipulations require.

THE PROCESSING TAX

The subsidies we have been voting so lavishly cannot long continue. It is my firm belief that the users of every commodity should bear the burden of paying the producers of that commodity the cost of production. It may be through a processing tax, if you wish. Let the tax move directly into the Treasury of the United States, just as the money is raised and paid for railroad pensions. Pay it to the Government and then appropriate it out under direct subsidy to avoid the constitutional question. Make every bakery in this land put bread in wrappers which have plainly printed thereon the cost of the wheat and the amount collected in a processing tax. This will show the buyer the facts on cost of ingredients and of taxes, which might be a half cent a loaf, the amount which would give the farmer 30 cents a bushel-an ample subsidy. By compelling the bakers so to wrap the bread, it will not be possible to make the people believe that the processing tax is the sole cause of the heavy increase in prices, such as was the case during the time we had the tax in 1934 and 1935.

Perhaps the cost of production is the goal toward which we ought now to be moving, but I warn you that with it there must be ironclad control more drastic than that outlined by the Senator from Oklahoma when he argued so forcefully before our committee. Every farmer must have his allotment of flax, wheat, corn, hogs, strawberries, or cream before such a plan can be accomplished. It will take many inspectors and agents to enforce such a law.

Should the Massingale bill come before the Committee of the Whole for consideration, I shall offer amendments giving to the Secretary of Agriculture sweeping powers of control over production. Much study and careful attention to extended hearings have not made the way seem easier for such a plan, though the end is much to be desired. The difficulties may not be insurmountable, but the operations have not yet been suggested which would bring about the successful application of the plan. [Applause.]

Mr. DIRKSEN. Mr. Chairman, I yield 5 minutes to the

gentleman from Wisconsin [Mr. Johns].

Mr. JOHNS. Mr. Chairman and Members of the Committee, I was very much interested this morning when my colleague from Missouri was talking about the situation of the farmers in my State, and also I assume, in the rest of the Nation, with reference to their condition being much improved as far as mortgages on their property are concerned. I thought it might be interesting to put into the Record some of the figures so that you could judge for yourselves.

In my opinion, all that was done in 1933, after the present administration came into power, was to extend or prolong the agony of the farmers in the payment of their obligations.

The Federal farm foreclosures in the State of Wisconsin in 1938 were three times as many as the foreclosures in 1936, just 2 years prior. The Federal land bank and the Federal land commissioner foreclosed 1,723 mortgages on farms in 1938 compared with 542 in 1936. They were particularly heavy in the northern counties of the State.

In my own district, Marinette County, bordering the State of Michigan on the north, had 5 foreclosures in 1936 and 39 in 1938. The total number of foreclosures in counties in my district and adjoining counties for 1938, for both farm and city were: Brown, 74; Outagamie, 88; Calumet, 15; Manitowoc, 116; Shawano, 121; Waupaca, 104; Oconto, 71; Marinette, 70; Kewaunee, 21; Door, 39, while in two other counties, Florence and Forest, where the Government owns a large portion of the counties for parking purposes, in Florence County over one-third of the people are on relief and W. P. A. and in Forest 80 percent are on relief and W. P. A. The Government has purchased this land and that which remains and which has not been purchased carries the burden of the total amount before the land was sold.

In Forest County, bonds were issued to build beautiful roads prior to the time the Government took over its lands, and at present the remaining inhabitants there are carrying the burden of paying these bonds and also the interest on them.

Mr. MUNDT. Will the gentleman yield?

Mr. JOHNS. I yield to the gentleman from South Dakota.
Mr. MUNDT. Does the gentleman know whether the Government is content with taking the farms in Wisconsin, or does it also secure deficiency judgments against the farmers?

Mr. JOHNS. At the present time they take deficiency judgments. There has been some move, of course, to do away with that by legislation, but up to this time they have taken deficiency judgments.

Mr. H. CARL ANDERSEN. Mr. Chairman, will the gentleman yield?

Mr. JOHNS. I yield to the gentleman from Minnesota.

Mr. H. CARL ANDERSEN. Is it not the gentleman's impression that the Federal lending agencies in this country have acquired what might be called the reputation of being a Shylock in their dealings with the farmers throughout the Middle West?

Mr. JOHNS. I do not know just what the gentleman's interpretation of a Shylock is, but I would say that the ordinary farmer fared very much better during the time he was borrowing his money from private individuals and from banks, because they would extend the time on the mortgages. The Government, between January 1, 1938, and July 1, 1938, took over more than 21,000 farms in this country. Many of these farms are lying idle, many of them without anybody on them. In some instances the Government is able to get tenants, who pay just about enough to cover the taxes there may be taxed against the farm.

Last night I glanced over the 1,720-page hearings of the committee. To me it is a serious proposition when we are

by this bill appropriating \$1,067,000,000 that we do not have more time to consider it. I have discovered that in 1916 it cost \$734,056,202 to run this Government. Twenty-two years later it costs over \$7,000,000,000 a year to run the Government. Today we are paying more interest in 1 year on our obligations than it cost to run the Government in 1916. When they talk about doing something for the farmer, this is what they have done for him: The per capita tax in 1916 was \$7.29. Today it is \$59.70. The farmer's taxes have been doubled since 1929.

What have they done for the dairy farmer? There is not a word in the bill about the dairy farmer. The only thing I have discovered is that the farmer is the forgotten man about whom the President has talked so much, and I discovered it in this bill. Five leading dairy States—Wisconsin, Minnesota, Iowa, Texas, and New York—produce a large part of the cheese of this country. [Applause.]

The State of Wisconsin leads the United States in dairying. We produce about 50 percent of all the American cheese consumed in the United States. On January 1, 1939, we had 2,179,000 head of dairy cattle on farms in the State. Minnesota ranked next with 1,705,000 head, and Iowa ranked third with 1,472,000 head. Texas ranked fourth with 1,458,000 head and New York fifth with 1,423,000 head of milk cows. The increase in the number of dairy cattle in these States for 1938 was about 1 percent.

The total milk production for Wisconsin alone last year was 11,862,000,000 pounds. This figure is about 484,000,000 pounds greater than the State's output in 1937. The value of dairy cows in Wisconsin averaged \$69 per head January 1. The value last year was \$72 per head. I might add that the total value of all milk cows in the United States at the beginning of the year 1939 was \$1,397,280,000. Fluid milk prices under the present administration were much lower for each month in 1938 compared with 1937, and the loss to Wisconsin farmers was approximately \$1,000,000 per month.

In addition to this during the year 1937, 60,000,000 pounds of cheese was imported into this country and to the detriment of the American farmer of approximately \$3,000,000, because of the reciprocal-trade agreements with countries exporting cheese to the United States. Wisconsin produced 50 percent of this cheese and the loss to the dairy farmers of Wisconsin was one and one-half million dollars. The prices paid to Wisconsin farmers for livestock and livestock products during 1938 averaged 12 percent lower than in 1937.

As I read the hearings on this bill, and from the statements of Members on the floor of the House today, the condition of the agricultural population is as bad, if not worse, than it was in 1932, when we were at the bottom of the depression. The butterfat prices on my farms between 1922 and 1932 averaged about 46 cents per pound. They reached the low of 28 cents per pound in August 1938, and are about 28½ cents per pound at the present time.

We must not forget that in 1935 the agricultural population was 31,800,907 people. This is over 25 percent of our population. The value of farms in the United States in 1935 was \$32,858,844,012; that the population of the five leading dairy States on the farms was about 6,000,000 people. As I figure the percentage of farmers raising cotton, corn, and wheat, they represent about 3.1 percent of the national income. We are certainly taking good care of them in this bill, but we are not doing anything for the dairy industry of this country.

I received this morning in the mail a request from the Wisconsin State Dairy Committee, in which they request that the dairy products be made a basic commodity and that a parity payment be made to equal the difference between the average price of butter on the New York market and parity price, this payment to be made only to those farmers who stay within their allotment. They also make other requests, but this bill makes no provision whatever to take care of them.

It is rather hard for my colleagues from the State of Wisconsin, and I should judge that it would be the same from those of other States whose dairy industry are large, to vote

to appropriate such a large amount of money as provided for in this bill without due consideration and without any farm program that covers all agricultural interests. Only corn, wheat, cotton, and some rice will benefit from this tremendous amount of money being appropriated here, outside of some small conservation checks that may be issued in order to catch a few votes from other parts of the country that may be necessary to enact this bill into law.

What we should do is to return this bill to the committee with instructions to study the farm problem and bring out a bill that will benefit all of the farming interests instead of just a few. If this cannot be done, then the \$250,000,000 provided for class legislation should be stricken from the bill.

Mr. CANNON of Missouri. Mr. Chairman, I yield 5 minutes to the gentleman from Mississippi [Mr. Rankin].

Mr. RANKIN. Mr. Chairman, we are being constantly propagandized with a barrage of war scares. We are told every day about a war that is going to happen in Europe. I have come to the conclusion that nobody wants a war in Europe except a few people in the United States. They are not going to have a war in Europe if we let them alone, but we are having a war in this country.

We are today being subjected to competition we cannot meet under existing conditions. Every country in Europe is releasing its industrial forces that have been engaged in manufacturing munitions of war, gas masks, and so forth, and they are now manufacturing useful articles which they are shipping into Central and South America and exchanging for raw materials, for wheat, corn, cotton, cattle, lumber, and dairy products. A farmer in Central or South America gets twice as much, or three times as much, for his wheat or cotton or other farm products in exchange for the goods he has to buy as does the farmer in the United States.

There are two reasons for this situation. As I pointed out the other day, we are stymied behind a tariff wall, which places a tax on everything the farmer has to buy, from the swaddling cloths of infancy to the lining of the coffin in which old age is laid away. It even goes beyond the grave and places a tax on the tombstone that marks his last resting place. This is one condition that must be corrected, if we are ever to enjoy uniform prosperity throughout this country.

A further reason is that we are the only country in the world that has not met existing conditions by depreciating our currency. On this floor 6 years ago I made a speech in support of the proposition of giving the President the right to cut the gold content of the dollar and to issue \$3,000,000,000 in currency and put it into circulation. If that had been done then the depression would have disappeared. It is going to have to be done yet, but in all probability it is going to take a great deal more than \$3,000,000,000 to do it.

I understand we have \$14,000,000,000 or \$15,000,000,000 worth of gold buried in the ground, while we are attempting to pay war prices, war debts, and war interest on the depressed prices of 40-cent wheat and 8-cent cotton. It cannot be done. I am going to vote for the amendment which will be offered asking \$500,000,000 for parity payments to the farmers of the country but even that will not be sufficient.

This is what you are driving to. You are either going to have controlled expansion of the currency to restore prosperity by raising the prices of farm products to their normal value of 15- to 20-cent cotton and \$1.50 wheat, or you are going to break into uncontrolled inflation that will wipe out existing holdings, or else you will have wholesale repudiation of your national debt, and your State debts, and that will involve private debts.

Suppose a few years from now a new membership comes into this House, and an appropriation bill comes up for consideration with provision for \$2,000,000,000, we will say, or \$3,000,000,000 for sinking fund and interest on the national debt, and a Member arises and says, "Is that the debt those fellows contracted back yonder when they were spending money by the billions and issuing bonds to pay current expenses rather than using the gold they had? Is that the debt they made to pay running expenses that ought not to have been passed on to us? I move to strike it from the bill."

In all probability, his motion will be sustained. There is no power on earth that can make them pay it. No power on earth can make a country pay its debts. If I knew of such a power we might use it to collect our European debts right away instead of talking about getting into another European

I am going to insert in the RECORD a speech I made 6 years ago in reply to the gentleman from Pennsylvania, Mr. Beck, on this proposition of expanding the currency and restoring prosperity to the American people.

Every word I uttered then is true today. I hope every Member of the House will take the time to read it. [Applause.]

The matter referred to is as follows:

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Mr. Speaker, with the probable exception of the signing of the Armistice, which brought to a close the most devastating war in all history, the passage of this currency-expansion measure will likely be the greatest step ever taken by any government since Biblical times. If properly and fully carried out, it will be the greatest boon to suffering humanity of any measure ever passed by a legislative body in all the tides of human history.

I only regret that every man in this House cannot join in its support, the passage of which will probably mark a turning point in the history of our civilization.

I should particularly like to see my distinguished, able, affable, elequent, and erring friend from Pennsylvania [Mr. Beck] who has just spoken—and for whom I have an abiding affection—throw the weight of his great ability into the scales on the side of this program and help secure the passage of this the most far-reaching and beneficent measure ever adopted by a legislative body. If he would do that, he would render his country the greatest service of his long and distinguished career. The suffering people throughout the world, even the generations yet to come, might then "rise up and call him blessed." [Applause.]

In order to successfully contest on this floor with the gentleman

up and call him blessed." [Applause.]

In order to successfully contest on this floor with the gentleman from Pennsylvania one should be able to "bend the bow of Ulysses" or "wield the spear of Goliath." I realize my feeble inabilities to meet such a test. But I am conscious of the admonition of his favorite author, William Shakespeare, to the effect that "Thrice is he armed that feels his quarrel just." Or, as was once said by William Jennings Bryan, "The humblest citizen of the land, clad in the armor of a righteous cause, is stronger than all the hosts of error." [Applause.]

It is said that Alcibiades once stopped up his care and feet for

It is said that Alcibiades once stopped up his ears and fled from the presence of Socrates for fear that he would grow old listening to his eloquence.

to his eloquence.

As I have listened to the adroit and persuasive arguments of the distinguished gentleman from Pennsylvania, the greatest Shake-spearean scholar in either House, and one of the ablest lawyers in America, who probably knows more about the Constitution than any other man in Congress, and possibly more ways around it—as I have melted beneath the magnetism of his marvelous eloquence, embellished by his unaffected rhetoric and reenforced by a literary resourcefulness equaled by few men on this earth, I have found my-self holding to the seat to keep from slipping, lest he should sometimes even persuade me to go astray. [Laughter and applause.]

I am told that he was once a Democrat, back in those struggling years of his youth and young manhood, before he attained his present status of eminence and distinction. But you know we are told by his favorite author, that—

"Lowliness is young ambition's ladder.

"Lowliness is young ambition's ladder,
Whereto the climber upward turns his face;
But when he once attains the upmost round,
He then unto the ladder turns his back,
Looks in the clouds, scorning the base degrees
By which he did ascend."

[Applause.]
But we also have the consoling assurance of Holy Writ that if you teach a child the way it should go, when it is old, it will not depart therefrom. Probably when he begins to grow "old," and reaches the age of mature discretion, he will return to the conviction of his early youth and join in the fight for the promotion of every righteous cause. [Laughter.] Nothing would be more fitting as a climax to his long and able career than to make that change today. "While the lamp holds out to burn, the vilest sinner may return." Come on, Mr. Beck, join the hosts of righteousness in this crisis of the world's history, when America is awaking like a sleeping giant, from a long and hideous nightmare, breaking the fetters of this depression, turning from the dead past toward the living future, catching the step and taking the lead in the onward march of modern progress.

If he will do that, he will not only render his country his great-

march of modern progress.

If he will do that, he will not only render his country his greatest service, but he may then spend the evening of his career in quiet and ideal peace, conscious of a well-spent life, and confident of its good, enriched with an abundance of those blessings which Shakespeare says should accompany old age, such "as honor, love, obedience, troops of friends." [Applause.]

I have often remarked that his speeches remind me of another expression of his favorite author, when he said:

"The world is still deceived with ornament. In law, what plea so tainted and corrupt, But being season'd with a gracious voice, Obscures the show of evil?"

And when I hear his attempts to fortify his erroneous positions with copious quotations from the celebrated literature of the past, even including passages from Holy Writ, I am reminded of the further expression:

"In religion, What damned error, but some sober brow Will bless it, and approve it with a text, Hiding the grossness with fair ornament?"

I am afraid that by his gracious voice, his persuasive eloquence, his attractive personality and literary resourcefulness, he has not only obscured the evil of his contentions, but has led the minds of many Members to reach the wrong conclusion. [Applause.]

As was once said by a great American, "It is a condition and not a theory that confronts us." We are not only charged with the gravest responsibility that will probably ever come to Members of this body in our day and generation, but we are confronted with the most glorious opportunity for service to humanity with which we will ever have to deal.

We are in the midst of the most terrible panic of all history.

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We are in the midst of the most terrible panic of all history. For more than 3 years we have witnessed the tragedy of increasing failures, foreclosures, and bankruptcles—farmers forced to sell their crops far below the cost of production, and see their lands swept away for debts or sold to pay their taxes. People are being driven from their homes to join the hungry multitudes who crowd the streaming bread lines along the streets of our cities. Ten or twelve million men, who are able, willing, and anxious to work, are tramping the streets or treading the highways, begging for employment by which to earn their daily bread. Men, women, and children from the best families of America, people who won't get the chill of the humiliation out of their blood for two or three generations, are forced to beg their bread from door to door. A crimson wave of suicide is sweeping over the land—mothers killing their children to keep from seeing them suffer and then committing suicide across their dead bodies.

All this is happening in a land teeming with abundance, where we have more wheat, more corn, more cotton, more manufactured articles, more of everything necessary to sustain human life and contribute to human happiness and human comfort than was ever known before. All this is happening in the most advanced and enlightened age, when we have gained the greatest ascendancy over the forces of nature and the greatest command over our surroundings ever reached in all the history of the human race.

What is the cause of all this? The answer is simple; we are in a money panic—a man-made panic, which we are attempting to cure by the passage of this, the most far-reaching piece of financial legislation ever enacted on this earth. We are "cutting the Gordian knot" that binds suffering humanity to the gold fetish, antiquated theories, and discredited policies of the past. By this measure we hope and expect to put the people of America back on t

hope and expect to put the people of America back on the highway to permanent prosperity.

When the Great War closed, it left the people of the world, including America, loaded with a burden of indebtedness that at best it will take generations to pay. Those debts were contracted on an expanded currency, when times were prosperous and commodity prices were high. We are now asked to pay them with a contracted currency that has so reduced commodity prices as to render this burden too heavy for the people of the world to bear. Yet they are asked to carry on, or told to carry on, driven by the whip of the money kings, who offer them no hope of relief. They have about reached the point of exhaustion and are now stumbling, fainting, and falling under the very cross of taxation upon which they and their children and their children's children are to be crucified.

they and their children and their children's children are to be crucified.

Something must be done. They can stand this strain no longer. This bill will do the work. I have said time and time again that one of three things is bound to happen:

We are going to have to expand the currency, to bring back commodity prices to where they were when our debts were incurred, or we are going to have to have a readjustment of all debts, public and private, scaling them down, extending the time for payments and reducing interest rates almost to the vanishing point. Unless one of these two courses is pursued, we are going to be swept into a saturnalia of wholesale repudiation of public and private obligations, including district, municipal, country, State, and Government bonds. That would be revolution—the last protest to which an oppressed or suffering people resort.

By this measure we propose to expand the currency to raise commodity prices, and restore the purchasing power of the American farmer, which will automatically restore the purchasing power of the industrial laborers, because it will enable the farmers to buy the things they need. That will start the wheels of industry to turning and furnish work for the unemployed. Then our bread lines will melt away, our entire economic machinery will begin to function normally, and the clouds of this depression will disappear.

appear.

appear.

But the distinguished gentleman from Pennsylvania questions the constitutionality of this law which delegates to the President the power to diminish the gold content of the dollar. In my opinion that question was settled by the Court when it upheld the constitutionality of the flexible clause in the tariff bill. The gentleman from Pennsylvania and I both voted against that clause and both of us thought then that it violated the Constitution of the United States, but the courts decided differently, and the law was upheld, just as this one will be, in my opinion, if it is ever put to a test. Besides, this matter will be disposed of by the President before the Supreme Court could ever act upon it. Then, if there is any doubt as to the constitutionality of his acts, Congress would have ample time to ratify them.

Then, too, "there is a higher law than the Constitution." The "safety of the people is the supreme law." This is war. We are at war with the most destructive depression of all times—one that not only threatens the life and safety of every person under the American flag but one that challenges the very existence of our circlination. civilization

civilization.

The gentleman from Pennsylvania refers to the President's advisers as the "brain trust," as if this currency-expansion theory originated with them. He knows, and every other Member of the House knows, that for more than 3 years I have advocated a liberal, controlled expansion of the currency as the only possible means of relief from this unprecedented depression. I have made this appeal in the House, through the press, over the radio, on the stump, and everywhere else that an opportunity has presented itself. Other Members of the House and of the Senate have done the same thing.

itself. Other Members of the House and of the Senate have done the same thing.

We were not prompted by any "brain trust," but we were opposed by the "money trust," representing the owners of great fortunes who have their money invested in tax-exempt securities and are now opposing expansion because they know that under the present state of depressed prices their hoarded dollars will buy three or four times as much of American commodities as they will when this currency is expanded and normal conditions return.

I want to touch briefly on the three principal points involved in the currency expansion provision of this bill. It has been stated by the opposition, time and time again, that the \$6,000,000,000 of new currency provided for in this bill, \$3,000,000,000 through the Federal Reserve System, and \$3,000,000,000 of United States notes, will be "fiat money."

currency provided for in this bill, \$3,000,000,000 through the Federal Reserve System, and \$3,000,000,000 of United States notes, will be "fiat money."

There is not a scintilla of truth in that statement. Every dollar of this money, under the Gold Standard Act of 1900, will be worth 100 cents on the dollar. It will be interchangeable with every other dollar we have, whether it is gold or silver, or United States notes, or Federal Reserve notes, or national-bank notes, or what not.

This measure has also been attacked because of its provision on the silver question. Did you know that more than 1,000,000,000 people in this world use silver almost exclusively as a money? Silver is mentioned in Holy Writ as a money, before we find any mention of the use of gold as a currency. Silver is the money of the Orient. It is the money of all Central and South America, of all eastern Europe. In 1926, when the international bankers who are opposing this measure induced England to force India onto a gold standard, they destroyed the purchasing power of silver and therefore destroyed the purchasing power of silver and therefore destroyed the purchasing power of a billion of America's customers. Some of you gentlemen opposed William J. Bryan on his silver policy in 1896. We Democrats were in favor of the free and unlimited coinage of silver at a ratio of 16 to 1 [applause], and in the Republican platform of 1900, if not in 1896, you provided for the coinage of silver, provided it was done by international agreement, on the theory that if you remonetized silver in the United States alone it would draw the surplus silver to America and drive down the American dollar.

This bill, from that standpoint, is merely carrying out the ideas

the American dollar.

This bill, from that standpoint, is merely carrying out the ideas you expressed more than 30 years ago. In addition to broadening the base for the issuance of American currency it will restore the purchasing power of the people of the silver countries throughout the world, who buy American cotton, cotton goods, wheat, wool, manufactured goods, and other commodities.

Probably the most important proposal contained in this measure is that to give the President the right to reduce the gold content of the dollar, in order to broaden the base of our circulating medium and to reach an understanding with foreign nations for some kind of a working agreement as to monetary standards.

The chief opposition to this provision is coming from that element of our prople who own Government bonds navable in American

The chief opposition to this provision is coming from that element of our people who own Government bonds payable in American dollars based on the present gold standard. They prefer to prevent, in any way they can, an expansion of the currency that would raise commodity prices, for the simple reason that it reduces the purchasing power of their dollars invested in those tax-exempt bonds. They prefer to exact the last "pound of flesh." They ignore the appeals of suffering humanity. They ignore the ominous warning of discontent. They ignore the pleas of the President to the effect that this change is necessary to bring order out of chaos, restore the prosperity of the American people, and to save American institutions. When they are asked to cooperate in this stupendous undertaking, they raise the question of the Government's right to cut down the gold content of the dollar and ask, in the words of the greedy Shylock, "Is it so nominated in the bond?"

If by some chance we had discovered an unlimited supply of

the greedy Shylock, "Is it so nominated in the bond?"

If by some chance we had discovered an unlimited supply of gold and had offered to pay these bonds in that commodity, then they would have demanded American dollars instead.

The Government has a perfect right to change the gold content of the dollar, without consulting the holders of Government bonds. If this program goes through, they will be paid every dollar the United States owes them in United States money. If they should block its passage, and this country should be swept into the maelstrom of repudiation, they might find, as did Shylock of old, that they had forfeited their bonds by their own perfidy.

We have come to a change in world affairs. We are in the same

that they had forfeited their bonds by their own perfidy.

We have come to a change in world affairs. We are in the same condition the people of Europe were in at the time of the fall of the Roman Empire. Two thousand years ago Rome sat upon her seven hills, the unchallenged mistress of the world. A few people owned practically all the wealth of the empire. They had gathered unto themselves the gold of the known world. The supply was limited and the amount per capita was gradually diminishing, and there was little or no hope for the discovery of new supplies. They were charging the people as high as 48 percent interest at the time of the

murder of Caesar. He was murdered, not because he was ambitious, as many of us have been led to believe, but because he had taken the side of the people of Rome and was wringing the loathsome fingers of the money changers loose from the throats of the suffering people of Europe, just as Roosevelt is doing in America today.

people of Europe, just as Roosevelt is doing in America today. [Applause.]

After his death, they continued to concentrate and control the money supply of the world. They drove commodity prices down. International trade fell off, and commerce died. Because of the lack of a circulating medium, the people were driven to barter in trade. Poverty increased, stagnation prevailed, patriotism withered and perished away, corruption crept into the state, Rome tottered and fell, and Europe lapsed into an economic lethargy that lasted for a thousand years. It was broken only by the discovery of America, and with it new, and apparently unlimited, supplies of gold. When this new gold was added to the circulating medium of the Old World. Europe awoke as it were from her lethargy of centuries and leaped forward into an era of prosperity, the like of which mankind had scarcely dreamed.

forward into an era of prosperity, the like of which mankind had scarcely dreamed.

Commodity prices began to rise, wages were increased, employment became plentiful, commerce was revived, international trade was stimulated, and there dawned upon this earth what is known as the "golden age," the most glorious period in the history of the human race—an age that gave to the world more of genius and of greatness than any other period in all the annals of recorded time.

Under the impulse of progress generated by this revival, our forebears swarmed across the Atlantic and carved this Republic out of the unbroken wilderness of the New World, and established here, for the first time, a nation dedicated to the proposition that government derives its just powers from the consent of the governed.

For approximately a century after the establishment of the American Republic, we had a double monetary system of gold and silver. In 1873 silver was demonetized, and soon thereafter the supply of gold per capita began to wane.

Today we are in the same condition the people of Europe were in at the time of the fall of the Roman Empire. The gold supply is insufficient, with the present standards, to supply the basis for the circulating mediums of the world and the amount per capita is on the wane. We are virtually at the end of gold. We have prospected every field, we have searched every territory, we have exhausted every mine. There are apparently no more fields to be discovered. We must find some other method of broadening the base for our monetary supply, or suffer the fate of the people of Rome.

A great American orator once said that "It took Rome 400 years

base for our monetary supply, or suffer the fate of the people of Rome.

A great American orator once said that "It took Rome 400 years to die, and our death, should we perish, will be as much more terriffic as our intense civilization has given us more bone and sinew and nerve and strength and vitality."

We are making history today. The world is looking to America for leadership. The destiny of our civilization is in our hands. We must not fail. [Applause.]

Some years ago, Lord Robert Cecil, Viscount Cecil of the British Empire, is reported to have said in a speech in Chicago, that "England's sun is going down." But he said it would be a "glorious sunset." And it will. No nation that has ever risen and fallen in all the tides of human history has contributed more to the progress and enlightenment of mankind than has the British Isles. He is quoted as having said further that "The leadership of the world has now been transferred to the United States." In order to maintain that world leadership, we must prove ourselves worthy and able to lead. We are in the crucial test today. Upon the outcome of this measure may depend, not only our leadership, but the very destiny of our American institutions.

One of the ablest ambassadors ever sent to the United States, said in a speech in this country a few years ago that "An age is dying in Europe; the waves caused by its death agonies are lashing the shores of America."

In the midst of possibly the greatest crises through which the British Empire has ever passed, when all that she had builded for a thousand years was threatened with dissolution, Phillip Snowden, Chancelor of the Exchequer, arose in the House of Commons, just out of a sick bed, pale and emaciated, dramatically pointed his bony finger at the opposition across the aisle and said: "All our past acclaims our future: Shakespeare's voice and Nelson's hand,

"All our past acclaims our future: Shakespeare's voice and Nelson's

hand,
Milton's faith and Wordsworth's trust in this our chosen and
chainless land, Bear us witness: come the world against her, England yet shall

In this tragic hour, when American institutions, and probably American civilization, are trembling in the balance, let us draw courage and inspiration from the sacrifices and accomplishments of the past, and say in the words of that great Englishman that all our past acclaims our future. The sword of Washington, the pen of Jefferson, the heart of Lincoln, the spirit of Lee, the valor of Davis, and the voice of Bryan; the blood of a million American heroes crying out to us from the ground, echoed and reechoed from the hearthstones of millions of American homes—all these admonish us that America must not fail, our civilization must not perish, our institutions must not die! [Applause.]

By the consummation of this program we can restore the prosperity of the American people, broaden the base of our monetary supply, and restore normal conditions throughout the world, and thereby usher in the golden dawning of a new and a grander day. Let me appeal to you again, and especially to the erudite gentleman from Pennsylvania, to join us in this fight and follow our

great leader in this "battle of the centuries," to rescue and perpetuate the civilization of mankind. Then you will not only receive the deserved plaudits of a grateful Nation, but throughout the distant lapse of far-off years your praises will be sung by the sons of men, even in the ages yet to come, when this, our lofty scene, shall be acted over "In States unborn and accents yet unknown." [Prolonged applause.]

Mr. DIRKSEN. Mr. Chairman, I yield 5 minutes to the gentleman from Wisconsin [Mr. THILL].

UNSOUND PROCESSING TAXES

Mr. THILL. Mr. Chairman, during recent months one New Deal leader has asked for the renewal of processing taxes. The esteemed gentleman from North Dakota [Mr. Lemke] seemed to indicate in his talk this afternoon that processing taxes are a sort of fetish with the Secretary of Agriculture.

It is argued that until processing taxes are restored farmers cannot be assured of a permanent program. It is claimed that the particular commodity concerned should bear a part of the cost of financing its own program; that the processing tax will help maintain balanced production and surplus control; that it will help to preserve parity of income by assuring a continuing source of revenue on commodities that do not lend themselves to price boosting through adjustment of supply.

This argument for the renewal of processing taxes does not tell the complete story and does not take into consideration the resultant decrease in the purchasing power of the American consumer, the indirect tax burden which is shifted on to those least able to bear it, the lowering of prices paid to the farmer for his products, the decline in exports of farm products, and the disastrous effects of a corresponding expansion in imports.

Although this tax is collected from the processor, he usually does not bear any appreciable proportion of the cost. The burden ordinarily is borne by the consumer in the form of higher prices or is taken from the price which otherwise would have been paid for the raw material, or reduces the profit of the processor and makes his existence precarious. If the processing taxes are again incorporated into law, the consumer will be forced to pay many millions of dollars additional for flour, bread, and other wheat products and a similar amount for cotton clothing and articles made of cotton. This tax would be directly responsible for high retail food prices. although the profit on raw materials remains small. The processor and the distributor must shift the tax to continue their existence. Further, they are forced to serve in the role of tax collectors in a manner which conceals the fact that the taxes are actually collected from the consumer.

The processing tax will increase the tremendous burden of indirect taxes which the individual is now forced to pay. It will amount to nothing more than a sales tax on food and clothing, which constitute the necessities of life. It will fall most heavily on the class least able to pay. When the last processing tax was in effect the amount of the tax was equivalent to 15 percent of the selling price of a yard of denim used in work clothing and less than 5 percent on the superfine cotton materials used in shirts retailing above \$2.50. We know that American families in the lower-income groups spend a larger portion of their income for food than those in the higher brackets. Therefore the processing tax would in effect be a burdensome levy on the American workingman.

As evidenced by our sad experience under the Agricultural Adjustment Administration, the processing tax is a trade-diminishing type of taxation. In the year ending June 30, 1935, when this type of tax was in existence, there was a distinct down trend in farm-product exports, particularly cotton, and a corresponding expansion in imports. During this period it has been shown that the farmer received lower prices for his products than if some other means had been used to finance the program. In Three Years of the A. A. A., by the Brookings Institution, pages 303-304, it is reported that—

A review of the course of live-hog prices, processors' margins, and retail pork prices during 1933-35 suggests strongly that the effect of the processing tax was to reduce hog prices by approximately the amount of the tax.

Practically all mills that buy raw cotton and process it are united in opposing a processing tax on cotton. They rightfully believe that it will cut down sales. During the period when the last processing tax was in effect, outlets for the heavier cotton goods, such as ducks, sheetings, and osnaburgs, were lost to paper, jute, and synthetic fibers. A new processing tax will prevent the recapture of these outlets.

On January 6, 1936, the Supreme Court handed down its decision in United States against Butler. In that decision, which invalidated the production-control programs carried out by contracts between the Federal Government and individual farmers and financed by processing taxes, the Court said:

A tax, in the general understanding of the term, and as used in the Constitution, signifies an exaction for the support of the Government. The word has never been thought to connote the expropriation of money from one group for the benefit of another. We may concede that the latter sort of imposition is constitutional when imposed to effectuate regulation of a matter in which both groups are interested and in respect of which there is a power of legislative regulation. But manifestly no justification for it can be found unless as an integral part of such regulation. The exaction cannot be wrested out of its setting, denominated an excise for raising revenue, and legalized by ignoring its purpose as a mere instrumentality for bringing about a desired end (297 U. S. Reports, 61).

The processing tax is contrary to the basic laws of economics. Had not a Supreme Court decision frustrated the continuance of the A. A. A., the natural laws of economics would have ultimately killed this plan, which had already extracted from the wage earners of America more than \$1,000,000,000.

This form of taxation violates the theory that taxes should be levied according to ability to pay. It penalizes the poor consumer, forcing him to pay a subsidy to the farmer.

In those cases where the tax burden cannot be shifted to the consumer or to the raw material it causes financial losses to the processor and in some instances will actually force him out of business.

Processing taxes curtail the consumption of certain essential products, following the economic law which states that the higher the price the lower the demand. This increase in price and corresponding decrease in demand, if continued, will ultimately wreck both producer and consumer. [Applause.]

Mr. CANNON of Missouri. Mr. Chairman, I yield 5 minutes to the gentleman from Idaho [Mr. White].

Mr. WHITE of Idaho. Mr. Chairman, I feel we are dealing with one of the paramount problems facing the Congress and one which must be solved. In common parlance, we must do something for the farmer.

What we are really attempting to do here, as I see it, is to establish parity of prices between the things the farmer must buy and the things he must sell. I am for a parity of prices and I am for the bill.

During the discussion here it has been necessary to stay on the floor to maintain a quorum and in listening to the debate I am reminded of the poem by John G. Saxe about the six blind men who went to see the elephant and each man examined some part of the elephant. One took hold of his trunk and said, "Why, the elephant is like a rope." The next man felt along his side and said, "The elephant is like a wall." Another felt his ear and said, "The elephant is like a fan," and the next man took hold of his leg and said, "The elephant is like a tree." The debate I have heard here on the floor reminds me very much of those blind men who were disputing about an elephant.

It is my feeling that we must get down to basic principles and attack the main problem or the paramount problem facing the American people, including both the farmer and labor engaged in industry, and give this country a workable and adequate monetary system. I mean that in the full and literal sense of the word. Coupled with that we must pass the necessary laws to bring about a parity of prices by eliminating unfair competition and unfair trade practices.

I believe we are just adopting one expedient after another, and I look upon this bill as simply an expedient by which we are trying to do something that will place the country a little deeper in debt and piling up a little higher the interest load on business, when we could attack the problem and settle it and give the enterprise, thrift, and industry of the American people an opportunity to solve the problem by their own initiative and relieve the Congress and the Government of a good deal of the trouble with these expedients by which we are attempting to solve a problem which we are not solving at all.

I was very much interested in a statement of the gentleman from Montana yesterday in referring to a harness that cost \$60 being sold to the farmer for \$160. That touches on the very thing that is the matter with us and with the country now. I refer to profiteering on the people engaged in our basic industries, one of which is agriculture. Agriculture employs about one-third of our people and next comes mining, next lumbering, and next fishing. Everybody engaged in these basic industries is being overcharged for pretty nearly every necessity that goes into such production, and until we pass the necessary laws to protect business and bring about a parity through the free play of competition, such attempts as we are making here will put this country deeper and deeper in debt and pile up a higher and higher interest load.

It is my feeling that the first thing this Congress should do—and I think we should turn our attention from these expedients or little schemes we have been trying to make work here for the last 6 years—is to attack the money problem and give this country a workable and an adequate money system and also prevent profiteering at the expense of the basic industries.

Let us bring about a price parity, not by Government price fixing, but by removing the restraints of trade and the practices of these big industries and these big business organizations in eliminating competition, all of them operating in restraint of trade and forcing the people engaged in the basic industries, which includes farming, to pay too much for everything they use. This profiteering and price fixing operates to drain the resources of the people engaged in the basic industries and bring them to a point where they are facing bankruptcy or just keeping above insolvency, because they are being put under too much of a debt load. This reduces the Government income from income taxes and from other sources of revenue.

Until we can attack this problem and solve it, there can be no permanent prosperity in this country.

Mr. DIRKSEN. Mr. Chairman, I yield to the gentleman from Michigan [Mr. SHAFER] such time as he may desire to use

Mr. SHAFER of Michigan. Mr. Chairman, the Congress has recognized the imperative need for economy. The Nation has demanded it. Yet what has happened in connection with this Agricultural Department appropriation bill? Here we have a bill embracing more than 100 pages, involving an amount of \$1,060,000,000. The hearings on this bill embrace 1,732 pages; it is a volume more than 2 inches thick, and to consider this appropriation bill we have been allowed but a few hours for debate.

The President, Mr. Chairman, in response to the demand of this Nation for economy, said he was going to place the question of achieving that economy squarely in the hands of the Congress. In the face of that statement the administration leaders—Mr. Roosevelt's leaders—propose this bill for \$1,060,000,000 and lash it through the House in about as much time as it would take a butcher to skin a calf.

The American people do not want a spendthrift policy on the part of the Government, because they know that they, not the Government, must eventually pay the bill. The farmers of this country do not want a spendthrift policy on the part of the Government. Let us face the facts as they are. If the Congress wants to pursue a policy of retrenchment and economy, the President, by his great prestige, his power, and his control of patronage, can defeat that effort if he desires to do so. If the President wants to achieve economy, Congress, through its great power, can defeat that

objective if it so desires. The first and foremost requirement of the situation in this country today is that the actual, honest, aggressive will to achieve economy be present in both the executive and legislative departments of the Government.

It has recently been stated in the press that the President is chuckling over the failure of Congress to achieve economies and to reduce taxes. In my opinion, Mr. Chairman, this is no chuckling matter. The welfare of this Nation is involved in this question of economy. It is not something to be made the pawn of a political game of hide and seek between the New Deal administration and the Congress. It is something to command the most grave and careful consideration of both.

Of course, all the conscientious Members of Congress, Republicans and Democrats alike, want to do whatever can be done to bring about an improvement in the state of agriculture in this country. Such an improvement is not to be brought about, however, by the executive department and the Congress jockeying for position in order to get each other into an embarrassing predicament. Constitutional government is neither benefited nor preserved by two or three independent and opposing branches, but by three independent, coordinate and cooperative branches.

It is time we stopped playing politics with these problems. It is time for all of us to rise above the desire for partisan advantage and to devote ourselves to the single objective of solving the problems of the Nation.

The critics of the administration, regardless of party, section or class, are agreed that the New Deal farm policy has failed. This bill, Mr. Chairman, is the best evidence that the New Deal farm policy has failed. In my district, the farmers do not want to be regimented. All my farmers are asking is a fair break, a return of their American markets to them, and a chance to be let alone. It has been amply demonstrated, and the farmers know it, that crop control has no stopping place except complete control. The American farmers are not being fooled. They know that they and their children, and their children's children will be paying the costs of these New Deal experimental policies for generations to come.

Last November 8 the people of my district overwhelmingly voted for economy. There has been no effort to achieve economy in this bill. There is no apparent desire on the part of the administration to achieve economy in other appropriation bills. There are many of us who believe that this bill has been unwisely drawn, that it will result in enormous expenditures without achieving its objectives, and that when the farmers know the truth about it they will be the first to condemn the illogical and uneconomical aspects of it. This bill provides no solution for the farm problem. It merely provides for a continuation of a policy already branded as a failure, and for a continued piling up of the Federal debt. Therefore, in keeping with the wishes of my constituents for economy and sound legislation, I intend to cast a negative vote.

Mr. DIRKSEN. Mr. Chairman, I yield 5 minutes to the gentleman from Wisconsin [Mr. Hawks].

Mr. HAWKS. Mr. Chairman, I am granted 5 minutes for debate on a billion dollar agricultural bill. I am almost ashamed to use the time. Five minutes to talk about a bill that affects the biggest industry in my district and the most important industry in my State. Fine stuff! I am not blaming the people in control of the time on my side, but I am blaming the majority, the gentleman from Missouri [Mr. Cannon] who is in charge of this bill. He tried to cut this debate to 3 hours yesterday but did not get away with it, and now we are to settle one of the gravest problems in this country in 2 days' time—less than 2 days. I picked up a Wisconsin paper this morning and one article said "Wisconsin farmer income lower." I turned the page and saw another article headed "Wisconsin Farm Employment Lower Than It Has Ever Been."

On January 5 the President of the United States stood in front of us and said:

Gentlemen, the responsibility is yours.

He had particular reference to unbalanced budgets and huge deficits. I imagine. The President charged the Congress of the United States with responsibility from here on in. Last week we passed a billion dollar bill for the Department of the Interior, and now we are considering another billion dollar bill for agriculture. No attempt on the part of the membership of the House to accept the challenge of the President whatsoever-no effort in two of these bills that have been here in the last 2 weeks to tell the President of the United States that we accept his challenge and that we are going to do something about it.

We start out in this bill talking about parity. Parity for whom? Parity for the politician. Do not you people on the Democratic side of the House realize that the passage of this bill with a \$250,000,000 parity feature will hang a further burden on the dairy farmer in this country? Have you not analyzed that feature of it thoroughly enough to realize that from the point of view of feed every single item of feed that the Wisconsin and Michigan and other dairy farmers of the Nation will have to buy will be burdened with the additional price added to the commodities that go into the making of this feed?

Mr. MURRAY. Mr. Chairman, will the gentleman yield?

Mr. POAGE. Mr. Chairman, will the gentleman yield? Mr. HAWKS. No; I cannot yield. I am not going to vote for this bill. I could not vote for it coming from one of the best States in this Union, because the farmers back home would kick me right out of the State. It may be all right for the cotton farmer. It may be all right for the corn and wheat farmer, but why do you have to go on, year after year, abusing one of the biggest industries in the

The CHAIRMAN. The time of the gentleman from Wisconsin has expired.

Mr. DIRKSEN. Mr. Chairman, I yield the gentleman 1 minute more.

Mr. HAWKS. There is only one agricultural industry that exceeds the dairy industry in dollar volume, and that is the cotton industry. Why is the dairy industry not mentioned in this bill in the matter of parity?

The only place that we can find anything about it is the amount appropriated for dairy investigations. The total amount of that is \$717,405, of which \$343,000 stays in Washington to pay salaries. The Wisconsin people sent eight Republican Congressmen down here for the purpose of getting representation for the dairy industry, and we are pleading with you fellows to give us some recognition, to give our industry some recognition in the agricultural bills that will be forthcoming. [Applause.]

To definitely put Wisconsin and her dairying industry on the map of our major commodities, the problems of which industries are badly in need of help-and in this bill the dairy industry is given practically no consideration whatsoever-I endorse the sentiments as expressed in a press report of the State meeting of the Wisconsin Dairymen's Association, held in Sheboygan on Wednesday, as follows:

It's no use fooling ourselves. People have got to be put to work in private industry at good wages before we can get better prices. We've tried everything else and we've got dollar milk checks again

These dairy farmers see a ray of hope in the present lowprice situation, in that they realize prices for milk and dairy products cannot go much lower; and they now hope that with the administration program of recovery in business, prices for our dairy products will rise, with a resultant better living for our dairy farmers.

In behalf of our dairy industry in Wisconsin, I want to include in my remarks a resolution which has been well considered and endorsed by these good farmers, and which I sincerely trust will receive the consideration merited, in preparing future agricultural legislation:

Whereas dairying comprises a wide and varied argricultural enterprise which provides a major income for a large number of farmers in the several dairy States and thus far we have received only indirect consideration as dairy farmers in the Agricultural Adjustment Act: and

Whereas large sums of money are invested in the dairy sections today for the purpose of producing dairy products of good nalty. Because of this fact and due to climatic conditions, we quality. Because of this fact and due to climatic conditions, we do not have the alternative of going into other types of farming;

Whereas the dairy farmer is put at a disadvantage, in that the Agricultural Adjustment Act does not control the production of dairying and does not assure the dairy farmer a fair share of the national income; and

Whereas the buying of the dairy products by the Federal Surplus Commodities Corporation has helped dairying as a temporary relief, but with the large surplus in storage and without some control of production the dairy farmer of today is placed in a very unfavorable position: Now therefore be it Resolved, That the following program be incorporated in the Agricultural Adjustment Act:

That dairy products be made a basic commodity and that a parity payment be made to equal the difference between the average price of butter on the New York market and parity price. This payment to be made only to those farmers who stay within their allotment.

That a marketing allotment be set up for each farm on a cow plus butterfat productivity basis, and that the procedure for set-ting up the allotment be national in scope and similar to that ting up the allotment be national in scope and similar to that used in setting up allotments on other commodities, using as a base period the past 10 years, barring those years in which there were abnormal weather conditions, Government cattle purchases, tuberculosis and Bang's eradication programs, special consideration being given small and family-sized farms, and change of operators on farms in setting allotments—the national allotment to be based on domestic consumption, supply of butter on hand, and probable imports and economic conditions of the country.

That an allotment payment of 5 cents per pound based on the allotment for the farm be made for staying within the allotment; that 30 percent of this payment be earned through improvements in herd management, such as cow-testing associations, production-bred sires, and approved herd-health practices; that a deduction of 25 cents per pound be made from this or any other payment earned

25 cents per pound be made from this or any other payment earned under the act if the allotment is exceeded for the amount that it is exceeded.

we recommend that the Dairy Products Marketing Corporation be strengthened so they can operate the dairy markets effectively. This will protect the consumer and dairyman in preventing the big fluctuation in the price of dairy products.

EINAR L. NESS Secretary, Wisconcin State Dairy Committee.

The CHAIRMAN. The time of the gentleman from Wisconsin has again expired.

Mr. DIRKSEN. Mr. Chairman, I yield 5 minutes to the gentleman from Pennsylvania [Mr. Gross].

Mr. GROSS. Mr. Chairman, I hold in my hand an Associated Press report concerning the 1939 crop outlook for the farmer. It says that the American farmers are launching their field work, and the 1939 crop report outlook is dimming their hopes, that quotations on the Chicago market are ranging like this-corn 16 percent lower than a year ago, wheat 12 percent lower, oats down 20 percent, butter 27 percent, and hogs 2 percent, and these prices are from 2 to 21 percent higher than they were in 1928—and that is with the juggled dollar and not the 100-cent Hoover dollar. To these men who have been making comparisons with prices in 1932 I say that on the basis of a 59-cent dollar we are as bad off as we ever were, and you cannot control this farm problem by way of the Treasury and go out into the country and say to the farmers who have been raising the finest corn in the world that they must let their land lie idle. That is adding insult to injury. It will be enough to defeat so many of you Democrats in the next election that you will not be able to hold a caucus. The Associated Press dispatch goes on to say that it is expected that the wheat program will result in less bushels for this year. It always works out the same way. That is, it does not work out as expected. It also goes on to say that the corn that is sealed in the cribs of the Middle West is charged up as farm income. That is not farm income, that is a millstone on the prices of farm commodities in the next year and on this. We have been approaching this thing from the wrong way.

When the farmers are hard up they do not need credit. They need cash to get rid of the credit they have already got. If this administration will change its tactics and stop these broadside attacks on manufacturers and help industry to get functioning, the farmer will have a market, and then we will all go to town.

In 1932 it was my privilege to drive to Philadelphia every month. In May of 1932, when we were all down in the

dumps, when hogs were \$2 per hundredweight and wheat was 35 cents a bushel, I counted the smokestacks in the steel mills at Coatesville, Pa., and there were 39 smokestacks, and they had 4 smoking. In August they had 9 smoking and steel was \$10 a share higher and the country felt better. In 1937, in September, there were 39 of them smoking. Fat cattle in Chicago were \$20 a hundred, wheat was \$1.15 a bushel, hogs were \$9 per hundredweight, and United States Steel was \$127 per share. We were really going to town. When the smokestacks of this country belch forth smoke you will find in them a solution to the agricultural and economical problems of this country. I warn you fellows, get up and support a protective tariff. I attended a meeting of the Ways and Means Committee yesterday and I heard one of the big men of the United States say, "We are ready to spend \$4,000,000 to expand our plant if you will legislate so we can."

The New Deal is retarding everything today, and you are responsible for all the deviltry on the scene. [Applause and laughter.]

[Here the gavel fell.]

Mr. CANNON of Missouri. Mr. Chairman, I yield to the gentleman from Washington [Mr. Coffee] such time as he may require.

A BILL TO LIMIT THE ACTION OF THE NATIONAL GUARD IN LABOR DISPUTES

Mr. COFFEE of Washington. Mr. Chairman, yesterday I introduced a bill, H. R. 5270, to curb the use of the National Guard in labor disputes. I want to make a statement here about the nature and purposes of this measure, which I believe is one vital to the national defense of our country and the morale and prestige of this arm of our defense.

THE NATIONAL GUARD HAS A JUSTIFIABLE EXISTENCE

The National Guard in times of peace should be an instrument of protection for the American people in the event of flood and fire, earthquake and hurricane, and other natural disasters. It should be a weapon of defense against foreign aggression and the stanch protector of the homes, lives, and constitutional liberties of the citizens of the United States. But the National Guard cannot be all these vital things to America so long as it is used in the obnoxious role of strike-breaking. The people of the United States refuse to let their National Guard be a masquerade of finks in uniform, desecrating in their actions the uniforms of the United States Army.

Mr. Chairman, the bill I have introduced today is designed to cure an evil which has alienated many important sections of the population from sympathy with the National Guard, which they have so often seen misused.

THIS BILL ORDAINS A SANE LIMITATION OF SCOPE

The bill provides that unless the civil courts are unable to function, unless the writ of habeas corpus is suspended because of declaration of martial law, the National Guard, when called to aid the civil authorities in connection with any labor dispute, shall not abridge the constitutional rights of any person; shall at all times be subordinate to and not supersede the civil authorities; shall not interfere with the fundamental rights of freedom of speech, press, and assembly. It provides against unwarranted and uncontrolled arrest and detention by the National Guard.

NO SUBSIDIES BY INDUSTRIALISTS

It provides that the National Guard shall not be subsidized in any manner by private individuals and corporations—to throw off the taint and the suspicion that has been cast upon the guard by the zeal of industrialists equally to raise funds for the National Guard and to obtain exclusive use of the guard's services against their employees in case of strike.

It provides for a public record to be made of all activities of the National Guard when called out in connection with a labor dispute.

It provides penalties of \$250 to \$1,000 fines, imprisonment from 60 days to 1 year, or both, for any person who violates the provisions of the act provided. In addition it provides for damage suits and penalties by persons injured through violation of this measure.

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THIS IS A MILD AND REASONABLE STATUTE

I think this is a very mild statute. There have been proposals to forbid altogether the use of the National Guard in any labor dispute, and these proposals have found widespread support not only from labor unions but from nonlabor bodies of all sorts as well. The present bill, I believe, is one that can be supported by every progressive person in the United States and by every person who holds dear the honor of our armed forces.

THERE IS WIDESPREAD SUPPORT FOR SUCH A MEASURE

The efforts of the Congress to establish and protect the rights of labor, and thus to eliminate violence and bloodshed from industrial disputes, have won the applause of a majority of the people. Six years of Federal recognition of labor's rights have done much to right the wrongs endured through many years of callous disregard by the Government. It is doubly wrong and strangely unreasonable, therefore, that the policies of the Federal Government are often subverted and defeated by an establishment of the Federal Government itself. That is exactly what happens as long as we allow the National Guard to be used in behalf of labor-hating employers as strikebreakers, labor spies, and gun-bearing vigilantes.

LET US ENCOURAGE SUPPORT FOR THE NATIONAL GUARD

At a time like this of national crisis, when the country is recognizing the dual dangers of aggression from without by warmongering dictators and of reaction from within on the part of native un-American enemies of democracy, the people must repose their trust and confidence in the armed forces of the Nation. Insofar as these armed forces are dedicated to the protection of democracy and the preservation of our liberties, the trust and confidence of the people shall be theirs. When American soldiers respond to the needs created by natural emergencies, they earn the respect and gratitude of the entire country. But I say that as long as any branch of the United States Army-and the National Guard is exactly that-takes part in the sordid business of smashing strikes, breaking labor unions, and employing force against working men and women, that branch of the armed forces can never hold the trust, confidence, respect, and gratitude of the American people.

. THESES TROOPS SHOULD NOT BE THE TOOLS OF UNSCRUPULOUS INDUSTRIALISTS

It is crime enough when profit-hungry industrialists meet the demands of their employees for decent wages and living conditions with the gunfire of hired thugs and the tear gas of private guards. But it is a far greater crime in the eyes of the country to see a people's army, paid for by and responsible to the people, turned over to these same industrialists for the purpose of protecting their thugs, violating the spirit, and often the letter, of the law, and forcing demoralized employees to accept at bayonet point whatever sweatshop wages and working conditions the employer wishes to foist upon them.

YEAR OF 1938 WAS BETTER THAN AVERAGE

That it is a great crime, and so recognized by public opinion, is evident in one gratifying fact: The year 1938 saw fewer instances of strikebreaking by the National Guard than in any year since the Coolidge administration. According to a survey made by Walter Wilson and David Scribner, the record shows that 1,550 guardsmen were in active service in 5 strikes and an additional 3,500 were mobilized, but never actually sent into the field. This is a marked improvement over preceding years. It shows that in the face of public hostility to the employment of troops during labor disputes the Governors of the several States have been using more discretion in the declaration of martial law as an aid to employers seeking to escape the obligation of collective bargaining with their employees.

Nevertheless the record for 1938 does not mean that the problem is solving itself. It does not provide an excuse for allowing matters to remain as they are, and for the Congress to duck a responsibility that lies squarely before it. The freedom of conduct of interstate commerce, the rights of

labor to organize and bargain collectively, and the preservation of civil liberties are matters subject to the legislative regulation of the Congress.

YET THERE IS VAST ROOM FOR IMPROVEMENT

While the National Guard record for 1938 may be small, it is nonetheless a glaring one. It contains instances unparalleled for open disregard of Federal law, for undisguised strikebreaking, and unashamed violation of the rights of American working men and women. For example, I call to your attention the action of Governor Kraschel, of Iowa, in calling out the troops during a strike at the Maytag Washing Machine Co. plant at Newton, Iowa, during July and August 1938. At about the same time that the Governor ordered 500 guardsmen to the strike scene on July 19, he sent in a board of mediation to investigate and try to bring about a settlement of the dispute. The union stated its willingness to accept the recommendations of the mediation board, in spite of the fact that they involved accepting a cut in wages. The employers refused flatly even to consider them.

THE IOWA INCIDENT

Did Governor Kraschel back up his own board of mediation? He did not. Turning completely about, the Governor advised the union to go back to work at the company's terms, and coupled with his advice a warning that unless they did the troops would reopen the plant under the protection of machine guns and that all picketing, union meetings, and other strike activities would be forbidden.

The Governor did not stop there. He was not satisfied merely to play the part of a Pinkerton or a Bergoff. He was inspired by the bayonets and uniforms and he wanted to play Napoleon as well. He issued an order forbidding the National Labor Relations Board from holding hearings on charges of unfair labor practice filed against the Maytag Co. Federal authority, however, was not cowed by tin-hat edict. The Governor retreated in confusion when the National Labor Relations Board defied his order and announced that the hearings would continue. For, said the Board with truth and dignity—

Any other course would be subordination of the National to the State authorities in matters affecting national sovereignty and of the civil to the military authorities in time of peace. Both are abhorrent to American institutions.

GOVERNOR KRASCHEL COERCED LABOR

If the Governor could not subdue Federal authority in one respect, he could subvert it in another. He promptly announced his determination to reopen the plant with the aid of the troops, and protesting against coercion the union men marched back to work under the surveillance of National Guard men with fixed bayonets. The strike was broken, and American institutions suffered another defeat at the hands of the very forces created and armed to protect them.

THE STRIKE AT SWIFT & CO. PLANT

Troops were employed a second time in 1938 by Governor Kraschel during a strike at the Swift & Co. plant at Sioux City, Iowa. At the request of the sheriff, mayor, and county attorney, 600 National Guard men were sent to the scene on October 19 and remained there on guard duty until November 22. Martial law was not proclaimed, in spite of the Governor's threats, and the strike was finally settled on January 26, 1939. It is interesting to note that on two occasions prior to the calling of the troops the union itself had pleaded to the Governor for protection from 50 thugs imported by the company; but the union's pleas were not granted.

THE GOVERNOR OF OHIO INTIMIDATED ORGANIZED LABOR

The State of Ohio offers another example of the misuse of the National Guard during 1938. Unquestionably the all-American tin-hat title belongs to the former Governor of that State, Mr. Martin L. Davey, whose generous use of the Ohio National Guard got him into serious trouble with the voters during the primary elections in 1938, helped remove another State from the Democratic ranks, which he betrayed.

Mr. Davey's dying gesture during the last days of his term was to send in troops on November 2, 1938, to reopen the struck plant of the Lorillard Tobacco Co. at Middletown, Ohio.

What the employers could not bring about through a back to work movement, the Governor offered to do for them through force. Terming the strike "a brutal, lawless, and tyrannical invasion," and despite official regulations demanding strict neutrality of National Guard officers during labor disputes, Davey ordered 500 guardsmen to reopen the plant in the face of a flat refusal by the company to negotiate with the union or even to meet with officials of the United States Labor Department.

Anxious to avoid bloodshed, 1,000 strikers went back to work, while one of their leaders commented:

We don't intend to have our people murdered by a "lame duck" Governor of the State of Ohio, who has proven himself to be America's No. 1 strikebreaker.

Earlier, on May 27, Davey had mobilized 3,000 National Guard men for possible use during a strike at the Goodyear Tire & Rubber Co. plant at Akron.

IN OKLAHOMA, TOO

Tulsa, Okla., received a Christmas gift of martial law when "lame duck" Gov. E. H. Marland ordered 200 National Guard men to the struck plant of the Mid-Continent Petroleum Corporation. Following an appeal from the local sheriff, the troops were sent out on December 24, 1938, and discovered that the only act of violence was the beating up by scabs of a workman who had nothing to do with the strike. While martial law was in effect, workers living in the military zone were required to obtain passes to go to and from their homes.

Those who are quick to defend strikebreaking under the pretext of protecting the right to work should note the fact that these oil workers in Oklahoma did not want that kind of protection. When some of them were herded into the refinery and held there by the troops, in order to force them back to work, these workers made their escape to join their union comrades by braving the icy waters of the Arkansas River in near-zero weather.

DULUTH, MINN., ACHIEVES SIMILAR NOTORIETY

In Duluth, Minn., 300 National Guard men were mobilized, but never used, on May 23, 1938, as the result of a strike at the plant of the Herald News-Tribune. The purpose of the Governor in this instance was not to break the strike, but rather to prevent the recurrence of violence by police, who had used tear gas to disperse a picket line of the newspaper guild.

THE J. R. CLARK BOX CO. STRIKE

For a most shocking misuse of the National Guard, I refer you to the findings and opinion of a court of inquiry created by Governor Benson, of Minnesota, early in March 1938 in order to investigate the strikebreaking activities of Maj. J. R. Clark, an officer in the National Guard and owner of a manufacturing plant, the J. R. Clark Box Co., whose employees went out on strike. The court of inquiry, whose findings were inserted in the Congressional Record under date of March 21, 1938, established that Major Clark recruited strikebreakers and scabs from the ranks of his regiment, the One Hundred and Fifty-first Field Artillery, used the National Guard Armory for strikebreaking headquarters, and employed property of the National Guard for purposes of housing the strikebreakers within his plant. The court of inquiry, which was composed of three majors of the National Guard, found Major Clark and two of his subordinate officers-one of them assistant superintendent of the J. R. Clark Box Co .- guilty of "conduct to the prejudice of good order and of a nature to bring discredit to the National Guard." Here is an example, only too rare, of true anxiety on the part of a commander in chief of the National Guard to preserve the integrity and the honor of his military forces by exposing and cleaning out actions which disparage the guard in the eyes of the citizens.

EXCITEMENT AT WESTWOOD, CALIF.

An incident which took place in Westwood, Calif., in July 1938 is one more proof of the fact that the National Guard is far too often called out exclusively in the interests of employers and is far too often blind to the most outrageous violence practiced by these very employers upon helpless workers and their families. The National Guard was sent to Westwood when workers of the Red River Lumber Co. went on strike against a 17½-percent reduction in wages, and Sheriff

Olin S. Johnson rushed a plea to Governor Merriam for aid in restoring law and order. When the troops were only a few miles from Westwood, word was received from the sheriff that everything was under control and the guard need come no farther. Whereupon the troops were sent back to barracks.

Let us examine now what kind of law and order had been established at Westwood. Newspapers all over the country printed dispatches on July 13 and July 14 which give a detailed description of the kind of control which made superfluous the presence of the National Guard. Several hundred vigilantes, deputized by Sheriff Johnson, proceeded to raid the homes of all strikers and sympathizers in Westwood, rounded up whole families at gun-point and drove them from the town. Then these guardians of law and order patrolled all roads leading to the town in order to prevent the return of the outcast men, women, and children.

ALL CIVIL LIBERTIES DENIED UNIONISTS

Incredible as that may sound, it is borne out by perfectly sedate news dispatches. The United Press reported as fol-

Deputies patrolled highways leading into the town, halting all cars to question occupants as to their membership or sympathy with the C. I. O. A truck, to which a loud-speaking system was attached, went through the streets, an announcer calling the names of men suspected of C. I. O. membership or sympathy when the men could be found, they were put on the truck and forced to state their position. If the crowd was satisfied with the man's explanation, he was freed; if not, he was given a short time to pack up get his family and leave town. to pack up, get his family, and leave town.

On the following day the Associated Press reported that

Small groups of C. I. O. unionists and their women and children, 750 of whom were driven from Westwood yesterday after a riot, straggled back here today pleading to be allowed to get their belongings

I submit that here indeed was cause for action by the National Guard, action to protect 750 men, women, and children from lynch-law brutality and un-American vigilanteism. That, I insist, is why the citizens of the United States pay from \$30,000,000 to \$40,000,000 a year to promote and uphold the National Guard.

THE INDIVIDUAL GUARDSMAN HAS NO TASTE FOR STRIKEBREAKING

Mr. Chairman, the facts I have presented speak for them-They show that even though the 1938 record of the National Guard was an improvement over other recent years, it is still a black and uncomforting record. They prove that the need exists for Federal action to govern the use of a Federal military body which can be an invaluable weapon of the people in the great cause of preserving a threatened democracy. The American boys who make up the National Guard deserve honor and praise for their service as ministers of mercy. They would reject the role and stigma of strikebreaking storm troops. It is not fair to them to force them to prod unarmed men with bayonets, to break up lawful and peaceful assemblies, and to act as nursemaids and knight errants for gangs of finks and thugs. Above all, it is a perversion of the people's will to thrust them into service as the private army of those special interests who seek to evade, violate, and defy the laws of the Federal Government.

EMULATE THE TRADITIONS OF THE QUONDAM PEOPLE'S MILITIA

The forerunner of today's National Guard was the people's militia, the embattled farmers of Concord and Lexington, who in 1776 "fired the shot heard 'round the world" when they struck the first blow for freedom and democracy. Let it not be the case that the shots fired by our militia and heard today are those fired into the backs of American workers who are forced by stubborn and irresponsible employers to go on strike for living wages and decent conditions of work.

Regulate the use of the National Guard in labor disputes, and you will have gone a long way toward restoring the historic prestige of the American militia.

The bill introduced by me follows:

Be it enacted, etc., That no arms, clothing, equipment, equipage, stores, or materials, heretofore or hereafter supplied by the United States to the National Guard of any State, or heretofore or hereafter purchased for the use of the National Guard of any State, out of any funds appropriated at any time by the United States, shall be

used by any unit, member, or officer of the National Guard of any State, in connection with, or in any situation arising out of, or resulting from, any labor dispute, unless the National Guard or any unit, member, or officer thereof, is used in strict conformity with the provisions of this act.

SEC. 2. (a) The National Guard and any unit, member, officer, or agent thereof, unless martial law is declared—

(i) shall at all times be subordinate to and shall not supersede the civil authorities:

the civil authorities;
(ii) shall not in any way interfere with, abridge, limit, diminish, deny, or prohibit the rights and liberties of, or the exercise thereof by, any person under the Constitution and laws of the United States or of the State in which the National Guard is used;
(iii) shall not arrest or otherwise detain any person except upon reasonable cause, and in the case of such detention or arrest such person immediately, and in any event within 2 hours after his arrest and detention, shall be released or transferred to the custody of the civil authorities of the area of the labor dispute, and upon such transfer the officer of the National Guard responsible for the arrest shall file a written statement specifying the charges against such person.

(b) The National Guard and any unit, officer, member, or agent thereof shall not be used to enforce martial law in any situation connected with, or arising out of, or resulting from any labor dispute so long as the civil courts in the area affected by the labor dispute are or may be functioning or can or may entertain proceedings upon a writ of habeas corpus by or on behalf of any person according

are or may be functioning or can or may entertain proceedings upon a writ of habeas corpus by or on behalf of any person according to law.

Sec. 3. (a) Any and all expenditures of the National Guard and any and all compensation payable to any unit, member, officer, or agent thereof for official services or duties shall be payable only out of the public funds appropriated for that purpose to the amount and in the manner prescribed by law.

(b) Gifts, donations, and gratuities of any nature whatsoever made by any person, firm, association, or corporation to any National Guard unit or to any member, officer, or agent thereof shall not constitute public funds within the meaning of this act, and no National Guard unit or any member, officer, or agent thereof shall perform directly or indirectly any official services or official duties on behalf of any person, firm, association, or corporation, or shall receive directly or indirectly any compensation, gift, donation, or gratuity of any property, real or personal, on account of or during such official service or duties.

(c) No National Guard unit, member, officer, or agent thereof shall accept as a gratuity, donation, or gift any arms, ammunitions, uniforms, clothing, equipment, stores, military supplies or equipment, or supplies or articles of a similar nature from nor shall any such gratuity, donation, or gift be made by any person, firm, association, or corporation.

Sec. 4. Any and all contracts and agreements, whether written or order approach and accept and agreements, whether written or order approach agreements, whether written or order approach agreements or hereafter entered into the corporation or corporation.

such gratuity, donation, or gift be made by any person, firm, association, or corporation.

Sec. 4. Any and all contracts and agreements, whether written or oral, express or implied, heretofore or hereafter entered into between any National Guard unit or any member, officer, or agent thereof and any person, firm, association, or corporation in violation of this act are hereby declared to be contrary to public policy and void and no such contract or agreement shall afford any basis for the granting of legal or equitable relief by any court.

Sec. 5. The adjutant general shall keep a record of the daily activities of the National Guard when used to aid civil authorities. Such record shall include among other things the daily assignments of each squad or corresponding unit of the National Guard in active service, the names of the officers and members or agents of each such squad, the names of all persons arrested and detained and by whom, the names of all persons injured or killed and the location and description of all property selzed or damaged in the course of the activities of the National Guard. Such record shall be filed with the secretary of the State in which the National Guard is used within 72 hours of midnight of each day of such active service and shall be a public record available for copying or inspection.

Sec. 6. Any person, corporation, or association or any public officer or official of the State, Territory, or political subdivision thereof, or any officer, member, or agent of the National Guard who shall aid or incite the willful violate any of the provisions of this act or who shall aid or incite the willful violation of any of said provisions shall for each such offense be deemed guilty of a misdemeanor and upon conviction therefor shall be fined not less than \$250 nor more than \$1,000, or shall be imprisoned for a period of not less than 60 days nor more than 1 year, or both.

Sec. 7. (a) Any person, firm, corporation, or association, or any

therefor shall be fined not less than \$250 nor more than \$1,000, or shall be imprisoned for a period of not less than 60 days nor more than 1 year, or both.

SEC. 7. (a) Any person, firm, corporation, or association, or any public officer or official of a State or any political subdivision thereof, or any member, officer, or agent of the National Guard who shall violate any of the provisions of this act or who shall aid or incite the violation of any of said provisions shall for each and every violation thereof be liable for all damages and, in addition, to a penalty of \$250 to be recovered in any court of competent jurisdiction by any person or persons aggrieved thereby, for and in behalf of himself or themselves or other persons similarly aggrieved, or by an agent or representative designated by such person or persons to maintain such action for and in behalf of all persons similarly aggrieved.

(b) In any civil action as provided in this section to enforce the provisions of this act it shall be sufficient for the plaintiff to plead and prove that the alleged violation of any provision of this act was committed by a person acting under color of his authority in the National Guard as officer, member, or agent thereof; and it shall not be a defense to such action that such person was acting pursuant to the authority vested in him as officer, member, or agent of the National Guard claim any immunity from the provisions of this act

by reason of his office or official duties or powers; and each officer of the National Guard in active service, commissioned or noncommissioned, excluding the Governor, shall be liable for any violation of the provisions of this act committed by any other member or members, or agent of the National Guard under his command, regardless of whether the said other officer or member or agent was acting in conformity with the orders or directions of such commanding officer.

SEC. 8. The district courts of the United States and the United

State courts of the Territories and possessions shall have jurisdiction upon the application by any interested person to restrain any violation of any provision of this act.

SEC. 9. (a) As used in this act, the term "State" means any State of the United States, or the District of Columbia, or any Territory

or possession of the United States.

(b) The term "labor dispute" includes any controversy—

(i) concerning terms or conditions of employment; or

(ii) concerning the association or representation of persons in
negotiating, fixing, maintaining, or seeking to arrange terms or conditions of employment; or

(iii) concerning employment relations, including the right to be recognized as the representative or bargaining agency of employers

or employees; or

or employees; or (iv) concerning the respective interests of employer and employee regardless of whether or not the disputants stand in the proximate relation of employer and employee, and regardless of whether or not an employer or employee is a party to or participant in such controversy.

(c) The term "rights and liberties" under the Constitution or laws of the United States, includes the right—

(i) to strike;
(ii) to picket or patrol any public street or place by any person or persons singly or in numbers, with or without placards, regardless of whether the person, firm, corporation, or association whose premises, residence, or place of business is being picketed or patrolled is the employer of such person or persons engaged in such picketing

or patrolling;
(iii) to hold or conduct any meeting, assembly, or gathering in any auditorium, stadium, hall, room of any dwelling or other any auditorium, stadium, hall, room of any dwelling or other building, or in any other meeting place, or in or upon any vacant

building, or in any other meeting place, or in or upon any vacant land or ground;

(iv) to distribute or circulate in or upon any street or public place, or from house to house, any written matter not offering for sale goods, services, or real or personal property; and

(v) to publicize orally or in writing the existence and any information pertaining to any labor dispute.

SEC. 10. If any section, sentence, clause, or part of this act or the application of such section, sentence, or clause to any person or circumstance, shall be held invalid the remainder of this act or the application of section sentence, or clause to other persons or

or circumstance, shall be held invalid the remainder of this act or the application of section, sentence, or clause to other persons or circumstances shall not be affected thereby.

SEC. 11. All the acts and parts of acts inconsistent with any provisions or parts of this act are hereby repealed.

SEC. 12. Nothing contained in this act shall be deemed to limit the powers of the President of the United States to call out the National Guard under the Constitution of the United States.

SEC. 13. This act shall take effect upon enactment

Mr. CANNON of Missouri. Mr. Chairman, I yield to the gentleman from Alabama [Mr. Hobbs] such time as he may

Mr. HOBBS. Mr. Chairman, Alexander Hamilton was a great mind. He was also a straight and honest thinker. He was the father of the Republican Party and the protective tariff. He would have been the father of parity prices for farm products if his honesty had prevailed. For, said he, every dollar put into the coffers of industry by the protective tariff obviously must be taken from the farmers; so not as a gratuity but as a mere restitution the farmers should be given reciprocal bounties. This was said in his Report on Manufactures.

The protective tariff which he caused by this report has been taking millions of dollars out of the poverty-stricken pockets of the farmers every year since then. Only recently, when the goose of the farmers pockets which laid these golden eggs had been nearly starved to death, and therefore ceased to lay, have we begun to make some niggardly restitution

Make no mistake. Not one thin dime of all the benefit payments, diverted acre rentals, and what-not paid American farmers has been a gift. Let no one think or claim that there has been any generosity. We have but restored to the rightful owner a small part of the wealth that the protective tariff has stolen from him.

But the tariff is only one of the pistols with which the farmer has been robbed. Adverse and discriminatory freight rates have wrongfully taken other millions. Usury, extortion, and unjust exactions of a skillfully manipulated money system have also taken their toll of ill-gotten gain at his expense.

Take the cotton farmer for illustration. The total of all trade balances in our favor in the history of our Nation is some \$35,000,000,000. Of this sum cotton is credited by every calculation with all but two billion. Who has this wealth which the cotton farmer created and brought to this Nation? Hardly one slick nickel of it was ever allowed to stay overnight in the Cotton Belt. The industrial regions took it all.

I am not foolish enough to plead for justice for justice's sake. I do not ask for sympathy, nor for release from the cruel and iniquitous system because of the righteousness of that request. I have no hope of restitution. I simply appeal to the sense of enlightened selfishness to give back to farmers, North, East, South, and West, enough of the wealth which has been taken to enable them to become better customers of national commerce and industry. The surest way out of the slough of despond for business is to deal fairly enough with the farmers to create purchasing power sufficient for national prosperity.

How can Alabama, for instance, buy what she should of the products of industry when her annual cash income per

farm family is only \$200?

Mr. Chairman, once upon a time there was a lawyer who lived in the same town with a carpenter. The carpenter employed the lawyer to represent him in a case of considerable importance. There was no written employment agreement and no definite understanding as to the amount of the lawyer's fee. During the pendency of the case the lawyer employed the carpenter to add a sleeping porch to his home. One afternoon the lawyer, accompanied by one of his other friends, drove by the carpenter's home and left the plans and specifications and an estimate of the materials needed and their prices. The carpenter was asked by the lawyer how much his bill would be, and almost took the breath of the mutual friend away by the amount he stipulated for his services. As they drove off the mutual friend said to the lawyer: "You certainly were a sucker to agree so readily on the price the carpenter named." The lawyer replied: "You don't see the whole picture. I am his lawyer in the case in which he is now involved, and I haven't sent him my bill yet."

This fable is like all other good fables-it is true. It illustrates perfectly one of the aspects of the plight of the American farmer. No matter how high the prices of farm products may go nor how low they fall, the farmer has no voice in fixing them. He is compelled to take what he can get on an open, free, and unprotected market. But the producers of the goods the farmers have to buy have always fixed the prices of their goods; and no matter how high farm prices may go, they have not sent in their bill yet. So like, the lawyer, no matter what the farmer gets, they can and do take it way from him simply by increasing their prices.

The appropriation carried in this bill of \$250,000,000 will not give the American farmer parity prices for his products, but it is a step in that direction and should certainly not be reduced. In fact, it should be increased. If we were enlightened enough to appreciate the whole economic picture. we would multiply it three or four times. For all well-posted economists tell us that every dollar of farm income means a dollar in the pay envelopes of the workers in industry and

at least \$7 in increased business.

I maintain that the estimate of \$7 as a minimum increase in business income for every dollar of farm income is entirely too low when we are thinking of dollars paid the farmers under appropriations such as this so-called parity appropriation. For this is extra money-new money-not fettered by the normal obligations he has to meet out of crop returns. Every one of these new, extra dollars would not only be freer to move into the channels of trade than the ordinary farm-income dollar, but it would come into the possession of the farmer under the pressure of a longdammed-up demand, so that it would move with much greater velocity than do the regular dollars which multiply themselves only seven times in their circulation. It is a conservative estimate that each of these dollars would mean at least \$10 of new business. If we were to apropriate sufficient money to pay the American farmer full parity, it would mean three billion of these new, extra dollars added

to national farm income. This would mean \$3,000,000,000 added to the wages of industrial workers because of the increased demand for the products of industry and it also would mean an increase in the national business income of \$30,000,000,000 in each year of such full parity payments.

Therefore, it seems clear, beyond argument, that national prosperity waits upon the payment of parity prices for farm products. Parity means equality in exchange value. It makes practically no difference whether cotton sells for 5 cents or \$5 a pound, if the price of that cotton buys the same amount of necessities and luxuries for the farmer.

The Nation can no more survive half slave and half free now than it could in the 1860's. Today the farmers and their dependents are shackled in economic slavery as real as the kind which disgraced our civilization before the Proclamation of Emancipation.

By all means, let us retain this small appropriation carried in this bill for the purpose of approaching that far toward parity. We can watch the results and see if it does not prove the best investment we have ever made.

[Here the gavel fell.]

Mr. CANNON of Missouri. Mr. Chairman, I yield to the gentleman from Connecticut [Mr. Shanley] such time as he may require.

Mr. SHANLEY. Mr. Chairman, there has been so much uncertainty about the situation of our trade agreements with Czechoslovakia that I have contacted the State Department and received the following press release in regard to that situation. I have asked unanimous consent to insert the proclamation of the President on this situation and herewith insert it as a contribution to clear thought on this doubtful fact:

MARCH 23, 1939.

The President today signed a proclamation terminating as of April 22, 1939, the rates of duty which he had previously proclaimed pursuant to the trade agreement with Czechoslovakia. The action taken by the President is based upon the fact that, although the trade agreement remains in effect, its operation has been suspended as a result of the occupation of the Czechoslovak Provinces of Bohemia, Moravia, and Slovakia by the armed forces of Germany, and of the Province of Ruthenia by the armed forces of Hungary.

The trade agreement with Czechoslovakia was signed on March 7, 1938, and, as modified by the terms of a protocol of amendment signed April 15, 1938, was applied provisionally by the two governments on and after April 16, 1938.

The text of the proclamation is as follows:

By the President of the United States of America.

A PROCLAMATION

Whereas it is provided in the Tariff Act of 1930 of the Congress

Whereas it is provided in the Tariff Act of 1930 of the Congress of the United States of America, as amended by the act of June 12, 1934, entitled "An act to amend the Tariff Act of 1930" (48 Stat. 943), which amending act was extended by joint resolution of Congress approved March 1, 1937 (50 Stat. 24), as follows:

"SEC. 350. (a) For the purpose of expanding foreign markets for the products of the United States (as a means of assisting in the present emergency in restoring the American standard of living, in overcoming domestic unemployment and the present economic depression, in increasing the purchasing power of the American public, and in establishing and maintaining a better relationship among various branches of American agriculture, industry, mining, and commerce) by regulating the admission of foreign goods into the United States in accordance with the characteristics and needs of various branches of American production so that foreign markets will be made available to those branches of American production which require and are capable of developing such outlets by affording corresponding market opportunities for foreign products in the United States, the President, whenever he finds as a fact that any existing duties or other import restrictions of the United States or any foreign country are unduly burdening and restricting the foreign trade of the United States and that the purpose above declared will be promoted by the means hereinafter specified, is authorized from time to time—

"(1) To enter into foreign trade agreements with foreign govern—
"(1) To enter into foreign trade agreements with foreign govern—
"(1) To renter into foreign trade agreements with foreign govern from time to time

(1) To enter into foreign trade agreements with foreign govern-

ments or instrumentalities thereof; and

"(2) To proclaim such modifications of existing duties and other
import restrictions, or such additional import restrictions, or such import restrictions, or such additional import restrictions, or such continuance, and for such minimum periods, of existing customs or excise treatment of any article covered by foreign-trade agreements as are required or appropriate to carry out any foreign-trade agreement that the President has entered into hereunder. No proclamation shall be made increasing or decreasing by more than 50 percent any existing rate of duty or transferring any article between the dutiable and free lists. The proclaimed duties and other import restrictions shall apply to articles the growth, produce, or manufacture of all foreign countries, whether imported directly or indirectly: *Provided*, That the President may suspend the application to articles the growth, produce, or manufacture of any country because of its discriminatory treatment of American commerce or because of other acts or policies which in his opinion tend to defeat the purposes set forth in this section; and the proclaimed duties and other import restrictions shall be in effect from and after such time as is specified in the proclamation. The President may at any time terminate any such proclamation in whole or in

part."

Whereas, pursuant to the said Tariff Act of 1930, as amended, I entered into a foreign trade agreement on March 7, 1938, with the President of the Czechoslovak Republic, which agreement was amended by a protocol of amendment signed on April 15, 1938:

Whereas by my proclamations of March 15, 1938, and April 15, 1938, I did make public the said trade agreement, as amended by the said protocol of amendment, in order that the said agreement, as amended, should be observed and fulfilled with good faith by the United States of America and the citizens thereof on and after April 16, 1938:

Whereas the occupation of the Czechoslovak Provinces of Bohemia, Moravia, and Slovakia by armed forces of Germany, and of the Province of Ruthenia by armed forces of Hungary, and the assumption of de facto administrative control over these provinces by Germany and Hungary renders impossible the present fulfillment by the Czechoslovak Republic of its obligations under the said agreement;
Whereas this condition will obtain so long as such occupation and

administration continue:

administration continue:

Now, therefore, be it known that I, Franklin D. Roosevelt, President of the United States of America, acing under the authority conferred by the said Tariff Act of 1930, as amended by the said act of June 12, 1934, as extended by the said joint resolution of March 1, 1937, do hereby proclaim that my proclamations of March 15, 1938, and April 15, 1938, shall be terminated in whole on the thirtieth day after the date of this my proclamation.

In testimony whereof I have hereunto set my hand and caused the seal of the United States of America to be affixed.

Done at the city of Washington this 23d day of March A D 1939.

Done at the city of Washington this 23d day of March, A. D. 1939, and of the independence of the United States of America the one hundred and sixty-third. FRANKLIN D. ROOSEVELT.

[SEAL] By the President: SUMNER WELLES, Acting Secretary of State.

Mr. CANNON of Missouri. Mr. Chairman, I yield the remainder of my time to the gentleman from Texas [Mr. MAHON 1

Mr. MAHON. Mr. Chairman, may I speak one moment before we begin to read this appropriation bill?

When the 1938 Farm Act became law I made the prediction that it would not prove fully acceptable to the farmer because, among other reasons, it would not insure an adequate price for farm products. Any farm program which merely reduces production and does not automatically raise the price of farm crops cannot fully succeed. The farmer is interested in soil conservation and a lot of other things, but he knows, and everybody who knows anything about agriculture knows. that there can be no wholesome condition in agriculture until the price level is raised—until the farmer gets his fair share of the national income.

I know that the Committees on Agriculture of the House and Senate are working constantly and diligently on this problem. What they will recommend I do not now know.

However, the Committee on Appropriations, of which I am a member and which has brought in this bill, cannot authorize agricultural legislation. We can only sponsor appropriations. But at this time and in this appropriation bill we do have a small opportunity to adjust upward the farm income by making an appropriation for partial parity pay-The committee has favorably recommended \$250,-000,000 for parity payments to supplement the \$500,000,000 recommended for soil-conservation payments. Two hundred and fifty million dollars is not enough, and I should like to see a much greater appropriation. These are large sums we are talking about, but let us remember that we are considering the welfare of a large number of people—the welfare of 30,000,000 people living on the farms of America.

The agricultural producer is facing an almost desperate situation. We must not forget that there can be no sound and wholesome conditions in the Nation until the buying power of the farmer has been restored. The tariff and our economic system generally have handicapped the farmer. The farmer does not want a dole. He only wants a fair opportunity to receive that which is justly due him. I hope we can retain the full amount provided in this bill, and, if possible, increase the sum sufficiently to provide parity.

Mr. DIRKSEN. Mr. Chairman, I yield to the gentleman from Nebraska [Mr. Stefan] such time as he may desire.

Mr. STEFAN. Mr. Chairman, I wish to thank those in charge of this bill for giving me the opportunity to address Members of this House on this important question of the farming industry. I wish first to notify the membership of the House that I have filed with the Clerk petition No. 6, which asks for the discharge of the committee from further consideration of H. R. 70 which is a bill to liquidate and refinance agricultural indebtedness at a reduced rate of interest by establishing an efficient credit system through the use of the Federal Credit Administration and the Reserve banking system. I urge every Member of the House who is interested in the welfare of the farmer to sign this petition in order that we can bring this meritorious bill on the floor of the people's representatives for debate and actual consideration. This is not a political party measure. The petition is a pro-test against the gag rules under which we operate here to the detriment of meritorious legislation which millions of American people feel should be given a fair and liberal hearing by their representatives. It will require a majority or 218 signatures on my petition to get such a hearing and I want to thank those Members from farming districts for giving me support and encouragement in filing this petition and their pledge to aid me in securing the signatures of additional sympathetic Members.

Full hearings have been held on this bill and these are available to every Member. I urge that each of you secure a copy of these hearings in order that you may become familiar regarding the merits of this proposed legislation.

Every time this Congress adjourns I go home and actually visit every corner of my district, which is purely agricultural. I feel that I know what is going on in the farm homes and in the farm communities. I have become depressed in traveling over the 22 counties of my district to find so many farms abandoned, so many foreclosures, so many farmers pleading for some method to refinance themselves so that they or their children may eventually own their homes. Thousands of farmers have lost their farms. If these foreclosures and farm abandonments continue, we in Nebraska will become a land on farm tenancy which may bring the standard of farm life equal to the low standards which prevail on the farms in some foreign lands.

Since returning to Washington I have hundreds of letters and petitions from farmers and business and professional men pleading for some better refinancing of the farmer. Even the officers and stockholders of the farm-loan associations have sent me scores of petitions with thousands of names pleading for lower rates of interest and extension of payments on the principal on loans in order to stop the exodus of our farmers and the loss of their homes. I am in full sympathy with these pleas, and because I am here representing these fine people who believe in the future of our fine Nebraska farm land I want them to know that I am vocal and active in their behalf. You, too, have these problems. You, too, must realize that there will be no prosperity in our land until the farmer and his children will have some hope of owning their own farms and some hope that they again will have some purchasing power. I could discuss here for many hours real and bona fide reasons why there will be no recovery in our land until the farmer's purchasing power is returned to him. But time does not permit and I will discuss that matter at some later date. I wish now to confine myself in discussing this refinance bill, which is commonly known as the Frazier-Lemke refinance bill. I do this because there are many new Members in this House who were not here during the past 4 years when we have been fighting

We have passed laws for railroads, banks, industrialists, and even for labor. We listen attentively when the representatives of these groups come before us. Here is a bill in which 32,000,000 men, women, and children who feed and clothe us are asking to be debated on this floor. After all these years of waiting I feel that this session of Congress should give these people a hearing and pass this farm refinance legislation.

To both the old and new Members I wish to explain that there are a few minor changes in the new farm refinance bill. It retains all of its principles. To briefly explain the new bill, known as H. R. 70, it provides:

SEC. 2. The Farm Credit Administration is hereby authorized and directed to liquidate, refinance, and take up farm mortgages, and other farm indebtedness existing at the date of the passage of this act by making real-estate loans, secured by first mortgages on farm lands, to an amount equal to the appraised value of such farm lands and 75 percent of the value of insurable buildings and improvements thereon such loans to be made through the Federal lands and 75 percent of the value of insurable buildings and improvements thereon, such loans to be made through the Federal land banks and national farm-loan associations. Such loans shall be made on the standard amortization plan at the rate of 3 percent per annum, the interest rate shall be 1½ percent, and the balance of each installment or payment shall be applied on the principal. SEC. 3. The Farm Credit Administration is further authorized and directed to liquidate, refinance, and take up chattel mortgages and other farm indebtedness, existing on the date of enactment of this act, by making loans at the rate of 3 percent interest per

and other farm indebtedness, existing on the date of enactment of this act, by making loans at the rate of 3 percent interest per annum, secured by first mortgages on livestock, to an amount equal to 65 percent of the fair market value thereof, such loans to run for a period of 1 year, with right of renewal from year to year for a term of 10 years: Provided, That any depreciation in the value of such livestock is replaced by additional livestock, and the amount of the loan is reduced 10 percent each year. Such loans to be made through the intermediate credit banks and the production credit associations. associations.

associations.

SEC. 4. The funds with which to liquidate and refinance existing farm mortgages and other farm indebtedness shall be provided by the issuing of farm-loan bonds by the Farm Credit Administration. Such bonds shall bear interest at the rate of 1½ percent per annum if secured by first mortgages on farms and 3 percent per annum if secured by first mortgages on livestock. The Farm Credit Administration may sell these bonds at not less than par to any individual or corporation, or to any State, national, or Federal Reserve bank, or to the Treasurer of the United States. It shall be lawful for the Federal Reserve and national banks to invest their available funds, including surplus and net profits, in such farm-loan bonds. Any State, national, or Federal Reserve bank that buys such farm-loan bonds direct from the Farm Credit Administration may, upon giving 30 days' notice to the Board of

Administration may, upon giving 30 days' notice to the Board of Governors, exchange them for Federal Reserve notes. Such notes to be issued by the Federal Reserve System and given in exchange for the bonds without recourse.

SEC. 5. In case all of said farm-loan bonds are not readily purchased, then the Governor of the Farm Credit Administration shall present the remainder to the Board of Governors of the shall present the remainder to the Board of Governors of the Federal Reserve System, and the Board shall forthwith cause to be issued and delivered to the land-bank commissioner Federal Reserve notes to an amount equal to the par value of such bonds as are presented to it. Such farm-loan bonds to be held by the Federal Reserve Board as security in lieu of any other security or reserve: Provided, however, That as additional security and reserve, the President, in his discretion, by Executive order, may set aside a gold fund in the Treasury as a reserve for such notes out of free gold in the Treasury or out of the exchange stabilization fund created by section 10 of the Gold Reserve Act of 1934, and maintain such reserve fund in an amount equivalent in dollars to not more than 40 percent of such notes outstanding. The outstanding Federal Reserve notes issued under this act shall at no time exceed \$3,000,000,000.

SEC. 8. The benefits of this act shall also extend to any farmer

SEC. 8. The benefits of this act shall also extend to any farmer or member of his family who lost his or her farm through indebtedness or mortgage foreclosure since January 1, 1930, and who desires to purchase part or all of the farm lost, if available, or another like farm. It shall also extend to any tenant or member of his or her family who desires to purchase a farm not exceeding \$10,000 in value, provided he or she has lived on and operated a farm as a tenant for at least 3 consecutive years prior to the enactment of this act.

There is nothing new in this bill. The banks are given an opportunity to buy the bonds. They have \$15,000,000,000 of idle money that they are unable to invest because the people have no credit left. If this bill is passed, they can invest part of this in these bonds. If they refuse, then the Federal land banks can get the money from the Federal Reserve System the same as the Federal Reserve banks do now for the bankers. What is "sauce for the goose is sauce for the gan-Then the Government would make a profit of \$6,345,000,000 at 11/2 percent interest in 47 years—the time required for amortization of the farm indebtedness-and the farmers would save over \$19,000,000,000 in lower interest.

On behalf of the hundreds and thousands of farmers who have been losing their homes since 1920 through mortgage foreclosure I plead with this House and its Members to sign my petition and get some action on this bill during this session. Hundreds and thousands of innocent men, women, and children have been evicted from their homes-hundreds and thousands more have lost their farms and have become tenants, or sharecroppers and serfs for absentee landlords.

Since 1920 over 10,000,000 farm boys and girls have been driven into already overcrowded towns and cities to swell the army of unemployed-compelled to go on relief. Prosperous farmers of yesterday have become wanderers over our land, discouraged and confused humanity searching for a home. This, Mr. Chairman, is America's problem today. Our problem is not in foreign lands where wars are being waged. Our war is at our front door. We are intelligent enough to realize this today if we but look about us. Our farming industry is our most important industry. When we make that industry succeed we will solve our labor and industrial problems and not until then.

Today we are passing the annual appropriation bill to pay the cost of running our Agriculture Department. The bill carries over a billion dollars. With the exception of the parity price item against which there is so much fight today, this gigantic money bill will not result in increasing the price of farm produce one penny. So you realize the importance of immediate action toward real refinancing legislation for our great farming industry. I plead for your support today.

Mr. DIRKSEN. Mr. Chairman, I yield the balance of my time to the gentleman from Iowa [Mr. Talle].

A MEASURE TO AID AGRICULTURE

Mr. TALLE. Mr. Chairman, I rise at this time to call attention to a bill which I introduced in the House yesterday. This bill is known as H. R. 5285, and it is has to do with rates of interest which farmers now pay on loans made through Federal land banks and through the land-bank commissioner. It has to do also with the maturity of landbank-commissioner loans.

Specifically the bill proposes that the interest rate on both types of loans be made permanent at a rate of 31/2 percent. And it proposes further that the maturity period of the landbank-commissioner loans be made to extend over 34 years instead of the much shorter period which the law now prescribes.

It appears to me that there is merit in this bill. In the first place, it is reasonable. The Federal Government can borrow money at so low a rate that it can afford to lend money to farmers at 31/2 percent. Commercial banks do not now pay more than 2 percent on savings accounts. Many banks pay less than 2 percent. The Federal Government pays no more than 2 percent on postal savings. Some commercial banks will not pay any interest at all on savings accounts. In fact, I have known commercial banks to turn down prospective customers, rejecting their savings accounts

In the second place, it appears to me that simple justice demands that such a bill should pass this House. Industry can borrow money at a rate which is lower than that which the farmer must pay. Interest on a mortgage is a heavy fixed charge. Justice demands that this burden should weigh no more heavily on agriculture than it does on industry.

In the third place, this bill will help to stabilize agriculture. If the borrower is permitted to make his payments on principal over a period of 34 years, he will be better able to make his payments regularly because the amount which he must pay each year will be considerably smaller than that now required by the law under the land-bank-commissioner loan contracts. This bill, when enacted into law, will promote orderly payments of the principal with the result that fewer farms will be foreclosed upon and become a burden to the Federal Government.

It is not necessary for me to point out that agriculture is in a bad way at the present time. It is not necessary for me to point out that the future prospect of agriculture is not bright. This problem is a serious one, and I say it is a much more serious matter than is the problem of national defense. I plead with this Congress to pay attention to our internal problems first. If this Congress does not do so, it may well be that we shall have little to defend. Let us put first things first. Then, as we begin to solve our internal problems such as the plight of agriculture and unemployment, we can meet our external problems with more assurance. I am for adequate national defense. So is every other loyal American. But I also want to be sure that the internal affairs of my country are in such shape that there is strength in our farming group, strength in our industrial group, strength in our commercial group, strength in our transportation group, and strength in our professional group. The best defense our country can have is a strong domestic economy. Certainly the condition of agriculture at the present time demands that this all-important branch of our domestic economy be strengthened.

Finally, I do not maintain that my bill, when enacted into law, will solve the problem of agriculture. But I do maintain that it will aid in the solution. And I do maintain that this bill is a reasonable measure. It is a constructive measure. It is a measure which merits the support of every Member in this House.

I was born and reared on a farm. I have done all the kinds of work the farmer must do in the Fourth District of Iowa, which I have the honor to represent. I helped my parents to pay off a mortgage on the old homestead which is still held in the family name and on which my mother and one brother still reside. There is no mortgage on that farm today. There has not been since before our country entered into the World War. But that is rather an exceptional case. I mention it here because I want to make it clear that I do not expect to profit in a definitely personal way by the passage of my bill.

In conclusion, I contend that the American farmer is an honest, upright, hard-working, clean-living, intelligent citizen of our country. He is the backbone of our Nation. He raises the food we eat. He furnishes the raw materials that go into the clothes we wear. He supports our schools and our churches. He reaches down into his pockets and supplies a good share of the taxes that must be paid for the maintenance of government. He does not die rich. But during his lifetime he works hard; maintains a decent home; tries to educate his children; and is as loyal to the free institutions of America as any man who has the honor to call himself American.

Mr. Chairman, I am glad that in my first speech in this House I might raise my voice in behalf of the American farmer. [Applause.]

Mr. Chairman, at the appropriate time I shall ask unanimous consent of this House to include in my remarks a house concurrent resolution, No. 3, passed by the Forty-eighth General Assembly of Iowa which convened at Des Moines January 9, 1939. This resolution is signed by the speaker of the house, Hon. John R. Irwin, and certified to by the chief clerk of the house, Mr. A. C. Gustafson, and reads as follows:

House Concurrent Resolution 3

Whereas the welfare of the great Commonwealth of Iowa depends

Whereas the welfare of the great Commonwealth of Iowa depends upon the stabilization of agriculture; and Whereas long-term loans and low-interest rates help materially to stabilize the agricultural industry; and Whereas the emergency farm loan interest rate of 3½ percent, made possible by special action of the National Congress, to the farmer borrowers having Federal land-bank loans expires July 1, 1940, and the emergency farm loan interest rate of 4 percent, made possible by a special act of the National Congress, to the farmer borrowers having land-bank-commissioner loans expires July 1, 1940; and

Whereas the land-bank-commissioner loans provides for principal payments of 5 percent or 10 percent per annum in addition to the interest payments; and

Whereas thousands of farmers in the State of Iowa have Federal land-bank and/or land-bank-commissioner loans, and because of the fact that the interest rates are not definitely fixed at a low rate, the fact that the interest rates are not definitely fixed at a low rate, and because of the fact that principal payments of at least 5 percent or 10 percent per annum are required on land-bank-commissioner loans, there is much uncertainty and indefiniteness in the plans of such farmer borrowers; and

Whereas it appears to be possible to extend lower interest rates to the farmers without an excessive burden to the taxpayer and with almost no administrative costs, and that interest rates on Government loans to other industries is considerably less than that fixed for the farmer of the Middle West; and

Whereas it is our opinion that low-interest rates and small principal payments accorded to the farmers of Iowa through the Federal land-bank system would contribute much to the stabilization of agriculture: Therefore be it

Resolved by the house (the senate concurring), That the Legislature of Iowa, duly assembled in Des Moines, Iowa, respectfully petitions the Members of the National Congress to use every possible effort to secure the passage of a law making 3½-percent interest rate permanent to the farmer borrowers of the Federal land bank and the land-bank-commissioner, and that this legislature urges the Members of the National Congress to secure the passage of a law extending all principal payments on land-bank-commissioner loans over a period of 34 years, as provided for Federal land-bank loans, and that the said be made permanent, and that a copy of this resolution be sent to each United States Senator and Representative from the State of Iowa, to the Speaker of the National House of Representatives, to the President of the United States Senate, and to the President of the United States.

The CHAIRMAN. All time has expired. The Clerk will read.

The Clerk read as follows:

MISCELLANEOUS EXPENSES, DEPARTMENT OF AGRICULTURE

For stationery, supplies, materials, and equipment, freight, express, and drayage charges, advertising and press clippings, communication service, postage, washing towels, repairs, and alterations; for the maintenance, repair, and operation of one motorcycle and not to exceed three motor-propelled passenger-carrying vehicles (including one for the Secretary of Agriculture, one for general utility needs of the entire Department, and one for the Forest Service) and purchase of one motor-propelled passenger-carrying vehicle at not to exceed \$1,500, including the exchange value of one such vehicle, for official purposes only; for official traveling expenses, including examination of estimates for appropriations in the field for any bureau, office, or service of the Department; and for other miscellaneous supplies and expenses not otherwise provided for and necessary for the practical and efficient work of the Department, which are authorized by such officer as the Secretary may designate, \$108,250: Provided, That this appropriation shall be available for the payment of salaries of employees engaged in the maintenance, repair, and operation of motor transport vehicles, and that this appropriation shall be reimbursed from the appropriation made for any bureau or office for which such service is performed, in accordance with the provisions of the act of May 11, 1922 (5 U. S. C. 543): Provided further, That the Secretary of Agriculture, during the fiscal year for which this appropriation is made, may maintain stocks of stationery, supplies, equipment, and miscellaneous materials sufficient to meet, in whole or in part, requirements of the bureaus and offices of the Department in the city of Washington and elsewhere, but not to exceed For stationery, supplies, materials, and equipment, freight, expriation is made, may maintain stocks of stationery, supplies, equipment, and miscellaneous materials sufficient to meet, in whole or in part, requirements of the bureaus and offices of the Department in the city of Washington and elsewhere, but not to exceed in the aggregate \$200,000 in value at the close of the fiscal year, and the appropriations of such bureaus, offices, and agencies available for the purchase of stationery, supplies, equipment, and miscellaneous materials shall be available to reimburse the appropriation for miscellaneous expenses current at the time supplies are allotted, assigned, or issued, or when payment is received; for transfer for the purchase of inventory; and for transfer pursuant to the provisions of section 601 of the act approved June 30, 1932 (31 U. S. C. 686): Provided further, That the appropriations made hereunder shall be available for the payment of salaries and expenses for purchasing, storing, handling, packing, or shipping supplies and blank forms, and there shall be charged proportionately as a part of the cost of supplies issued an amount to cover such salaries and expenses, and in the case of blank forms and supplies not purchased from this appropriation an amount to cover such salaries and expenses shall be charged proportionately to the proper appropriation: Provided further, That the facilities of the central storehouse of the Department shall to the fullest extent practicable be used to make unnecessary the maintenance of separate bureau storehouse activities in the Department: Provided further, That a separate schedule of expenditures, transfers of funds, or other transactions hereunder shall be included in the annual Budget.

Mr. PACE. Mr. Chairman, I offer an amendment.

Mr. PACE. Mr. Chairman, I offer an amendment. The Clerk read as follows:

Amendment offered by Mr. Pace: At the end of line 24, on page 6, add the following: "Provided further, That no part of the funds appropriated by this act shall be expended in the purchase of twine manufactured from commodities or materials produced outside of the United States." the United States.

Mr. PACE. Mr. Chairman, when the Post Office Department appropriation bill was before the House, I offered an amendment of this character providing that not more than one-half of the funds carried in that bill should be expended in the purchase of twine manufactured from foreign

Inasmuch as the Post Office Department had been using jute exclusively for 18 years, I thought it would not be wise to require that they discontinue it entirely and suddenly but to let American commodities come along with the jute the first year on a 50-50 basis; but now we are appropriating for the Department of Agriculture, a department established for the single purpose of promoting the welfare of the American farmer. Certainly it seems to me only consistent that our own Department of Agriculture should use only American farm commodities.

I listened yesterday and today with much interest to the declarations and statements of our Republican friends to the effect that they thought the American farmer was entitled to the American market, and I hope they will be found in complete sympathy with this effort to have the Department of Agriculture use only twine that is manufactured from American material.

Mr. DONDERO. Mr. Chairman: will the gentleman yield? Mr. PACE. I yield.

Mr. DONDERO. Does the gentleman's amendment go so far as to exclude all material used in the manufacture of binder twine in the United States?

Mr. PACE. My amendment applies only to the Department of Agriculture and provides simply that the twine they use shall be manufactured out of American commodities.

Mr. DONDERO. If it goes as far as to exclude materials used in binder twine it would exclude all materials which come into this country for the manufacture of binder twine.

Mr. FULMER. For the information of the gentleman I may state that that is a different fiber than jute.

Mr. DONDERO. The gentleman's amendment does not include materials used in binder twine?

Mr. PACE. The amendment excludes all twine made of foreign materials.

Mr. FULMER. Mr. Chairman, will the gentleman yield? Mr. PACE. I yield.

Mr. FULMER. Mr. Chairman, I wish the gentleman would call to the attention of the House the fact that we have under our loan program 11,000,000 bales of American cotton, and in the meantime we are tying the mails of the United States with jute twine that is made in India when they could use cotton and help the farmers of the South to that extent. [Applause.]

Mr. PACE. Not only that, but the American Government at this time has an investment of approximately \$600,000,000 in cotton. If I may proceed for a moment, I express the hope that this amendment will be adopted.

Mr. TARVER. Mr. Chairman, will the gentleman yield? Mr. PACE. I yield.

Mr. TARVER. I may say to the gentleman from Georgia that I have conferred with my colleagues on the majority side and they are in favor of the gentleman's amendment.

Mr. PACE. I was about to say that I felt sure the members of the Committee on Agriculture on this side would not object to this amendment, for this committee is set up for the sole purpose of looking after the interests of the American farmer. I therefore hope that in view of the investment of the Government in cotton, in view of the expressed interest of our Republican friends in an American market for the American farmer, in view of the interest of the Department of Agriculture solely for the welfare of the American farmer, in view of the interest of this committee solely in the welfare of the American farmer, that this amendment may have the unanimous support of each and every Member of this House.

Mr. COOLEY. Mr. Chairman, will the gentleman yield? Mr. PACE. I am very glad to yield to the gentleman from North Carolina.

Mr. COOLEY. I am very much in favor of the gentleman's amendment, but I wonder if he was entirely correct in his statement to the effect that the Government has a \$600,000,000 investment in cotton? We have a liability; is not that correct?

Mr. PACE. We have \$600,000,000 in loans on 11,200,000 bales of cotton.

Mr. COOLEY. It is more of a liability than an investment.

Mr. PACE. The gentleman is correct; it is a liability.

Mr. REES of Kansas. Mr. Chairman, will the gentleman

Mr. PACE. I yield.

Mr. REES of Kansas. From what country do we import the material for the twine used in the Post Office Department?

Mr. PACE. We are importing it from India.

[Here the gavel fell.]

Mr. CANNON of Missouri. Mr. Chairman, I ask for a vote on the amendment.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Georgia.

The amendment was agreed to.

The Clerk read as follows:

Hawaii: To carry into effect the provisions of an act entitled "An act to extend the benefits of certain acts of Congress to the Territory of Hawaii," approved May 16, 1928 (7 U. S. C. 386–386b), \$55,000.

Mr. KING. Mr. Chairman, I offer an amendment. The Clerk read as follows:

Amendment offered by Mr. King: Page 10, line 16, strike out "\$55,000" and insert in lieu thereof "\$60,000."

Mr. KING. Mr. Chairman, the amendment I have proposed would increase the allocation for the Hawaii Agricultural Experimental Station from \$55,000 to \$60,000, which is the recommendation of the Bureau of the Budget.

The provisions of the Hatch Act allotted \$15,000 for the experiment stations of every State.

The Adams Act provided an additional \$15,000 for each of the several States.

The Purnell Act provided a further \$60,000 for every State, making a total of \$90,000 for the experiment stations of the 48 States, regardless of size or population or the relative importance of agriculture in the particular State's economy.

None of these acts included Hawaii in its provisions. In 1928 a special act was passed extending the benefits of the three preceding measures to the Territory of Hawaii, but prescribing that Hawaii should receive a specific sum each year, increasing in amount until \$90,000 per year was reached. In other words, Hawaii was to achieve parity with the several States gradually over a period of years.

The amount stipulated in the special act for the fiscal year ending June 30, 1938, was \$60,000. The appropriation bill as approved by the House included this item, but the Senate reduced it to \$50,000, and the bill was passed with the lower figure. This meant a loss to the Hawaii Agricultural Experiment Station of \$10,000 for that fiscal year.

For the present fiscal year ending June 30, 1939, the statutory provision called for an appropriation of \$70,000. The Department of Agriculture submitted this figure in its estimates. The Bureau of the Budget reduced it to \$60,000, noting that this provided for the statutory increment of \$10,000. Of course, this is incorrect, because the law prescribed no increment, but names specific amounts for each fiscal year.

The House passed the appropriation bill with a further reduction to \$50,000. The Senate restored it to \$60,000. In conference the amount was fixed at \$55,000, which meant a loss for the current fiscal year of \$15,000.

The amount authorized by law for the fiscal year ending June 30, 1940, is \$80,000. The Department of Agriculture included this sum in its estimates, but the Bureau of the Budget recommended \$60,000, which is \$20,000 less than the authorization. I ask that at least the Budget Bureau's figure be restored, as otherwise the law adopted in 1928 will be nullified, and Hawaii will never arrive at parity with the several States in this aid to agriculture.

Agriculture is Hawaii's only industry, practically; and the amounts allocated to the experiment station are most important in the development of diversified agriculture in that Territory.

Mr. Chairman, I sincerely hope the Committee will approve the Budget recommendation, at least, which was \$20,000 less than the authorization passed in 1928, and approve my amendment.

Mr. CANNON of Missouri. Mr. Chairman, I rise in opposition to the amendment offered by the Delegate from Hawaii. Mr. Chairman, the committee allowed for this the same amount appropriated for the current year. After hearing the testimony, it seemed to the committee that the amount provided this year was ample, and we continued the amount allocated for 1939 over into 1940.

The CHAIRMAN. The question is on the amendment offered by the Delegate from Hawaii [Mr. King].

The amendment was rejected.

The Clerk read as follows:

Alaska: To carry into effect the provisions of an act entitled "An act to extend the benefits of the Hatch Act and the Smith-Lever Act to the Territory of Alaska," approved February 23, 1929 (7 U. S. C. 386c), \$15,000; and the provisions of section 2 of the act entitled "An act to extend the benefits of the Adams Act, the Purnell Act, and the Capper-Ketcham Act to the Territory of Alaska, and for other purposes," approved June 20, 1936 (7 U. S. C. 369a), \$8,750; in all, for Alaska, \$23,750.

Mr. DIMOND. Mr. Chairman, I offer an amendment, which I send to the Clerk's desk.

The Clerk read as follows:

Amendment offered by Mr. DIMOND: Page 10, line 25, after the word "Alaska", strike out "\$23,750" and insert "\$25,000."

Mr. DIMOND. Mr. Chairman, by the amendment proposed I am seeking to restore the amount approved by the Bureau of the Budget and set up in the Budget estimate. Several years ago, on June 20, 1936, there was passed an act extending the Adams, Purnell, and Capper-Ketcham Acts to Alaska. The act so passed and approved provides that for experiment station work Alaska shall have precisely one-half of similar amounts expended in each of the States. The act was very carefully drawn.

Hearings were had before the Bureau of the Budget and provision was made in the act that the increases so made should be given on a graduated scale—\$5,000 for the fiscal year ending June 30, 1937, then an increase of \$2,500 for each year until in the year 1947, when the amount of \$37,500 would be reached. Even under the Budget estimate we are \$2,500 below the amount authorized for the fiscal year 1940.

The committee has stricken out the very slight increase granted by the Bureau of the Budget, \$1,250. There is distinct and outstanding need for experiment station work in Alaska. Similar work in the States has already been largely completed. The situation in Alaska is well stated by Dr. Jardine, who is in charge of experiment station work in the Department of Agriculture, and, if permitted, I should like to read very briefly from his statement.

I quote from page 129 of the hearings:

I may say for the benefit of the committee, and also to express my own judgment and feeling, we have a tremendous territory in Alaska. It is a long way from the United States, and their soil problems and other problems are different from those problems in the United States.

States.

We do not have so many farmers, but we do have the Matanuska colony, a farming area at Fairbanks, and we have varying interests. I am quite sure, from 30 years' experience in research, that if and when the time should come that we would need to or would undertake much further development in Alaska, we would be sorely in need of facts which no amount of money could gather for us without requiring time. While I am not urging an additional increase at this time, yet, from some knowledge of Alaska and the national picture, I would hope that at some time in the future we could be a little more liberal for research in Alaska.

Mr. Chairman, Dr. Jardine assumed, of course, that the \$1,250 increase granted by the Bureau of the Budget would remain in the bill. Many Members do not know that we have in Alaska about 40,000,000 acres of agricultural and grazing land, some of it of excellent quality, and that on similar lands in Norway, Sweden, and Finland several millions of people exist and have established a high degree of culture and civilization. The problem is like that of national defense in one respect. We cannot do the job overnight. Therefore it is much wiser, as the administration and the Bureau of the Budget have decided, to approach the thing gradually and grant yearly the modest increases authorized by the act of June 20, 1936.

Mr. MAY. Will the gentleman yield?

Mr. DIMOND. I yield to the gentleman from Kentucky. Mr. MAY. What is the amount included in the gentleman's amendment?

Mr. DIMOND. An increase of \$1,250. The committee went to the trouble of cutting \$1,250 out of this appropriation, although we are already \$2,500 below the amount authorized. We need this \$1,250 in order to carry on work that has already been begun. It really means much more to us than 10 times this amount would mean for an experiment station in the States. It is not so many years ago that the Government was spending \$85,000 a year for experiment work in Alaska.

The work carried on by the experimental stations in Alaska has already been of much value, but only a beginning has been made. We are now confronted with the immediate need of experimental work with respect to plant breeding in order to more efficiently produce feed for dairy cattle and other livestock. Progress has been made along this line in trying out a large number of grasses, alfalfas, and clovers, some of which give promise of success. But in order to attain a fair degree of success the work must be carried forward.

Mr. Lorin T. Oldroyd, of the University of Alaska, a highly capable man, who has charge of the experiment station and extension work in Alaska, informs me that a well-qualified plant breeder is now needed to carry on the work and that his services would be of high value to Alaska agriculture.

He also has informed me, to illustrate the value of the experimental work already done, that the matter of curing hay for livestock has been solved at the Fairbanks Experiment Station through the use of an inexpensive trench silo; that oats and peas produced ensilage at the rate of a little more than 12 tons to the acre last year; that the trench silo has been in operation for two seasons; and that there has been no loss from freezing.

Dr. Charles E. Bunnell, the able president of the University of Alaska, who was once described by a discriminating critic as the best university president in the United States, has repeatedly urged upon me and upon others interested the need and value of the reasonable expansion of experiment station work in the Territory, such an expansion as has been authorized by Congress in the act of June 20, 1936.

It is regrettable, Mr. Chairman, that in a country as vast as Alaska and with really such immense potential agricultural resources the larger sum authorized by the act of June 20, 1936, was not recommended by the Budget and placed in the bill by the Appropriations Committee. That amount would be \$2,500 above what I am now seeking in the amendment which I have here proposed. The success and welfare not only of the present Alaska farmers but all others who are bound to come in the future may well depend upon the thoroughness and extent to which the experimental work has been carried on in the Territory. The problems there are unique and, hence, we cannot entirely rely upon the results obtained in the States. Years ago it was thought that science had little application to agriculture, but now we know different. The successful agricultural operations are those which invoked to the largest extent the aid of science and the policy of denying the necessary funds to carry on scientific experiments, the results of which we know, from what has been done in the past, are bound to be highly beneficial. appropriation of the increased sum now requested would be, in fact, an exercise of true economy because it would enable the work to be carried on and slightly enlarged in a wellordered and scientific manner.

The Members of this House know the outstanding importance of Alaska with respect to national defense. National defense would be promoted by the development of agriculture in the Territory. The development of agriculture to a measurable extent waits on the knowledge that can be gained through the agricultural experimental work. Therefore it is not an exaggeration to say that the increased appropriation desired is fully justified by considerations of national defense.

A reference to the bill, Mr. Chairman, will clearly show that the only attempt made at economies with respect to experiment station work has been in the cases of Hawaii and Alaska. We find in the bill that millions of dollars are carried, and properly so, for experiment station work in all of the States and no attempt has been made to curtail or economize or to go below the estimates recommended by the

President in the Budget for the funds that are to be expended in the States. But in the case of Hawaii the Budget estimate has been cut \$5,000 and in the case of Alaska the Budget estimate has been cut \$1,250. I challenge anyone to show a single word in the printed record of the hearings which will justify either one of these reductions. I have already read an excerpt from the testimony of Dr. Jardine in which he expresses the hope that some time in the future there will be greater liberality with respect to research in Alaska, and for the sake of emphasis I invite your attention to the fact that Dr. Jardine's testimony was based upon the assumption that the committee would not go below the Budget estimates. Owing to the peculiar nature of the problems presented in Alaska with respect to agriculture and the very small amount of work that has heretofore been done looking toward a solution of those problems, it is obvious that much greater justification exists for proceeding with experiment station work in Alaska on an enlarged scale than exists in the States for the work which is there being undertaken.

I urge upon the House, in spite of the adverse report of the committee, that this small amount, which means considerable to us, be granted.

Mr. CANNON of Missouri. Mr. Chairman, I rise in opposition to the amendment offered by the Delegate from Alaska [Mr. DIMOND].

Mr. Chairman, we have here precisely the situation presented in the amendment offered by the gentleman from Hawaii [Mr. King].

In each case we provided for the year 1940 the same amount provided for 1939. From the evidence presented by the Department and by those interested, there seemed to be no justification for increasing the amount over that provided for the present year. In order to continue to show no discrimination, inasmuch as we have voted down a proposed increase in one case, I ask that the same action be taken on this amendment in this case in order to maintain the same status throughout.

Mr. MAY. Mr. Chairman, I rise in support of the amendment offered by the Delegate from Alaska.

Mr. CANNON of Missouri. Mr. Chairman, we have had 5 minutes' debate on each side.

The CHAIRMAN. Does the gentleman insist on the point of order?

Mr. CANNON of Missouri. I do not insist on the point of order, Mr. Chairman.

The CHAIRMAN. The gentleman from Kentucky is recognized for 5 minutes.

Mr. MAY. Mr. Chairman, I do not usually take the floor to oppose the attitude of a committee of the House on a very minor matter. It seems to me the members of this committee today ought to consider this one thing: Here are two gentlemen, very excellent representatives of their Territories, both of which are domains of the American Government. Their hands are tied. They are permitted to exercise the high prerogative of speech, but they are unable to vote. Here we are with a committee of Representatives in Congress presenting a bill covering the subject of agriculture, up against what I regard as an absurd and ridiculous proposition. Just 2 or 3 years ago we started out to colonize Alaska. We sent several thousand emigrants to Alaska in a back-to-the-farm program. This committee raises the total amount of the agricultural bill, as I understand, for parity prices at home more than \$200,000,000, but when it comes to the proposition of appropriating the magnificent sum of \$1,250 under consideration it wants to close down on the gentleman from Alaska because he cannot vote, I suppose, and defeat his amendment. I think in justice to ourselves we ought to vote to carry this amendment this afternoon.

We may soon be rushing to the rich resources of minerals and timber in Alaska for war materials, and we ought at least make some effort to give encouragement to agricultural experiment and investigation of the yet undeveloped agricultural resources of that great area. We ought to quit swallowing a camel and straining at a gnat. Let us at least be consistent for at least a part of the time.

Mr. CANNON of Missouri. Mr. Chairman, the amount provided in the bill for this purpose is the largest amount ever allowed in the history of the Alaskan Territory. The committee, after a thorough study of the situation, considered the amount more than ample for the purpose.

The CHAIRMAN. The question is on the amendment offered by the Delegate from Alaska [Mr. DIMOND].

The question was taken; and on a division (demanded by Mr. May) there were—ayes 23, noes 45.

So the amendment was rejected.

The Clerk read as follows:

In all, payments to States, Hawaii, Alaska, and Puerto Rico for agricultural experiment stations, \$6,843,750.

Mr. CASE of South Dakota. Mr. Chairman, I move to strike out the last word.

Mr. Chairman, I wish to call the attention of the members of the Committee to the fact that the appropriations for experiment stations and for extension work under the Department of Agriculture in this bill under the terms of the allotments that will be made mean a reduction in the experiment-station allotments for 21 States. I have in my hand a table which gives the apportionments of the Federal funds allotted for cooperative extension work in agriculture and home economics for the fiscal years of 1935 and 1938, and the probable allotments for the year of 1940. A good many members of the Committee probably do not realize that a change has been made in the method of apportioning money for extension work by reason of the expiration of some of the original authorizations of 1914 which provided extension funds. Under the terms in the Bank-head-Jones Act, the basis of allotment is changed so these States in 1940 will receive a decidedly reduced amount of money for their county agent and home-economics work. These are the States:

Arizona, Colorado, Connecticut, Florida, Idaho, Maine, Maryland, Massachusetts, Montana, Nebraska, Nevada, New Hampshire, New Jersey, New Mexico, North Dakota, Oregon, South Dakota, Utah, Vermont, Washington, and Wyoming—21 States. These 21 States are going to suffer a reduction in funds because the money will be apportioned to the other States. I do not know that anyone is claiming that the other States do not need more money for their extension work, but there is certainly something unfair in taking money from these 21 States and causing a reduction in their county agent and home-extension work during the next fiscal year.

I have been informed that a bill, S. 518, has passed the Senate and has been referred to the House Committee on Agriculture. This bill proposes to set up a new authorization for enough money to take care of the States that have had their money taken away from them. I call it to your attention at this time, because it will require approval of that legislative committee and then subsequently an appropriation in a deficiency bill, or these 21 States will suffer a reduction in their county agent work. I think many Members of this House have the feeling that some of the most effective work that is done for agriculture is done by the county agents and the home extension workers.

I call your attention to it at this time, because this is the time you are appropriating the money under the terms of acts that will cause a reduction in the amounts allotted to these States. When this subsequent measure comes up for consideration, if you believe in a square deal and believe in this work you will support it.

[Here the gavel fell.]

The pro forma amendment was withdrawn.

The Clerk read as follows:

Puerto Rico: To enable the Secretary of Agriculture to carry into effect the provisions of the act entitled "An act to extend the benefits of section 21 of the Bankhead-Jones Act to Puerto Rico," approved August 28, 1937 (7 U. S. C. 343f-343g), \$45,000.

Mr. IGLESIAS. Mr. Chairman, I offer an amendment. The Clerk read as follows:

Amendment offered by Mr. Iglesias: On page 15, line 18, strike out "\$45,000" and insert "\$88,000."

Mr. IGLESIAS. Mr. Chairman, this amendment is being presented in accordance with Public Act 407, according to which we should have an appropriation of \$88,000 although we received only \$45,000 the past year and this year the committee gives us again the same amount. The law states that the first year we should have \$88,000. In reality we should have at this time \$128,000 but the committee gave us \$45,000. This appropriation is badly needed in the island. The island is being built up with the assistance and cooperation of Congress and the actions of the legislature over there. May I say to the Congress that every dollar that is invested in Puerto Rico by the Federal Government is returned duplicated to the United States. The people of the island are waiting for Congress to give them the larger sum of money in this appropriation bill. Of course, I do not have much hope, after seeing what happened to the amendments requesting additional appropriations for the Territories of Alaska and Hawaii, by their distinguished Delegates but it is my duty to appeal to this House and its Members in behalf of the extension of agricultural work in the island of Puerto Rico, and this is the reason I have offered my amendment.

Mr. MARCANTONIO. Mr. Chairman, will the gentleman

yield?

Mr. IGLESIAS. I yield to the gentleman from New York. Mr. MARCANTONIO. The sum the gentleman requests is the sum authorized by an act passed by the Seventy-fifth Congress?

Mr. IGLESIAS. Yes.

Mr. MARCANTONIO. The Committee on Appropriations is not carrying out that authorization when it does not grant the sum authorized by the Congress.

Mr. IGLESIAS. Exactly.

Mr. Chairman, the authorities of the Department of Agriculture have recommended highly that this sum of money be put in the bill. It is very little, really, the increase being from \$45,000 to \$88,000, the amount the law authorizes. I hope, Mr. Chairman, the members of the committee as a whole, of this House, will approve this amendment and vote in favor of it. [Applause.]

[Here the gavel fell.]

Mr. CANNON of Missouri. Mr. Chairman, I rise in opposition to the amendment.

Mr. Chairman, this is one of the instances in which the bill carries the full Budget estimate. To agree to the amendment offered by the gentleman from Puerto Rico would be to go over the maximum amount submitted to the committee.

Mr. MARCANTONIO. Mr. Chairman, will the gentleman yield?

Mr. CANNON of Missouri. I yield to the gentleman from New York.

Mr. MARCANTONIO. The amount requested by the Resident Commissioner from Puerto Rico was specifically authorized in Public Act 407, passed by the Seventy-fifth Congress. Why not appropriate.

Mr. CANNON of Missouri. But that was a mere authorization. In this case we allowed more than we usually allowed in this bill. We gave the full Budget estimate. We must ask, therefore, that the amendment be not agreed to.

Mr. MOTT. Mr. Chairman, will the gentleman yield? Mr. CANNON of Missouri. I yield to the gentleman from

Mr. MOTT. Is it not a fact that you have exceeded the

Budget estimate in the entire bill by about \$250,000,000?

Mr. CANNON of Missouri. Does the gentleman take that as an argument against adding anything more to this already

heavy bill?

Mr. MOTT. My argument is that the gentleman's argument is inconsistent. The gentleman said we should not vote for the amendment offered by the gentleman from Puerto Rico because to do so would exceed the Budget, yet the gentleman's committee has exceeded the Budget estimate by

\$250,000,000 in reporting out this bill.

Mr. CANNON of Missouri. And now the gentleman wishes to still further exceed it?

Mr. MOTT. Yes; I do. I should like to exceed it in some other directions.

The CHAIRMAN. The question is on the amendment offered by the Commissioner from Puerto Rico.

The amendment was rejected. The Clerk read as follows:

FOREIGN AGRICULTURAL SERVICE

Foreign Agricultural Service

To enable the Secretary of Agriculture to carry into effect the provisions of the act entitled "An act to promote the agriculture of the United States by expanding in the foreign field the service now rendered by the United States Department of Agriculture in acquiring and diffusing useful information regarding agriculture, and for other purposes," approved June 5, 1930 (7 U. S. C. 541–545), and for collecting and disseminating to American producers, importers, exporters, and other interested persons information relative to the world supply of and need for American agricultural products, marketing methods, conditions, prices, and other factors, a knowledge of which is necessary to the advantageous disposition of such products in foreign countries, independently and in cooperation with other branches of the Government, State agencies, purchasing and consuming organizations, and persons engaged in the transportation, marketing, and distribution of farms and food products, and including the employment of persons and means in the District of Columbia and elsewhere, and the purchase of such books and periodicals and not to exceed \$1,000 for newspapers as may be necessary in connection with this work, \$295,000.

Mr. LEAVY. Mr. Chairman, Loffer an amendment.

Mr. LEAVY. Mr. Chairman, I offer an amendment. The Clerk read as follows:

Amendment offered by Mr. Leavy: On page 18, line 18, after the word "products" and the comma, insert the following: "including biologic and economic investigations of rubber, forestry, medicinal, insecticidal, and other agricultural plants and products of the Latin American countries."

Mr. LEAVY. Mr. Chairman, the effect of this amendment I have just offered is to increase this item for foreign agricultural service in the sum of \$250,000 in keeping with the Budget estimate. The object of this increase is to permit the United States Government, in keeping with our present foreign policy, to encourage trade with the Latin-American countries and to make up, in part, for the export trade we have lost in the Eastern Hemisphere and to open for us a market for our surplus products. In thus opening a market we will greatly increase our purchases from the Central and South American countries in those products and commodities which we cannot produce and of necessity must import

The offering of this amendment just indicates with what a terrific degree of rapidity international events move. One committee heard the evidence in support of this appropriation on the 10th day of February. From the 10th day of February to this day, March 24, the history of the world has undergone a tremendous change. The entire geography of Central Europe has been remade and the powerful influences that grow out of international trade policies threaten to become more pronounced in Central and South America to the prejudice of both those countries and our own Nation. We cannot much longer remain indifferent to the dangerous influences of the totalitarian states in this hemisphere, working through commercial channels. The objective or the purpose sought here is to carry out that foreign policy that we agree on both sides of the House is a wise policy and that is a closer relationship with the South and Central American countries.

This must be done through closer commercial relationships, and those closer relationships can only be brought about by a better understanding of our own needs and those of our Latin American neighbors. We have assumed the responsibility of insuring political integrity to our less powerful neighbors in the south from aggression or ulterior influences coming from the Old World. This assumption of responsibility is by virtue of the Monroe Doctrine that none of us would for a moment advocate abandoning.

The Bureau of the Budget approved an additional \$250,000 for the Foreign Agricultural Service.

The granting of this additional \$250,000 would mean that the United States would have 10 foreign agricultural service offices where they now have 6, and of the 6 we have now, 5 of them are in the Eastern Hemisphere, and one of them alone is in the Western Hemisphere. This amendment would provide for five in the Western Hemisphere, and the

objective sought is to create closer commercial ties between ourselves and all of the other countries in the Western Hemisphere, without in any way taking advantage of them, but with knowledge of the needs of all the Western Hemisphere nations involved and by common understanding an exchange of surplus commodities can be made and at the same time a high degree of independence from Old World intrigue and treachery avoided. We have been losing South and Central American trade constantly. It has been drifting toward central Europe principally.

Germany particularly has been holding out every inducement to win favor with our neighbors to the south by an extension of its trade relationships, and this, of course, carries with it all the menace incident to the political philosophy prevailing in that country. These four additional stations would tend to reestablish the relationship in trade we formerly had there, and to discourage in those countries the production of those crops that we can produce here, while at the same time taking from those people the crops that they can best produce in surplus quantities.

There are only about four or five products that are major enough to deserve consideration here. One of them is rubber; another is cinchona or quinine; another manila hemp; and another rotenone-producing plants for insecticide. All of these are produced in superabundance by our southern neighbors, and we must have them, either from this source or from the Eastern Hemisphere. It is a logical and natural exchange to permit and encourage these products to come into this country in a sufficient amount to meet our needs and for us in turn to export to the countries from which we get these products those things which they so badly need and of which we have a surplus.

America uses 50 percent of the world's rubber production now and we are increasing in that field of use, but the major part of it comes from the Eastern Hemisphere, principally the East Indies, and yet South America is capable of producing our entire needs in that field, and in turn, if we bought our rubber from them, we could sell them our surplus crops which they are now, in part, being persuaded by Germany to produce, even this upon a rather unsound basis.

I refer you particularly to the record of the hearing before our committee made on page 231 and the following pages. I think possibly my colleagues on the subcommittee, even on the Republican side will agree that had we more fully understood the significance of the needs and the international aspects involved, and how the general welfare of all Western Hemisphere nations would have been furthered, we would never have thought of cutting this item out of the bill. The amendment comes as a committee amendment, at least from the majority side of the House. The four stations sought to be established will be in Rio de Janeiro to cover Brazil; in Panama City to cover southern Central America and northern South America; in Mexico City to cover Mexico and northern Central America; and in Habana to cover the West Indies. In addition, the existing office at Buenos Aires would be strengthened.

When we consider how vital it is to the continued peace and cooperation in this hemisphere that commercial intercourse be maintained at a maximum at a time when that evanescent thing we call international law, at least in central Europe, appears to be entirely unknown and when national banditry and brigandry is the rule rather than the exception, then we ought not to hesitate in the interests of our Western Hemisphere neighbors and in our own interests to spend this small additional sum to thus make more secure the responsibility we have assumed under the Monroe Doctrine. I hope the amendment will prevail. [Applause.]

[Here the gavel fell.]

Mr. CANNON of Missouri. Mr. Chairman, this amendment is offered by direction of the subcommittee, on evidence submitted to us subsequent to the report of the bill. It is within the Budget estimate, and in the judgment of members of the committee the exceptional circumstances warrant its approval.

Mr. DIRKSEN. Mr. Chairman, I rise in opposition to the amendment.

Mr. Chairman, I scarcely find myself in accord with the subcommittee, and I believe I am speaking for the gentleman from Kansas [Mr. Lambertson] likewise, in approving an increase from \$250,000 to \$540,000 for this item for the foreign agricultural service.

The reason for this can, in fact, be found in the justification that was submitted to the subcommittee as appears on

page 205 of the hearings.

Just let me indicate to the committee what is proposed to be done with the funds that are herein contained. Manifestly, they are going to make some investigations. They are going to make investigations to see how we can improve our trade with South America, but they are going to set up establishments in the nature of regional laboratories in South America and they are going to investigate the agricultural resources and potentialities of the Latin American countries from the standpoint of increased production of noncompetitive agricultural products. This is one thing they are going to do with this money. Secondly, it is proposed to survey the tropical hardwood resources of Latin America to see whether or not we can import more hardwoods from down there.

Third, it is proposed to survey Latin American countries and obtain information concerning soil, vegetation, climatic factors, and disease conditions, particularly as they pertain to the cultivation of rubber, quinine, and other valuable

tropical plants needed in the United States.

I think the hearings and the records of the Department of Agriculture are the best evidence of the thousands and thousands of dollars we have lavished in seeking to find a plant or a tree or some kind of vegetation that will produce rubber in commercial quantities, and we have not found it yet. The time will come, I assume, when that problem will be solved by the bunsen burner and the beaker in some chemical laboratory like they have in Wilmington, Del. We have frittered away lots of money, and the latest reports we had on discovering rubber on this hemisphere are certainly not encouraging. I think we might just as well forget about it for a while, and I can see little virtue in writing this appropriation up by a quarter of a million dollars, most of which will be spent in South America for South American benefits and comparatively little for the benefit of agriculture in this country.

Now, I know what the stock answer is going to be, and that is that you are going to create purchasing power down there so they can buy our farm products. There is not anything to show that any purchasing power will be increased as a matter of fact, and after we have made these discoveries and after we have assembled the data, I suppose we will be called upon for a substantial appropriation to build structures in South America and go ahead with this experimental work, but do not forget that every dollar that we expend will have to be expended on foreign soil.

I wonder then if we are going to get the same kind of treatment we are getting from Mexico and Bolivia at the present time. Since they have expropriated the oil lands and the lands of citizens of the United States I am not very anxious to spend a great deal of money down there for that

purpose.
Mr. LEAVY. Mr. Chairman, will the gentleman yield?

Mr. DIRKSEN. Yes.

Mr. LEAVY. The gentleman will recall that the hearings disclose that this is not for the purpose of discovering new processes or new types of rubber, but is for the purpose of encouraging our rubber importations from South America, as distinguished from our present importations from India and the Orient.

Mr. DIRKSEN. I say to the gentleman that the only evidence that I have as to what they are going to do with the money is the information the Department laid before our subcommittee in the justification, and I just read that to the Committee, showing it is to be spent to help agriculture down there rather than in the United States. This increase is entirely unwarranted, and I hope the Committee will vote down any effort to increase this amount by a quarter of a million dollars.

Mr. LEAVY. I think the gentleman read only one paragraph. It was shown in the hearings that we import now 100,000,000 board feet of hardwood that we cannot produce.

Mr. DIRKSEN. That may be true.

The CHAIRMAN. The time of the gentleman from Illinois has expired.

Mr. FULMER rose.

Mr. CANNON of Missouri. Mr. Chairman, I ask unanimous consent that all debate upon this amendment and all amendments thereto close in 5 minutes.

The CHAIRMAN. Is there objection?

There was no objection.

Mr. FULMER. Mr. Chairman, I move to strike out the last word. I am going to take only a brief time to express myself on this amendment. I have served in the Congress of the United States now for a little over 18 years. I have tried in season and out of season to get some real results in this country out of research work that has been going on in the Agricultural and other Departments of the Government. where we have been spending millions of dollars annually for this line of work; but up to this good hour it is almost impossible to get the Agricultural Department to back any kind of constructive bill or program that would put into execution the things that they have absolutely found out through this research work. Dr. Hall, employee of the Agricultural Department, serving in this foreign service, came and testified before our committee some years ago, stating that we are exporting into the foreign countries the most disgraceful bale of cotton that is sold in any foreign country. In other words, it is the same old type of bale put up by our grandfathers. Losses in freight waste, surplus tare, and insurance are costing farmers millions annually. Under this amendment, they will spend more money in setting up research stations in South America in the name of helping farmers, and annually we will get a report and a request for more money. This may help Firestone and other tire manufacturers who now have one of the biggest monopolies in this country. I dislike very much to oppose our good friends on this side, but unless we can get some results out of this line of work in this country I am against spending this money in South America.

I am not especially referring to jute. May I state that the General Motors Corporation, other large corporations, and the paper and pulp interests of this country with their money and laboratories have found out through research what to do and how to do it, and the paper people of the United States are growing by leaps and bounds, taking over the farmers' cotton market in the last few years to the extent of four and a half million bales, and our consumption in the United States, while we are worrying about foreign markets, is still on a level where it has been for a number of years. If we would give more thought to protecting our own markets and consuming more cotton in new uses, we would find ourselves in a much better situation.

Mr. TARVER. If the gentleman had read the hearings, he would be advised that the purpose of this is to enable this country to export more of its agricultural products to these South American countries by encouraging the development and importation into this country of noncompetitive materials produced there.

Mr. FULMER. May I state to the gentleman that this is what we hear every time we have up a bill in the name of the farmer. This is just the opening wedge and that the next bill that comes in will call for a larger appropriation and will continue to be larger. I doubt seriously if we will get the results you hope. I make this statement because of what we have been getting for money thus spent in research work in this country. Why, instead of using considerable amounts of our surplus cotton for new uses, the Secretary is now wanting to subsidize our cotton for export to foreign countries. I hope the amendment will not pass. [Applause.]

The CHAIRMAN. The time of the gentleman from South Carolina has expired. The question is on the amendment offered by the gentleman from Washington.

The question was taken; and on a division (demanded by Mr. Leavy) there were—ayes 29, noes 86. So the amendment was rejected.

The Clerk read as follows:

Airways weather service and research: For promoting the safety and efficiency of aircraft as provided by section 803 of the Civil Aeronautics Act of 1938, and for the maintenance of stations for observing, measuring, and investigating atmospheric phenomena, including salaries and other expenses, in the city of Washington and elsewhere, \$3,334,095.

Mr. MILLER. Mr. Chairman, I offer an amendment. The Clerk read as follows:

Amendment offered by Mr. Miller: On page 21, line 7, strike out "\$3,334,095" and insert "\$4,105,000."

Mr. MILLER. Mr. Chairman, I dislike to appear in the role of asking more than the amount granted by the committee to the Weather Bureau for this airways weather service. I have favored most of the economy measures that have come before this House, but I also submit that there are times when real economy calls for spending additional money. I believe this is one of those cases. I realize that in 5 minutes it is impossible to present much of an argument or make much of an explanation of the developments that have been made in the past few years in our weather-forecasting

In recent years there has been developed a system of weather forecasting known as air-mass analysis. It has brought about more accurate weather forecasting and has benefited every user of the Weather Bureau service. I believe the Weather Bureau needs the increased amount that I have offered in my amendment in order that they may continue their research and study. The Army and Navy and the Civil Aeronautics Authority and many of our private technical institutions have cooperated with the Weather Bureau in developing this new science. First and most important, I believe this will be a definite safety factor. I call this to the attention of the House so that in the next few months should occasion arise that we find our Coast Guard and a large part of our Navy searching the Atlantic Ocean for a lost air liner that has gone down, no one will be able to say this has not been called to the attention of the House. We hope to see developed this coming summer a trans-Atlantic air service. There will be a great deal of competition in that field. I believe it is the beginning of expansion of a very important industry, an industry that is greatly needed. I do not believe that for a few thousand dollars we should throw any obstacles in the way of those who are trying to develop this industry.

It was stated in the committee hearings that the air line operators should contribute more heavily toward this Weather Bureau service. While they do benefit, it benefits every taxpayer in the country, and certainly every user of our air lines. I believe that every dollar spent at this time to allow the Weather Bureau to improve its service will be repaid to our Treasury tenfold.

I do not have time to any more than refer to the fact that there is a definite military value to improving the weather reports in connection with our Army and Navy Air Service. I remind you of the tragedy just a few weeks ago, in Florida, where 8 or 10 Navy planes with student pilots were in the air, unable to get back to their field due to lack of proper weather information. I noted that before the committee the tragic case of Senator Cutting was referred to and a Member expressed the wish that a more recent case might be cited. Just about a year ago this time the commanding officer of a Massachusetts air squadron, Major Hodge, and the lieutenant flying with him, bailed out of one of our National Guard ships over Montana. Their difficulty was caused by inaccurate weather forecasting in that area.

In 1 or 2 minutes it would be impossible to even attempt to prove to you the need of this additional service. I hope you will give serious consideration to increasing this amount. I submit that the chairman of the subcommittee apparently is not definitely set in his own mind on every item in this report, as just a few moments ago he voted to increase the

amount recommended by his committee. I hope he will do so in this case.

Mr. ROUTZOHN. Mr. Chairman, will the gentleman yield? Mr. MILLER. I yield.

Mr. ROUTZOHN. Has the Weather Bureau requested this amount you are asking for?

Mr. MILLER. Yes.

[Here the gavel fell.]

Mr. CANNON of Missouri. Mr. Chairman, there is no activity of the Government provided for in this bill that has been so generously dealt with as the Weather Bureau. Among the items which we have increased most heavily is the item to which this amendment refers. To begin with, none of this appropriation is of any immediate practical service to agriculture. We have been increasing, from year to year, the expenses of the Weather Bureau service. In this bill we give them an increase of \$834,095 over last year. On this particular item, whereas we gave them two and a half million dollars for the current year, the amendment provides an increase from two and a half million dollars to \$3,334,000. I submit, Mr. Chairman, that as generous as we desire to be with the Air Service, we must observe some limitation within

Mr. LAMBERTSON. Mr. Chairman, will the gentleman yield?

Mr. CANNON of Missouri. I yield.

Mr. LAMBERTSON. In the item just before, when we increased \$135,000 to furnish maps for the east coast to the central United States, \$185,000 to double the mapping, that will be of general service to the Air Service.

Mr. CANNON of Missouri. The gentleman is correct. The bill is more than generous to the entire Weather Bureau service, and especially with respect to this particular item.

Mr. MILLER. Mr. Chairman, will the gentleman yield? Mr. CANNON of Missouri. I yield to the gentleman. Mr. MILLER. I would ask the chairman if it is not a

fact that because of these studies over the Atlantic were we to get more accurate and dependable weather service. would not the farmers benefit equally?

Mr. CANNON of Missouri. The direct benefit to the farmers is decidedly problematical. We will concede that it is beneficial to the Air Service and to aerology, but we have already appropriated an amount out of proportion to the present need of the Service.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Connecticut.

The amendment was rejected.

Mr. HOUSTON. Mr. Chairman. I move to strike out the last word for the purpose of asking the chairman of the subcommittee a question. Will he explain in a little greater detail the item of \$185,000 mentioned a moment ago by the gentleman from Kansas for the extension of the Weather Bureau or weather service in the Middle West? I would like to know what area it covers and just what its application will be.

Mr. CANNON of Missouri. Mr. Chairman, this is one of the key stations of the Nation and was provided on the recommendation of the Department. It serves a wide territory including the entire Southwest, which accounts for this additional appropriation.

Mr. HOUSTON. And it does serve that territory out there for several States?

Mr. CANNON of Missouri. It covers some half dozen

Mr. SABATH. Does it cover Kansas? That is what the gentleman desires to know. He is interested in his State and he is entitled to know.

Mr. CANNON of Missouri. I am glad to say it includes Kansas, and surrounding States, and the district so ably represented by the gentleman from Kansas, whose interests he always champions so vigilantly.

The Clerk read as follows:

Total, salaries and expenses, Bureau of Dairy Industry, \$717,405, of which amount not to exceed \$343,510 may be expended for personal services in the District of Columbia.

Mr. BOLLES. Mr. Chairman, I move to strike out the last word.

Mr. Chairman, first I want to thank the Appropriations Committee from the bottom of my heart, and the House itself, and the Committee on Agriculture for the fact that in this bill I find three paragraphs recognizing the fact that there is a dairy industry. It is the only spot in the whole bill that shows there is such a thing as a cow. I looked over Washington last night to see if I could find a poster delineating a Wisconsin cow, or any other cow that gave milk, but I could not find one. I wanted to bring it here and exhibit it to this House because it will be only a short time, if the Committee on Agriculture and the administration continues to forget about the cow, before the only place you will find one will be in the Smithsonian Institution. [Laughter.]

I believe in helping every agricultural industry. There is always a great deal of conversation and debate concerning cotton. Let me tell you that all of the cotton values, all the money that is taken out of cotton and put into circulation, and all the fields and plantations do not equal the money that is received from the dairy industries and the investment in these great farm plants where they make the milk. Ride with me over the State of Wisconsin and you will see the lure there of the farms-not the shacks and shanties of the sharecropper, or the small house of the man on the plantation where they raise cotton and yams, but the great barns and buildings, additional houses where the cattle are constantly examined for tuberculosis and Bang's disease, where the herds are clean, where every sanitary attention is given to them in producing such milk as could be brought from Wisconsin to the city of Washington and sold here at 12 cents a quart at a profit against the 14 cents that is imposed here.

I am glad to note that in these few paragraphs in this bill the fact that we have a dairy industry is recognized. It does honor to this committee, it does honor to the Committee on Agriculture, and it does honor to the House itself in allowing it to be in this bill. I did not expect it would be here, because the lowly cow-if you would see her now in my State, with her milk from 80 cents to \$1.10, you would take notice of her sad eyes and her drooping tail. [Laughter.] And you would be sorry for the cow and shed your own tears over the plight of the dairy farmer in Wisconsin and

other dairy States.

Mr. HOPE. Mr. Chairman, will the gentleman yield?

Mr. BOLLES. I yield.

Mr. HOPE. I am sure after the fine tribute the gentleman has paid to the mainstay of the dairy industry that the cows of Wisconsin will give more milk tonight.

Mr. BOLLES. Yes. If they do not I shall be disappointed. A committee came up from the gentleman's district to the State of Wisconsin. They were wheat growers. They came to me and I was chairman of that great delegation. It was fine of Clyde Reed and others there to tell me that they would never be willing to establish a dairy industry in place of the wheat industry because they had to work too hard. You must remember that there are 2,200,000 cows in Wisconsin. Each one of them has four tubes-I will use that word out of deference to JESSE WOLCOTT-four tubes. With 2.200,000 cows this means 8,800,000 tubes. Multiply that by 2 and you get 17,600,000 tubes which have to be pulled every day by the yeomanry of Wisconsin. [Laughter and applause.] This is the reason we have strong people up there. The price of milk, the inattention to the dairy business in Wisconsin, the neglect of this administration, the forgetfulness of Mr. Wallace that there are any cows, sent eight good Republicans down here to help you out. [Applause.]

[Here the gavel fell.]

The CHAIRMAN. Without objection, the pro forma amendment will be withdrawn.

There was no objection.

Mr. AUGUST H. ANDRESEN. Mr. Chairman, I move to strike out the last two words.

Mr. Chairman, I take this time to ask the chairman of the Subcommittee on Appropriations a question with reference to the appropriation provided for the eradication of tuberculosis

and Bang's disease. It is my understanding that with reference to the appropriation for tuberculosis the State must match the Federal funds on a 50-50 basis and with reference to the appropriation for Bang's disease the Federal Government will contribute \$2 for every \$1 contributed by the State. Is that correct?

Mr. CANNON of Missouri. That is correct. Under the present arrangement and under the current act, the Federal Government pays two-thirds of the amount.

Mr. AUGUST H. ANDRESEN. May I ask the gentleman from Missouri a further question? The bill provides approximately \$8,000,000 for these purposes.

Mr. CANNON of Missouri. The bill provides, to be exact, \$8,402,000.

Mr. AUGUST H. ANDRESEN. If the sum provided in this bill is not sufficient to take care of the needs as they appear throughout the country, and as the work progresses, is it my understanding that the chairman of the subcommittee will recommend additional funds in a deficiency appropriation bill?

Mr. CANNON of Missouri. I am certain the gentleman understands that personally I am very sympathetic toward this provision, having lost two herds in this manner. I believe we have provided funds to more than meet the Federal requirements. Whereas the Budget estimate provided for a 50-50 requirement, we have continued until 1940 the present arrangement under which the Federal Government pays two-thirds and the local government pays one-third.

Mr. AUGUST H. ANDRESEN. The gentleman thinks this fund is adequate for the eradication of Bang's disease for the

coming year?

Mr. CANNON of Missouri. That was the opinion of the

Mr. AUGUST H. ANDRESEN. If the funds prove inadequate, will the gentleman give us his assurance that he will secure additional funds in a deficiency bill?

Mr. CANNON of Missouri. Of course, the committee is not in position to give any such assurance, but I may say personally to the gentleman, so far as I am concerned, I would be unwilling to see this important work neglected or curtailed in any respect.

Mr. AUGUST H. ANDRESEN. With that assurance, I know the gentleman from Missouri will try to get additional funds in a deficiency bill if needed.

The pro forma amendments were withdrawn.

The Clerk read as follows:

Fruit and vegetable crops and diseases: For investigation and control of diseases, for improvement of methods of culture, propagation, breeding, selection, and related activities concerned with the production of fruits, nuts, vegetables, ornamentals, and related plants, for investigation of methods of harvesting, packing, ship-ping, storing, and utilizing these products, and for studies of the physiological and related changes of such products during processes of marketing and while in commercial storage, \$1,328,982

Mr. VOORHIS of California. Mr. Chairman, I offer an amendment, which I send to the Clerk's desk.

The Clerk read as follows:

Amendment offered by Mr. Voornis of California: Page 35, line, after the word "storage", strike out "\$1,328,982" and insert \$1,343,982."

Mr. VOORHIS of California. Mr. Chairman, this amendment proposes to add \$15,000 to this item for the purpose of making possible the continuance of studies now being carried on by the Department to determine more efficient and, if possible, cheaper methods, of protecting perishable fruits and vegetables while they are in transportation from the place they are grown to the place they are to be consumed. These studies have already been started in a preliminary way, but in order for them to be carried to a conclusion, and before certain facts can be definitely established, it is important, I am informed, that this small additional amount be provided.

I do not think it is necessary for me to go into a long description of the fact that the farmer who raises the crops, then ships them to other parts of the country or the world, many times finds that the selling price of those commodities when they finally reach the ultimate consumer consists in large

part of transportation costs. The purpose of these studies is to determine ways in which this cost may be reduced. For example, one thing that is under study is the possibility of using what is known as half-bunker icing instead of full-bunker icing in refrigerator cars, the problem of ventilation while in transit, and things of that kind.

Clearly, if these studies should result in the possibility of requiring a much less expensive method of protection for these fruits and vegetables in transit, it will more than justify itself, and, therefore, I am offering this amendment and asking for its adoption.

Mr. HENDRICKS. Will the gentleman yield?

Mr. VOORHIS of California. I yield to the gentleman from Florida.

Mr. HENDRICKS. I understand this is the sort of work that is being carried on in the citrus laboratories established in Orlando, Fla. In that case, even though they are doing a splendid piece of work, I understand that because of lack of funds they are not able to make the results of this work available to the grower.

Mr. VOORHIS of California. I thank the gentleman for his contribution.

Mr. HENDRICKS. I may say that I shall support the gentleman's amendment.

Mr. HEALEY. Will the gentleman yield?

Mr. VOORHIS of California. I yield to the gentleman from Massachusetts.

Mr. HEALEY. Will the gentleman explain very briefly the

purport of his amendment?

Mr. VOORHIS of California. The amendment adds \$15,000 to the present item for the purpose of enabling studies to be continued to a logical conclusion on the question of the best method of protecting perishable fruits and vegetables while they are in transit from the place grown to the place consumed or sold.

Mr. TARVER. Will the gentleman yield?

Mr. VOORHIS of California. I yield to the gentleman from Georgia.

Mr. TARVER. We have added \$15,000 for this identical work in Florida in the present bill. Does the gentleman want the work conducted also in California?

Mr. VOORHIS of California. I understood the \$15,000 had not been added.

Mr. TARVER. The estimate was for \$19,000. The committee added \$15,000.

Mr. PETERSON of Florida. Will the gentleman yield?

Mr. VOORHIS of California. I yield to the gentleman from Florida.

Mr. PETERSON of Florida. The gentleman from Georgia is in error. The amount added was for the laboratory that studies the utilization of byproducts. There was no amount added for the laboratory at Orlando, which studies the question involved in fruit in transit.

Mr. VOORHIS of California. I thank the gentleman. I was quite careful to find out about this matter and I am certain that the money for this particular purpose has not been provided.

Mr. TARVER. The gentleman is mistaken. The amount added is for the Winter Haven laboratory.

Mr. PETERSON of Florida. That is right.

Mr. TARVER. But it includes the study of something to which the gentleman from California has referred. It does not include everything the gentleman from Florida asked.

Mr. PETERSON of Florida. That is true.

Mr. HENDRICKS. Mr. Chairman, will the gentleman vield?

Mr. VOORHIS of California. I yield to the gentleman from Florida.

Mr. HENDRICKS. I may say that I believe the gentleman from Georgia is in error. I think the amount appropriated for the laboratory at Winter Haven is simply for building purposes, and that the amount to be used in the Orlando laboratory for the purpose for which the gentleman wishes this appropriation made is the same it has been for the past 2 years.

Mr. VOORHIS of California. I thank the gentleman.

Mr. HOFFMAN. Mr. Chairman, will the gentleman yield? Mr. VOORHIS of California. I yield to the gentleman from Michigan.

Mr. HOFFMAN. Did the gentleman's study include an effort to discover some method by which the farmers could get their fruit to market without paying tribute to the Bridges organization?

Mr. VOORHIS of California. I do not believe that partic-

ular question is involved in this amendment.

Mr. HOFFMAN. The question is asked in good faith. I noticed in the Saturday Evening Post that the farmers out in the gentleman's part of the country must pay tribute to the Bridges organization to get their fruit to the cities. If that is true, does not the gentleman believe we ought to do away with it?

[Here the gavel fell.]

Mr. CANNON of Missouri. Mr. Chairman, I rise in opposi-

Mr. Chairman, we are already providing funds for this purpose in a number of sections of the country. They are being administered at Fresno, Indio, and Pomona, in California, and at Orlando in Florida. We are appropriating here the full Budget estimate and the amount carried in the current law. The proposal is outside the Budget and beyond the amount recommended by the Department of Agriculture.

The CHAIRMAN. The question is on the amendment offered by the gentleman from California [Mr. Voorhis].

The amendment was rejected.

Mr. BRADLEY of Pennsylvania. Mr. Chairman, I move to strike out the last word.

Mr. Chairman, there may be some speculation as to what interest a Member representing an industrial district such as mine would have in an agricultural bill, but I believe everyone concedes the problems of this country are interrelated. After all, it is the consumers in the industrial districts who will

eventually pay the cost of all farm subsidies.

I and Members from districts similar to mine have consistently voted for measures in the interest of agriculture. We want to continue doing so. Many members of the Committee on Appropriations, which has charge of the bill now under consideration, have recently spoken a great deal about economy. The Appropriations Committee, the same committee which is at the present time quibbling about whether or not it will bring in a W. P. A. appropriation bill for \$100,000,000, \$125,000,000, or \$150,000,000, has arbitrarily written into this bill appropriations for \$245,000,000 that are not in the Budget figure, \$245,000,000 that was not contained in the Budget estimates, and for which the Secretary of Agriculture did not ask. Now I am told there will be an attempt to augment the appropriation carried in this bill by an additional \$250,000,000 and make the amount \$500,000,000 for parity payments.

I want to vote for everything that will benefit agriculture, because I believe that what benefits one section of this country will ultimately benefit every section of the country; but it is going to be extremely difficult for any Member from an industrial section of this country to support this \$250,000,000 in the absence of adequate assurances that the Appropriations Committee, which is now so liberal-minded, will give equal consideration to the problems of this country in districts where men are being thrown out of work and forced into the bread lines. I want to vote for this \$250,000,000. but I am having a great debate in my mind, as I know scores of other Members are, as to whether or not after we vote for it we shall find that this Appropriations Committee, which suddenly has no thought of economy, will quibble over whether the unemployed of this country shall get \$25,000,000 when it finally determines the figure to be placed in the W. P. A. appropriation bill it will bring in next week.

Administrative officers of the Government recommended \$150,000,000, and the Appropriations Committee is taking the stand it cannot spend that much money; that perhaps it is a waste; still, without any recommendation from any administrative officer, and contrary to the Budget estimate, they come in here and ask us to vote for \$250,000,000 that

no one in authority in the Government appeared before the committee to justify or ask for. I want to vote for this \$250,000,000, but I also want to feel that Members from the rural sections will cooperate with us to the extent that they were willing to furnish adequate appropriations to the W. P. A.

Mr. MILLS of Louisiana. Mr. Chairman, will the gentle-

man yield?

Mr. BRADLEY of Pennsylvania. I yield to the gentle-

man from Louisiana.

Mr. MILLS of Louisiana. May I say to the gentleman I am from an agricultural section. Does the gentleman realize that the Workers Alliance held a meeting here this week and went on record to the effect that the southern Members were in favor of the appropriation the gentleman is now discussing?

Mr. BRADLEY of Pennsylvania. I cannot say anything about that, because the only source of information I have is what I hear in the House.

I hope the Members from the industrial sections will give due consideration to this provision before we make our ultimate decision.

[Here the gavel fell.]

Mr. MARCANTONIO. Mr. Chairman, I ask unanimous consent that the gentleman from Pennsylvania may proceed for 5 additional minutes.

Mr. CANNON of Missouri. Reserving the right to object, Mr. Chairman, will 5 minutes be sufficient for the gentleman?

Mr. BRADLEY of Pennsylvania. Probably.

Mr. CANNON of Missouri. We are very eager to complete the consideration of this bill tonight so it will not be necessary to return tomorrow. However, I shall not object.

The CHAIRMAN. Is there objection to the request of the gentleman from New York?

There was no objection.

The CHAIRMAN. The gentleman from Pennsylvania [Mr.

BRADLEY] is recognized for an additional 5 minutes.

Mr. BRADLEY of Pennsylvania. I believe we have to be thorough about these things. You cannot expect that we can be very cheerful if the Appropriations Committee, the very committee that is handling this bill, denies an adequate sum for those who are unemployed, and at the same time asks us to appropriate \$250,000,000 that even the Budget Bureau did not consider necessary.

Mr. MASSINGALE. Mr. Chairman, will the gentleman yield?

Mr. BRADLEY of Pennsylvania. I yield to the gentleman from Oklahoma.

Mr. MASSINGALE. I have enjoyed the gentleman's argument on this question, but should not the gentleman change his viewpoint just a little bit and take this into consideration: Ought you to punish the poverty-stricken farmers of America by denying them this money which it is sought to appropriate in an attempt to bring their farm products back to parity prices simply because the Congress of the United States has not done its duty toward them?

Mr. BRADLEY of Pennsylvania. May I say to the gentleman that I dislike to penalize anyone? I believe the gentleman will agree that I and my colleagues from the industrial centers have come in here repeatedly and not only have supported but have taken it upon ourselves to work for agricultural bills on every occasion they have been presented on the floor of this House. I want to be in such a position that when I go back to my constituents I can say to them that I have cooperated with the Members from the rural sections of this country because they in turn cooperate with us in securing what we believe to be and know are equitable demands from our own constituents.

Mr. MASSINGALE. That is my sentiment exactly.

Mr. HOOK. Mr. Chairman, will the gentleman yield?

Mr. BRADLEY of Pennsylvania. I yield to my friend from Michigan.

Mr. HOOK. If agriculture is given parity and industry is given parity with agriculture, does not the gentleman believe that labor should be given parity also with both of them?

Mr. BRADLEY of Pennsylvania. I believe so, and I believe they have to consider the unemployed; and if the Appropria-

tions Committee turns economically minded on a matter of \$25,000,000, it apparently is very inconsistent, because, obviously, it is inconsistent for them in the same breath and at the same time to come in with a bill that requires \$245,000,000 more than the Budget asked for.

Mr. POAGE. Mr. Chairman, will the gentleman yield? Mr. BRADLEY of Pennsylvania. I yield to my friend from

Texas

Mr. POAGE. Just a few weeks ago I voted, and most of those who represent agricultural States also voted, along with the gentleman from Pennsylvania for \$725,000,000 of additional relief money in order that we might subsidize those who needed relief, largely in the industrial sections and in that way help the entire Nation. This was almost three times as much money in that one appropriation as the gentleman complains about here. It gave about \$60 a month to the relief workers in his State, while this bill gives \$31 per year to the cotton farmer.

Mr. BRADLEY of Pennsylvania. The gentleman states that we voted \$725,000,000, and that is all right, but the gentleman will have to agree that also the House reduced that appropriation by \$150,000,000 in the face of recommendations from responsible officials of the W. P. A. Now, insofar as that lump sum is concerned, the gentleman cannot compare that with the \$250,000,000 for parity prices. If he is going to make a comparison, in round figures, he will have to take the full amount appropriated by this bill for the Department of Agriculture, because I may say to the gentleman that insofar as the Department of Agriculture as a whole is concerned, there is more than \$1,000,000,000 in this bill that does not benefit districts like my own one cent, because we do not have anything bigger than a flower pot in our district insofar as agriculture is concerned. The gentleman, I am sure, will believe there is some merit in what I am saying. We wish to go along, but we should have some assurances that we will get real consideration from the Appropriations Committee on our own problems with regard to W. P. A. appropriations. [Applause.]

Mr. TARVER. Mr. Chairman, I rise in opposition to the pro forma amendment.

Mr. Chairman, it seems to me that this is a poor time for Representatives in this House who represent, in the main, distressed farmers, and Representatives whose principal constituency is composed of those who are unemployed in industry, to engage in an effort to cut each other's throats.

I also think it is a poor time to engage in any patent effort at what is commonly referred to as logrolling. I hold in my hand today's edition of the Washington News and I call your attention to an item appearing on page 8:

LOGROLLING BLASTS HOPE OF ECONOMY

A logrolling campaign to pass the \$250,000,000 unbudgeted item for farm parity payments and the \$150,000,000 additional work-relief request threatened today to rout the House economy bloc.

The headline here was the first news that I had had that any effort was being made to bring about any sort of logrolling agreement with regard to the parity-payment item appearing in this bill.

The second news I had with regard to this proposed or supposed logrolling was the speech of the gentleman from Pennsylvania.

I think there is no Member of this House who does not realize the national nature of the question involving the relief of unemployment as well as the national nature of the question involving the relief of agriculture. I think there are some Members of this House, including myself, who believe that neither in the farm program nor in the relief program have we yet found the solutions of these two problems, but I do believe that the membership of this House under the plans which are now being used, both for agriculture and for relief of unemployment in industry, are willing to go ahead and do as far as their Government is able to do, whatever may be necessary in order to relieve these conditions.

The gentleman asks how is he going to explain to the people of Pennsylvania his voting for \$250,000,000 for farm parity

payments. Let me suggest to him that he might explain it to them by saying that during the last 6 years \$15,000,000,000 have been appropriated for work relief in the United States. He might explain it to them by saying that in 1937, \$214,-000,000 of that year's appropriations were used in the State of Pennsylvania alone for work-relief purposes, as against \$210,000,000 used for those purposes in all of the 11 Southern States. He might say to them that when he voted for this \$250,000,000 for farm parity payments he was voting for only \$36,000,000 more for the farmers of the entire United States than was used in 1 calendar year in his State of Pennsylvania for the relief of men who were customarily employed in industry.

Mr. MARCANTONIO. Mr. Chairman, will the gentleman yield?

Mr. TARVER. I will be glad to yield to the gentleman.

Mr. MARCANTONIO. Does the gentleman seek to justify the denial of adequate appropriations for the relief of the unemployed simply because of the fact that appropriations

have been made in the past?

Mr. TARVER. May I say to the gentleman I have no question but that this House will make adequate provision for the relief of the unemployed. I am not on the subcommittee which is handling the pending supplemental relief bill, but I do say that it is foolish, that it is unwise for Members to come in here and undertake to threaten the Members of the House who represent agricultural constituencies by saying that they are not going to vote for the farm parity provisions of this bill unless we will undertake to promise so-and-so with regard to an item of legislation which is not even within our control.

I say when you vote on this bill you ought to vote for what you think is just and right for the agricultural population of the country, and that when we vote later on the relief bill we ought to act in the same way, keeping in view the welfare of the people engaged in industry.

Mr. BRADLEY of Pennsylvania. Mr. Chairman, will the gentleman yield?

Mr. TARVER. I yield to the gentleman.

Mr. BRADLEY of Pennsylvania. I believe the gentleman is quoting me incorrectly.

Mr. TARVER. I am sorry, if I did.

Mr. BRADLEY of Pennsylvania. I did not say that I would exchange my vote or how I would vote on the bill. I told you the problems of my district in explaining my vote under the circumstances.

[Here the gavel fell.]

Mr. McGRANERY. Mr. Chairman, I move to strike out the last word.

Mr. CANNON of Missouri. Mr. Chairman, I ask unanimous consent that debate on the pro forma amendment be confined to 5 minutes.

The CHAIRMAN. Is there objection?

Mr. SCHAFER of Wisconsin. Mr. Chairman, I object. All of the debate has been on that side, and I think we are entitled to a little time.

Mr. CANNON of Missouri. Mr. Chairman, I amend that to make it 10 minutes.

The CHAIRMAN. Is there objection?

There was no objection.

Mr. McGRANERY. Mr. Chairman, I regret exceedingly that the question of logrolling has been introduced into this discussion. I would be the last man in the House to swap my vote, as it were, in any logrolling proposition. I feel that the entire responsibility for our program lies on the Democratic side of the aisle. To give relief to the farmer without giving aid to the industrial centers is only a halfway measure, and also that many of our good Democrats now come in to the committee endeavoring to justify an appropriation not justified by any official of the Government who has made a study of the problem. It is a figure arrived at by the committee without any basis for it in its hearings. I realize as well as many of my good northern friends that the situation in the South is a serious one. There are many who have read Daniel's book, A Southerner Discovers the South, and many who have been there and seen with their own eyes what the

conditions are. I have a deep sympathy for the problem of agriculture, and particularly so for the South, there it is most serious and I fully realize it. I want to vote for this bill, but the question in my mind is, How can I vote for this bill and go back and face my people? As my distinguished colleague [Mr. Bradley] has told you, there is much concrete and much asphalt and many bricks and much mortar in my district. There is nothing of agriculture in it at all. On the contrary, my people contend that these subsidies have increased the cost of living to them, and at the same time point to the record of this House, showing the very men who now advocate the \$250,000,000 addition are the men who voted against relief for them. This would appear as though they cut relief in order to increase this. The condition in the South is a serious one, but the Members from the South do not realize the serious situation that confronts us. Conditions in the industrial centers are every bit as serious when you consider the people in the North who do not have the money to buy the products of the farm.

I want to go along with this program, but when these Members who stand here and say that they have voted this and that for relief purposes, all we have to do is to look at the record, and we find that in the years 1934 to 1938 the State of Alabama paid into the United States Treasury \$58,537,554 and took out of the United States Treasury in Federal benefits \$486,785,353. Take the State of Georgia. They paid into the Treasury \$136,922,249 and received Federal-aid bene-

fits amounting to \$514,775,378.

Mr. COOLEY. Mr. Chairman, will the gentleman yield?

Mr. McGRANERY. I am sorry, but I have not the time. The gentleman from Georgia [Mr. Tarver], our distinguished friend, has just left the floor. He told us of his magnanimity in voting the amount for relief and what Pennsylvania got. The State of Georgia paid into the United States Treasury, 1934 to 1938, \$136,922,247 and got out of the United States Treasury on the other hand \$514,775,378. As a matter of good housekeeping, how long can we stand this?

Mr. O'CONNOR. Mr. Chairman, will the gentleman yield? Mr. McGRANERY. No; I am sorry. I realize what this means to the South. I realize what it means to the entire country, but my only point is that when these men who sit here on this very committee are the ones who blocked the payment of relief to the people of the North who are destitute, then how, in fairness, and injustice can we stand here and vote for something that will protect those engaged in agriculture at the expense, if you please, of relief to the industrial area. Both these people need aid. It is the responsibility of the Democratic majority to see they get it and not by sacrificing any one for the other. Our program cannot succeed on any halfway measure, and sectionalism or logrolling has no place here.

The CHAIRMAN. The time of the gentleman from Pennsylvania has expired.

Mr. SCHAFER of Wisconsin. Mr. Chairman, I rise in opposition to the amendment. I represent an industrial city. I sympathize with the two gentlemen from Pennsylvania, the New Deal leaders, who have been trying to make a deal with the southern Members on legislative matters. I appreciate the unemployment in their districts, which, no doubt, causes them to want to know how their southern colleagues expect

to vote on W. P. A. appropriations.

Mr. BRADLEY of Pennsylvania. Mr. Chairman, will the gentleman yield?

Mr. SCHAFER of Wisconsin. I yield.

Mr. BRADLEY of Pennsylvania. I think if the gentleman sympathizes with us he should have shown it in his vote on the last W. P. A. bill. His crocodile tears right now do not help our cause in any manner.

Mr. SCHAFER of Wisconsin. Oh, I do not apologize for any of my votes. The Record will show that I voted for adequate W. P. A. appropriations—appropriations which would permit the employment of many thousand additional W. P. A. workers, if properly expended.

Mr. Chairman, I submit that if the complaining gentlemen who represent industrial districts in Pennsylvania, where many factories are closed or running part time, would stop "rubber stamping" the international New Deal reciprocal tariff policies of Secretary of State Hull and his tribe, they would be rendering a great service to their districts. I understand that Pennsylvania bituminous coal mines are right outside the back door of the districts which the gentlemen represent. Instead of casting their votes in favor of appropriating many millions of dollars from the Federal taxpayers' Treasury, to subsidize the Government in the electric business in the Tennessee Valley and elsewhere, they would better serve the unemployed Pennsylvania coal miners and others unemployed in their districts by registering their voice and votes in opposition thereto. [Applause.]

I want to make a sincere suggestion to my friends from the South. Yesterday we heard about the deplorable situation in the cotton States. The statistics with reference to the reduction in the exports of southern cotton since the advent of this so-called New Deal are startling. Brazil and other South American countries have taken a great share of our export cotton market. Notwithstanding this fact, we find nearly all of our southern New Deal politicians and statesmen supporting the Export-Import Bank and the international policies of Secretary of State Hull and Secretary of the Treasury Morgenthau, who are building a pipe line from the Federal Treasury down to Brazil and other South American countries. They have agreed to hand Brazil more than a hundred million dollars of our American taxpayers' dollars. These huge hand-outs will certainly enable Brazil and other cotton-producing South American countries to take over the balance of our American export cotton market. They will also enable them to invade our cotton market in America.

It will not be long before the southern Members of Congress and the Senate will be demanding a high protective

tariff on cotton.

I have received hundreds of letters from cotton-producing sections of the country asking me what was the matter with their New Deal "rubber stamp" Congressmen; asking if they did not realize that Brazil and the South American countries were stealing the American cotton-export markets under the

New Deal agricultural and foreign policies.

The gentlemen from Pennsylvania have good cause for complaint. I realize these New Deal gentlemen from the State of Pennsylvania, a great tax-paying State which will have to pay a great share of the expenditures from the Public Treasury, are no doubt getting the heat turned on them from back home. We realize that every dollar that is expended by the Federal Government must be produced in tax dollars, earned by the sweat and toil of someone sometime, this year or next year, this generation or the next generation. We also realize that the State of Pennsylvania pays into the Federal Treasury about as much in Federal taxes as some seven or eight Southern States combined. Therefore, for all the raids on the Federal Treasury which the New Deal Democrats from Pennsylvania support in order to take political pork back home to the State of Pennsylvania, the taxpayers of their districts and their State sometime this year or next year, this generation or the next generation, will have to pay back four or five dollars for every dollar's worth of New Deal political "pork" which they receive from the Federal Treasury. [Applause.]

[Here the gavel fell.]

The pro forma amendment was withdrawn.

The Clerk read as follows:

Total, salaries and expenses, Bureau of Plant Industry, \$5,083,760, of which amount not to exceed \$1,736,620 may be expended for departmental personal services in the District of Columbia and not to exceed \$24,575 shall be available for the purchase of motor-propelled and horse-drawn passenger-carrying vehicles necessary in the conduct of field work outside the District of Columbia.

Mr. COOLEY. Mr. Chairman, I move to strike out the last word.

Mr. Chairman, since I am from the South and happen to be one of the southern Members of Congress who voted with the committee and against the appropriation of \$150,000,000 requested by the administration for the Works Progress Aministration, I want to further discuss some of the figures contained in the statement from which the gentleman from

Pennsylvania was quoting at the time he declined to yield to me a few moments ago.

The gentleman from Pennsylvania states that he would like to vote for parity payments to farmers, but will experience difficulty in explaining to his constituents in the city of Philadelphia why he voted for parity payments to farmers when Members from agricultural districts voted against further appropriations for Works Progress Administration. The gentleman pointed out that certain agricultural States had received from the Federal Treasury during the period of 1934 to 1938 benefits far in excess of the amount of internal revenue collected by the Federal Government in those States. I would like to call the gentleman's attention to the situation with regard to North Carolina and ask him to take into consideration the position in which the members of the North Carolina delegation in Congress are placed if we are to be entirely guided by the record to which he refers. The gentleman has been kind enough to permit me to use the record to which he addressed his remarks. This record which I hold in my hand shows that during the period 1934 to 1938 my State, an agricultural State, paid into the Federal Treasury the stupendous sum of \$1,464,909,552, and only received from the Federal Treasury the sum of \$459,098,753.

Mr. BROWN of Ohio. Cigarette tax.

Mr. COOLEY. You may call it cigarette tax if you want to but I am quoting from the record furnished to me by the gentleman from Pennsylvania, from which he was likewise quoting. You may just as well say that the tax paid by the State of Michigan into the Federal Treasury is automobile tax or tax on other manufactured products. We in North Carolina pay very high taxes on the automobiles we buy, the Frigidaires and the thousand and one other manufactured articles which we purchase which are manufactured in other States in the Union.

Further looking at the record we find that the State of Pennsylvania in the period 1934–38 paid into the Federal Treasury the sum of \$1,613,793,940 and received in benefits from the Federal Government \$1,773,661,353, or to put it another way and to emphasize the point again, North Carolina paid in excess of a billion dollars more than it received, while Pennsylvania received in round numbers in excess of \$160,000,000 more than it paid into the Federal Treasury.

It is interesting to note that the State of Illinois received benefits far in excess of internal revenue collected by the Federal Government in that State. The same thing is true with Michigan, Ohio, Massachusetts, and many other wealthy

States of the American Union.

I frankly take the position that in asking for parity payments for farmers we are only asking for equality and justice. We are only asking for that which every friend of the farmer on both sides of this aisle has time and again promised to give to the farmer.

We hear great complaint about the \$250,000,000 contained in this bill for parity payments. We are told that it is in excess of the recommendations of the Budget. An effort is made to create the erroneous impression that the \$250,000,000 carried in this bill is \$250,000,000 in excess of appropriations made for parity payments last year. The truth is last year the sum of \$212,000,000 was authorized for parity payments. This year the committee has increased this amount to \$250,000,000 or an actual increase over last year of an additional \$38,000,000. I do not believe that we should hesitate to increase the \$250,000,000 carried in this bill to \$500,000,000 and even then we would not be able to pay or to assure our farmers parity prices which would put them on equality with industry. [Applause.]

At the proper time an amendment will be offered to increase the \$250,000,000 provided for parity payments to \$500,000,000, and we will then have an oportunity to see just where the farmers' friends are in this House. I hope that the Members from the agricultural sections will be courageous enough for once to vote for a sum which will enable us to at least approach parity payments about which we have talked so much. We have approved the principle of parity payments in former acts of Congress and we find in the report of the committee this language: "The failure of the

President to include this item in the Budget"-referring to the provision for parity payments—"is not believed to reflect the Executive disapproval of the item itself." We find this further language in the committee report: "The committee believes its duty is clear to provide in this bill the funds necessary for a continuation of that policy." The report, of course, is referring to the policy of parity payments. In the report the committee recognizes that a further reduction in benefit payments to our farmers would be a blow to the agricultural recovery which is deemed to be essential to the complete restoration of our national economy as a whole. I assume that we are to understand from this report that the President does not disapprove parity payments. The fact remains, however, that every time we ask for money for agriculture we are told that we must raise the revenue. How can we raise the revenue with which to pay parity payments until we first fix the amount of the parity payments or the amount Congress wants to make available for this purpose? If the money is appropriated I do not believe that the President will veto the bill, nor do I believe that the proper committees of Congress will fail to comply with the President's wishes with regard to raising the necessary funds. The time has come for us to stop talking about parity and do something about it, and I hope that when the amendment increasing the amount to \$500,000,000 is introduced it will be adopted.

Mr. HOOK. Mr. Chairman, I rise in opposition to the proforma amendment.

Mr. McLEAN. Mr. Chairman, a parliamentary inquiry.

The CHAIRMAN. The gentleman will state it.

Mr. McLEAN. I understood that all debate on this amendment and all amendments thereto had closed.

The CHAIRMAN. That was to the preceding paragraph. Mr. CANNON of Missouri. Mr. Chairman, I ask unanimous consent that all debate on this paragraph and all amendments thereto close in 5 minutes.

Mr. KEEFE. Mr. Chairman, I object.

Mr. CANNON of Missouri. Mr. Chairman, I ask unanimous consent that all debate on this paragraph and all amendments thereto close in 10 minutes.

Mr. PITTENGER. Mr. Chairman reserving the right to object I do not want to talk on the Forest Service item of the bill, but I do want 5 minutes.

Mr. CANNON of Missouri. Mr. Chairman, I am very anxious to cooperate with the gentleman but we are discussing matters wholly foreign to the pending bill and I hope we can conclude debate on this subject when the gentleman has concluded his remarks. We have been generous in allowing extraneous debate and I trust this late in the afternoon it will not be prolonged on matters which are not directly related to the bill.

The CHAIRMAN. Is there objection to the request of the gentleman from Missouri?

There was no objection.

The CHAIRMAN. The gentleman from Michigan is recognized for 5 minutes.

Mr. HOOK. Mr. Chairman, I happen to be a member of the Committee on Agriculture. There is some agriculture in my district still in its infancy, but there is a great deal of lumbering and mining. I am, therefore, interested in both labor and agriculture. I have for better than 4 years listened to the arguments and to the presentations before the Committee on Agriculture on the question of parity. I have voted right down the line for every single, solitary thing that I thought would bring parity to the farmer. The programs that have been submitted and propositions that have been discussed have at no time definitely assured parity to the farmer. Those who now present this \$250,000,000 addition to the agricultural appropriation do not even now definitely promise that they are going to bring parity to the farmer. Why fool ourselves? Why not be honest and approach this problem from a sane point of view?

The only way to bring parity to the farmer is to bring industry and labor out of the dumps. We must present a program that will put the 9,000,000 unemployed in this country to work not at relief wages, not at W. P. A. wages, but at honest-

to-goodness living wages in industry and agriculture, wages sufficient to provide an honest living, so they cannot only buy the farmer's produce and pay him parity but also to be able to enjoy some of the luxuries of life. How can this be done? It can be done if all industry will work together in cooperation with the Government and set a base period which will determine the number of unemployed in reasonably healthy times. The Government to pay 40 cents on every dollar paid in wages to all new employment. In other words, if an employer will agree to hire additional men at regular wages the Government will pay 40 percent of those wages. This will put men to work in addition to those who are now on the pay rolls, and subsidize them so that we can give them a living wage. When this is done and if the plan that I will shortly submit to this House is put into effect, I will guarantee that within 3 months we will put 9,000,000 additional men and women back on the pay rolls, not the pay rolls of W. P. A. or P. W. A., but the pay rolls of industry and agriculture and auxiliary employment so that they will be able to look their neighbors in the face and at least feel that they are decently and honestly working for the dollar they receive. So that they will be able to feed and clothe their families in decency comparable with the standard of living that should exist in a democracy.

When this is done you will find that agricultural commodities will be consumed by a buying public of men and women paid by employees in agriculture and industry. This subsidy would not continue forever. It could be tried for 3 years, and I will guarantee you, you will wipe off the books of this Nation W. P. A., P. W. A., and all relief programs and give to the men and women of this Nation the right to live in decency as they are entitled to under a democracy.

Mr. COOLEY. Mr. Chairman, will the gentleman yield?

Mr. HOOK. I yield.

Mr. COOLEY. I call the gentleman's attention to the fact that in October 1935 the Ford and Chevrolet agencies in the little town of Greenville, N. C., which is a rural to-bacco town, led the Ford agencies and the Chevrolet agencies of the world in the sale of Ford and Chevrolet cars; and it was due solely to the fact that the income of the tobacco farmer had been greatly increased under the present administration's program. [Applause.]

Mr. HOOK. That is correct, but let me say, however, that no one industry by itself can solve the problem of unemployment. All industry must work together to put these 9,000,000 men back on the pay roll. I hope you men and women of this House will consider favorably the plan I will submit and explain more fully within a very short time to this House. It may be found in bill 833, introduced by me in this session of Congress.

Mr. KEEFE. Mr. Chairman, I move to strike out the last

Mr. Chairman, although I have been privileged to speak once on the pending bill, I would not deem that I had performed my full duty for the people whom I represent if I did not rise at this time to ask a simple question of these gentlemen who have come up here one at a time from the Democratic side and professed their love, their loyalty, and their interest in the welfare of the farmer. What farmer are you referring to, please, when you refer to the farmer? Have you forgotten that the farmer of Michigan, the farmer of Wisconsin, the farmer of Minnesota, the farmer of these great dairy-producing States of this Union are still farmers? Have you forgotten in your rush and desire to aid the farmers of the South that according to available statistics for the year 1937 milk stood at the top of the list, having a value of \$1,459,000,000?

You have forgotten the fact that we have in this country milk farmers, farmers whose principal and only crop is milk, producing the highest cash crop of any other produced by the farmers. I note that you have succeeded in establishing rice as one of the basic commodities entitled to parity payments. Rice produced a crop worth only \$35,000,000. Tobacco produced \$318,000,000. Cotton produced only \$784,000,000. You put those crops and the farmers who produce those crops into your parity program, but you have com-

pletely forgotten the farmers whom I represent in my State, the farmers who produce the things that feed you and feed the people in your district in connection with the production of milk and dairy products.

Mr. COOLEY. Will the gentleman yield?

Mr. KEEFE. I yield to the gentleman from North Caro-

Mr. COOLEY. Has the gentleman introduced any bill during this session of the Congress for the relief of the dairy farmer?

Mr. KEEFE. I have not introduced a bill for the relief of the dairy farmer, but let me say to the gentleman that we have representation on the Committee on Agriculture, and these gentlemen have been struggling since this session started to get recognition for the dairy farmer. Bills have been introduced in this Congress since the Democrats have been in control to give them parity with these other crops. They have utterly failed and have been voted down.

Mr. Chairman, I want to address myself to one other thing. I notice in the pending bill a paragraph which proposes to appropriate \$322,500 for sugar plant investigation, including the study of diseases of sugar beets, sugarcane, and sugar-beet seed. The gentleman from Montana yesterday very correctly interpreted the wish and will of the farmers of Montana when he told you that the present agricultural program is absolutely going to destroy the beet-sugar industry in this country. He told me privately that the reciprocal-trade agreements that have been entered into have nearly destroyed the beet-sugar industry of the State of Montana. I asked the gentleman privately after his speech whether he is in favor of reciprocal-trade agreements or opposed to them. He said I could quote him as saying that he was viciously opposed to these reciprocal-trade agreements. Gentlemen from Louisiana and from Florida on that side of the House told me the same thing privately. I ask those gentlemen, "Why do they not get up here and vote when the time comes to abandon this reciprocal trade agreement policy?"

I have received letter after letter from the State of Florida, as many of you have, protesting against the effect of the reciprocal-trade agreements and the allotment program of the Secretary of Agriculture and its proposed effect upon the sugarcane industry. I want to know, are you going to appropriate money to study sugarcane when you are stopping the farmers in Louisiana and Florida from raising it?

[Here the gavel fell.]

The Clerk read as follows:

General administrative expenses: For necessary expenses for general administrative purposes, including the salary of the Chief Forester, for the necessary expenses of the National Forest Reservation Commission as authorized by section 14 of the act of March 1, 1911 (16 U. S. C. 514), and for other personal services in the District of Columbia, \$607,500.

Mr. O'CONNOR. Mr. Chairman, I move to strike out the last word.

Mr. TABER. Mr. Chairman, a point of order.

The CHAIRMAN. The gentleman will state the point of

Mr. TABER. A motion to strike out the last word is not an amendment under the rules. I think we have gone far enough on this.

The CHAIRMAN. It is a pro forma amendment. The gentleman from Montana [Mr. O'CONNOR] is recognized for

Mr. McLEAN. Mr. Chairman, a parliamentary inquiry. The CHAIRMAN. Will the gentleman from Montana

yield for a parliamentary inquiry?

Mr. O'CONNOR. Mr. Chairman, I refuse to yield.

The CHAIRMAN. The gentleman from Montana is recognized for 5 minutes.

Mr. O'CONNOR. Mr. Chairman, the gentleman from Wisconsin [Mr. Keefe] quoted me absolutely correct with reference to the Canadian treaty and the treaty affecting the sugar-beet industry of this country. Our best cash crop in 1933 was in the neighborhood of a half million dollars higher than in 1936, the decrease being the result of the shrinkage of the production of sugar beets in the State of

May I say to the Members of the House that upon the first opportunity I get I will vote to take away from any one man the power to enter into trade agreements [applausel without their being ratified by the United States Senate, in accordance with the Constitution. [Applause.]

Mr. Chairman, I want to speak a moment upon a part of the bill now under consideration by the Committee, and that is the so-called subsidy feature. I may say to the gentleman from Pennsylvania that I was one of the Members who voted for the Cannon amendment to increase the appropriation for the W. P. A. to \$875,000,000, the amount the President of the United States and Colonel Harrington said was necessary to feed the people of this country. I speak, therefore, from that angle. And I may say that I will again vote for the \$150,000,000 when the matter comes before the House, if the President of the United States says it is necessary, because I feel that he and Colonel Harrington know more about what is necessary than I. [Applause.]

Mr. Chairman, we need not go further in asking support for the \$250,000,000 provided in this bill than to refer to the testimony of the Secretary of Agriculture given before the Senate committee with reference to the cost-of-production bill, in which he said that if the cost-of-production bill was passed it would cost the American consumers \$1,000,-000,000 annually. Mr. Chairman, if that statement is true, the corollary of the statement is true, that is, the billion dollars represents the loss that the American farmers are sustaining as a result of the present system. It is the only reasonable deduction you can draw from that statement. The farmers of this country are doing business on the basis of a loss of \$1,000,000,000 a year, and it is time to put a stop to it. I think the amount carried in the bill to provide parity prices will go a long way toward solving the problem. This amount should not be termed a subsidy. It is in reality a restitution.

I also wish to call your attention to the fact that the Democratic Party in its national platform in the year 1932 made a commitment to the American farmer. What was that This plank in the Democratic platform commitment? stated:

The enactment of every constitutional measure that will aid the farmers to receive for their basic farm commodities prices in excess

This commitment the Democratic Party made to the people of this country in the year 1932, and it has not been kept. The only bill that has been offered that in my opinion will ever cause it to be strictly kept is the cost-of-production bill now pending in the House.

I do not believe that if the Members of the House thoroughly understood the question before them there is a man or a woman here who would want to eat a loaf of bread made from a bushel of wheat that year after year had been produced at a loss, and that is what we are doing. The farmer is an orphan in the economic picture. Every other industry and labor are protected. The farmer has been producing at a loss ever since he began. Are we going to continue this policy or are we going to place him on a basis of equality with other industries in this country, and that is what this bill attempts

Mr. COOLEY. Mr. Chairman, will the gentleman yield? Mr. O'CONNOR. I yield to the gentleman from North Carolina.

Mr. COOLEY. Does not the gentleman believe we should attempt to pay actual parity payments as far as we can?

Mr. O'CONNOR. Yes; I heartily agree with that. I also wish to say that I want to see the poor fellow on W. P. A. paid enough so that he can get along. I will vote for such appropriations as long as there is a hungry man, woman, or child in this country. [Applause.]

[Here the gavel fell.]

Mr. SABATH. Mr. Chairman, I rise in opposition to the pro forma amendment.

Mr. Chairman, I regret exceedingly that politics has been brought into the consideration of this bill. I wish to say to the gentlemen from Montana, Michigan, and Colorado and the Representatives of other beet-growing States, who inadvisedly charge that the sugar-beet industry and agriculture in general has been affected by the reciprocal-trade agreements, that they are, unfortunately, misled by the Republican press, which at all times is giving the country misinformation and finding fault with any legislation that is beneficial to the Nation. I know if they took the time to post themselves they would learn that we are today producing many times more sugar beets than we did 30, 20, or even 10 years ago under any Republican administration.

Mr. Chairman, it is also unfortunate that the three newly elected reactionary Republicans from the State of Wisconsin for political reasons make the charge that this administration has ignored the farmers and has done nothing for the dairy industry. The fact is that this bill alone appropriates for the Bureau of Animal Industry the sum of \$15,493,312 and \$717,405 for the Bureau of Dairy Industry, a total of \$16,-210,717. This appropriation for the two bureaus is nearly twice as much as Congress appropriated under the Republican administrations in 1908 and 1909 for the entire Department of Agriculture. Therefore, this talk on the floor is only another Republican effort to mislead the people at home, because the figures which I have quoted speak for themselves. As it will no doubt be of interest to the Members and to the country. I insert at this point the total amount of the appropriations for the Department of Agriculture for the years 1908 and 1909. The appropriation for the year 1908, when Theodore Roosevelt was President, was \$11,672,000, and for 1909, when Taft was President, the appropriation was \$12,995,000.

Mr. KELLER. Billions, the gentleman means.
Mr. SABATH. Millions, I said. I meant not billions but millions. I repeat that the appropriation was only \$12,995,-000 for the year 1909 for the Department of Agriculture, which includes all of its bureaus and divisions.

The bill we are now considering, including the two hundred and fifty million not recommended by the Bureau of the Budget, calls for an appropriation of \$1,150,000,000—nearly 100 times as much as that appropriated for agriculture for the fiscal year 1908, 30 years ago. So, within 30 short years under this administration today we have increased the aid to the farmers one hundredfold. I am not going to claim that I brought about this great increase in appropriations for the farmers just because I have been their friend. No; but it is the Democratic administration which has demonstrated its friendship to the farmers; and I regret very much that these three Wisconsin milking men or milkmen have the nerve to claim that nothing has been done for the farmers or for the dairy industry, when I have shown we are appropriating for the dairy industry more this year than we appropriated for agriculture in general 30 years ago.

Mr. KEEFE. Mr. Chairman, will the gentleman yield for a correction?

Mr. SABATH. No; I cannot yield.

Mr. KEEFE. The gentleman would like to be corrected, would he not.

Mr. SABATH. No; the gentleman cannot correct me because my statements are correct. Further, I regret I have not the time, and therefore please take your seat for a minute, as I want to pay my compliments to other gentlemen. I do not blame you Wisconsin Republicans trying to make political capital out of this in the hope that it might help you to come back from Wisconsin. You cannot do it. You fooled the people last year, but you cannot fool them again. They are commencing to realize that they were misled.

Now, Mr. Chairman, where are the Republicans and those of the so-called economy bloc who continuously criticize the President for the spending of money. Here is your opportunity-but, no; you have not offered a single amendment to reduce the appropriations, but on the contrary have offered amendments to increase the tremendous appropriations called for in this bill. I have waited here for 2 hours to see whether the gentleman from Pennsylvania [Mr. Rich] and the gentlemen from Georgia, Virginia, Texas, Kansas, and other States would rise and oppose some of the increases in appropriations but not a word have I heard from them; not a word. They are not ready to vote for appropriations that are not asked by the Bureau of the Budget but they are willing to increase them. Where is the consistency in that, I ask you, and I am going to ask it in the future. [Applause.]

[Here the gavel fell.]

Mr. CANNON of Missouri. Mr. Chairman, I ask unanimous consent that all debate on this section and all amendments thereto close in 10 minutes.

The CHAIRMAN. Is there objection to the request of the gentleman from Missouri?

There was no objection.

Miss SUMNER of Illinois. Mr. Chairman, I move to strike out the last two words.

You know the two words I should like to strike out-

I should like to explain to the gentleman from Illinois [Mr. Sabath] why it has been necessary for him to make these appropriations for agriculture.

Mr. SABATH. To help agriculture, to help the farmers. that is the reason, because the Democratic Party is a friend of the farmer.

The CHAIRMAN. Does the gentlewoman yield to the gentleman from Illinois?

Miss SUMNER of Illinois. I do not like to give a man too much time.

In reviewing the RECORD of yesterday's debate Y observed with high approbation a disposition expressed by those of you who participated in the debate to consider the farm problem from a nonpartisan point of view. I noticed, however, that you failed to recognize a vital element of the agriculture problem. It lies in the fact that our farmers, in the North and in the South, pay a heavier proportion of our taxes than other groups. [Applause.] Thirty percent of all people in the United States live on farms. They have always been unfairly taxed in proportion to other people. Consider the farmer's disadvantage in this respect. In the States of each and every one of you, due to the way your laws are written, you have heavy real- and personal-property taxes. A city man can conceal some of his property, his cash, and his securities, and often he does. The tax studies in our library prove that millions every year are so concealed in large cities. But the farmer cannot hide his property, his grain, his livestock, his cattle. They are all out where the assessor can see them.

As you know, almost every farmer in the United States has on his farm today a mortgage. If, due to decrease in price of land, he owes more on the mortgage than his land is worth, if he has no equity whatever in his land, he yet pays taxes on the full appraised value of that land.

Anybody who has anything to sell, except the farmer, can pass on a part of his taxes to other people—to the people who buy. The farmer, however, cannot pass on his taxes or any part of them to other people because his prices are fixed far away, in a city market, in competition with farm products shipped in from other countries where the taxes and the cost of production are lower than his.

You have alluded to subsidies—subsidies to the farmer! Why do you not call them what they are? Subsidies? What you are giving the farmers is not a "subsidy" but a "substi-

tute" for justice. [Applause.]

Recently you have been sending back little checks to the farmer. They do not pay even the 20 percent in indirect taxes that the farmer now pays on every article he buys. Subsidies? What you are paying—you here in this Congress, we here in this Congress—is damages. Damages for running up the cost of government increasingly as we approach national bankruptcy. [Applause.]

[Here the gavel fell.]

Mr. LEAVY. Mr. Chairman, I rise in opposition to the pro forma amendment.

Mr. Chairman, I am not going to attempt to answer in any way the impassioned, eloquent, and appealing address of the gentlewoman from Illinois [Miss Sumner] who preceded me. I am not even going to try to give you the benefit of any of my campaign efforts on the stump last fall that I might have used in order to come here. I do want to talk to you just briefly upon the matter now under discussion, which is the Forest Service.

I want to say by way of preface as a member of this subcommittee, there are six of us, four on the Democratic side and two on the Republican side. We brought to bear the best we had on these complex and difficult problems that presented themselves. We present to you nearly 2,000 pages of written record. We heard scores of witnesses and we sat, as it were, in judgment for some 7 weeks on the many and varied requests for money. I have the highest regard for the sincerity, the ability, and the integrity of my colleagues on this subcommittee, but we did not always agree.

I did not agree in reference to the treatment accorded forestry. I felt we were parsimonious, to say the least, with this great governmental undertaking that certainly has no sectional and no partisan complexion. I doubt if any bureau in the United States is more important to the national welfare in a material way. Yet it seems to me we are trying to starve it to death.

The United States Forest Service is now operating in 42 States of the 48. They now have under their jurisdiction and control the responsibility of caring for almost 200,000,000 acres of land. I am giving round numbers. There are in all about 2,000,000,000 acres of land in continental United States. Almost 10 percent of it is public forest. The demands upon this great Bureau are growing instead of declining. In my own State their position is quite secure.

We give to forestry this year, for management and operation, a little over \$11,000,000, or just a little over 5 cents per acre. They turn in in receipts from timber sold and from grazing receipts and other matters of that type, which the law provides for, in the neighborhood of \$5,000,000, and it is a new and a young agency. In less than a generation they will be producing revenue in excess of costs of operation and insuring for all time an adequate timber supply. The place they occupy in flood control, the place they occupy in recreational life, and the place they occupy in caring for our primary national resources—timber—makes it important that we all look upon this not as a sectional matter, that we at least give them enough money to function efficiently. Trees are a crop, and it requires from 30 years to several centuries to produce one harvest; yet without forests this Nation cannot

This Congress a year ago said that the Forest Service, by reason of having virtually 10 percent of the lands of the continental United States, most of which is the most rugged in this whole Nation, should have \$14,000,000 a year for the construction of roads and trails and for the purpose of opening ways to preserve a national asset worth hundreds of millions of dollars-yes, even billions of dollars. We allowed that in the appropriation bill of a year ago. This year the Budget cut them to \$12,000,000, and our committee, over the vigorous protest of several members, saw fit to cut them to \$10,000,000. Not finding fault necessarily with my colleagues, but for the purpose of showing you the effect this cut will have, I desire to make a part of my remarks and a part of the RECORD the figures for the 42 States where the Forest Service is operating, which show how this is going to affect them in the next year.

Apportionment of forest road funds

State	1939	1940, if cut to 10,000,000
Alabama	\$69,945	\$119,963
Alaska	380, 260	421, 614
Arizona	745, 048	517, 560
Arkansas	167, 175	122, 202
California	2, 078, 995	1, 487, 382
Colorado	885, 276	627, 360
Florida	109, 239	61, 393
Georgia	74, 103	42, 376
Idaho	1, 624, 996	1, 179, 837
Illinois	48, 510	30, 529
Indiana	14, 415	9, 225
Iowa	77	31
Kentucky	84, 125	48, 124
Louisiana	43, 536	21, 203
Maine	9, 405	4, 886
Michigan	224, 495	127, 852

Apportionment of forest road funds-Continued

State	1939	1940, if cut to 10,000,000
Minnesota.	\$166, 821	\$121, 608
Mississippi	115, 546	60, 292
Missouri	128, 149	74, 606
Montana	1, 234, 099	858, 677
Nebraska	18, 625	21, 949
Nevada.	233, 295	162, 911
New Hampshire	108, 664	99, 822
New Mexico	516, 340	383, 349
North Carolina	142, 931	75, 811
North Dakota	169	104
Ohio	7,007	3, 929
Oklahoma	13, 273	58, 673
Oregon	1, 822, 646	1, 274, 587
Pennsylvania	68, 716	35, 242
Puerto Rico	9, 487	5,767
South Carolina	95, 383	51, 591
South Dakota	148, 125	67,509
Tennessee	72, 917	40,690
Texas	90, 247	50,544
Utah	469, 023	335, 497
Vermont	35, 154	17,753
Virginia	173, 598	92, 295
Washington	969, 500	696, 496
West Virginia	120, 849	114, 558
Wisconsin	128, 566	71, 554
Wyoming	551, 270	402, 649
Total	14,000,000	10,000,000

We made other cuts in land acquisitions vitally affecting Ohio, Pennsylvania, Indiana, New York, North and South Carolina, Virginia, and at least 20 other States. Congressmen appeared and urged that we allow the Forest Service to expand at least in a reasonable manner. There is authorization for \$10,000,000 per annum for forest acquisition. We compelled them to take over one-half million acres last year and still reduce their allowance. I was in favor of being more liberal than we were.

We have made some reductions in the matter of forest stations throughout the United States that do experimental work in range preservation that vitally affect great regions. A great agency being financially starved. [Applause.]

The Clerk read as follows:

National-forest protection and management: For the administration, protection, use, maintenance, improvement, and development of the national forests, including the establishment and maintenance of forest-tree nurseries, including the procurement of tree seed and nursery stock by purchase, production, or otherwise, seeding and tree planting and the care of plantations and young growth; the maintenance and operation of aerial fire control by contract or otherwise; the maintenance of roads and trails and the construction and maintenance of all other improvements necessary for the proper and economical administration, protection, development, and use of the national forests, including experimental forests: Provided, That where, in the opinion of the Secretary of Agriculture, direct purchases will be more economical than construction, improvements may be purchased; the construction, equipment, and maintenance of sanitary, fire preventive, and recreational facilities; control of destructive forest-tree diseases and insects; timber cultural operations; development and application of fish and game management plans; propagation and transplanting of plants suitable for planting on semiarid portions of the national forests; estimating and appraising of timber and other resources and development and application of plans for their effective management, sale, and use; examination, classification, surveying, and appraisal of land incident to effecting exchanges authorized by law and of lands within the boundaries of the national forests that may be opened to homestead settlement and entry under the act of June 11, 1906, and the act of August 10, 1912 (16 U. S. C. 506-509), as provided by the act of March 4, 1913 (16 U. S. C. 512); and all expenses necessary for the use, maintenance, improvement, protection, and general administration of the national forests, including lands under contract for purchase or for the acquisition of which condemnation proceedings have been instituted under the act of March 1, 1911 (16 U. S. C. 521

Mr. PITTENGER. Mr. Chairman, I move to strike out the last word. I do this to make a brief statement and ask the chairman of the committee a question. At the time of the hearings on this bill I understand the Forest Service asked for \$500,000 for logging purposes. Following that announcement, private timber operators in my district protested against the United States Forest Service competing with timber operators by operating sawmills and engaging in the timber industry. I have checked up this afternoon and have been advised that the \$500,000 item for logging operations for the United States Forest Service has been disallowed and is not in the bill. I rise to ask the chairman of the committee if I am correct in my interpretation, namely, that there is no such appropriation and that the bill does not authorize the United States Forest Service to construct or operate sawmills or engage in logging operations.

Mr. CANNON of Missouri. Mr. Chairman, the gentleman is correct. This request proposes to launch the Government on an entirely new enterprise. It provides for an activity in which the Government has never engaged. It would bring the Government into competition with private industry and has met with such general protest throughout the section of the country involved that the committee declined to include the item in the bill.

Mr. PITTENGER. Then there is no such provision in the bill?

Mr. CANNON of Missouri. There is no provision in the bill for that purpose.

The Clerk read as follows:

Forest economics: Investigations in forest economics under section 10, \$121,295.

Mr. FLANNERY. Mr. Chairman, I offer the following amendment, which I send to the desk.

The Clerk read as follows:

Amendment offered by Mr. Flannery: Page 45, line 7, strike out "\$121,295" and insert "\$139,295."

Mr. FLANNERY. Mr. Chairman, this amendment asks for \$18,000 for a survey of present and future forest employment opportunities in northeastern Pennsylvania. So that the gentlemen may know the background, this has reference to the Wyoming and Lackawanna Valleys and the Pocono Mountain area. You probably are familiar with the fact that there are millions of population and that there is over a billion dollars in the anthracite industry. That industry has been declining to a disastrous condition, as I believe the Committee is aware. It is practically bankrupt, and relief has been poured into the area. Conditions are going from bad to worse, and because of the inroads of competitive fuel oil, coke, gas, and soft coal, there has been a diminishing demand for anthracite until our conditions are desperate. In that area we have forest facilities, although they are practically denuded by fires and by foresting. We have soil erosion, we have floods, and necessity for flood control. There are reasons, therefore, why this survey is important and necessary. It is necessary not only for the region, but as the regions problems affect the entire Nation. We have resources, ample resources, but they must be intelligently used for new employment and diverted into new activities. Here is such a use. Here is such an activity. Many of you gentlemen object to the great relief load in that area. We are asking you for something that is corrective. We are asking you to let us stop treating the effect and eliminate some of the causes. We are not asking you for a program, we are asking for a survey so that you may decide on the necessity for a program and its scope. All we ask for that is \$18,000 for an area into which millions and millions have been poured in relief. We are asking you gentlemen to give us a chance to help ourselves. That is all-nothing more-\$18,000.

Mr. AUGUST H. ANDRESEN. Mr. Chairman, will the gentleman yield?

Mr. FLANNERY. Yes.

Mr. AUGUST H. ANDRESEN. Are the forests to which the gentleman has referred national forests?

Mr. FLANNERY. In part. The Allegheny Forest Service has its activities in that area and wants to make this survey, but appropriations will not permit. Eighteen thousand dollars will allow an intelligent survey and advise us of a constructive program that will exploit the resources there, restore the forests, aid flood control, and reduce unemploy-

ment now existing in the anthracite region, and give some of these people an opportunity to live on their own. That is all we are asking.

Mr. CANNON of Missouri. Mr. Chairman, this amendment proposes to expend public funds on private property. It has not been considered, so far as I know, by either the Department or the committee. Apparently it is unwarranted, or should at least have more detailed consideration.

Mr. FLANNERY. Mr. Chairman, will the gentleman yield? Mr. CANNON of Missouri. Certainly.

Mr. FLANNERY. I may say that has been taken up with the Department and presented and argued thoroughly before the committee. These points have been raised and answered. But let me point out again that this contemplates only a survey. The Department itself is ready and willing and anxious to undertake the work; and as for its being a new activity, the gentleman is asking for \$500,000 for logging, a new activity, while I ask for an insignificant \$18,000 for the partial rehabilitation of an impoverished area.

Mr. CANNON of Missouri. If it was submitted to the Department of Agriculture, the Department apparently did not consider the circumstances sufficient to warrant its reference to the committee at this time. I fully appreciate the force of the gentleman's presentation and trust we will be in position to take it up at a later time.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Pennsylvania [Mr. Flannery]. The amendment was rejected.

FOREST-FIRE COOPERATION

For cooperation with the various States or other appropriate agencies in forest-fire prevention and suppression and the protection of timbered and cut-over lands in accordance with the provisions of sections 1, 2, and 3 of the act entitled "An act to provide for the protection of forest lands, for the reforestation of denuded areas, for the extension of national forests, and for other purposes, in order to promote continuous production of timber on lands chiefly valuable therefor," approved June 7, 1924 (16 U. S. C. 564-570), as amended, including also the study of the effect of tax laws and the investigation of timber insurance as provided in section 3 of said act, \$2,000,000, of which not to exceed \$50,000 shall be available for departmental personal services in the District of Columbia and not to exceed \$2,500 for the purchase of supplies and equipment required for the purposes of said act in the District of Columbia.

Mr. McCORMACK. Mr. Chairman, I move to strike out the last word.

Mr. Chairman, I rose simply to call the attention of the membership of this House to the fact that when they voted the other day to appropriate \$5,000,000 to remove the fire hazard that developed in the forests of New England and a part of New York as a result of the hurricane, we did not establish a precedent.

My distinguished friend from Virginia [Mr. WOODRUM]. when the matter was originally acted upon in the House, and when I offered the amendment, laid stress upon the fact that this was the first time in the history of the country that the Congress had made such an appropriation. At that time I could not controvert his statement or take issue with it. The bill went to the Senate and the Senate increased the amount to \$5,000,000, as recommended by the Bureau of the Budget. Meantime I had ascertained information which showed me that my distinguished friend from Virginia had an erroneous impression. When the matter came up in the House I called it to the attention of the House, and the distinguished gentleman from Virginia [Mr. Woodrum] still advanced the argument that the appropriation constituted a precedent. I may disagree with the gentleman from Virginia, but he is never wrong, in my mind. That is the high regard I have for him. Nevertheless, I feel that the record should be made clear.

I am glad to see this appropriation today. I want to compliment the committee. If the circumstances require a larger appropriation, the committee should make it. Anything that tends to the conservation of our natural resources for the present and future generations is something that is constructive and something that I will always support.

However, simply for the purpose of showing that New England received no special consideration when the \$5,000,000 was appropriated, and to show that no precedent was estab-

lished, I call attention to the organic law which permits this appropriation to be made. It reads as follows:

If the Secretary of Agriculture shall find that the system and practice of forest-fire protection and suppression provided by any State substantially promotes the objects of this act in section 564 of this title, he is hereby authorized and directed under such conditions as he may determine to be fair and equitable in each State, to cooperate with the proper officials of each State and, through them, with private and other agencies therein.

Simply in defense of the great section of New England in which I am proud to live and represent, I want to have the record clear that when we appropriated \$5,000,000 recently the Congress was not establishing a precedent for the benefit of New England. In this bill we are carrying an appropriation which is fair, which is proper. This appropriation is the result of law passed in the early 1920's. The fundamental principle involved in this appropriation is identically the same as the principle upon which we acted several days ago in appropriating \$5,000,000 to meet the disastrous results of the hurricane visited upon New England. [Applause.]

[Here the gavel fell.]

The pro forma amendment was withdrawn.

The Clerk read as follows:

For the acquisition of land to facilitate the control of soil erosion and flood damage originating within the exterior boundaries of the following national forests, in accordance with the provisions of the following acts authorizing annual appropriations of forest receipts for such purposes, and in not to exceed the following amounts from such receipts: Uinta and Wasatch National Forests, Utah, act of August 26, 1935 (49 Stat. 866), \$40,000; Cache National Forest, Utah, act of May 11, 1938 (52 Stat. 347), \$6,000; San Bernardino and Cleveland National Forests in Riverside County, Calif., act of June 15, 1938 (52 Stat. 699), \$15,000; Nevada and Toiyabe National Forests, Nev., act of June 25, 1938 (52 Stat. 1205), \$10,000; in all, \$71,000.

Mr. TARVER. Mr. Chairman, I move to strike out the last word.

Mr. Chairman, I take this time for the purpose of having the Record show the reasons which actuated the committee in inserting in this bill for the first time, in the item relating to the acquisition of lands for national forests, the words "under sound commercial title."

It was brought to the attention of the committee by the Forest Service that in the acquisition of forest lands throughout the country the title to which has to be approved by the Department of Justice, the Department of Justice has been more meticulous in the examination and approval of titles than is ordinarily true in the examination and acceptance of titles in commercial relationships within the States where the lands are being acquired.

In other words, the Department of Justice has been requiring perfect title as to those lands, which ordinarily sell for \$3 or \$4 an acre, or some approximate sum. Oftentimes it is necessary for those who have sold the lands to wait for as long as 2 years in order to have the title perfected to the satisfaction of the Department of Justice, by condemnation proceedings, when the titles would have been acceptable to any ordinary purchaser in due course of business, acquiring those lands privately in the States where they are located.

It is the purpose of the committee, in inserting this language, to indicate to the Department of Justice the intent of Congress that the Department, in passing upon titles to these cheap forest lands, shall accept sound commercial titles—titles which would be regarded as sufficient in the ordinary course of business in the States where the lands are located—and thus save to the Government itself hundreds of thousands of dollars annually which are spent in defraying the expense, not only of examination of titles but of condemnation proceedings, which have heretofore been deemed necessary in order to perfect titles.

We hope that that practice on the part of the Department may hereafter be discontinued with a saving to the Government and with expedition in the work of the Forest Service in the acquisition of these lands.

[Here the gavel fell.]

Mr. WHITTINGTON. Mr. Chairman, I rise in opposition to the pro forma amendment.

Mr. Chairman, I appeared before the subcommittee in charge of this appropriation to urge that provision be made for the management of hardwoods in bottom lands. There are 12 forest stations in the United States, and wherever there are softwoods and hardwoods the appropriation for management is divided substantially in proportion to the areas of the different types of wood; for instance, in the northeastern region of the country, New England, the hardwoods cover substantially 50 percent of the total area, and the funds of the New England station at New Haven are divided between the softwoods and the hardwoods.

There are approximately 600,000,000 acres of forests in the United States. One-third of this entire area, or 200,000,000 acres, is located in the lower Mississippi Valley and in the region extending from Texas to South Carolina and along the rivers that flow into the Gulf of Mexico and the Atlantic Ocean.

There is no provision in this, nor has there been in previous appropriations bills since 1933, for the management of hardwoods in bottom lands. These lands constitute substantially 50,000,000 acres, or one-quarter of the entire 200,000,000 acres of forest lands in the southern region of cur country. Of the 12 stations in the United States, only 1 is located in this area, and this one at New Orleans.

I thought provision should be made for the management of hardwoods in lowlands, and I urged the committee to make an increase in the appropriation applicable to the New Orleans station. I realize the difficulty the committee is confronted with, and while a modest appropriation has been made by the committee, I do submit that the large interests involved and the fact that at every other station where there are substantial growths of both hardwoods and softwoods, provision is made for investigation of both; in the future and in the near future, I hope, additional and more substantial provision will be made. I can see the justice of making provision for hardwoods in lowlands at the New Orleans station when similar provision is being made in the other stations of the country where there are upland hardwoods.

It must be kept in mind that there are no hardwoods in bottom lands except in the southern region of the United States, there being none in the Southwest, the Northwest, or any other section of the country except the lower Mississippi Valley and the region adjoining the Gulf and the southeastern portion of the United States along the Atlantic Ocean. This is an important matter. The income of the farmer from his wood lot should supplement his income from cetton in those areas. About 64 percent of that area is owned by small farmers. I know of no more beneficial legislation than that which will enable the small farmer to supplement his income from cotton by growing hardwood in bottom lands.

Mr. FULMER. Mr. Chairman, will the gentleman yield? Mr. WHITTINGTON. I yield.

Mr. FULMER. As a matter of fact, the farm wood lot and its consideration in all of our work has largely been neglected. If the farmers could be shown how to build them up and bring about an increase of earnings through its utilization, this added purchasing power of the farmer would tend to relieve unemployment and cut down some of the appropriations we have to make for him.

Mr. WHITTINGTON. I agree with the gentleman. From the beginning, since these appropriations have been made under the act of 1928, there has not been a division between pine 150,000,000 acres and hardwood 50,000,000 acres in the southern region, but I also realize that tangible results from forest management are not apparent for a number of years. I do trust that the amount, modest as it is, that is appropriated here for the initiation of the work under the supervision of the New Orleans station will be increased. I maintain that at least one-fourth the amount allocated to the New Orleans station should be devoted to the management of hardwoods in lowlands.

In extending my remarks briefly I am speaking of the appropriation of \$593,403 for forest management on page 44 of the bill. This appropriation is made under the act of May

22, 1928, which was passed to insure adequate supplies of timber and to conduct forest research in reforestation, timber

growing, protection, and utilization.

The appropriation for the current year is \$648,403. I regret that the committee reduced the amount by \$55,000. The items of reduction, however, do not relate to forest management, research, or economics. As shown by the report of the committee, the reduction of \$55,000 covers forest genetics, forest regeneration, and forest mensuration.

I regret that the Committee on Appropriations did not follow my recommendation to increase the total appropriation by from \$50,000 to \$100,000 to provide for the management and investigations of hardwoods in bottom lands. It is fair to say that the committee took the view that without express authority the funds for the Southern Forest Experiment Station could be divided between pines and hardwoods in bottom lands. It is my view that the funds allocated, in the sum of \$69,350, to the station at New Orleans were insufficient for both pines and hardwoods, and that provision should be made for increasing the funds for the New Orleans station so as to provide for at least \$50,000 for hardwoods in bottom lands.

I am familiar with the work of the Forest Service. No agency of the Government is contributing more to the welfare of the people. Work is being done to aid in reforesting and in restocking cut-over areas in all regions of the United States, except hardwoods in bottom lands in the southern region.

I requested the Forest Service to give me a break-down and distribution of the funds under the appropriation for forest management and investigations for the fiscal year 1939. The following is the information furnished:

Distribution of funds under appropriations for forest management investigations, fiscal year 1939

Region	Work in pine and other soft- woods	Work in hardwoods (upland hardwoods only)
Northeast (Maine, New Hampshire, Vermont, Massa- chusetts, Connecticut, Rhode Island, and New York) Allegheny (Pennsylvania, New Jersey, Maryland, and Delaware).	\$40,000 9,200	\$34, 650 20, 000
Appalachian (Virginia, West Virginia, North Carolina, South Carolina, northern Georgia, eastern Kentucky, and eastern Tennessee)	14, 900	57,000
northern Arkansas, western Kentucky, and western Tennessee. Lake States (Michigan, Minnesota, Wisconsin, and eastern North Dakota)	10,000 40,000	32, 500 18, 650
Southern (southern Georgia, Florida, Alabama, Mississippi, Louisiana, eastern Texas, Oklahoma, and southern Arkansas). Pacific Northwest (Oregon and Washington). California. Northern Rocky Mountain (Montana and northern Idaho). Intermountain (southern Idaho, Utah, and Nevada)	69, 350 29, 150 118, 400 27, 750 7, 400	
Rocky Mountain (Colorado, Wyoming, and southwestern South Dakota). Southwestern (Arizona and New Mexico)	22, 500 20, 359 56, 594	20,000
Total	465, 603	182, 800

As I have said, there are 12 forest stations in the United States. There are two types of hardwoods—upland hardwoods and bottomland hardwoods. Bottomland hardwoods obtain only in the lower Mississippi Valley and along the rivers that flow into the Gulf and into the Atlantic Ocean, extending from Texas to South Carolina. All other hardwoods, where they grow, are upland hardwoods.

At the station in the Northeast region at New Haven, Conn., the funds, as above shown, are almost equally divided between upland hardwoods and pines and other softwoods. Fifty percent of the Northeast area is in upland hardwoods.

In the Allegheny region the hardwoods predominate and the funds are allocated substantially in proportion to the area of upland hardwoods and pine and other softwoods.

In the Appalachian region upland hardwoods predominate and three-fourths of the funds are allocated to upland hardwoods.

In the Central States hardwoods cover three times the area of softwoods and the funds are accordingly allocated at the Columbus station.

In the lake States the upland hardwoods constitute about a third of the area and the funds are accordingly divided.

In the Pacific Northwest, in California, the northern Rocky Mountain, the intermountain, the Rocky Mountain, and the southwestern regions there are no hardwoods to speak of, either upland or bottomland hardwoods.

There are in the United States, as I have understood, approximately 600,000,000 acres of forest lands. Two hundred million acres are located in the lower Mississippi Valley and along the Gulf coast region. There are 150,000,000 acres of pine and 50,000,000 acres of hardwoods in the southern bot-

tom-land region.

At the present time no work is being done for hardwoods in bottom lands. I maintain that they are being discriminated against. It is fair to say that at the time the management and investigations were undertaken at the New Orleans station, the pine industry was most extensive; the demands for pine management were many. There was probably not enough money for both pine and bottom-land hardwoods. The fact remains, however, that at all other stations where both hardwoods and softwoods obtain, the funds were divided. I repeat that bottom-land hardwoods were discriminated against. However, I know it is difficult to transfer from one type of work to the other. It takes years to grow trees, and yet I know that unless provision is made for hardwoods, the discrimination will continue.

There was a small appropriation of \$10,500 that became available in 1931, but it was lost in the fiscal year 1933. There have been no appropriations, therefore, for bottom-land hardwoods since 1933. Fifty million acres, or one-fourth of the entire forest area of the South, including the alluvial valley of the Mississippi River, have been without forest-management aid. One-half of the lands in the Mississippi Valley are woodlands. Sixty-four percent is owned by small landowners and farmers who desire to supplement their cotton-farm income by growing timber.

The southern bottom lands represent one of the most urgent forest situations in the United States. The development of practical methods of rehabilitation and management is essential to placing the forest management of this region on a sound basis. There is need for research and information. The farmers who cultivate bottom lands are entitled to the same information and to the same aid that is accorded to farmers who cultivate uplands where hardwoods grow. Adequate information should be made available to farms and cut-over lands to enable the farmers to cultivate the forests as a growing business.

I realize that \$5,000 definitely allocated to the management of hardwoods in the lower Mississippi Valley is a small amount. A beginning can be made. Forest protection and proper methods of fire protection are essential. Fires are the most destructive enemies of forests. The appropriation should be increased at the earliest possible date. Research, forest management, and proper methods of restocking and reforesting hardwood areas should be provided.

The management will include developing methods of cutting, of replacing and regrowing, thinning stands, and artificial restocking. Information will be provided that is essential in formulating plans for sustained-yield management. The financial aspects will be investigated. The elim-

ination of forest fires will be emphasized.

The hardwoods in lowlands in the southern region should be given the equivalent of the benefits of the forest management that are accorded to hardwoods in all of the other regions of the United States. There is but one station in the southern region; it is located at New Orleans. This station serves approximately 200,000,000 acres of forest lands, or one-third of the entire forest area in the United States, but to promote reforestation in this area, the New Orleans station is only allocated substantially one-tenth of the funds appropriated for forest management.

[Here the gavel fell.]

By unanimous consent the pro forma amendment was | withdrawn.

The Clerk read as follows:

Agricultural chemical investigations: For conducting the investigations contemplated by the act of May 15, 1862 (5 U. S. C. 511, 512), relating to the application of chemistry to agriculture; for the biological, chemical, physical, microscopical, and technological investigation of foods, feeds, drugs, plant and animal products, and substances used in the manufacture thereof; for investigations of the physiological effects and for the pharmacological testing of such products and of insecticides; for the investigation and development of methods for the manufacture of sugars, sugar sirups, and starches and the utilization of new agricultural materials for such purposes; for the technological investigation of the utilization of fruits and vegetables and for frozen-pack investigations; for the investigation of chemicals for the control of noxious weeds and plants; and to cooperate with associations and scientific societies in the development of methods of analysis, \$407,500, of which amount not to exceed \$15,000 shall be available for the construction and equipment of an addition to the United States Citrus Products Laboratory, Winter Haven, Fla.

Mr. Chairman, I offer an

Mr. PETERSON of Florida. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. Peterson of Florida: On page 50, line 5, strike out line 5 and insert in lieu thereof "analysis, \$411,500, of which amount not to exceed \$19,000."

Mr. PETERSON of Florida. Mr. Chairman, I ask unanimous consent to extend my own remarks and to include in the presentation certain material-

The CHAIRMAN. The gentleman will have to obtain permission in the House to insert extraneous matter. He already has permission to revise and extend his remarks.

Mr. PETERSON of Florida. Mr. Chairman, this amendment is for the purpose of restoring an item of \$4,000 which was approved by the Budget for what is known as the Citrus Byproducts Laboratory at Winter Haven. The original laboratory grounds were purchased by private individuals in the industry; and the original building was con-structed by the industry itself. There is no other laboratory in the United States that is doing the type of work done at this particular laboratory. Its purpose is to experiment and develop methods of utilizing the byproducts of citrus fruit and some other fruits. In fact it might be said to have two purposes: one is to develop various products and byproducts from fruits.

A large portion of the citric acid that comes to this country today is imported from Syria. Japan has developed certain processes for the canning of mandarins and tangerines. There came into this country and Canada last year threequarters of a million cases.

The other object of this laboratory is to develop ways of utilizing the byproducts in order that the waste may not pollute the streams. Juices, acids, and oils that are refuse from canning plants-waste today-contain many useful ingredients.

The Department asked the Budget to grant \$25,000 for the purpose of developing these processes and experiments. The Budget cut the item to \$19,000 and the committee, in turn, cut the Budget recommendation to \$15,000, an additional cut of \$4,000.

Mr. DONDERO. Will the gentleman yield? Mr. PETERSON of Florida. I yield to the gentleman

from Michigan, my good friend.

Mr. DONDERO. The gentleman may not need that station down there if we build the Florida ship canal, because that might have some effect upon your citrus fruit in Florida.

Mr. PETERSON of Florida. It will affect many groves. I will be glad to take the \$4,000 from the ship canal and use it for this laboratory.

Mr. Chairman, the Chief of the Bureau made a definite statement that no other laboratory was doing this work. He also made the definite statement it was needed. He made the statement a large percentage of culls were being wasted and that it is very probable the utilization of this would mean that more than 20 percent, the culls, that are now going to waste could be placed into profitable channels. It is also hoped that there may be worked out a method of freezing fruit juice and shipping it in frozen form. All this work is being done at this laboratory. I refer to oil of orange, citric acid, and similar things. Foreign countries have perfected certain processes. The development of new processes may mean the difference between profit and loss to a great industry that is now suffering.

We have done our part. We bought the land, we built the first laboratory, and we gave them trees on the ground. The Department asked for \$25,000, which was cut. Then, lo and behold, the committee cut it \$4,000 in addition. When you have worked out a program involving \$25,000 it is hard

to get by with \$15,000.

I am asking nothing that the Budget has not allowed. I had hoped to propose an amendment making it \$25,000, but I lost courage when all other amendments were voted down today, so I fell back to the Budget approved item.

Mr. RICH. Will the gentleman yield?

Mr. PETERSON of Florida. I yield to the gentleman from

Mr. RICH. In increasing all these appropriations that you are asking for, can the gentleman or any other Member over there tell us where you are going to get the money?

Mr. PETERSON of Florida. The citrus industry itself will more than pay for this one particular item in a single

year if they can develop one small process.

I sincerely trust you will give me what the Budget approved. You have to have a pretty good case to get by the Budget. This will enable us to utilize the products that are being wasted. It will enable them to develop new processes that are needed in the vegetable and fruit industry.

Mr. Chairman, I hope my amendment will be agreed to.

[Here the gavel fell.]

Mr. CANNON of Missouri. Mr. Chairman, I rise in opposition to the amendment offered by the gentleman from Florida [Mr. PETERSON].

Mr. Chairman, the history of this station is interesting. In 1937 the industry proposed to the Government that if this work was taken up they would provide the local facilities. In agreeing to do this we stipulated that they should provide the land and the buildings, which they did. We have since that time carried out our part of the understanding by providing maintenance. If an addition is necessary, of course, they would be expected, in keeping with the original agreement, to provide this addition.

In our desire to go along with the industry and cooperate in every way possible, the committee this year, notwithstanding our original agreement, provided \$15,000 toward the construction of this addition to the building provided by the industry. The amendment offered is to increase this amount from \$15,000, as provided in the bill, to \$19,000, and is entirely for a new proposition.

Mr. PETERSON of Florida. Will the gentleman yield? Mr. CANNON of Missouri. I yield to the gentleman from Florida.

Mr. PETERSON of Florida. The building was actually provided. This is for the purpose of installing a refrigeration unit and additions to the building. The Chief of the Bureau stated in the hearings that the increase was requested to enlarge one of these laboratory buildings and install storage rooms with the necessary refrigeration equipment.

Mr. CANNON of Missouri. That is true; but the industry assured us, and the Government stipulated in 1937, when we entered upon this activity, that it would furnish the land and the building. In keeping with that agreement they would now be expected to furnish the addition. However, the Government, waiving its understanding, provides this \$15,000 without contribution from the industry or the State. The amendment offered by the gentleman would increase this \$15,000 to \$19,000.

But, Mr. Chairman, there is another obstacle. In the preamble to this section of the bill there is a limit of cost, of \$15,000. Under this limitation no construction can be entered upon to cost in excess of \$15,000. So that even if this amendment were agreed to, the extra \$4,000 would not be of

any advantage because the limitation would still apply. In order to make it applicable it would be necessary to go back and repeal or extend the limitation, which would be a complete change of policy, and I am certain the House would not desire to do that at this time. Outside of the merits of the proposed amendment, the limit would preclude the construction of a building in excess of \$15,000 and it would be idle for the committee to adopt the amendment.

[Here the gavel fell.]

The CHAIRMAN. The question is on the amendment offered by the gentleman from Florida [Mr. Peterson].

The amendment was rejected.

The Clerk read as follows:

Japanese beetle control: For the control and prevention of spread of the Japanese beetle, \$395,000.

Mr. BENDER. Mr. Chairman, I move to strike out the last word.

Mr. Chairman, I rise not to be facetious but really to strike out the last word in line 25 of page 53.

I am a city man representing a large rural area as well as a city area. Many times I have driven along country roads and have been stopped by some fellow who asks if I have any Japanese beetles or any fruits or vegetables or corn in my car. He does not inspect my car to determine whether or not there is anything like that in the car. He asks the question, and he accepts my answer.

For years this practice has been carried on. I do not know whether or not it has helped to eradicate the Japanese beetle, but I notice that the same appropriation asked for in 1939 is asked for again in 1940. I may be sticking my neck out in asking the question, yet I would like to know the facts, because I have had farmers riding with me in my car occasionally, and they have laughed at the practice and seemingly were not at all impressed with the claim that any Japanese beetles have been eliminated. I should like to ask the chairman of the subcommittee how much of this money is spent for the purpose of having men on the road to ask that question, and what benefit we derive therefrom.

Mr. CANNON of Missouri. Mr. Chairman, the Japanese beetle is a very destructive insect. Whereas most insect pests prey on one crop, the Japanese beetle is omnivorous and consumes practically all vegetation, even small shrubs. Fortunately, up to this time it has been confined to a limited territory. The efforts of the Government have been to prevent its spread.

The pest is distributed largely through carriage by either railroads or highways. The sporadic instances in which it has established itself, sometimes in far distant cities, are due to carriage on the highways and railways.

According to the reports made to us, the inspectors have frequently found plants badly infested with Japanese beetles carried in private automobiles. If permitted to go on, they doubtless would have been spread to perhaps distant States. I realize it is irksome to be stopped on the highway by these inspectors, and I realize also that if a driver of a private automobile cares to mislead the inspector he can do so. However, this is the only practical method we have for this purpose, and up to this time seems to have proven sufficiently effective to warrant a continuation of this appropriation.

Mr. BENDER. The gentleman has answered my question, not satisfactorily, however.

Mr. CANNON of Missouri. I shall be glad to supply such further information as may be requested.

Mr. GROSS. Mr. Chairman, will the gentleman yield?

Mr. GROSS. May I just state that the gentleman who has

Mr. GROSS. May I just state that the gentleman who has just spoken on the beetle does not know anything about it. I have lived among them and seen them working and seen all the things that have been done to constrain the beetle, but the damage done by the beetle never amounted to a hill of beans. There is far more damage done by the whisky carried in automobiles than by the Japanese beetle carried in automobiles.

[Here the gavel fell.]

The pro forma amendment was withdrawn.

The Clerk read as follows:

Mexican fruitfly control: For the control and prevention of spread of the Mexican fruitfly, including necessary surveys and control operations in Mexico in cooperation with the Mexican Government or local Mexican authorities, \$160,460.

Mr. DITTER. Mr. Chairman, I make the point of order that the paragraph on page 54 which the Clerk has just read, being lines 1 to 4, inclusive, is legislation on an appropriation bill and not authorized by law. In fact, it goes far afield. It provides that we are to go over into Mexico. I know the administration is interested in foreign affairs but I did not know that we had come to the point that the Subcommittee on Appropriations for the Agricultural Department felt charged with the responsibility of carrying on affairs in Mexico. Therefore, I believe I should make the point of order at this time and inquire of the Chairman the purpose of this particular paragraph.

The CHAIRMAN. Can the gentleman from Missouri, the chairman of the subcommittee, cite any legislative enactment

authorizing this provision?

Mr. CANNON of Missouri. Mr. Chairman, this provision has been carried in the bill for many years, but there is no law under which an appropriation is authorized for carrying on these activities.

The CHAIRMAN. Of course, the provision was retained in previous bills by reason of the fact that no point of order was made against it.

If the gentleman has no citation of law authorizing this provision in the bill, the Chair sustains the point of order.

The Clerk read as follows:

Citrus canker eradication: For determining and applying such methods of eradication or control of the disease of citrus trees known as "citrus canker" as in the judgment of the Secretary of Agriculture may be necessary, including cooperation with such authorities of the States concerned, organizations of growers, or individuals, as he may deem necessary to accomplish such purposes, \$13,485: Provided, That no part of the money herein appropriated shall be used to pay the cost or value of trees or other property injured or destroyed.

Mr. TABER. Mr. Chairman, I make a point of order against the paragraph on page 54, lines 5 to 14, and call attention to the fact that this paragraph delegates additional duties to the Secretary of Agriculture. I call the Chair's particular attention to the language in the first part of the paragraph:

For determining and applying such methods of eradication or control of the disease of citrus trees known as citrus canker as in the judgment of the Secretary of Agriculture may be necessary, including cooperation with such authorities of the States concerned, organizations of growers, or individuals, as he may deem necessary to accomplish such purposes.

This clearly is a delegation of additional authority to the Secretary and requires additional duties of the Secretary of Agriculture.

Mr. CANNON of Missouri. What is the point of order, Mr. Chairman?

Mr. TABER. That it delegates additional duties to the Secretary of Agriculture and requires additional responsibilities of him, and thus is legislation on an appropriation bill.

Mr. CANNON of Missouri. Of course, Mr. Chairman, the point of order is well taken.

The CHAIRMAN. The point of order is sustained. The Clerk read as follows:

Sweetpotato weevil control: For the determination and application of such methods of control for sweetpotato weevils as, in the judgment of the Secretary of Agriculture, may be necessary, \$75,000: Provided, That, in the discretion of the Secretary of Agriculture, no part of this appropriation shall be expended for the control of sweetpotato weevil in any State until such State has provided cooperation necessary to accomplish this purpose: Provided further, That no part of this appropriation shall be used to pay the cost or value of farm animals, farm crops, or other property injured or destroyed.

Mr. DITTER. Mr. Chairman, I raise a point of order against the entire paragraph. I raise the point of order because I am interested in the sweetpotato growers, and it seems to me that the Appropriations Committee has certainly visited upon that group an injury in that it provides that no control of the sweetpotato weevil can be had unless

there is cooperation from the State. Under all the circumstances, this sweetpotato weevil is a serious matter and it seems to me before the Appropriations Committee takes unto itself the setting up of standards and a delegation of authority, it should come in with legislation. Therefore, I am compelled to press the point of order I raise at this time.

Mr. TARVER. Mr. Chairman, I rise in opposition to the point of order. Without regard to whether or not the conceded point of order applicable to the preceding paragraph was a valid point of order or not, the point of order raised by the gentleman as to this particular paragraph is certainly not good. The gentleman does not take the position that the appropriation made is not authorized by law; he takes the position that the condition attached to the effect that no part of the appropriation shall be expended unless cooperation to an extent—

Mr. DITTER. Mr. Chairman, will the gentleman yield? Mr. TARVER. No; not at this time; wait until I have completed my statement.

Unless cooperation to an extent satisfactory to the Secretary of Agriculture has been afforded by the State is a provision not authorized by law. I submit that that position of the gentleman is untenable. If the Congress has the authority to make an appropriation for sweetpotato-weevil control, and the gentleman's point of order concedes that point, it has the right to attach to the making of that appropriation such conditions with regard to the requirement of State cooperation as it may deem proper. The gentleman, as I have said, has not attacked the legislative authority of Congress to make the appropriation by any point of order which he has so far submitted.

I now yield to the gentleman.

Mr. DITTER. Mr. Chairman, I thought I had made it plain that I was taking exception to the paragraph.

Mr. TARVER. I want to make this additional observation. I believe it is now too late for the gentleman to offer a point of order to the entire paragraph for reasons which he did not advance in connection with his point of order relative to the particular language to which he at first objected.

Mr. DITTER. The gentleman did not understand me, Mr. Chairman. I raised the point of order that it was legislation. I indicated that very plainly to the Chair by stating that there had been a delegation of authority and an establishment of standards for which no legislation had been provided. If the gentleman cares to have me make it specific, I direct the Chair's attention and raise the point of order on the ground that it is legislation attached to an appropriation bill.

Mr. TARVER. Mr. Chairman, a parliamentary inquiry. The CHAIRMAN (Mr. Lanham). The gentleman will state it.

Mr. TARVER. Does the Chair hold that the gentleman, after having failed originally to raise the question of the legislative authority of Congress to make this appropriation, may now, after an argument has proceeded on his original point of order, amplify his original point of order and raise a question which he originally neglected to raise?

The CHAIRMAN. The gentleman would have the right to raise additional points of order before the ruling of the Chair.

Mr. TARVER. There is one additional observation, Mr. Chairman, I would like to submit. The question of whether or not any appropriation contained in this bill for the control or eradication of insects injurious to agriculture is subject to a point of order is a very serious and far-reaching one, and notwithstanding the chairman of our subcommittee has conceded the point of order made with reference to one or two preceding paragraphs, I think it is a question which ought to have the careful consideration of the Chair before he permits to be stricken from this bill on points of order appropriations which have been carried for years for the protection of various branches of American agriculture, and for that reason, Mr. Chairman—

The CHAIRMAN. The Chair may say in that regard that no authorization has been cited or shown the Chair providing for the appropriation herein made.

Mr. DITTER. Mr. Chairman, may I answer the gentleman by saying that I must express surprise that the gentleman is filibustering against his own bill. I thought we wanted to get through tonight. All the gentleman has thus far done has been to resort to filibustering tactics when a serious agricultural appropriation bill should be demanding our attention.

Mr. TARVER. Of course, that sort of observation by the gentleman is so patently foolish as to require no reply.

Mr. CANNON of Missouri. Mr. Chairman, it is evident we cannot complete the consideration of this bill tonight. It is now late and I therefore move that the Committee do now rise.

Mr. DITTER. May I first ask that the Chair rule on the point of order I raised?

Mr. CANNON of Missouri. Mr. Chairman, the point of order would be pending when we resume consideration of the bill tomorrow.

The CHAIRMAN. The gentleman is correct in the statement that the point of order would be pending when the Committee resumes its session tomorrow.

The motion was agreed to.

Accordingly the Committee rose; and the Speaker having resumed the chair, Mr. Lanham, Chairman of the Committee of the Whole House on the state of the Union, reported that that Committee had had under consideration the bill H. R. 5269, the agricultural appropriation bill, 1940, and had come to no resolution thereon.

EXTENSION OF REMARKS

Mr. RANKIN. Mr. Speaker, I ask unanimous consent to extend my remarks in the Record and to include therein a speech I delivered some years ago upon the question of currency expansion.

The SPEAKER. Is there objection?

There was no objection.

Mr. ANDERSON of Missouri. Mr. Speaker, I ask unanimous consent to extend my remarks in the Record.

The SPEAKER. Is there objection?

There was no objection.

FEDERAL HOUSING ACT

Mr. SPENCE. Mr. Speaker, I am directed by the Committee on Banking and Currency to request that it be given until 12 o'clock tomorrow night to file a report upon the bill H. R. 3232, an extension of the Federal Housing Act, and that the minority of the committee be given until Monday night at 12 o'clock to file their views on the same bill.

The SPEAKER. Is there objection to the request of the gentleman from Kentucky?

There was no objection.

EXTENSION OF REMARKS

Mr. O'CONNOR. Mr. Speaker, I ask unanimous consent to extend the remarks I made this afternoon.

The SPEAKER. Is there objection?

There was no objection.

IMPEACHMENT PROCEEDINGS—FRANCES PERKINS

Mr. HOBBS. Mr. Speaker, by direction of the Committee on the Judiciary I present a privileged report upon House Resolution 67, which I send to the desk.

The SPEAKER. The Clerk will report the resolution.

The Clerk read House Resolution 67.

Mr. HOBBS. Mr. Speaker, this is a unanimous report from the Committee on the Judiciary adversing this resolution. I move to lay the resolution on the table.

The SPEAKER. The question is on the motion of the gentleman from Alabama to lay the resolution on the table. The motion was agreed to.

LEAVE TO ADDRESS THE HOUSE

Mr. PETERSON of Georgia. Mr. Speaker, I ask unanimous consent that on Monday next, at the conclusion of the

legislative program. I be permitted to address the House for 20 minutes.

The SPEAKER. Is there objection? There was no objection.

EXTENSION OF REMARKS

Mr. SABATH. Mr. Speaker, I ask unanimous consent to extend my remarks in the RECORD to include therein a speech I delivered March 18, 1939, on foreign affairs and conditions in Europe.

The SPEAKER. Is there objection?

There was no objection.

Mr. MALONEY. Mr. Speaker, I ask unanimous consent to extend my remarks in the RECORD by inserting at this point a letter from one of the prominent sugar farmers and producers, Mr. Charles A. Farwell, relating to the sugar industry, the letter being addressed to the chairman of the House Agricultural Committee.

The SPEAKER. Is there objection?

There was no objection.

The letter is as follows:

NEW ORLEANS, LA., February 24, 1939.

Chairman, Agricultural Committee,
House of Representatives, Washington, D. C.
DEAR SIR: I have read with interest the letter of January 26, 1939, addressed to you and signed by the Secretary of Agriculture.

By his letter of January 26, 1939, the Secretary of Agriculture put himself on record as knowing very little about his job as far as it affects the continental sugar business. I might also add that in various public utterances and in his actions he has indicated that

various public utterances and in his actions he has indicated that he is not inclined to learn anything about the continental domestic sugar industry, especially in Louisiana.

In July 1934 Secretary Wallace, speaking on the campus of the Louisiana Polytechnic Institute at Ruston, La., described the Louisiana sugar industry as being inefficient and in contrast, described cotton and hog raising as efficient industries. Mr. Wallace went on to say that the latter two were efficient industries because they

could meet world competition.

without going into details I wish to state that I do not know whether the cotton industry was efficient in 1934, but after 4 years of being under the control of Mr. Waliace the cotton industry today is about as close to being "busted" as it ever has been during my life. As far as the efficiency of hog raising goes on account of its being able to meet world competition, I think it is an admitted fact that if South American and Central American meats were allowed free access to the American market, that the hog raisers of the United States would quickly find themselves out of business. My information is that we keep South and Central American meats off of our market by the claim that these meats are produced from diseased animals. Yet we see the various nations of Europe consuming these meats in large quantities over a period of years without any apparent ill effects.

apparent ill effects.

In the second paragraph of Mr. Wallace's letter to you he says "criticism of the sugar program in recent congressional discussion relates almost entirely to an assumed inadequacy of income for sugar-beet producers." In both the hearings before the Senate Committee on Finance with reference to Senate Resolution No. 49, and in the proceedings of the House of Representatives of January 18, 1939, specific reference is made to the necessity of increasing the income of the sugar producers of Louisiana.

In the third paragraph of Mr. Wallace's letter he takes up the first of what he calls the four outstanding elements in the sugar program and in this paragraph goes on to say "and limitations on marketings of the mainland sugarcane and sugar-beet industries which have been nominal since 1935, because production was generally below the quotas for such areas established in the legislation."

In 1935 the mainland sugarcane quota was 260,000 tons, and we In 1935 the mainland sugarcane quota was 260,000 tons, and we produced 382,892 tons; in 1936 our quota was 392,016 tons, and we produced 434,513 tons; in 1937 our quota was 472,337 tons, and we produced 457,113 tons; in 1938 our quota was 426,310 tons, and we produced 563,000 tons. Thus we can see that 3 out of 4 years Mr. Wallace's statement is grossly inaccurate, and that for the total of the 4-year period he is still wrong.

In the fourth paragraph of his letter he still hammers on the differential in the price of sugar in the United States and the price of what he calls "unprotected sugars."

price of what he calls "unprotected sugars."

It might be well to state at this point that there is no such thing as "unprotected sugars" sold in the United States, and there never has been. As a matter of fact, less than 8 percent of the total sugars consumed throughout the world are sold at what is known as the "world price." Therefore the continued use of this expression is simply dragging a red herring across the trail.

It might be well to note that in a report dated December 1938, published by the United States Department of Commerce, the prices of refined sugar as of May 1, 1938, show that in 20 countries the prices remained unchanged as of the year previous. In 14 countries the prices increased and in 9 countries, including the United States, the prices decreased. It is probably unnecessary to

call to your mind that between May 1, 1938, and December 1, 1938, a further substantial decrease took place in the United States.

A further examination of this report shows that out of the 43 countries included in the report, there are only 12 countries in which the retail price of sugar per pound is lower than that of the United States. Furthermore, all of these 12, with the exception of 4, are either exporting countries or principally self-supplying countries, such as Brazil, Cuba, Peru, Costa Rica, Guatemala, and India.

The four importing countries where the retail price was lower than in the United States are Chile, Uruguay, Switzerland, and the United Kingdom. Of these four the United Kingdom is the only large per capita consuming country and its price is governed by special conditions which are shown on page 9 in the report to which I refer.

In the sixth paragraph of Mr. Wallace's letter to you he refers to Federal conditional payments of 60 cents per hundred pounds of recoverable sugar. Mr. Wallace does not say that this rate of 60 cents per hundred pounds only applies to producers of less than 500 tons of sugar, nor does he mention the fact that this rate drops to where the payment is only 30 cents per hundred pounds in the

where the payment is only 30 cents per hundred pounds in the highest bracket.

With reference to the seventh paragraph of his letter: Anyone reading this paragraph would think the Government had given free full-value crop insurance against such conditions as freezing weather, drought, etc. Under the administration of the Sugar Act by Mr. Wallace, abandoned cane was only paid for if the percentage of abandoned cane reached a certain figure in each parish. In other words, a man could lose practically his entire crop, but if this amount of cane did not reach the required figure for the parish in which he lived he got nothing from the Government on account of his frozen cane. Even in the parishes where abandoned cane was paid for, it was paid for at the rate of one-third of its recoverable sugar value. This can hardly be called any form of insurance, because when we insure our houses or automobiles or any other articles, we try to insure them for their full value and not one-third of their value.

In the thirteenth paragraph of Mr. Wallace's letter to you he says

any other attrices, we try to histie them for their full value and not one-third of their value.

In the thirteenth paragraph of Mr. Wallace's letter to you he says "the increase in income to growers from the 1937 crop will average close to \$10 per acre over that of the preceding year. Independent growers of sugarcane will benefit similarly."

You can see from this paragraph that Mr. Wallace thought that by the action of his Department he had decreased the income of the growers, who are also processors, to such a great extent that he had to specifically refer to independent growers of sugarcane to show any benefit whatsoever from his actions.

These actions on his part were taken in spite of the fact that he has figures at his command which show that over 39 percent of the sugarcane produced in Louisiana is produced by growers who are also processors.

Furthermore, these actions on his part were taken in face of the fact that the very law under which he is supposed to be operating says in its preamble, "To protect the welfare of consumers of sugar and of those engaged in the domestic sugar-producing industry." My interpretation of this clause is that it refers to the whole domestic sugar industry and not to any one small minority group.

try." My interpretation of this clause is that it refers to the whole domestic sugar industry and not to any one small minority group. I see nothing in either the preamble of the act or in the act itself to warrant the administrative officer in charge of the act to only attempt to benefit "independent growers of sugarcane."

In the next paragraph he says that the income of sugarcane growers was increased and the total income of the sugar industry was maintained in spite of the decline of the purchasing power of the consumers, remarking very carefully the fact that this statement is not made for the year 1938 but for the year 1937, because it could not have been made for the year 1938 without violating the record.

the record.

the record.

In the fourth from the last paragraph of his letter his statement that Federal payments of 60 cents per hundred pounds of sugar paid directly to the producers were not taken into consideration has nothing to do with the fact that sugar still is within the bracket of a record low price. Besides that, the record low price referred to dealt with the year 1938, and I can assure you that no Federal payments of any kind have yet been paid on sugarcane produced in 1938 in Louisiana.

With reference to the last paragraph of Mr. Wallace's letter I

no Federal payments of any kind have yet been paid on sugarcane produced in 1938 in Louisiana.

With reference to the last paragraph of Mr. Wallace's letter, I believe he should have referred again to independent growers instead of using the words "domestic producers" because it has been the writer's personal experience that nothing was done by the sugar section of the Agricultural Adjustment Administration in administering the Sugar Act of 1937 during the year 1938 except to harass the Louisiana sugar industry as a whole.

For example, Mr. Wallace knew we started the actual cultivating of the 1938 crop in February. He held hearings to determine the wage rates to be paid for this work in the last week of February, and did not issue a ruling until July 2, 1938, when practically all of the work on the 1938 crop had been done and paid for. When this ruling did come out, it carried an increase in wages and was made retroactive to January 1, 1938, so that we in Louisiana had to go back over 6 months of pay rolls and make a change for every man who had done any work in the cultivation of the 1938 crop.

The average price of raw sugar for the month in which Mr. Wallace held his hearings to set the price for the cultivation of the 1938 crop (February 1938) was \$2.14 per hundred pounds. The average price for the month in which Mr. Wallace held his hearings to set the price for the cultivation of the 1930 crop (August 1938) was \$2.78 per hundred pounds. The average price of raw sugar for the month in which Mr. Wallace he month in which Mr. Wallace issued his wage-rate ruling for the

cultivation of the 1939 crop (January 1939) was \$2.75 per hundred

cultivation of the 1939 crop (January 1939) was \$2.75 per hundred pounds.

This arbitrary action was done in spite of the fact that Mr. Wallace recognizes that the price received for cane by the farmer should and does vary with the price of sugar. Therefore, I do not feel it would be unreasonable for him to recognize that the price the farmer receives for his cane determines the price the farmer can pay for labor to make his cane. As you know, the price of cane is based on the price of raw sugar.

Again, Mr. Wallace and the Sugar Division know that the planting season in Louisiana for cane is generally the latter part of August and during the entire month of September. In spite of knowing this, he did not come out with his ruling with regard to proportionate shares until October 5, 1938. This ruling means that a certain amount of the Louisiana cane crop is actually going to have to be plowed up. If we had known of the ruling before we completed our planting, we would naturally have reduced our plantings by the number of acres that we are now going to have to plow up and destroy. Imagine destroying food with so many underfed people in this country; destroying a food of which we produce less than a third of the amount we consume. Is that American? Is that good sense? sense?

third of the amount we consume. Is that American? Is that good sense?

Furthermore, we just recently received notice to attend a hearing in Atlanta, Ga., with regard to fixing the mill quota for the 1939 grinding season. After much protest on the part of the industry and its representatives in Washington, the place of this hearing was changed, not to Louisiana, but to Mobile, Ala., in spite of the fact that of the 74 interested parties, 73 agreed that the hearing should be held in Louisiana and nowhere else, and Mr. Wallace's Department was notified of this agreement.

I want to say for myself and for the people that I represent that we deeply appreciate the earnest consideration that you have given the domestic sugar problem.

I am writing this letter as a matter of record, and I hope that you will insert it in the Congressional Record in the same manner that you inserted the letter from the Secretary of Agriculture.

There has been a tremendous amount of talk about no congressional action being wanted during the present session of Congress because the present Sugar Act expires in 1940. I simply want to call your attention to a fact which you probably already know, and that is the present Sugar Act expires on December 31, 1940, and, therefore, unless some legislation is passed to supersede this act or unless this act is amended, the sugar industry is faced with its present problems until the crop of 1941.

Respectfully,

Chas. A. Farwell.

Respectfully,

CHAS. A. FARWELL.

EXTENSION OF REMARKS

Mr. VOORHIS of California. Mr. Speaker, I ask unanimous consent to extend my remarks and to include therein an editorial from the London Times.

The SPEAKER. Is there objection?

There was no objection.

HYDROELECTRIC PROJECTS

Mr. WHITE of Idaho. Mr. Speaker, I ask unanimous consent to proceed for 1 minute and to extend my remarks in the RECORD.

The SPEAKER. Is there objection?

There was no objection.

Mr. WHITE of Idaho. Mr. Speaker, the people of the State of Idaho, realizing the importance of the construction of hydroelectric projects as a source of cheap electrical energy for the utilization of the resources and development of the industries of the Northwest, have through their legislature memorialized Congress for the construction of the Cabinet Gorge power project located on the Clarks Fork River near

the Idaho-Montana boundary line.
Under the authorization of Congress the Bureau of Reclamation of the Department of the Interior has recently made a survey and examination of this site which is one of the best potential power developments in the West and is located in the center of the vast holdings of Federal-owned timber and close to the Coeur d'Alene mining district, one of the largest silver-lead producing districts in the United States. The development of Cabinet Gorge would provide the necessary energy for the economical manufacture of lumber, pulp, and paper from the extensive and valuable tracts of Federalowned timber much of which is wasting due to natural decay and provide the necessary energy for the development and operation of the large number of mines of the several surrounding mining districts.

In view of the importance of the development of this power project and the immense importance to the Federal Government and the general business prosperity of the country, I present herewith the memorial of the State Legislature of Idaho and request that it be printed at this point in the CONGRESSIONAL RECORD.

Senate Joint Memorial 2

Senate Joint Memorial 2

Joint memorial to the Honorable President of the United States and Members of Congress assembled:

We, your memorialists, the Legislature of the State of Idaho, in twenty-fifth session, respectfully represent that—

Whereas reports of the Federal survey to the Department of Interior recommend the feasibility of the construction of a dam on the Clark Fork River at Cabinet Gorge for power and reclamation nurposes; and

Whereas there is an outlet in the immediate vicinity of the project for industrial uses of power in manufacturing plants to be established for converting raw mineral and timber resources to

be established for converting raw mineral and timber resources to finished products; and

Whereas most of the agricultural land in the Panhandle of Idaho is in process of conversion from uncleared cut-over land to productive agricultural land, in which process these farmers clearing and developing such land are unable to progress with such development, make a living at the same time, and pay their way unless they have opportunity to work in industry part time; and

Whereas the relief load borne by the Federal Government in conjunction with the State will be permanent in such developing sections until the development of the land will provide an existence for its operators unless industrial employment be available to take the place of relief; and

Whereas such relief load over a period of years will be in excess of the initial cost of the \$11,000,000 Cabinet Gorge development which development would be self-liquidating, whereas relief is not; and

Whereas power for industrial uses in mills and factories cannot be profitably transported from present Federal projects to this locality:

Now, therefore, be it Resolved, That the Cabinet Gorge project be developed in accord with recommendations of the survey report of the Department of Reclamation, in all details, except that it be commenced immediately; and be it further

Resolved, That copies of this memorial be sent by the Secretary of the State of Idaho to the honorable President of the United States, and to the Senators and Representatives in Congress from the State of Idaho

Mr. SHANLEY. Mr. Speaker, I ask unanimous consent to revise and extend my remarks and include therein a proclamation of the President on the Czechoslovakian situation.

The SPEAKER. Without objection, it is so ordered. There was no objection.

PERMISSION TO ADDRESS THE HOUSE

Mr. RANKIN. Mr. Speaker, I ask unanimous consent that on next Monday, after the special order heretofore granted, I may address the House for 30 minutes.

The SPEAKER. Is there objection to the request of the gentleman from Mississippi?

Mr. RICH. Mr. Speaker, reserving the right to object, I would like to know what is the program for next Monday.

The SPEAKER. Does the gentleman submit that as a parliamentary inquiry?

Mr. RICH. I do, Mr. Speaker. The SPEAKER. The Chair is unable to answer it.

Mr. RICH. Is there anybody in the House who can tell us what is going to happen on next Monday?

Mr. RANKIN. I will say that I understand there are a couple of special orders. I do not know what they are, and then the District of Columbia Committee probably has several small bills.

Mr. RAYBURN. Mr. Speaker, of course, Monday is District of Columbia day. The District Committee has seven bills. There will be two special rules presented after that is completed.

Mr. RICH. We will have a full day's work on Monday?

Mr. RAYBURN. If not legislatively speaking, we will have oratorically speaking.

The SPEAKER. Is there objection to the request of the gentleman from Mississippi?

Mr. McCORMACK. Mr. Speaker, reserving the right to object, and, of course, I shall not object, I want to ask the majority leader if he expects to finish this bill tomorrow, and first, if we are going to sit tomorrow?

Mr. RAYBURN. We are going to sit tomorrow, and finish the bill tomorrow.

The SPEAKER. Is there objection?

There was no objection.

EXTENSION OF REMARKS

Mr. TALLE. Mr. Speaker, in Committee of the Whole I received unanimous consent to revise and extend the remarks I made today. I now ask consent for additional permission to insert therein a joint resolution from the State Assembly of the State of Iowa.

The SPEAKER. Is there objection?

There was no objection.

Mr. HARTER of New York. Mr. Speaker, I ask unanimous consent to revise and extend my own remarks and include an article from Outdoor America, a publication by the Izaak Walton League.

The SPEAKER. Is there objection?

There was no objection.

Mr. HAWKS. Mr. Speaker, I ask unanimous consent to revise and extend my remarks and include therein a resolution from the Wisconsin Agricultural Society.

The SPEAKER. Is there objection?

There was no objection.

Mr. CURTIS. Mr. Speaker, I ask unanimous consent to extend my own remarks and include therein a brief editorial from the Omaha Daily Stockman.

The SPEAKER. Is there objection?

There was no objection.

LEAVE OF ABSENCE

By unanimous consent, leave of absence was granted to Mr. Owen (at the request of Mr. Brown of Georgia), on account of illness.

SPEAKER PRO TEMPORE FOR TOMORROW

The SPEAKER. The Chair designates the gentleman from Texas, Mr. RAYBURN, to act as Speaker pro tempore tomorrow.

SENATE BILLS AND JOINT RESOLUTION REFERRED

Bills and a joint resolution of the Senate of the following titles were taken from the Speaker's table and, under the rule, referred as follows:

S. 39. An act for the relief of the heirs of T. J. Kinser;

to the Committee on Invalid Pensions.

S. 43. An act to authorize the erection within the Canal Zone of a suitable memorial to the builders of the Panama Canal and others whose distinguished services merit recognition by the Congress; to the Committee on Merchant Marine and Fisheries.

S. 69. An act relating to the apportionment of shares of the sugar crop for 1939 and 1940; to the Committee on

S. 139. An act for the relief of Maria Bartolo; to the Committee on Immigration and Naturalization.

S. 216. An act for the relief of A. C. Williams, administrator of the estate of his wife, Julia F. Williams; to the Committee on Claims.

S. 473. An act for the relief of George Francis Burke; to the Committee on World War Veterans' Legislation.

S. 499. An act to amend the act entitled "An act making appropriations for the naval service for the fiscal year ending June 30, 1910, and for other purposes," approved March 3, 1909, as amended, so as to extend commissary privileges to civilian officers and employees of the United States at naval stations beyond the continental limits of the United States or in Alaska; to the Committee on Naval Affairs.

S. 808. An act for the relief of Calliope Minaca Pilavakis; to the Committee on Immigration and Naturalization.

S. 837. An act to admit Mrs. Henry Francis Parks permanently to the United States; to the Committee on Immigration and Naturalization.

S. 964. An act creating the Arkansas-Mississippi Bridge Commission; defining the authority, power, and duties of said commission; and authorizing said commission and its successors and assigns to construct, maintain, and operate a bridge across the Mississippi River at or near Friar Point, Miss., and Helena, Ark., and for other purposes; to the Committee on Interstate and Foreign Commerce.

S. 1001. An act for the relief of Albert Pina Afonso, a minor; to the Committee on Claims.

S. 1186. An act for the relief of Herbert M. Snapp; to the Committee on Claims.

S. 1258. An act for the relief of the Rent-A-Car Co.; to the Committee on Claims.

S. 1269. An act for the relief of Emil Friedrich Dischleit; to the Committee on Immigration and Naturalization.

S. 1291. An act for the relief of William Carl Laude; to the Committee on Immigration and Naturalization.

S. 1302. An act to make permanently effective the act entitled "An act to regulate interstate and foreign commerce in petroleum and its products by prohibiting the shipment in such commerce of petroleum and its products produced in violation of State law, and for other purposes," approved February 22, 1935, as amended, and for other purposes; to the Committee on Interstate and Foreign Commerce.

S. 1385. An act for the relief of the Barkman Lumber Co.;

to the Committee on Claims.

S. 1387. An act for the relief of Ida May Lennon; to the Committee on Claims.

S. 1394. An act for the relief of Johannes or John, Julia, Michael, William, and Anna Kostiuk; to the Committee on Immigration and Naturalization.

S. 1430. An act for the relief of the legal guardian of Dorothy Elizabeth Sisson, a minor; to the Committee on

S. 1502. An act for the relief of Donna L. I. Carlisle; to the Committee on Claims.

S. 1582. An act to authorize the President to bestow a Meritorious Service Medal upon civil-service officers and employees of the United States, and for other purposes; to the Committee on the Civil Service.

S. 1692. An act for the relief of J. Vernon Phillips: to the Committee on Claims.

S. 1725. An act relating to the acquisition of the site for the post-office building to be constructed in Poplarville, Miss.; to the Committee on Public Buildings and Grounds.

S. 1847. An act for the relief of Naomi Straley and Bonnie

Straley; to the Committee on Claims.

S. J. Res. 72. Joint resolution readmitting Mary Cohen Bienvenu to citizenship; to the Committee on Immigration and Naturalization.

ENROLLED BILLS AND JOINT RESOLUTIONS SIGNED

Mr. PARSONS, from the Committee on Enrolled Bills, reported that that committee had examined and found truly enrolled bills and joint resolutions of the House of the following titles, which were thereupon signed by the Speaker:

H. R. 767. An act for the relief of Benjamin Weisenberg;

H. R. 950. An act to exempt all vessels of the United States of less than 200 tons gross registered tonnage from the provisions of the Officers' Competency Certificates Convention, 1936 (being International Labor Conference Treaty, Convention No. 53, adopted by the International Labor Conference at Geneva in 1936);

H. R. 1430. An act for the relief of Hyman Ginsberg;

H. R. 1836. An act for the relief of Jack Nelson, a minor; H. R. 2079. An act for the relief of Charles T. Wise;

H. R. 2192. An act to extend the time for commencing and completing bridges across Cross Bayou, Twelve Mile Bayou, and Caddo Lake in Caddo Parish, La.;

H.R. 3090. An act for the relief of C. R. Henderson;

H. R. 3100. An act for the relief of Capt. Francis H. A.

H. R. 3791. An act to provide more effectively for the national defense by carrying out the recommendations of the

President in his message of January 12, 1939, to the Congress; H. J. Res. 110. Joint resolution to authorize Commander Henry Coyle, United States Coast Guard, to accept the decoration and diploma of the Marine Medal of Class 1 (gold), conferred upon him by the Government of Greece:

H. J. Res. 150. Joint resolution to amend the joint resolution entitled "Joint resolution to provide that the United States extend to foreign governments invitations to participate in the Third International Congress for Microbiology to be held in the United States during the calendar year 1939"; and H. J. Res. 163. Joint resolution providing for the participation of the United States in the celebration of the twenty-fifth anniversary of the opening of the Panama Canal.

THE LATE HON. CLARENCE W. TURNER

Mr. COOPER. Mr. Speaker, it is with very deep regret and personal sorrow that I announce that our highly esteemed and beloved colleague the distinguished gentleman from Tennessee, Hon. Clarence W. Turner, passed away at his residence in the city of Washington last night.

Mr. Turner was a man of high character, great ability, and demonstrated devotion to public service. He had served with great credit and distinction on the bench of Tennessee for many years before he became a Member of this body. He served for two periods of time as a Member of the House of Representatives; first, for a brief period following a special election in 1922, when he succeeded the Honorable L. P. Padgett, of Tennessee; second, he returned to the House following the election in 1932 and served continuously from that time to the present.

A man who enjoyed a wide circle of friends among his colleagues of the House and enjoyed their respect and esteem to as great degree as any Member of this body has left us.

At a later date it is my purpose, of course, to ask the indulgence of the House for sufficient time to speak at greater length of his character and public service.

Mr. PLUMLEY. Mr. Speaker, will the gentleman yield? Mr. COOPER. I yield to the gentleman from Vermont.

Mr. PLUMLEY. Mr. Speaker, Clarence W. Turner is dead!

He was an affable and a courteous gentleman-

A statesman, yet friend to truth! of soul sincere, In action faithful, and in honor clear.

He wrote his name in bright characters high upon the scroll of the history of his city, State, and Nation. His memory will always remain a precious legacy to those of us who have been privileged to know, and to serve with him, and will stand as an example to be emulated by all those who may hereafter succeed him.

As a member of the Committee on Military Affairs, where I knew him best, he served his country patriotically, faithfully, and well. His clear, intelligent breadth of vision, and his spotless character were a source of strength to those of us who were very closely associated with him.

Calm in courage, steadfast in devotion to principle, persistent, forgetful of himself, yet confident in his own judgment and as to the correctness of the course he sought to pursue, he endeared himself to a host of friends by the charm of his genial nature; and all the while he was a tower of strength to his associates and a Gibraltar of defense against those who might undertake to attack the impregnability of a position he had once taken or undertaken to hold.

I happen to know that his passing was in the manner and after the fashion such as he had hoped it might be, for only recently in discussing the death of a mutual friend, he averted to the possibility of his going, although neither of us anticipated that this day would be so soon at hand.

In respect to this, his attitude and his desire may be no better expressed than in these words:

Let me live out my years in heat of blood! Let me die drunken with the dreamers' wine! Let me not see this soul-house built of mud Go toppling to the dusk—a vacant shrine.

Let me go quickly, like a candle light Snuffed out just at the heyday of its glow. Give me high noon—and let it then be night! Thus would I go.

And grant that when I face the grisly Thing,
My song may trumpet down the gray Perhaps.
Let me be as a tune-swept fiddlestring
That feels the Master Melody—and snaps!

CLARENCE W. TURNER! "May the earth rest lightly on him."

Mr. RANKIN. Mr. Speaker, will the gentleman yield?

Mr. COOPER. I yield to the gentleman from Mississippi.

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Mr. RANKIN. Mr. Speaker, as the milestones along the highway of life become the monuments to departed friends, those of us who linger "upon this bank and shoal of time" find it difficult indeed to express our real feelings, our profound sorrow, our deep regrets.

CLARENCE TURNER'S district borders mine. I have known him most intimately since he first came to the Sixty-seventh Congress to suceed the distinguished former chairman of the Committee on Naval Affairs, Mr. Padgett. I served with him in those days and have been thrown with him constantly since he returned to the House after the passing of our distinguished former colleague, his predecessor, the Honorable Edward Eslick.

I know of no man with whom I served in all my years in this House who had a more conscientious regard for the feelings of his fellow Members or who manifested a higher devotion to duty as a Representative in Congress than Clarence W. Turner. Courteous, affable, gentlemanly at all times, he possessed that courage and that persistency necessary to make a real Representative. Every man who knew him was his friend. He grappled them to him with hoops of steel. We can hardly realize that he is gone. He was here but yesterday.

That serene, friendly countenance with which we were so familiar is no more.

In the tragedy of Ion, when that death-devoted Greek was about to offer up his life as a sacrifice to fate, his beautiful Clemanthe turned to him and asked: "Shall we meet again?" To which he replied:

I have asked that dreadful question of the hills that are eternal, of the clear streams that flow forever, of the stars amidst whose azure depths my raised spirits have walked in glory, yet they are dumb. But when I look into thy living, loving face I see that which, mantling through its rich beauty, tells me it can never die. We shall meet again.

Mr. GORE. Mr. Speaker, will the gentleman from Tennessee yield?

Mr. COOPER. I yield to the gentleman from Tennessee.
Mr. GORE. Mr. Speaker, in the loss of Clarence W.
Turner the House has lost one who was truly representative
and characteristic of that quality of citizenship of which his
native State is justly proud.

In his representation he was sane, sound, and truly American. In his personal life he exemplified that purity of character which makes America a shining example of the follower of the Prince of Peace.

Mr. Speaker, his Christian life is somewhat known to me, since he represented a district adjacent and adjoining the one which I have the honor of representing. Christ was his model. For the hopes of the American people and for the people whom he so ably represented he strived constantly.

If we who remain as Members of the greatest body on earth of a legislative capacity can achieve that purity of purpose, that nobility of character, and that true faith in our fellow human beings which he so nobly exemplified, we will do well.

Mr. CHANDLER. Mr. Speaker, the members of the Tennessee delegation in the House met today and adopted a resolution on the passing of our colleague.

I ask unanimous consent to insert this resolution at this point in the RECORD.

The SPEAKER. Without objection, it is so ordered.

There was no objection.

The resolution follows:

Whereas the members of the Tennessee delegation in the House of Representatives have learned with deep sorrow of the passing today of our colleague the Honorable Clarence W. Turner; and

Whereas Representative Turner was held in affectionate esteem by all of his colleagues, we desire to record our feeling of personal loss and our sincere sympathy for the family of our friend and associate.

associate.

Representative Turner first came to the House of Representatives in 1922 to fill the unexpired term of Hon. L. P. Padgett and was not a candidate for the succeeding term, returning to his home to serve as judge in his native county of Humphreys. He returned to Congress in 1933, being elected to the Seventy-third, Seventy-fourth, Seventy-fifth, and Seventy-sixth Congresses. Clarence W. Turner was true to all the trusts of his office, steadfast in his

adherence to the ideals of our country, loyal to his friends, and faithful as a public servant. Quiet in disposition, kindly by nature, and courteous in manner, Representative Turner held the respect and confidence of his colleagues in the House and on the Military Affairs Committee, of which he was an important and influential member: Therefore be it

Resolved by the undersigned members of the Tennessee delegation in the House of Representatives, That these expressions be placed in the Congressional Record as our tribute to the memory of the Honorable CLARENCE W. TURNER and that a copy of the same

of the Honorable Clarence W. Turner and that a copy of the same be transmitted to the members of his family.

J. Will Taylor, Sam D. McReynolds, Jere Cooper, Herron Pearson, B. Carroll Reece, Albert Gore, Joseph W. Byrns, Jr., Walter Chandler.

Mr. COOPER. Mr. Speaker, I offer the following resolution, which I send to the Clerk's desk.

The Clerk read as follows:

House Resolution 141

Resolved, That the House has heard with profound sorrow of the death of Hon. CLARENCE W. TURNER, a Representative from the

the death of Hon. CLARENCE W. TURNER, a Representative from the State of Tennessee.

Resolved, That a committee of four Members of the House with such Members of the Senate as may be joined be appointed to attend the funeral.

Resolved, That the Sergeant at Arms of the House be authorized and directed to take such steps as may be necessary for carrying out the provisions of these resolutions and that the necessary expenses in connection therewith be paid out of the contingent fund of the House.

Resolved, That the Clerk communicate these resolutions to the Senate and transmit a copy thereof to the family of the deceased.

The resolution was agreed to.

The SPEAKER. The Chair appoints the following Members on the part of the House to attend the funeral: Mr. COOPER, of Tennessee, Mr. Pearson, of Tennessee, Mr. Byrns of Tennessee, and Mr. TAYLOR of Tennessee.

The Clerk will report the further resolution.

The Clerk read as follows:

Resolved, That as a further mark of respect the House do now

The resolution was agreed to.

Accordingly (at 5 o'clock and 43 minutes p. m.) the House adjourned until tomorrow, Saturday, March 25, 1939, at 12 o'clock noon.

COMMITTEE HEARINGS

COMMITTEE ON WAYS AND MEANS

Public hearings will continue on Monday, March 27, 1939, at 10 a. m., on social-security legislation, in the Ways and Means Committee room in the New House Office Building.

COMMITTEE ON NAVAL AFFAIRS

There will be a meeting of the Committee on Naval Affairs at 10:30 a.m. on Monday, March 27, 1939, for the consideration of the Hepburn Board report.

COMMITTEE ON IRRIGATION AND RECLAMATION

There will be a meeting of the Committee on Irrigation and Reclamation in room 128, House Office Building, at 10 a. m. Tuesday, March 28, 1939, for the purpose of considering H. R. 5076.

COMMITTEE ON INTERSTATE AND FOREIGN COMMERCE

There will be a meeting of the Committee on Interstate and Foreign Commerce at 10 a.m. Monday, March 27, 1939. Business to be considered: Continuation of hearing on H. R. 5093—training air pilots.

There will be a meeting of the Committee on Interstate and Foreign Commerce at 10 a. m. Tuesday, March 28, 1939. Business to be considered: Railroad legislation-H. R. 2531. Commissioner Eastman will be the witness

There will be a meeting of the Business Research Subcommittee of the Committee on Interstate and Foreign Commerce at 10 a. m. Monday, April 3, 1939. Business to be considered: Hearing on H. R. 3395-business research bill.

There will be a meeting of the trust indenture subcommittee of the Committee on Interstate and Foreign Commerce at 10 a. m. Tuesday, April 4, 1939. Business to be considered: Hearing on H. R. 5220-trust indenture bill.

COMMITTEE ON PATENTS

A subcommittee of the Committee on Patents, House of Representatives, will hold hearings in the caucus room of the House Office Building beginning Tuesday, March 28, 1939, at 10 a. m., on H. R. 4744, a bill to provide for the registration of trade-marks used in commerce, to carry out the provisions of certain international conventions, and for other purposes. Hon. Fritz G. Lanham is chairman of the subcommittee.

Mr. Lanham announces that the procedure at these hearings will be the same as that he initiated at the hearings on trade-marks in the Seventy-fifth Congress, 1938; that is, the bill will be taken up section by section, so all testimony on a given section will be found at one place in the printed record.

COMMITTEE ON IMMIGRATION AND NATURALIZATION

There will be a public hearing before the Committee on Immigration and Naturalization at 10:30 a.m. Wednesday, March 29, 1939, for the consideration of H. R. 3657 and H. R. 4369. Room 445, House Office Building.

COMMITTEE ON RIVERS AND HARBORS

The Committee on Rivers and Harbors will meet Tuesday, April 4, 1939, at 10:30 a. m., to continue hearings on the project for the Connecticut River, Conn. and Mass.

COMMITTEE ON MERCHANT MARINE AND FISHERIES

The Committee on Merchant Marine and Fisheries will hold public hearings in room 219, House Office Building, at 10 a.m., on the bills and dates listed below:

Tuesday, March 28, 1939:

H. R. 197, relating to the clearance of vessels; H. R. 199, relating to the allotment of wages by seamen; H. R. 200, relating to foreign towboats towing between American ports; H. R. 1780, relating to penalties on certain undocumented vessels and cargoes engaging in the coastwise trade or the fisheries; H. R. 1782, relating to change of masters of vessels. Wednesday, March 29, 1939:

H. R. 198, relating to the measurement of vessels; and H. R. 132, authorizing the use of condemned Government vessels for breakwater purposes.

Tuesday, April 4, 1939:

H. R. 3209, making it a misdemeanor to stow away on vessels; H. R. 3398, regarding the down payment of construction of new vessels; H. R. 3935, relating to the discharge of seamen.

Wednesday, April 5, 1939:

H. R. 3052, uniform insignia for Naval Reserve radio operators; H. R. 1010, intercoastal subsidy bill (Welch).

Thursday, April 6, 1939:

H. R. 1011, acquisition of drydock facilities for United States Maritime Commission on San Francisco Bay (Welch); H. R. 2870, acquisition of drydock facilities for United States Maritime Commission at Los Angeles (Thomas F. Ford); H. R. 3040, acquisition of drydock facilities for United States Maritime Commission at Los Angeles (GEYER of California).

Tuesday, April 11, 1939:

H. R. 1783, inspection of hulls of sail vessels and barges (Bland); H. R. 1785, motorboat bill (Bland); H. R. 1795, motorboat bill (HENDRICKS); H. R. 1809, inspection of motorboats, 15 gross tons up (Magnuson); H. R. 2398, regarding pilots on yachts (ANGELL); H. R. 3837, inspection of motorboats, 15 gross tons up (CONNERY).

Thursday, April 13, 1939:

H. R. 4220, load-line bill for seagoing vessels (Bland). Tuesday, April 18, 1939:

H. R. 2404, surgeon and hospital on vessels (Sirovich); H. R. 2660, limitation of liability (STROVICH); House Joint Resolution 153 and House Joint Resolution 194, investigate conditions pertaining to lascar seamen (Sirovich).

EXECUTIVE COMMUNICATIONS, ETC.

Under clause 2 of rule XXIV, executive communications were taken from the Speaker's table and referred as follows:

583. A letter from the Secretary of Labor, transmitting the draft of a proposed bill to provide for the deposit of certain collections for overtime immigration services to the credit of the appropriation chargeable with the payment for such services, and for other purposes; to the Committee on Immigration and Naturalization.

584. A letter from the Acting Secretary of the Treasury, transmitting the draft of a proposed bill to promote nautical education, and for other purposes; to the Committee on Mer-

chant Marine and Fisheries.

585. A letter from the Civil Aeronautics Authority, transmitting recommendations as to the desirability of Federal participation in the construction, improvement, development, operation, and maintenance of a national system of airports; to the Committee on Interstate and Foreign Commerce and ordered to be printed, with illustrations.

REPORTS OF COMMITTEES ON PUBLIC BILLS AND RESOLUTIONS

Under clause 2 of rule XIII,

Mr. RANDOLPH: Committee on the District of Columbia. H. R. 3596. A bill to amend paragraph 57 of section 8 of the act entitled "An act making appropriations to provide for the expenses of the government of the District of Columbia for the fiscal year ending June 30, 1914, and for other purposes," approved March 4, 1913; without amendment (Rept. No. 302). Referred to the Committee of the Whole House on the state of the Union.

Mr. RANDOLPH: Committee on the District of Columbia. H. R. 3597. A bill to provide for the appointment of research assistants in the public schools of the District of Columbia, and for other purposes; without amendment (Rept. No. 303). Referred to the Committee of the Whole House on the state

of the Union.

Mr. RANDOLPH: Committee on the District of Columbia. H. R. 3667. A bill to amend Public Law No. 111, Sixty-sixth Congress, entitled "An act for the retirement of public-school teachers in the District of Columbia"; without amendment (Rept. No. 304). Referred to the Committee of the Whole House on the state of the Union.

Mr. RANDOLPH: Committee on the District of Columbia. H. R. 3668. A bill to provide alternative methods of enforcement of orders, rules, and regulations of the Joint Board and of the Public Utilities Commission of the District of Columbia; without amendment (Rept. No. 305). Referred to the Committee of the Whole House on the state of the Union.

Mr. RANDOLPH: Committee on the District of Columbia. H. R. 4940. A bill to authorize the furnishing of steam from the Central Heating Plant to the District of Columbia; without amendment (Rept. No. 306). Referred to the Committee

of the Whole House on the state of the Union.

Mr. RANDOLPH: Committee on the District of Columbia. H. R. 5066. A bill to amend the act entitled "An act to regulate proceedings in adoption in the District of Columbia," approved August 25, 1937; without amendment (Rept. No. 307). Referred to the House Calendar.

Mr. RANDOLPH: Committee on the District of Columbia. H. R. 3594. A bill to amend paragraphs 31 and 33 of an act entitled "An act to amend section 7 of an act entitled 'An act making appropriations to provide for the government of the District of Columbia for the fiscal year ending June 30, 1903, and for other purposes," approved July 1, 1902, and for other purposes," approved July 1, 1932; without amendment (Rept. No. 308). Referred to the Committee of the Whole House on the state of the Union.

Mr. RANDOLPH: Committee on the District of Columbia. H. R. 3949. A bill to amend section 9, article V, of an act known as "An act to amend the act entitled 'An act to fix and regulate the salaries of teachers, school officers, and other employees of the Board of Education of the District of Columbia,' approved June 20, 1906, as amended, and for other purposes"; without amendment (Rept. No. 309). Referred to the Committee of the Whole House on the state of the Union.

Mr. SMITH of Washington: Committee on Pensions. H. R. 2301. A bill to amend section 2 of the act entitled "An act

granting pensions and increase of pensions to certain soldiers and sailors of the War with Spain, the Philippine Insurrection, or the China Relief Expedition, to certain maimed soldiers, to certain widows, minor children, and helpless children of such soldiers and sailors, and for other purposes," approved May 1, 1926; without amendment (Rept. No. 310). Referred to the Committee of the Whole House on the state of the Union.

CHANGE OF REFERENCE

Under clause 2 of rule XXII, committees were discharged from the consideration of the following bills, which were referred as follows:

A bill (H. R. 3552) for the relief of Frederic R. Leland; Committee on Military Affairs discharged, and referred to the Committee on Naval Affairs.

A bill (H. R. 5014) for the relief of Isaac Rosenbaum & Sons, Inc., of Louisville, Ky.; Committee on Claims discharged, and referred to the Committee on War Claims.

A bill (H. R. 5206) granting a pension to Jess Spurlock; Committee on Pensions discharged, and referred to the Committee on Invalid Pensions.

A bill (H. R. 5247) granting a pension to Julia C. Messamore; Committee on Pensions discharged, and referred to the Committee on Invalid Pensions.

A bill (H. R. 5263) granting a pension to Alva A. Anderson; Committee on Pensions discharged, and referred to the Committee on Invalid Pensions.

PUBLIC BILLS AND RESOLUTIONS

Under clause 3 of rule XXII, public bills and resolutions were introduced and severally referred as follows:

By Mr. COLLINS:

H. R. 5315. A bill to extend the time for filing claims for refunds of amounts collected under the Agricultural Adjustment Act; to the Committee on Ways and Means.

By Mr. DWORSHAK:

H. R. 5316. A bill to tax the profits out of war by steeply graduated income and other taxes in order to provide for effective national defense, to promote peace, to encourage actual neutrality, to discourage war profiteering, to distribute the burdens of war, to keep democracy alive, and for other purposes; to the Committee on Ways and Means.

By Mr. GEYER of California:

H.R. 5317. A bill to tax the profits out of war by steeply graduated income and other taxes in order to provide for an effective national defense, to promote peace, to encourage actual neutrality, to discourage war profiteering, to distribute the burdens of war, to keep democracy alive, and for other purposes; to the Committee on Ways and Means.

By Mr. IZAC:

H.R. 5318. A bill establishing a naval record for certain officers and enlisted men of the naval militia of California who performed active duty on the U.S. S. *Marion* or *Pinta* during the War with Spain; to the Committee on Naval Affairs.

By Mr. LANHAM:

H. R. 5319. A bill to amend sections 12, 13, and 29 of the Copyright Act of March 4, 1909, and further to secure the prompt deposit of copyrightable material into the Library of Congress and prompt registration of claims of copyright in the Copyright Office, and for other purposes; to the Committee on Patents.

By Mr. LARRABEE:

H. R. 5320. A bill to prevent discrimination against graduates of certain schools, and those acquiring their legal education in law offices, in the making of appointments to Government positions the qualifications for which include legal training or legal experience; to the Committee on the Civil Service.

By Mr. JOHN L. McMILLAN:

H. R. 5321. A bill providing for the examination and survey of Jeffers Creek, Florence County, S. C.; to the Committee on Rivers and Harbors.

By Mr. MOTT:

H. R. 5322. A bill to amend the Tariff Act of 1930, as amended; to the Committee on Ways and Means.

By Mr. PETERSON of Florida:

H. R. 5323. A bill making certain provisions with reference to cane-sugar producing areas; to the Committee on Agriculture.

By Mr. STEAGALL:

H. R. 5324. A bill to amend the National Housing Act, and for other purposes; to the Committee on Banking and Currency.

By Mr. SUTPHIN:

H. R. 5325. A bill authorizing the preliminary examination and survey of Cheesequake Creek, Middlesex County, N. J.; to the Committee on Rivers and Harbors.

By Mr. BUCKLER of Minnesota:

H. R. 5326. A bill relating to compensation for cooperative observers of the Weather Bureau; to the Committee on Agriculture.

By Mrs. NORTON:

H. R. 5327. A bill to create a Bureau of Unemployment Compensation in the Department of Labor; to provide for the appointment of a Director thereof; to provide for the transfer of certain functions, personnel, records, and property from the Social Security Board to the Bureau; to amend titles III and IX of the Social Security Act; and for other purposes; to the Committee on Labor.

By Mr. SCRUGHAM:

H.R. 5328. A bill to authorize a sale of the old Carson City (Nev.) Mint site and building notwithstanding the provisions of Joint Resolution No. 18 of February 23, 1865; to the Committee on Public Buildings and Grounds.

By Mr. CANNON of Florida:

H. R. 5329. A bill to extend the provisions of the civil-service laws to chaplains of the Veterans' Administration, and to authorize and direct the Administrator of Veterans' Affairs to provide for and fix their salaries within certain limitations; to the Committee on the Civil Service.

H. R. 5330. A bill providing for an examination and survey at Pahokee on Lake Okeechobee, Fla.; to the Committee on Rivers and Harbors.

By Mr. VINSON of Georgia:

H. R. 5331. A bill to provide for the construction of a graving drydock in New York Harbor or its vicinity; to the Committee on Naval Affairs.

By Mr. VOORHIS of California:

H. R. 5332. A bill to amend Veterans Regulation No. 1 (a), part III, paragraph I (e) and (f), as amended; to the Committee on World War Veterans' Legislation.

By Mr. KENNEDY of Maryland:

H. R. 5333 (by request). A bill to amend the acts granting increased compensation to civilian employees for the period July 1, 1917, to June 30, 1924; to the Committee on Claims.

By Mr. BLOOM:

H. J. Res. 227. Joint resolution to provide for publication of a complete report on the formation, the signing, the ratification, and the establishment of the Constitution, including the commencement of the First Congress of the United States under the Constitution, the inauguration of George Washington as first President of the United States under the Constitution, the adoption and ratification of the Bill of Rights, and the first meeting of the Supreme Court of the United States, and for other purposes; to the Committee on Printing.

By Mr. DICKSTEIN:

H. J. Res. 228. Joint resolution to declare certain papers, pamphlets, books, pictures, and writings nonmailable, to provide a penalty for mailing same, and for other purposes; to the Committee on the Post Office and Post Roads.

By Mr. COX:

H. Res. 142. Resolution to provide for a report to the House with respect to aliens employed in the Government; to the Committee on the Civil Service.

MEMORIALS

Under clause 3 of rule XXII, memorials were presented and referred as follows:

By the SPEAKER: Memorial of the Legislature of the State of Maryland, memorializing the President and the Congress of the United States to consider their house resolution, by Mr. Luber, with reference to an amendment to the Constitution of the United States; to the Committee on the Judiciary.

PRIVATE BILLS AND RESOLUTIONS

Under clause 1 of rule XXII, private bills and resolutions were introduced and severally referred as follows:

By Mr. BRADLEY of Pennsylvania:

H.R. 5334. A bill for the relief of Neil McGilloway; to the Committee on Military Affairs.

By Mr. BURDICK:

H. R. 5335. A bill for the relief of the estates of James Collins, Harry Coleman, and Lewis M. Thornton; to the Committee on Claims.

By Mr. COLE of New York:

H.R. 5336. A bill for the relief of Peter Bavisotto; to the Committee on War Claims.

By Mr. D'ALESANDRO:

H. R. 5337. A bill for the relief of Selma Shapiro; to the Committee on Claims.

By Mr. FERNANDEZ:

H. R. 5338. A bill for the relief of Josephine Emmer, wife of, and John Eckendorff; to the Committee on Claims.

H. R. 5339. A bill for the relief of Alice Emmer, wife of, and Alexander G. Dorr; to the Committee on Claims.

By Mr. HOPE:

H.R. 5340: For the relief of Paul Kruger Majors; to the Committee on Military Affairs.

By Mr. HULL:

H. R. 5341. A bill for the relief of Louis C. DuPont; to the Committee on Claims,

H.R. 5342. A bill for the relief of Smieja Bros. (Roman Smieja and George Smieja, copartners); to the Committee on Claims.

By Mr. JENKINS of Ohio:

H.R. 5343. A bill for the relief of Marshall Martin; to the Committee on Claims.

H. R. 5344. A bill granting a pension to Robert G. Barker; to the Committee on Invalid Pensions.

By Mr. JENSEN:

H. R. 5345. A bill granting an increase of pension to Mary Dearborn; to the Committee on Invalid Pensions.

By Mr. KENNEDY of Maryland:

H. R. 5346 (by request). A bill for the relief of Mrs. A. R. Barnard, Charles A. Stephens, Donald W. Prairie, and dependents of Vern A. Needles; to the Committee on Claims.

H.R. 5347. A bill for the relief of F. E. Perkins; to the Committee on Claims.

H. R. 5348 (by request). A bill for the relief of certain postmasters; to the Committee on Claims.

H. R. 5349. A bill to provide for the reimbursement of certain members or former members of the United States Coast Guard for the value of personal effects lost in the hurricane of September 21, 1938, at several Coast Guard stations on the coasts of New York, Connecticut, and Rhode Island; to the Committee on Claims.

H. R. 5350 (by request). A bill for the relief of Caryl Burbank, Preston A. Stanford, and Fire Association of Philadelphia; to the Committee on Claims.

By Mr. KEOGH:

H. R. 5351. A bill for the relief of Harold M. Stevens; to the Committee on Naval Affairs.

By Mr. KRAMER:

H. R. 5352. A bill for the relief of Felix Bernstein; to the Committee on Immigration and Naturalization.

By Mr. PETERSON of Georgia:

H. R. 5353. A bill granting a pension to J. L. Parish; to the Committee on Invalid Pensions.

By Mr. RUTHERFORD:

H.R. 5354. A bill granting a pension to Lulu Marbaker; to the Committee on Invalid Pensions.

By Mr. SHANLEY:

H. R. 5355. A bill for the relief of Harry J. Somerville; to the Committee on Military Affairs.

By Mr. SMITH of West Virginia:

H.R. 5356. A bill to pay the adjusted-compensation benefits due to Nola McKnight; to the Committee on Claims.

By Mr. THORKELSON:

H. R. 5357. A bill to confer jurisdiction upon the Court of Claims to hear, determine, and render judgment upon the claim of the Waterton Oil, Land & Power Co., of Butte, Mont., against the United States; to the Committee on

PETITIONS, ETC.

Under clause 1 of rule XXII, petitions and papers were

laid on the Clerk's desk and referred as follows:

2021. By Mr. ANDREWS: Resolution adopted by the International Ship Masters' Association Lodge of Buffalo, N. Y., protesting against the enactment of various bills having to do with operation of vessels; to the Committee on Interstate and Foreign Commerce.

2022. By Mr. BOLLES: Petition of sundry citizens of Evansville, Wis., protesting against repeal of the Neutrality

Act; to the Committee on Foreign Affairs.

2023. By Mr. CHIPERFIELD: Petition of subscribers and stockholders of the Oneida Telephone Co., Oneida, Ill., urging an amendment to the Wage-Hour Act to exempt employees of small telephone companies; to the Committee on Labor.

2024. By Mr. FLAHERTY: Petition of the City Council of the City of Cambridge, Mass., supporting Senate bill 1557, to provide for, foster, and aid in coordinating research relative to epilepsy and other allied nervous disorders and establishing in the Public Health Service a division which shall be known as the National Epilepsy Institute; to the Committee on Labor.

2025. Also, petition of the City Council of the City of Boston, Mass., favoring the President's recommendation that an appropriation of \$150,000,000 for unemployment relief or such adequate amount as will be necessary for the maintenance of the Works Progress Administration activities in the National Budget; to the Committee on Appropriations.

2026. Also, petition of the City Council of the City of Boston, Mass., opposing proposed amendments to the Social Security Act as would repeal exemptions for churches, hospitals, and charitable homes; to the Committee on Ways and

Means.

2027. By Mr. MARTIN J. KENNEDY: Petition of the Parents Association of Public School No. 158, New York City, urging passage of the \$150,000,000 deficiency Works Progress Administration appropriation; to the Committee on Appropriations.

2028. Also, petition of Lodge No. 105, International Association of Machinists, Todelo, Ohio, urging passage of House bill 4862; to the Committee on Interstate and Foreign Commerce.

2029. Also, petition of the Psychologists' League, an organization of more than 200 psychologists, Brooklyn, N. Y., urging favorable consideration of the \$150,000,000 appropriation to the Works Progress Administration budget; to the Committee on Appropriations.

2030. Also, petition of Citizens' Housing Council of New York, Inc., New York City, urging passage of House bill 2888, concerning the United States Housing Act; to the Committee

on Banking and Currency.

2031. Also, petition of the Real Estate Board of New York, Inc., New York City, expressing approval of House bill 4501, concerning license requirements of real-estate brokers; also approval of Senate bill 1097 and House bill 3232, concerning amendments to the National Housing Act; to the Committee on Banking and Currency.

2032. Also, petition of the Metropolitan Lodge, No. 363,

Brotherhood of Locomotive Firemen and Enginemen, New

York City, urging passage of House bill 4862, Transportation Act of 1939; to the Committee on Interstate and Foreign Commerce.

2033. By Mr. HALLECK: Petition of members of the First Baptist Church of Warsaw, Ind., opposing legislation to include employees of religious organizations under the Social Security Act: to the Committee on Ways and Means.

2034. By Mr. KEOGH: Petition of the Alpha Chapter of Phi Delta Kappa, Indiana University, Bloomington, Ind., concerning House bill 3517; to the Committee on Education.

2035. Also, petition of the Richmond Memorial Library, Batavia, N. Y., concerning Federal aid to libraries; to the Committee on Education.

2036. Also, petition of the Bayside Hills Civic Association. Inc., Bayside, N. Y., opposing Senate bill 286 and House bill 2196, imposing a tax of 3 cents per gallon on fuel oil: to the Committee on Ways and Means.

2037. Also, petition of the United Federal Workers of America, Army Base Local No. 43, Brooklyn, N. Y., concerning the Randolph bill (H. R. 3664) and the Logan bill (S. 1314); to the Committee on the Civil Service.

2038. Also, petition of the Retail Dry Goods Association, New York City, concerning the Schwartz wool products labeling bill; to the Committee on Interstate and Foreign Com-

2039. By Mr. MERRITT: Resolution of Dunkirk-Fredonia Kiwanis Club, of Dunkirk, N. Y., actively supporting the Dunkirk Chamber of Commerce in their efforts to bring about the establishment of a Coast Guard station at Dunkirk because of its principal advantage to shipping interests that at present are without such protection; to the Committee on Naval Affairs.

2040. By Mrs. NORTON: Petition of the Board of Commissioners of the City of Bayonne, endorsing the President's request for a second Works Progress Administration deficiency appropriation; to the Committee on Appropriations.

2041. Also, petition of the Citizens' League of Nurses, with headquarters at Philadelphia, Pa., urging the Congress to pass legislation which will make professional male and female nurses as a class subject to the provisions of the various acts providing for social security and other benefits; to the Committee on Ways and Means.

2042. By Mr. PFEIFER: Petition of the Retail Dry Goods Association, New York City, concerning the Schwartz woolproducts labeling bill; to the Committee on Interstate and Foreign Commerce.

2043. Also, petition of the Bayside Hills Civil Association. Inc., Bayside, N. Y., opposing House bill 2196 and Senate bill 286, providing a tax of 3 cents on fuel oil; to the Committee on Ways and Means.

2044. Also, petition of the United Federal Workers of America, Army Base Local 43, Brooklyn, N. Y., concerning House bill 3664 and Senate bill 1314; to the Committee on the Civil

2045. By Mr. SANDAGER: Memorial of the Sylvester S. Payne Post, No. 174, Veterans of Foreign Wars, of Providence, R. I., urging legislation providing for a 400-bed neuropsychiatric hospital for veterans in the vicinity of Rhode Island: to the Committee on World War Veterans' Legislation.

2046. Also, memorial of the New England Council, requesting Congress to achieve balanced budgets on the basis of lessened expenditures, and to express approval and support of those Senators and Representatives of both the Democratic and Republican Parties in Congress who are leading the movement to curtail Federal expenditures; to the Committee on Appropriations.

2047. By Mr. SCHAEFER of Illinois: Petition of the Catholic Physicians' Guild, Very Rev. Msgr. M. J. Gruenewald, moderator, diocese of Belleville, Ill., opposing Senate bill 1620, the so-called National Health Act of 1939; to the Committee on Interstate and Foreign Commerce.

2048. By Mr. SCHIFFLER: Petition of Rev. Thomas Presnell, of Burton, W. Va., urging that ministers be excluded from the social security law; to the Committee on Ways and Means.

2049. Also, petition of Hon. John J. Mathison, mayor of the rity of Wheeling, W. Va., protesting against the construction of Lake Erie to Ohio River Canal; to the Committee on Rivers and Harbors.

2050. By Mr. THORKELSON: Petition of the Legislature of Montana, requesting the Congress of the United States to enact legislation to facilitate transportation of products of Montana and adjacent States by constructing dams and other facilities to make navigable the Missouri River from its mouth to Fort Benton, Mont.; to the Committee on Rivers and Harbors.

2051. Also, petition of the Legislature of Montana, requesting the Congress of the United States to enact legislation to bring about control of basic metals, to create a control board, and suggesting the powers of such board; to the Committee on Coinage, Weights, and Measures.

2052. Also, petition of the Legislature of Montana, requesting the Congress of the United States to enact appropriate legislation to protect Montana citizens against the importation of natural gas from Canada; to the Committee on Interstate and Foreign Commerce.

2053. Also, petition of the Legislature of Montana, requesting the Congress of the United States to give favorable consideration to House Resolution 3320 and Senate bill 572, regarding acquiring stocks of strategic and critical raw materials in time of peace; to the Committee on Military Affairs.

2054. Also, petition of the Legislature of Montana urging the Congress of the United States to amend existing laws pertaining to agriculture affecting wheat production in Montana; requesting that quotas in wheat production be on a bushel rather than an acreage basis; urging provisions of means for raising revenue for the purpose of insuring a parity price for wheat produced; to the Committee on Agriculture.

2055. Also, petition of the Legislature of Montana, petitioning the Congress of the United States to enact the Townsend plan into a law; to the Committee on Ways and Means.

2056. Also, petition of the Legislature of Montana, petitioning the Congress to amend the Social Security Act to include sufferers from occupational diseases; to the Committee on Ways and Means.

2057. Also, petition of the Legislature of Montana, endorsing passage and approval of Senate Joint Resolution 20, providing for cancelation of certain crop-production and harvesting loans heretofore made by the United States Government; to the Committee on Agriculture.

2058. Also, petition of the Legislature of Montana, requesting a congressional investigation of the smelting and refining business in order to determine means for alleviation of economic distress, unemployment, and loss to small mine operators as a result of these smelters being closed; to the Committee on Ways and Means.

2059. Also, petition of the Legislature of Montana, relating to construction of a water-conservation project in the valley of the Musselshell River, known as Dead Mans Basin or lower Musselshell project; to the Committee on Irrigation and Reclamation.

2060. Also, petition of the Legislature of Montana, requesting legislation by the Congress of the United States making an allowance to all active members of the officers of the Reserve Corps of the Army of the United States; to the Committee on Military Affairs.

2061. Also, petition of the Legislature of Montana, memorializing the Congress of the United States to pass legislation authorizing continuance of the purchase of silver; to the Committee on Coinage, Weights, and Measures.

2062. Also, petition of the Legislature of Montana, requesting the Congress of the United States to assist the beet-sugar industry in Montana; to the Committee on Ways and Means.

2063. Also, petition of the Legislature of Montana, expressing appreciation of the work of the Civilian Conservation Corps in Montana, and requesting continuance thereof; to the Committee on Appropriations.

2064. Also, petition of the Legislature of Montana, memorializing the Congress of the United States and the Recon-

struction Finance Corporation for remedial action and modification of rules in the matter of granting quartz mining loans; to the Committee on Banking and Currency.

2065. Also, petition of the Legislature of Montana, requesting the Congress of the United States to investigate certain homesteads on Indian lands in Valley, Daniels, Roosevelt, and Sheridan Counties in regard to settlement thereof, money paid therefor to the United States Government, abandonment of such homesteads, and thereafter the enactment of legislation for refunding to such settlers or their heirs who were compelled to abandon said land, of the amount paid therefor; to the Committee on the Public Lands.

2066. By the SPEAKER: Petition of the County Board of Milwaukee County, Milwaukee, Wis., petitioning consideration of their resolution with reference to Works Progress Administration appropriation; to the Committee on Appropriations.

2067. Also, petition of the County Board of Milwaukee County, Milwaukee, Wis., petitioning consideration of their resolution with reference to Senate bill 1265 concerning Works Progress Administration; to the Committee on Appropriations.

2068. Also, petition of the Rumanian-American Central Committee, Detroit, Mich., petitioning consideration of their resolution with reference to un-American propaganda; to the Special Committee on un-American Activities.

2069. Also, petition of the Presbytery of Philadelphia North, Philadelphia, Pa., petitioning consideration of their resolution with reference to education and religion; to the Committee on Education.

2070. Also, petition of the Philadelphia Council of the National Negro Congress, Philadelphia, Pa., petitioning consideration of their resolution with reference to Wagner-Steagall housing biill; to the Committee on Banking and Currency.

HOUSE OF REPRESENTATIVES

SATURDAY, MARCH 25, 1939

The House met at 12 o'clock noon.

The Chaplain, Rev. James Shera Montgomery, D. D., offered the following prayer:

O Christ of God, come out of the mystery which was before the world, out of the wonder of the oldest star, and make Thy righteous acts manifest; to be sure of Thee is life's deepest lesson. We rejoice that Thou art the way, the door, and the glory of immortality; help us to find in Thee the richest meaning of the soul. We beseech Thee to give us Thy peace, not a lifeless calm but a glowing, creative serenity that refuses to be disturbed by the tumult of earth. How blessed is that life that we may live in the spiritual uplands which touch the Divine. We thank Thee that whatever virtues which make men better, enlarge their horizon, and make them heirs of two worlds cometh from the Teacher of Nazareth. In the name of our dear Redeemer. Amen.

The Journal of the proceedings of yesterday was read and approved.

Mr. PLUMLEY. Mr. Speaker, I make the point of order a quorum is not present, but I shall withhold the point of order for a moment in order that the Speaker may recognize Members for unanimous-consent requests.

EXTENSION OF REMARKS

Mr. REED of New York asked and was given permission to extend his own remarks in the RECORD.

Mr. THOMAS F. FORD. Mr. Speaker, I ask unanimous consent to extend my own remarks in the RECORD and include three documents from the National Labor Relations Board relative to the Nylander matter.

The SPEAKER pro tempore (Mr. RAYBURN). Is there objection to the request of the gentleman from California? There was no objection.

PERMISSION TO ADDRESS THE HOUSE

Mr. RICH. Mr. Speaker, I ask unanimous consent to address the House for 1 minute.

The SPEAKER pro tempore. Is there objection to the [request of the gentleman from Pennsylvania?

There was no objection.

Mr. RICH. Mr. Speaker, we are meeting now on a Saturday. This last week and the week before we had under consideration the Interior Appropriation bill, when it took us 7 days to spend \$160,000,000. We were not going fast enough to satisfy the New Deal so that we may let the Members of the House stay at home on Saturday, and rest up but we bring them back here today in order that we may spend \$1,060,000,000 within 3 days. That is certainly going some; that is "whooping 'er up" in spending. If seems to me we are going at a pretty fast rate. If you will examine the report of the Federal Treasury, Mr. Speaker, you will notice we have this year gone in the red \$2,263,-000,000 and are altogether practically \$40,000,000,000 in the red. It seems to me it is a terrible situation in which we find ourselves when all we do is spend, spend, spend. The faster the New Deal goes the more happy they seem to be. [Applause.]

[Here the gavel fell.]

Mr. RANKIN. Mr. Speaker, I ask unanimous consent to address the House for 1 minute.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Mississippi?

There was no objection.

Mr. RANKIN. Mr. Speaker, I deplore these attacks that are being made on President Roosevelt and his administration by Members on the minority side of the House,

who offer no solution for our problems.

The President now has it in his power to reelect himself as President, or name his successor, if he will exercise the power we have given him to expand the currency by issuing United States notes to the amount of \$3,000,000,000 against the gold reserve we now have and putting that money into circulation in such a way that the Federal Reserve Board cannot retire it and bring on another depression. In that way he can restore commodity prices to their former level, raise the price of cotton to 15 or 20 cents a pound and the price of wheat to \$1.50 to \$1.75 a bushel, raise the prices of corn, hogs, land, and lumber, restore the purchasing power of the American farmer, and thereby restore prosperity to the whole country.

If we will do that, he will sweep this country in 1940. Mr. RICH. Is the gentleman in favor of the reelection

of Mr. Roosevelt?

Mr. RANKIN. Yes, I am, as against a Republican, especially on that platform. [Applause.]

EXTENSION OF REMARKS

Mr. TARVER. Mr. Speaker, I ask unanimous consent to extend my own remarks in the RECORD and incorporate therein a short memorial from the Georgia Legislature relating to discriminatory freight rates.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Georgia?

There was no objection.

HAVE WE A DICTATOR?

Mr. HOFFMAN. Mr. Speaker, I ask unanimous consent to address the House for 1 minute, and to revise and extend my remarks and include therein a certain editorial.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Michigan?

There was no objection.

Mr. HOFFMAN. Mr. Speaker, the gentleman from Mississippi [Mr. RANKIN] has just made the statement in substance that the President of the United States possessed the power to reelect himself for a third term or to name his successor.

Long have some of us contended that the President was seeking for and obtaining dictatorial power. I hope that hereafter, when Members on this side intimate or hint or insinuate that the man in the White House is using those powers-which he said in 34 months had been returned to Washington and which he said in the hands of some persons could be "used to shackle the liberties of the citizen" to take

from us some of the liberties guaranteed to us by the Constitution—that we may be permitted to call the gentleman from Mississippi [Mr. RANKIN] as a witness in support of that statement and to use the statement which he just made as evidence of our charge.

The gentleman from Mississippi [Mr. RANKIN] stated that Republicans do not offer any solution for the situation of which we complain. We have offered many solutions. Only yesterday the Secretary of the Treasury in effect admitted that the amendment of the Social Security Act, somewhat in line with the suggestions which Senator Vandenberg has been making for 2 years past would greatly improve that law.

Just a few days ago the gentleman from Ohio [Mr. Jenkins] suggested a bill to the Ways and Means Committee which advocated a constructive solution of some of our troubles.

The gentleman from Pennsylvania [Mr. DITTER] has put forward a reorganization bill which, if adopted, would bring about real efficiency, substantial economy.

I have offered a bill which, if enacted, would really accomplish the purpose for which it was proclaimed the National Labor Relations Act, commonly known as the Wagner Act, was passed. The House ignores this suggestion.

CONGRESS SLEEPS ON, WHILE THE C. I. O., WITH THE AID OF THE N. L. R. B. AND THE N. L. R. A., HAVING THROTTLED INDUSTRY, NOW TURNS ITS HAND TO THE SKINNING OF THE A. F. OF L

In season and out, on the floor of this House and throughout the country, my efforts have been directed to demonstrate how, through the interpretation and administration of the National Labor Relations Act, the Labor Board was not only obstructing business, levying tribute upon the workingman, but was defeating the very purpose of the act.

Others who loudly proclaim their allegiance to labor and labor organizations have remained silent while the C. I. O. and the Labor Board working together have attacked and injured other labor organizations, principally the A. F. of L., levied tribute upon the workers and deprived them of the rights which the law was supposed to guarantee to them.

At last the tide of resentment throughout the country has become so great that even national publications which have swallowed doses of new dealism which in other times would choke any decent, patriotic American citizen, have seen the light. Let me quote, from this week's issue of Collier's, an editorial which reads as follows:

LOPSIDED LAW

Everybody except John L. Lewis and his C. I. O. enthusiasts seems to have become anxious sometime ago to amend the Wagner Labor Relations Act.

The procapital amendments have been offered to Congress by Senator Burke of Nebraska, the A. F. of L. amendments by Senator Walsh, of Massachusetts. By the time this appears in print the expected middle-of-the-road amendments may have been offered by Senator Wagner of New York, himself, author of the original act.

expected middle-of-the-road amendments may have been offered by Senator Wagner of New York, himself, author of the original act.

So the question naturally comes up like a boil: Why the reluctance on the part of John L. Lewis and his C. I. O. cohorts to see so much as a jot or a tittle in the Wagner Act changed?

We think the future of the country, for better or for worse, is pretty intimately bound up with the future of the Wagner Act. We believe we have an answer to that question about the hostility of Mr. Lewis and his friends to any change in the act.

The Wagner Act itself gags employers to this extent: They may not express an opinion to their employees, even if asked, on the merits or otherwise of any labor organization their employees may be thinking of joining. That seems to us a plain denial of the constitutional guaranty of free speech.

The National Labor Relations Board, created by the Wagner Act, has interpreted the act to hold that, when two or more labor organizations are trying to unionize the workers in one shop, the employer may not ask the N. L. R. B. to hold an election to settle the dispute. Only the workers can ask for such an election—or the labor leaders trying to unionize the workers. Senator Wagner thought his law granted equal rights to both sides to ask for these elections, but the N. L. R. B. in its wisdom thinks otherwise and the N. L. R. B. administers the act.

These two aspects of the Wagner Act would seem to reveal why

These two aspects of the Wagner Act would seem to reveal why Mr. Lewis and the more eager hot shots in his C. I. O. are so fund

Mr. Lewis and the more eager not shots in his C. I. O. are so ich of the Wagner Act as is and have fought any proposed changes in it. Simply, the dice are loaded in their favor.

The gag on free speech for employers enables labor organizers to agitate anywhere in the country, with employers forbidden to open their traps to state their side of the case. The provision regarding elections, as interpreted by the N. L. R. B., throws the door open to jurisdictional strikes and at the same time ties the employer's

A new, militant organization such as the C. I. O. naturally finds its best fishing in troubled waters.

The Wagner Act as now written and interpreted lets the C. I. O. stir up previously calm waters anywhere it pleases, and keeps them troubled practically as long as it wants to fish in them.

That is fine for Mr. Lewis and his friends. They are smart to try

That is fine for Mr. Lewis and his friends. They are smart to try to fend off any changes in this set-up.

But it is not so fine for several other groups of people, all of whom are supposed to have some rights too, namely, the employers, the heavy non-C. I. O. majority of working people, and the general public that consumes the products of labor and capital.

These groups have been taking it on the chin, nose, breadbasket, and elsewhere ever since the Wagner Act took effect. There have been waves of sit-down strikes and jurisdictional strikes. Now, there seems to be starting a wave of split-ups and split-offs inside single labor organizations, as in the C. I. O.'s United Auto Workers of America.

America.
These things cut down production and boost costs, thereby cutting into consumption of what is produced—thereby in turn cutting down the number of jobs available—the well-known downward spiral.

The whole trouble goes back, we believe, to the fact that the Wagner Act is or has been made the hammer and anvil for the C. I. O.'s exclusive use in forging its destiny. The Wagner Act should be a law under which bosses and workers, with the friendly help of the Government as umpire, could iron out their differences with the least possible friction, cost, loss of time, loss of temper, and loss to the consuming mubils.

to the consuming public.

We believe that was the kind of law Senator Wagner thought he was putting together. Its basic principle—legal recognition and assurance of labor's right to collective bargaining—is in tune with these times, and should on no account, we believe, be amended or

watered down.

But we think that experience has now shown that the Wagner Act needs to be restored to what it started out to be. And one job for this Congress seems to us to be to rip out that overzealous ban on freedom of speech for the employer, and to clear up all doubt about the employers' as well as the workers' or organizers' right to ask the N. L. R. B. for a plant election in case of a battle to sign up the boys and girls with this union or that or that.

The American people have an ancient way of smacking down special groups that get too grabby and spoil-babyish. That can happen to labor groups, too. It already has hapened in Oregon, whose new strait-jacket State labor law has recently described

whose new in Collier's.

Looked at calmly, the Oregon law is a bad one; it goes too far. For all that, a plurality of Oregon's voters, annoyed by the superdizzy didos of various Pacific northwest labor leaders and labor units, batted that law onto Oregon's statute books. Which ought to be a warning, you would think, to laborites who are trying to make a fetish of the Wagner Act as now written. The fetish may turn on them some day, surprise-surprise, and kick their teeth down their throats.

This article in Collier's Weekly is all well enough so far as it goes, but the writer overlooked the greatest defect in the law. He points out how it is unfair to the employer. He calls attention to its one-sidedness. He entirely overlooks, he fails to see, the great injustice of the law, the palpable fraud in the law, which is that, while its announced purpose is to aid the workers in collective bargaining, it deprives them of that right.

This morning's Washington Post carries Mark Sullivan's column in which he, too, calls attention to the fact that the administration and the C. I. O. have so far in this session of Congress prevented hearings on the revision of the National Labor Relations Act. Closing his article, he says:

A. F. OF L. LEADERS FEAR SQUEEZE PLAY

Such an outcome—the ending of this session of Congress with no change in the Wagner Act—would be pleasing to the C. I. O. Presumably it would be pleasing also to the Roosevelt administration. It would be pleasing to everybody who wishes that no change be made in the Wagner Act.

It would not be pleasing to A. F. of L. The executive council of A. F. of L. appears to see the possibility here suggested. A. F. of L. wants the hearings of the Senate Committee on Labor to begin at once. The executive council of A. F. of L. this week gave out a statement saving:

ment saying:

ment saying:

"We hold that further delay of hearings in this case will lead to serious misunderstandings. On the other hand, it is our belief that an immediate hearing will tend largely to clarify the present situation and aid, rather than injure, current negotiations for an adjustment of existing differences. Further delay cannot be attributed to impartial desire for the adjustment of a serious situation, for it could only contribute to the advantage of one party to the controversy."

Apparently it is dawning upon the A. F. of L. leaders that they may be caught in a squeeze play.

It is all very well to talk of repealing those other regulations which have restricted and hampered business, but until industry and the workers themselves are freed from the shackles which this Wagner law and the C. I. O. have forged

upon them-and this the act which I have offered if adopted will do-we shall have no great increase in free, steady employment.

Mr. PLUMLEY. Mr. Speaker, I insist on my point of order.

The SPEAKER pro tempore. Will the gentleman withhold the point of order for a moment so the Chair may further recognize Members for unanimous-consent requests?

Mr. PLUMLEY. I withhold the point of order, Mr. Speaker.

PERMISSION TO ADDRESS THE HOUSE

Mr. PATRICK. Mr. Speaker, I ask unanimous consent that on Monday next after all other business has been disposed of I may be permitted to discuss with this body for 20 minutes the difference between a Democrat and a Republican.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Alabama?

There was no objection.

EXTENSION OF REMARKS

Mr. SPRINGER. Mr. Speaker, I ask unanimous consent to extend my own remarks in the RECORD and include therein an editorial appearing in the Miami Herald, of Miami, Fla., on the 21st of March on the subject of national defense.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Indiana?

There was no objection.

Mr. GILLIE. Mr. Speaker, I ask unanimous consent to extend my own remarks in the RECORD and include therein an editorial which appeared in the Fort Wayne News-Sentinel on March 23.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Indiana?

There was no objection.

Mr. ANDERSON of California. Mr. Speaker, I ask unanimous consent to extend my own remarks in the RECORD and include therein a brief editorial from the New York Times.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from California?

There was no objection.

Mr. KLEBERG. Mr. Speaker, I ask unanimous consent to extend the remarks I intend to make today and to include therein some data from the Bureau of Entomology of the United States Department of Agriculture and data from the State-wide Committee on Pink Boll Worm Control of Texas.

The SPEAKER pro tempore. Is there objection to the

request of the gentleman from Texas?

There was no objection.

CALL OF THE HOUSE

The SPEAKER pro tempore. The gentleman from Vermont makes the point of order that a quorum is not present. Evidently a quorum is not present.

Mr. CANNON of Missouri. Mr. Speaker, I move a call of the House.

A call of the House was ordered.

The Clerk called the roll, and the following Members failed to answer to their names:

	[Roll
Barden	Douglas
Barry	Elliott
Barton	Engel
Bates, Mass.	Englebright
Blackney	Evans
Boland	Fav
Bolton	Fish
Bryson	Gartner
Buckley, N. Y.	Gavagan
Byron	Gerlach
Cannon, Fla.	Goldsborough
Celler	Guyer, Kans.
Cochran	Hancock
Corbett	Harrington
Crawford	Hart
Creal	Harter, N. Y.
Culkin	Harter, Ohio
Cullen	Hartley
Curley	Hinshaw
Delaney	Izac
Dickstein	Jeffries

110. 11	
Jenkins, Ohio	Owen
Keller	Pfeifer
Kennedy, Martin	Powers
Kennedy, Md.	Reece, Tenn.
Kennedy, Michael	
Keogh	Sasscer
Knutson	Seger
McArdle	Short
McDowell	Strovich
McGranery	Smith, Ill.
McKeough	Smith, Va.
McReynolds	Snyder
Maas	Somers, N. Y.
Mansfield	Sullivan
Martin, Ill.	Sweeney
Martin, Mass.	Tinkham
Myers	Wadsworth
Norton	Weaver
O'Leary	Wolfenden, Pa.
Osmers	Woodruff, Mich.
O'Toole	Woodrum, Va.

The SPEAKER pro tempore. Three hundred and fortyseven Members are present, a quorum.

On motion of Mr. Cannon of Missouri, further proceedings under the call were dispensed with.

EXTENSION OF REMARKS

Mr. Houston asked and was given permission to revise and extend his own remarks in the RECORD.

WORKS PROGRESS ADMINISTRATION

Mr. COX, from the Committee on Rules, submitted the following privileged resolution (H. Res. 130), which was referred to the House Calendar and ordered printed:

House Resolution 130

Resolved, That for the purpose of obtaining information necessary as a basis for legislation the Committee on Appropriations, as a whole or by subcommittee, is authorized and directed to conduct a thorough investigation and study of the Works Progress Admin-istration and the administration of laws, regulations, and orders administered by it.

The committee shall report to the House as soon as practicable during the present Congress the results of its investigations, together with such recommendations for legislation as it deems

desirable.

For the purposes of this resolution the committee, or any subcommittee thereof, is authorized to sit and act during the present Congress at such times and places within the United States, whether or not the House is sitting, has recessed, or has adjourned, to hold such hearings, to require the attendance of such witnesses and the production of such books, papers, and documents, and to take such testimony, as it deems necessary. Subpenas may be issued under the signature of the chairman of the committee or any member designated by him, and may be served by any person designated by such chairman or member. The chairman of the committee or any member thereof may administer oaths to witnesses. Every person who, having been summoned as a witness by authority of said committee or any subcommittee thereof, willfully makes default, or who, having appeared, refuses to answer any questions pertinent to the matter herein authorized, shall be held to the penalties provided by section 102 of the Revised Statutes of the United States, as amended (U. S. C., 1934 ed., title 2, sec. 192).

SUBSTITUTES IN THE POSTAL SERVICE

Mr. RAMSPECK. Mr. Speaker, I ask unanimous consent that the Committee on the Civil Service be discharged from further consideration of the bill (H. R. 3244) to provide sick and annual leave to substitutes in the Postal Service and that the same be referred to the Committee on the Post Office and Post Roads.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Georgia?

There was no objection.

EXTENSION OF REMARKS

Mr. HOBBS. Mr. Speaker, I ask unanimous consent to extend my remarks in the RECORD by inserting at this point in the RECORD a copy of the report of the Committee on the Judiciary on House Resolution 67, filed yesterday.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Alabama?

There was no objection.

The matter referred to follows:

[H. Rept. No. 311, 76th Cong., 1st sess.]

[H. Rept. No. 311, 76th Cong., 1st sess.]

Mr. SUMNERS of Texas, from the Committee on the Judiciary, submitted the following report (to accompany H. Res. 67):

The Committee on the Judiciary, to whom was referred House Resolution 67, authorizing and directing the committee as a whole or by subcommittee to investigate charges involving certain official acts of Frances Perkins, Secretary of Labor; James L. Houghteling, Commissioner of the Immigration and Naturalization Service, Department of Labor; and Gerard D. Reilly, Solicitor, Department of Labor, to determine whether, in its opinion, "they have been guilty of any high crimes or misdemeanors which, in the contemplation of the Constitution, requires the interposition of the constitutional powers of the House," after consideration, unanimously report the same unfavorably with the recommendation that the resolution do not pass. that the resolution do not pass.

House Resolution 67 was introduced January 24, 1939. It charges that the Secretary of Labor, the Commissioner of the Immigration and Naturalization Service, and the Solicitor of Labor, "were and are guilty of high crimes and misdemeanors in office in manner and form as follows, to wit: That they did willfully, unlawfully, and feloniously conspire, confederate, and agree together, from on or about September 1, 1937, to and including the date of the filing of this resolution, to commit offenses against the United States, and to defraud the United States, by failing and neglecting and refusing to enforce the immigration laws of the United

States * * * against Alfred Renton, Bryant Bridges, alias Harry Renton Bridges, alias Harry Dorgan, alias Canfield, alias Rossi, an alien"; by unlawfully conspiring "to defer and to defeat the deportation of the aforesaid alien"; by conspiring together "to release said alien after his arrest on his own recognizance without requiring a bond of not less than \$500"; that said officials, "and each of them, have committed many overt acts to effect the object of said conspiracy" as set forth in the resolution; and that said officials, "as civil officers of the United States, were and are guilty of high crimes and misdemeanors by unlawfully conspiring together to commit offenses against the United States and to defraud the United States by causing the Strecker case to be appealed to the Supreme Court of the United States, and by failing, neglecting, and refusing to enforce section 137, United States Code, against other aliens illegally within the United States, contrary to the Constitution of the United States, the statutes of the United States in such cases made and provided."

The resolution correctly quotes section 4 of article II of the Constitution of the United States of America:

"The President, Vice President, and all civil officers of the United States shall be removed from office on impeachment for and conviction of treason, bribery, or other high crimes and misdemeanors."

On the day following the introduction of the resolution, the Committee on the Judiciary met. The resolution was read and discussed. Subcommittees were appointed to examine the record and briefs on file in the Supreme Court of the United States in the case of Strecker v. Kessler (95 F. (2d) 976; 96 F. (2d) 1020); the files of the Bureau of Immigration and Naturalization relating to the deportation case against Harry Bridges; the report of the Dies committee—these being the records referred to in the resolution supporting the charges therein made; and to study the law bearing upon the questions involved in this investigation.

These subcomm

subsequent meetings.

Hon. J. Parnell Thomas, the author of the resolution, appeared twice before the full committee and testified. The accused also appeared and testified. No statements by accuser or accused were

appeared and testified. No statements by accuser or accused were made public by the committee.

Before concluding the preliminary examination, the chairman of the committee wrote letters to the author of the resolution and to the clerk of the Dies committee, as follows:

FEBRUARY 28, 1939.

Hon. J. PARNELL THOMAS.

HOIL J. PARNELL THOMAS,

House of Representatives, Washington, D. C.

MY DEAR COLLEAGUE: The Committee on the Judiciary has been, as you know, making a preliminary examination as to the merits of your resolution, House Resolution 67. In addition to having had the benefit of your testimony and the testimony of the accused officials, we have followed up your request and examined the record made by the Dies committee, the record in the Strecker case and all of the files in the Bridges case.

It is the thought of the committee that we should now prepare

It is the thought of the committee that we should now prepare

It is the thought of the committee that we should now prepare to conclude this preliminary investigation, and we have set next Tuesday, March 7, for a further hearing.

If you know of any witness or witnesses who could throw any additional light upon the questions involved in your resolution, we would be pleased to have you give us their names and indicate the testimony they would probably give, so that we might consider inviting them to come before us next Tuesday or at some later date. I would appreciate being advised as soon as possible.

Sincerely yours.

Sincerely yours,

HATTON W. SUMNERS.

The Special Committee on Un-American Activities, House of Representatives, Washington, D. C.

House of Representatives, Washington, D. C. (Attention: Mr. Stripling.)

My Dear Mr. Stripling: In line with my telephone conversation this morning I beg to say that the Committee on the Judiciary to which was referred the resolution (H. Res. 67), having to do with impeachment charges which had been preferred against Secretary of Labor Perkins, I beg to advise that the Committee on the Judiciary is going to meet Tuesday, March 7, for further consideration of this resolution and would be glad to have some person representing your committee meet with the Committee on the Judiciary, for the purpose of giving to it such facts and suggestions as your representative may be able to give to assist the committee in the investigation in reference to the subject matter of this resolution. resolution.
Sincerely yours,

HATTON W. SUMNERS.

The following quoted replies were received:

MARCH 6, 1939.

Hon. Hatton W. Sumners,
Chairman, Committee on the Judiciary,
House of Representatives, Washington, D. C.

Dear Mr. Sumners: In reply to your letter of February 28, which, incidentally, arrived at my office by messenger at noon Saturday, March 4, I wish to suggest, before concluding your preliminary investigation that you invite the Honorable Martin Dies, chairman of the House Committee on Un-American Activities to testify before the Judiciary Committee in connection with testimony given to the Committee on Un-American Activities relating to the sub-ject matter contained in House Resolution 67. If, due to Mr. Dies' illness, he is unable to appear, I suggest that you invite him to present a brief. It is my very definite opinion that before you close your pre-liminary investigation you summon R. P. Bonham, district director, Immigration and Naturalization Service at Seattle, Wash. Mr. Bon-ham, a veteran in the Immigration and Naturalization Service, is probably more familiar with the Bridges case than is any one indi-vidual in the country. Some of the statements which were made by Mr. Bonham on the Bridges case and which I quote below, are well worth taking into consideration in determining whether or not he should be called as a witness:

"An appeal will not cure the situation in my judgment, but rather

"An appeal will not cure the situation in my judgment, but rather complicate it."

"The courts have without exception dismissed writs challenging this procedure in cases which I have conducted."

"I believe it proper that I acquaint the central office with the fact that when I interviewed Mr. Bridges some time ago in another matter, he boasted that he had seen the central office file relating to himself."

"Submitted herewith please find application for warrant of arrest with most unusual supporting evidence in the matter of Harry Renton Bridges." (This application for a warrant was not acted upon by the Department of Labor for several months. In the meantime the application and other documents disappeared from the files of the Department of Labor.)

I also suggest to the committee that it call R. J. Norene, divisional director, Immigration and Naturalization Service, and who was the director of the Division which included Bonham and which conducted most of the proceedings in the Bridges case.

In the application for the warrant for arrest of Bridges, Bonham and Norene stated in support thereof:

"This office has repeatedly proved that the Communist Party advocates the overthrow by force and violence of the Government of the United States, and also the Communist Party causes to be written, circulated, distributed, published, or displayed printed matter advising, advocating, and teaching the overthrow by force and violence of the Government of the United States."

This application for warrant includes nine grounds, the ninth

and violence of the Government of the United States."

This application for warrant includes nine grounds, the ninth ground being "that he [Bridges] believes in, advises, advocates, and teaches the overthrow by force and violence of the Government of the United States." Yet, when the warrant of arrest was subsequently issued by the Department of Labor against Bridges, the ground for deportation which I have just quoted, was omitted. And, instead of there being nine grounds, as recommended by Bonham and Norene, the Department of Labor only issued a warrant against Bridges on four grounds.

against Bridges on four grounds.

Because of the kowledge which both Bonham and Norene have of this whole matter, because of the many conversations and numerous communications between themselves and the head office of

ous communications between themselves and the head office of the Department of Labor here, and because of the large amount of factual information which these two employees of the Government have on the question which is before your committee, I think it imperative that you call them to testify.

I also believe that you should read the testimony in the hearings of the Dies Committee which I am listing in the attached 14 pages of references to immigration cases. I am confident that by calling the individuals whom I have suggested in this letter, and by looking into the immigration cases which I have referred to you, you will find that added to what you have already learned, a clear case is presented against Frances Perkins, Secretary of Labor, James L. Houghteling, Commissioner, Immigration and Naturalization Service, and Gerard D. Reilly, Solicitor, Department of Labor.

Furthermore, I think that no investigation by your committee

Furthermore, I think that no investigation by your committee would be complete until you have interviewed and interrogated Chairman Dies and Messrs. Bonham and Norene, nor would it be complete until you have thoroughly looked into the immigration cases which I am today referring to you.

Thanking you for this opportunity you have given me to make these additional suggestions, I am

Sincerely,

J. PARNELL THOMAS.

MARCH 6, 1939.

Hon. Hatton W. Sumners,

Committee on the Judiciary,

House of Representatives, Washington, D. C.

Dear Congressman Sumners: Your letter of March 3 has been brought to the attention of Chairman Dies.

brought to the attention of Chairman Dies.

He has directed me to advise you that since he is recovering from a recent operation and will be confined to his home for several weeks that it will not be possible for him to appear before the Committee on the Judiciary in regard to House Resolution 67.

Mr. Dies and Mr. Thomas are the only two members of the committee so far as I am aware, who have made a thorough and detailed study of this matter and since Congressman Thomas has already appeared before your committee, it will not be possible for a representative of this committee to appear.

Very sinceptly yours

Very sincerely yours,

ROBERT E. STRIPLING. Secretary.

The letters and replies above quoted were read to the Committee on the Judiciary on March 7, 1939, and, after discussion, a special subcommittee was appointed to give full consideration to the quessubcommittee was appointed to give full consideration to the question whether to proceed further with the preliminary examination which had been prosecuted diligently since January 25, 1939. This special subcommittee met the same afternoon, and after consideration, decided to recommend to the entire committee that the request made by the author of the resolution that Representative Dies be invited to file a brief, and that Messrs. R. P. Bonham and R. J. Norene be heard before closing the preliminary examination should be granted. This report was made to the full committee at its regular meeting on Thursday, March 9, 1939, and was adopted. Accordingly, a letter was dispatched to Hon. Martin Dies, inviting that he submit a brief, and arrangements were made to have Messrs. R. P. Bonham and R. J. Norene come from the Pacific coast and appear before the committee on Tuesday the 14th day of March 1939. On that day and the next, the committee heard Messrs. Bonham and Norene, and propounded to them questions submitted for that purpose by the author of the resolution, and, in addition, members of the committee interrogated them at length. Mr. Dres. members of the committee interrogated them at length. Mr. Dies filed no brief.

The committee heard every witness indicated by any of the records or suggested by any person, carefully examined the record in the Strecker case, the files of the Bridges case, the report of the Dies committee, considered all of the evidence therein contained, as well as the testimony of the witnesses, and proceeded to consider the resolution and all the facts and circumstances adduced.

FINDINGS

After full consideration the committee certifies-

1. That there is no competent evidence to support the charge of

conspiracy.

The committee appreciates fully that conspiracies are difficult to prove, may rarely be established by direct evidence, and that such cases often must rest on inferences. In this case, however, whatever inferences of conspiracy might be drawn fail of support by any competent evidence thereof.

2. That there is no competent evidence to support the charge that the accused "unlawfully conspired to defer and to defeat the deportation of Harry Bridges."

The accused reached the conclusion that the hearing of the Bridges case should be postponed awaiting the decision of the Supreme Court of the United States in the Strecker case, but there is an absence of evidence from which improper motive may be

an absence of evidence from which improper motive may be fairly inferred.

The decision of the Secretary of Labor and the Commissioner of Inmigration and Naturalization, on the advice of the Solicitor of the Department of Labor, to postpone the hearing on the deportation warrant against Harry Bridges until after final determination by the court of last resort of the case of Strecker versus Kessler involved a question of judgment, and there is no evidence that it

was not exercised in good faith.

The decision in the Strecker case may or may not have a controlling effect on the Bridges case, but there is nothing upon which to base a conclusion that the action of the accused in postponing the hearing of the Bridges case was not in good faith.

hearing of the Bridges case was not in good faith.

The Strecker case was begun by warrant of arrest, November 25, 1933. It was begun and prosecuted to the order of deportation, August 14, 1934, as an ordinary and routine matter. After the order of deportation there was a delay of nearly 2 years before any other action was taken. This delay was caused by the refusal of the Government of Poland to grant a passport for Strecker's return to his native land. Poland's passport was issued in June 1936, and at once the first habeas corpus proceeding was begun by Strecker. This was litigated to conclusion.

This case attained no unusual significance until the decision of the Circuit Court of Appeals of the Fifth Circuit on Strecker's appeal from the United States district court at New Orleans dismissing his second habeas corpus case. The decision of the circuit court of appeals was rendered on April 6, 1938. The hearing of the Bridges case was set for April 25, 1938. On April 19, 1938, the order was made postponing this hearing to await decision of the Strecker case.

There is no evidence to indicate that the taking of the Strecker case to the Supreme Court was for the purpose of delaying the Bridges case. In all, there are 12 deportation cases—including the Bridges case—being held to await the Supreme Court's decision in

the Strecker case

Bridges case—being held to await the Supreme Court's decision in the Strecker case.

The point which the accused hope to have decided by the Supreme Court of the United States on the appeal in the Strecker case is whether or not proof of an alien's membership in the Communist Party of America, without more, is sufficient to warrant his deportation. In the Strecker case, the decision of the Circuit Court of Appeals of the Fifth Circuit was to the effect that such proof is insufficient. The Circuit Court of Appeals of the Ninth Circuit on this point is substantially in accord with the fifth circuit. Ex parte Fierstein (41 F. (2d) 54). The first, second, third, seventh, and eighth circuits each hold a contrary opinion. First circuit: Murdoch v. Clark (53 F. (2d) 155); Sorquist v. Ward (83 F. (2d) 890). Second circuit: United States ex rel. Yokamin v. Commissioner of Immigration (57 F. (2d) 707); certiorari denied (287 U. S. 607); United States v. Perkins (79 F. (2d) 533). Third circuit: United States ex rel. Borie v. Marshall (67 F. (2d) 1020). Seventh circuit: Kjar v. Doak (61 F. (2d) 566). Eighth circuit: Ungar v. Seaman (4 F. (2d) 80); Jurgans v. Seaman (25 F. (2d) 35). While the ninth circuit has never gone as far as the fifth circuit went in its Strecker decision, and while its later case, Branch v. Cahill (88 F. (2d) 545), is practically in line with the weight of authority, it is more nearly in line with the fifth circuit than is any other circuit. It should be noted that Harry Bridges is a resident of San Francisco, which is in the ninth circuit, and that, therefore, the Circuit Court of Appeals of the Ninth Circuit would be the court to pass upon his case if it were appealed. For this reason, it is all the more desirable that the Supreme Court reverse the decision of the Circuit Court of Appeals of the Fifth Circuit in the Strecker case so that, before the Bridges case reaches the Circuit Court of Appeals of the Ninth Circuit, that court would be bound by the decision of the Supreme Court.

3. That there is no evidence that the accused "conspired to-

3. That there is no evidence that the accused "conspired together to release Harry Bridges after his arrest on his own recognizance, and without requiring a bond of not less than \$500."

Bridges was so released. It appears from the evidence in this investigation that the Bureau of Immigration and Naturalization has never construed the law fixing minimum bail as requiring that there be no release on the defendant's own recognizance. For decades before, and ever since the enactment of the 1917 statute, it has been the uniform practice of the Bureau to release on personal recognizance without bond whenever the immigration authorities saw fit. The Bureau has always interpreted the statute as fixing the minimum amount of bond in every case wherein the authorities saw fit to require bond, not as mandatory that bond should be required in every case.

the authorities saw fit to require bond, not as mandatory that bond should be required in every case.

The accused are criticized for failure to deport Bridges on the ground that he committed perjury in his application for naturalization. To be deported on such a ground, it is expressly provided by section 19 of the act of Congress dated February 5, 1917, that the accused alien must have been convicted of such a felony within 5 years of his last entry into the United States. Bridges had been in the United States for a much longer period of time than 5 years when this alleged perjury was committed, and furthermere he has never been convicted of this or any other felony.

4. That there is no competent evidence to support the charge that the accused "have committed many overt acts to effect the object of said conspiracy."

object of said conspiracy."

The resolution quotes District Director of Immigration and Natu-The resolution quotes District Director of Immigration and Naturalization R. P. Bonham as reporting that in an interview with him in 1937 Harry Bridges boasted that he had seen the file relating to him in the Department of Labor at Washington. There is no evidence tending to support that boast. In the testimony of Messrs. Houghteling and Reilly before the committee, they each categorically and emphatically denied that Harry Bridges or any attorney of his, or anyone other than proper officials and employees of the Department of Labor had any access to the Bridges file or any other file of a deportation case. They testified positively that Mr. Lee Pressman, one of Bridges' attorneys, had never been an employee of the Department of Labor, nor of the Immigration and Naturalization Service, and that he had never been extended any courtesy or privilege not accorded any citizen.

The criticism that certain papers were missing from the files of the

accorded any citizen.

The criticism that certain papers were missing from the files of the Bridges case when they were sent to the Senate committee of which the late Senator Copeland was the chairman was answered by Mr. Reilly in his testimony before the committee by saying that he was working upon one phase of the Bridges case and had the letters and papers relating to that phase on his desk in his own office when the files were sent to Senator Copeland upon his (the Senator's) request. This request was made of the Immigration and Naturalization Service in which office the files were, of course, kept, and the officials of the Immigration Service did not know of the absence of the papers in question from the files, and when they received Senator Copeland's request they immediately sent the files as they were, assuming that they were complete.

they were complete.

The resolution quotes from a letter written by Hon. Martin Dies, quoting Edward W. Cahill, then district commissioner of immigration and naturalization at San Francisco, in a letter dated April 21, 1938, to James L. Houghteling, Commissioner, as follows: "Before we bury this case (Bridges case), may I just present this sequence of facts?" Mr. Dies immediately after this quotation says "On the same day, April 21, 1938, Mr. Houghteling, writing to Mr. Cahill, said * * " The implication is that Houghteling's letter was written in reply to Cahill's. There is no evidence whatsoever to support this implication. It is manifest that if Mr. Cahill wrote the letter from which the guotation is taken and malled it on April support this implication. It is manifest that if Mr. Cahill wrote the letter from which the quotation is taken and mailed it on April 21, 1938, in San Francisco, the letter of Mr. Houghteling to him written the same day and mailed at Washington could not have been in answer to Mr. Cahill's letter, for neecssarily the Cahill letter would have crossed this Houghteling letter somewhere between San Francisco and Washington. Mr. Cahill, having died before the resolution was introduced, the committee is deprived of Mr. Cahill's testimony as to what he meant by the phrase "before we bury this case." Neither the intentions nor the conduct of Mr. Cahill are here in issue, and, therefore, it would not be proper to impugn his motives. Whatever may have been Mr. Cahill's meaning, Secretary of Labor, and the Commissioner of Immigration and Naturalization. and the Solicitor of Labor—the accused under House Resolutary of Labor, and the Commissioner of Immigration and Naturalization, and the Solicitor of Labor—the accused under House Resolution 67—are not chargeable with any fault that may have been imputable to Mr. Cahill, in the absence of evidence connecting them therewith. There is no such evidence. The testimony of the accused is clear that there has never been in their minds any intention to abandon the prosecution which they ordered. On the contrary, their testimony is emphatic to the effect that they fully intend, and always intended, to press the Bridges case to a conclusion as promptly as possible after the Supreme Court decides the Strecker case.

The criticism of the accused because of their failure to include in the warrant of arrest for Harry Bridges prepared in the central office at Washington, D. C., several of the nine grounds suggested by their field subordinates was answered by Messrs. Houghteling and Reilly as well as by Messrs. Bonham and Norene (the immigration officials who prepared the nine grounds they suggested). They each testified that such omissions were frequent in deportation cases; and that it was common practice to amend the charges made in the warrant of arrest at any time during the deportation hearings by adding any grounds which had been indicated by the evidence developed in the hearing. The warrant of arrest for Harry Bridges prepared and issued by the central office contains four grounds, the proving of any one of which would require the deportation of Harry Bridges. The testimony is undisputed that, should it appear advisable as the case develops to add additional

should it appear advisable as the case develops to add additional grounds, they would be added.

The criticism to the effect that Messrs. Bonham and Norene—immigration officials of Seattle and Portland, respectively—were not being given support and cooperation by the accused was not only denied by the accused but also by Messrs. Bonham and Norene, who were brought to Washington and who testified before the committee at the request of the author of the resolution. In the course of their testimony Messrs. Bonham and Norene stated that they had been given every encouragement to build up the strongest possible case against Bridges.

5. That there is no evidence that the appeal of the Strecker case to the Supreme Court of the United States was venal or not in good faith.

faith.

The main point stressed in this regard in the resolution is stated thus:

"Although Frances Perkins, James L. Houghteling and Gerard D. Reilly had an opportunity to retry the Strecker case in the United States district court, and there to offer the usual stock exhibits and to present the strongest possible case to the United States Supreme Court in the event of another reversal by the circuit court of appeals, they chose rather to appeal an admittedly incomplete record to the Supreme Court of the United States."

White there may be a difference of explaining as to the strength of

While there may be a difference of opinion as to the strength of the case made against Strecker and while it may be considered that more evidence might have been introduced, the two other points made in the foregoing quotation are not well taken. The law is clear that the case could not have been retried in the United States district court. The following quotations from the case of Lindsey v. Dobra (62 F. (2d) 116), plus the reading of the case of Exedantelos v. Fluckey (54 F. (2d) 858), should be sufficient to clear up the

w. Fuckey (54 F. (2d) 858), should be sumdent to clear up the misapprehension on this point.

"The taking in the district court of additional evidence on the merits was excepted to. Though the evidence adduced does not appear to be of controlling importance, we must hold its reception to be improper. Aside from questions of citizenship or coercion or fraud in the hearing, a retrial of fact issues on new evidence is not in order.

not in order.

"On habeas corpus the court must accept the findings of fact of the immigration authorities, in the absence of deprivation of fair

"The credibility of witnesses and the weight of the testimony

is not reviewable on habeas corpus.

The other point stressed in the above quotation from the resolution is that, upon the retrial in the district court, the accused could have offered "the usual stock exhibits." Aside from the fact that no such evidence could properly have been admitted in evidence by the district court, it is substantially true that there are no "usual stock exhibits." (See reported deportation cases: U. S. ex rel. Abern v. Wallis, 268 Fed. 413; Skeffington v. Katzell, 277 Fed. 129; U. S. ex rel. Lisafeld v. Smith, 2 F. (2d) 90; Ex parte Vilarino, 50 F. (2d) 582; Sormunen v. Nagle, 59 F. (2d) 393; Kjar v. Doak, 61 F. (2d) 566; in re Saderquist, 11 Fed. Supp. 525; Branch v. Cahill, 88 F. (2d) 545.) But over and above these considerations, it is manifest that the author of the resolution has overlooked the fact that after the first hearing of the Strecker case before the the fact that after the first hearing of the Strecker case before the immigration inspector, when the inspector who conducted the hearing had reached the conclusion that the charges contained in the warrant were sustained and had recommended deportation, upon a review of his report and recommendation by the board of upon a review of his report and recommendation by the board of review of the Bureau of Immigration and Naturalization in Washington, the board of review ordered the case reopened and sent it back to the field for the purpose of introducing into evidence exhibits describing the objectives of the Communist International and its affiliate, the Communist Party of the United States; and that at this second hearing the Government read into the record extracts from a magazine entitled "The Communist" dated April 1934, eighth convention issue, a magazine of the theory and practice of Marxism-Leninism, published monthly by the Communist Party of the United States of America. From this it would appear that the immigration authorities in Washington sincerely attempted to do exactly what the author of the resolution now condemns them for not doing.

Examination of the authorities in which the courts have described

Examination of the authorities in which the courts have described the exhibits used by the Government for this purpose was made by one of the members of this committee. His report shows that 14 different exhibits were introduced into evidence in these 8 cases; that 2 of the exhibits were used 4 times; that 1 exhibit was used 3 times; that 3 exhibits were used twice each; and that 8 of the exhibits were used only once each. His conclusion was that no "stock" exhibits are used.

In considering the weight or sufficiency of the evidence in the Strecker case it should always be borne in mind that the courts have no right to pass upon these questions. The law on this point is emphatic:

"In every case where any person is ordered deported from the United States under the provisions of this subchapter, or of any law or treaty, the decision of the Secretary of Labor shall be final" (8 U. S. C. A. 155).

Strecker was ordered deported. This decision of the Secretary of abor is final if there is any evidence to support it (Lindsey v.

Dobra, supra).
6. That there is no evidence from which a reasonable inference may be drawn that the accused have failed, neglected, or refused

to enforce section 137, United States Code, against other aliens

to enforce section 137, United States Code, against other aliens illegally within the United States.

The committee has investigated the cases called to our attention in support of this charge by the author of the resolution in his testimony before the committee. In some of these cases the committee found that deportation failed because of the fact that the Communists involved were citizens of the United States and, therefore, not deportable. In others it was found that the immigration authorities had ordered deportation only to have it fail because of the refusal of the foreign government of which the deportee was a national to grant a passport. In other cases there seemed to be a lack of evidence. But in none did the committee find any evidence of any disposition on the part of the accused to evade their responsibility to enforce the law, or of failing, neglecting, or refusing to enforce the law against any alien.

7. That, after a careful consideration of all the evidence in this case, this committee is unanimous in its opinion that sufficient facts have not been presented or adduced to warrant the interposition of the constitutional powers of impeachment by the House.

At the risk of extending this report beyond readable limits, the committee has undertaken to give the salient facts of each allegation forming the bases of the resolution.

ADDITIONAL VIEWS

We are in general agreement with the findings and recommendations contained in the report of the Committee, but disagree to the
extent and in the particulars contained in these additional views.

We feel that from the testimony adduced before the Committee
and from the records and files examined by the Committee, it is
apparent that the Secretary of Labor, the Commissioner of the
Immigration and Naturalization Service, and the Solicitor of the
Labor Department have been lenient and indulgent to Harry
Bridges in the conduct of his deportation case to an unprecedented
extent.

The record before us lacks proof of any kind as to the motive actuating such leniency and indulgence. It cannot escape our severe condemnation and censure. Bridges' record as a sympathizer with radical and communistic movements, if not his active particiwith radical and communistic movements, if not his active participation therein, is an open book. He should have been dealt with firmly and his case should have been disposed of with all possible speed. The confidence of the people in the proper administration of the laws governing the deportation of allens, particularly those associated with the extreme radical and communistic elements, by the present Secretary of Labor and her subordinates, has been profoundly shaken by the failure promptly, vigorously, and impartially to proceed to a final determination in his case.

This course of conduct which we condenn does not justify im-

This course of conduct which we condemn does not justify impeachment, but it does call for the official and public disapproval

of this Committee.

U. S. GUYER, C. E. HANCOCK, EARL C. MICHENER, JOHN M. ROBSION, CHAUNCEY W. REED, JOHN W. GWYNNE, LOUIS E. GRAHAM, WALLACE E. PIERCE, B. J. MONKIE-WICZ, RAYMOND S. SPRINGER.

EXTENSION OF REMARKS

Mr. WHITE of Ohio. Mr. Speaker, I ask unanimous consent to extend my own remarks in the RECORD and to include therein a letter which I have received from a relief worker.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Ohio?

There was no objection.

MOTION TO ADJOURN

Mr. GROSS. Mr. Speaker, I move that the House do now adjourn, and on that motion I ask for the yeas and nays.

The SPEAKER pro tempore. The gentleman from Pennsylvania moves that the House do now adjourn, and on that motion he asks for the yeas and nays. As many as are in favor of taking this vote by the yeas and nays will rise and stand until counted. [After counting.] Nobody standing, the yeas and nays are refused.

The question is on the motion of the gentleman from Pennsylvania that the House do now adjourn.

The motion was rejected.

EXTENSION OF REMARKS

Mr. FULMER. Mr. Speaker, I ask unanimous consent to extend my remarks in the RECORD and to insert therein certain excerpts from a statement made by Mr. O'Neal, of the American Farm Bureau Federation.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from South Carolina?

There was no objection.

Mr. Hook and Mr. White of Ohio asked and were given permission to revise and extend their own remarks in the RECORD.

Mr. JOHNSON of Indiana. Mr. Speaker, I ask unanimous consent to extend my own remarks in the RECORD and to include an article from the Farmers' Guide of March 9.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Indiana?

There was no objection.

Mr. BENDER. Mr. Speaker, I ask unanimous consent to extend my own remarks in the RECORD and to include therein a letter from the Honorable George H. Heinke, a Member of the House.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Ohio?

There was no objection.

Mr. BUCK. Mr. Speaker, I ask unanimous consent to extend my own remarks in the RECORD and to include excerpts from the remarks of Premier King, of Canada, and certain statistics from a publication.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from California?

There was no objection.

Mr. Sacks asked and was given permission to revise and extend his own remarks in the RECORD.

AGRICULTURAL APPROPRIATION BILL, 1940

Mr. CANNON of Missouri. Mr. Speaker, I move that the House resolve itself into the Committee of the Whole House on the state of the Union for the further consideration of the bill (H. R. 5269) making appropriations for the Department of Agriculture and for the Farm Credit Administration for the fiscal year ending June 30, 1940, and for other purposes, and pending that, I ask unanimous consent that all Members who speak today on the agricultural appropriation bill may have 5 legislative days in which to extend their own remarks in the RECORD.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Missouri?

There was no objection.

The motion was agreed to.

Accordingly the House resolved itself into the Committee of the Whole House on the state of the Union for the further consideration of the bill H. R. 5269, the agricultural appropriation bill, 1940, with Mr. PATMAN in the chair.

The Clerk read the title of the bill.

Mr. CANNON of Missouri. Mr. Chairman, I ask unanimous consent that the gentleman from Georgia [Mr. TARVER] may address the committee for 5 minutes.

The CHAIRMAN. Is there objection?

There was no objection.

Mr. TARVER rose.

Mr. DITTER. Mr. Chairman, a parliamentary inquiry.

The CHAIRMAN. Does the gentleman from Georgia yield for a parliamentary inquiry?

Mr. TARVER. I regret very much at this time that I do not feel that I can.

Mr. DITTER. The inquiry I suggest is that a point of order was raised yesterday and was pending at the time the Committee rose.

The CHAIRMAN. The point of order is still pending.

Mr. TARVER. Mr. Chairman, I rise to address the membership of the House briefly with regard to the parliamentary situation relating to the parity payments provided in the bill. I am advised that a point of order will be raised against the provision contained in the bill on the ground that it contains legislation and that the point of order must be sustained by reason of the fact that a slightly different method of allocation of these benefits is provided in the bill than is provided by law. The matter of allocation provided in the bill is slightly different from that provided in section 303 of the Agricultural Adjustment Act of 1938. Therefore, the point of order will be sustained and the paragraph will go out. It will then be necessary for the committee to offer an amendment strictly in accordance with the language of the Agricultural Adjustment Act. That amendment will provide for the payment of \$250,000,000. The suggestion has been made upon the part of some who are undoubtedly in good faith in their views that they will offer an amendment to raise the amount to

\$500,000,000. I am advised that if that amendment to the committee amendment is suggested it will be supported by practically all of the membership of the House who are opposed to any form of parity payments at all, with the idea of raising the amount specified in the amendment to \$500,-000,000 and then when the vote comes on the amendment as amended in the House after the Committee rises, of voting against the amendment, thereby eliminating entirely from the bill farm parity payments. There would be no chance in the House to get a vote on anything else than the Committee of the Whole amendment providing for \$500,000,000, if the amount should be raised to that sum. It is not believed that the House would approve such an amendment if adopted in Committee of the Whole.

Mr. TABER. Mr. Chairman, will the gentleman yield? Mr. TARVER. Mr. Chairman, I decline to yield. Therefore, the situation is simply this, that those who favor farm parity payments ought to oppose the proposed increase which is going to be supported in part at least by men who are opposed to granting any relief of this character whatever. Those who vote in the Committee to raise the committee amendment from \$250,000,000 to \$500,000,000 will be in effect voting against any parity payments whatever being provided in the bill, and although such an amendment might be adopted in the Committee of the Whole through the support of those who are really opposed to any appropriation whatever, the effect of such action would be to destroy the very end at which we aim. I now yield to the gentleman from New York.

Mr. TABER. Mr. Chairman, I rise to say to the gentleman and to the membership of the House that I am opposed to parity payments. I am not going to vote for any amendment to increase the amount of \$250,000,000 that the committee has proposed. I am going to urge every Member of the House not to vote for any, but I am going to vote against the amendment at the end.

Mr. TARVER. That, of course, is a consistent position. Unfortunately a great many of the gentleman's colleagues do not occupy that position. Unfortunately, as I am advised, a great many of his colleagues will vote for the \$500,000,000 amendment in the Committee, with the intention thereafter on the floor of voting against it, thereby eliminating from the bill any provision of this sort whatever. Therefore, it is a matter about which the membership who are in favor of parity payments should be alert. They should be sure they do not assist in placing a provision in the committee amendment which will nullify our efforts.

The committee has attracted to itself a great deal of virulent criticism because it has gone beyond the Budget in this item. All those on the committee who placed this provision in the bill take the same position with regard to this matter that I do, and I believe that the chairman of the Committee on Agriculture is of the same opinion. Therefore, if you are the friend of parity payments, I urge you to vote against any amendment which might be offered increasing the amount to \$500.000.000.

Mr. COOLEY. Mr. Chairman, will the gentleman yield?
The CHAIRMAN. The time of the gentleman from Georgia has expired.

Mr. TARVER. Mr. Chairman, I ask unanimous consent to proceed for 1 minute in order to answer the question of the gentleman from North Carolina.

The CHAIRMAN. Is there objection to the request of the gentleman from Georgia?

There was no objection.

Mr. CCOLEY. Mr. Chairman, I would like to ask the gentleman if he is arguing that those of us who honestly, sincerely, and earnestly believe that \$500,000,000 should now be appropriated to make section 303 effective should vote against our own beliefs because of the gentleman's apprehension that some of the Members of the House who are enemies of the provision would try to place us in that parliamentary situation where all parity payments might be voted down.

Mr. TARVER. If the gentleman wants parity payments made to the farmers in any amount he will oppose any

amendment to increase the amount to \$500,000,000. Half a loaf is better than no bread. If the gentleman would rather stand out for the full loaf in the amount of \$500,000,000 and get nothing, that will be his privilege, of course.

The CHAIRMAN. The time of the gentleman from Georgia [Mr. TARVER] has again expired.

A point of order is pending on the paragraph relating to the sweetpotato-weevil control. Does the gentleman from Missouri desire to be heard on the point of order?

Mr. CANNON of Missouri. Mr. Chairman, in order to save the time of the House, may I venture to impose on the membership for a minute to discuss the parliamentary situation.

It is a matter of common knowledge that all of the numerous items carried in the agricultural appropriation bill providing for control and eradication, are without legislative authorization. There are here and there one or two exceptions, but in general such items are unauthorized and have been carried in the bill for many years by general acquiescence. I remember, and the older Members of the House will recall the occasion on which the gentleman from Texas, Mr. Blanton, took advantage of this fact to make points of order on all such items, and left only the skeleton of these portions of the bill.

In handling these items in Committee of the Whole, we are in precisely the same situation as when we proceed in the House by unanimous consent. Any Member of the House, regardless of his rank or relation to the pending matter, may object, and the House is at a standstill so far as that item of business is concerned.

So on these items, Mr. Chairman, any Member of the Committee, by merely raising a point of order, may eliminate any or all of them.

My only purpose in imposing on your indulgence is to call attention to the fact that in the end nothing is gained by such points of order. The items have been in the bill for so many years that they have become routine, and if they go out of the bill on points of order here, they are always put back by the Senate, as they were on the historic occasion to which I have referred.

When they go to conference the conferees restored them, and we pass the bill as usual. The only result, to delay the House. The regular procedure always followed is temporarily interfered with, but in the end nothing is accomplished.

Of course, anyone desiring to raise points of order against these appropriations this afternoon may do so. They will thereupon be stricken from the bill. The bill will then go to the Senate, where they will be restored, and when the conferees meet they will put them back; the House will adopt the conference report, and another chapter in futile obstruction will have been written.

So, I trust, Mr. Chairman, inasmuch as this is the end of the week and many of the Members are anxious to get away to their homes over the week end, we may be allowed this afternoon to follow the general procedure observed for many years.

The CHAIRMAN. Does the gentleman from Pennsylvania insist upon the point of order?

Mr. DITTER. I insist presently on the point of order and I desire to be heard, Mr. Chairman.

I ask unanimous consent that I may reply to the gentleman from Missouri.

Mr. CANNON of Missouri. I will say, Mr. Chairman, that I concede the point of order.

The CHAIRMAN. The Chair does not desire to hear the gentleman from Pennsylvania on the point of order because it has been conceded. If the gentleman insists on the point of order, the Chair is ready to rule.

Mr. DITTER. Mr. Chairman, I ask unanimous consent to proceed for 5 minutes.

The CHAIRMAN. Is there objection to the request of the gentleman from Pennsylvania?

There was no objection.

Mr. DITTER. Mr. Chairman, I am surprised at the attitude which the distinguished gentleman from Missouri pursues at this time. All of us know that there is no more able

parliamentarian in the House. All of us know that as the result of long experience he is able, probably better than any other man, to bring to the House a bill which might not be threatened with points of order such as he presently fears. I rather feel that he anticipates the course on the part of those of us who are looking for orderly procedure. I believe the distinguished gentleman from Missouri, had he cared to do so, might have brought to the floor a bill which would not have been subject to points of order.

Our purpose on this side at the present time is to call the attention of the country to the program of increasing, continually increasing the delegation of authority to the Secretary of Agriculture. We feel that the chairman of the subcommittee might have resorted to some degree of care before the delegation of these continued and enlarged authorities to the Secretary of Agriculture. We reserve to ourselves raising these points of order which we believe will be in the interest of good government.

Whether the bill goes to the Senate as a skeleton is not a matter that those of us who raise points of order should be charged with. If it goes to the Senate as a skeleton then it will be due to those who created the bill. The progenitors of the bill are to be charged with the skeleton if it finally reaches the Senate in that form.

Mr. FULMER. Mr. Chairman, will the gentleman yield? Mr. DITTER. I am sorry I cannot yield at this point.

I therefore say to my distinguished friend from Missouri that we reserve unto ourselves the right to raise points of order.

Mr. FULMER. Mr. Chairman, will the gentleman yield?

Mr. DITTER. I yield. Mr. FULMER. The sweetpotato crop in the South is one of the most important food crops, especially in the case of the tenant farmer and that class of people who need cheap food. In the meantime, it brings quite a lot of revenue that has a very helpful purchasing power to many of the people, because the cotton crop has been cut so seriously. While the contention of the gentleman from Pennsylvania is absolutely right in that we vote thousands of dollars to other sections of the country and for other crops, I hope the gentleman will withdraw his point of order and permit this small amount to go into this section to help those people who absolutely need this help and assist them in producing this

Mr. DITTER. Does not the gentleman feel that the discretion vested in the Secretary of Agriculture is a rather dangerous delegation of authority and that his people might suffer? Has the gentleman read the proviso in the paragraph in question?

wonderful food crop.

Mr. FULMER. I have not.
Mr. DITTER. I think if the gentleman would read that particular proviso of the paragraph by which authority is delegated to the Secretary of Agriculture, he might feel that it would have been better had the committee brought in a bill providing an amount for sweetpotato-weevil control without the delegation of authority. If the committee sees fit to withdraw the delegation of authority I certainly shall have no objection.

Mr. FULMER. Would the Secretary have the right as in the instance of other appropriations to administer this fund for this purpose?

Mr. DITTER. I believe under his general discretionary authority as Secretary of Agriculture he would have that right.

Mr. FULMER. If that be true, I hope the committee will accept such a modification.

[Here the gavel fell.]

Mr. LAMBERTSON. Mr. Chairman, I ask unanimous consent to proceed for 3 minutes.

The CHAIRMAN. Without objection, it is so ordered.

There was no objection.

Mr. LAMBERTSON. Mr. Chairman, I do not object to the gentleman from Pennsylvania making points of order against any item in this bill that he sees fit as an individual; but he states that he is acting for Members on this side of the aisle. I want to know who is in charge of this bill on this side of the aisle. [Applause.]

Mr. DITTER. Mr. Chairman, will the gentleman yield?

Mr. LAMBERTSON. No; I do not yield. The gentleman from Illinois and I are supposed to be in charge of this bill for the minority. Each Member has individual rights, of course, to object to amendments, or to raise points of order against them. Had the gentleman from Pennsylvania been present in the committee the other day he could have saved this whole \$265,000,000 increase above the Budget, but he was not there to exercise his constitutional duty in the full committee. We have, therefore, this increase over the

I do not want to be unkind or unfair about these things. Outside of the two big items, I think the bill will compare favorably with any bill any subcommittee has reported.

I may say that if we are going to follow this thing up there are some other things in the bill that should go out; but it does seem according to Hoyle, the gentleman from Illinois and myself being in charge of this bill for the minority, should speak for the whole group on this side on matters affecting the policy of handling the bill. [Applause.]

Mr. TABER. Mr. Chairman, I ask unanimous consent to proceed for 2 minutes.

The CHAIRMAN. Without objection, it is so ordered.

There was no objection. Mr. TABER. Mr. Chairman, for my own part there is no

question but what the gentleman from Kansas and the gentleman from Illinois are in charge of operations under this bill insofar as the minority side is concerned. Any Member on the minority side, of course, has the right to raise a point of order or to offer an amendment on his own responsibility.

For my own part, my objection to these provisions is not so much that they are not authorized by law as with the manner in which they are to be carried out. Entirely too much power, authority, and discretion are delegated to the Secretary of Agriculture. If these delegations requiring additional duties of the Secretary were withdrawn I would not object to the items, but I do object to the delegations of authority. [Applause.]

The CHAIRMAN. Does the gentleman from Pennsylvania insist on his point of order?

Mr. RAYBURN. Mr. Chairman, I demand the regular

The CHAIRMAN. The regular order is that the Chair rule on the point of order.

The Chair sustains the point of order.

Mr. TARVER. Mr. Chairman, I offer an amendment. The Clerk read as follows:

Amendment offered by Mr. Tarver: Line 14, page 54, insert a

new paragraph, as follows:
"Sweetpotato weevil. For the determination of such methods of control for sweetpotato weevils as may be necessary, \$75,000: Provided, That no part of this appropriation shall be used to pay the cost or value of farm animals, farm crops, or other property injured or destroyed."

Mr. TARVER. Mr. Chairman, I am delighted that I have been able to provide language which meets with the approval of the gentleman from Pennsylvania [Mr. DITTER] and the gentleman from New York [Mr. TABER]. This clause has been so drafted as not to be subject to a point of order, but it carries the same appropriation as approved by the Budget and by the Committee on Appropriations.

This is a matter of very great importance to at least seven States of the Union. It is a matter involving the control of insect pests threatening the sweetpotato-growing industry which the Bureau of Entomology and Plant Quarantine believes it will be possible to eventually eliminate. It may be interesting to Members of the House who have not studied the question to know that there is now going on under the direction of the Bureau of Agricultural Chemistry and Engineering at Laurel, Miss., an experimentation in the production of potato starch and that last year there was produced at that station approximately 2,000,000 pounds of starch acceptable to the textile industry and used in lieu of imported foreign starch. Every year we import 400,000,000 pounds of starch for which this potato starch could be substituted. It is sincerely hoped and it is believed by officials of the Bureau

of Entomology and Plant Quarantine who are engaged in experimental work in the improvement of sweetpotatoes and particularly endeavoring to increase the starch content of sweetpotatoes, and by officials of the Bureau of Agricultural Chemistry and Engineering, that they will eventually be able to develop this process to the point where the potato industry will be able to supply the entire needs of the United States for starch in lieu of this 400,000,000 pounds of starch now imported from foreign countries.

In these days of agricultural distress, particularly in the cotton sections of our country where the farmers have to turn to the production of new crops in lieu of cotton to some extent, it is indeed a very important thing that we seek. It will be if successful an important means of supplying additional agricultural income.

Mr. COLMER. Will the gentleman yield?

Mr. TARVER. I yield to the gentleman from Mississippi who has been deeply interested about this investigation at Laurel and also the work which has to be undertaken under this bill by the Bureau of Entomology and Plant Quarantine. The gentleman from Louisiana [Mr. DEROUEN] has also been very effective in his support of this work.

Mr. COLMER. I am wondering if the gentleman is acquainted with the fact that if the industry is developed, it will not only take the place of the starch being brought in from other countries but will also give employment to many of our own citizens, thereby reducing the relief rolls.

Mr. TARVER. Undoubtedly that is one of the accompanying benefits.

Under permission granted in the House, I extend my remarks by adding the following information regarding the subject matter of sweetpotatoes as raw material:

SWEETPOTATOES AS RAW MATERIAL

THE MEANS THAT HAVE BEEN TAKEN TO PRESERVE THE POTATOES SO THAT PRODUCTION OF STARCH COULD BE MAINTAINED OVER A 12-MONTH PERIOD, AND TO LOWER THE COST TO THE MANUFACTURER, IS A STORY THAT HAS A REAL SIGNIFICANCE FOR NUMEROUS INDUSTRIES USING AGRICULTURAL COMMODITIES AS THEIR STARTING MATERIAL

(By H. S. Paine, F. H. Thurber, R. T. Balch, Carbohydrate Research Division, Bureau of Chemistry and Soils, Washington, D. C., and W. R. Richee, Laurel Starch Factory, Laurel, Miss.)

Raw material cost is frequently greater than processing cost. Chemical and engineering ingenuity in process development may sometimes be defeated by inability to obtain suitable raw materials at feasible cost. Recent experience of the authors in an endeavor to develop a sweetpotato starch industry in the United States illustrates a situation in which reduction in raw-material cost was indispensable.

Development of a southern sweetpotato starch industry for supplying a portion of domestic root starch requirements would have several advantages, such as use of a crop excellently adapted to southern conditions, low transportation cost for raw material and products (consumption of starch in contiguous cotton mills), product and the product of the pr duction of a byproduct feed of high carbohydrate content needed in the South for supplementing cottonseed meal for cattle feed, substitution of sweetpotatoes for cotton in submarginal areas, benefit from greater use of a root crop in crop-rotation systems, assistance in solving the cut-over pineland problem (since "sweetpotatoes are particularly adopted to newly cleared lands" 2), adequate domestic supply of root starch in case of war, and accessibility for coastwise shipment.

The primary problems to be solved were: (1) Development of an economical process for obtaining satisfactory yield of starch of high quality; (2) selection and development of suitable mechanical equipment; (3) investigation of the properties of the starch and its suitability for various uses; (4) development of byproducts; (5) devising method of storing sweetpotatoes to permit year-round factory operation; (6) adapting the crop to this new type of use so as to obtain feasible raw-material cost. The purpose of this article is to outline the collateral research under (6) which was essential for supplementing chemical and chemical engineering investigations in connection with the design, erection, and operation of a sweetpotato starch factory at Laurel, Miss.

Although sweetpotatoes are the largest vegetable crop in the South, they are grown primarily on a small-plot basis. Low yields The primary problems to be solved were: (1) Development of an

South, they are grown primarily on a small-plot basis. Low yields per acre (United States average for 1936 was 78 bushels 3) are due per acre (United States average for 1936 was 16 business) are due to factors such as growing of low-yielding varieties of smaller to meet food market requirements and to the seeking of early maturity and harvesting in order to obtain better market prices. The grower has endeavored to obtain a high proportion of U. S.

1927).

³ U. S. Dept. Agr., Agricultural Statistics, 1937, p. 197.

No. 1 grade (a medium-size potato of rather uniform shape), which is not always consistent with high yields.

Yet, as later experience showed, it is possible to attain a production of approximately 2 tons of starch per acre in sweetpotatoes in the ground (300 bushels per acre at 23.8 percent average starch content *), as compared with 1.25 tons (in the United States) in white potatoes (262 bushels per acre at 15.9 percent average starch content *) and 1.4 tons in corn (80 bushels per acre at 62.5 percent average starch content *). This favorable comparison in production of starch per acre is the basis of potential nonfood utilization of sweetpotatoes, provided this advantage can be carried through agricultural and manufacturing processes and translated into a correspondingly favorable price for the finished starch.

FIELD EXPERIMENTS

Since this enterprise involves utilization different from that considered heretofore in agronomic and plant physiological research on this crop, systematic field experiments were conducted by Anderson with reference to factors such as influence of composition and amount of fertilizer on yield and starch content of sweetpotatoes. Comparative tests of different varieties were made with respect to starch yield per acre. Investigations of the rate of storage of starch in sweetpotatoes in relation to various factors showed the advantage of a long growing season for starch production. In the Laurel section the practice now is to plant potatoes during the first half of May. Later plantings have been adversely affected by dry weather in August and September during the last 3 years, whereas with early planting, a dry period at the end of the season is apparently favorable to high starch content. Even with earlier planting, growers in the Laurel section are able to plant potatoes in the same ground after harvesting truck crops such as spinach. The quantity of fertilizer has been increased profitably to 600–1,000 pounds per acre. Experiments to date indicate that, by a change in spacing and arrangement, the number of sweetpotato plants per acre can be materially decreased without reduction in yield, thus effecting an economy in cost of producing the crop when intended for starch manufacture. Experience in this area indicates that by following recently established practices, yields of at least 300 bushels per acre should be the rule. Since this enterprise involves utilization different from that conacre should be the rule

Experiments on development of sweetpotato strains of still higher Experiments on development of sweetpotato strains of still higher starch content or otherwise greater suitability were undertaken. Thousands of seedlings have been grown by the United States Bureau of Plant Industry. Miller has obtained seed from sweetpotatoes under Louisiana conditions and has produced a great number of seedlings in cross-breeding experiments. Solution of the problem of "barren hills" is important for increasing further the acre yield. Such hills, almost devoid of potatoes, may occur alongside hills of abundant yield. Investigation of this problem has been undertaken by Boswell, Steinbauer, Hoffman, and Edmund. Because of its small-plot basis and precessity of avoiding bruising

Because of its small-plot basis and necessity of avoiding bruising (sweetpotatoes heal cuts, but not bruises), this crop has been mechanized to only a minor extent. Industrial utilization would result in growing the crop in large plots, thus permitting use of more efficient planting and harvesting implements which is of great importance for reducing production cost. For starch manufacture bruising is not so objectionable and, hence, this obstacle to mechanization is eliminated. Research for improving mechanical sweetpotato diggers has been conducted by Jones ¹¹ and by Gray, Hurst, and Randolph. ¹² The latter has made important progress in adapting the combination white-potato digger and loader to harvesting of sweetpotatoes. Improvement in machines for setting potato plants is being undertaken. is being undertaken.

VALUE OF VINES

Removal of vines is necessary for operating the combination potato digger and loader and this development makes possible a systematic salvaging of the vines (not feasible heretofore), which have good feeding value and are palatable to cattle. The protein, fat, and fiber contents of sweetpotato vines (dry basis) compare favorably with those of red clover, crimson clover, cowpea, and soybean hays.¹³

Feeding tests on the residual pulp from sweetpotato starch manufacture showed that it is 95 percent as valuable for milk and fat

⁴With reference to selection of 23.8 percent starch content and 300 bu. yield per acre, cf. Ind. Eng. Chem., 30, 1331.

⁵ 262 bu. per acre=av. yield for 10-yr. period, 1927-36, in Maine and 15.9 percent=typical av. starch content of white potatoes in Maine for 1930-38 (communication from C. A. Brautlecht, University of Maine, Orono, Maine).

of Maine, Orono, Maine).

⁶ "In favorable growing seasons yields of 80 bu. of corn per acre are not uncommon in the Corn Belt" (communication from Merle T. Jenkins, principal agronomist in charge of corn investigations, Bureau of Plant Industry, U. S. Dept. Agric.); relative to figure of 62.5 percent av. *starch content in corn, cf. A Comprehensive Survey of Starch Chemistry, R. P. Walton, p. 130, and Starch Making, Felix Rehwald, p. 169.

⁷ Anderson, W. S. (Miss. Agric. Expt. Station), Proc. Am. Soc. Hort. Sci., 33, 449 (1936); 34, 709, 713 (1937).

⁸ Seedlings grown from seeds obtained through cooperation with the Puerto Rican, Hawaiian, and one of the Cuban agricultural experiment stations.

the Puerto Rican, Hawahan, and Care Care experiment stations.

*Dept. Horticulture, Louisiana Agr. Expt. Sta., Baton Rouge, La.

Dept. Horticulture, Louisiana Agr. Expt. Sta., Baton Rouge, La.

Boswell, Steinbauer, and Hoffman, of the Bureau of Plant Industry, U. S. D. A., and Edmond of S. C. Agr. Expt. Sta.

Bureau of Agricultural Engineering, U. S. D. A.

Keitt, S. C. Agr. Expt. Sta., Bull. 165 (1912).

¹ Ind. Eng. Chem., 30, 1331. ² Miller, F. E., U. S. Dept. Agr., Farmers' Bull. 999, 2 (1919, revised

production as crushed ear corn and sugar-beet pulp.14 In feeding tests with beef cattle, steers fed sweetpotato pulp in a mixed ration tests with beef cattle, steers fed sweetpotato pulp in a mixed ration "made considerably greater daily gains, cheaper gains, shrank less, and had a higher dressing percentage than the steers in the other three (comparison) lots. The selling price per 100 pounds (at the National Stockyards, St. Louis, Mo.) was also in favor of this lot." Black and McComas is indicate several factors (including almost complete elimination of cattle tick) which should cause an appreciable increase in the number and quality of cattle in the Coastal Plain States where the byproduct pulp from sweetpotato starch would be principally available.

Sweetpotato pulp supplements cottonseed meal through addition of carbohydrates and renders more effective the utilization of this

of carbohydrates and renders more effective the utilization of this southern feedstuff which, because of local availability and lack of sufficient carbohydrate feed, is often fed as the principal concentrate in the cattle ration. The dried pulp of the Laurel factory has found a ready market and has been sold principally to dairymen in Missasian (at \$27 per ton). The hyperdigit from processing systems (at \$27 per ton). sippi (at \$27 per ton). The byproduct from processing sweetpota-toes for starch is thus of reciprocal benefit to agriculture; under some conditions it might be returned to growers in partial payment

toes for starch is thus of reciprocal benefit to agriculture; under some conditions it might be returned to growers in partial payment for potatoes.

The starch factory can operate only about 100 days per year, by using fresh sweetpotatoes. Year-round operation is desirable in order to reduce fixed charges per unit of production. Storage of sweetpotatoes under controlled atmospheric humidity and temperature conditions was not feasible. Furthermore, the sweetpotato is rich in amylase and considerable loss of starch by conversion occurs during storage even at optimum temperature and humidity. Dehydration of sweetpotatoes by ordinary heat-application methods is not practicable because of cost and necessity (to prevent gelatinization of starch) of using, during the initial stage, a relatively low temperature range which would permit conversion of starch by amylase. Hopkins and Phillips in found that when ground sweetpotatoes are treated with a small proportion of certain reagents (e. g., carbon tetrachloride, carbon disulphide, or sulfur dioxide), the cell walls become permeable to liquid so that a large proportion of juice can be eliminated mechanically. Removing juice in this manner at atmospheric temperature is cheaper than evaporating water and makes possible recovery of a large proportion of solubles without dilution. From 60 to 70 percent of the juice in sweetpotatoes is removed by chemical treatment and pressing, as compared with removal of only one-tenth as much juice at the same pressure from untreated potatoes. Use of factory flue gas to evaporate much of the remaining water which must be eliminated in order to reduce water content to about 12 percent (at which the potatoes are stable for storage) in conjunction with the byproduct value of the undiluted juice should make possible a low net dehydration cost. There are various possibilities of utilizing the juice (containing 9.5-11.5 percent solids and 6.5-8.5 percent sugars), including fermentations of different types or concentration to molasses density a

corn. This is one of the most important of the factors intervening between the production of starch in potatoes in the ground and the marketing of extracted, purified starch.

Sweetpotatoes are excellent cattle feed and can be substituted for half of the corn in the ration, 3 pounds of (fresh) sweetpotatoes replacing 1 pound of corn. Farmers in the Laurel area have stated that, in view of the greater obtainable yield per acre of sweetpotatoes, they would reduce corn acreage and increase sweetpotato acreage for feed production if farm dehydration units become practicable.

Considerable research must vet be conducted in order to de-

considerable research must yet be conducted in order to determine the feasibility of farm dehydration of sweetpotatoes. If this can be accomplished on a satisfactory basis, it may lead to increased production of sweetpotatoes for feeding purposes. Mass production of sweetpotatoes would tend to lower production costs and would be favorable to utilization for starch manufacture. With dehydration on the farm and use for feed, the situation of this crop in the South would be comparable to that

of corn in the North. In both cases, utilization for manufacture of starch and derived products would be accessory to use as feed on the farm, and sweetpotatoes in the South would be, in many respects, a counterpart of corn in the Middle West.

Some of the research problems indicated have been solved and others are only in process of investigation. There is evidently much latitude for acomplishing by research a material reduction in the net cost of producing and harvesting sweetpotatoes. This results primarily from a radical change in viewpoint and in requirements when the crop is utilized for starch manufacture instead of for food. The margin for reducing raw material cost with change in type of utilization undoubtedly varies from one crop to another but, when changing from food to nonfood use, it is probable that the change in cost is generally in the direction of reduction. It is evident that the interests of agriculture and of industrial processors of agricultural commodities are, in many ways, mutual and that research applied to crop production may benefit both. Benefits, such as those indicated, may accrue to agriculture from: (1) Expanded markets; (2) improvements in methods of handling crops; (3) new farm byproducts; (4) byproducts of processing the crop which are available locally and which meet an agricultural need.

Mr. DIRKSEN. Mr. Chairman, I rise in opposition to the

Mr. DIRKSEN. Mr. Chairman, I rise in opposition to the amendment, and I do so to ask the gentleman from Georgia [Mr. Tarver] a question.

In the amendment offered by the gentleman from Georgia [Mr. Tarver] the last proviso is left out which provides that no part of this appropriation shall be used to pay the cost or value of farm animals, farm crops, or other property injured or destroyed.

Mr. TARVER. I think that is included in the amendment I offered.

Mr. DIRKSEN. I did not hear it.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Georgia [Mr. TARVER].

The amendment was agreed to. The Clerk read as follows:

Gypsy and brown-tail moth control: For the control and prevention of spread of the gypsy and brown-tail moths, \$250,000.

Mr. TARVER. Mr. Chairman, a point of order. The CHAIRMAN. The gentleman will state it.

Mr. TARVER. Mr. Chairman, I make a point of order against lines 5, 6, and 7, on page 56, having to do with gypsy and brown-tail moth control on the ground that there is no legislation authorizing this appropriation.

Mr. Chairman, permit me to say that I would not make this point of order except that gentlemen from sections of the country where this appropriation is to be used have been active in destroying by points of order appropriations for other sections of the country in which they do not appear to be particularly concerned. Therefore, I must insist that what is sauce for the goose is sauce for the gander and that this appropriation should also go out.

The CHAIRMAN. Does the gentleman from Missouri [Mr. CANNON] desire to be heard on the point of order?

Mr. CANNON of Missouri. Mr. Chairman, I concede the point of order.

The CHAIRMAN. The point of order is sustained. The Clerk read as follows:

Dutch elm disease eradication: For determining and applying Dutch elm disease eradication: For determining and applying methods of eradication, control, and prevention of spread of the disease of elm trees known as "Dutch elm disease," \$100,000: Provided, That, in the discretion of the Secretary of Agriculture, no expenditures from this appropriation shall be made for these purposes until a sum or sums at least equal to such expenditures shall have been appropriated, subscribed, or contributed by State, county, or local authorities, or by individuals, or organizations concerned: Provided further, That no part of this appropriation shall be used to pay the cost or value of trees or other property injured or destroyed. or destroyed.

Mr. TARVER. Mr. Chairman, a point of order. The CHAIRMAN. The gentleman will state it.

Mr. TARVER. Mr. Chairman, I make a point of order as to the language on pages 56 and 57 of the bill relating to the appropriation for Dutch elm disease eradication on the ground it is not authorized by existing legislation.

Mr. TREADWAY rose.

The CHAIRMAN. Does the gentleman desire to be heard on the point of order?

Mr. TREADWAY. I could not hear the lines to which the gentleman directed his point of order.

²⁴ Miss. Agr. Expt. Sta., Information Sheet, Livestock Field Day, May 7, 1935; St. Louis Daily Livestock Reporter, Is Sweetpotato Pulp New Cattle Feed for Southland?, April 5, 1935.

¹⁵ Moore, J. S., and Cowsert, W. C., Miss. Agr. Expt. Sta., Information Sheet 77 (1935).

¹⁶ Black, W. H., and McComas, E. W., Beef and Dual-Purpose Cattle Investigations, U. S. Bureau Animal Industry, personal communication, Oct. 27, 1938.

¹⁷ Holders of fellowships contributed to Carbohydrate Research Division by the Chemical Foundation, Inc.; cf. Science, 87, 71 (1938), and U. S. public service patent No. 2,137,890.

¹⁸ From replies to questionnaire addressed to southern agricultural experiment stations.

Mr. TARVER. The language on pages 56 and 57 having to do with Dutch elm disease eradication.

Mr. SHANLEY. Mr. Chairman, does the gentleman's point of order cover everything on page 56 from line 20 to the end of the page, and lines 1 to 6 on page 57? Does it strike out both provisos?

Mr. TARVER. My point of order covers the language from line 20, page 56, through and including line 6 on

Mr. SHANLEY. The gentleman's point of order wipes out the appropriation for Dutch elm disease eradication provided in this bill, on the ground there is not existing

legislation?

Mr. TARVER. Yes. I may say the point of order would not be made except for the position taken by certain gentlemen from that portion of the country where this money is to be used who are objecting to other similar provisions for other sections.

Mr. SHANLEY. This is a reprisal then?

Mr. TARVER. Frankly, that is so.

Mr. TREADWAY. Mr. Chairman, a parliamentary inquiry.

The CHAIRMAN. The gentleman will state it.
Mr. TREADWAY. May I inquire what will be the effect on pages 56 and 57 of the bill if the point of order made by the gentleman from Georgia is sustained?

The CHAIRMAN. If the point of order is sustained, the paragraph commencing at line 20 on page 56 and extending down to and including line 6 on page 57 will be stricken out entirely.

Mr. TREADWAY. The entire paragraph will be stricken out?

The CHAIRMAN. The entire paragraph will be stricken out.

Mr. HEALEY. Mr. Chairman, I desire to ask the gentle-

man from Georgia a question.

I believe the gentleman ought to withhold his point of order in view of the fact the item against which the gentleman has made the point of order covers a small amount, and the gentleman has expressed himself as being motivated to make the point of order merely by reasons of retaliation against Members who have made points of order against other provisions. I ask the gentleman if he will not withhold the point of order?

The CHAIRMAN. The gentleman will please address the

Chair on the point of order.

Mr. TARVER. Mr. Chairman, I desire to address the

Chair briefly with regard to the point of order.

It is indeed a very great temptation to put the shoe on the other foot with regard to points of order made against provisions in this bill which have been carried in the bill for years without question. If there were no one affected except the very active gentlemen from New York and Pennsylvania, who have been seeking the elimination of similar items relating to sections of the country with regard to which they are not concerned, I should persist in the position I have taken. However, a great many of my colleagues on this side of the aisle, who appear to be more deeply concerned with what is done in an attempt to eradicate the Dutch elm disease, than are the gentlemen on the other side of the aisle, have appealed to me to withdraw the point of order.

Mr. POAGE. If the gentleman will yield, before the gentleman withdraws the point of order will not the gentleman tell the Committee if it is not possible at this time for those who insisted on points of order yesterday now to ask unanimous consent to return to page 54 and open it to amendment?

Mr. TARVER. It would be possible to do that, but I am trying to be generous with the gentlemen. If they do not want to be generous with agriculture in other sections of the country, that is their affair.

Mr. Chairman, I withdraw the point of order.

Mr. LAMBERTSON. Mr. Chairman, I make the point of order that the paragraph is without authority of existing law.

The CHAIRMAN. Does the gentleman from Missouri desire to be heard on the point of order?

Mr. CANNON of Missouri. I concede the point of order, Mr. Chairman.

The CHAIRMAN. The point of order is sustained. The Clerk read as follows:

Pink bollworm control: For the control and prevention of spread of the pink bollworm, including the establishment of such cotton-free areas as may be necessary to stamp out any infestation, and for necessary surveys and control operations in Mexico in cooperation with the Mexican Government or local Mexican authorities, \$446,800.

Mr. KLEBERG. Mr. Chairman, I offer an amendment.

Mr. SCHAFER of Wisconsin. Mr. Chairman, a point of order.

The CHAIRMAN. The gentleman will state it.

Mr. SCHAFER of Wisconsin. Mr. Chairman, I make the point of order that this paragraph is not authorized by law and is legislation on an appropriation bill.

Mr. KLEBERG. Mr. Chairman. I desire to be heard on the point of order.

Mr. Chairman, I cite United States Code, title 7, section 145, the act of August 20, 1912, 37 Statutes, page 315, and the act of October 6, 1917—this happens to be an appropriation bill—40 United States Statutes, page 374, in support of the contention that there is direct and specific authorization for this section.

The CHAIRMAN. Does the gentleman from Wisconsin desire to be heard on the point of order?

Mr. SCHAFER of Wisconsin. Mr. Chairman, none of the sections of the statute which the gentleman has quoted gives direct or indirect authority for the Secretary to exercise his discretionary authority and continue operations in Mexico.

Mr. CANNON of Missouri. Mr. Chairman, this is an exception to the usual rule in that there is legislative authority for this particular item. It differs in that respect from most of these control and eradication appropriations, which must depend, if at all, upon the organic law for authorization. Under section 145 of title 7 of the United States Code there is a provision of law, as the Chairman will observe on reference to the section, which affords ample authorization for this appropriation.

The CHAIRMAN. The Chair is ready to rule.

The Chair has examined the statute referred to. The point of order is overruled.

The Clerk will report the amendment offered by the gentleman from Texas [Mr. KLEBERG].

The Clerk read as follows:

Amendment offered by Mr. Kleberg: Page 58, line 14, strike out "\$446,800" and insert in lieu thereof "\$906,800."

Mr. KLEBERG. Mr. Chairman, I have a deep hope that what has transpired in the immediate past in the consideration of this bill will not have any effect on the Members on either side of this aisle when it comes to the consideration of this particular amendment.

We have both tragic and historic evidence as to the saneness and the economies involved in this request for an increased appropriation. Let us look first primarily toward the control of the pink bollworm and, second, toward the final and ultimate eradication of this pest. It is not necessary on an occasion such as this to go into great detail with the members of the Committee with reference to the importance of this control to the Nation and to the cotton industry. Everyone knows the history records for 8,500 years the drift of this famous vegetable fiber through the pages of history, affecting not only the chronology of human events but actually the life of nations. The history of the boll-weevil infestation and its effect on cotton begins 45 years ago, when Charles A. Culberson was Governor of Texas, from which post he came to the United States Senate. While Governor, Mr. Culberson recommended that the State Legislature provide \$25,000 for the purpose of establishing a strip 60 miles wide, in which no cotton was to be grown, for the sole purpose of stopping the advance of the boll weevil. Any man who has any information concerning cotton knows the history of the boll weevil. Despite the fact that after we let the boll weevil get a hold in our cotton country we have tried to eradicate him, we know definitely that had this \$25,000 been expended at that time and proper work carried on, this Nation would be free from boll weevil.

We also know that the boll weevil moves far less readily than does the moth of the pink bollworm. The boll weevil is a heavy-moving insect, and his limit of movement is about 30 miles per season. In the case of the pink bollworm, a light moth drifted by wind currents, we have definite, authentic records showing that the moth has traveled from one cotton belt to another, over 300 miles distant.

Now, this appropriation is asked in accordance with a revised Budget estimate following definite and established facts ascertained in the investigations of last fall. At the conclusion of the cotton crop in south Texas it was found that the funds were not sufficient to meet the actual needs for the developed program.

Mr. JONES of Texas. Mr. Chairman, will the gentleman vield?

Mr. KLEBERG. I will be pleased to yield to my friend

Mr. JONES of Texas. I understand this is the most serious of all cotton pests.

Mr. KLEBERG. There is no doubt on this earth about that.

Mr. JONES of Texas. And it absolutely destroys the crop. I understand further that this pest comes over from Old Mexico and is not a pest that originates in this country.

Mr. KLEBERG. That is it exactly, just as in the case of the boll weevil.

Mr. JONES of Texas. And the gentleman's amendment, if adopted, would still be within the Budget estimate?

Mr. KLEBERG. Yes; it is entirely within the Budget

Mr. JONES of Texas. And I further understand if this provision is not made, then the work could only be done in the event some provision were made by Texas to cooperate and supplement the program.

Mr. KLEBERG. There is no such provision in the bill.

Mr. JONES of Texas. It seems to me this is like an invading army, and you might just as well ask Texas, in the event Mexico should invade the United States, to supply half the army and bear half the expense as to require a supplementary activity down there as a condition to meeting this invasion, and I therefore think the gentleman's amendment should be adopted.

Mr. KLEBERG. I thank the gentleman.

Mr. Chairman, the infestation of the pink bollworm in the lower Rio Grande Valley of Texas and the Corpus Christi area, in the same State, is in the same location as the boll weevil when that pest of cotton first entered the United States. As I stated before the adult boll weevil has a heavy body and is not likely to be carried great distances by wind currents as in the case of the pink bollworm moth. There is definite evidence today that the pink bollworm moth can be carried hundreds of miles by wind currents. The infestations in the western areas of Texas seem to be clearly traceable to a natural movement of the moths by high wind currents from the Laguna district in Mexico. The prevailing winds from the lower Rio Grande Valley of Texas, during the period when the adult moth of the pink bollworm trends definitely north and northeastward, which would indicate without the possibilities of serious contradiction, that the infestation of the pink boll-worm in the Rio Grande Valley and particularly in the Corpus Christi area will insure its rapid spread throughout the cotton States. This spread, of course, can be readily seen as taking place far more rapidly than in the case of the boll weevil. At this point in my remarks I introduce in the RECORD a statement by Mr. R. E. McDonald, of the Bureau of Entomology and Plant Quarantine of the Department of Agriculture. Mr. McDonald is charged with carrying on the fight against the advances of this most destructive pest into the major cotton area of our country. He is a man of distinguished ability and knows more about this particular problem from a standpoint of special educational attainments, and particularly direct experience, I dare say, than does any other man in this country or elsewhere.

EXHIBIT A

UNITED STATES DEPARTMENT OF AGRICULTURE, DIVISION OF PINK BOLLWORM CONTROL, San Antonio, Tex., February 17, 1939.

A DISCUSSION OF THE PINK BOLLWORM PROBLEM

The pink bollworm is generally recognized as the most destructive pest of cotton and the one most difficult and most costly to control. This insect in the adult stage is a little night-flying moth, seldom seen except perhaps around lights, as other candleflies. This moth places eggs on green cotton fruit. The eggs hatch into larvae or worms which bore into the bolls, squares, or blooms and destroy the contents. During the spring and summer and early fall, from the time the egg is laid until the time the worm has grown to full size and changed into another moth requires about 30 days, a little more or less. Toward the fall of the year these worms act a little differently. Instead of changing themselves into moths they go into hibernation, either into the ground or into cottonseed, or other places, and remain until the following spring, when they emerge and start another generation about the time the crop of cotton begins to fruit.

It is capable of doing a tremendous amount of damage to cotton.

about the time the crop of cotton begins to fruit.

It is capable of doing a tremendous amount of damage to cotton. No poison is known that will reduce the injury. A farmer is helpless to protect his own crop against this plague unless he has the unanimous cooperation of all others in the community, because the insect can fly from field to field with the greatest of ease. Therefore, any control measures which will do any good at all, are of a cultural nature and must be applied by an entire community. The pink bollworm was first known about 90 years ago in India. It was not heard of elsewhere until some 30 years ago, when it seemed to have started to spread, and it has now reached a great many of the cotton-growing areas of the world. Its spread within the last 20 or 30 years is believed to be due to the development of more rapid transportation and the general carriage of products from one part of the world to another.

It was a little more than 20 years ago when the insect was first

from one part of the world to another.

It was a little more than 20 years ago when the insect was first introduced into the State of Texas, and from that date until this it has been introduced into many spots in Texas and other cotton-growing States of the United States. However, we have been fortunate in being able to eradicate all of these infestations in domestic cotton in eastern Texas, in Louisiana, in Georgia, and Florida. In the other infested areas in the western part of Texas, New Mexico, and Arizona, where eradication has not been effected, we have been fortunate in having some methods of control which applied in the presence of certain climatic conditions have, in general, held the infestations down. general, held the infestations down.

There is one exception, however. In the Big Bend region of Texas there have existed certain conditions over which we could exercise there have existed certain conditions over which we could exercise little control. Efforts were made to hold the plague in check, as is done in the El Paso Valley, the Pecos Valley, and other places. These efforts seemed to succeed for a while. After a time, however, the insect began to gain on us, and it continued to gain. To give you some idea about the nature of the injury this plague is doing in the Big Bend, and can do in most of the cotton areas of the South, I shall read you letters from three of the most successful and intelligent farmers in the area: D. D. Kilpatrick, J. K. Edmundson, and J. W. Howell, living in the upper, middle, and lower parts of the area. If you do not know these men, I assure you that they are absolutely honest and thoroughly reliable. absolutely honest and thoroughly reliable.

D. D. KILPATRICK & Co., Candelaria, Tex., December 21, 1937.

Mr. R. E. McDonald, San Antonio, Tex.

DEAR MR. MCDONALD: We have had the pink bollworm in this part of the Presidio Valley for more than 15 years, but hadn't noticed much damage until the last 3 years.

This year was by far the worst. Here at Candelaria and at Ruidosa, about 12 miles below here, the worm got 40 percent of the cotton. At Presidio some of the farmers tell me that the loss was as much as 50 percent. Up to August 1, we had expected 300 bales here, the worms cut us down to 175.

The worms also did plenty of damage to the lint of what cotton we did raise.

For the past few years we have had a yearly clean-up and burn-up program that helped keep the worms under control, but last year we did not have much of a clean-up, and I believe that is the reason for so many worms this year. This year we won't have any clean-up at all and my opinion is that the worms will be worse

As cotton is the only money crop that can be raised down here, I believe that farmers will continue to try to raise it even if the worms get most of it. They will try to plant it earlier or try to plant it later, hoping to raise some kind of a cotton crop and the worms will get worse and worse. Unless something is done about this terrible situation I can't help but think that the worm will soon spread from here to other parts of the State and get completely out of control.

Hoping you can do something to help us in this battle with this pink bollworm, I am,

Yours truly.

D. D. KILPATRICK.

Presidio Valley Chamber of Commerce, Ruidosa, Tex., December 22, 1937.

Mr. R. E. McDonald,

San Antonio, Tex.

My Dear Mr. McDonald: The pink-bollworm situation here in

MY DEAR MR. MCDONALD: The pink-bollworm situation here in the Presidio Valley is very, very serious.

As an example: Here in my little district, even after discounting drought and an October flood damage, the most pessimistic estimate was 300 bales—most optimistic 400—the total ginned here will be 175 bales. But for two farms (my own and another that are fairly isolated and which were planted late), the crop would have been around 100 bales.

been around 100 bales.

Even the hardest-headed, ignorant farmers, who once believed all your work to be "all bull" now are convinced and some have given up hope. I know of farms that had fully a 90-percent loss. As you know—here above the Concho River, cotton is about our only hope and this year's worm damage has just about ruined us all. Now that it is too late, the aforesaid hard-heads are anxious to cooperate with any program your Department may desire.

Yours very truly,

J. K. EDMUNDSON.

J. K. EDMUNDSON.

PRESIDIO, TEX., December 20, 1937.

Mr. R. E. McDonald.

Post office box 798, San Antonio, Tex.

Dear Mr. McDonald: Thank you for your letter of December 17,

The pink bollworm in the year of 1937 did at least 35-percent damage on my farm. Besides loss of cotton, the price was reduced. Unless there is some manner in which to eradicate this pest, I Unless there is some manner in which to eradicate this pest, I believe that the best way to overcome them is to plant as early as possible, plant early maturing cotton, not irrigate after July, then pick as early as possible, then clean up all boils, and stalks.

Some of my cotton turned out more than a bale to the acre; this was a small early variety, and planted the first of April.

I believe that all farmers should plant about the same date, but unless someone who has authority takes this matter up with the farmers, I fear they will not work together. For your information, I expect to have something more than 1,000 acres under my supervision, and I want to follow up the above program.

Yours very truly,

Yours very truly,

Those letters referred to the 1937 crop. The damage seemed to have been higher in 1938. Starting last fall, certain control measures were started in the locality and are going forward with success on both sides of the international boundary which we feel will bring this situation under control by next fall. Time will not permit me to go into the details of those plans. While this Big Bend situation is serious, on account of the isolation of the locality, it does not present such a threat as does the lighter infestation in the Brownsville-Matamoras region.

In the fall of 1936 infestation of this insect was discovered in the Matamoros-Brownsville section. In the fall of 1937 we undertook to apply some control and eradication measures, but with indifferent results. In 1938 infestation had very considerably increased and had spread up to the general vicinity of Corpus Christi. This brings us face to face with the worst threat that we have ever had with the pink bollworm. It demonstrates beyond reasonable doubt that if the infestation increases in the Matamoros-Brownsville area it will spread right on through the State of Texas, into Oklahoma, and, of course, into all the States in the Union where cotton is grown, and rather quickly, too. If the infestation increases in the Matamoras-Brownsville region, it is not believed that any amount of money or any efforts that might be put forth can prevent this insect spreading over the Cotton Belt.

It is well to mention right here that in addition to the ability of

Matamoras-Brownsville region, it is not believed that any amount of money or any efforts that might be put forth can prevent this insect spreading over the Cotton Belt.

It is well to mention right here that in addition to the ability of this insect to travel long distances in cotton products it can ride the winds many miles. The Gulf breezes move from Brownsville up the coast through Corpus Christi area and on up-State.

The insect, as stated, was found in the Matamoros-Brownsville area in 1936. Steps were taken immediately to prevent the movement of the insect through the carriage of cotton products. Organizations were set up for the fall of 1937 for the destruction of the growing cotton at the expense of the owners as soon as the crop was harvested. This was planned to be carried out on both sides of the river. It was done, but not in a thorough manner. There were some 400,000 acres in cotton in the region—250,000 acres in Texas and 150,000 acres in Mexico. While the State of Texas and the Republic of Mexico had quarantine regulations providing for the destruction of this cotton, it was found impossible to get complete enforcement. The result was that in 1938 there was a considerable increase in infestation and the spread to the Corpus Christi area, as mentioned above. Again in 1938 every effort was put forth to improve on the methods of killing the growing cotton plants. Every farmer was contacted more than once, if necessary, in an effort to persuade him to do this promptly. A much better job was done in 1938 than in 1937, but still not perfect, by any means, and with what success we cannot know until the fall of 1939; i. e., we cannot know what the infestation is going to be in the coming crop until picking time. If, despite these efforts, there is further increase in the infestation, I suspect it is going to spread during the present season so far north that it will be impossible to arrest it. However, it does seem that we still have a fighting chance. The plans for 1939, as they stand, are to proceed wi

Let me take the time here briefly to explain the reason back of this plant-killing program. It was mentioned awhile ago that in the fall these worms go into a long winter sleep. Consequently, quick destruction of the cotton plants immediately after harvest of the crop in such a way as to prevent continued growth and production of squares, blooms, and bolls will result in there being no late crop of worms. It is this late crop which has a very high percent of hibernating worms in it.

I doubt in my own mind if it is possible to get any more support

late crop of worms. It is this late crop which has a very high percent of hibernating worms in it.

I doubt in my own mind if it is possible to get any more support from the people than we had last year. They were unanimous for this plan. Every farmer, every ginner, everybody else favored it. They wanted to kill the plants; but despite that desire they did not do it as thoroughly as it should have been done.

That seems a contradiction. Everybody wants to kill the cotton plants and the legal regulations require the thing to be done. Nobody opposes it, and yet it is not well done. In the first place, the only way to write a law or regulation requiring such things to be done is to set down a definite date for the work to be completed, and that date has to be set late enough to give everybody reasonable time to comply. The date set was October 1, which seems to be about as early as it could be set and be fair to all concerned. However, most of the cotton is picked by September 1. Out of 400,000 acres of cotton a large number of individual farmers are involved. Some want a few days' rest after the picking season; some are discouraged because the crop did not turn out well; some, after paying the store accounts, have no money left and they need to get work to tide them over until arrangements can be made for some-body to finance them the next year. All these, and many more, put the job of plant destruction off until a few days before the dead-line. Then something happens right at the critical moment with many—bad weather, illness, or something else beyond their control. We also find a large number that set right in to kill the plants as soon as they fininsh picking, and some of these succeed right off; but many lack proper equipment to kill cotton plants in that subtropical area. Hence, in these fields where the farmers have made a sincere effort to comply, using the equipment at hand, there are often many cotton plants left. Also, there are tenant farmers, who, while they believe in the program, take advantage of t

while they believe in the program, take advantage of that period between the end of the picking season and deadline date to move elsewhere.

While there has been splendid effort toward cooperation among the farmers and citizens of these affected localities, there is a feeling which seems to be gaining momentum that the problem of eradication of the pink bollworm is of State and National significance and that the people of the affected areas believe themselves to be carrying, or about to carry, more than their proportionate share of the burden. In the area around Corpus Christi it is our belief that the protection of the cotton industry will be made more secure by the sterilization of all cottonseed as a continuous process of ginning by having appropriate machinery installed in the ginning plants; because there are many roads leading out of that area into other cotton-growing areas, and the crop moves so early that infestation may be scattered immediately, before the seed can be crushed. However, the ginners of that area maintain that such sterilization process should be the responsibility of those who may receive the protection. If the cottonseed in this area in the fall of 1939 is to be sterilized at the gins, it would seem that the time is at hand to determine whose responsibility it is for having it done.

On January 9, there was released by the A. A. A. in the city of Washington a resolution passed by a committee of cotton producers and other representatives, reading in part as follows:

"That the Department ask specific authority to deal with the pink-bollworm threat as it now exists, to the extent of negotiating or having the State Department negotiate with the country of Mexico to get cooperation and to establish an appropriate quarantine, and to attempt to eradicate the pink bollworm by taking necessary acreage out of cotton production entirely, and by reimbursing affected persons by compensating them for the acreage taken out."

This, obviously, looks to the establishment of a noncotton zone throughout

while continent-wide eradication is a tremendous undertaking, if it can be accomplished, it would undoubtedly be the cheapest solution in the long run. In its accomplishment there would be many difficulties to be met and overcome, but a study of the question would reveal the existence of these difficulties and their magnitude and would indicate to us with reasonable certainty whether or not they could be overcome. It is our conviction, therefore, that this pest being present in the cotton fields of Mexico and the United States becomes an international menace and it should be attacked on an international basis, with the cooperation of the two countries States becomes an international menace and it should be attacked on an international basis, with the cooperation of the two countries concerned, and of each infested State in each country. If, after such studies have been made, it is determined to be practical to eliminate this pest entirely from these two North American countries, then it would be well worth the cost to proceed. This pink bollworm is threatening the economic well-being of two great nations. It is a big problem and should be handled in a big way. R. E. McDonald, In Charge.

You will note that in Mr. McDonald's discussion he has included two typical letters from farmers in the Presido area of Texas. Mr. McDonald, in making a memorandum for the State-wide cotton committee of Texas speaks as follows:

EXHIBIT B

[Memorandum for the State-wide cotton committee of Texas, by R. E. McDonald]

ON THE PRESENT PINK BOLLWORM SITUATION

Before going into a detailed statement of the conditions of infestabefore going into a detailed statement of the conditions of intesta-tion in the area above referred to, or the means that might be used to stop it, it is well to discuss briefly what has been done and with what success in other areas during the last 20 years, so that you may have the use of this information from which to draw con-

may have the use of this information from which to draw conclusions as to what is best to do in the present crisis.

The pink bollworm was first discovered at Hearne, Robertson County, Tex., in the 1917 crop. It was introduced there through the shipment of cottonseed from the Laguna district of Mexico. A noncotton zone was put into effect in 1918, 1919, and 1920 for a short distance around the known infested spot, and a regulated area embracing much more territory was established, from which all seed was milled and new seed introduced. All fields were cleaned. Eradication resulted. Eradication resulted.

Eradication resulted.

Infestation was discovered in the 1917 crop well scattered along the coast of Texas from the Brazos River to the Sabine; source unknown. A noncotton zone was established in this large area in 1918, but many farmers planted cotton in violation of the proclamation and after going through legal procedure, before the cotton nuisance could be abated, the crop was matured. By this effort eradication was not effected. Cotton fields through this area are unusually small and somewhat scattered. Subsequent to 1918, some 3 or 4 years, all seed produced from the area was carried to oil mills and crushed, and new seed introduced. Fields were cleaned around known infested spots. Eradication was finally effected about 1922.

Cameron Parish, La., was found infested in 1920; source unknown.

Cameron Parish, La., was found infested in 1920; source unknown. A noncotton zone was in effect there for 2 years and adjacent fields were cleaned. Eradication resulted.

Shreveport, La., was found infested in 1920; source of infestation was infested seed brought from Cameron Parish. A noncotton zone of comparatively small size was placed over the known infestation, surrounded by a regulated area much larger. In this area cotton-seed was sterilized and the fields were cleaned. Eradication was

The Big Bend of Texas was found infested in 1918; source of infestation then unknown, later found to be from moth spread from the Laguna district of Mexico. The area was made a non-cotton zone in 1919 and 1920. Cotton was again planted in 1921 and found infested that year, and has been infested to the present time. In the 1937 crop the damage was about 50 percent; in the present crop it is more.

The Peccs Valley of Texas was found infested in 1918; source of infestation then unknown, later found to be by moth spread from the Laguna district of Mexico, about 350 miles distant. Fields were cleaned up. The infestation, if eradicated, was reintroduced. It is still infested, but lightly, mainly due to the freeing of the seed of infestation and because of the extremely cold winters.

of infestation and because of the extremely cold winters.

The El Paso Valley of Texas and New Mexico was found infested in 1920; source then unknown, now believed to be from moth spread from the Laguna. Some field cleaning was carried on, but if effective the pest was immediately reintroduced. Area is still infested. The Pecos Valley of New Mexico was found infested about 1920; source of infestation then unknown, but now believed to be by moth spread from the Laguna. Infestation still exists, but light.

In all the above areas of the El Paso Valley of Texas and New Mexico, and the Pecos Valley of the same two States, it is believed the infestation remains light because of the extremely cold winters and by planting seed freed of infestation by sterilization.

Ennis. Tex.. was found infested in 1921; source of infestation

Ennis, Tex., was found infested in 1921; source of infestation was planting seed from Loving, N. Mex. A noncotton zone of a small extent was placed over the area, surrounded by a larger regulated area, and the fields were cleaned. The insect was

Marilee, Tex., on the Collin-Grayson County line, was found infested at the same time as Ennis; same source; same methods used, and eradication effected.

intested at the same time as Elmis; same source; same methods used, and eradication effected.

Safford, Ariz., was found infested in the 1926 crop; source then unknown, now believed to be by moth spread from the Laguna District of Mexico, a distance of some 600 miles. Fields were cleaned. Infestation, if eradicated, was immediately reintroduced. It is still present but not in injurious numbers, due to keeping the seed clean and to the cold winters, as in the El Paso and Pecos areas.

The Sait River Valley of Arizona was found infested in the fall of 1929; source unknown; the degree was heavy in the Mesa section, involving about 40,000 acres of cotton. A noncotton zone was placed over this area in 1930. Fields were cleaned. The rest of the valley, involving about 110,000 acres, was in a regulated area. The seed was sterilized. By the noncotton zone and field cleaning the heavy condition of infestation was reduced, but the pest was found in the 1930 crop and practically all the valley was infested lightly. An attempt was made to have farmers clean their own fields, but with indifferent results. The growth of stub cotton was prevented and a delay in planting until April 20, in 1931, was enforced, which was about 6 weeks later than the usual planting date. This, practiced for 2 years, eliminated the infestation.

Infestation was found on the plains of Texas, from Big Spring northwest, in 1928, light but widespread; source believed to be by wind drift from the Big Bend. Sterilization of seed was done. Due to the extremely cold winters and short seasons, infestation was eradicated; however, it was reintroduced over a wider area and probably from the same source, and this area is still lightly infested.

Infestation was discovered in northern Florida in the fall of 1932; source was from moth spread from heavily infested wild cotton on the southern tip of the State, 350 miles distant. Infestation was found in southern Georgia the next year, and farther west in Florida the following year. The source of these infestations was eliminated—that is, by cutting out and destroying the wild cotton. The seed was sterilized. In all that country cotton is grown in patches on pine lands, is produced early, and after picking farmers pasture the fields because forage is scarce. Hence, the source of food for the insect was cut off before the period for hibernation arrived. Eradication resulted.

Infestation was found in the Santa Cruz Valley of Arizona in the fall of 1937; source believed to be by moth spread from the Laguna, about 700 miles distant. Eradication measures are being undertaken.

(Where reference is made in the above to cleaning of fields, the work was done with public funds except where specifically men-

undertaken.

(Where reference is made in the above to cleaning of fields, the work was done with public funds, except where specifically mentioned as being done otherwise.)

Infestation was discovered in the Matamoros-Brownsville section in the fall of 1936; source not known. No other measures were taken for the remainder of that year except to prevent spread by carriage of material. The 1937 crop carried a slight increase and in that year an effort was made to have all farmers on both sides of the river clean their fields, with indifferent success. There was a tremendous increase in the infestation in the fall of 1938, the present year. The effort has been continued to get all farmers on both sides of the river to clean their own fields, with some better success than in 1937. better success than in 1937.

Mr. Chairman and members of the Committee, in the RECORD of March 9 there appears a statement made by me on the floor of the House giving a more detailed discussion of the pink bollworm problem than my time has here allowed. and I conclude with this statement that unless the Congress of the United States can see the importance of appropriating funds to meet the onslaught of the pink bollworm, I have no doubt at all but that this pest will destroy the cotton industry of the United States and Mexico. The best evidence on the destructiveness of this pest is to be found in records from foreign countries where the pink bollworm has a secure foothold. Authentic reports from China show that in the cotton belt of that country last year the pink bollworm took a toll in excess of \$30,000,000. It seems therefore to me that the expenditure of \$460,000 as requested by my amendment should be acceptable forthwith to every thinking member of this Committee

Mr. CANNON of Missouri. Mr. Chairman, we have a peculiar situation here. This pest comes from Mexico. Naturally it affects at first only the land immediately adjacent to the Mexican border.

The Federal Government has repeatedly disposed of this pest. Some years ago we appropriated \$5,000,000 to establish a cotton free zone and completely eliminated it. But immediately the cotton farmers insist on going back and planting cotton in the zone where they know it is an invitation to the pest across the river in Mexico. Of course the weevil again establishes itself and then they come back up here and ask us to drive it out again.

Every authority agrees that the only permanent way to eliminate this pest is to establish a zone, as indicated. Of course we cannot go over and clean out Mexico. If we could the task would be completed for all time to come. In other words, the cotton planters in this strip of no man's land along the Mexican border are in the position of a man who goes out and contracts an infectious disease and comes in and asks us to appropriate money to cure him. We provide the money and it cures him. Then he goes back and again contracts the disease and again comes back and asks for money for another cure, and keeps up that procedure as long as the money is forthcoming.

Mr. KLEBERG. Mr. Chairman, will the gentleman yield? Mr. CANNON of Missouri. I yield to my friend.

Mr. KLEBERG. For the gentleman's information, there has been most intensive cooperation between the Mexican authorities and the Federal authorities. The authorities of the Mexican state just across the border and all the way up to the Big Bend area and the State of Texas on this side are

cooperating, and for the gentleman's added information I may say that the work done with the money appropriated by the Federal Government would indicate that the pink bollworm can be eradicated without the establishment of a noncotton zone in areas where it will not receive an immediate reinfestation.

Mr. CANNON of Missouri. Every word the gentleman says is true, but the fact remains that the authorities agree that the way to dispose of this evil is to establish a cotton-free zone. They can grow almost everything else in the world down there in that zone and should keep their cotton out of the exposed area.

Certainly after we clean out the pest they should not come back here year after year for the same appropriations when the infestation is due to their insistence on planting cotton where cotton ought not to be planted.

Mr. SCHAFER of Wisconsin. Mr. Chairman, will the gentleman yield?

Mr. CANNON of Missouri. I yield to the gentleman from Wisconsin.

Mr. SCHAFER of Wisconsin. In view of the gentleman's argument against the pending amendment, would not the same argument apply to the appropriation of \$446,800 which the gentleman has incorporated in the bill?

Mr. CANNON of Missouri. I am pleased that the gentleman has asked that question. When the Budget estimates first came to the committee they provided what the Department considered an ample amount to take care of this pest, and desiring to cooperate with them, we allowed the full Budget estimate of \$446,800, which was everything originally asked. After we granted that, they came back with a supplementary estimate which the Committee after consideration did not feel was justified.

Mr. JONES of Texas. Mr. Chairman, I move to strike out the last word. I am not familiar with the details of the immediate situation, but I am familiar with the background of this thing, because at the time the gentleman from Missouri refers to, the pest had gotten a hold in the district which I represent, which is 500 miles from the border. I doubt that it would be practical to establish a cotton frozone for all of the vast area that would be necessary for effective work. That would take a great deal of money, and you would not end this pest, which is a serious pest. If these men were to go out of the cotton business for a year or two, if they did not get cooperation with Old Mexico, they could not get anywhere.

Mr. CANNON of Missouri. The gentleman recalls we did appropriate \$5,000,000.

Mr. JONES of Texas. Yes.

Mr. CANNON of Missouri. And established the cotton free zone, and that it was successful.

Mr. JONES of Texas. I was just getting to that. The gentleman is entirely in error as to what was done with that money. We appropriated the \$5,000,000. I did not believe a cotton free zone was necessary, so I got an amendment or a qualifying provision placed on that \$5,000,000 appropriation that no cotton free zone should be required in any area unless they found the live worm. They found only the dead worm in my area, and, therefore, not one dollar of this money was ever spent for a cotton free zone. It went back and was used for the Mediterranean fruitfly in Florida.

Mr. CANNON of Missouri. But they did discontinue the planting of cotton in that area.

Mr. JONES of Texas. What they did in my area was to establish what they called a cotton regulated zone. The area is now represented by my colleague, Mr. Mahon. They established a cotton regulated zone requiring sterilization of the seed and fumigation of the lint, and thus eliminated the pink bollworm from that area. We found on investigation that this is a terrific pest. This is no ordinary insect pest. It can be carried for hundreds of miles by the wind. It is like a bombing army. It destroys the crops. I am not sure as to the amount, but I am sure that was gone into before the Budget.

Mr. CANNON of Missouri. Can there ever be a permanent eradication of this pest as long as they come in from Mexico?

Mr. JONES of Texas. I think if they can get cooperation from Old Mexico, they can finally eliminate it. I think that is the answer. The gentleman should not fight this type of provision. He should not jeopardize the whole cotton industry of the South by a little matter of a few hundred thousand dollars.

Mr. RAYBURN. Mr. Chairman, will the gentleman yield? Mr. JONES of Texas. Yes.

Mr. RAYBURN. Is not this true, and is not this what happened: that after the Budget estimate came up with this amount in it, an investigation was made of the matter and it was then determined, and the Budget so states, that the additional amount my colleague from Texas [Mr. Kleberg] asked for is absolutely necessary in order to cooperate with Mexico to stop the spread of the pink bollworm?

Mr. JONES of Texas. That is my understanding.

Mr. RAYBURN. As I recollect the gentleman I think was one of the first ones to suggest a cotton-free zone would not do the job, inasmuch as this insect has been found 300 miles from the Mexican border. If we adopted that theory, then there would not be any cotton planted in Texas at all.

Mr. JONES of Texas. It would mean the expenditure of millions of dollars.

The CHAIRMAN. The time of the gentleman from Texas has expired.

Mr. SABATH. Mr. Chairman, I rise in opposition to the amendment. I regret that I am forced to do so, and this is the first time in many years that I have opposed the majority leader. I know, of course, that he is forced to go along with his colleagues from Texas, especially the gentleman from Texas [Mr. Kleberg] who introduced the amendment, and obliged to help them get this additional \$500,000.

Some of them state that it is necessary to cooperate with Mexico. We are now providing in this bill \$144,000 and also \$446,000, which totals nearly \$600,000. In the next paragraph we provide \$460,000 to make possible this cooperation with Mexico.

Now, Texas is a great State, and I have deep respect for every Member from there. I have cooperated with them in the past, and I am ready to cooperate with them now. But they are asking too much, and they are not willing to give anything in return or vote for things that are of interest to the people of my section. I hope that the gentleman who has offered this amendment, and his colleagues, will recognize that we too need some relief, not against the same kind of pests, but against hunger and want from which my people and the people in other districts are suffering. When we appeal for relief, invariably we find these gentlemen are voting against us.

Mr. KITCHENS. Mr. Chairman, will the gentleman yield?

Mr. SABATH. I yield.

Mr. KITCHENS. Up until the last 2 or 3 years Mexico has been producing only around two hundred or two hundred and fifty thousand bales of cotton. Last year Mexico produced, as carried in the newspapers, over a million bales of cotton. The market for Mexico's cotton is Brownsville, Corpus Christi, Houston, and Galveston. How are we going to eradicate this worm if we allow Mexico to send her cotton to the markets of Texas and sell it?

Mr. SABATH. I thank the gentleman. I wanted to bring that out. In addition to that, Mr. Chairman, everybody recognizes the fact that we are growing too much cotton. Texas has rich fields, and they can grow many different crops there. Why grow cotton on the border of Mexico when we know, and they should know, that we cannot compete with the cheap labor of the Mexicans in the growing of that staple.

I believe that in the interest of the cotton producers of this country we should have a border zone there; eliminate in that section the growing of cotton, thus helping all other sections that are actually suffering and which are wholly

dependent upon cotton growing. I have in mind the State of Mississippi and others.

Mr. COOLEY. Mr. Chairman, will the gentleman yield? Mr. SABATH. I cannot yield. I have in mind other Southern States that actually cannot raise anything else but cotton. My sympathy goes out to them. I want to be helpful to the cotton growers of the country. That is the reason I feel that this rich State of Texas, which can grow almost anything, should not continue to produce more cotton than there is a demand for.

Mr. KITCHENS. It is reliably reported that the largest cotton firm in America, Anderson, Clayton & Co., is now becoming engaged extensively in Mexico in the growing of cotton in competition with southern farmers. Does the gentleman know or is he familiar with just what effect our money and work in Mexico to eliminate the pink bollworm may have on production in Mexico of cotton in competition with American

Mr. SABATH. The gentleman's question raises an important question, which, it seems to me, needs consideration.

The CHAIRMAN. The time of the gentleman from Illinois

has expired.

Mr. CANNON of Missouri. Mr. Chairman, in view of the deep interest of the Representatives from the cotton areas of the country on this amendment, I withdraw any opposition I may have expressed to it. Of course, under the rules of the House the committee cannot accept it, but we are glad to submit the proposal to the House for determination on its

Mr. MAHON. Mr. Chairman, I move to strike out the last word.

Mr. Chairman, I do not expect to take the 5 minutes allotted to me, but I do wish to say that I have served on a committee appointed by the Texas delegation, together with Mr. WEST and Mr. KLEBERG, with reference to this pink-bollworm problem, Mr. Kleberg being chairman. We went before the Bureau of the Budget and presented this matter and the Budget Bureau readily sent down this supplemental estimate, because the Budget officials recognize, and everybody who knows anything about the pink bollworm, recognizes that if this pest gets into the heart of the cotton-producing area of the South it will cost us many, many millions of dollars in order to endeavor to eradicate it. Therefore I wish to heartily endorse what the gentlemen from Texas [Mr. Kle-BERG and Mr. Jours! have said in regard to this matter. I think the Budget is right, and I think we had better use this preventive measure now and spend a little money, and it will save a great deal later on.

Mr. LUTHER A. JOHNSON. Mr. Chairman, will the gentleman yield?

Mr. MAHON. I yield.

Mr. LUTHER A. JOHNSON. Is it not true that this matter was given very careful investigation to ascertain what the facts were and whether or not there was justification for this expenditure, and the gentleman from Texas and Mr. KLE-BERG and Mr. WEST were appointed a special committee to investigate and take the matter up? Unlike the gentleman from Chicago [Mr. SABATH], who knows nothing about the pink bollworm, the committee has acted upon information which they have obtained from authoritative sources, and the Bureau of the Budget has approved it?

Mr. MAHON. Yes; the Budget has approved it. Mr. THOMASON. Mr. Chairman, will the gentleman

Mr. MAHON. I yield.

Mr. THOMASON. Is it not true that the State of Texas has done everything in its power to eradicate this pest, and the only way it will ever be permanently eradicated is by the Federal Government taking charge? We ought to pass this amendment and do the job right. The entire cotton area of the South and West will become infested if effective action is not taken.

Mr. MAHON. I think the gentleman is correct. The pink bollworm has now gone deeper into the cotton-producing area of the South and is now a menace to the entire South, and it is up to the entire Nation to get after this pest, which has been coming over from Mexico. It is a national problem.

Mr. ZIMMERMAN. Mr. Chairman, will the gentleman yield?

Mr. MAHON. I yield.

Mr. ZIMMERMAN. I would like to remind my colleague from Texas and also from the State of Illinois [Mr. Sabath] that the southern part of Illinois grows cotton just like the southeast corner of Missouri grows more cotton per acre than any State in the Union except Arizona, where they irrigate. Unless this pest is eradicated, it may be that the cotton in the gentleman's State of Illinois, as well as Missouri and Arkansas and every other State, will be destroyed.

Mr. MAHON. I thank the gentleman. I yield to the gentleman from Arizona.

Mr. MURDOCK of Arizona. I regret to say that the pink bollworm has invaded the cotton districts of southern Arizona and must be checked. No man knows the outcome if we lose this fight.

I heard some remark on the floor that we ought not cooperate with Mexico in an endeavor to stop this pest. I want to remind you that 60 or 75 years ago when the Apache Indians were bad in the Chiricahua Mountains of Arizona, those Indians ran between Arizona and the high mountains of Old Mexico. It was only by the cooperation of the United States Government and Mexico that we were able to control that great enemy of white civilization. In somewhat the same way, only with the cooperation of Mexico and this Government can we control this cotton pest which infests the region on our side of the Rio Grande and the international line, and over in Mexico at the same time.

I favor the amendment offered by the gentleman from Texas.

Mr. MAHON. Mr. Chairman, I thank the gentleman and I yield back the balance of my time.

Mr. DIRKSEN. Mr. Chairman, I rise in opposition to the amendment.

Mr. Chairman, I have a deep affection for the chairman of my subcommittee, the gentleman from Missouri; but you know there are times when he does the most whimsical things; as, for instance, when he leaves his own subcommittee in the lurch. That is the situation here. We discussed this matter at great length in the subcommittee and when the time came to mark up the bill we bandied back and forth across the table and finally determined that \$446,800 was enough. My delightful chairman now gets up on the floor and says that in view of the intense and abiding interest in this matter he feels they ought to recede. Frankly, Mr. Chairman, it can be stated that there is an intense and abiding interest in every matter that goes on on the floor. Surely after due deliberation in the subcommittee we should not recede so easily.

Mr. CANNON of Missouri. Mr. Chairman, will the gentleman yield?

Mr. DIRKSEN. I yield with pleasure to my distinguished

Mr. CANNON of Missouri. The gentleman from Illinois is always more than fair and usually accurate of memory, but in this instance the statement was not that we ought to recede, but that in view of the great interest of the Representatives of that section of the country in the item I was willing to withdraw my opposition and refer it to the House.

Mr. DIRKSEN. I inferred, of course, that the gentleman would take that view of the matter.

Mr. Chairman, this is not a new matter. Consult, for instance, the totals that were supplied to the subcommittee. We find, for instance, that in 1930—that is, 9 years ago—there was an appropriation for this matter. In 1931 we appropriated \$497,000 for pink-bollworm eradication. In 1932 we appropriated a like amount; and with some exceptions we have been appropriating nearly half a million dollars every year since 1931, according to the justifications, and we are no closer to control and eradication, and to a solution of the pink-bollworm problem than we were when we first started. This is manifest in the confession that is made here by the proponents of this amendment who say that the bollworm is going farther. As I remember the testimony of Dr. Rohwer before the committee, he said there is not the slightest assurance that even if we allowed \$2,000,000 under this appropriation bill for pink-bollworm control that we would go any further, that we could make no more intense effort than we could under the item of \$446,800, which is comparable with the amount we have appropriated for this purpose over the last 9 years.

Do not be rocked from your base by a feeling that suddenly a new scourge has appeared that will ruin all the cotton

of the country immediately.

Mr. KLEBERG. Mr. Chairman, will the gentleman yield? Mr. DIRKSEN. I am glad to yield to the gentleman from Texas.

Mr. KLEBERG. I have asked the gentleman to yield for the moment to direct his attention to the apparent misconception and misinformation that exists with reference to this particular pest, and to refer particularly to his statement that no good has come of the money that has been expended.

Mr. DIRKSEN. I did not say that, Mr. Chairman.

Mr. KLEBERG. The gentleman just stated that we had made no advance.

Mr. DIRKSEN. I did not intend to convey the impression that no good had come of it.

Mr. KLEBERG. I did not think the gentleman so intended.

I call the gentleman's attention to the fact that in our fight against the pink bollworm since 1921 it has been driven back to the Mexican border. It is now fighting its way in again until he has been found 30 miles inland. This added money is to keep the pest from going farther.

Mr. DIRKSEN. Mr. Chairman, the gentleman from Texas [Mr. Kleberg] has made the best possible argument against his own amendment, for he has said that it had been progressively driven back during the last few years with the money that was made available, in some instances less than the current appropriation. The current appropriation therefore is enough.

Mr. MARCANTONIO. Mr. Chairman, will the gentleman yield?

Mr. DIRKSEN. I yield.

Mr. MARCANTONIO. I want to make the observation that the additional amount requested is \$400,000. Just 1 week from today 400,000 pink slips will be delivered to W. P. A. workers. That means they will be discharged from the rolls. How about the \$150,000,000 appropriation for the unemployed which is being held up in the Committee on Appropriations?

[Here the gavel fell.]

Mr. SCHAFER of Wisconsin. Mr. Chairman, I rise in opposition to the amendment.

Mr. Chairman, we find ourselves in a rather peculiar position. The New Deal leader, the gentleman from Missouri [Mr. Cannon], in charge of this appropriation bill, a few minutes ago stood in the Well of the House and delivered an unanswerable argument against the pending amendment, with its great increase. The argument which he delivered also indicated the \$446,800 incorporated in the bill as reported by his committee was not justified. I cannot imagine how he can stand on the floor of the House and make such a great fight on this raid on the Treasury and then, after somebody puts the heat on him, turn about face and run to cover the way he has and support the increase of \$460,000 in the pending amendment.

This is, no doubt, one of the New Deal friendly-neighbor policies of Prof. Mordecai Ezekiel, who runs the Agricultural Department. By the way, I think you would be doing a service to the country if you would put a small appropriation in the bill to control Mordecai Ezekiel [laughter] so he may not run around the country and again kill 5,000,000 hogs and turn them into fertilizer; plow up cotton, wheat, and corn, which the good Lord sent for the many American people who our New Deal President said were ill-fed and ill-clothed, in answer to their daily prayer, "Give us this day our daily bread."

The New Deal spent more than a billion dollars under the Mordecai Ezekiel triple A production for destruction program. A few days ago our New Deal brethren, Mr. Hull and Mr. Morgenthau, promulgated another friendly neighbor policy when they agreed to build a pipe line from the American taxpayers' Treasury in Washington to Brazil to transport more than a hundred million of our American taxpayers' dollars to Brazil in order to help the Brazilian producers of cotton—who have already absorbed a great deal of our American export cotton market—take the rest of our foreign cotton markets.

Under the pending amendment you intended to raid the Federal Treasury to the tune of \$460,000 to help cotton producers in Mexico so that they might be in position to supplant

American cotton in foreign lands.

I sincerely hope my New Deal friends, particularly from the city districts, will follow the very able opposition presented by the dean of the House and chairman of the Rules Committee, the distinguished gentleman from Illinois [Mr. Sabath]. When you vote, follow him, for he is right on this amendment. You have no obligation to follow your other leader, the gentleman from Missouri [Mr. Cannon], who has charge of the bill, because he delivered a devastating attack in opposition to the amendment on the floor of the House and turned about face and supported it a few moments later.

[Here the gavel fell.]

Mr. McCORMACK. Mr. Chairman, I move to strike out the last two words.

Mr. Chairman, I can hardly agree with the statements made by my distinguished friend from Wisconsin in reference to the heat being put on the distinguished chairman of the subcommittee. I was uncertain how I was going to vote on this increase until I saw the great interest of my distinguished friend, the majority leader; and knowing that he would not manifest interest in favor of an increased appropriation unless he felt it was necessary, that determined my mind to vote for it. I admire my friend from Missouri for having the flexibility of mind of making a speech in opposition to the amendment [laughter] and then being so readily capable of accepting new evidence which would cause him to change his mind. I think, instead of being subject to criticism, the gentleman from Wisconsin should join with me in congratulating our distinguished friend from Missouri for having such a flexible mind. So far as I am concerned, I am going to vote the increase, because the southern problem is a very unique one. Cotton is the economic king of the South, and we must realize it has been so for generations. As a matter of fact, history shows that the invention of a machine some 100 years ago changed the whole economic outlook of the South. Cotton is still its main activity. Its whole life is, in the main, centered around cotton. So far as I am concerned, I am going to resolve the doubt in favor of the viewpoints of the men who represent that great section, the same as I will in favor of the men who represent the wheat areas, or the corn areas. Having no knowledge myself, I resolve any reasonable doubts I may have in favor of the views of Members who represent those districts, as I feel they are conversant with the situation.

Mr. Chairman, I want to make one additional observation. A few days ago in a deficiency bill being considered by the Committee of the Whole House on the state of the Union \$200,000 was inserted to meet a similar problem in New England, New Jersey, and adjoining States with reference to the Dutch elm disease. The chairman of the subcommittee, the gentleman from Virginia [Mr. WOODRUM] said he would not ask for a separate vote. Unfortunately, and within his rights as a Member, my distinguished friend from Wisconsin [Mr. Schafer], a Republican, demanded a separate vote, as a result of which this meritorious appropriation so vital to New England and New Jersey was defeated. From New England come 22 Republican Congressmen and 7 Democratic Congressmen. Most of the Members from New Jersey, as I remember it, are also members of the Republican Party. The amendment was offered by my distinguished friend from New Jersey [Mr. Eaton] for whom I have highest feelings of respect, and the strongest feelings of friendship. I know how disappointed he must have felt to know that the separate vote demand came from his own side, the Republican side of the House. Today, when an amendment was offered to increase the appropriation in the bill from \$100,000 to \$374,000, as a Democrat from New England, I am glad that no Democratic Member raised a point of order. Unfortunately the point of order that was raised came from the Republican side.

I sympathize with my distinguished Republican colleagues from New England and New Jersey in that unfortunate

action.

Mr. SCHAFER of Wisconsin. Will the gentleman yield?
Mr. McCORMACK. I yield to the gentleman from Wisconsin

Mr. SCHAFER of Wisconsin. The gentleman realizes that the Democrats have a preponderant majority in this House and if they wanted to pass the \$200,000 elm-eradication appropriation they could have done so. Really the minority is not responsible for the failure of the passage of legislation.

Mr. McCORMACK. Is the gentleman from Wisconsin trying to duck?

Mr. SCHAFER of Wisconsin. Oh, no.

Mr. McCORMACK. The gentleman demanded a separate vote on a Republican amendment adopted in the Committee of the Whole. A Republican from Wisconsin demanded a separate vote and it was the gentleman's action that brought about that separate vote.

Mr. SCHAFER of Wisconsin. And the Democratic majority killed the amendment.

[Here the gavel fell.]

Mr. LAMBERTSON. Mr. Chairman, I rise in opposition

to the pro forma amendment.

Mr. Chairman, I appreciate all that the gentleman from Massachusetts, a distinguished and able Member, has said; but he is very typical of the New Deal Democrats and all Democrats generally in the last 5 years who are in favor of all increases. If this country is going to continue that way it will not last very long.

Mr. Chairman, we are up against a powerful force when the Texas delegation gets together and begins to get active. It is a tremendous force to overcome. I warned the committee in general debate that what we were going to have to fight in this bill were increases. A lot has been said about having exceeded the Budget.

There have been no increases up to this time in the bill and we have done a good job. This provision in the bill is nothing new. As my able colleague has explained to you, it is 8 or 10 years old. We have given this item careful consideration.

Mr. LUTHER A. JOHNSON. Mr. Chairman, will the gentleman yield?

Mr. LAMBERTSON. I yield to the gentleman from Texas. Mr. LUTHER A. JOHNSON. In regard to the remark in which the gentleman quoted the gentleman from Illinois as saying that nothing has been done, may I say we have kept the pink bollworm from spreading, so something has been accomplished.

Mr. LAMBERTSON. It seems to me we have allowed an ample appropriation.

I recall that 10 years ago when I came here, a Member from Alabama, Mr. Huddleston, a very distinguished and able man, stated—not like the gentleman from Massachusetts: when uncertain he always resolved the doubt on the side of spending—that "if you always vote 'no' you will be right nine out of ten times, and you do not have to think about what you are doing." That is a pretty safe policy.

Mr. RICH. Mr. Chairman, I move to strike out the last three words.

Mr. Chairman, if there is any man in the House whom I would like to favor it is the gentleman who offered this amendment, Mr. Kleberg, the fine, distinguished Congressman from Texas. I think a great deal of him, and I know he tries to do a good job for his constituents. Probably they need \$500,000 additional for the control of the pink bollworm. Probably they could use \$2,000,000. However, when you set up an organization for the purpose of trying to control these

diseases, like the departments we have established, it keeps increasing and increasing and asking for additional appropriations. They are like a snowball coming down a mountain; they get larger and larger all the time. They never decrease unless we cut them down. From \$500,000 the departments want to increase to \$1,000,000, and then it may be raised to \$1,500,000, and after awhile the request may be as high as \$2,000,000. There is no stopping. There is no place where we are able to cut down expenses, unless we keep them down to the minimum or else cut them down to rock bottom.

The gentleman from Massachusetts [Mr. McCormack]. one of the leaders of the majority, stood here and congratulated the majority leader for coming on the floor and asking an increased appropriation. Then he spoke about the chairman of the subcommittee asking for more money for a particular item. I say to you, Mr. Chairman, that very few times in the last 6 years when anyone has been talking about cutting down an appropriation have I seen anyone in the leadership on that side of the House stand up and say, "We want to cut down expenses." The condition in which we find ourselves is deplorable as far as it concerns this attitude on the part of the leader, the gentleman from Texas; the leader, the gentleman from New England; and the leader, the gentleman from Missouri; and every Member on this side of the aisle are spenders; they do not practice economy; all they know is spend, spend, increase appropriations, and ruin our financial stability as a Nation.

We find ourselves in a most serious and precarious position. In the last fiscal year the Federal Government spent more than \$21,000,000 a day, or approximately \$15,000 a minute, day and night, and currently is spending still more. although the deficit is increased, since July 1 last to March 21, over two and one-quarter billion dollars. If I thought that spending all these dollars and adding to the national debt for your children and your children's children to pay was the solution of our problems, I would be here trying to get more money, but I have tried to be conscientious in my effort. I dislike to come here and fight increases in appropriations, but just as sure as the sun will shine tomorrow morning, just as sure as there is a good Lord in heaven, and just as sure as the people in this country are under a free American republic, disaster is going to overtake us if we do not cut down the enormous burden we are placing on our children and our children's children, to take care of an obligation we are not big enough to take care of ourselves. You should be ashamed of yourselves. You are not big enough to assume the responsibilities of leadership in this House of Representatives. We say, "We will create a debt. What do you care whether it is \$40,000,000,000 or \$45,000,000,000, or \$60,000,000,000? Let the children pay it." Then, when the time comes for them to take care not only of the financial difficulties with which they are going to be confronted but the debt we are leaving on their shoulders, the children of this Nation will not be able to stand the burden of the debt caused by this administration's folly. It is a disgrace to this administration and will be a millstone around future Americans' necks.

Mr. RANKIN. Mr. Chairman, will the gentleman yield? Mr. RICH. I cannot yield. I have not the time.

Let me quote the words of Franklin D. Roosevelt, spoken in Pittsburgh on October 19, 1932:

Taxes are paid in the sweat of every man who labors.

[Applause.]

[Here the gavel fell.]

Mr. SMITH of Ohio. Mr. Chairman, I rise in opposition to the amendment.

Mr. Chairman, I dislike very much to appear on this floor so often, but to sit here and see this appropriation measure passed without saying something about it is impossible. Here is \$1,155,383,558 being appropriated, ostensibly for the purpose of helping agriculture. This is about one-eighth as much as the entire income of the farmers.

On a reasonable income basis—allowing 13.5 percent of the total national income as the farmers' share—their share of the taxes to meet this appropriation will be \$155,977,000. On a population basis, which comes perhaps nearer to the truth,

the farmers will have to pay more than \$277,000,000 in taxes

to pay for this appropriation.

Furthermore, no less than 25 percent of this appropriation is sheer waste. Considering the financial distress of our Nation, of the want of bread by our people, and especially the distressed condition of the agricultural group that this appropriation is supposed to help, the amount called for in this appropriation is at least twice as much as it ought to be,

It is perhaps one of the strangest paradoxes in the history of lawmaking to see our Congress here granting to the major industrial division of our economy, agriculture, what is naively called a subsidy, or parity. As though it were possible to grant agriculture a real subsidy in the sense of taking money from the other industrial division without lowering correspondingly agricultural income, is to say the least, and not to be too uncharitable, irrational.

I also cannot refrain from expressing an opinion on the low plane to which the discussion of this measure has descended. We have actually witnessed W. P. A. and agriculture being made into mere political pawns. We have seen the attempt made to use these pawns as trading stock for votes. "Guarantee us who represent the cities that you agricultural people will vote for W. P. A. and we will vote for your appropriations." Has it really come to this, that Congressmen regard group votes as mere political wares to be hawked and traded here on this floor to each other?

I trust there will be a record vote on the final passage of this measure so I can record my vote against it. There are things in it I would like to vote for but I cannot vote for the bill as a whole.

I could never go back to my district and face my people if I voted for this measure.

I came here to help the farmers, not to rob them. [Applause.]

Mr. CANNON of Missouri. Mr. Chairman, I ask unanimous consent that all debate on this paragraph and all amendments thereto close in 10 minutes.

The CHAIRMAN. Is there objection to the request of the gentleman from Missouri?

There was no objection.

Mr. RANKIN. Mr. Chairman, I move to strike out the last four words.

Mr. RAYBURN. Mr. Chairman, will the gentleman yield? Mr. RANKIN. I yield to the gentleman from Texas.

Mr. RAYBURN. Mr. Chairman, I believe we have reached the point in the consideration of this bill when it will be necessary to enforce the rule that Members must discuss the pending amendment. I believe we may save a great deal of time if that is done. I expect, therefore, to insist upon the observance of that rule henceforward.

Mr. RANKIN. Mr. Chairman, I was very much amused while listening to the remarks of the gentleman from Ohio [Mr. Smith] and the gentleman from Pennsylvania [Mr. Rich]. They remind me of some boys down on the Tennessee River back in the Volstead days who went out one night to get some "wildcat" liquor, and lo, they found it. They got full and came back to the river about midnight, jumped in their boat, grabbed a paddle apiece, and paddled till sun-up next morning without reaching the bank. Finally one of them looked around and discovered they had never untied their boat. [Laughter.]

These gentlemen offer no solution of our problems. They propose nothing that will help relieve the situation, but continuously quibble about balancing the Budget on the present price levels. The gentleman from Pennsylvania [Mr. Richlalked about our children paying the debt, about our unloading this debt onto our children. We are not going to do anything of the kind if we act wisely and use the gold supply we have to expand the currency so as to restore prosperity. Then we can balance the Budget, meet our obligations, and gradually pay off the national debt. But if we leave this debt to our children they will likely repudiate it. The bondholders who got rich back in the palmy days of the World War, or back in the palmy days of Mellon prosperity, who now have their money invested in tax-exempt securities, who are con-

trolling every big newspaper in this country, and who are trying to dictate to the Congress to balance the Budget on the present price levels—they are just as surely headed for the wreck of repudiation if we keep on. Our only chance to restore normal prosperity in this country is through a reasonable, controlled expansion.

You cannot any more balance the Budget on present price levels than you can fly, and let me say to the gentleman from Ohio it has not been balanced since the World War. I know they will tell you here that they balanced it during the Harding-Coolidge-Hoover regime. They did not do anything of the kind. They sold war materials, liquidated the obligations that we had made during the war when we thought the war would go on for several years, and use that money; but go back and search the Federal income and expenditures and you will find we have not balanced the Budget with current revenues since the World War, and you never will have a balanced Budget in this country on the present price levels. So, if we are going to restore prosperity, peace, and contentment to our people, we are going to have to use our gold supply for the purposes for which it was created-to expand the currency-not for this group of international or Wall Street bankers that control the Federal Reserve System to manipulate, but issue it in the right way, as the Constitution provides, by the Congress and the President, and control its value as well as its volume.

Then you can have a limited, controlled expansion, and if you do not do that, you are going to burst into wild and uncontrolled inflation, or else you are going to see the national debt repudiated. You cannot force Congress to pay a debt.

We are headed for one of three things: Reasonable, controlled expansion of the currency on the gold reserve we have, national prosperity, peace, and contentment, or wild and uncontrolled inflation with all the wreck and ruin it brought to Europe a few years ago, or ultimate repudiation of the national debt which would simply mean chaos and ruin [Applause.]

[Here the gavel fell.]

Mr. KEEFE. Mr. Chairman, I have just a very brief comment to make. I have been sitting here carefully analyzing this bill, and I note that the proposition now before the House involves the eradication of fruit insects, Spanish flies, Japanese moths, citrus canker, European corn borers and phony peach and peach mosaic, forest insects, moths, insects and worms and borers of various kinds, and I compliment the Congress in paying attention to the necessity of destroying these insect pests; but I also want to call the attention of the Congress at this time to another fact and I am going to reiterate it from time to time during my membership in this House.

There are some borers and some insects and some worms that work in here in America that are more destructive than any of these moths and worms that you are appropriating money to defend yourselves against, and these are the communistic worms and borers that are working from within our democratic institutions and structures and are seeking to destroy our form of government. [Applause.] And if you are going to build up this barrier against the fruitfly from Mexico and the borer from Mexico, it seems to me it is high time that we begin to build up a barrier against the insidious propaganda that is emanating from Soviet Russia and these other borer countries that seek to destroy us, and appropriate more than the mere \$100,000 to aid the distinguished gentleman from Texas and his committee to bring legislation here to stop these worms and these borers from destroying us. [Applause.]

Mr. MURDOCK of Arizona. Mr. Chairman, I trust you will be as lenient with me and my discussion of this amendment as of preceding speakers.

I have heard much said about the huge debt we are piling up for our posterity. I want to assure you as the father of three splendid children that I, too, think of posterity. I recall the use by the founding fathers of that phrase in the preamble of the Constitution of the United States where it says, "for ourselves and our posterity we do ordain and establish." It has been asked by some wag, "What has posterity

done for me that I should do anything for him?" Apparently throughout American industrial history there has been a lot of acting in this latter spirit. I want to tell you there is more than one way of thinking and acting seriously toward our posterity. I am more concerned about the kind of a country we leave our children than I am about a set of books.

The gentleman from Pennsylvania [Mr. Rich] calls repeated attention to the debt we are piling up, which, he says, must be paid by our posterity. There is something else we can hand on to posterity in addition to a debt, and if I had more time to discuss it, I might take issue with the gentleman with regard to passing on a debt to posterity. Every time we have a war we create a debt, some of which we may pass on to posterity, but the large part of it the generation that fights the war has to pay, and this is true not only of a military war but a war of some other kind such as we have been passing through. In general, we have for several years been fighting a war against poverty, and in this bill we are fighting evil nature.

If you want to pass on disease, if you want to be niggardly in your appropriation for the Health Service in combating the social diseases, for instance; if you want to be miserly in supporting the forces of law and order and thus let crime flourish; if you want to pass on insect pests; if you want to pass on the boll weevil, the chinch bug and the pink bollworm and those things which can destroy us, and allow them to get a foothold on this continent and increase their destructive powers, you can pass all that on to our children, too.

In our fight against the insect world, with all the knowledge and ability that science has put in our possession, we shall have a tremendous struggle to escape final conquest by the insect world. We know that one variety of insect pest after another has come to destroy our crops and our orchards, and I want to say to you that I realize the terrible possibilities of the insect pests and plant diseases, as well as of human diseases, no matter what part of the country we may be considering. I do not want to see the elms of New England, the "elms of dear old Yale," the elms of New Jersey, or any other elms conquered by a pest or disease. My vote has been consistent with that philosophy.

In Arizona the pink bollworm appeared several years ago but, as I am informed, it was brought under control if not entirely wiped out for a while. Now, it has appeared again within 20 miles of my home in one of the most fruitful parts of our cotton areas. Let us put the agricultural G-men after it more effectively. [Applause.]

[Here the gavel fell.]

The CHAIRMAN. The time of the gentleman from Arizona has expired. All time has expired. The question is on the amendment offered by the gentleman from Texas [Mr. Kleberg].

Mr. DIRKSEN. Mr. Chairman, I ask unanimous consent that the amendment be again reported.

There was no objection and the Clerk again reported the Kleberg amendment.

The CHAIRMAN. The question is on agreeing to the amendment offered by the gentleman from Texas.

The question was taken; and on a division (demanded by Mr. Kleberg) there were—ayes 66, noes 138.

So the amendment was rejected.

The Clerk read as follows:

Insects affecting man and animals: For insects affecting man, household possessions, and animals, \$175,000.

Mr. CALDWELL. Mr. Chairman, I offer the following amendment, which I send to the desk.

The Clerk read as follows:

Amendment offered by Mr. CALDWELL: Page 58, line 18, strike out "\$175,000" and insert "\$181,500."

Mr. TABER. Mr. Chairman, I make the point of order that the additional amount is not authorized by law.

Mr. CALDWELL. Mr. Chairman, it seems to me that if the original amount in the paragraph is authorized, then the amendment would be authorized. The CHAIRMAN. The point of order is overruled. The gentleman from Florida is recognized for 5 minutes.

Mr. CALDWELL. Mr. Chairman, in a few words I shall state the purpose of the requested increase. It appropriates \$6,500 to be used by the Bureau of Entomology and Plant Quarantine to employ a full-time entomologist, seasonal assistants and operating expenses, for the sole purpose of conducting a careful study of the pest locally and commonly known throughout the Central West, and the Southeastern area of the country, as the cattle fly, or in some localities as the stable or dog fly, the scientific name of which is Stomoxys calcitrans. This fly is about the size of the ordinary housefly, and its bite very painful, and sometimes dangerous, and is a pest of increasing importance. The Department of Agriculture advises me that the average yearly damage from this pest approximates \$8,000,000. I am requesting a bit less than one one-thousandths of this annual damage to conduct the research. No one now knows just where or how the fly originated, nor where it goes. When we have determined where it breeds and what its habits are we can undertake some appropriate measures of eradication. The Department states that within recent years the fly has become of increasing economic importance in the Southeast, particularly along the Atlantic and Gulf coasts, due to the greater development of stock raising. Because of the invasion of the Southeast by the screwworm, the dog fly has increased the damage inflicted by that parasite by inducing an infestation of magots in the sores resulting from its bites.

It will be remembered that a few years ago we appropriated a considerable sum of money for the eradication of the screwworm in the Southeast, and one of the causes of the difficulties which beset us in that effort was this same pest. I am anxious to provide the Department of Agriculture with enough money to employ one full-time entomologist to undertake a worth-while investigation of this problem and shall appreciate your careful thought and consideration in determining what is to be done with the proposed amendment. I am very much in earnest about it. It is a matter of vital interest to the entire Atlantic coast from Long Island southward and on the Gulf.

Mr. AUGUST H. ANDRESEN. Mr. Chairman, does this also call for a study of the insect commonly known as the mosquito?

Mr. CALDWELL. No.

Mr. AUGUST H. ANDRESEN. Does it only take in the ordinary housefly?

Mr. CALDWELL. I do not propose a study of the housefly. The pest I refer to is similar in appearance to the housefly, but is in fact quite different. It is a cattle fly, and its sting is very painful to man and damaging to animals.

Mr. TARVER. Mr. Chairman, will the gentleman yield?

Mr. CALDWELL. Yes.

Mr. TARVER. The gentleman made a very strong presentation of this matter in committee. I think I should state that the committee in passing on numerous propositions of a similar nature failed to take into consideration and discussion or to pass on the gentleman's amendment.

Mr. DONDERO. Mr. Chairman, does the gentleman's amendment include what they call in the Great Lakes section the fish fly? We have billions there in the beginning of every

season and they are a great pest.

Mr. CALDWELL. I do not think that the insect pest that I am speaking of is the same as that which the gentleman has in mind. This seems to be indigenous to the central portion of the country and to the coast lines along the Atlantic and the Gulf.

Mr. CANNON of Missouri. Mr. Chairman, I ask unanimous consent that all debate on this paragraph and all amendments thereto close in 5 minutes.

The CHAIRMAN. Is there objection?

There was no objection.

Mr. HOBBS. Mr. Chairman, I move to strike out the last word.

So far as I know, Mr. Chairman, there has never been even one of these "cattle" or "dog" flies in my district, nor

in my section of Alabama, but I do happen to know something of the Gulf coast, and I have seen the damages inflicted by the ravages of this fly and the threat of other losses, which far exceed the damages estimated by the Department of Agriculture. I have seen the wind change and an entire hotel full of people vacate and leave that coast. This infestation is now in its incipiency, and I envision, honestly, that it may develop and spread to the extent that it will be a nuisance, and a painful, poisonous nuisance, causing a grave economic loss, not only on the Atlantic seaboard and Gulf but in many other regions of this Nation.

As the gentleman from Florida [Mr. CALDWELL] has so well said, this appropriation is for only one man to act as a sort of F. B. I. investigator to seek out the haunts and breeding places of this pest and make a report to the Department of Agriculture as to how it may be eradicated. Complete eradication is possible now. The cost of this service is estimated by the Department of Agriculture at less than one one-thousandth of 1 percent of the loss which they estimate is sustained annually from this poisonous biting of cattle and other livestock, but I maintain over and above that estimate there is the other economic loss which I have mentioned. While not interested in this amendment at all from an immediate standpoint, I do most earnestly beseech you ladies and gentlemen of the House not to laugh this case out of court. It was inadvertently omitted from consideration by the committee, as Judge Tarver has told you, and we bespeak of you, while the problem is still small and involves a very small expenditure of the taxpayers' money, your serious consideration. Those of you who think this through will vote with us to adopt this amendment. Thank you.

[Here the gavel fell.]

The CHAIRMAN. The question is on the amendment offered by the gentleman from Florida [Mr. CALDWELL].

The question was taken; and on a division (demanded by Mr. Rich) there were ayes 62 and noes 56.

So the amendment was agreed to.

The Clerk read as follows:

General administrative expenses: For necessary expenses for general administrative purposes, including the salary of Chief of Bureau and other personal services in the District of Columbia, \$118,000.

Mr. RICH. Mr. Chairman, I offer an amendment. The Clerk read as follows:

Amendment offered by Mr. Rich: On page 61, line 19, strike out "\$118,000" and insert "\$110,000."

Mr. RICH. Mr. Chairman, I am asking that this be cut down from \$118,000 to \$110,000. This leaves the amount at the same place it was last year for overhead expenses in the District of Columbia.

I realize that in the Biological Survey you have increased this appropriation over \$700,000, but this is the money that is to be expended in the District of Columbia. We are increasing the Bureau and as we increase the Bureau each and every year we will be requested to furnish additional sums of money in the field. I feel confident that if the people in the Biological Survey or any of the other bureaus will give more time to the work of the office instead of spending so much time coming here to the Capitol, trying to intercede in securing additional funds for the various bureaus, they will be able to do the work and keep down overhead. I think the time has come when we must try to keep this Bureau and all other bureaus down to the point where they were, if possible, last year. I think we can do that if we will try to keep the bureaus from increasing their District of Columbia organizations. They can very easily spend the money that is appropriated in this bill for this Bureau this year, in the field, without increasing the office here, even to the extent of the increase of \$725,000. If it is necessary, we can leave out the Upper Mississippi Wildlife Refuge, where we are spending \$60,000 for additional land for this refuge. I feel confident there are many States in the Nation today which would be willing to contribute the ground to make these wildlife refuges instead of making the Federal Government pay for them.

I think that any State that is interested or has interceded to have a refuge within its own borders ought to present to this country the land upon which those refuges should be established. I think that should be the policy, and if it were the policy and we strictly adhered to it, we would find out that all the sportsmen of this country would rally to the wildlife refuge and would see to it that we got the proper land upon which to build them in every State, thus we would save the Federal Treasury from this ever-increasing urge for the Government to continually buy more land.

I spoke to you a while ago and I wanted to quote Franklin D. Roosevelt in his address at Pittsburgh on October 19, which is apropos of this amendment or any other one,

wherein he said:

Taxes are paid in the sweat of every man who labors. If excessive, they are reflected in the idle factory, tax-sold farms and hence in hordes of the hungry tramping the streets and seeking jobs in vain. Our workers may never see a tax bill but they pay in deduction from wages and increased cost of what they buy or in broad cessation of employment. Our people and our business can not carry excessive burdens of taxation.

If there ever were a truthful statement uttered, that was it. But we have these various appropriation bills asking for increases in the amounts of money to build up the organizations in the city of Washington, and then I think we put ourselves in a position where each and every year we are going to be requested for additional funds to maintain them.

WHERE ARE YOU GOING TO GET THE MONEY?

The President says that taxation and excessive taxation are reflected in idle factories and hordes of the hungry tramping the streets. Well, we find curtailed production in industry from excessive taxation, and from strangulation of laws by the New Deal. We should change the Wagner Act and the N. L. R. B. if you want to help industry and employ labor, and do it at once. Restore confidence in industry and you will employ labor.

I hope the members of the committee will support this amendment because I feel sure there is money enough now appropriated to take care of this department of our Government, for the year beginning July 1 next.

We can never hope to economize if the leaders are always asking for increases. They are responsible as leaders. Will they economize? Will they keep the bureaus to last year's standard or are we going to hold them to that level. Your vote will decide.

Mr. DIRKSEN. Mr. Chairman, I rise in opposition to the amendment.

Mr. CANNON of Missouri. Mr. Chairman, will the gentleman yield?

Mr. DIRKSEN. I yield.

Mr. CANNON of Missouri. Mr. Chairman, I ask unanimous consent that all debate on this paragraph and all amendments thereto close in 5 minutes.

The CHAIRMAN. Is there objection to the request of the gentleman from Missouri?

There was no objection.

Mr. DIRKSEN. Mr. Chairman, my good friend, the gentleman from Pennsylvania, is indeed a very versatile person. He begins with an amendment to strike \$10,000 from administrative expenses in Washington, D. C., and winds up on a wildlife refuge out along the Mississippi River.

I hope you will vote the amendment down, for while there is an increase of \$10,000 in administrative expenses, it is not the fault of the Biological Survey or its Director. You must remember that there is on the books the General Accounting Act of 1921 which authorizes the General Accounting Office to modernize and streamline the departments of the Government. They have started in the Department of Agriculture. They started in the Bureau of Biological Survey. Mr. Gabrielson, the very able Director of this Bureau, has nothing to say about it. The General Accounting Office says to him: "Here is the system that you must follow."

He can shout to high heaven, but it will do no good—he is going to have to install it; and because the General Accounting Office has insisted that this is to be installed, it automatically increases the administrative cost something in the neighborhood of \$8,000 to \$10,000. This is the only reason the increase is reflected by the committee action. I hope, therefore, the amendment offered by the gentleman from Pennsylvania to strike \$10,000 from administrative expenditures that are occasioned by the General Accounting Office of this Government will be voted down.

The CHAIRMAN. The question is on the amendment

offered by the gentleman from Pennsylvania.

The amendment was rejected.

The Clerk read as follows:

For the acquisition of areas of land or land and water pursuant to the act entitled "An act to establish the Upper Mississippi River Wildlife and Fish Refuge", approved June 7, 1924 (16 U. S. C. 721-731), as amended, and for all necessary expenses incident thereto, to remain available until expended, \$60,000.

Mr. DIRKSEN. Mr. Chairman, there is an apparent mis-print on page 61. I thought perhaps the chairman of the subcommittee might wish to correct it.

Mr. CANNON of Missouri. Mr. Chairman, I ask unanimous consent that the Clerk be authorized to correct the totals.

The CHAIRMAN. Without objection, the correction will be made.

There was no objection.

The Clerk read as follows:

MIGRATORY-BIRD CONSERVATION FUND

For carrying into effect the provisions of section 4 of the act entitled "An act to supplement and support the Migratory Bird Conservation Act by providing funds for the acquisition of areas for use as migratory-bird sanctuaries, refuges, and breeding grounds, for developing and administering such areas, for the protection of certain migratory birds, for the enforcement of the Migratory Bird Treaty Act and regulations thereunder, and for other purposes," approved March 16, 1934, as amended by an act entitled "An act to amend the Migratory Bird Hunting Stamp Act of March 16, 1934, and certain other acts relating to game and other wildlife, administered by the Department of Agriculture, and for other purposes," approved June 15, 1935 (16 U. S. C. 718-718h), an amount equal to the sum received during the fiscal year 1940 from the proceeds from the sale of stamps, to be warranted monthly; and in addition thereto an amount equal to the unobligated balance on June 30, 1939, of the total of the proceeds received from the sale of stamps prior to July 1, 1939: Provided, That the sum of \$125,000 shall be advanced from the general fund of the Treasury on the first day of the fiscal year to the foregoing appropriations, to be returned to the surplus fund of the Treasury when the first \$125,000 of revenue from the sale of stamps has been received and warranted for the fiscal year 1940. fiscal year 1940.

Mr. GIFFORD. Mr. Chairman, I offer an amendment. The Clerk read as follows:

Amendment offered by Mr. Gifford: On page 66, line 7, after the word "funds", strike out the following: "for the acquisition of areas for use as migratory-bird sanctuaries, refuges, and breeding grounds, for developing and administering such areas."

Mr. GIFFORD. Mr. Chairman, I ask unanimous consent that I may proceed for 3 minutes in addition to the 5 to which I am entitled.

The CHAIRMAN. Is there objection to the request of the gentleman from Massachusetts?

There was no objection.

Mr. GIFFORD. Mr. Chairman, I have a real grievance against this migratory bird conservation fund. Is it possible that a Congressman has no persuasive influence in the representation of his district? Have we delegated such power to this Biological Survey that a protest from the Representatives of the people, the protest of the entire district affected, including town officials and chambers of commerce, will not deter them from taking land such as they may see fit to acquire?

I am proud of the district I represent, a 90-mile peninsula-it might now be called an island-the right arm of the Commonwealth of Massachusetts; and my people settled in that region because of certain natural advantages which existed there—the deep-sea fisheries, the shell fisheries, and the migratory birds that formerly furnished considerable sustenance and one of the means of their livelihood. We formerly had the privilege of taking a brace of birds for our own use during the entire season of their flight. Times have changed. Under the conservation idea they wish to take large sections of our land contrary to the desire of everybody in the locality. The conservationist, so called, who is oftentimes the greatest shooter of them all, now enjoys the zone system. He shoots in my zone for a month, then moves to the next zone, and shoots there for another month. He follows the zones with his pump guns and his expensive paraphernalia. After he shoots in my section for a month he says to us, "Don't you kill one of those birds until I return next year." So the birthright of my people has been taken away and we have had to submit to this outside interference, thereby losing our natural rights. Until some 2 years ago we had the shooting boxes where the wealthy man could use those traitorous birds to call their brothers down to their doom. His hired men could notify him when the birds arrived and he would then hurry to the kill. This was a murderous method.

I hope that I am a true conservationist. I purchased a section of land some 3 years ago to get rid of a shooting box. My people are willing to buck the cold, and the wind, and the tide to hunt and kill a brace of birds for food. They have to give up these rights to please so-called conservationists. I have had much trouble over this situation, and received many protests. Today, in this morning's mail, and for the last week, I have had letters telling of agents getting options on land in one large section of my home district. This Bureau seems determined to force upon us a large conservation project against the protest of practically eevry individual in the area. This agitation began some 5 years ago.

The chambers of commerce representing that whole 90 miles of the peninsula of Cape Cod have sent me strong protests against the taking of this land; yet this Bureau is apparently proceeding, in spite of all our protests, to take options on that land. I wish I had a map of that section available at the moment.

If they want to take a certain area, as they have done in the Mississippi Valley, I have no objection. But I want to cut out a certain section of this act, and insist that they specify the lands they wish to take. Let them inform the Congress that we may protect ourselves. This delegated power of eminent domain should not be used against solid protests from the sections affected.

This delegation of power to bureaucrats is constantly increasing. Was it not bad enough when we allowed them to draw lines across the country, saying, "zone 1," then "zone 2," "zone 3," and so forth?

Mr. Chairman, I came to Washington as far back as 1921 to protest these arbitrary zones. Our objections seem not particularly persuasive with this particular Bureau.

Mr. O'CONNOR. Will the gentleman yield? Mr. GIFFORD. I yield to the gentleman from Montana. Mr. O'CONNOR. Will the gentleman explain his amend-

ment? I would like to hear it.

Mr. GIFFORD. I simply take out those few lines where it says: "For the acquisition of areas for use as migratory-bird sanctuaries." I would make them state definitely the exact location and area they intend to take, before the money shall be appropriated.

Mr. O'CONNOR. I sympathize with the gentleman's remarks.

Mr. GIFFORD. I should think the gentleman would.

Mr. O'CONNOR. I have had the same experience. Mr. HOFFMAN. Will the gentleman yield?

Mr. GIFFORD. I yield to the gentleman from Michigan.

Mr. HOFFMAN. The gentleman realizes that right here in Washington after the season on wild fowl closes you can go down toward Alexandria and buy canvasbacks and mallards.

Mr. GIFFORD. I realize that much of this so-called conservation is a mockery. I do not dare go near my farm for a month each year when the outside sportsmen arrive. They come in with their pump guns and their trained dogs and shoot us up, and then say, "Don't you kill one until we return next year.'

Who are these sportsmen? They are people who are charged \$1 to \$3 for a license in the hope of getting sufficient funds to support the Bureau. Clubs are formed in the cities and when the shooting holiday arrives they go after their

Mr. LEAVY. Does not the gentleman think the remedy he seeks should not be by an appropriation measure but through

Mr. GIFFORD. I do not know, but it might very easily be done here by striking out this delegation of power. I realize my amendment itself is not very effective. This protest comes from almost the entire electorate of that section of my district. Suppose you were in this position. There are 14 municipalities in that area protesting through the chambers of commerce and the town officials. Yet in spite of all this protest they are taking options even at this moment although we have been fighting the proposition for 5 long years. This Bureau should be forced to come here and ask for permission to buy certain areas and not be allowed to impose its will, as I have pictured to you today.

Mr. Chairman, I appeal to the Members to vote for my amendment. It will at least serve as an expression of our

purposes, which may be heeded.

[Here the gavel fell.]

The CHAIRMAN. The question is on the amendment offered by the gentleman from Massachusetts [Mr. Gifford].

The question was taken; and on a division (demanded by Mr. Gifford) there were—ayes 91, noes 72.

So the amendment was agreed to.

Mr. AUGUST H. ANDRESEN. Mr. Chairman, I offer an amendment, which I send to the Clerk's desk,

The Clerk read as follows:

Amendment offered by Mr. August H. Andresen: Page 66, line 6, insert "Provided, That no part of said sum shall be used to purchase agricultural or pasture land."

Mr. AUGUST H. ANDRESEN. Mr. Chairman, when the Upper Mississippi Wildlife Refuge Act was passed, the original act provided for the acquisition of land and/or water. The act specifically provided that none of the funds should be used for the acquisition of lands that could be used for agricultural purposes.

The reason I am offering this amendment is to stop the Biological Survey from condemning land that is definitely used for agricultural purposes in the Upper Mississippi Wildlife Refuge. At the present time the Biological Survey has started condemnation proceedings against 16 to 18 farmers to take away from them their pasture and agricultural land. This is not a conservation proposition, for the reason that this pasture and other farm land cannot be used for conservation purposes; but the Department is determined to go into court to ascertain whether or not it has the right to take agricultural land when the act specifically provides it cannot do so.

These farmers do not have the money to employ expensive counsel to defend themselves, while the Biological Survey has the entire staff of the Department of Justice and its highpriced lawyers who are out there persecuting the farmers in my district. If these farmers lose their land, they will have to move away from the section in which they and their parents have lived for a period of 50 or 60 years. If these farmers lose their land, they cannot continue their farming operations because they must have this agricultural and pasture land in order to carry on their farming enterprise.

Mr. Chairman, I ask the Members of the House to place this limitation upon the appropriation so that the Biological Survey cannot use any of this fund to acquire land used for agricultural purposes, which was strictly prohibited in the original Upper Mississippi Wildlife Refuge Act. I hope the amendment will be adopted. It is in conformity with the original act as passed in 1924.

Mr. CANNON of Missouri. Mr. Chairman, we ask for a vote on the amendment.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Minnesota.

The question was taken; and on a division (demanded by Mr. Cannon of Missouri) there were—ayes 86, noes 82.

Mr. CANNON of Missouri. Mr. Chairman, I demand tellers.

Tellers were ordered, and the Chairman appointed as tellers Mr. August H. Andresen and Mr. Cannon of Missouri.

The Committee again divided; and the tellers reported that there were—ayes 107, noes 122.

So the amendment was rejected.

The Clerk read as follows:

FEDERAL AID IN WILDLIFE RESTORATION

FEDERAL AID IN WILDLIFE RESTORATION

For carrying out the provisions of the act entitled "An act to provide that the United States shall aid the States in wildlife restoration projects, and for other purposes," approved September 2, 1937 (16 U. S. C. 669-669j), \$1,500,000: Provided, That expenditures hereunder shall not exceed the aggregate receipts covered into the Treasury under the provisions of said act.

Total, Bureau of Biological Survey, \$3,973,691, of which amount not to exceed \$655,040 may be expended for personal services in the District of Columbia, and not to exceed \$72,100 shall be available for the purchase of motor-propelled passenger-carrying vehicles

able for the purchase of motor-propelled passenger-carrying vehicles necessary in the conduct of field work outside the District of Columnecessary in the conduct of nead work outside the District of Commbia: Provided, That the appropriation of \$6,000,000 contained in title VII of the act of June 15, 1935 (16 U. S. C. 715k-1), shall be available for the maintenance, repair, and operation of motor-propelled passenger-carrying vehicles.

Mr. CANNON of Missouri. Mr. Chairman, the amendment which was recently adopted on page 66, lines 7 to 10, was evidently misconceived, as it merely amends the title to an act quoted in the bill for purposes of identification. It can have no force or effect whatever. In view of the fact that it is wholly futile and cannot in any way affect the bill or the appropriation, I ask unanimous consent that the amendment be rescinded in order to retain this section of the bill in the form in which it has always been carried. It makes no particular difference one way or the other, but in order to provide the phraseology usually followed I make the request.

Mr. DIRKSEN. Mr. Chairman, in the absence of the gentleman from Massachusetts, I suggest that the gentleman withhold his request. I would not feel at liberty to give con-

sent to the request under the circumstances.

Mr. CANNON of Missouri. I shall be glad to submit the request later. The gentleman, of course, realizes that merely amending the title of an act cited in the paragraph can have no effect on the bill itself.

Mr. ROBERTSON. Mr. Chairman, I move to strike out the last word.

Mr. Chairman, I never dreamed that partisanship would reach the point in this House when on a strictly party vote an effort would be made to cripple the whole migratory-birdconservation program, financed by the \$1 duck stamp paid by those who hunt in this country. The vote by which the Gifford amendment was adopted came solely from the Republican side of the House. As pointed out by the gentleman from Missouri [Mr. Cannon] it is an ineffectual thing. It merely strikes out a few words of the descriptive title of the Duck Stamp Act under which this fund is appropriated. It has no bearing whatever on the act itself or the powers of the Biological Survey.

What I am addressing myself to at this time is the intent to cripple this activity, which has been one of the best activities for migratory birds this country has ever seen. The number of birds had been reduced from 50,000,000 or 60,000,000 to a bare 12,000,000, which was not much more than the annual kill. We are trying to bring the ducks back by establishing refuges. If we were not engaging in this program and sending some ducks to Cape Cod it would not be long before their shooting would be limited to sparrows and English starlings. You gentlemen on that side listened to an appeal against the city hunter and against the Biological Survey and tried to strike from this bill the power of an agency to establish refuges that is not a Democratic agency, because fourfifths of the Biological Survey appointees were appointed during Republican administrations. It is a civil-service agency engaged in the nonpartisan work of wildlife conservation. The Chief himself was not a Democrat when he was appointed, but why should we raise that point when he is one of the best qualified men in the country for that duty, and why should we not uphold him?

Mr. AUGUST H. ANDRESEN. Mr. Chairman, will the gentleman yield?

Mr. ROBERTSON. I yield to the gentleman from Minnesota.

Mr. AUGUST H. ANDRESEN. The gentleman knows I am as much interested in conservation as anyone in this country.
Mr. ROBERTSON. I agree with the gentleman.

Mr. AUGUST H. ANDRESEN. I have served with the distinguished gentleman for many years. The amendment I proposed, and which the majority saw fit to vote down, was in the interest of conservation.

Mr. ROBERTSON. The matter was not adequately discussed. Some of the migratory refuges are surrounded by what might be called agricultural land. It is submarginal land. However, the gentleman's definition did not exclude submarginal land. For that reason it was unwise and I voted against it. I do not want this agency to go out and buy any good agricultural land, and I hope they are not doing it.

Mr. AUGUST H. ANDRESEN. That is just what they are doing up in my section.

Mr. ROBERTSON. They should not do it; I will agree they should not do it. However, the gentleman's amendment was not adequately drawn, if the gentleman will pardon my statement.

Mr. AUGUST H. ANDRESEN. I admit I am probably not as skillful as some parliamentarians here, but my amendment covered the situation.

Mr. ROBERTSON. They cannot get any land at Cape Cod unless the owner sells it to the Government. This Bureau has no power to condemn.

Mr. WARREN. Mr. Chairman, will the gentleman yield? Mr. ROBERTSON. I yield to the gentleman from North Carolina.

Mr. WARREN. The gentleman will recall that the Duck Stamp Act was passed by unanimous consent on the Consent Calendar here after it had been reported out unanimously, with our friends on the minority side cooperating in the framing of the bill and in its passage.

Mr. GIFFORD. Mr. Chairman, will the gentleman yield so I may answer the gentleman from North Carolina?

Mr. ROBERTSON. I yield briefly.

Mr. GIFFORD. I objected on the floor to the consideration of that bill and at the gentleman's earnest request—and I made the statement at that time that I never yet in my long service had by myself held up any bill—withdrew the objection.

Mr. WARREN. The bill did go through by unanimous consent.

Mr. ROBERTSON. I do not object to playing politics. I am a Democrat and you are Republicans. Take all the advantage of us you want, but please do not start playing politics with wildlife conservation. Let us keep that as a great national issue on which all should unite for the common good and the general welfare. [Applause.]

[Here the gavel fell.]

Mr. GIFFORD. Mr. Chairman, I rise in opposition to the pro forma amendment.

Mr. VORYS of Ohio. Mr. Chairman, will the gentleman vield?

Mr. GIFFORD. I yield to the gentleman from Ohio.

Mr. VORYS of Ohio. I merely wish to say in response to the charge of partisanship that I am a Republican, and I voted against the Gifford amendment and against the Andresen amendment.

Mr. SCHAFER of Wisconsin. Mr. Chairman, will the gentleman yield?

Mr. GIFFORD. I yield briefly.

Mr. SCHAFER of Wisconsin. Does not the gentleman believe it is unfair of the gentleman from Virginia to attack the Republican Party in the face of the fact that we have only 169 Members and the gentleman's party has the rest of the 435 Members? It is ridiculous for the gentleman to blame the Republicans for the adoption of the amendment of the gentleman from Massachusetts.

Mr. GIFFORD. I wish to say to the gentleman who has just spoken that I did not mention politics in my address. I simply pleaded for the right of a Member of the House to protect himself in circumstances which I carefully por-

trayed to you. I told you I did not care how many areas you took in other sections, but that this was the only forum I had in which to protect my own section when action was sought to be taken against the seemingly unanimous opposition of everybody therein.

The gentleman mentioned Cape Cod. If any of you are familiar with that famous promontory called Monomoy, and you lived in the town of Chatham, of which it is a part, and thought that whole section was to be taken in the name of conservation, you would understand the importance of the matter. The tract has great potential value for summer residential purposes. I did portray what had been done to my native people by taking away from them certain rights in the name of conservation, and I told you who some of the conservationists were. I said nothing to call for any such remarks as those that were made by the gentleman from Virginia [Mr. Robertson]. He can nurse this conservation baby of his; it is his right, but I wish him to let me alone in my particular congressional district.

I hope this is plain and others may well feel the same way about it.

I do not blame him for not liking me to say that wealthy sportsmen-shooters are often the largest contributors to these conservation funds. They like limitations heaped upon native people and they like to take these places away from us for the sake of bringing wild fowl into being, for them to shoot at their pleasure.

I do know that these shooting boxes in the last 2 or 3 years have been abandoned, but I did have to buy one 3 years ago to get rid of it. I note his sarcasm that Cape Cod could not live without city people. We might not, but we could live without some of these city shooters. [Applause.]

The pro forma amendment was withdrawn.

The Clerk read as follows:

Economic investigations: For acquiring and diffusing useful information among the people of the United States, and for aiding in formulating programs for authorized activities of the Department of Agriculture, relative to agricultural production, distribution, land utilization, and conservation in their broadest aspects, including farm management and practice, utilization of farm and food products, purchasing of farm supplies, farm population and rural life, farm labor, farm finance, insurance and taxation, adjustments in production to probable demand for the different farm and food products; land ownership and values, costs, prices, and income in their relation to agriculture, including causes for their variations and trends, \$839,100: Provided, That the Secretary may transfer to this appropriation from the funds available for authorized activities of the Department of Agriculture such sums as may be necessary for aiding in formulating programs for such authorized activities, including expenditures for employment of persons and means in the District of Columbia and elsewhere.

Mr. DITTER. Mr. Chairman, I make a point of order against the paragraph starting in line 7, on page 72, and I would like to be heard at this time.

The CHAIRMAN. The gentleman will state his point of order.

Mr. DITTER. I make the point of order against the paragraph that it is legislation.

Mr. Chairman, I take this opportunity to say a word about an unfortunate occurence earlier in the day. I want to be very temperate in what I say. My purpose was simply to try to sound a warning on a course that might be pursued in the delegation of authority. I believe anyone who would read this section, particularly starting in line 19, could not help but be impressed with the fact that we are going on dangerous ground. I wanted to sound a warning on that course of procedure by which we would turn over to any executive agency a blank check of authority by which a secretary of a department might do as he pleased. I had no purpose whatever in either trying to assume a privilege or to interrupt or interfere with the orderly procedure of the House. I still feel that we should be cautious and that particularly on appropriations we should be mindful of the fact that any executive agency which is granted by the Congress an everincreasing degree of power is liable to use that power to the disadvantage of the people. [Applause.]

I withdraw the point of order, Mr. Chairman.

Mr. TABER. Mr. Chairman, I renew the point of order.

The CHAIRMAN. The gentleman will state his point of order.

Mr. TABER. That it is legislation upon an appropriation bill and a delegation to the Secretary of authority to transfer funds, and delegates to or requires of the Secretary of Agriculture additional duties in violation of the rules.

The CHAIRMAN. Does the gentleman from Missouri

desire to be heard on the point of order?

Mr. CANNON of Missouri. Mr. Chairman, the point of order is not well taken. This entire paragraph provides for investigation and research and is fully authorized, under the organic law, which provides that the Secretary of Agriculture shall acquire and diffuse among the people of the United States information on subjects connected with agriculture, "in the most general and comprehensive sense of that word."

Certainly, Mr. Chairman, there is no function in this paragraph which the Secretary is not authorized and directed to perform under the law establishing the Department, when and if funds are provided for that purpose by the Congress.

The point of order is not well taken and the entire para-

graph is in order.

Mr. TABER. Mr. Chairman, I call the Chair's attention to these words in lines 19, 20, 21, 22, 23, and 24, page 72:

Provided, That the Secretary may transfer to this appropriation from the funds available for authorized activities of the Department of Agriculture, such sums as may be necessary for aiding in formulating programs for such authorized activities, including expenditures for employment of persons and means in the District of Columbia and elsewhere.

It is perfectly clear that that language creates additional duties in the Secretary of Agriculture and delegates authority to him to appropriate funds, to transfer funds from other appropriations, whether provided for in this bill or otherwise, and it is subject to a point of order under the rules of the House.

Mr. CANNON of Missouri. Mr. Chairman, no funds are affected here except funds which have been appropriated by Congress, and the Secretary of Agriculture under the terms of the organic law is authorized to administer the Department, and he may, as administrator of that Department any time transfer such funds from one activity to another. The point of order is not well taken, Mr. Chairman, the appropriation is for the use of the Secretary of Agriculture in the discharge of his official duties, as provided by law.

Mr. TABER. Mr. Chairman, the Secretary of Agriculture under the law and under the rules of the House cannot be given authority to transfer an appropriation by an appropriation bill. It is entirely contrary to the rules of the House. It is a specific delegation of authority to the Secretary, and

it requires additional duties of him.

The CHAIRMAN. The Chair asks the gentleman from Missouri if this provision applies only to that particular fund or to other funds available to the Secretary of Agriculture heretofore appropriated? Does this apply to funds heretofore appropriated for the benefit of the Department of Agriculture?

Mr. CANNON of Missouri. It applies to the transfer of funds "available to the Department of Agriculture" by the Secretary as the administrator and director of the Department of Agriculture. That is a part of his functions.

The CHAIRMAN. Does that include the clause "heretofore appropriated"?

Mr. CANNON of Missouri. It does for the purpose of authorized activities of the Department.

Mr. WHITE of Ohio. Mr. Chairman, may I be heard on the point of order?

The CHAIRMAN. The Chair will be glad to hear the gen-

tleman from Ohio on the point of order.

Mr. WHITE of Ohio. Mr. Chairman, I call the attention of the Chair to the fact that the particular transfer of funds is not limited to the funds in this bill, and, therefore, it is an enlargement of duties, as contended. It applies to any funds that have been heretofore appropriated to the Department of Agriculture.

Mr. HOFFMAN. Mr. Chairman, a parliamentary inquiry.

The CHAIRMAN. The gentleman will state his parliamentary inquiry.

Mr. HOFFMAN. In the opinion of the Chair, does the language beginning in the latter part of line 19 authorize the transfer of funds appropriated; for example, on page 58, for the pink bollworm.

The CHAIRMAN. That is under another heading, and it is not material for the purpose of deciding this question.

The first point of order made by the gentleman from New York [Mr. Taber] is overruled because an examination of section 511 of title 5 of the United States Code discloses that it is certainly in order. The last part is related to the transfer of funds. The Chair quotes from Cannon's Precedents, volume VII, section 1470, the following:

A proposition to transfer funds from one department of the Government to another for purposes authorized by law was held not to involve legislation and to be in order in an appropriation bill.

The gentleman makes the point of order that it is legislation in an appropriation bill. The point of order is overruled.

Mr. ROBERTSON. Mr. Chairman, I move to strike out

Mr. ROBERTSON. Mr. Chairman, I move to strike out the last word. Before we forget the migratory bird refuge program, in fairness to my friend from Massachusetts [Mr. Gifford], next week I shall only be too glad to call the House Wildlife Conservation Committee in session and invite the gentleman and the officials from the Biological Survey to come before us, and if it be true that the officials of the Biological Survey are attempting to run roughshod over the good citizens of Massachusetts or anywhere else, we will see that there is adequate remedy for their protection.

Mr. GIFFORD. Mr. Chairman, I trust the gentleman does not doubt my word about the town voting unanimously and

the chamber of commerce against this matter.

Mr. ROBERTSON. Of course not; but I just could not believe that the Biological Survey, over the protest of any community, would come in and try to force one of these refuges upon them, and I hate to believe they are going out into Minnesota and buying good farm land for this purpose.

Mr. AUGUST H. ANDRESEN. Mr. Chairman, will the

gentleman yield?

Mr. ROBERTSON. I yield.

Mr. AUGUST H. ANDRESEN. The gentleman knows I was one of the authors of the first Migratory Bird Act passed in this country.

Mr. ROBERTSON. Absolutely, and the gentleman has been an outstanding conservationist in this Congress ever since, and I have been familiar with his work.

Mr. AUGUST H. ANDRESEN. Let me say to the gentleman that I will bring to his office, and when the committee of which I am a member and of which the gentleman is chairman is convened I will show him where the Biological Survey is actually condemning land and has proceedings in the United States district court at this time and is attempting to take good farm land. I will ask the chairman if he will have the Chief of the Biological Survey and Mr. Dieffenbach and other members of that organization before our committee so that we may present the matter to them.

Mr. ROBERTSON. I will certainly take pleasure in doing it. The trouble is not with the law. We have got the right law. If it is not being properly administered, it will be one of the functions of this House committee to see that it is.

Mr. GIFFORD. Mr. Chairman, will the gentleman yield there?

Mr. ROBERTSON. I yield.

Mr. GIFFORD. I realize that my amendment may have caused some trouble, because, of course, it mutilates the description of the act and it may not be too effective, but it does not look nice in there and you will probably resent it. If I will make no objection, would the gentleman not be willing to return to the page before, where I wanted to offer the amendment, and just let me exclude the peninsula of Cape Cod?

Mr. ROBERTSON. I am not in charge. There was some discussion this morning as to who was in charge of the bill. I am not in charge.

[Here the gavel fell.]

The pro forma amendment was withdrawn.

Mr. TABER. Mr. Chairman, I offer an amendment.

. The CHAIRMAN. The Clerk will report the amendment offered by the gentleman from New York [Mr. Taber].

The Clerk read as follows:

Amendment offered by Mr. TABER: On page 72, beginning in line 7, strike out the paragraph ending in line 25 on page 72.

The CHAIRMAN. The gentleman from New York is recognized for 5 minutes in support of his amendment.

Mr. TABER. Mr. Chairman, this is the paragraph under which authority is given for disseminating information and propaganda by the Secretary of Agriculture. It authorizes him to transfer funds for that purpose from other appropriations, at his discretion. It is the whole set-up under which the planners in the Department of Agriculture have arrived at the conclusion that they do not know any remedy for the agricultural situation. Is it not about time that we got rid of that set-up and tried to move forward in this country, instead of having a group of people who acknowledge that they do not have any forward-looking program whatever, and stop wasting the money of the American people on that kind of set-up?

I think that the House should vote for this amendment and throw it out. It is not in the interest of the farmers; it is not in the interest of the consumers; it is not in the interest of the American taxpayers that we should go on spending money for propaganda for working up plans which they themselves acknowledge are not a solution and cannot be a solution for the agricultural problem.

[Here the gavel fell.]

Mr. MUNDT. Mr. Chairman, I rise in opposition to the amendment.

Mr. CANNON of Missouri. Mr. Chairman, I ask unanimous consent that all debate on this paragraph and all amendments thereto close in 5 minutes.

The CHAIRMAN. Is there objection?

There was no objection.

Mr. MUNDT. Mr. Chairman and my colleagues, on page 72, starting with line 7 of this bill, we find enumerated among the services to be provided by this appropriation, the following:

For acquiring and diffusing useful information among the people of the United States, and for aiding in formulating programs for authorized activities of the Department of Agriculture.

Now, I am not objecting to that designation of service, and I am not rising in opposition to the amount of money herein appropriated for that service, but I am objecting to the complete neglect and indifference which is paid to the findings of all factual studies of farm economics.

The statisticians and economists who are holding career positions with the Department of Agriculture, under the Civil Service, are doing some splendid work and provide all America with data and evidence which our good sense should impel us to use when enacting legislation and voting appropriations for agriculture.

CONGRESS HAS GOOD INTENTIONS

But, unfortunately for all concerned, in the haste and heat of congressional action, we fail to face the facts, find the evidence, and then frame a sensible and consistent agricultural program. Perhaps this bill is as good an example of what I mean as has ever been produced in Congress—no one who observes this Congress bravely, or perhaps blindly, approach the hour when we are going to vote more than a billion dollars in the name of agriculture can doubt the good intentions of this Congress in wanting to really do something to be helpful to the men and women who feed and clothe America.

But, by the same token, anyone who takes the time and gives the thought to analyze the agricultural situation today must realize as well that this Congress in this hour also gives a perfect example of the wisdom of the old sage who admonished us that "hell is paved with good intentions." My colleagues, it takes more than good intentions and billion-dollar appropriations to effectively help the farmer of America today; it takes a sane and sound agricultural pro-

gram based on consistent policies and economic principles to be of permanent benefit to the farming industry.

The Department of Agriculture figures, for example, reveal the total amount of agricultural income for 1938 was roughly \$7,500,000,000 and we are today appropriating a billion, one hundred and fifty-five million plus for this same industry. In other words, it should be self-evident to all that any agricultural program which necessitates a Government appropriation of one-seventh of its total income, including the benefits of the appropriation itself, is certainly long on good intentions, but is driving us rapidly to a hades of bankruptcy because it is exceedingly and exhaustingly short on good principles of farm economics.

FARMER STILL IS "AMERICA'S FORGOTTEN ENTITY NUMBER ONE"

Mr. Chairman and fellow members, in spite of the good intentions of Congress the great inconsistencies of the agricultural program offered by the New Deal have had some discouraging results. You have listened to a long parade of them here in this assembly the past 3 days: men and women from both sides of the aisle have come down here in the Well of the House and professed their affection for the farmer and their remorse at his present predicament. They have condemned the reciprocal-trade treaties which have done so much to cripple the farmer and have decried the ruinous prices the farmer is receiving. It has been a great confessional that after 150 years of congressional consideration the farmer is still "America's forgotten entity No. 1." I only hope that my colleagues on the New Deal side of the aisle will be as free to help repeal the reciprocal-trade treaties as they have been free to condemn them and that they will join with those of us who believe that the time has come to cease treating the farmer as though he were a guinea pig in an economic laboratory and start giving him the same Government guarantees of cost of production as are now given to labor and industry.

RECIPROCAL TRADE PACTS CRIPPLE THE FARMER

The reciprocal-trade treaties of the Roosevelt administration have done more to cripple and injure the farmer than could be offset by billion-dollar subsidy appropriations every 6 months from now until either the crack of doom or the balancing of the Budget ends our journey to the next millennium of economic prosperity. Let me here ask your indulgence while I quote some very short but some very significant statistics from the Department of Agriculture's fact-finding service which I have previously praised in this talk.

How trade treaties increased farm imports

Item	Unit	1933 (before trade pacts)	1937 (after trade pacts)
Cattle Hogs Eggs Wheat Butter	Heads Pounds Dollars Bushels Pounds	74, 658 6, 470 1, 141, 739 10, 286, 236 1, 021, 806	494, 949 16, 555, 218 5, 010, 824 17, 423, 837 11, 110, 762

How trade treaties decreased farm prices

Item	A verage	Average	Percent de-
	price,	price,	cline, New
	1921-32	1933–38	Deal prices
	(Republican	(New Deal	less than
	years)	years)	Republican
Cattle hundredweight. Hogs do. Eggs dozen Wheat bushels. Butter pounds	\$6, 43	\$5.33	17. 1
	8, 31	6.99	15. 9
	, 281	.205	27. 0
	1, 017	.855	16. 2
	, 381	.205	27. 3

But happily, fellow Members of Congress, there is an answer to all this and that answer is the cost-of-production bill, which was introduced in this Congress on January 12 of this session by eight Members of this body, including myself, and since which time numerous other Members have introduced identical bills.

COST OF PRODUCTION IS LOGICAL ANSWER

The cost-of-production principle applied to agriculture is as logical as its goal is laudable. It merely seeks to project

to agriculture the same current principles of economics which are now applied to many other industries and economic institutions. The Government today establishes minimum wages and maximum hours for labor; it regulates the rates of interstate railroads; it establishes fair-price standards for business and industry; and it regulates minimum prices for the products of coal mines, based on the cost of production. All of these economic policies pyramid upon the farmer, who is America's greatest consumer, and the prices of what he purchases are raised accordingly, and all of these Government economic activities follow a single theory which proclaims that the Government is responsible for the establishment of honest price extremes which will protect citizens from unfair losses, dishonest practices, and uneconomic extremes of price heights or depths.

SAUCE FOR THE GOOSE IS SAUCE FOR THE GANDER

If this theory of Government economic activity is right for the laboring man and the industrialist, it is right for the farmer, and so long as it prevails in these fields of enterprise it must prevail with equal effect for agriculture. In other words, what is sauce for the goose must always be sauce for the gander! The cost-of-production bill establishes basic, minimum average cost-of-production prices on some 50 agricultural products; it does not fix prices, please remember, nor guarantee profits, but it does stop competing farm imports from entering this country, and it does guarantee the farmer the basic cost of production for that portion of his crop which is consumed in America. It is fair; it is honest; it is in harmony with present-day governmental economic behavior in other institutions and industries, and it is imperative if we are to restore the buying power to the American farmer which must come as the first step in any permanent program of national recovery and economic stability.

Moreover, the cost-of-production bill will eliminate the necessity of 75 percent of the appropriations in a bill like this, and it will approximately double the income of every farmer in America. In doing this, it will give the country the necessary buying power for the products of new wealth and provide the business stimulus which we are all awaiting as the prerequisite to a balanced Budget and a restored national

prosperity.

COST OF PRODUCTION IS NO RADICAL DEPARTURE

The cost-of-production bill represents no radical departure from the economic formulas which America is practicing today; it sets up no new authorities and establishes no new boards or bureaus. It merely provides the method of determining the average cost of production on certain basic farm products and establishes the law by which no farmer shall again be compelled to sell for domestic consumption the results of his toil and his time for less than the cost of production.

Nor does this bill repeal those portions of the present agricultural program which have proved helpful and sound. Specifically, for example, it continues the Soil Conservation Service but it makes soil and water conservation and the development of farm fertility attractive as a step in profitable farm management rather than the present program of offering it as an inducement primarily to cushion the blow of approach-

ing and inevitable agricultural bankruptcy.

Fellow Members, I urge you to make a careful study of our cost-of-production farm program. I am confident that serious consideration of this bill will lead you to conclude with me that it gives the farmer no more than that to which he is entitled, and none of us should be content to provide less than that. In the meantime I shall vote, and I urge you to vote, to give the farmer the parity payments provided in this bill. While I prefer the cost-of-production farm program to the present plan, I shall not vote in any way to cripple the program under which we are now operating, and I favor these parity payments in order that our farmers can get every possible benefit the present plan affords against today's ruinous farm prices. I urge you to do likewise, but let us follow this vote by legislation repealing the reciprocal trade pacts and giving the farmer an honest and direct farm program with which he can receive cost of production.

Yesterday, I heard some of you from industrial districts ask us how you were going to justify yourselves before your

constituents for voting for a billion-dollar agricultural appropriation bill. Friends, I am going to tell you how to make that justification. Up here on the Speaker's rostrum is a petition to place the cost-of-production bill on the calendar of Congress for action. The best justification any of you can make for supporting this appropriation bill is this day-at the very time you vote for these funds—to sign that petition which will bring out a bill which when passed will provide a program making it eternally unnecessary to pay any further agricultural subsidies of the size and nature of the one now confronting us. Let me say in conclusion, that I am practicing what I preach. I shall vote for this appropriation bill with an easy conscience because on Monday last, I signed the petition to bring before Congress the bill which from the time of its passage will give cost of production to the American farmer and make unnecessary any more billion-dollar bonuses by opening the doors of prosperous opportunity to every farmer, worker, and businessman in America. [Applause.]

The CHAIRMAN. The time of the gentleman from South

Dakota has expired; all time has expired.

The question is on the amendment offered by the gentleman from New York.

The amendment was rejected. The Clerk read as follows:

Tobacco Inspection Act: To enable the Secretary of Agriculture to carry into effect the provisions of an act entitled "An act to establish and promote the use of standards of classification for tobacco, to provide and maintain an official tobacco-inspection service, and for other purposes," approved August 23, 1935 (7 U. S. C. 511-511q), \$375,000.

Mr. FLANNAGAN. Mr. Chairman, I offer an amendment. The Clerk read as follows:

Amendment offered by Mr. Flannagan: Page 75, line 22, strike out "\$375,000" and insert in lieu thereof "\$525,000."

Mr. FLANNAGAN. Mr. Chairman, in 1935 what is known as the Tobacco Inspection Act was passed by the Congress. This act provides for the grading of tobacco upon warehouse floors in the event two-thirds of the growers selling upon that particular floor vote in favor of it. This service has been set up and it has proven to be a great blessing to the tobacco growers. Last year we carried an appropriation of \$375,000 to pay for this service.

To those Members who are not familiar with the grading of tobacco let me say that it is a highly technical profession. Heretofore the seller, or the grower, was at the mercy of the purchasers of the large tobacco companies who were represented upon that floor by experts in tobacco. This grading service under the Inspection Act is extended to the growers of tobacco. Last year under the act 275,000,000 pounds of tobacco was actually graded by Government graders. There has been a great demand for the extension of this service and we are asking that the appropriation be increased by \$150,000. This will enable the Government to grade about twice as much tobacco as was graded last year. We have the sufficient number of trained graders and I hope it will be the pleasure of the chairman of this committee to accept this amendment.

I call the attention of the Committee to the fact that tobacco is the only farm product that is taxed. The tobacco growers have been paying in Federal revenue year in and year out over \$500,000,000. Last year the Federal Government collected from the tobacco growers \$568,000,000. We are asking that you give us only one-tenth of 1 percent of what we annually pay into the Treasury of the United States in order to protect the man who produces the tobacco.

Mr. HAWKS. Mr. Chairman, will the gentleman yield? Mr. FLANNAGAN. I yield.

Mr. HAWKS. In my district in Wisconsin we grow considerable tobacco. I wonder if the gentleman is familiar with what is going on in this area and in many other tobacco areas at the present time? We have a buyers' strike up there. Four or five of the larger companies are holding off trying to hammer down the price of our leaf tobacco. Does not that come under this bill?

Mr. FLANNAGAN. The Tobacco Grading Act provides that when two-thirds of the growers selling upon any tobacco

market vote in favor of Government inspection, the Government will send trained tobacco specialists to that floor and grade the tobacco before it is offered for sale in order that the tobacco grower may know the grade of tobacco he is offering for sale.

I hope it will be the pleasure of the Committee to accept this amendment.

Mr. COOLEY. Mr. Chairman, will the gentleman yield?

Mr. FLANNAGAN. I yield.

Mr. COOLEY. Has the gentleman made any investigation with the purpose of ascertaining whether or not the Department of Agriculture has now available expert graders to carry out the work contemplated by this section?

Mr. FLANNAGAN. I am informed by the Department of Agriculture that in the event the appropriation is increased by \$150,000, next year they can grade twice as much as they graded this year, and that they have trained graders ready for the work.

Mr. COOLEY. I would like to ask one other question. Does the gentleman believe the work so far done has been beneficial to the producers of tobacco in the different markets where the grading is done by Government experts?

Mr. FLANNAGAN. I do not think anyone will question the benefits that have resulted to the grower. In fact, there is a great demand on the Department for graders on the floors that the Department is unable to furnish.

Mr. COOLEY. I am very much in favor of the gentleman's amendment.

[Here the gavel fell.]

Mr. CANNON of Missouri. Mr. Chairman, I ask unanimous consent that all debate on this paragraph and all amendments thereto close in 15 minutes.

The CHAIRMAN. Is there objection to the request of the gentleman from Missouri?

There was no objection.

Mr. SABATH. Mr. Chairman, I rise in opposition to the amendment offered by the gentleman from Virginia IMr.

Mr. Chairman, I am of the opinion that the \$375,000 provided in the pending bill is more than enough, especially for an industry which, I understand, is perhaps the most prosperous in the United States. I know the real beneficiaries, the great cigarette and cigar manufacturers and others, are unable to spend all of their profits in the United States, and even our American men are not good enough for some of the ladies born of these multimillionaire owners of the Tobacco Trust. Now, it is sought here to increase the appropriation and make it possible for the Tobacco Trust to make more millions each year out of the grading of tobacco grown by hard-working farmers.

Mr. Chairman, of course I am for the tobacco growers, but unfortunately they do not derive any benefit out of this. This grading is done for and largely in the interest of the buyers and agents of the Tobacco Trust. I know the gentleman who has introduced this amendment is a sincere and wellmeaning Member of Congress who is desirous of helping his people obtain fair prices for their product. However, some of the gentlemen from his part of the country who legislate in the other body have been constantly criticizing every appropriation, and they go out and find fault with the large expenditures and demand economy every time we try to help the needy and those without work. I am afraid my colleague from Virginia will get in wrong with the gentlemen on the other side of the Capitol. In view of the fact I have love and affection for my fellow Members of the House, I feel they should not be placed in a position to be criticized by the Members of the other body for helping to make appropriations larger than what has been recommended and agreed to in committee. So in the interest of the tobacco growers, in the interest of my colleagues, and in the interest of economy, I believe the amendment should be defeated, and we should follow the rules of keeping expenses down, which his other colleagues demand every time they speak.

We are going too far in our appropriations and spending millions for agriculture, and many of our friends do not appreciate the efforts in their behalf. So let us keep within the Budget and Department recommendations here today.

Mr. VINCENT of Kentucky. Will the gentleman yield? Mr. SABATH. I yield to the gentleman from Kentucky.

Mr. VINCENT of Kentucky. I am sure the gentleman does not want to make a statement that is in error. The benefits derived from this are for the tobacco grower and not for the Tobacco Trust. It is to keep them from stealing our tobacco in Virginia, Kentucky, Tennessee, and other places.

Mr. SABATH. Mr. Chairman, 3 years ago I helped appropriate money to provide for the grading of tobacco and later on I heard that the men who had been appointed to do the grading were men recommended by the Tobacco Trust. The commission men were the ones who benefited by the grading, consequently the growers did not get any benefits. If they had, some more of the millions spent by the consumers would have reached the tobacco farmers.

Mr. VINCENT of Kentucky. Let me ask the gentleman another question.

Mr. SABATH. I want to bring out one further thought. Mr. VINCENT of Kentucky. I want to correct a statement made by the gentleman.

Mr. SABATH. Mr. Chairman, there is no one in the House I would sooner yield to than the gentleman from Kentucky. I know he is honestly and sincerely always trying to help his district and people and better their conditions. If he could select and recommend these tobacco graders, the farmers' interests would be protected. But before I conclude I want to say one thing more. I read with disgust that the daughters of these millionaire tobacco barons, with the millions that their fathers have accumulated from tobacco, have spent their time and fortunes abroad buying titles for themselves, getting titles of counts and no-counts. I cannot help but look with displeasure on that when I see wonderfully capable single men right here in the House who are a thousand times better than the greatest counts abroad. [Laughter.]

[Here the gavel fell.]

The CHAIRMAN. The gentleman from Illinois [Mr. DIRKSEN] is recognized for 5 minutes.

Mr. DIRKSEN. Mr. Chairman, I will take just a minute. Mr. Kitchen, of the Agricultural Marketing Service, comesbefore the subcommittee with his justification and says that, for tobacco inspection, he needs \$375,000, and he gives some idea of the work that has been carried on.

They have approximately 94 employees doing this work at the present time. They are grading and classifying to-bacco on 31 or 34 markets. So he comes in with language that is approved by the Budget. The Budget says it is O. K. to give him the \$375,000. The committee gives him the \$375,000, and that is the story.

Now comes the gentleman from Virginia and says, "Will, you not please add \$150,000 to this item?" But he has not stated a single persuasive reason why the \$150,000 should be added. Now, that is the story.

Mr. HAWKS. Will the gentleman yield? Mr. DIRKSEN. I yield to the gentleman from Wisconsin. Mr. HAWKS. Mr. Chairman, I am opposed to this \$150,000 appropriation, not because I am opposed to the grading of tobacco but because we are not getting down to the real trouble in the tobocco industry, as I see it in my own State. The trouble with the situation today is that the poor little grower in Wisconsin cannot sell his tobacco. The great big tobacco-buying outfits will not buy it. We have a 10-cent or 12-cent price, and we are sitting there with some very fine tobacco; but these great big trusts, who have their thumbs on the whole business, will not buy it. They are trying to drive the grower down. Why do you not provide: \$150,000 for an investigation of the Tobacco Trust?

Mr. FLANNAGAN. I am in favor of that. Is it not a fact that under the grading law the small tobacco grower has an opportunity of knowing what he has to offer for sale?

Mr. HAWKS. There is no question about that.

Mr. FLANNAGAN. It is a protection to the tobacco grower. Mr. HAWKS. There is no question about that.

Mr. CANNON of Missouri. Mr. Chairman, has the gentleman from Illinois consumed his 5 minutes?

Mr. DIRKSEN. No: I yielded to the gentleman from Wisconsin. This is still part of my 5 minutes.

Mr. RAYBURN. Mr. Chairman, I make the point of order that cannot be done. The gentleman from Illinois relinguished the floor.

Mr. DIRKSEN. Mr. Chairman, I yield to the gentleman

from Wisconsin and I will stay on my feet.

The CHAIRMAN. The Chair may state the gentleman from Illinois has not yielded the floor, and the gentleman from Illinois has yielded to the gentleman from Wisconsin.

Mr. CANNON of Missouri. Mr. Chairman, time cannot be yielded under the 5-minute rule.

Mr. DIRKSEN. Mr. Chairman, I yielded for a question and quite inadvertently I took my seat.

The CHAIRMAN. The Chair understands that the gentleman from Illinois has yielded to the gentleman from Wisconsin, the gentleman from Illinois retaining the floor.

Mr. DIRKSEN. Mr. Chairman, I am yielding to the brilliant young gentleman from Wisconsin for an observation

and for some questions.

Mr. HAWKS. What is the use of having grading, what is the use of improving the quality of your product, what is the use of appropriating money for these purposes when you do not have any control and the grower has no control over the price he gets for his products?

Mr. VINCENT of Kentucky. Mr. Chairman, will the

gentleman yield?

Mr. DIRKSEN. I yield to the gentleman from Kentucky. Mr. VINCENT of Kentucky. The gentleman understands this will not be effective until two-thirds of the growers vote for it on that particular market.

[Here the gavel fell.]

Mr. CANNON of Missouri. Mr. Chairman, I have 5 minutes remaining. I ask unanimous consent that I may be permitted to allot 2 minutes of that time to the gentleman from North Carolina [Mr. Cooley].

Mr. RICH. Reserving the right to object, Mr. Chairman, I think he ought to give him 21/2 minutes, at least.

The CHAIRMAN. Is there objection to the request of the gentleman from Missouri?

There was no objection.

Mr. COOLEY. Mr. Chairman, it is perfectly obvious to those who understand the Tobacco Grading Act, that the gentleman from Chicago does not understand the act at all. The very purpose of the act was to aid the tobacco farmer and to furnish him with expert information regarding the grades of his tobacco. The legislation was supported by every man in Congress from a tobacco growing State. The bill was introduced by Mr. Flannagan, of Virginia, and was actively supported by Mr. Fred Vinson, a former Member of this House from Kentucky, by Mr. Chapman, of Kentucky, and, for that matter, by every other Member of Congress interested in the tobacco farmer.

Mr. SABATH. And I voted for it.
Mr. COOLEY. Now the gentleman spends a lot of time talking about the great tobacco trust and the millionaires in the tobacco business. There are no millionaires that I know of who are tobacco farmers and this Inspection Act is for the benefit of the tobacco farmer and not for the tobacco trust. I want to say to the gentleman from Illinois and to the members of the Committee that the tobacco farmers of this Nation have received less direct relief in the way of payments in money than any other class of farmers in the entire country. The tobacco programs enacted by Congress under this Democratic administration have been very beneficial. The fact is the tobacco programs have been more successful than any other and have cost the Government less money than any of the other programs.

The funds provided in this section are for the purpose of employing expert graders to go upon the markets and grade the tobacco ahead of the graders and buyers employed by the tobacco companies. Government graders give farmers who are not familiar with the different grades valuable information with regard to the quality and value of the tobacco which is being sold. Many farmers are entirely ignorant as to grades and quality and value of their tobacco and unless someone is there to assist them they are entirely at the mercy of the tobacco buyers. As pointed out by the gentleman from Virginia [Mr. Flannagan], Government grading should be expanded and if the service is to be extended the Department will need additional funds. Of course, if the Department does not intend to extend the service it may be that they can get along with the funds carried in this bill. If two-thirds of the farmers selling on any market want the service it certainly should be made available to them. Again I want to remind you of the fact that the tobacco tax collected by this Government brings in more money than is carried in this bill for the entire soil-conservation program for all American agri-

Mr. PATRICK. Mr. Chairman, will the gentleman yield? Mr. COOLEY. Briefly.

Mr. PATRICK. Does the gentleman know of any tobacco farmers' daughters who have gone abroad?

Mr. COOLEY. I do not.

Mr. Chairman, I hope that the amendment will be adopted. Mr. CANNON of Missouri. Mr. Chairman, I ask unanimous consent to yield one of my remaining 3 minutes to the gentleman from Kentucky [Mr. VINCENT].

Mr. RICH. Reserving the right to object, Mr. Chairman, he ought to give the gentleman a minute and a half.

The CHAIRMAN. Is there objection to the request of the gentleman from Missouri?

There was no objection.

Mr. VINCENT of Kentucky. Mr. Chairman, I want to clear up the statement the gentleman from Chicago made, "that this amendment would benefit only the Tobacco Trust." We are making an effort to free our people from the Tobacco Trust. Tobacco grading will protect them from the trusts and stop them from taking our tobacco for a song. You ought to see how they sell our tobacco. A crop that will take 12 months for a man and his family to grow, they will sell and buy-for they do both-in 5 seconds. heard it said that an article sometimes is sold for a song, well they take our tobacco with a song and this is the way they do it: "B-r-r-r aye aye aye, B-r-r-r-r-r aye aye aye aye, B-r-r-r-r-r. Stolen by the American." [Laughter and applause.] This is uttered in unintelligible language, in muttering and chanting. When interpreted means, skin this farmer, and I'll skin the next one." They select the auctioneer and they restrict the buyers and the buyers have to have a license to bid. We complained to the Department of Justice that there was no semblance of a sale. The farmers had no rights and they could not even bid on their own tobacco. That the antitrust laws were being violated. They sent two "goslins" down to investigate, and after several days of listening to the chanting and mutterings of these pretended sales they reported a good time in Kentucky and that the sales were clean and fair. And all the time they knew, if they had a wink of sense, that the farmers were being robbed and that they could not pay their taxes, or interest, or have enough money to buy shelter and food for their families, when these tobacco companies were shipping the tobacco, they took with a song, to foreign markets and filling their pockets with money they did not earn. If Hitler had these auctioneers and buyers on his staff he could take the world in 30 days without half trying. Now, give us this extra money to protect our people from the greatest dictators this country has ever seen.

Mr. CANNON of Missouri. Mr. Chairman, the committee has made every effort to cooperate with our friends in this matter. In this case we went as far as we could and gave

them the full amount allowed by the Budget.

I regret that some one has suggested that the industry has not received fair treatment. You know the Federal Treasury paid out to tobacco growers and to the tobacco industry and the tobacco administration last year in excess of \$11,000,000. It should also be noted that the tobacco industry is the most prosperous of the agricultural industries and has a higher index number in price and income than any other agricultural group. We have endeavored to be more than fair in the formation of this section of the bill. Last year we increased this item \$100,000 over the previous year.

Mr. VINCENT of Kentucky. Mr. Chairman, will the gentleman yield?

Mr. CANNON of Missouri. I only have half a minute.

Mr. VINCENT of Kentucky. I just want to ask one question. Did we not pay in Federal taxes \$600,000,000 last year?

Mr. CANNON of Missouri. Tobacco is one of the most heavily taxed of all commodities and pays into the Federal Treasury one of the largest revenues received by the Government. But it must be remembered that these huge sums are merely transmitted through the industry and in reality are paid by the smokers of every State in this Union [applause], and, Mr. Chairman, in view of the fact we have reported the full amount requested by the Department, the full amount as justified by the representatives who came before us, an increase of \$100,000 over 1938, we ask that the House sustain the committee.

[Here the gavel fell.]

The CHAIRMAN (Mr. McCormack). The question is on agreeing to the amendment offered by the gentleman from Virginia [Mr. FLANNAGAN].

The question was taken; and on a division (demanded by Mr. Flannagan) there were—ayes 40, noes 85.

So the amendment was rejected.

The Clerk read as follows:

Market news service: For collecting, publishing, and distributing, by telegraph, mail, or otherwise, timely information on the market supply and demand, commercial movement, location, disposition, quality, condition, and market prices of livestock, meats, fish, and quality, condition, and market prices of livestock, meats, fish, and animal products, dairy and poultry products, fruits and vegetables, peanuts and their products, grain, hay, feeds, cottonseed and seeds, and other agricultural products, independently and in cooperation with other branches of the Government, State agencies, purchasing and consuming organizations, and persons engaged in the production, transportation, marketing, and distribution of farm and food products, \$1,119,802.

Mr. HENDRICKS. Mr. Chairman, I offer an amendment. The Clerk read as follows:

Amendment offered by Mr. Hendricks: On page 76, line 15, strike out "\$1,119,802" and insert "\$1,122,302."

Mr. HENDRICKS. Mr. Chairman, I believe this is the first time I have ever offered an amendment to increase the amount of an appropriation recommended by the Appropriations Committee, and I hope that I will not have to do that very often, but I sincerely believe when I explain why I have done this, the Members of the House will agree with me that this amendment should be adopted. You will note I have not increased this appropriation more than \$2,500. I knew that in view of some of the other amendments that have been offered, I would be considered a "piker" for doing this, but this amount is sufficient, and I want to explain the purpose of it. It is to provide a marketing specialist for the full celery season at Sanford, Fla.; for the tomato season in Tennessee: and for the peach season in Illinois.

There has been a need for this service for some time, and the Department of Agriculture has recommended it. The people at Sanford have been so anxious for this service that they offered to pay for the service themselves, but the Department of Agriculture had to refuse it, because this was only for 8 weeks and they could not keep a trained man there for 8 weeks, but they did say they would ask for this service, and they did, and I want to read a portion of a letter that the Department sent to me and which you will find in the record of the hearings. The letter states:

The Florida people desire the service now furnished at Sanford continued for the additional period of April 20 to approximately June 20. It is not possible for us to do this with our present personnel because the man in charge of our office at Sanford must leave there about April 20 to open an office at Mobile, Ala., scheduled for that time. The office at Sanford is a temporary one and is similar to about 40 other offices operated during the shipping season in important fruit—and vegetable-producing areas. It is not possible to employ a qualified man to handle the work at Sanford for a period of about 8 weeks. Therefore, to provide the additional service desired at Sanford really requires the appointment of a junior marketing specialist at a salary of \$2,000 per year. Additional operating expenses would require an additional \$500, or a total of \$2,500.

When the man appointed was not needed for the additional work desired at Sanford, he could be sent to Tennessee and later to Illinois, conducting temporary offices during the tomato—and peach—marketing seasons, respectively, in those States.

You will observe that the people at Sanford themselves have offered to pay for this service, but cannot get it. I do not believe anyone can contend that this amendment is improper. I called on the chairman of the subcommittee sometime ago and asked him if he would grant us this amount. He asked me at that time if the Department had approved it and if the Bureau of the Budget had recommended it, and I said no. He said, "Well, I cannot permit you to amend the bill, but whenever the Bureau of the Budget does approve it, then, maybe, we will be able to do something about it," indicating if we got the approval of the Bureau of the Budget we might get this amendment in the bill. Now, the Bureau of the Budget has approved this amount and the amount is \$2,500. This does not mean any increase above what the Bureau of the Budget recommended. This \$2,500 was carried in an item of \$31,000 which the Bureau recommended, which item has now been cut by the committee to \$7,500, and if my amendment is adopted, the item will still be only \$10,000.

I believe we actually need this service. I think, as a matter of course or as a matter of policy, the chairman of the committee will probably have to oppose this, but I believe, deep down in his heart, if you Members join me in carrying this amendment, the chairman of the subcommittee will not be greatly displeased. [Applause.]

Mr. CANNON of Missouri. Mr. Chairman, I ask unanimous consent that all debate on this paragraph and all amendments thereto close in 5 minutes.

The CHAIRMAN. Is there objection to the request of the gentleman from Missouri?

There was no objection.

Mr. SABATH. Mr. Chairman, I rise in opposition to the amendment. Many years ago, before many of you came here, I helped to create the market news service in the belief that it would be of great benefit to growers and farmers but, unfortunately, it has not turned out to be of any service to them. Instead, it serves those who manipulate the market prices of the products of the farmer. The provision provides-

For collecting, publishing, and distributing, by telegraph, mail, or otherwise, timely information on the market supply and demand, etc.

Mr. HENDRICKS. Mr. Chairman, will the gentleman yield?

Mr. SABATH. Yes.

Mr. HENDRICKS. The gentleman is absolutely mistaken as to the purpose of this money. This marketing specialist would provide information at Sanford and other places.

Mr. SABATH. But I am not speaking about the specialist. I am speaking about the appropriation of \$1,119,000 for the market news service-information that we thought would help the farmer.

Mr. HOFFMAN. Mr. Chairman, I rise to a point of order. The CHAIRMAN. The gentleman will state it.

Mr. HOFFMAN. The gentleman from Illinois is not talking to the amendment offered by the gentleman from Florida. The CHAIRMAN. The Chair overrules the point of order.

The gentleman is talking to the paragraph.

Mr. SABATH. Mr. Chairman, I am sincere in this, as I helped to create this Bureau because of my personal interest, and because I realized that the farmer was at a disadvantage in not knowing prices. Unfortunately, this service has been utilized primarily by speculators, brokers, produce gamblers, and others to the disadvantage of the farmers.

The gamblers use this information against the farmer and in that way it is today a detriment instead of a benefit, and the appropriation for this service should be reduced. In fact, I believe that if a real investigation were made, the findings would result in our striking out at least one-half of this appropriation. I hope that what I have said today will be of some help in the future, so that this information, if it is of any value, shall be given to the farmers of the country instead of to the commission men and the gamblers in products of the farm.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Florida.

The amendment was agreed to.

The Clerk read as follows:

Perishable Agricultural Commodities and Produce Agency Acts: To enable the Secretary of Agriculture to carry into effect the provisions of the act entitled "An act to suppress unfair and fraudulent practices in the marketing of perishable agricultural commodities in interstate and foreign commerce," as amended (7 U. S. C. 499a-499r), and the act entitled "An act to prevent the destruction or dumping, without good and sufficient cause therefor, of farm produce received in interstate commerce by commission merchants and others and to require them truly and correctly to account for all farm produce received by them," approved March 3, 1927 (7 U. S. C. 491-497), \$149,628.

Mr. HULL. Mr. Chairman, I offer the following amendment, which I send to the desk.

The Clerk read as follows:

Amendment offered by Mr. Hull: Page 77, after line 2, insert a

new paragraph, as follows:

"Surplus commodities: Section 32 of an act entitled 'An act to amend the Agricultural Adjustment Act, and for other purposes' approved August 24, 1935 (Public Law No. 320, 74th Cong.), as amended, is amended by striking out '30 percent' and inserting in lieu thereof '60 percent."

Mr. TABER. Mr. Chairman, I reserve the point of order on the amendment.

Mr. CANNON of Missouri. Mr. Chairman, I reserve the point of order.

Mr. HULL. Mr. Chairman, I realize that possibly a point of order will be made on this amendment, but when we stop to consider the whole situation with reference to this bill, exceeding a billion dollars in appropriations, recognizing the fact that possibly in its present form it will vastly expand the expenditures for agriculture, at the same time something else is happening to dairy farmers who will receive practically nothing under this bill. They are having taken away from them funds which the Seventy-fourth Congress provided in order to stabilize marketing conditions. As has been said on the floor, there is practically nothing in the bill for the dairymen, especially those of Wisconsin, Minnesota, Michigan, and other States in the Middle West. The only benefits they will receive from the bill is a little amount for soil conservation which will not exceed an average of \$50 per farm in my State and other sections in that country.

In 1934 Congress passed an act setting aside for the purpose of assisting agricultural-marketing conditions, 30 percent of the customs receipts. Under that law practically all of the expenditures have been made for the purchase of dairy products, fruits, vegetables, and other products for distribution under relief. The amount which the dairymen have received under this law and under this attempt of the department to stabilize market prices, has been relatively small.

Last year the receipts under that 30-percent provision amounted to approximately \$150,000,000, and of that amount about \$33,000,000 was expended to stabilize the price of dairy products. In the past 6 years the total amounts of such aids to dairymen, through this and other provisions, have amounted to approximately \$67,000,000. That is about \$1,600,000 less than the adjustment funds which have been granted to the cotton crop alone last year. Comparatively, the figures indicate how little dairying has received in the past, and what a small portion of agricultural-aid funds has been received by the dairy farmer. The Government now holds 11,000,000 bales of cotton, upon which it has loaned in excess of \$500,000,000. It now has \$70,000,000 loaned on corn, and \$48,000,000 on wheat in this year's operations.

In the past 6 years the purchases of surplus dairy products by the Surplus Commodities Corporation have been as follows: 1934, \$10,958,000; 1935, \$9,718,000; 1936, \$4,001,134; 1937, \$4,009,004; 1938, \$5,876,592; 1939, \$33,080,000; or a total of \$67,642,730.

The customs receipts, which were in excess of \$400,000,000 in 1937, will approximate \$307,000,000 for 1938. Consequently, the funds available for marketing purposes will be about \$92,100,000. Under the law, only 25 percent of such receipts can be used for dairy purchases. Instead of \$33,000,000 for stabilizing dairy prices, there will be about \$22,000,000 available, which amount will be further reduced by the holdover of the Dairy Marketing Corporation.

In the last few weeks the Department has stopped going into the market to make purchases to stabilize dairy prices. The consequence is the price of butter, cheese, and whole milk, all dairy products, has been rapidly going down. Milk is down to as low as 1¾ cents per quart in Wisconsin, or about 85 cents per 100 pounds. That decline will continue if the Government stays out of the market for lack of funds.

At present the Dairy Marketing Corporating is holding approximately 70,000,000 pounds of butter, obtained on a loan out of this \$33,000,000. That 70,000,000 pounds is going to be gradually decreased by the distribution of some of the product to the relief agencies; but by the 1st of July there will still be 50,000,000 pounds of butter in the storage houses under the Dairy Marketing Corporation. Fifty million pounds of butter; and the Commodity Credit Corporation will probably undoubtedly ask for the payment of the loan. Unless we can obtain additional funds that entire 50,000,000 pounds of butter will be forced on to the market, or else distributed for relief, to be paid for from the \$22,500,000 available from customs receipts.

The enormity of the loss of the dairy farmers which has occurred already, since the Government pulled out of the principal markets and turned to the Dairy Products Corporation for relief purposes, has been approximately 20 percent on our prices. An expert in the Department of Agriculture this morning advised me that undoubtedly unless the market is further supported, butterfat will go down to 15 or 16 or 17 cents a pound.

[Here the gavel fell.]

Mr. HULL. Mr. Chairman, I ask unanimous consent to proceed for 2 additional minutes.

The CHAIRMAN. Is there objection?

There was no objection.

Mr. HULL. In brief, what does this mean to the dairy farmers of the principal butter and cheese-producing States? If butterfat should go down to even 18 cents a pound you will have approximately a 33½-percent reduction in the income of about 450,000 or 500,000 farmers out there in a few States of the Northwest. That will result in the loss of not \$50,000,000 but from \$100,000,000 or \$125,000,000 in the price the farmers will receive for their cream in that section of the country. That decline in farm purchasing power will not only be devastating to the dairy districts but the effect will be felt nationally as well as locally.

Unless this amendment is adopted and at least 60 percent of the customs receipts shall be made available for purchases of dairy products, or some other plan is adopted of deriving a larger amount of these customs receipts, which will amount to only \$307,000,000 total this year, then all that the Department of Agriculture can do is to take over the butter already in the hands of the Dairy Marketing Corporation and turn it over to the relief forces and let the market take the natural course. It will have less than \$10,000,000 with which to assist in maintaining even relatively low prices on a product valued at one and one-half billions of dollars.

I realize that possibly a point of order may be made upon this legislation upon an appropriation bill, but it does seem to me that the importance of this matter to 2,000,000 dairy farmers should be sufficient to prompt those who may desire to make the point of order to withhold their objection and permit the dairy farmers, poultry raisers, fruit and vegetable growers to have this additional portion of the customs duties devoted to saving their markets to some degree. Otherwise, while more than a billion dollars will go to those who grow cotton, corn, wheat, tobacco, and rice, the funds for dairymen and other farmers will be reduced by 40 percent or more. Unless a point of order is made, I am confident the House will adopt this amendment.

The CHAIRMAN. The time of the gentleman from Wisconsin has again expired.

Mr. CANNON of Missouri. Mr. Chairman, I ask for a ruling on the point of order.

The CHAIRMAN. The gentleman will state the point of order.

Mr. CANNON of Missouri. The point of order is that the amendment proposes legislation on an appropriation bill.

The CHAIRMAN. Does the gentleman from Wisconsin desire to be heard on the point of order?

Mr. SCHAFER of Wisconsin. No, Mr. Chairman. I want to be heard on the amendment.

The CHAIRMAN. Obviously it is legislation on an appropriation bill. The point of order is sustained.

The Clerk read as follows:

Total, salaries and expenses, Bureau of Home Economics, \$325, 085, of which amount not to exceed \$273,350 may be expended for personal services in the District of Columbia.

Mr. DIRKSEN. Mr. Chairman, I ask unanimous consent to return to page 54, for the purpose of restoring the two items that were stricken from the bill yesterday, namely, in line 1, the Mexican fruitfly control, and in line 5 the citruscanker eradication.

The CHAIRMAN. Is there objection to the request of the gentleman from Illinois?

Mr. McCORMACK. Mr. Chairman, reserving the right to object, will the gentleman also incorporate in his unanimous consent request the request to return also for the consideration of the Dutch elm appropriation?

Mr. DIRKSEN. There actually has been some substantial controversy on that item, but there has been no controversy on the two items I mentioned, except for the point of order made on the ground that there was no authorization for it.

Mr. McCORMACK. Mr. Chairman, of course I would never take a position of a recriminatory nature and under no consideration would I object because of failure to return to something that a number in this House are vitally interested in.

I think the appropriation should be made. I will not object to it, but I hope the gentleman will also incorporate in his unanimous-consent request or if this is granted, he will immediately thereafter submit a unanimous-consent request, separate from these two items, so that these items will not become involved in the other one, to return for the consideration of the Dutch elm appropriation.

Mr. DIRKSEN. Mr. Chairman, I amend my request to include the item in line 5 on page 56, dealing with the gypsy and brown-tail moth control and the item in line 20 on page 56, for Dutch elm disease eradication.

The CHAIRMAN. Is there objection to the request of the gentleman from Illinois, as modified?

Mr. TARVER. Mr. Chairman, reserving the right to object, and I have no objection to the request, I would like to ask if the gentleman will also include the sweetpotato weevil control item, so as to substitute the language of the bill for the language of my amendment.

Mr. DIRKSEN. I think the language of the bill is infinitely more acceptable than the language offered by the gentleman from Georgia, and I shall be pleased to include

sweetpotato weevil control, line 15, page 54.

Mr. CANNON of Missouri. Mr. Chairman, in order to expedite consideration of the bill, inasmuch as it is getting late, and we must make progress if we expect to complete the bill tonight, I will object at this time.

The CHAIRMAN. Objection is heard.

The Clerk read as follows:

Enforcement of the Federal Food, Drug, and Cosmetic Act: For enabling the Secretary of Agriculture to carry into effect the provisions of the act of June 25, 1938 (21 U. S. C. 301–392), entitled "An act to prohibit the movement in interstate commerce of adulterated and misbranded food, drugs, devices, and cosmetics, and for other purposes"; to cooperate with associations and scientific societies in purposes": to cooperate with associations and scientific societies in the revision of the United States Pharmacopoeia and development of methods of analysis, and for investigating the character of the chemical and physical tests which are applied to American food products in foreign countries, and for inspecting the same before shipment when desired by the shippers or owners of these products intended for countries where chemical and physical tests are required before the said products are allowed to be sold therein, \$2,288,380: Provided, That not more than \$4,280 shall be used for travel outside the United States.

Mr. HOOK. Mr. Chairman, I move to strike out the last

Mr. Chairman, I intend to take only a couple of minutes to say a few words with regard to the Federal Food, Drug, and Cosmetics Act. Large shipments of foreign cheese have come into this country from South America, cheese which has contained extraneous matter and cheese that contains injurious bacteria, cheese that cannot possibly qualify under the stringent regulations governing domestic cheese manufacturers and under which they must operate in order to ship their product in interstate commerce.

Mr. REED of New York. Mr. Chairman, will the gentle-

man yield?

Mr. HOOK. I yield.

Mr. REED of New York. Is it not true that nothing is written into the trade agreements to protect our people?

Mr. HOOK. The law as it now stands would if actually enforced protect our people, but it has not been enforced through proper inspection of imported products at the port of entry.

Mr. REED of New York. Mr. Chairman, will the gentleman yield further?

Mr. HOOK. I yield.

Mr. REED of New York. But the trade agreements themselves take the place of treaties, and become the supreme law of the land.

Mr. HOOK. I understand, but treaty agreements do not provide for the bringing in of cheese containing extraneous matter and containing injurious bacteria. This cheese is brought in to compete with domestic cheese and I hope those responsible for the enforcement of the Federal Food and Drugs Act see that these importations of cheese are inspected at the port of entry. If they are inspected we will keep out at least 5,000,000 pounds of cheese annually that competes with our local cheese industry.

Mr. MAPES. Mr. Chairman, will the gentleman yield?

Mr. HOOK. I yield.

Mr. MAPES. For information, may I ask the gentleman from Michigan whether the customs officials or the food and drug officials are responsible for inspection of foodstuffs at the port of entry?

Mr. HOOK. The Food and Drug Administration is re-

sponsible for inspection at the port of entry.

Mr. RICH. Mr. Chairman, will the gentleman yield? Mr. HOOK. I yield.

Mr. RICH. Does not the gentleman believe that it would be a good thing to have a tariff on imported cheese?

Mr. HOOK. I do not. I believe the reciprocal-trade agreement has the tariff beat a thousand ways. If we had not had the tariff the farmer would not be in the predicament he is in today.

The Clerk read as follows:

Total salaries and expenses, Soil Conservation Service, \$23,645.584, of which not to exceed \$1,734,636 may be expended for personal services in the District of Columbia, and not to exceed \$100,000 shall be available for the purchase of motor-propelled and horse-drawn passenger-carrying vehicles necessary in the conduct of field work outside the District of Columbia.

Mr. JOHNSON of Oklahoma. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. Johnson of Oklahoma: Page 88, line

Amendment offered by Mr. Johnson of Okianoma: Page 88, line 3, strike out the period, insert a colon and the following:

"Provided, That of the funds made available in this paragraph not exceeding \$500,000 shall be available for general administrative expenses in the District of Columbia, and not exceeding \$1,300,000 of such funds may be expended in the District of Columbia for personal services in connection with research and investigations. cooperative relations and planning, map reproduction, and technical supervisory and inspectional activities."

Mr. JOHNSON of Oklahoma. Mr. Chairman, I have offered the pending amendment in the interest of both economy and efficiency in the Soil Conservation Service. Many amendments have been offered to this bill this afternoon and yesterday to increase the total amount several millions of dollars. The amendment offered by me does not increase the total amount but merely would limit the overhead in the Washington office to what is considered a reasonable figure. would cut \$52,000 from the personnel-service item in the District of Columbia and would reduce the general expenses under the research item from \$1,631,000 to \$1,300,000. This amendment would make a total saving in overhead of \$383,000. Every dollar that this Congress can save in overhead here in Washington could be used in helping the farmers of your districts in receiving assistance in technical and engineering advice in the conservation of their precious soil.

Mr. TABER. Mr. Chairman, will the gentleman yield for

Mr. JOHNSON of Oklahoma. I yield to the distinguished

gentleman from New York.

Mr. TABER. The gentleman's amendment does not increase the total amount appropriated but simply requires that more of it be used on the job instead of in the offices in Washington.

Mr. JOHNSON of Oklahoma. That is the purpose of the amendment, I may say to the gentleman from New York.

Mr. Chairman, as I was saying, whatever we may be able to save in overhead could be added to the amount allocated by the Soil Conservation Service to take over the soil-conservation districts in your State and giving technical information to which the farmers are entitled. No doubt, most of the Members of this House are sincerely anxious to have more of the money appropriated for the Soil Conservation Service expended in the field where it is intended to go. In my own State of Oklahoma the farmers have established, under law written by the Soil Conservation Service, some 27 soil-conservation districts in that State. They did it believing that the Soil Conservation Service was going to take over such districts and operate them. In fact they had such assurances from the representatives of the Soil Conservation Service here in Washington. But now it develops that at least 10 of those districts will not be taken over by the Soil Conservation Service because, they are told, of the lack of sufficient funds with which to operate them. Inference has gone out that Congress has been stingy and unfair with the Soil Conservation Service.

At the same time we see the sorry spectacle of a constantly growing bureau here in Washington. Only a few years ago there was a mere handful in the Washington office, but it has grown until now there are more than 700 people in the Washington office and more than 1,300 socalled experts and others in and under the 11 regional offices. Then they have the State offices and their socalled area offices. In the State of Oklahoma there are three area offices which are costing the taxpayers, so I am advised, more than the 9 or 10 soil-conservation districts that are now in operation in that State. The Soil Conservation Service should be told in no uncertain terms to eliminate its unnecessary overhead, to eliminate at least some of the supervisors who are supervising supervisors and actually to expend a more reasonable amount of the money appropriated for the soil-conservation districts, the so-called demonstration areas, and for the giving of technical and engineering advice to the individual farmers. [Applause.]

Mr. MASSINGALE. Mr. Chairman, will the gentleman yield?

Mr. JOHNSON of Oklahoma. I yield.

Mr. MASSINGALE. Is it not true that if the gentleman's amendment is adopted it will be possible to man all of the 27 districts in Oklahoma and that we cannot do it without?

Mr. JOHNSON of Oklahoma. I would not say that this one amendment would enable them to take over all of the 27 districts, unless they put the entire amount saved in Oklahoma, which, of course, would not be done, but certainly it would help that much.

There are many Members of Congress who state they would like to increase the amount of the appropriation if they knew the money would go out into the districts where it belongs. When we find a constant increase in overhead, with 123 doing research in the Washington office, and Members are told they are unable to spend money out in the field, it seems time for Congress to call a halt on such an agency. This Congress has the right and duty to direct that a more reasonable amount of the appropriations be spent on the demonstration projects and legally constituted soil conservation districts.

Mr. REED of New York. Will the gentleman yield.

Mr. JOHNSON of Oklahoma. I yield to the gentleman from New York.

Mr. REED of New York. Has it not been the practice of these bureaucrats for many years to take the money and put people on the pay roll here, then tell the people out in the country that the Congress will not appropriate sufficient money?

Mr. JOHNSON of Oklahoma. We know that. It makes no difference whether it happens to be a Democratic bureau, a Republican bureau, or an independent bureau that is supposed to be nonpolitical. Unfortunately, when the Congress creates a bureau, agency, or board, the general rule is that they immediately begin to build up themselves by bringing pressure on Congress for bigger and better appropriations.

It is not necessary to tell the members of this body that I am tremendously interested in the program of the Soil Conservation Service. You Members know that I have supported it enthusiastically in the past and irrespective of the arrogant high-hatted attitude of some of those in authority in the Washington office toward Members of Congress generally, I shall continue to support appropriations for the Soil Conservation Service. But I insist now and shall continue to insist in the future that the money herein appropriated shall be expended primarily for the farmers and not in order to build up a constantly expanding and arrogant bureau in Washington. | Applause.]

[Here the gavel fell.]

Mr. JOHNSON of Oklahoma. Mr. Chairman. I ask unanimous consent to proceed for 3 additional minutes.

The CHAIRMAN. Is there objection to the request of the gentleman from Oklahoma [Mr. Johnson]?

There was no objection.

Mr. JOHNSON of Oklahoma. Mr. Chairman, I have referred to this Bureau that I have supported enthusiastically in the past, as being arrogant. But I want to make it plain that this is not a personal matter with me. The policy of the Soil Conservation Service, however, is worse than arrogant. It has thrown the cloak of self-importance about it and assumed a holier-than-thou attitude. It is fast becoming more difficult for a Member of Congress to talk to one of these bureaucrats over the telephone.

Some of you may not be aware of the fact that the Soil Conservation Service has a rule in Washington that before any of the 700 employees in the Washington office is permitted to call a Member of Congress over the telephone or call at his office in the Capitol, he must get permission from his Chief. Then before permission is granted, the employee must advise on what subject he wishes to discuss with the Member of Congress. And if he is fortunate or unfortunate enough to secure permission, the employee must note carefully what he says to the Congressman and what the Congressman says to him, and then he must report back to the Chief everything that transpired while he was in the Congressman's office. That sounds ridiculous and, of course, is absurd. But I have as my authority a letter under the signature of the Chief of the Soil Conservation Service admitting that this is the rule and actually attempting to defend such a tyrannical and almost unbelievable regulation.

Moreover, if any of the 1,300 people under the jurisdiction of the 11 so-called regions of the Soil Conservation office should happen to want to write a Congressman a letter, he must get permission of his chief in order to do so. Word has gone out, so I am advised, to the project managers on the so-called demonstration projects, that under no circumstances are they to write Members of either House of Congress concerning matters in which the Congress may be interested

without permission.

The only way a Member of Congress can secure information from the Soil Conservation Service, so I am advised, is through the Chief of the Soil Conservation Service, and I have the evidence that information given out from that source cannot always be relied upon. For example: Under

date of January 20 I addressed a letter to the Soil Conservation Service asking for certain information. Sixteen days later and after I wrote a second letter demanding a reply and other definite information, I received a letter from the Soil Conservation Service purporting to answer my questions. Among the several questions I asked was this: "Please advise the exact amount of the appropriation made that actually reaches the field and is spent in field operations." The answer was: "Of the regular appropriation of \$23,645,584 to the Soil Conservation Service during the fiscal year of 1939 it is estimated that \$21,483,444 will be spent in field operations.

Checking on this statement I find that at least 123 employees are permanently stationed in Washington but paid out of this particular fund. Yet they have the unmitigated gall to advise Congress that this money is being actually expended in the field.

I have evidence that other letters have gone out of Washington calling on the boys in the field, on the pay roll of course, to have their friends write Members of Congress, especially members of the Appropriations Committee, suggesting that this appropriation be increased \$4,000,000. So, no doubt, we are due to receive such letters from some of our constituents within the near future.

There is just one way, as I see it, to establish or at least curtail the constantly growing overhead in the Soil Conservation Service and that is to do it by limitation such as the amendment I have offered, and I sincerely trust that Members will take advantage of this opportunity and cast a vote in the interest of efficiency as well as economy. [Applause.]

Mr. CANNON of Missouri. Mr. Chairman, I ask unanimous consent that debate on this paragraph and all amendments thereto close in 8 minutes.

The CHAIRMAN. Is there objection to the request of the gentleman from Missouri [Mr. Cannon]?

Mr. VINCENT of Kentucky. Mr. Chairman, I object.

Mr. CANNON of Missouri. Mr. Chairman, I move that all debate on this paragraph and all amendments thereto close in 8 minutes.

The motion was agreed to.

Mr. ANDERSON of Missouri. Mr. Chairman, I offer a preferential motion.

The CHAIRMAN. The gentleman will state it.

Mr. ANDERSON of Missouri. Mr. Chairman, I move that the Committee do now rise.

The question was taken; and on a division (demanded by Mr. Anderson of Missouri) there were—ayes 109, noes 84.

Mr. CANNON of Missouri. Mr. Chairman, I ask for tellers. Tellers were ordered, and the Chair appointed Mr. Cannon of Missouri and Mr. Anderson of Missouri to act as tellers.

The Committee again divided; and the tellers reported there were—ayes 129, noes 104.

So the motion was agreed to.

Mr. CANNON of Missouri. Mr. Chairman, a parliamentary inquiry.

The CHAIRMAN. The gentleman will state it.

Mr. CANNON of Missouri. Will it be in order in the House to have a yea-and-nay vote to discover who wants to quit and lean on their shovels instead of staying on the job and finishing the day's work?

The CHAIRMAN. Yes; if the yeas and nays are demanded in the House. The Committee will rise.

Accordingly the Committee rose; and Mr. RAYBURN, having taken the chair as Speaker pro tempore, Mr. Patman, Chairman of the Committee of the Whole House on the state of the Union, reported that that Committee had had under consideration the bill H. R. 5269, the agricultural appropriation bill, 1940, and had come to no resolution thereon.

LEAVE OF ABSENCE

By unanimous consent, leave of absence was granted to Mr. Hinshaw (at the request of Mr. Carter), for 1 day, on account of sickness in his family.

BILLS AND JOINT RESOLUTIONS PRESENTED TO THE PRESIDENT

Mr. PARSONS, from the Committee on Enrolled Bills, reported that that committee did on this day present to the President, for his approval, bills and joint resolutions of the House of the following titles:

H. R. 767. An act for the relief of Benjamin Weisenberg; H. R. 950. An act to exempt all vessels of the United States of less than 200 tons gross registered tonnage from the provisions of the Officers' Competency Certificates Convention, 1936 (being International Labor Conference Treaty, Convention No. 53, adopted by the International Labor Conference at Geneva in 1936);

H. R. 1430. An act for the relief of Hyman Ginsberg; H. R. 1836. An act for the relief of Jack Nelson, a minor;

H. R. 2079. An act for the relief of Charles T. Wise; H. R. 2192. An act to extend the time for commencing and completing bridges across Cross Bayou, Twelve Mile Bayou, and Caddo Lake in Caddo Parish, La.;

H.R. 3090. An act for the relief of C.R. Henderson; H.R. 3100. An act for the relief of Capt. Francis H.A. McKeon:

H. R. 3791. An act to provide more effectively for the national defense by carrying out the recommendations of the President in his message of January 12, 1939, to the Con-

H. J. Res. 110. Joint resolution to authorize Commander Henry Coyle, United States Coast Guard, to accept the decoration and diploma of the Marine Medal of Class 1 (gold), conferred upon him by the Government of Greece;

H. J. Res. 150. Joint resolution to amend the joint resolution entitled "Joint resolution to provide that the United States extend to foreign governments invitations to participate in the Third International Congress for Microbiology to be held in the United States during the calendar year 1939"; and

H. J. Res. 163. Joint resolution providing for the participation of the United States in the celebration of the twenty-fifth anniversary of the opening of the Panama Canal.

ADJOURNMENT

Mr. CANNON of Missouri. Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to; accordingly (at 4 o'clock and 57 minutes p. m.) the House adjourned until Monday, March 27, 1939, at 12 o'clock noon.

COMMITTEE HEARINGS

COMMITTEE ON WAYS AND MEANS

Public hearings will continue on Monday, March 27, 1939, at 10 a.m., on social-security legislation, in the Ways and Means Committee room in the New House Office Building.

COMMITTEE ON NAVAL AFFAIRS

There will be a meeting of the Committee on Naval Affairs at 10:30 a.m. on Monday, March 27, 1939, for the consideration of the Hepburn board report.

COMMITTEE ON IRRIGATION AND RECLAMATION

There will be a meeting of the Committee on Irrigation and Reclamation in room 128, House Office Building, at 10 a.m. Tuesday, March 28, 1939, for the purpose of considering H. R. 5076.

COMMITTEE ON INTERSTATE AND FOREIGN COMMERCE

There will be a meeting of the Committee on Interstate and Foreign Commerce at 10 a.m. Monday, March 27, 1939. Business to be considered: Continuation of hearing on H. R. 5093—training air pilots.

There will be a meeting of the Committee on Interstate and Foreign Commerce at 10 a.m. Tuesday, March 28, 1939. Business to be considered: Railroad legislation—H. R. 2531. Commissioner Eastman will be the witness.

There will be a meeting of the Business Research Subcommittee of the Committee on Interstate and Foreign Commerce at 10 a. m. Monday, April 3, 1939. Business to be considered: Hearing on H. R. 3395—business research bill.

There will be a meeting of the trust indenture subcommittee of the Committee on Interstate and Foreign Commerce at 10 a. m. Tuesday, April 4, 1939. Business to be considered: Hearing on H. R. 5220—trust indenture bill.

COMMITTEE ON PATENTS

A subcommittee of the Committee on Patents, House of Representatives, will hold hearings in the caucus room of the House Office Building beginning Tuesday, March 28, 1939, at 10 a.m., on H. R. 4744, a bill to provide for the registration of trade-marks used in commerce, to carry out the provisions of certain international conventions, and for other purposes. Hon. Fritz G. Lanham is chairman of the subcommittee.

Mr. Lanham announces that the procedure at these hearings will be the same as that he initiated at the hearings on trade-marks in the Seventy-fifth Congress, 1938; that is, the bill will be taken up section by section, so all testimony on a given section will be found at one place in the printed record

COMMITTEE ON IMMIGRATION AND NATURALIZATION

There will be a public hearing before the Committee on Immigration and Naturalization at 10:30 a.m. Wednesday, March 29, 1939, for the consideration of H. R. 3657 and H. R. 4369. Room 445, House Office Building.

COMMITTEE ON RIVERS AND HARBORS

The Committee on Rivers and Harbors will meet Tuesday, April 4, 1939, at 10:30 a.m., to continue hearings on the project for the Connecticut River, Conn. and Mass.

COMMITTEE ON MERCHANT MARINE AND FISHERIES

The Committee on Merchant Marine and Fisheries will hold public hearings in room 219, House Office Building, at 10 a.m., on the bills and dates listed below:

Tuesday, March 28, 1939:

H. R. 197, relating to the clearance of vessels; H. R. 199, relating to the allotment of wages by seamen; H. R. 200, relating to foreign towboats towing between American ports; H. R. 1780, relating to penalties on certain undocumented vessels and cargoes engaging in the coastwise trade or the fisheries; H. R. 1782, relating to change of masters of vessels.

Wednesday, March 29, 1939: H. R. 198, relating to the measurement of vessels; H. R. 132, authorizing the use of condemned Government vessels for breakwater purposes; and H. R. 5130, to amend certain provisions of the Merchant Marine and Shipping Acts, to further the development of the American merchant marine, and for

other purposes. Tuesday, April 4, 1939:

H. R. 3209, making it a misdemeanor to stow away on vessels; H. R. 3398, regarding the down payment for construction of new vessels; H. R. 3935, relating to the discharge of seamen.

Wednesday, April 5, 1939:

H. R. 3052, uniform insignia for Naval Reserve radio operators; H. R. 1010, intercoastal subsidy bill (Welch).

Thursday, April 6, 1939:

H. R. 1011, acquisition of drydock facilities for United States Maritime Commission on San Francisco Bay (Welch); H. R. 2870, acquisition of drydock facilities for United States Maritime Commission at Los Angeles (Thomas F. Ford); H. R. 3040, acquisition of drydock facilities for United States Maritime Commission at Los Angeles (Geyer of California).

Tuesday, April 11, 1939:

H. R. 1783, inspection of hulls of sail vessels and barges (Bland); H. R. 1785, motorboat bill (Bland); H. R. 1795, motorboat bill (Hendricks); H. R. 1809, inspection of motorboats, 15 gross tons up (Magnuson); H. R. 2398, regarding pilots on yachts (Angell); H. R. 3837, inspection of motorboats, 15 gross tons up (Connery).

Thursday, April 13, 1939:

H. R. 4220, load-line bill for seagoing vessels (Bland).

Tuesday, April 18, 1939:

H. R. 2404, surgeon and hospital on vessels (Sirovich); H. R. 2660, limitation of liability (Sirovich); House Joint Resolution 153 and House Joint Resolution 194, investigate conditions pertaining to lascar seamen (Sirovich).

REPORTS OF COMMITTEES ON PUBLIC BILLS AND RESOLUTIONS

Under clause 2 of rule XIII,

Mr. COX: Committee on Rules. House Resolution 130. Resolution to provide for an investigation of the Works Progress Administration; without amendment (Rept. No. 312). Referred to the House Calendar.

Mr. STEAGALL: Committee on Banking and Currency. H. R. 5324. A bill to amend the National Housing Act, and for other purposes; without amendment (Rept. No. 313). Referred to the Committee of the Whole House on the state of the Union.

Mr. KELLER: Committee on the Library. House Joint Resolution 224. Joint resolution to authorize the painting of the signing of the Constitution for placement in the Capitol Building; with amendment (Rept. No. 315). Referred to the Committee of the Whole House on the state of the Union.

Mr. KELLER: Committee on the Library. House Joint Resolution 225. Joint resolution amending the joint resolution entitled "Joint resolution providing for the construction and maintenance of a National Gallery of Art," approved March 24, 1937; without amendment (Rept. No. 316.) Referred to the Committee of the Whole House on the state of the Union.

REPORTS OF COMMITTEES ON PRIVATE BILLS AND RESOLUTIONS

Under clause 2 of rule XIII.

Mr. POAGE: Committee on War Claims. H. R. 2595. A bill conferring jurisdiction upon the Court of Claims to hear and determine the claim of the Mack Copper Co.; with amendment (Rept. No. 314). Referred to the Committee of the Whole House.

PUBLIC BILLS AND RESOLUTIONS

Under clause 3 of rule XXII, public bills and resolutions were introduced and severally referred as follows:

By Mr. PETERSON of Florida:

H. R. 5358. A bill amending section 304 (c) of the Sugar Act of 1937 and limiting the amount of benefit payments; to the Committee on Agriculture.

By Mr. RAMSPECK:

H. R. 5359 (by request). A bill to amend the act entitled "An act to provide for the establishment of a national employment system and for cooperation with the States in the promotion of such system, and for other purposes," as amended, by extending the scope of services thereunder, and for other purposes; to the Committee on Labor.

By Mr. O'CONNOR:

H. R. 5360. A bill to tax the profits out of war by steeply graduated income and other taxes in order to provide for an effective national defense, to promote peace, to encourage actual neutrality, to discourage war profiteering, to distribute the burdens of war, to keep democracy alive, and for other purposes; to the Committee on Ways and Means.

By Mr. WHELCHEL:

H.R. 5361. A bill to fix the maximum rate of interest on loans secured by Government life-insurance policies; to the Committee on World War Veterans' Legislation.

By Mr. ASHBROOK:

H. J. Res. 229. Joint resolution designating August 19 of each year National Aviation Day; to the Committee on the Judiciary.

By Mr. SHANLEY:

H. J. Res. 230. Joint resolution designating August 19 of each year National Aviation Day; to the Committee on the Judiciary.

By Mr. VOORHIS of California:

H. J. Res. 231. Joint resolution designating August 19 of each year National Aviation Day; to the Committee on the Judiciary.

By Mr. PETERSON of Florida:

H. J. Res. 232. Joint resolution designating August 19 of each year National Aviation Day; to the Committee on the Judiciary.

By Mr. MARTIN of Colorado:

H. J. Res. 233. Joint resolution designating August 19 of each year National Aviation Day; to the Committee on the Judiciary.

By Mr. CARLSON:

H. J. Res. 234. Joint resolution designating August 19 of each year National Aviation Day; to the Committee on the Judiciary.

By Mr. MASON:

H. J. Res. 235. Joint resolution designating August 19 of each year National Aviation Day; to the Committee on the Judiciary.

By Mr. MERRITT:

H. J. Res. 236. Joint resolution designating August 19 of each year National Aviation Day; to the Committee on the Judiciary.

By Mr. RANDOLPH:

H. J. Res. 237. Joint resolution designating August 19 of each year National Aviation Day; to the Committee on the Judiciary.

By Mr. SHEPPARD:

H. J. Res. 238. Joint resolution designating August 19 of each year National Aviation Day; to the Committee on the Judiciary.

MEMORIALS

Under clause 3 of rule XXII, memorials were presented and referred as follows:

By the SPEAKER: Memorial of the Legislature of the State of Nevada, memorializing the President and the Congress of the United States to consider their assembly joint resolution No. 12, with reference to a special 3-cent stamp to commemorate Nevada's diamond jubilee of 75 years' statehood; to the Committee on the Post Office and Post Roads.

PRIVATE BILLS AND RESOLUTIONS

Under clause 1 of rule XXII, private bills and resolutions were introduced and severally referred as follows:

By Mr. BLOOM:

H. R. 5362. A bill granting a pension to Alice G. Townsend; to the Committee on Invalid Pensions.

By Mr. BROWN of Ohio:

H. R. 5363. A bill granting an increase of pension to Effie Washington; to the Committee on Pensions.

By Mr. DEMPSEY:

H. R. 5364. A bill for the relief of Russell J. Vaughan; to the Committee on Claims.

By Mr. LARRABEE:

H.R. 5365. A bill for the relief of John T. Murphy; to the Committee on Claims.

H.R. 5366. A bill for the relief of Israel Brown; to the Committee on Military Affairs.

H. R. 5367. A bill granting a pension to Charles Thompson; to the Committee on Pensions.

By Mrs. O'DAY:

H.R. 5368. A bill for the relief of Ryang (or Lucy) Kim; to the Committee on Immigration and Naturalization.

By Mr. PETERSON of Florida:

H. R. 5369. A bill for the relief of Maj. Noe C. Killian; to the Committee on Claims.

PETITIONS, ETC.

Under clause 1 of rule XXII, petitions and papers were laid on the Clerk's desk and referred as follows:

2071. By Mr. ANDERSON of California: Resolution dated March 14, 1939, and signed by William H. Augustus, clerk, San Mateo County, Calif., and Fred E. Beer, J. W. Poole, Alvin S. Hatch, and John A. Lynch, supervisors of San Mateo County, Calif., asking the Secretary of the Navy to assign one-half of the United States Fleet permanently for operation in Pacific waters, with San Francisco Bay as its head-quarters and base; to the Committee on Naval Affairs.

2072. By Mr. ASHBROOK: Petition of 142 citizens of Coshocton, Ohio, favoring the \$150,000,000 additional ap-

propriation for the Works Progress Administration; to the Committee on Appropriations.

2073. By Mr. JONES of Ohio: Petition of D. H. Collins, of Ansonia, and sundry other citizens; to the Committee on Agriculture.

2074. Also, petition of William E. North, of Greenville, Darke County, Ohio, and of 1,051 other residents of the Fourth Congressional District of Ohio; to the Committee on Agriculture.

2075. Also, petition of D. H. Collins, of Ansonia, and sundry other citizens; to the Committee on Agriculture.

2076. Also, petition of William E. North, of Greenville, Darke County, Ohio, and 1,051 other residents of the Fourth Congressional District of Ohio; to the Committee on Agriculture.

2077. By Mr. MARTIN J. KENNEDY: Petition of Lodge No. 1408, International Association of Machinists, Sidney, Ohio, urging support of House bill 4862; to the Committee on Interstate and Foreign Commerce.

2078. Also, petition of Magnet Lodge, No. 227, Brotherhood of Locomotive Firemen and Enginemen, Binghamton, N. Y., urging passage of House bill 4862; to the Committee on Interstate and Foreign Commerce.

2079. Also, petition of the Parents Association of P. S. 158, New York City, urging support of the Wagner health bill (S. 1620); to the Committee on Education.

2080. By Mr. KEOGH: Petition of the Bricklayers' Union, Local No. 9, Brooklyn, N. Y., favoring the passing of House bill 4576; to the Committee on Appropriations.

2081. Also, petition of the Canastota Public Library, Canastota, N. Y., concerning House bill 3517, Federal aid bill; to the Committee on Appropriations.

2082. Also, petition of the United Shoe Workers of America, Joint Council No. 13, New York City, concerning the Wagner Labor Relations Act; to the Committee on Labor.

2083. Also, petition of the International Association of Bridge, Structural, and Ornamental Iron Workers, Local No. 361, Brooklyn, N. Y., favoring House bill 4576 and Senate bill 591; to the Committee on Appropriations.

2084. Also, petition of Beaver Falls public schools, Beaver Falls, Pa., concerning the Harrison-Thomas bill for Federal aid for education; to the Committee on Education.

2085. Also, petition of the United Federal Workers, New York City, concerning House bill 3664 and Senate bill 1314; to the Committee on Labor.

2086. Also, petition of the South Georgia Teachers College, Collegeboro, Ga., concerning House bill 3517; to the Committee on Education.

2087. Also, petition of the Eastern District Branch, New York Association of Retail Meat Dealers, concerning the Patman bill; to the Committee on Ways and Means.

2088. By Mr. LAMBERTSON: Petition of Rev. George Schrenk and 44 other members of the Cummings (Kans.) Evangelical Church, urging Congress to defeat the bill which would include the church in the Social Security Act; to the Committee on Ways and Means.

2089. Also, petition of J. M. Kendall and 24 other citizens of Summerfield, Kans., urging Congress to enact a neutrality law which will keep the United States neutral in fact and avoid any foreign entanglements; to the Committee on Foreign Affairs.

2090. By Mr. LEWIS of Ohio: Petition of sundry citizens of East Liverpool and Wellsville, Ohio, supporting additional Works Progress Administration relief funds; to the Committee on Appropriations.

2091. Also, petition signed by 42 residents of the Eighteenth Congressional District of Ohio, urging passage of the Robinson-Patman chain-store bill; to the Committee on Ways and Means.

2092. Also, petition of sundry citizens of Steubenville, Ohio, favoring the neutrality law, with certain amendments; to the Committee on Foreign Affairs.

2093. Also, petition of sundry citizens of Jewett, Ohio, protesting against provision of social security law exempting employees of telephone companies serving small towns and rural communities; to the Committee on Ways and Means.

2094. By Mr. SCHAEFER of Illinois: Petition of the Building and Construction Trades Council, H. L. Wallis, secretary, East St. Louis, Ill., opposing further appropriation of Works Progress Administration funds for construction work; to the Committee on Appropriations.

2095. By Mr. SECCOMBE: Petition of Rilla Thomas, of Canton, Ohio, and 17 other residents of Canton, requesting that the United States stop the shipment of weapons and war materials to Japan, as the aggressor in the present Sino-Japanese war; to the Committee on Foreign Affairs.

2096. By the SPEAKER: Petition of the Sheepshead Bay Property Owners' Association, Brooklyn, N. Y., petitioning consideration of their resolution with reference to economy; to the Committee on Appropriations.

SENATE

Monday, March 27, 1939

The Chaplain, Rev. Z@Barney T. Phillips, D. D., offered the following prayer:

Almighty God, eternal Father, who declarest Thy glory in the heavens, while the firmament showeth Thy handiwork, who hast made man in Thine own image and endued him with the possibilities of growing up into Thy likeness: Speak to us at this morning hour; and if we have been engulfed by the tides of indolence, self-seeking, or sordid pleasure, strengthen Thou our world-worn hearts, and by Thy creative spirit drive us once more to the heights where we may behold the things that matter for our Nation-duty, honor, true patriotism, and sacrifice, most heavenly attribute of God and man, clothed in love's pure vestment—that having caught the vision, there may be restored to us all the throbbing hearts' high courage, hope transcending pain, and joy that has companioned with sorrow to the understanding of life's deepest mysteries. In this spirit of true service may we walk today. We ask it in the name of the divine Workman, Jesus Christ our Lord. Amen.

THE JOURNAL

On request of Mr. Barkley, and by unanimous consent, the reading of the Journal of the proceedings of Thursday, March 23, 1939, was dispensed with, and the Journal was approved.

MESSAGES FROM THE PRESIDENT

Messages in writing from the President of the United States were communicated to the Senate by Mr. Latta, one of his secretaries.

MESSAGE FROM THE HOUSE

A message from the House of Representatives, by Mr. Calloway, one of its reading clerks, communicated to the Senate the intelligence of the death of Hon. Clarence W. Turner, late a Representative from the State of Tennessee, and transmitted the resolutions of the House thereon; and announced that, under the second resolution, the Speaker had appointed Mr. Cooper, Mr. Person, Mr. Byrns of Tennessee, and Mr. Taylor of Tennessee, to be joined with such Members of the Senate as may be appointed to attend the funeral of the deceased Representative.

The message also announced that the House had passed a bill (H. R. 4860) to amend existing law so as to provide for the exclusion and deportation of aliens who advocate the making of any changes in the American form of government, in which it requested the concurrence of the Senate.

ENROLLED BILLS AND JOINT RESOLUTIONS SIGNED DURING ADJOURNMENT

Under authority of the order of the 23d instant, on March 25, 1939, the Vice President signed the following enrolled bills and joint resolutions, which had been signed previously by the Speaker of the House of Representatives:

H. R. 767. An act for the relief of Benjamin Weisenberg;

H. R. 950. An act to exempt all vessels of the United States of less than 200 tons gross registered tonnage from the provisions of the Officers' Competency Certificates Convention, 1936 (being International Labor Conference Treaty, Con-

vention No. 53, adopted by the International Labor Conference at Geneva in 1936);

H. R. 1430. An act for the relief of Hyman Ginsberg;

H.R. 1836. An act for the relief of Jack Nelson, a minor;

H. R. 2079. An act for the relief of Charles T. Wise;

H. R. 2192. An act to extend the time for commencing and completing bridges across Cross Bayou, Twelve Mile Bayou, and Caddo Lake in Caddo Parish, La.;

H. R. 3090. An act for the relief of C. R. Henderson:

H.R. 3100. An act for the relief of Capt. Francis H. A. McKeon:

H. R. 3791. An act to provide more effectively for the national defense by carrying out the recommendations of the President in his message of January 12, 1939, to the Congress:

H.J. Res. 110. Joint resolution to authorize Commander Henry Coyle, United States Coast Guard, to accept the decoration and diploma of the Marine Medal of Class 1 (gold), conferred upon him by the Government of Greece;

H. J. Res. 150. Joint resolution to amend the joint resolution entitled "Joint resolution to provide that the United States extend to foreign governments invitations to participate in the Third International Congress for Microbiology to be held in the United States during the calendar year 1939"; and

H. J. Res. 163. Joint resolution providing for the participation of the United States in the celebration of the twenty-fifth anniversary of the opening of the Panama Canal.

CALL OF THE ROLL

Mr. MINTON. I suggest the absence of a quorum.
The VICE PRESIDENT. The clerk will call the roll.
The legislative clerk called the roll, and the following Senators answered to their names:

Davis	Lee	Russell
Donahey	Lewis	Schwartz
Downey	Lodge	Schwellenbach
Ellender	Logan	Sheppard
Frazier	Lucas	Shipstead
George	Lundeen	Smith
Gerry	McKellar	Taft
Gillette	McNary	Thomas, Okla.
Glass	Maloney	Thomas, Utah
Green	Miller	Townsend
Guffey	Minton	Truman
Gurney	Murray	Tydings
Harrison	Neely	Vandenberg
Hatch	Norris	Van Nuvs
Hayden	Nye	Wagner
Herring	O'Mahoney	Walsh
Holman	Overton	Wheeler
Hughes	Pepper	White
Johnson, Calif.	Pittman	Wiley
Johnson, Colo.	Radcliffe	
King	Reed	
La Follette	Reynolds	
	Downey Ellender Frazier George Gerry Gillette Glass Green Guffey Gurney Harrison Hatch Hayden Herring Holman Hughes Johnson, Calif. Johnson, Colo. King	Donahey Lewis Downey Lodge Ellender Logan Frazier Lucas George Lundeen Gerry McKellar Gillette McNary Glass Maloney Green Miller Guffey Minton Gurney Murray Harrison Neely Hatch Norris Hayden Nye Herring O'Mahoney Holman Overton Hughes Johnson, Colo. King Redelife Reed

Mr. MINTON. I announce that the Senator from West Virginia [Mr. Holt] is detained from the Senate because of illness in his family.

The Senator from New York [Mr. MEAD] is absent because of a death in his family.

The Senator from Tennessee [Mr. Stewart] is attending the funeral of the late Representative Turner, of Tennessee.

The Senator from Alabama [Mr. Hill], the Senator from New Jersey [Mr. Smathers], the Senator from Nevada [Mr. McCarran], and the Senator from Michigan [Mr. Brown] are detained on important public business.

Mr. AUSTIN. My colleague [Mr. Gibson] is necessarily absent.

The VICE PRESIDENT. Eighty-five Senators have answered to their names. A quorum is present.

SUPPLEMENTAL ESTIMATE, WAR DEPARTMENT (S. DOC. NO. 46)

The VICE PRESIDENT laid before the Senate a communication from the President of the United States, transmitting draft of a proposed provision pertaining to two existing appropriations of the War Department transferring the sum of \$50,000 from the appropriation "Reserve Officers' Training Corps, 1939" to the "Pay of Military Academy, 1939," for the pay of cadets, which, with the accompanying paper, was referred to the Committee on Appropriations and ordered to be printed.

SUPPLEMENTAL ESTIMATE, POST OFFICE DEPARTMENT (S. DOC. NO. 45)

The VICE PRESIDENT laid before the Senate a communication from the President of the United States, transmitting a proposed provision pertaining to existing appropriations for the Post Office Department to provide funds required under certain appropriations to meet deficiencies or additional requirements for the fiscal years 1938 and 1939, aggregating \$116,403, by transfers from certain other appropriations under which balances are in excess of the actual or prospective needs thereof, which, with the accompanying paper, was referred to the Committee on Appropriations and ordered to be printed.

PROMOTION OF NAUTICAL EDUCATION

The VICE PRESIDENT laid before the Senate a letter from the Acting Secretary of the Treasury, transmitting a draft of proposed legislation to promote nautical education, and for other purposes, which, with the accompanying paper, was referred to the Committee on Commerce.

ADDITIONAL SURVEYS AND MAPPING (S. DOC. NO. 54)

The VICE PRESIDENT laid before the Senate a joint letter from the Secretaries of War, Commerce, and Interior, transmitting, in response to Senate Resolution 87 (submitted by Mr. HAYDEN, and agreed to February 27, 1939), a report outlining the necessity for additional surveys and mapping in the United States, which, with the accompanying papers, was referred to the Committee on Commerce and ordered to be printed with illustrations.

AIRPORT SURVEY-REPORT OF CIVIL AERONAUTICS AUTHORITY

The VICE PRESIDENT laid before the Senate a letter from the chairman and members of the Civil Aeronautics Authority, transmitting, pursuant to law, report on a survey of the airport system of the United States, including recommendations relative to the construction, improvement, development, operation, and maintenance of a national system of airports, and as to the nature and extent of proposed participation, which, with the accompanying report, was referred to the Committee on Commerce.

REPORT OF RECONSTRUCTION FINANCE CORPORATION

The VICE PRESIDENT laid before the Senate a letter from the chairman and secretary of the Reconstruction Finance Corporation, transmitting, pursuant to law, a report of the Corporation covering its operations for the fourth quarter of 1938, and for the period from its organization on February 2, 1932, to December 31, 1938, inclusive, which, with the accompanying papers, was referred to the Committee on Banking and Currency.

VISITORS TO THE COAST GUARD ACADEMY

Mr. BAILEY presented the following letter:

United States Senate Committee on Commerce March 25, 1939.

By virtue of the authority vested in me by the act approved April 10, 1937, I hereby appoint Senators Francis T. Maloney and Wallace H. White, Jr., to represent the Senate Committee on Commerce on the Board of Visitors to the United States Coast Guard Academy during the remainder of the first session of the Seventy-sixth Congress. As chairman of the committee I am an ex officio sixth Congress. As ch member of the Board.

JOSIAH W. BAILEY, Chairman, Committee on Commerce.

PETITIONS AND MEMORIALS

The VICE PRESIDENT laid before the Senate the following joint memorial of the Legislature of Oregon, which was referred to the Committee on Claims:

Senate Joint Memorial 8

To the Honorable Senate and House of Representatives of the

To the Honorable Senate and House of Representatives of the United States of America in Congress assembled:

We, your memorialists, the Fortieth Legislative Assembly of the State of Oregon, in regular session assembled, respectfully show, request, and petition as follows: That

Whereas to carry on activities during the late World War the Federal Government incorporated a company known as the United States Production Corporation; that this company purchased and took title to certain lands in Lincoln County, Oreg.; the land so acquired included 12,000 acres containing a stand of selected spruce

timber, a mill site of approximately 10 acres of land located at Toledo, Oreg., on which a mill building was constructed; and for the purpose of transporting spruce logs to Toledo the Federal Government also constructed two railroad spurs, one running south and another running north from Yaquina Bay, from whence logs were rafted to the mill and Toledo; and

Whereas at the close of said war, and on December 17, 1920, all of the above property so purchased was disposed of by the United States Production Corporation under contract of sale to the Pacific Spruce Corporation, a private company organized under the laws of the State of Delaware, which contract of sale exempted said property.

of the above property so purchased was disposed of by the United States Production Corporation under contract of sale to the Pacific Spruce Corporation, a private company organized under the laws of the State of Delaware, which contract of sale exempted said properties from taxation; and

Whereas the Federal Government, in disposing of such land under contract of sale to private owners, in exempting such land from taxes, deprived Lincoln County of a source of taxable revenue it should be entitled to have; and

Whereas in order to remedy the situation the Honorable Charles I. McNary, senior United States Senator of this State, introduced on January 25, 1939, into the Senate of the United States, a bill numbered S. 997, providing that the Secretary of the Treasury of the United States be directed to pay to Lincoln County, Oreg., a sum of money equal to the amount Lincoln County would have received as taxes for the years 1919, 1920, 1921, and 1922 from the United States Spruce Corporation if the real and personal property of such Corporation, exclusive of improvements made thereon by the United States Spruce Corporation, or any other agent of the United States, were taxable as property privately owned; that such sum be in full satisfaction of all claims of Lincoln County against the Corporation or any real or personal property thereof, or against the United States, in respect of such Corporation or property for such taxes for such years. For the year 1923 and each year thereafter, as long as such property remains the property of the Corporation of the United States, or of any corporation 51 percent or more of the shares of which is owned by the United States, the Secretary of the Treasury is authorized and directed to pay to Lincoln County an amount equal to the amount which would be payable as taxes on such property to Lincoln County if such property were taxable as property privately owned: Now, therefore, be it

Resolved by the Senate of the State of Oregon (the house of representatives jointly concurring there

Resolved, That a copy of this joint memorial be forwarded by the chief clerk of the senate to the President of the United States, to both Houses of Congress of these United States, and to each Member of the Oregon delegation in Congress

The VICE PRESIDENT also laid before the Senate the following resolution of the House of Delegates of Maryland, which was referred to the Committee on Finance:

House resolution requesting the Congress of the United States of America to amend the Constitution of the United States relative to taxes on incomes, gifts, and inheritances; and providing limitations on taxes so levied; and repealing the sixteenth amendment to the Constitution of the United States

ment to the Constitution of the United States

Whereas there is now pending or will be pending in the current
session of the Congress of the United States of America proposed
legislation to repeal the sixteenth amendment to the Constitution
of the United States and to amend the Constitution of the United
States relative to taxes on incomes, gifts, and inheritances; providing for a limitation of taxes thereon; that the people of the State
of Maryland are greatly interested in the passage of this said
amendment: Now, therefore, be it

Resolved by the House of Delegates of Maryland, That the Congress of the United States be requested as follows: That application
be, and it is hereby, made to the Congress of the United States of
America to call a convention for the purpose of proposing the following article as an amendment to the Constitution of the United
States:

"ARTICLE -

"SECTION 1. The sixteenth amendment to the Constitution of

"SECTION 1. The sixteenth amendment to the Constitution of the United States is hereby repealed.

"SEC. 2. The Congress shall have power to lay and collect taxes on income, from whatever source derived, without apportionment among the several States and without regard to any census of enumeration: Provided, That in no case shall the maximum rate of the proceed 25 percent. tax exceed 25 percent.

"SEC. 3. The maximum rate of any tax, duty, or excise which Congress may lay and collect with respect to the devolution or transfer of property, or any interest therein, upon or in contemplation of death, or by way of gift, shall in no case exceed 25 percent. "Sec. 4. Sections 1 and 2 shall take effect at midnight on the

31st day of December, following the ratification of this article.'
And be it further

And be it further Resolved, That the Congress of the United States be, and it is hereby, requested to provide as the mode of ratification that said amendment shall be valid to all intents and purposes, as part of the Constitution of the United States, when ratified by the legislatures of three-fourths of the several States; and be it further Resolved, That the secretary of the State of Maryland be, and he is hereby directed to send a duly certified copy of this resolution to the Senate of the United States and one to the House of Representatives in the Congress of the United States.

The VICE PRESIDENT also laid before the Senate the following resolutions of the Legislature of Georgia, which were referred to the Committee on Finance:

Whereas the Supreme Court of the United States has held an opinion in May 1937 as follows:

"The matter of old-age pensions is a national matter with which the States cannot adequately cope," is an opinion in which we

Whereas we find that the State of Georgia faces a rather serious

financial condition: and

financial condition; and

Whereas we find that we face a very difficult problem to find the money necessary to finance our schools, educational institutions, department of health, eleemosynary institutions, and other necessary and fixed functions of the State government, not to mention old-age pensions at all: Therefore be it

Resolved by the Senate of Georgia, That the 10 Congressmen and 2 Senators of Georgia be requested to make a survey of the old-age-pension subject and specifically examine into the merits of House Resolutions Nos. 2 and 11 and other pending old-age pension measures now before our National Congress;

That Congress be memorialized to examine into the pending old-

measures now before our National Congress;

That Congress be memorialized to examine into the pending oldage-pension bills now pending and give some definite direction to
the best bill that may be worked out, so that the intentions and
purposes of the people of the United States seeking to aid old-agepension petitioners may have answer and that the old-age-pension
petitioners may receive the help prayed through our National
Congress;

That a copy of this resolution be sent to the President of the United States Senate and each member of the Georgia delegation in Congress.

House Resolution 212

Whereas the Supreme Court of the United States held an opinion in May 1937 as follows:

"The matter of old-age pensions is a national matter with which the States cannot adequately cope," an opinion in which we

Whereas we find that the State of Georgia faces a serious finanwhereas we find that the state of Georgia faces a serious manifold condition and is unable properly to finance the support of its schools, eleemosynary institutions, health program, and other necessary and vital functions of the State government if it is required to continue to match Federal funds for old-age assist-

Whereas this legislature has heretofore passed a resolution requesting the Federal Government to assume the responsibility of paying the full cost of pensions to the aged of our State: Therefore be it

Resolved by the house of representatives, That the Senators and Congressmen representing Georgia and the people of Georgia in the Congress of the United States be, and they are hereby, requested to work for the enactment at this session of Congress of a law providing for a national old-age-pension system to be financed solely by Federal taxation; be it further

Resolved, That a copy of this resolution be sent to the President of the United States, the 2 United States Senators, and the 10 Members of Congress from this State.

The VICE PRESIDENT also laid before the Senate the following concurrent resolution of the Legislature of Georgia, which was referred to the Committee on Interstate Commerce:

Whereas on February 27, 1939, Commissioner William E. Lee and Examiner Michael T. Corcoran reported to the Interstate Commerce Commission that rates on 13 commodity groups were "unduly prejudicial" to southern producing points "to the extent that such rates are beyond levels higher than at present in effect on like articles within the North"; and

Whereas the said report further stated that there was no substantial argument while the rate level for a given commodity shipped from a southern to a northern point should be higher than the level of rates between two northern points of equal distance; and

distance; and

distance; and

Whereas it is fitting and proper that the Interstate Commerce Commission immediately equalize rate structures so as to have uniform rates on like articles which are or which may be produced in different sections of the country from such sections to common markets in conformity with the aforesaid report: Therefore be it Resolved by the senate (the house of representatives concurring), That the Interstate Commerce Commission be memorialized and petitioned by the general assembly of this State to immediately effectuate the said uniform rate structures in conformity with the said report of February 27, 1939; be it further Resolved, That a copy of this resolution be dispatched to the Interstate Commerce Commission, to each member of the Georgia delegation in the National Congress, and to the press of this State and Nation.

The VICE PRESIDENT also laid before the Senate the following resolution of the Legislature of Nebraska, which was referred to the Special Committee to Investigate Unemployment and Relief:

Resolution memorializing the Congress of the United States to correct defects in Federal statutes relating to the distribution of food commodities by Federal relief agencies

Whereas the distribution of surplus food commodities and cloth-Whereas the distribution of surplus food commodities and clothing to persons in need is necessary to many people in the State of Nebraska, but in many instances the distribution is not made by administrators of existing Federal statutes to those of our people who are in the greatest need therefor; and Whereas the present system of distribution is costly both to the United States of America, to the State of Nebraska, and to the several counties of said State participating in the distribution thereof; and

thereof; and

Whereas large quantities of the commodities distributed are not best adapted to the needs of the people of this State, which likewise

results in waste and expense; and
Whereas the system of distribution results in diminishing the volume of wholesale and retail sales of commodities in the State of Nebraska, and the total cost of distribution more than equals the profit of regular Nebraska dealers and merchants: Now, therefore he is fore, be it

fore, be it

Resolved by the Legislature of the State of Nebraska in fiftythird regular session assembled:

1. That this legislature respectfully petitions, memorializes, and
urges the Congress of the United States to enact such measures
as will correct the objections recited in the preamble to this
resolution; that direct grants be made to the several States for the
purchase of such commodities of such kind and quality as are
most adapted to the needs of such recipients; and that such commodities be distributed to persons found eligible and in need
through regular commercial channels of trade by the issuance of
purchase orders upon merchants and business establishments operating in the State of Nebraska and offering for sale at points of
consumption such commodities.

2. That the clerk of this legislature is hereby ordered and directed

consumption such commodities.

2. That the clerk of this legislature is hereby ordered and directed forthwith to forward a copy of this resolution, properly authenticated and suitably engrossed, to the President of the United States, to the Vice President of the United States as Presiding Officer of the United States Senate, to the Speaker of the House of Representatives of the United States, and to each of the United States Senators and Congressmen representing the State of Nebraska in the Congress, to the end that representatives in the Government and the Congress of the United States may be advised that this legislature considers remedial Federal legislation to correct abuses in Federal laws relating to the distribution of food commodities by Federal relief agencies imperative.

The VICE PRESIDENT also laid before the Senate a joint resolution of the Legislature of Nevada, praying for the issuance of a special 3-cent stamp to commemorate Nevada's Diamond Jubilee of 75 years of statehood, which was referred to the Committee on Post Offices and Post Roads.

(See resolution printed in full when presented today by

Mr. PITTMAN.)

The VICE PRESIDENT also laid before the Senate resolutions of the Council of the City of Dearborn, Mich., and the Younger Democratic Club of Ramsey County, Minn., favoring an additional appropriation of \$150,000,000 to continue the Works Progress Administration program, which were referred to the Committee on Appropriations.

He also laid before the Senate the petition of the president and members of the Workers' Alliance of Mount Vernon, N. Y., praying for an additional appropriation of \$150,000,000 for the Works Progress Administration program, which was

referred to the Committee on Appropriations.

He also laid before the Senate petitions of sundry citizens of Chicago, Ill., and vicinity, Missouri, and Hennepin County, Minn., praying for an additional appropriation of \$275,000,-000 for the Works Progress Administration program, which were referred to the Committee on Appropriations.

He also laid before the Senate a resolution of the Sheepshead Bay Property Owners' Association, Brooklyn, N. Y., protesting against an additional appropriation of \$150,000,000 for continuance of the Works Progress Administration during the remainder of the current fiscal year, which was referred to the Committee on Appropriations.

He also laid before the Senate a resolution of the principal and faculty of the Western State Normal School, Gorham, Maine, favoring the enactment of the bill (H. R. 3517) to promote the general welfare through appropriation of funds to assist the States and Territories in providing more effective programs of public education, which was referred to the Committee on Education and Labor.

He also laid before the Senate a resolution adopted at a meeting held in Washington, D. C., by hotel workers on strike and the local joint executive board of the Hotel and Restaurant Employees' Alliance and Bartenders' League, expressing appreciation to Hon. Frances Perkins, Secretary of Labor, and the members of the Conciliation Service of the Department of Labor for their efforts in the settlement of the recent hotel strike, which was referred to the Committee on Education and Labor.

He also laid before the Senate a resolution of the Council of the City of Hastings, Nebr., favoring a fair and impartial hearing as to the so-called Townsend general-welfare plan of old-age assistance, which was referred to the Committee on Finance.

He also laid before the Senate a petition signed by Dr. Erich von Schroetter, chairman, and John J. Reichman, secretary, Czechoslovak National Alliance of America, and of other organizations, all of Chicago, Ill., praying for the enactment of legislation to enable the victims of religious, racial, and political persecution in Europe to find temporary shelter in the United States, which was referred to the Committee on Foreign Relations.

He also laid before the Senate a resolution of the Round Table Forum, Richmond, Va., relative to questions of foreign relations, which was referred to the Committee on Foreign Relations.

He also laid before the Senate a resolution of a chapter of State, County, and Municipal Workers of America, C. I. O., Local No. 1, New York City, N. Y., favoring the enactment of Senate bill 845, for the prevention of and punishment of lynching, which was referred to the Committee on the Judiciary.

He also laid before the Senate a resolution of the Loyal Ladies Auxiliary of the Young Men's Bohemian Democratic Club, seventh ward, Baltimore, Md., favoring the return of the frigate Constellation to the port of Baltimore, to be assigned a permanent berth at Fort McHenry, Md., which was referred to the Committee on Naval Affairs.

He also laid before the Senate a resolution of the Winfield, La., Rotary Club, favoring the enactment of the bill (H. R. 916) to provide for an appropriation of \$100,000 with which to continue the survey of the old Indian trail known as the Natchez Trace through Louisiana and Texas, with view of constructing a national road on this route to be known as the Natchez Trace Parkway, which was referred to the Committee on Post Offices and Post Roads.

Mr. CAPPER presented the memorial of the pastor and members of the Evangelical Church of Cummings, Kans., remonstrating against the enactment of legislation to include religious bodies within the operation of the social-security system, which was referred to the Committee on Finance.

Mr. VANDENBERG presented petitions of sundry citizens of the State of Michigan, praying for the enactment of legislation to prohibit the transportation in interstate commerce of advertisements of alcoholic beverages, which were referred to the Committee on Interstate Commerce.

He also presented petitions of sundry citizens of the State of Michigan, praying for the enactment of legislation to prohibit the advertising of alcoholic beverages by press and radio, which were referred to the Committee on Interstate Commerce

Mr. AUSTIN. I ask unanimous consent to have inserted in the Record, on behalf of my colleague [Mr. Gibson], who

is necessarily absent, a petition or resolution.

The VICE PRESIDENT. The petition or resolution referred to by the Senator from Vermont, will be received, appropriately referred, and printed in the RECORD.

To the table:

Whereas there is a concerted effort being made to take the United States Employment Service out of the Department of Labor, and consolidate the same with the Social Security Board; and Whereas the American Legion at its national convention in Los Angeles, Calif., in September 1938 went on record as being opposed to such change: Now, therefore, be it

Resolved, That the American Legion, Department of Vermont, in midwinter conference assembled at Middlebury the 26th day of February 1939, does hereby declare itself as opposed to such change, and in favor of the continuance of the United States Employment Service in the Department of Labor; and be it further

Resolved, That a copy of this resolution be forwarded to the Vermont delegation in Congress; and be it further

Resolved. That the members of said delegation be requested to use their best efforts to promote the present status of the United States Employment Service.

Mr. PITTMAN presented the following joint resolution of the Legislature of Nevada, which was referred to the Committee on Post Offices and Post Roads:

Assembly Joint Resolution 12

Memorializing Congress to cause to be issued a special 3-cent stamp to commemorate Nevada's diamond jubilee of 75 years' statehood

Whereas on the 31st day of October of the present year the State of Nevada will have completed 75 years of statehood; and Whereas the admission of Nevada into statehood was an event of great significance in the maintenance of the Union; and Whereas during her statehood the State of Nevada has contributed great wealth to the Nation by the development of its

whereas the people of the State of Nevada feel justly proud of the position occupied by the State of Nevada in the Union; and Whereas the State of Nevada is now planning an extensive program for the celebration of its diamond jubilee; and Whereas we feel that the State of Nevada is entitled to the distinction of an issue of stamps made in commemoration of this important event: Now, therefore, be it Resolved by the Assembly and the Senate of the State of Nevada, That the Congress of the United States be, and it is hereby, memorialized to issue, or cause to be issued, a special stamp containing appropriate reference to the admission of the State of Nevada, as a testimonial to Nevada's status in the Union, and commemorative of her proposed celebration in the nature of a diamond jubilee; and be it further Resolved, That our Senators in the United States Senate and our

Resolved, That our Senators in the United States Senate and our Representative in Congress be urged to use all legitimate means in the futherance of the object of this resolution; and be it further Resolved, That duly certified copies of this resolution be transmitted by the secretary of state of the State of Nevada to each of our Senators and to our Representative in Congress and to the President of the United States Senate and to the Speaker of the House of Representatives

Mr. KING presented the following concurrent memorial of the Legislature of Utah, which was referred to the Committee on Agriculture and Forestry:

Memorializing the National Rivers and Harbors Congress, Department of the Interior (Division of Grazing), and the Department of War, to assist in preventing flood erosion upon the tributaries of the Colorado River located in the State of Utah

of the Colorado River located in the State of Utah

Be is resolved by the Legislature of the State of Utah (the Governor concurring therein):

Whereas thousands of acres of valuable grazing lands within the
State of Utah, located on and adjacent to tributaries of the Colorado River, have in recent years been practically ruined by flood
erosion; that what was once grass-covered vales and meadows
within these areas are now barren waste, traversed by deep and
almost innumerable washes; that these lands are being rapidly torn
away and carried down the Colorado River to lodge at Boulder
Dam; and
Whereas this condition origin because of the Governor

Whereas this condition exists because of the lack of funds with

Whereas this condition exists because of the lack of funds with which to construct reservoirs and checks upon the said tributaries, and to reforest and revegetate the affected lands, and thus restore them to their former fertility, and to make available areas for profitable irrigation and to provide employment for the needy, and to preserve the world's greatest man-made reservoir, Boulder Dam, and other reservoirs in contemplation: Now, therefore, be it Resolved by the Legislature of the State of Utah (the Governor concurring), That we urge upon the National Rivers and Harbors Congress, Department of the Interior (Division of Grazing), and the Department of War, that all possible effort be made to prevent the further devastation of these lands, and, at the same time, help in the preservation of Boulder Dam Reservoir and other reservoirs in contemplation, and in the furnishing of employment for the needy; be it further

needy; be it further

Resolved, That a certified copy of this memorial be sent by the secretary of state to the Water Storage Commission and to each of the Utah delegates in Congress.

Mr. KING also presented the following concurrent resolution of the Legislature of Utah, which was referred to the Committee on Foreign Relations:

Resolution approving the foreign policy of the President of the United States in relation to armaments and rearmament and relations with foreign countries in upholding the democracies

Be it resolved by the Legislature of the State of Utah (the Gover-

Be it resolved by the Legislature of the State of Utah (the Governor concurring herein):
Whereas the foreign policy of the President of the United States as enunciated by him, contemplates the manufacture of armaments to bring this country to a parity with all foreign powers with regard to armaments and the rearming of the country by providing the most modern methods of warfare including new and improved types of machine guns and antiaircraft guns and automatic rifles and aircraft and naval craft; and
Whereas the President of the United States has enunciated a policy of adhering to the principles of the democracies of the

world as against those of tyrannical and dictatorial governments;

Whereas it is necessary for the safety of the United States and its inhabitants to rearm the United States and to provide sufficient armaments for the use of the manpower of the United States in

case of war; and
Whereas the President has enunciated the policy of having
private industry manufacture and supply such armaments: Now,

private industry manufacture and supply such armaments: Now, therefore, be it

Resolved, That the Legislature of the State of Utah, the Governor concurring herein, declares itself in favor of such policies of the United States of America as enunciated by the President of the United States and especially commend the President upon his attitude toward providing new and improved armaments for the manpower of this country and rearming the United States of America so as to be in a competitive position with other countries of the world and for that purpose of allowing private industry to furnish such armaments so that it may be done in the most economical and efficient way, and in the manner best calculated to achieve the result of rearmament; be it further

Resolved, That a copy of this resolution be sent to each of the Representatives in Congress from Utah, to each of the Senators from the State of Utah, to the Secretary of the Interior of the United States.

REPORT OF A COMMITTEE DURING ADJOURNMENT

Under authority of the order of the 23d instant, on March 24, 1939, Mr. Thomas of Oklahoma, from the Committee on Appropriations, to which was referred the bill (H. R. 4630) making appropriations for the Military Establishment for the fiscal year ending June 30, 1940, and for other purposes, reported it with amendments and submitted a report (No. 213) thereon.

REPORTS OF COMMITTEES

Mr. PITTMAN, from the Committee on the Judiciary, to which were referred the following bills, reported them each without amendment and submitted reports thereon:

S. 474. A bill to amend section 92 of the Judicial Code to provide for a term of court at Kalispell, Mont. (Rept. No.

214); and

S. 1773. A bill to provide that no statute of limitations shall apply to offenses punishable by death (Rept. No. 215).

Mr. BURKE (for Mr. Van Nuys), from the Committee on the Judiciary, to which was referred the bill (S. 70) to amend section 90 of the Judicial Code, as amended, with respect to the terms of the Federal District Court for the Northern District of Mississippi, reported it with an amendment and submitted a report (No. 216) thereon.

Mr. MINTON, from the Committee on Military Affairs, to which was referred the bill (S. 38) for the relief of Curtis Jett, reported it without amendment and submitted a report

(No. 217) thereon.

EXECUTIVE REPORTS OF COMMITTEES

As in executive session,

Mr. HATCH, from the Committee on the Judiciary, reported favorably the nomination of William O. Douglas, of Connecticut, to be an Associate Justice of the Supreme Court of the United States, vice Louis D. Brandeis, retired.

Mr. HUGHES, from the Committee on the Judiciary, reported favorably the nomination of Harry E. Kalodner, of Pennsylvania, to be district judge for the eastern district of Pennsylvania,

Mr. McKELLAR, from the Committee on Post Offices and Post Roads, reported favorably the nominations of sundry

Mr. SHEPPARD, from the Committee on Military Affairs, reported favorably the nominations of several officers for

appointment, by transfer, in the Regular Army.

Mr. WALSH, from the Committee on Naval Affairs, reported favorably the nomination of Pay Director Ray Spear to be Paymaster General and Chief of the Bureau of Supplies and Accounts in the Department of the Navy, with the rank of rear admiral, for a term of 4 years, from April 1, 1939.

He also, from the same committee, reported favorably the nominations of several majors to be lieutenant colonels in the Marine Corps from June 29, 1938.

The VICE PRESIDENT. The reports will be placed on the Executive Calendar.

BILLS AND JOINT RESOLUTIONS INTRODUCED

Bills and joint resolutions were introduced, read the first time, and, by unanimous consent, the second time, and referred as follows:

By Mr. MURRAY:

S. 1934. A bill to amend section 92 of the Judicial Code, as amended, to divide the judicial district of Montana into six divisions, and for other purposes; to the Committee on the Judiciary.

By Mr. FRAZIER:

S. 1935. A bill to amend an act entitled "An act to establish a uniform system of bankruptcy throughout the United States," approved July 1, 1898, and acts amendatory thereof and supplementary thereto; to the Committee on the Judiciary.

By Mr. THOMAS of Oklahoma:

S. 1936. A bill for the relief of Harry W. Robertson; and S. 1937. A bill authorizing the President to appoint and retire Pierre Numa Charbonnet as a captain; to the Committee on Military Affairs.

By Mr. LODGE:

S. 1938. A bill granting an increase of pension to Porter O. Robinson; to the Committee on Pensions.

By Mr. WALSH:

S. 1939. A bill to provide for the construction of a graving drydock in New York Harbor or its vicinity; to the Committee on Naval Affairs.

S. 1940. A bill granting an increase of pension to Cynthia J. A. Grant; to the Committee on Pensions.

By Mr. CONNALLY:

S. 1941. A bill to amend existing law so as to provide for the exclusion and deportation of aliens who advocate the making of fundamental changes in the American form of government; to the Committee on Immigration.

By Mr. DOWNEY:

S. 1942. A bill for the relief of Barbara Kosick;

S. 1943. A bill for the relief of Gustav Schmidt;

S. 1944. A bill for the relief of Elmira Margaret Vanatta;

S. 1945. A bill conferring jurisdiction upon the Court of Claims to hear and determine the claim of the Mack Copper Co.; to the Committee on Claims.

S. 1946. A bill to authorize the President to enter into negotiations with the Republic of Costa Rica for the acquisition of Cocos Island; to the Committee on Foreign Relations.

S. 1947. A bill to amend the act of March 2, 1929 (45 Stat.,

ch. 536); to the Committee on Immigration.

S. 1948. A bill for the relief of James William Cole: and S. 1949. A bill for the relief of Indian-war veterans who were discharged from the Army because of minority or misrepresentation of age; to the Committee on Military Affairs.

S. 1950. A bill granting a pension to William Henry Kelly;

S. 1951. A bill to remove discriminations against disabled retired enlisted men of the Army, Navy, Marine Corps, and Coast Guard who served in war; to the Committee on Pensions.

By Mr. HAYDEN:

S. 1952. A bill for the relief of Ward S. Powers; to the Committee on Claims.

By Mr. LOGAN:

S. 1953. A bill for the relief of Mrs. A. R. Barnard, Charles A. Stephens, Donald W. Prairie, and Mrs. Vern A. Needles; to the Committee on Claims.

By Mr. SCHWELLENBACH:

S. 1954. A bill for the relief of Joannes Josephus Citron; to the Committee on Immigration.

S. 1955. A bill to authorize the Secretary of Agriculture to delegate certain regulatory functions and to create the position of Second Assistant Secretary of Agriculture; to the Committee on Agriculture and Forestry.

By Mr. JOHNSON of California:

S. 1956. A bill for the relief of the Shipowners & Merchants Towboat Co., Ltd.; to the Committee on Claims.

By Mr. NEELY:

S. 1957. A bill granting a pension to Minnie L. Clark;

S. 1958. A bill granting a pension to Jennie Jackson Tewksbury; and

S. 1959. A bill granting an increase of pension to Berma Yearkey; to the Committee on Pensions.

By Mr. BAILEY:

S. 1960. A bill to amend certain provisions of the Merchant Marine and Shipping Acts, to further the development of the American merchant marine, and for other purposes; to the Committee on Commerce.

By Mr. BONE:

S. 1961 (by request). A bill relating to the appointment of Harold Arnold Jorgen Madsen in the Medical Corps, United States Navy; to the Committee on Naval Affairs.

By Mr. CLARK of Missouri:

S. 1962. A bill granting jurisdiction to the Court of Claims to reopen and readjudicate the case of Carrie Howard Steedman and Eugenia Howard Edmunds; to the Committee on

By Mr. SHIPSTEAD:

S. 1963. A bill for the relief of the State of Minnesota; to the Committee on Indian Affairs.

(Mr. Davis introduced Senate Joint Resolution 100, which was referred to the Committee on the Library, and appears under a separate heading.)

By Mr. THOMAS of Oklahoma:

S. J. Res. 101. Joint resolution defining and classifying gratuity expenditures allowable as offsets in favor of the United States and against the Five Civilized Nations or Tribes of Indians; to the Committee on Indian Affairs.

By Mr. BAILEY:

S. J. Res. 102. Joint resolution providing for the participation of the United States in the celebration of the one hundred and fiftieth anniversary of the establishment of the United States Lighthouse Service; to the Committee on Com-

By Mr. VANDENBERG:

S. J. Res. 103. Joint resolution decreasing the period over which funds heretofore appropriated to the Works Progress Administration for expenditure for work relief and relief are required to be apportioned and distributed; to the Committee on Appropriations.

By Mr. SMITH:

S. J. Res. 104. Joint resolution making an appropriation to enable the Secretary of Agriculture to cooperate with the South Carolina Experiment Station in conducting experiments and research with respect to tobacco, and for other purposes; to the Committee on Agriculture and Forestry.

CONSTITUTION SUNDAY

Mr. DAVIS. Mr. President, I introduce a joint resolution, which I ask may be printed as is usual and referred to the Library Committee, designating the Sunday immediately preceding September 17 of each year as Constitution Sunday. I believe this is a resolution worthy of the thoughtful consideration of all our citizens. I am glad to have had a part in the observance of September 18 last year as Constitution Sunday. I ask that a statement prepared by the Reverend Henry C. Offerman, who has loyally worked for the official designation of this day, be printed in the RECORD as a part of my remarks following the resolution itself.

The VICE PRESIDENT. The joint resolution will be received, appropriately referred, and printed in the RECORD, together with the statement referred to by the Senator from

The joint resolution (S. J. Res. 100) designating the Sunday immediately preceding September 17 of each year as Constitution Sunday was read twice by its title, referred to the Committee on the Library, and ordered to be printed in the RECORD, as follows:

Resolved, etc., That the Sunday immediately preceding September 17 of each year is hereby designated and shall hereafter be known as Constitution Sunday, to be held in grateful remembrance for the privileges enjoyed under the Constitution of the United States, and the President is authorized and requested to issue annually a proclamation calling upon the people of the United States to observe such Constitution Sunday in an appropriate manner,

The accompanying statement presented by Mr. Davis is as follows:

CONSTITUTION SUNDAY

(By the Reverend Henry C. Offerman, pastor of Christ Lutheran Church, New York City)

The growing birth of "isms" in old Europe and their uniform relegation of religion to a minor place in life reminded us most relegation of religion to a minor place in life reminded us most forcefully of our own religious freedom in America. What was it that had given religion such an asset of appreciation here? It was the Constitution of the United States. The ploneers of our country, coming primarily to secure religious liberty, had bequeathed this heritage to their children and children's children as the root tradition of the New World. The fathers of the Constitution gathered to give definite form to these convictions. Not only did they write religious freedom into the Constitution, but they mellowed that entire document with an appreciation of religion that made it the fundamental keystone of succeeding generations.

made it the fundamental keystone of succeeding generations.

When one recalls that Harvard, Yale, and Princeton were founded as religious schools for the training of young men for the ministry of religion, the emphasis on religion as the basis of American life

Reflecting on these things a year ago, and visualizing the churches from cathedrals to smallest portable mission chapels, from the Atlantic to the Pacific, from Canada to Mexico, sponsored and fostered entirely by the voluntary sacrifices of our citizens; remembering the many colleges throughout the land founded and endowed by Americans who wanted the basis of higher education to be religious; calling to mind the thousands of excellent hospitals

be religious; calling to mind the thousands of excellent hospitals opened and largely endowed by church people; mindful of the millions of dollars given voluntarily each year by the churches of America for charitable work of all kinds; and conscious that all this was completely voluntary, I could find the explanation for this is only one thing, namely, the basic implied emphasis on religion as guaranteed in our Constitution.

Accordingly, last year I wrote to Senator James J. Davis and a number of my friends in the ministry suggesting the observance of Constitution Sunday. Senator Davis immediately responded, and churches of all denominations in all the States of the Union participated. The need of a simple guide service was felt, giving a brief summary of our religious privileges under the Constitution and a simple order of worship that would express basic American desires for peace and freedom. It seemed to strike home. Everywhere churches asked for it. Constitution Sunday was heralded over the radio. Religious pages of newspapers carried announcements of it. Such spiritual rebirth calls for a continued observarce of Constitution Sunday to remind us of the great privileges of religious freedom accorded by our great charter of liberty.

HOUSE BILL REFERRED

The bill (H. R. 4860) to amend existing law so as to provide for the exclusion and deportation of aliens who advocate the making of any changes in the American form of government was read twice by its title and referred to the Committee on Immigration.

TAXES ON VEGETABLE OILS, ETC.-AMENDMENT

Mr. CONNALLY submitted an amendment intended to be proposed by him to the bill (H. R. 3790) relating to the taxation of the compensation of public officers and employees, which was ordered to lie on the table and to be printed.

EXTENSION OF FACILITIES OF PUBLIC HEALTH SERVICE—AMENDMENT

Mr. BILBO submitted amendments intended to be proposed by him to the bill (S. 1464) to extend the facilities of the United States Public Health Service to active officers of the Foreign Service of the United States, which were referred to the Committee on Foreign Relations and ordered to be printed.

AMENDMENT TO NAVAL PUBLIC WORKS BILL

Mr. ANDREWS submitted an amendment intended to be proposed by him to the bill (H. R. 4278) to authorize the Secretary of the Navy to proceed with the construction of certain public works, and for other purposes, which was referred to the Committee on Naval Affairs, ordered to be printed, and to be printed in the RECORD, as follows:

On page 2, line 1, after the words and figures "Pensacola, Fla., \$5,850,000", insert the following: "Jacksonville, Fla., and Banana River, Fla., \$17,000,000."

APPORTIONMENT OF SUGAR CROP

Mr. TYDINGS. Mr. President, on last Thursday the Senate passed Senate bill 69, more properly known as the Ellender sugar bill. At the time it was under discussion on the floor the senior Senator from Utah [Mr. King] asked whether the existing quotas would be altered for Hawaii, Puerto Rico, and other parts of the United States dominions. The Senator from Louisiana [Mr. ELLENDER] said they would not, and in good faith made that reply. The Senator from Colorado [Mr. Adams] likewise answered in the negative, in good faith.

It so happens, however, that the bill as passed does reduce the Hawaiian and Puerto Rican quotas quite substantially. Therefore I had intended to make a motion to reconsider the vote by which the bill was passed, because it was not the intention of the sponsors of the bill that that should be done. I have learned from the Senator from Colorado [Mr. ADAMS] and the Senator from Louisiana [Mr. ELLENDER] that they intend to write to the appropriate committees in the House of Representatives and ask that the correction be made in the House, and they will protect in conference the position which I have outlined. For this reason I shall not make the motion to reconsider, relying on the good faith of the sponsors of the measure.

REMARKS OF SENATOR ASHURST IN PRESENTING FIGRELLO H. LA GUARDIA

[Mr. Ashurst asked and obtained leave to have printed in the RECORD remarks made by him on September 14, 1938, in presenting Hon. Fiorella H. La Guardia, mayor of New York City, to an audience in Prescott, Ariz., which appear in the Appendix.]

EXTRACTS FROM SPEECHES OF SENATOR ASHURST

[Mr. Ashurst asked and obtained leave to have printed in the RECORD extracts from speeches he delivered in the Senate on March 30, 1938, on the subject of sea power, and on April 8, 1938, on the subject of taxation, which appear in the Appendix.1

FOREIGN POLICY

[Mr. Ashurst asked and obtained leave to have printed in the RECORD an editorial published in the Arizona Daily Star on Tuesday morning March 21, 1939, on the subject A Suggested American Foreign Policy, which appears in the Appendix.]

EXTRACT FROM DIARY OF SENATOR ASHURST

IMr. Ashurst asked and obtained leave to have printed in the RECORD an extract from his diary dated Monday, October 14, 1918, which appears in the Appendix.]

THE PLIGHT OF THE RICH-ARTICLE BY ERNEST K. LINDLEY

[Mr. Bone asked and obtained leave to have printed in the RECORD an article by Ernest K. Lindley published in the Washington Post of today entitled "The Plight of the Rich," which appears in the Appendix.]

WE'RE BLUNDERING INTO WAR-ARTICLE BY CHARLES A. BEARD

IMr. CAPPER asked and obtained leave to have printed in the RECORD an article in the April issue of the American Mercury by Dr. Charles A. Beard entitled "We're Blundering Into War," which appears in the Appendix.1

POSSIBLE RESULTS OF A EUROPEAN WAR-ADDRESS BY SENATOR

[Mr. Wheeler asked and obtained leave to have printed in the Record a radio address by Senator Borah on March 25, 1939, on the possible results to the United States of being drawn in a European war, which appears in the Appendix.]

THE RAILROAD PROBLEM-ADDRESS BY SENATOR TRUMAN

[Mr. Wheeler asked and obtained leave to have printed in the Record a radio address by Senator Truman delivered on Sunday evening, March 26, 1939, on the subject of the Railroad Problem, which appears in the Appendix.]

IT MUST NOT HAPPEN AGAIN—EDITORIAL FROM CLAREMONT (N. H.)
EAGLE

[Mr. Bridges asked and obtained leave to have printed in the RECORD an editorial from the Claremont (N. H.) Eagle entitled "It Must Not Happen Again," which appears in the Appendix.]

NEW YORK STATE INCOME TAX—OPINION OF UNITED STATES SUPREME COURT

[Mr. Barkley asked and obtained leave to have printed in the Appendix of the RECORD the opinion of the United States Supreme Court in the case of Mark Graves, John J. Merrill, and John P. Hennessy, as Commissioners Constituting the State Tax Commission of the State of New York, petitioners, against the People of the State of New York, upon the relation of James B. O'Keefe, relating to the imposition of a State income tax on the salary of an employee of the Home Owners' Loan Corporation, together with the separate concurring opinion by Mr. Justice Frankfurter, and dissenting opinion by Mr. Justice Butler, which appear in the Appendix.] UTAH STATE INCOME TAX-OPINION OF UNITED STATES SUPREME

COURT [Mr. Barkley asked and obtained leave to have printed in the RECORD the opinion of the Supreme Court of the United States in the case of the State Tax Commission of Utah et al., petitioners, against W. Q. Van Cott, relating to the income-tax law of the State of Utah, which appears in the Appendix.1

BOYS' REPUBLIC-SPEECH BY COL. T. S. WILCHER

[Mr. Reynolds asked and obtained leave to have printed in the RECORD an address delivered by Col. T. S. Wilcher, founder of the Boys' Republic and Girls' Republic of Arlington., Va., which appears in the Appendix.]

ORDER OF BUSINESS

The VICE PRESIDENT. The routine morning business is closed. The consideration of bills on the calendar under rule VIII is in order.

Mr. BARKLEY. I ask unanimous consent that the call of the calendar be dispensed with.

The VICE PRESIDENT. Is there objection? The Chair hears none, and it is so ordered.

SALE OF COTTON ABROAD BELOW COST

Mr. GEORGE. Mr. President, I move that the Senate pro-

ceed to the consideration of Senate Resolution 107.

The VICE PRESIDENT. The question is on the motion of the Senator from Georgia.

Mr. BARKLEY. Mr. President, I desire to make an inquiry of the Senator from Georgia, which I might as well make on the motion to take up the resolution.

The VICE PRESIDENT. The motion to take up the resolution at this hour is not debatable.

Mr. BARKLEY. That is true.

The VICE PRESIDENT. The question is on the motion . of the Senator from Georgia.

The motion was agreed to; and the Senate proceeded to consider the resolution (S. Res. 107) submitted by Mr. George on the calendar day of March 20, 1939, opposing sales of American cotton during the present world crisis to foreign purchasers below the cost of production, which was read, as

Whereas the world is today confronted with an international crisis of the gravest magnitude; and
Whereas the market for American cotton is rapidly becoming demoralized; and

demoralized; and
Whereas cotton is a vital commodity to national defense; and
Whereas the United States Government is in possession of the
largest quantity of raw cotton in the world; and
Whereas there is now under consideration the disposal of American cotton to the foreign trade below the cost of production and
considerably below its cost to this Government; and
Whereas such policy is fraught with the gravest dangers and injustices to the American farmers, American industry, and the
national economy: Therefore be it

Whereas such policy is fraught with the gravest uniques and injustices to the American farmers, American industry, and the national economy: Therefore be it

*Resolved**, That it is the sense of the Senate that pending this world crisis no American cotton be sold to foreign purchasers at a price below the actual cost of said cotton to the Government of the United States, and that the Secretary of Agriculture is directed to negotiate no sales of American cotton to the foreign trade below its cost to this Government without the approval of the Congress.

Mr. GEORGE. Mr. President-

The VICE PRESIDENT. The Senator from Georgia.

Mr. GEORGE. I now yield to the Senator from Kentucky, if he desires me to yield at this time.

Mr. BARKLEY. Mr. President, I suppose the Senator from Georgia is about to discuss his resolution. During the discussion I may make some inquiries of him concerning it. Probably I had better pursue that course than to ask the questions now.

Mr. GEORGE. Mr. President, it will be noted that the resolution does not express the sense of the Senate to be that sales of American cotton to foreign purchasers be discontinued, but merely that such sales below the cost of cotton to the American Government be abandoned, and that the Secretary of Agriculture is instructed to negotiate no sale of American cotton to the foreign trade below the cost to this Government, without the approval of the Congress.

It is not the purpose of the resolution to cut off sales by the Government of American cotton either to domestic buyers or to the foreign trade, but it is frankly the purpose of the resolution to express the sense of the Senate against the sale of any of the cotton now held by the Government to the foreign trade below the cost to the Government of the cotton, without the approval of the Congress.

Mr. McNARY. Mr. President, will the Senator yield?

Mr. GEORGE. I yield.

Mr. McNARY. Has the Senator the figures showing the amount of cotton now in the hands of the Government under liens held by the Commodity Credit Corporation?

Mr. GEORGE. I was about to make a statement upon

that point.

Mr. McNARY. Then will the Senator cover another vital proposition, that is, the average price per pound the Government has loaned on the cotton which would come within

the purview of the resolution?

Mr. GEORGE. Mr. President, the Government now has on hand approximately eleven and a half million bales of cotton. That cotton, of course, has been accumulated since 1934. Loans were made all the way from 8.3 cents per pound, on the 1938 crop, to 12 cents under the first loan announced by the Government. The average cost to the Government of all this cotton. I am advised, is today approximately 10 cents per pound. The most accurate figures I have been able to obtain, figures applicable about 30 days or more ago, but during the present session of the Congress, were to the effect that the average cost of all the cotton in Government loans now, including the original loans and carrying charges, amounts to 10.1 cents per pound, approximately 10 cents per pound.

Undoubtedly there are some negotiations on foot for the use of what is called the two-price system, that is to say, one price on American cotton to the American buyers, and another price to the world trade. That is merely a euphonious way of saying that the Government now contemplates, through some of its departments or agencies, the giving of a subsidy on the sale of American cotton to the foreign trade.

It matters not what particular method may be adopted; the purpose is to sell the cotton to the foreign trade at a price below the cost to the Government. The purpose is actually to stimulate exports of cotton, and it is thought by some of the departments and agencies of Government that exports of American cotton may be stimulated if a subsidy be paid to foreign purchasers of cotton, directly or in-

Obviously that is true. If the subsidy be great enough, it follows naturally that the exports of cotton will be greatly stimulated. If the subsidy be low, if it does not amount to as much as 2 cents per pound, it is problematical how much cotton will be moved under the plan, that is to say, how much stimulation will be given to export of American cotton. It is certain, of course, that if the subsidy be great enough, foreign exports of raw cotton will be stimulated.

At the present rate of consumption of American cotton at the present rate of movement, at the end of this fiscal year we will have exported somewhere in the neighborhood of three and a half million bales of cotton. That is the lowest export of American cotton in 60 years. It is alarming to some of the departments of Government to contemplate the effect of these low exports upon a farm program which has here drastically reduced production, and at the same time, in the working out of that program, coupled with other influences, has greatly curtailed the foreign demand.

Exports of American cotton at the end of this fiscal year cannot exceed, at the present rate, more than three and a half million bales, and, if I may repeat, that is below exports

of our cotton through the long period of 60 years.

Mr. President, it is obvious that if we sell cotton abroad by virtue of an export subsidy we will upset the world market in cotton. It is obvious that we would be compelled to impose tariffs or to fix quotas in order to protect our own markets against the return of that cotton in raw or finished form. and provide further subsidies especially in order to enable our manufactures to compete in the foreign markets.

Mr. BARKLEY. Mr. President-

The PRESIDENT pro tempore. Does the Senator from Georgia yield to the Senator from Kentucky?

Mr. GEORGE. I yield.

Mr. BARKLEY. This whole cotton situation to me, and I think to nearly everyone else, is the most complicated proposition that confronts the Government and the people of the United States. I do not think anyone has the last word on the subject. If he has, I should like to meet him.

I understand that about 11,000,000 bales of cotton are now held by the Government, on which it has liens by reason of loans it has made. That is correct, is it? Mr. GEORGE. Very nearly eleven and a half million

bales.

Mr. BARKLEY. Well, eleven and a half million. I understand that the average amount of money loaned on that cotton is probably 81/2 cents. Would that be approximately the correct figure?

Mr. GEORGE. No; the loans run higher than that. The loans plus the actual accumulated charges on the cotton

approximate 10 cents.

Mr. BARKLEY. I am speaking of the loans originally made. They ran from 8.4 up to 9 cents.

Mr. GEORGE. From 8.3 to 12 cents. There is still some cotton in the hands of the Government that was taken in under the 12-cent loan.

Mr. BARKLEY. The eleven and a half million bales, so to speak, are impounded and under the control of the Government, through the Commodity Credit Corporation, or the Secretary of Agriculture, or both, probably the Reconstruction Finance Corporation having some control over it also. Who would have the power to sell this cotton now if it were sold? Whose single word could determine whether it should be sold or not?

Mr. GEORGE. I do not think that legal authority exists to sell any of it save on the initiative of the producer of the

cotton. He may request a sale of the cotton.

Mr. BARKLEY. The title to all this cotton is still in the producer. The Government has a lien on it, just as any lender would have a lien where a loan was made and a lien taken. The title does not vest in the Government, as I understand, and it would not have the legal right to sell the cotton, certainly without the consent of the owner, and the Senator says that it would not be authorized except at his request. Is that true?

Mr. GEORGE. That is my interpretation of the law.

Mr. BARKLEY. I did not know this matter was to come up this morning. I thought that, in view of our colloquy a few days ago, it would go over, along with the bill on the calendar, until all parties could see whether they could come to any understanding about the proposition. I understand they are to confer tomorrow on the subject to see whether they can work it out. But the matter is before us now, and, frankly, I am somewhat confused about the effect of the

If no one in the Government has any authority to sell the cotton without the request of the owner, who is the producer, what is the real effect of the resolution? If they cannot sell it now without such request, how would this resolution change the situation, so far as the law is concerned?

Mr. GEORGE. Mr. President, I was merely giving to the Senator from Kentucky my own interpretation of the law. I do not know that in that interpretation the departments of the Government fully concur.

Mr. BARKLEY. I understood from the Secretary of Agriculture that he interpreted the law to mean that he could not sell the cotton.

Mr. GEORGE. Yes. Mr. BARKLEY. Whether anyone else can sell it or not, I do not know. I am merely seeking information.

Mr. GEORGE. If the Senator will bear with me, I will try to cover that exact point.

Mr. BARKLEY. Let me ask the Senator another question also. The resolution sets out in the first preamble that "the world is today confronted with an international crisis." Then it is provided in the resolution "that it is the sense of the Senate that pending this world crisis no American cotton be sold," and so forth.

If the resolution is to have any effect, who would determine, under it, how long the crisis referred to existed, and who would have the authority to say at any time, "The crisis is over; therefore we will proceed to sell this cotton if we can"?

Furthermore, how can the Senate "direct" the Secretary of Agriculture in a Senate resolution to do or not to do a certain thing which he might have the authority to do? The Senator's resolution undertakes to have the Senate "direct" the Secretary of Agriculture not to sell any of this cotton, or to negotiate any sale.

Mr. GEORGE. It expresses it as the sense of the Senate. Mr. BARKLEY. I do not understand that the Senate by itself can "direct" the Secretary.

Mr. GEORGE. The resolution merely expresses the sense of the Senate.

Mr. BARKLEY. It expresses the sense of the Senate to be that pending the world crisis no cotton be sold to foreign purchasers "below the actual cost of said cotton to the Government of the United States." Then, "that the Secretary of Agriculture is directed."

Mr. GEORGE. That it is the sense of the Senate that he be directed.

Mr. BARKLEY. This may be technical, but it seems to me that if the resolution is to be agreed to the word "directed" should be changed to "requested," because the Senate cannot, in a Senate resolution, direct the Secretary of Agriculture to do anything. It can only request him to do it; and if we are merely expressing the sense of the Senate, it should not be a direction to the Secretary. I am calling attention to this because it might put the Senate in the attitude of assuming that it could direct the Secretary of Agriculture to do it.

Mr. GEORGE. On that point, I would have no objection to using the word "instructed" or "requested" rather than "directed."

Mr. SMITH. Mr. President, will the Senator from Georgia yield to me?

Mr. GEORGE. I yield.

Mr. SMITH. I did not know that this matter was to be brought up this morning. I should like to call attention to a circular letter which has been sent out to all the holders of the loan cotton, to the effect that if upon a reexamination of the grade and staple of cotton stored by any borrower, a bale is found which does not come up to what it should be in the judgment of the examining committee of the Commodity Credit Corporation, if a bale or bales, in whatever number the holder has, shall be found not to be of grade and staple to warrant the loan which has already been made, the Commodity Credit Corporation will sell his entire "loan" cotton.

Mr. President, I have sent for the letter to which I referred. I wish to read it so there can be no question as to its contents. Under such a provision, under such a rule the Government authorities can place every bale of the loan

cotton upon the market.

The Senator from Alabama [Mr. Bankhead] and I called these gentlemen in and asked them if the letter was true. They said yes, they had sent the letter. We protested that that was an indirect way of getting control of the cotton which under the provisions of the law enacted last year they cannot repossess themselves of until August 1, 1939. Then they are at liberty under the law to call the loan and take possession of the cotton.

Another letter was sent subsequent to the one I first referred to, stating that if and when a bale of cotton is found to be below the specifications requisite to get a loan, then the holder must make good that difference or they will sell. They give him a chance to make good the difference.

In respect to the dropping off of exports, I will say that some gentlemen from Liverpool were in my office, and we discussed the subject. I think it is very evident to all those who know the cotton situation that the reason exports have dropped off is because we have eleven and one-half million bales tied up in the Government loans, and no one knows what we are going to do with that cotton. It is not known whether Mr. Wallace is going to turn it loose at a discount to the foreign buyers or whether there is going to be some other method of disposing of it, and consequently, being thrifty gentlemen, the foreign buyers have just laid off.

I wish to call attention to a significant fact. Senators, listen to this: The amount of American cotton consumed abroad for the first 6 months ending in February is exactly equal to what was consumed the previous 6 months. In other words, the stock that is always held abroad for emergencies has been used up, so that the amount of American cotton consumed in the mills abroad is exactly equal to what it was the previous year and the year before that. I will get the statement from the Department and read it into the Record.

Mr. GEORGE. I thank the Senator.

Mr. SMITH. I wish to make the further observation that the dropping off in export was caused by the uncertainty as to what we were going to do with those eleven and one-half million bales.

I state here and now, and will get the figures to prove it, that America sets the price for world cotton. Senators have heard a great deal about the price of American cotton being out of line with the price of foreign cotton. I will take the testimony of the Liverpool buyers, the Bremen buyers, the Barcelona buyers, the Genoa buyers, and the Munich buyers, and I will show by the actual figures that as American cotton goes up all South American and European cotton goes up all south American and European cotton goes down. In other words, they hedge all their purchases of foreign cotton in American cotton.

I will have more to say about that later.

Mr. McNARY and Mr. REYNOLDS addressed the Chair.

Mr. GEORGE. I shall be glad to yield, but my time is rather limited. However, I will yield to the Senator from Oregon.

Mr. McNARY. I asked the Senator to yield for a very brief observation followed by a request. I have in mind no criticism of the purpose of the Senator from Georgia, but I do not agree with the objective of his resolution. I know the cotton problem is a national problem. I shall treat it as such. I have always tried to leave the solution of the cotton prob-

I have always tried to leave the solution of the cotton problem to the Senators from the South, but it is my experience, over many years—for two decades—that there are just as many opinions with respect to the cotton question as there are Senators from the Southern States. That is why it is a good thing to have a northern, eastern, or western Senator present his views on the subject.

I wish to make a statement only to this extent. If we adopt the resolution and follow the suggestions of the Secretary of Agriculture the result will be a complete embargo. We know that the price of cotton at Liverpool, where it is fixed, is 7 or 8 cents a pound. We know that the cotton loan made by the Commodity Credit Corporation on the impounded cotton is about 10½ cents a pound. Consequently there will be no market for the impounded cotton on the world market if we place an embargo in this fashion on exports of any of the cotton.

Let me say one more word. I shall discuss the plan a little later. A resolution which so fundamentally affects the philosophy with respect to the cotton industry should, I think, go to a committee for study. I have some knowledge of the present tragic condition with respect to cotton. I know that if the resolution were agreed to we could not export any cotton. The very able Senator from Georgia knows that heretofore we have always followed out what we called a two-price system, in respect of some of our rural commodities, which I think is just as logical today as it has been at any time. What we need is to get rid of the impounded cotton.

Mr. GEORGE. The Senator from Georgia does not know that we have ever followed a two-price system in respect to cotton.

Mr. McNARY. It has been generally observed in the channels of trade, because we pay the Liverpool price plus the cost of marine insurance and transportation. Under the provisions of the old bill which I presented years ago we offered a subsidy of 2 cents a pound for cotton which was sold abroad, and that was charged up against the whole cotton crop. Under the bill offered by the able Senator from South Carolina an attempt will be made to find the parity price of cotton and pay on that basis if it is less than the loan worth of the cotton today. The Senator must keep this in mind: If the resolution is agreed to, while there is only a lien on the cotton held by the Secretary of Agriculture, held by the Government, a foreclosure must take place before the Secretary would have a right to dispose of the cotton by virtue of the terms of the resolution.

Assume the Secretary of Agriculture had the title to the cotton and could sell it or not. Under the A. A. A. Act we passed last year up to 75 percent of the parity price could still be borrowed on cotton. Consequently the maker of the cotton crop this year could continue to borrow money and pile up the impounded cotton, which now amounts to nearly 12,000,000 bales.

Mr. GEORGE. Let us not get into what we are going to do with the cotton crop of 1939.

Mr. McNARY. That is certainly a part of the whole pro-

Mr. GEORGE. We are trying now to begin a movement which will enable us not to accumulate more cotton under loan. I fear the Senator has not studied the problem-

Mr. McNARY. Excuse me; I think the Senator from Georgia has not studied the problem in this instance.

Mr. GEORGE. No; I think the Senator from Oregon has not studied the problem.

Mr. McNARY. I know the Senator from Oregon was very active in opposition to the bill last year. He knows that the cotton on which we have loaned money now is too great an amount ever to be sold or disposed of in the foreign market. He knows that we still have recourse to the lending of Government money through the Commodity Credit Corporation, and if the producers of the crop of 1939 should take advantage of the loan, we would still be impounding millions and millions more bales of cotton.

We may both be mistaken. I do not want the Senator to think that any statement I make casts a reflection upon him, or intimates that he does not know about his subject, but I appeal to him at this time to have the resolution referred to the Committee on Agriculture, which may study the question in connection with existing legislation, the cotton which is impounded, and the bill presented by the Senator from South Carolina [Mr. SMITH] and which is on the calendar, and let the whole subject matter be studied.

I should have to oppose the resolution today by my vote, which probably would not at all embarrass the situation, but I think if the Senator from Georgia, able as he is, were to ask to have the resolution referred to the committee for study in connection with the bill pending on the calendar, and in connection with the subject of cotton upon which loans have been made by the Commodity Credit Corporation and which is now impounded, and the A. A. A. Act, that the whole subject matter could be understood in a clearer way than it can be today. I appeal to the Senator to follow that course.

Mr. GEORGE. Mr. President, I appreciate the Senator's attitude, but I am not willing to concede that I do not know whether I want to sell an American product in the foreign market cheaper than it is sold at home—whether I am going to pay a subsidy to induce foreign traders to buy American cotton. That is all there is in the resolution.

Mr. McNARY. Mr. President, will the Senator permit me to make one more observation?

Mr. GEORGE. I yield. Mr. McNARY. I am not opposing or concurring in the plan suggested by the Secretary of Agriculture at all. I will ask him only this simple question: If the resolution were adopted by the Congress and the title to the cotton were in the hands of the Secretary of Agriculture, what would follow

the injunction not to sell unless he found that the world price was not below the American price? The world price being 2 cents less than the American price, has he any chance in the world to sell any of the 12,000,000 bales of impounded cotton?

Mr. GEORGE. If the Senator will permit me, I will say that he assumes that the only American cotton there is is under the Government loans. That is not true, in the first

Mr. McNARY. Pardon me. I am just discussing the 12,000,000 bales concerning which we would have some choice in the matter of disposal. The resolution does not affect the free cotton, the cotton that is loose.

Mr. GEORGE. The resolution does not affect that cotton at all.

Mr. McNARY. Therefore, I am keeping myself within the issues involved by the resolution.

Mr. GEORGE. That is true. But the resolution does not affect the free cotton at all. The resolution simply affects the cotton on which the Government has made a loan. The resolution simply says that pending the crisis we will not sell this cotton by means of subsidy to the foreign purchaser without bringing the matter to the attention of the Congress.

Mr. BARKLEY. Mr. President, will the Senator yield? Mr. GEORGE. I wanted to make a rather coherent statement. However, I will yield to the Senator from Kentucky.

Mr. BARKLEY. How much free cotton is there which is subject to be sold to the foreign market or to anyone else, outside of the eleven and one-half million bales of cotton now in the hands of the Government?

Mr. GEORGE. I will say to the Senator from Kentucky that I think there is a sufficient amount to meet the foreign demand at the present rate of consumption.

Mr. BARKLEY. That free cotton which is being sold to the foreign market is being sold at the world price, is it?

Mr. GEORGE. Yes. Mr. BARKLEY. It could not very well sell for more than the world price and they would not take less.

Mr. GEORGE. No.

Mr. BARKLEY. And that world price is less than the cost to the Government of the impounded eleven and one-hal? million bales; is that not true?

Mr. GEORGE. I would not say that, but that gets into another field which I did not want to enter into a discussion of now because the effect of the Government's loan and its release from the loan to stimulate the market here, so far as the domestic buyer was concerned, has pulled it up beyond the quoted exchange markets here.

Mr. BARKLEY. Let me ask the Senator a question. In whose hands now is the three and one-half million bales of free cotton? Is it in the hands of the producers, or is it in the hands of those who have bought it from the producers with the view of profit upon it? Does the Senator know what proportion of the free cotton is now still held by the farmers who produced it?

Mr. GEORGE. I can only approximate it. It is held by the mills, by the buyers, and by the producers, but in just what proportions I am unable to say.

Mr. SMITH. The latest figures are nearer 6,000,000 bales than 3,000,000. I have sent for the report of Mr. Zimmerman, who, under the Department of Commerce, is charged with keeping the statistics.

Mr. BARKLEY. With respect to the cotton which is now owned by the buyers, who undoubtedly would like to dispose of it at a profit in the foreign market or the domestic market, did the buyers pay for that cotton more than the present world price of the product?

Mr. GEORGE. Yes; the mills did. The buyers did.

Mr. BARKLEY. The mills, of course, buy cotton for their own use.

Mr. GEORGE. Yes.

Mr. BARKLEY. They work it up into finished products.

Mr. SMITH. Mr. President, let me correct an error. The price paid by the mills for the free cotton is the world price for American cotton.

Mr. GEORGE. The Senator asked about the price when they bought it.

Mr. SMITH. When they bought it they paid the world

Mr. GEORGE. I understood the question to be whether or not the world price then was higher than the present world price.

Mr. BARKLEY. My question was whether or not they paid more for it when they bought it than the present world price.

Mr. SMITH. Since Mr. Wallace announced the amount he would lend on cotton, which amount was graduated from about 9 cents down to approximately 7 cents, according to grade and staple, and averaging about 8½ cents, the entire world cotton, including foreign and domestic, dropped to that level and stayed there.

Mr. GEORGE. I understand that. I understood the Senator's question to be whether or not that cotton was purchased at a price above the present world price.

Mr. BARKLEY. That is correct. That was my question.

Mr. GEORGE. I think, on the whole, that is true.

Mr. SMITH. No; it is not true. The world price of cotton has not varied as much as \$1.50 or \$2 a bale since Mr. Wallace announced his price. The world price stayed at the same level. Of course, market speculators would run the price up a little by bidding on one day and dropping out the next so as to make a profit of something like 75 cents or \$1 a bale. However, the market has been dead ever since the price was announced.

Mr. GEORGE. I had the impression that the price was somewhat higher at the time of purchase.

Mr. SMITH. No.

Mr. REYNOLDS. Mr. President, I should like to ask the Senator from Georgia one question.

Mr. GEORGE. I yield to the Senator from North Carolina.
Mr. REYNOLDS. If the Secretary of Agriculture should
sell to interests abroad some American cotton on which a
loan was made, thus providing the interests abroad with a
subsidy, I ask the Senator if that procedure would not be
injurious to the American textile manufacturer who has
already bought cotton prior to this time and at a higher
price?

Mr. GEORGE. I do not think there is any doubt that it would be destructive of the buyer as well as the producer, who now has the cotton. Such a course would wipe out all the equity, if there be any equity, in the eleven and a half million bales of cotton still owned by the producer, but on which the Government has a lien.

Mr. President, I should like to put into the Record the provisions of the Farm Control Act of 1938 relating to cotton held under Government loan. I read from subsection (b) of section 381 of the act:

(b) Any producer for whom a loan has been made or arranged for by the Commodity Credit Corporation on cotton of his 1937 crop, and who has complied with all the provisions of the loan agreement except section 8 thereof, may, at any time before July 1, 1938, transfer his right, title, and interest in and to such cotton to the Corporation; and the Corporation is authorized and directed to accept such right, title, and interest in and to such cotton and to assume all obligations of the producer with respect to the loan on such cotton, including accrued interest and accrued carrying charges to the date of such transfer.

Mr. President, subsection (c) of section 281 of the Farm Control Act of 1938 provides:

(c) The Commodity Credit Corporation is authorized on behalf of the United States to sell any cotton of the 1937 crop so acquired by it, but no such cotton or any other cotton held on behalf of the United States shall be sold unless the proceeds of such sale are at least sufficient to reimburse the United States for all amounts (including any price-adjustment payment) paid out by any of its agencies with respect to the cotton so sold.

I should like to call the attention of the Senate to the fact that the question of policy has been decided. The policy is written into the act of 1938. The last session of the preceding Congress provided specifically what my resolution calls for; no more and no less. There is a single exception under which it may be legal to acquire possession of the cotton and

subsidize its sale to the foreign trade. Continuing reading subsection (c):

After July 31, 1939, the Commodity Credit Corporation shall not sell more than 300,000 bales of cotton in any calendar month nor more than 1,500,000 bales in any calendar year.

That is an absolute embargo, an absolute prohibition. The policy is written in the law.

Section 382 provides that-

SEC. 382. The Commodity Credit Corporation is hereby authorized and directed to provide for the extension, from July 31, 1938, to July 31, 1939, of the maturity date of all notes evidencing a loan made or arranged for by the Corporation on cotton produced during the crop year 1937-38.

I direct special attention to this clause:

This section shall not be construed to prevent the sale of any such cotton on request of the person liable on the note.

It has been stated on the floor of the Senate by the distinguished Senator from South Carolina [Mr. SMITH] that notices are now going out to farmer-producers of the eleven and one-half million bales of cotton that if one bale of their cotton be below the grade and staple at which it was received the Commodity Credit Corporation will declare the whole note due and take over the cotton. Why? Beyond all doubt a subsidy to the foreign purchaser of American cotton is contemplated, and that alone is what I am resisting. Moreover, under the exception extending the maturity date of the loans until July 31, 1939, it is provided that—

This section shall not be construed to prevent the sale of any such cotton on request of the person liable on the note.

On Thursday I stated that my understanding of the program was that a total subsidy would be offered to the foreign purchaser of American cotton, but that a small part of the subsidy, namely, \$1.50 a bale, would be paid to the producer for his request to the corporation to release or sell the cotton.

'Mr. President, I am surprised that the distinguished Senator from Oregon [Mr. McNary] has raised the question that we wish to prevent the export of cotton by a simple resolution of the Senate expressing its sense that the cotton should not be sold under certain circumstances during the present world crisis. In the act of 1938 every precaution was taken against its sale below the cost to the Government. A direct and expresss provision against its sale for less than the cost to the Government was included in the act. However, after accumulating cotton since 1934, some of the agencies of Government have suddenly discovered that we must get rid of the eleven and one-half million bales of cotton at any cost.

Mr. President, we can always give the cotton away. We can give it away to the foreign traders if we wish to do so. There is no difficulty in getting rid of it if we want to give it away in the foreign market.

The question is clear-cut. It has nothing to do with the future policy of the Government as to the making of loans upon the 1939 or 1940 crop of cotton. The question is whether it is wise, just, and right to subsidize the sale of American cotton abroad in the face of the act which lays down the policy of the Government that it be not sold for less than the cost to the Government.

Mr. McKELLAR. Mr. President-

Mr. GEORGE. I yield to the Senator from Tennessee.

Mr. McKellar. I rise to ask for information. I have been informed by an officer of the Commodity Credit Corporation that in 1935, acting under the law which has been referred to, the Commodity Credit Corporation sold 1,300,000 bales of cotton before the 1st of July of that year in order not to affect the price of the incoming crop; that while the Commodity Credit Corporation was selling off that 1,300,000 bales the price continued to rise instead of fall; that in the succeeding year, 1936, pursuing exactly the same policy, the Commodity Credit Corporation sold an additional 1,400,000 bales, or a little more than the amount sold the preceding year; and that while that process was going on

the market continued to rise; not to a great extent, but continued to rise. I should like to ask the Senator whether or not those are the facts as he understands them?

Mr. GEORGE. Let me ask the Senator whether or not the sale of the cotton to the foreign trade was subsidized?

Mr. McKELLAR. My recollection is that the Government was in exactly the same position it is now in. It had a lien on the cotton, but it had to obtain the farmers' consent to sell the cotton before it could be sold.

The consent was obtained by paying the farmers, if I correctly recall, approximately \$1.25 a bale. The cotton was sold on a market which was going up at the time and continued to go up to some extent until July 1, when the sales stopped, because it was feared at the time that if the sales continued until the new crop came on, the price would be adversely affected. That is what I have been told. The question I am asking the Senator is, does he have that understanding of the facts as to the years 1935 and 1936, to which the act he has just read refers?

Mr. GEORGE. I have a recollection that some cotton was disposed of, of course, by the Commodity Credit Corporation; but I have no recollection that they paid a subsidy to the foreign buyers of the cotton.

Mr. McKELLAR. No; they paid \$1.25 a bale.

Mr. GEORGE. That was to secure its release; and then, as I understand, the cotton went on the market without subsidy to the foreign buyer.

Mr. McKELLAR. Then they sold it at the market price.

May I ask the Senator another question for information? It has been claimed that at present, while there are about 6,000,000 bales of free cotton, certain grades of staple are not to be found in the 6.000,000 bales, but that they are to be found in the 11,000,000 bales which the Commodity Credit Corporation has, and it is believed that the cotton of a better grade of staple probably could be sold without adversely affecting the price.

Mr. SMITH. Mr. President, if the Senator from Georgia will yield to me-

Mr. GEORGE. I yield to the Senator from South Carolina. Mr. SMITH. Ever since the Government had any cotton it has been claimed that the Government had a little better cotton than was available outside, and therefore that the Government cotton must be turned loose, or the mills would stop. The fact of the matter is that all this unusual embarrassment comes from the fact that the buyers do not know what we are going to do. They have no confidence. They do not know whether or not Mr. Wallace is going to succeed in turning loose a third of the cotton. Who would buy any cotton for storage or speculation if he did not know what is going to happen to this avalanche of 11,000,000 bales?

I do not desire, however, to take up the time of the Senator from Georgia. I shall speak in my own time, and see if I cannot get my colleagues here to understand the simplicity of this problem. It is not complicated. Some sharks who want cheap cotton to cover their mistake of selling ahead at a low price, and going short on it, now want the Government to turn its cotton loose and get them out of the hole. That is all there is to it.

Mr. GEORGE. Mr. President, I have read the law enacted by the Congress, and which declares the policy of the Congress. I have called attention to the two methods by which the release of the cotton from the Commodity Credit Corporation may be secured; and I have called attention to the fact that an effort is under way, or at least a plan is under consideration, to sell as much as this American-held cotton as can be sold by means of a subsidy to the foreign purchaser.

I have no objection to the sale at any price of the free cotton; and the resolution does not even refer to the free cotton, which I stated to be about three and a half million bales in amount, and which my colleague from South Carolina [Mr. Smith] and others now say amounts to around 6,000,000 bales. The resolution does not affect that cotton at all. It applies only to the cotton on which the Government has made loans. I have directed attention to the law passed under which the cotton was acquired, which definitely and

distinctly and absolutely declares the policy of the law; but if there were no declaration in the law it would be a simple matter to determine whether or not we want to subsidize the foreign purchasers of American cotton.

Mr. President, I ask to have read from the clerk's desk a statement by the cooperative organizations of the country. The PRESIDENT pro tempore. Without objection, the clerk will read, as requested.

The legislative clerk read as follows:

NEW ORLEANS, LA., March 21, 1939. Senator WALTER F. GEORGE.

Senator Walter F. George,

Senate Office Building, Washington, D. C.:

The directors of the American Cotton Cooperative Association, representing farmer owned and controlled cotton cooperative marketing associations in 16 States, with a total membership in excess of 280,000 farmers, in session here, strongly protest the proposed export subsidy on cotton for the following reasons:

First. That it provides cheap cotton to foreign nations at the expense of American consumers and American taxpayers.

Second. That it will encourage similar action by other cotton-exporting countries.

exporting countries.

Third. That the probable cost will not justify the small increase in exports which will be obtained.

Fourth. That it will seriously threaten the success of the recipro-

cal-trade program.

In lieu of an export subsidy program our directors urge that the Commodity Credit Corporation, upon the advice and approval of the Secretary of Agriculture, be authorized and directed to imediately start the orderly liquidation of "loan" cotton, and that cotton adjustment payments be increased to protect and maintain the cotton farm income during the period of liquidation of loan stocks. loan stocks.

loan stocks.

Our directors believe such a program will increase domestic consumption, will regain on a competitive basis a substantial portion of our lost world markets, and will permit cotton producers the normal use of their present acreage allotment, with a gradually increasing market level and will result in less expense to the Government than any subsidy plan, which in the words of Secretary Wallace, in the final analysis is self-defeating.

N. C. WILLIAMSON,

President American Cotton Cooperative Association

President, American Cotton Cooperative Association.

Mr. GEORGE. Mr. President, I send to the desk and ask to have read the views of a cotton producer and a country merchant purchasing cotton who happens to be a resident of my home town.

The PRESIDENT pro tempore. Without objection, the communication will be read.

The legislative clerk read as follows:

VIENNA, GA. March 24, 1939.

Senator W. F. George (Personal),

342 Senate Office Building, Washington, D. C.:

Until the Government cotton loan was announced last fall cotton was selling readily here at 9 cents, round lots. Loan conditions were so complicated was impossible or practically so to get a loan approved. Farmers usually became disgusted and sold their cotton rather than borrow on it. Small country merchant cotton buyers were the goat. We had been able to sell freely at 9 cents round lots, so we presumed we still could do so. Within a few days we found ourselves loaded up. In my case with 500 bales 9-cent cotton. When it was offered for sale through the usual channels found all demand dried up. Ought the Government to throw its cotton over at low price and leave me and others all over America, small country buyers who are carrying the burden, to take our losses? We do not believe it fair. Either keep Government loan cotton off market or take our cotton at cost. We are American citizens also. Please read this to Senate.

W. EDMOND PORTER,

County Merchant Cotton Buyer.

County Merchant Cotton Buyer.

Mr. GEORGE. Mr. President, I now desire to read a short excerpt from the address of Secretary Wallace, of the Department of Agriculture, delivered at Fort Worth, Tex., in September of last year. Speaking directly upon this point, he said:

If consumption of American cotton is to be subsidized, the subsidies ought to be applied to domestic consumption rather than export. If any gifts of cotton are going to be made under the present administration, our own people ought to come first. Why not, for once, give our own consumers and our own workers a break?

Mr. Wallace was profoundly sound in September of last year, Mr. President. If the Government puts into operation the scheme which is now contemplated of stimulating exports by paying a subsidy to the foreign consumers of American cotton, we shall have taken the first step toward the actual destruction of cotton as an article of foreign commerce.

Mr. BARKLEY. Mr. President, will the Senator yield? Mr. GEORGE. I yield to the Senator from Kentucky.

Mr. BARKLEY. I think I asked the Senator earlier who it is whose word is necessary, and whose contemplation is necessary, in order to bring about the sale of this cotton. I have been unable to find out who it is that can sell it and is planning to sell it.

Mr. GEORGE. The Commodity Credit Corporation can

release the cotton for sale.

Mr. BARKLEY. When the Senator refers to certain agencies of the Government that are contemplating this sale, does he refer to the Commodity Credit Corporation?

Mr. GEORGE. It would take the efforts of more than one agency to carry out this program, as I understand. I will state frankly to the Senator that the cotton cannot be released unless the Commodity Credit Corporation releases it.

Mr. BARKLEY. Do they contemplate releasing it? If

so, upon whose request?

Mr. GEORGE. The Secretary of Agriculture is a director of the Commodity Credit Corporation, and he is practically controlling so far as farm products are concerned.

Mr. BARKLEY. Does the Senator think the Secretary of Agriculture, either as Secretary of Agriculture or as a member of the Board of Directors of the Commodity Credit Corporation, contemplates initiating a program of sale for this cotton?

Mr. GEORGE. I can only say that the trade in America and throughout the world understands that to be the case; and I can only say that day after day the mills and the merchants and the producers have appealed to me to prevent such a thing, which necessarily would break down the price of cotton, to the hurt and injury of the mills which did go in and buy, of the producers who have carried it, and of the merchants who have bought it and who have stocks on hand. If the Senator wishes me to say that I have been informed by any department of Government that they intend to carry into execution this scheme, I am not able to make that positive statement.

Mr. BARKLEY. I am not attempting to put the Senator "on the spot" in that regard; but I am very strongly of the belief that somebody in authority in connection with this cotton ought to have been brought before a committee of the Senate to ascertain what the plans are. All these rumors may be without foundation. It may be that no such plan is contemplated; and, if it is not, those in authority ought to have been allowed to say so. If it is, they probably should have been allowed to explain their plan, their program, and why they contemplate it. But with as much ignorance as we have here about any plan, it is difficult to understand what ought to be done.

Mr. SMITH and Mr. TAFT addressed the Chair.

Mr. GEORGE. Mr. President, I will state in my place that this plan has been in contemplation. I know that there can be no mistake upon that point.

Mr. BARKLEY. By whom? I am asking in good faith for information. By whom has it been under contemplation?

Mr. GEORGE. This cotton cannot be released except through the Commodity Credit Corporation. The Commodity Credit Corporation is largely controlled by the R. F. C. Mr. Wallace, the Secretary of Agriculture, is a director of the Commodity Credit Corporation, and his voice is at least very powerful with respect to agricultural products. Undoubtedly this plan in substance has been under consideration, is now in contemplation, and, in my judgment, if the Senate does not act, it will be carried into execution.

Mr. BARKLEY. Is it under contemplation by the R. F. C., by the Commodity Credit Corporation, by Secretary of Agriculture Wallace, or by all three of them acting in conjunction?

Mr. SMITH. Mr. President, if the Senator from Georgia will allow me, the Senator from Kentucky was present in the conference when Mr. Wallace gave us three plans. One was the subsidy plan. The Senator from Kentucky was present.

Mr. BARKLEY. I was present. The Secretary did not give us three plans. He described the three plans that were being discussed, one of which was the bill of the Senator from South Carolina and two others.

Mr. SMITH. And one was the subsidy.

Mr. BARKLEY. The Secretary committed himself to none of the three.

Mr. SMITH. I know he did not.

Mr. BARKLEY. He simply described the difference between them, and the probable cost to the Government in the event anyone of the three should be adopted; but the Secretary did not commit himself to any one of them.

Mr. SMITH. He said, if the Senator from Kentucky will recall, that the subsidy plan, based upon 6-cent cottonthe Senator will remember he kept saying "6-cent cotton," which is about 2 cents under the present level-would cost less to the Government. Of course, it would cost a great deal to other people; but he gave me the impression, and I think he gave every other man who was there the impression, that he was more favorable to the subsidy proposition than he was to the other two.

Mr. BARKLEY. I thought the Secretary tried to emphasize that he was not recommending any one of the plans.

Mr. SMITH. He did.

Mr. BARKLEY. But he explained how much each one would cost. It may be that he put emphasis on his voice on the smaller amount to come out of the Treasury. I do not recall about that.

Mr. GEORGE. Just on the point the Senator from Kentucky raised, in order to relieve the matter from any uncertainty so far as I may, I will say that I do not think the Reconstruction Finance Corporation contemplates a sale of cotton to foreign purchasers through subsidy, and I do not think the Commodity Credit Corporation contemplates the sale of this cotton through a subsidy, but I say positively that it has been under consideration in the Department of Agriculture, and I state that from my knowl-

Mr. BARKLEY. Mr. President— Mr. GEORGE. I did not want to go into that. I thought it would be immaterial in connection with this matter.

Mr. BARKLEY. Of course, that eliminates all three of these agencies except the Secretary of Agriculture, so if neither the Reconstruction Finance Corporation nor the Commodity Credit Corporation contemplates it, there is no one else who could contemplate it except the Secretary of Agriculture. I stated the other day, and I think the Secretary would reiterate it, that he is not contemplating it; that he not only is not contemplating it but could not do it. Certainly he could not do it alone.

Mr. SMITH. Mr. President, it comes to my attention that those contemplating this are depending on section 12 of the present law, which reads as follows, if the Senator from Georgia will allow me.

Mr. GEORGE. I yield.

Mr. SMITH. I read from the law:

SEC. 12. Whenever the Secretary finds that the exercise of the powers conferred in this section will tend to carry out the purpose specified in clause (5) of section 7 (a), or will tend to provide for and maintain a continuous and stable supply of agricultural commodities adequate to meet consumer demand at prices fair to both producers and consumers, or both, he shall use such part as he deems necessary of the sums appropriated to carry out this act for the expansion of domestic and foreign markets or for seeking new or additional markets for agricultural commodities or the products thereof or for the removal or disposition of surpluses of such commodities or the products thereof.

Mr. LODGE. Mr. President, will the Senator from Georgia yield for a question?

Mr. GEORGE. I yield.

Mr. LODGE. I should like to ask whether the Senator from Georgia or the Senator from South Carolina has any information bearing on the rumor which has been current that some of this cotton has gone to Germany.

Mr. GEORGE. I have not.

Mr. SMITH. Nor have I.

Mr. GEORGE. If subsidized to the foreign purchasers, of course, it might go wherever anyone would take it at the reduced price.

Mr. TAFT. Mr. President, will the Senator from Georgia vield?

Mr. GEORGE. I yield.

Mr. TAFT. As a member of the Committee on Banking and Currency I have received notice of a meeting to take place tomorrow morning at which Mr. Jesse Jones will appear in behalf of Senate Joint Resolution 78, introduced by the Senator from Tennessee [Mr. McKellar]. As I read that joint resolution, it authorizes the sale of cotton at the present market price regardless of the loan value. Is the Senator familiar with the movement to have that joint resolution considered by the committee, and adopted by the Senate?

Mr. GEORGE. I did not know about it. I may say to the Senator that I did know, and I have acted upon the information, that some plan was in contemplation for the exportation of cotton held under Government loans.

Mr. TAFT. Let me read the joint resolution and see whether the Senator considers it does have that effect. The joint resolution authorizes the Commodity Credit Corporation "to dispose of commodities held as security for loans made to producers by allowing the producers to redeem such commodities upon payment of the market value thereof as determined by the Corporation less such amounts as the Corporation may determine as proper compensation."

Would not that in effect permit the Corporation to sell that cotton by releasing it to the owners? Is not that the purpose of the joint resolution?

Mr. GEORGE. I would think so; but the purpose of the joint resolution also might be to permit the sale of it at home to domestic buyers, as well as to foreign buyers.

Mr. BARKLEY. Of course, Mr. President, they can release the cotton now if the borrower pays what was loaned on it. They can do as they please with it. The only difference the joint resolution would make would be that it would authorize the Commodity Credit Corporation to sell the cotton for less than the amount the Government has loaned on it.

Mr. GEORGE. Mr. President, I had hoped to discuss briefly the merits of the resolution. I had thought that no question would arise with respect to the policy of the Government, so far as the cotton now held under the loans was concerned.

I do wish to say that some other countries with which we have been dealing are interested in cotton as well as ourselves. If the United States subsidizes cotton to the foreign trade, at one single stroke all of the good will of the cotton-producing countries in South America, including Brazil, may disappear, because Brazil, for example, produces cotton; she has her trade agreements; she has entered into a family relationship with the United States, so to speak. If the United States sells cotton to British, to Japanese, to French, to German, to Italian spinners by means of a subsidy—that is to say, at a reduced price—if that method is used to stimulate exports, certainly we will violate every agreement we have with other countries, which countries also have raw cotton, and undoubtedly the price of cotton will go down if we subsidize the sale of it to the foreign trade.

Not only is that true, but we will be compelled to raise tariffs or quotas in order to protect the American market for American manufactured products. We cannot raise these quotas and put them into operation, nor can we increase tariffs under any provision of our tariff act overnight. It takes months to accomplish that end. It takes a long time to do it. We have agreements certainly with Great Britain, certainly we are not free to invoke quotas or to raise tariffs against not only our neighboring nations to the South of us, which have these agreements with us, but with respect to Great Britain itself, which would be vitally affected.

Mr. President, not only is that so, but, as I was saying when interrupted, the moment we subsidize the sale of cotton in foreign trade, we destroy the very integrity of cotton as an article of commerce; we make of it an article of politics and economy. We will use it to suit our economy or to suit our political ends, and at this time, above all times in the history of the world, why should we subsidize the foreign buyer of American cotton in order to induce him to own it, to take it out of the hands of the Government here? Why should we?

The distinguished Senator from Kentucky says, How are we going to know when this emergency passes, or when this international crisis is at an end? I think we will know it. I think we know that one does exist, and that it is one of real moment. It is not inconceivable that the economic structure of Europe may collapse and drag us down. Here is one of the most valuable assets America can have, in peace or in war, to wit, an entire crop of American cotton, and why give it away in whole or in part, why subsidize its sale to Europe under existing conditions? Why not say, "You shall not have that cotton unless you pay us what we have in the cotton," at least until the Secretary of Agriculture comes to the Congress and has the advice of the Congress, at least until this world crisis shall have passed?

Mr. President, in my judgment, it would be the most monumental stupidity of time for us to give away in whole or in part a whole crop of American cotton to European

nations, under existing conditions.

On the first day this rumor got abroad, cotton broke more than a half a cent a pound, and on the following day the Liverpool market went down half a cent a pound, and therefore I presented my resolution, with some feeling that the Senate at least should express it to be the sense of the Senate that we would not subsidize foreign purchases, but that we would adopt the philosophy, the good philosophy, of Mr. Wallace himself in his September speech in Texas last year, when he stated that if we subsidized anyone we would subsidize our own people, or, to use his own language, "would give to the American consumer and the American producer for once 'a break.'"

Mr. President, it is not possible to sell cotton abroad at a price below that for which it is sold to our own mills, and fully protect those mills by tariffs or by quotas. It is not possible to protect the cotton industry fully by quotas or tariffs without a long delay, involving months and perhaps years of study. Cotton, since it is an essential part of some 30 different commodities, or products, does not go alone into textiles. We would be utterly powerless to protect the American market for the American producer and manufacturer and for the labor which is at work for those producers here under any quota or any tariff we could raise under existing law

Mr. President, do I need to argue a fact which the whole cotton trade, which every economist and every merchant must know, that if we subsidize the sale of the raw cotton to the foreign trade, that the business of the American manufacturer in the foreign countries must suffer? How could we protect it? We would have to turn around and give to him a subsidy on all the cotton which he exported, and that would be only a clumsy, an inefficient, and an imperfect way of protecting the American manufacturers of cotton.

Mr. President, if the proposed scheme is put into effect and if it does succeed in greatly stimulating American exports in cotton, it will seriously cripple if not destroy the great bulk of American manufacturers of cotton, the cotton merchants and retail merchants who have stocks in hand made of cotton, the price of which we were trying to protect in order to aid and assist our producers.

Moreover, it will destroy all those cotton producers who have held their own cotton, and it will destroy the small buyer everywhere in America who has any appreciable

amount of cotton.

Not only that, but it will really do the great shippers little good, because, as I have already said, it will seriously challenge and ultimately destroy the integrity of the great commodity which through long years has furnished America the balance of trade. It will destroy the commodity that enters into and is a vital part of the economy of every cotton-growing State. It will destroy an industry which, in order to meet the demands and requirements and to subscribe to a farm program, has already had its output reduced, constantly reduced. Now it has to sit idly by while the foreign market itself is being destroyed by the use of a subsidy or by the subsidizing of the price of that commodity to the foreign trade.

If we subsidize American cotton to the foreign trade, we may expect instability of the world price of cotton affecting our own price. Whether the world price fixes our price here or the American production of cotton itself controls the price, is immaterial. We may expect trade war of a kind that we have not seen before. We may expect to find that the Latin-American republics which produce cotton and which are vitally interested in this matter will regard trade pacts made with them as insincere. The United States cannot afford to have its neighboring nations to the south question our sincerity. If the State Department were consulted, I am sure it would say that in no circumstances ought we to resort to

this scheme to get rid of our cotton. Mr. President, we have \$15,000,000,000 of gold buried in the hills of Kentucky, as we understand, and yet this Government has the jitters because it cannot immediately sell one crop of American cotton against which it is carrying a loan. The Government has some \$600,000,000 invested in the cotton. I wish to see the cotton sold. I wish to see it move in an orderly fashion. However, there is but one fair way to do it, Mr. President, and that is to announce its orderly distribution 1 year from this July 1, or at least at the end of the next marketing year. That will protect those who make the American market for us, who support and sustain the American industry; that will protect the merchant, the small buyer, and the large buyer, and that kind of a program, Mr. President, will also protect the producer, because the producer of cotton is in a poor way when his foreign market is taken away from him; is seriously threatened, when he himself has consented to such drastic reductions in his production, until now under ordinary circumstances and weather conditions he can hope to produce no more than an elevenor twelve-million-bale crop.

Why sell it? It is not the sale that someone wants. It is a sale to the foreign trade at a discount, at the cost of the whole cotton industry of the Nation, and at the cost of the national economy. Why sell it? Why give away 2 cents a pound on it, or 3 cents a pound on it, or all of it? Why not keep it until the emergency has passed?

Mr. SMITH. Mr. President-

The PRESIDING OFFICER (Mr. HERRING in the chair). Does the Senator from Georgia yield to the Senator from South Carolina?

Mr. GEORGE. I yield.

Mr. SMITH. I may suggest to the Senator that if the Government officials are so anxious to reduce the surplus. they will find in the bill I have introduced that I have offered a plan which worked before. Why not substitute the present existing cotton for production in 1939—that is, turn it back to the farmers at a reasonable price, for it is now below the cost of production. If we are going to lower the surplus, let us turn it back to them in lieu of production, at a reasonable figure, and whatever rise there is subsequent to the reduction of the surplus, the farmer will be the beneficiary. Why not give it to our people?

Mr. GEORGE. Exactly. Why not give the American consumer and the American producer a break for once, as the

Secretary asked in Texas last September?

Mr. NEELY. Mr. President, will the Senator yield?

Mr. GEORGE. I yield.

Mr. NEELY. The Senator from Georgia in his very illuminating address stated, as I understood him, that the Government owns or holds a lien on \$600,000,000 worth of cotton.

Mr. GEORGE. The Government has a loan totaling approximately \$600,000,000 on the eleven and one-half mil-

Mr. NEELY. At present prices, how many bales of cotton would that sum purchase?

Mr. GEORGE. At the American price from eleven million to eleven and a half million bales.

Mr. NEELY. About the total estimated production for the

Mr. GEORGE. Just about. The estimated production for 1939, with fair-weather conditions, might be placed at around eleven and one-half million bales.

Mr. BARKLEY. Mr. President, will the Senator yield?

Mr. GEORGE. I yield. Mr. BARKLEY. Assume that the Government keeps the eleven and a half million bales it now has, and makes loans on the 1939 crop, which I have understood is estimated at around 12,000,000 bales—but whether it is eleven or twelve million bales is not material—how much additional cotton would the Government have under its control at the end of the present year and in the coming cotton season, if we produce 11,000,000 bales this year?

Mr. GEORGE. At the end of the 1939 season?

Mr. BARKLEY. Yes. Mr. GEORGE. That would, of course, depend entirely on the price of cotton. If the loan value was higher than the price it would go under the loan, of course.

Mr. BARKLEY. Yes. In other words, all of it would go

under.

Mr. GEORGE. Yes. Mr. BARKLEY. So that we would have at the end of the 1939 season practically twice as much cotton as we now have in the hands of the Government?

Mr. GEORGE. That would be true, Mr. President,

Mr. BARKLEY. That is, assuming that all producers ap-

plied for the loan and received it.

Mr. GEORGE. Exactly, Mr. President. Of course, if all of it went under the loan we would have approximately twice as much, but I have already stated to the distinguished Senator from Oregon that those of us who are interested in this problem are simply trying to take the initial step that will enable us to keep cotton out of the loan in 1939. We cannot take all the steps at one time, Mr. President. We do not have it in our power to do so.

If anything is now done that will break the price of cotton down to 6 or 7 cents or 5 cents you may take it for granted that cotton will go back under the loan. But if you let us hold the cotton up, if you will let us prevent at least the destruction of the price of cotton until we can get to another piece of legislation, which I think the cotton Senators ultimately must agree upon, we will be able to avoid the covering under the loan of any cotton from the 1939 crop.

Mr. LEWIS. Mr. President, will the Senator yield?

Mr. GEORGE. I yield.

Mr. LEWIS. I come from the corn country. I do not understand all the features touching the cotton. I am, naturally, solicitous that no precedent be set as to cotton or any other substance which in its very nature will influence or control the operations with respect to corn.

I ask my able friend from Georgia if he would define for me what he means by the word "subsidy." His interesting address has rather caught my fancy as well as bewildered my intellect. In what way does the selling to a foreigner subsidize him, and what is it that causes the subsidy? I should like to have my able friend define that, because I am really

seeking intelligence on the point.

Mr. GEORGE. I think the distinguished Senator from Illinois must have been absent from the Chamber when I commenced my remarks. A subsidy, of course, is simply a premium paid to the foreign purchaser to accept or take cotton, if the product is cotton, and that is what we are, of course, discussing. As I understand the plan, it is simply this, I may say to the Senator from Illinois: That upon the release of the Government-owned cotton by the Commodity Credit Corporation it will be accompanied by a certificate, which certificate will entitle the foreign purchaser to a subsidy, to cash amounting to two or more cents per pound. In other words, when the cotton is released, if it is purchased by a British spinner, or by a spinner in Japan, or by a spinner in Germany, or elsewhere in Europe, anywhere in the foreign trade, that purchaser will receive a rebate, or a subsidy, of, say, 2 cents per pound. I am not stating the exact amount of the subsidy, because about that I do not know.

I may say to the Senator from Illinois that this matter involves very much the same philosophy of which he complained a few days ago, to wit, the published notice of a transaction between the international bank and one of the South American countries. What I wish to do, Mr. President, is simply to say to the Department of Agriculture and to any other agency of the Government whose cooperation is necessary, "You cannot sell the cotton now held in the Government loan below its cost to the Government unless you come back to the Congress." It is true that a Senate resolution is not a law. It is merely a Senate resolution expressing the sense of the Senate that the foreign purchaser should not receive a preference or a subsidy in the purchase of our cotton.

Mr. President, I realized that this matter could not be disposed of before the expiration of the morning hour. I have now concluded my remarks. Of course, they have been broken by the interruptions of those who are interested in the subject matter. I wish to say again that the whole purpose of the resolution is to state the sense of the Senate on the subsidization of cotton in foreign trade. If subsidies must be granted, let them be granted to American manufacturers, American laborers, and American producers. They should not be granted to the foreign buyers of American cotton, especially at a time when no one can foresee what lies ahead in Europe, or, for that matter, in other parts of the world.

There could be no possible reason for an unreasonable desire upon the part of our Government to stimulate the export to foreign traders and manufacturers of raw cotton, an invaluable material in peace and in war. There could be no possible reason why that course should be followed when no man can foresee, and no one can foretell, what may happen in world affairs.

Mr. LUCAS. Mr. President, will the Senator yield?

Mr. GEORGE. I am about to yield the floor, but I yield to the Senator.

Mr. LUCAS. I should like to ask the able Senator from Georgia one question with respect to the resolution. My question deals with the resolving part, wherein it is stated that it is the sense of the Senate that pending the world crisis no American cotton should be sold, and so forth.

I should like some interpretation of what the Senator has in mind with respect to the world crisis and some information as to whether or not there is any limitation of time upon the world crisis, and just about how long the Government might be compelled to hold eleven and one-half million bales of cotton, assuming that the price did not reach the world price.

Mr. GEORGE. No one could answer that question, Mr. President. Of course, "world crisis" may be a rather indefinite term. However, we have been asked to increase our armaments upon the possibilities growing out of the world crisis. We have been asked to stimulate our national defense. We have been asked to take precautionary measures to put our country in order, we must assume, both for war and for peace. We seem to have a fairly good sense of an unsettled and abnormal condition in Europe.

I wish to direct the Senator's attention to the fact that the provision of the resolution is not against the sale but against the sale at a price below the cost to the Government.

Mr. LUCAS. I appreciate that.

Mr. GEORGE. No one could fix an absolute limitation.

Mr. LUCAS. In the resolution there is no limitation of time on how long the Government will be compelled to hold the cotton.

Mr. GEORGE. At cost.

Mr. LUCAS. At cost.

Mr. GEORGE. That is true.

Mr. BARKLEY. Mr. President, will the Senator yield?

Mr. GEORGE. I yield.

Mr. BARKLEY. In that connection, evidently, what is troubling the Senator from Illinois is the same thing that troubled me earlier in the day, when I inquired to the same effect. The resolution states that it is the sense of the Senate that pending the world crisis none of this cotton shall be sold under certain circumstances. The resolution does not say who is to be the judge of when the crisis shall end. If the resolution is to be passed at all, does not the Senator think there ought to be a time limitation on it? For instance. I assume that before the adjournment of this Congress some effort will be made to solve the cotton problem; and if it is

solved, of course, the solution will deal with the cotton now held by the Government.

Mr. GEORGE. I think so.

Mr. BARKLEY. Such action might make this sort of resolution unnecessary. Would not the Senator feel that a time limit of 3 months, or 6 months, or at least during the remaining days of this Congress, ought to be long enough at least to give Congress time to deal with the subject? If the resolution should be passed, it would be the sense of the Senate that pending the crisis, which may be 10 years or 5 years, although we hope not, none of the cotton referred to should be sold under the circumstances outlined, notwithstanding the fact that an act of Congress might be passed, or some understanding might be reached among the Government agencies, Congress, and the Executive, as to the solution of the matter. Does not the Senator feel that if the resolution is to be adopted it ought to fix a time limit which would give Congress time enough to deal with the subject, so that if it did deal with it there would be no need for the continuation of the sense of the Senate on the subject beyond that date?

Mr. GEORGE. I think there would be no more difficulty on the point the Senator from Kentucky makes than on the other question he raised, as to the word "directed" instead of "requested." I think there would be no disagreement on that score. However, I should not want to subscribe to a policy of granting a subsidy on raw cotton sold in foreign trade, even if we had no abnormal or unusual world conditions.

Mr. BARKLEY. I understand the Senator objects to that

policy as a solution of the cotton problem.

Mr. GEORGE. Yes.

Mr. BARKLEY. Either temporarily or permanently?

Mr. GEORGE. Yes. However, with reference to the existing unsettled and disturbed condition of world affairs, the difficulty can be very easily obviated, either by fixing some time or providing that the resolution shall remain in effect only until the matter is again referred to Congress.

Mr. SMITH. Mr. President, the main object of the resolution is to forbid whatever department has the matter in charge subsidizing the sale of our cotton abroad at a lower

price than is made to our own people.

Mr. GEORGE. Of course, the resolution is intended to

apply to an immediate situation and condition.

Mr. SMITH. Mr. President, while I am on my feet I wish to say that I shall discuss the matter when the bill which I have introduced shall come before the Senate. I am now waiting for the action of the House on a matter which is very pertinent to that bill.

I deplore the fact that so few Members of the Senate understand the cotton question and the system of marketing cotton which has grown up over a long period of years. It is necessary for someone who does understand it to try to bring about legislation which is in accord with the system of marketing, without bringing disaster to the producers and the consumers. I think, Mr. President, that with what knowledge I have of the subject I can at least make the subject clear enough to the Members of the Senate so that they will understand that the question is not as complicated as it seems to be.

I think the bill I have introduced offers a solution. Whether or not the figures in the bill are workable will depend upon the sense of the Senate. However, I am of the opinion that in the face of the law, if we are going to subsidize anybody, we should subsidize the producer. My bill provides that the Government will guarantee the producer up to 75 percent of parity. Whatever the world price is, let him sell his cotton and the Government will supplement what he receives with a subsidy. That method is direct, and without complication. If cotton were to bring 9 cents a pound, and it is figured that 75 percent of parity is 12 cents, then the Government would subsidize the farmer to the extent of 3 cents, which would permit the farmer to sell his cotton wherever he pleased, take his sales account and go to his agent and receive a check for the difference. I have also proposed in the bill that the loan should be abandoned

by making it more attractive to take the subsidy. I fear that the loan feature is disastrous.

I am merely outlining the bill. I shall take time later to explain it more fully. Let me outline another feature of the bill. In view of the fact that, according to the Department, it costs 11 cents plus to make a pound of cotton, I propose to take some of the cotton we have on hand, which we want to get rid of, and say to a farmer, "In lieu of your contemplated production under your allotment for 1939 you may take 50 or 60 percent in the form of the cotton already on hand." In other words, if I make 100 bales of cotton, the Government will say, after July 1, "We will give you 50 bales of cotton if you will guarantee not to reproduce that many bales on any land owned or controlled by you."

That procedure seems to me to be fair. The farmer produced the cotton in 1938 and obtained a loan on it far below the cost of production. The Government may offer the producer that cotton in lieu of production, without prejudice to his acreage. The committee fixed the amount at which the producer would take such cotton at 3 cents. I think he would take it even now at 6 cents or 7 cents, because every farmer knows he cannot make it for less than 12 cents; and if the present surplus is returned to the producer at a reasonable figure in lieu of production we will help him, help the Government, and still maintain an American supply of cotton for the world.

I have outlined the two principal features of the bill which I have introduced.

Mr. McNARY. Mr. President, will the Senator yield? The PRESIDING OFFICER. Does the Senator from South Carolina yield to the Senator from Oregon?

Mr. SMITH. Yes.

Mr. McNARY. Is it the present purpose of the Senator from South Carolina to bring his bill before the Senate for

Mr. SMITH. I am going to bring it before the Senate for consideration, but I am waiting for the action of the House.

Mr. McNARY. The Senator was going to bring up the bill a few days ago, but he did not do so.

Mr. SMITH. That is true; because the House began to take such action that it looked as though it might help matters; and I have tried, as the Senator from Oregon has, to use discretion.

Mr. McNARY. I thank the Senator. I have always tried to use discretion as a guide. I am glad the Senator from South Carolina occasionally follows me.

Mr. SMITH. Or the Senator from Oregon follows me; I do not know which. Honors are even.

Mr. McNARY. Seriously, is it the purpose of the Senator from South Carolina today or tomorrow, when the first opportunity arises, to make his bill the unfinished business?

Mr. SMITH. Just as soon as the House acts; and I am informed that it will act tomorrow. As soon as it does so, I am going to make an effort to have the bill made the unfinished business

Mr. McNARY. Just as soon as the House acts on what?

Mr. SMITH. I understand that the House will act, and I give notice-

Mr. McNARY. The House often acts; but acts on what? Mr. SMITH. On the farm bill.

Mr. McNARY. The Senator's bill?

Mr. SMITH. No, oh no.

Mr. BARKLEY. Mr. President, if the Senator from South Carolina will yield at that point, the House now has under consideration the agricultural appropriation bill, providing for appropriations of a billion and some odd dollars, in which the question of parity appropriations is involved.

Mr. SMITH. That is correct.

Mr. BARKLEY. It is about the only controversial matter pending in the bill.

Mr. SMITH. That is correct.

Mr. BARKLEY. I understand that the Senator from South Carolina may be governed to some extent by what the House does on that subject.

Mr. SMITH. That is exactly correct. If the House appropriates \$250,000,000 for parity paymentsMr. McNARY. I assume that that is the bill of which the Senator spoke. He did not say what bill he referred to. I know there is a provision in the appropriation bill carrying \$250,000,000 for parity payments. If the parity provision should stay in the appropriation bill and come to the Senate, is it then the purpose of the Senator from South Carolina to move to make his bill the unfinished business?

Mr. SMITH. Yes. Mr. McNARY. The Senator is going forward here with his bill, irrespective of what the House does?

Mr. SMITH. I am going to go forward with certain modifications of the bill if certain things happen in the House. I mean that I may ask to have some modifications made of my bill to conform to what the House does. Is that plain enough?

Mr. McNARY. Then the Senator means that if the agricultural appropriation bill passes, and the item of \$250,000,-000 for parity payments remains therein, and the bill is messaged to the Senate, the Senator then may modify his bill and ask us to consider it here?

Mr. SMITH. Yes; I may modify it in one particular.

Mr. McNARY. Does the modification affect the loan provision or the subsidy provision?

Mr. SMITH. The subsidy provision.

Mr. McNARY. The subsidy provision now calls for 3 cents a pound on cotton that has been impounded.

Mr. SMITH. Five cents.

Mr. McNARY. I think it is 3 cents.

Mr. SMITH. Oh, that is the 3 cents to turn the cotton back to the farmers.

Mr. McNARY. That is what I say. Does the provision work in this fashion? I am a cottonmaker. I have impounded with the Commodity Credit Corporation my cotton, upon which they have loaned me sums aggregating, carry-over and all, 11 cents a pound. I go to the Commodity Credit Corporation and give them 3 cents a pound, and they turn back to me the cotton upon which they hold a lien of 11 cents. Is not that correct?

Mr. SMITH. That is correct. That is wherein I said I thought the provision might be modified, and I believe they would take the cotton at 7 cents. It was not my proposition to make it 3 cents.

Mr. McNARY. I think they would take it at 7 cents, too. Mr. SMITH. The 3-cent proposition was not mine. It was the committee's proposition. The original bill had a provision for 6 cents.

Mr. McNARY. Well, that is fair; but it seems to me strange that a man who owes the Government \$10 or \$11 could take \$3 and get back his note and pay his obligation.

Mr. SMITH. Yes; and the Government of the man who has worked like a dog in the field and produced cotton at 12 cents is trying to sell it at 6 cents.

Mr. THOMAS of Oklahoma. Mr. President-

Mr. BARKLEY. Mr. President, the hour of 2 o'clock having arrived, I understand that the Senator from Georgia does not intend to press his resolution at the moment; and, in view of the program to take up the War Department appropriation bill, the resolution will go to the calendar subject to a similar motion when the Senator can obtain recognition for that purpose.

Mr. GEORGE. Mr. President, that is true. I had hoped the majority leader might suggest that after the appropriation bill had been taken up we might recur to the resolution.

Mr. BARKLEY. I shall be glad to talk to the Senator about it.

Mr. GEORGE. I shall be glad to let the resolution go

Mr. McNARY. Mr. President, the parliamentary situation, as I understand it, is that there is no unfinished business. Therefore, the resolution does not go to the calendar at 2 o'clock but goes on continuously in the absence of unfinished business.

The PRESIDING OFFICER. That is correct.

Mr. McNARY. The subject matter before us now is the resolution of the Senator from Georgia.

Mr. BARKLEY. That is true; but I understood that the Senator from Georgia had indicated his willingness to lay the resolution aside temporarily in order that the War Department appropriation bill might be taken up. I have no objection to recurring to the resolution. There was some conversation here as to language that might be worked out a little more carefully if it were done deliberately in accordance with the suggestion I made; but there is nothing before the Senate that would prevent the resolution being considered further at this time.

Mr. GEORGE. I ask that the resolution be laid aside temporarily.

The PRESIDING OFFICER. Is there objection?

Mr. McNARY. Does that mean for the day? I should prefer to have the resolution go over for the day. I have not had an opportunity to consider it at all.

Mr. BARKLEY. I have to go to a conference in a short

Mr. GEORGE. I agree with the Senator on that point. I think it will mean that the resolution will go over for the

Mr. McNARY. With the explicit understanding that the resolution goes over until tomorrow, I shall make no objection to the request.

Mr. GEORGE. I make my suggestion definite by asking that the resolution be temporarily laid aside, and be not again taken up during this day.

The PRESIDING OFFICER. Is there objection to the request of the Senator from Georgia? The Chair hears none, and the resolution will go over.

Mr. ELLENDER. Mr. President, I had intended to address the Senate on the pending resolution; but, since it has gone over, I shall defer my remarks until a later date.

WAR DEPARTMENT APPROPRIATIONS

Mr. THOMAS of Oklahoma. Mr. President, I move that the Senate proceed to the consideration of House bill 4630, the War Department appropriation bill.

The PRESIDING OFFICER. The question is on the mo-

tion of the Senator from Oklahoma.

The motion was agreed to; and the Senate proceeded to consider the bill (H. R. 4630) making appropriations for the Military Establishment for the fiscal year ending June 30. 1940, and for other purposes, which had been reported from the Committee on Appropriations with amendments.

Mr. THOMAS of Oklahoma. I ask unanimous consent that the formal reading of the bill be dispensed with and that it be read for amendment, the amendments of the committee to be first considered.

The PRESIDING OFFICER. Is there objection? The Chair hears none, and it is so ordered. The clerk will read

The Chief Clerk proceeded to read the bill.

The first amendment of the Committee on Appropriations was, under the heading "Salaries, War Department," on page 4, line 2, after the word "Provided", to strike out "That until the compensation of incumbents of positions on July 1, 1939, whose annual rate of compensation on such date is \$1,800 or less, and who, under the provisions of the Classification Act of 1923, as amended, merit an increase in compensation, has been increased in accordance with such law, no part of such sum shall be available for increasing the compensation of the incumbent of any position receiving a higher rate of pay on such date, except in consequence of a change in position or a reallocation of position: Provided further", so as to read:

In all, salaries, War Department, \$5,026,885: Provided, That the number of warrant officers and enlisted men on duty in the offices number of warrant officers and enlisted men on duty in the offices of the Chiefs of Ordnance, Engineers, Coast Artilery, Field Artillery, Cavalry, Infantry, and Chaplains on March 5, 1934, shall not be increased, and in lieu of warrant officers and enlisted men whose services in such offices shall have been terminated for any cause prior to July 1, 1940, their places may be filled by civilians, for the pay of whom, in accordance with the Classification Act of 1923, as amended, the appropriation "Pay of the Army" shall be available.

Mr. McNARY. Mr. President, this is an important appropriation bill. I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The Chief Clerk called the roll, and the following Senators answered to their names:

Adams	Davis	Lee	Russell
Andrews	Donahey	Lewis	Schwartz
Ashurst	Downey	Lodge	Schwellenbach
Austin	Ellender	Logan	Sheppard
Bailey	Frazier	Lucas	Shipstead
Bankhead	George	Lundeen	Smith
Barkley	Gerry	McKellar	Taft
Bilbo	Gillette	McNary	Thomas, Okla.
Bone	Glass	Maloney	Thomas, Utah
Borah	Green	Miller	Townsend
Bridges	Guffey	Minton	Truman
Bulow	Gurney	Murray	Tydings
Burke	Harrison	Neely	Vandenberg
Byrd	Hatch	Norris	Van Nuys
Byrnes	Hayden	Nye	Wagner
Capper	Herring	O'Mahoney	Walsh
Caraway	Holman	Overton	Wheeler
Chavez	Hughes	Pepper	White
Clark, Idaho	Johnson, Calif.	Pittman	Wiley
Clark, Mo.	Johnson, Colo.	Radcliffe	THE STATE OF STATE
Connally	King	Reed	
Danaher	La Follette	Reynolds	
North Control of the	WILLIAM STATE OF THE STATE OF T	ESCAPATION STOCKED	

The PRESIDING OFFICER. Eighty-five Senators have answered to their names. A quorum is present. The question is on agreeing to the first amendment reported by the com-

Mr. THOMAS of Oklahoma. Mr. President, I think perhaps a brief statement relative to the committee's recommendations regarding the War Department appropriation bill might not be amiss.

When the bill came to the Senate it carried items totaling \$499,857,936. The Senate committee has recommended the addition of \$13,330,946 to that sum. So the bill as reported to the Senate, if agreed to by the Congress, will carry a total of \$513,188,882.

The bill as reported to the Senate is still \$7,116,986 under the estimates for 1940. The main item in the bill as recommended to the Senate is \$6,332,480 for the purchase of new machinery for arsenals. The War Department asked for a total of \$16,000,000 for that purpose. It asked for \$10,000,000 for the coming year and for \$6,000,000 for the second year. The Senate committee recommends that we give the War Department first the amount they requested for the second year, which is the sum of \$6,000,000 for the purchase of new machinery for the several arsenals located throughout the United States.

The evidence before the committee shows that this machinery in the main is 20 years old. Some of it is much older than that. It is out of date, entirely antiquated, and, while it is being used, it is not considered to be economical. So that is the main addition made to the bill by the Senate committee.

The second addition of consequence, though not perhaps in amount, is a million dollars added to the bill for experimental research in aviation.

Another item is for the finance department, \$1,495,000 for the payment of additional officers provided for by the Sen-

Another item of \$1,355,000 is for the construction of camps for the National Guard. There is an additional item of \$610,000 for the current camp located at Fort Sill, Okla., which, added to the National Guard amount, makes it approximately \$2,000,000.

The bill provides for the modernization of 40 of our existing 75-millimeter guns. The Congress provided for the modernization of a few of those guns last year. These guns are now on hand, and they are in perfectly good condition, save that they are not what the authorities call "modern." They have iron tires on the wheels, for example; the guns do not have a very large swing right and left, and the elevation is retarded. In the modernization of the guns new wheels, with rubber tires, are provided, so that the guns can be transported more rapidly. Secondly, the swing of the guns right and left is increased materially, and the elevation is corrected so that the guns can be raised and lowered. The range of the guns after modernization is 13,000 yards, and without modernization the range is only about 7,000 yards.

The cost of the modernization is \$8,000 per gun. A new gun costs \$25,000. The appropriation is for the purpose only of modernizing these guns as fast as we can do it with our limited financing. Forty guns at \$8,000 per gun makes up the item provided for in the bill.

The bill also provides for the employment of some 31 additional flight surgeons. This question has been at issue in the Congress for the past several sessions. The bill as it came from the House provided for only 5 flight surgeons. The Senate committee added 31, making a total of 36.

When doctors enter the service as a rule they are qualified to become flight surgeons. A flight surgeon is a physician who is an expert on the condition of the pilot when he takes a plane up in the air. In order for the flight surgeon to watch the pilots and get their reaction in the air, the surgeons must go up in the air with the pilots. Before these doctors go up in the air they must, of course, agree to go up, and heretofore they have received added compensation of \$1,440 a year for their services as flight surgeons. The committee recommends that we increase the number from 5 to 36, but cut down the extra pay from \$1,440 to \$720 a year. We make that recommendation in the bill.

Another item at issue between the House and the Senate is over the improvement of an airfield in the Panama Canal Zone. At the present time we have two fields in Panama, France Field and Albrook Field. France Field is in a bad state of repair, and the War Department is abandoning the field, and at the same time they desire funds with which to build up Albrook Field. So, if this item shall become law we will have one first-class airfield in the Canal Zone, known as Albrook Field, and France Field will be abandoned. The House eliminated the Budget item of \$1,500,000 for new buildings and new equipment necessary to put Albrook Field in the condition desired by the War Department.

I think that in the main those are the amendments, excepting some minor ones. The Senate committee recommends the creation of 54 additional R. O. T. C. units. I think that every college of importance in the United States wrote to the committee asking for an expansion of the R. O. T. C. activity, and, pursuant to those requests from the colleges of the country, the committee recommends the creation of 54 additional R. O. T. C. units. The expense in toto will amount to about \$1,000,000.

In that million dollars we have the expense of the selection of 234 additional officers. The War Department reports that they are now short 234 officers who are necessary to man the existing R. O. T. C. units. That means they are running short of officers, and that noncommissioned men are now doing the work in the colleges where there should be commissioned officers to do the work.

I think this statement in the main covers the items, unless there shall be some questions as the amendments are read.

Mr. FRAZIER. Mr. President, will the Senator yield?

Mr. THOMAS of Oklahoma. I yield.

Mr. FRAZIER. I did not understand how much of an increase over the House provision was called for in connec-

tion with the R. O. T. C. units.

Mr. THOMAS of Oklahoma. If the Senator will turn to page 4 of the report, he will find that under the Reserve Officers' Training Corps there is provision for 1,435 additional advanced-course students, amounting to \$138,702, for the installation of 37 new senior units, at a cost of \$377,657, and for the installation of 17 new junior units, at a cost of \$136,000. The other items are for the necessary number of enlisted men to fill up the personnel of the units.

Mr. FRAZIER. What will the total cost be?

Mr. THOMAS of Oklahoma. For everything, it is \$766,569.

INCREASE OF APPROPRIATIONS FOR WORKS PROGRESS ADMINISTRATION

Mr. VANDENBERG. Mr. President, on March 16 I introduced Senate Joint Resolution 94, proposing to deal with the President's \$875,000,000 emergency relief budget for W. P. A. on a basis which would not require any additional appropriation at the present time, yet which would permit the President and Administrator Harrington to go on with their own uninterrupted program for the time being. I suggested that these results could be obtained by the simple process of shortening the period for which our January ap-

propriation of \$725,000,000 was made. It was made originally to cover the period to June 30, the end of the fiscal year. I offered Senate Joint Resolution 94, which would shorten this period to May 31. This would have accomplished three things:

First. It would have given W. P. A. all the funds sought by the President up to May 31 and permitted W. P. A. to proceed with its own program instead of involving the extraordinary lay-offs threatened unless additional appro-

priations were made before April 1.

Second. It would have obviated the necessity for any additional W. P. A. appropriation at the present time under the stress of demand for action prior to April 1. No additional appropriation would have been necessary until June.

Third. Thus it would have given Congress 2 more months to study the whole W. P. A. situation, and either specify some of the economies which it had in mind when it cut \$150,000,000 off the first appropriation or to perfect an

entirely new substitute relief system.

Mr. President, my purpose in rising this afternoon is to say that since Senate Joint Resolution 94 was introduced I have been in communication with Administrator Harrington on the whole subject. I now have a letter from him which states that the \$725,000,000 already appropriated will not be exhausted until June 7, instead of May 31, the date carried in the original joint resolution. Therefore there is no need for the supplemental appropriation, whatever its size, until June 7. I am correspondingly amending my original joint resolution, therefore, and presenting it in new form to include the date of June 7. I summarize again, briefly, to this extent: I assert that if the measure under which the original \$725,000,000 was appropriated for W. P. A. is changed to permit the full expenditures up to June 7, instead of June 30, the entire W. P. A. program can proceed precisely as the President and Colonel Harrington have outlined it and wish to have it proceed. That can be done without the appropriation of another single nickel to W. P. A. until June 7. Therefore Congress has 2 full months in which to comprehend this problem. Instead of proceeding on the theory that we have an April the 1st emergency which we must meet under pressure, we have 2 months in which to determine what ought to be the subsequent final status of the relief situation in the United States.

I ask unanimous consent to be allowed to introduce the new joint resolution, which I ask to have referred to the Committee on Appropriations.

The PRESIDING OFFICER. Is there objection? The Chair hears none, and it is so ordered.

(See Joint Resolution 103, under its appropriate heading, introduced by Mr. VANDENBERG and referred to the Committee on Appropriations.)

Mr. VANDENBERG. Mr. President, I also ask that there be printed at this point in my remarks Colonel Harrington's letter, in which he indicates that the appropriation already in hand will be sufficient to June 7, 1939.

The PRESIDING OFFICER. Is there objection to the request of the Senator from Michigan?

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

Works Progress Administration, Washington, D. C., March 24, 1939.

The Honorable ARTHUR H. VANDENBERG,

MY DEAR SENATOR VANDENBERG: Acknowledgment is made of your letter dated March 23, 1939, requesting information as to the date the Works Progress Administration would reach an obligation point of \$725,000,000 if the program maintained its operating schedule as contemplated at the time the President requested an appropriation of \$875,000,000 to complete the current fiscal year.

The request for \$875,000,000 was predicated upon maintenance of the following employment schedule:

February	3, 000, 000
March	3, 000, 000
April	2,900,000
May	2, 800, 000
June	2, 700, 000

On the above basis and under normal operating conditions, the Works Progress Administration would have exhausted the \$725,-000,000 by June 7, 1939. The additional \$150,000,000 would be

necessary to continue operations between June 7 and June 30, 1939, in accordance with the schedule proposed by the President.
Yours very truly,

F. C. HARRINGTON, Administrator.

Mr. WILEY. Mr. President, I have something to say on the subject just referred to by the Senator from Michigan.

The Gallup poll, taken recently, shows that 83 percent of the Democrats who are on relief favor Roosevelt, and 74 percent of the lower-income group, including "reliefers," favor Roosevelt. This is undoubtedly due to the fact that these Democrats think he is a great humanitarian. The definition of a humanitarian is as follows:

One who is actively concerned in promoting the welfare of "his kind"—a philanthropist.

If the President qualifies within this definition, and if he and Commissioner Harrington, of the W. P. A., wanted to aid humanity in the broad sense, they would come out now and say to the Conference of Mayors and to the W. P. A. workers:

"We agree with Senator Vandenberg's joint resolution and suggest that Congress pass the same. This joint resolution amends the original grant of \$725,000,000 by allocating its use to the period ending May 31, instead of June 30, thus making it unnecessary to cut the W. P. A. workers; and thus, also, giving Congress and W. P. A. further opportunity to study the situation."

Have the President and Colonel Harrington said anything of the kind? They have not. Instead of that, letters and telegrams come in from "the mayors of cities" in my own State and from other groups, because these people are fearful that a large number of W. P. A. folks will have to be put off the pay roll on April 1.

Now, let us get this straight: If the President should approve this joint resolution, it would stop the fear and the worry and the distress which are, in a large measure, the result of propaganda. If this joint resolution should become law-and it would become law if the President and Colonel Harrington approved it—then the President and the W. P. A. would have the full fund that was to have been expended up to June 30. They would have this fund to expend up to May 31, and thus the immediate crisis would be eliminated. I say emphatically that the poor people on W. P. A. in my State are panicky over this situation, and I am saying this as a challenge to the Executive of this Nation to urge the enactment of the joint resolution introduced by the Senator from Michigan. In other words, it would eliminate the allegedly pressing need for the appropriation of the additional \$150,-000,000, and it would give Congress over 2 months in which to see if a better system could not be evolved. If that could not be done, and if appropriations were necessary, Congress could make those additional appropriations in May. But we have heard nothing from the White House in relation to this resolution. The machinery of the Democratic Party has been kept well oiled to keep the 84 percent of the Democratic relief votes for the President.

The talk about economy, so far as the President and his advisers are concerned, is "simply talk." Everyone feels that if a little economy were used in the W. P. A. money it would be sufficient to last until June 30. The President has said that if you cut 17.4 percent in the appropriation it would mean a cut of 33½ percent in the number employed. W. P. A. had better look to its overhead if that statement is correct. In other words, if the appropriation is cut 17.4 percent, at once the number of employed is cut 33½ percent.

Mr. BRIDGES. Mr. President, will the Senator yield? Mr. WILEY. I yield.

Mr. BRIDGES. As I understand, the Senator's position is that first and foremost it would be a step in the right direction if there should be a halt in the so-called appeasement program of the President, which has not developed or materialized, and which has been just a vague, vacant gesture to date, first to cut the overhead and waste and this money would last; but that, in view of the fear that is being created, the second best thing would be the adoption of the Vandenberg joint resolution, which would allow the use of this money up to June 7 and allow the Congress to study the question. Is that the Senator's position?

Mr. WILEY. Yes. I thank the Senator for his contribution. In other words, what we need in this country if we are "going places" is to reestablish the morale of our people, and we cannot do it by disseminating false knowledge. We must get the truth to them.

Mr. BARKLEY. Mr. President, will the Senator yield?

Mr. WILEY. I yield.

Mr. BARKLEY. Just as I came into the Chamber the Senator spoke about the question of overhead.

Mr. WILEY. Yes.

Mr. BARKLEY. I think it would be appropriate to suggest to the Senator at this point that out of every dollar spent by the W. P. A. 85 cents goes directly into the pockets of the employees; $11\frac{1}{2}$ cents goes for the purchase of material; and $3\frac{1}{2}$ cents goes to overhead.

Mr. WILEY. May I ask the Senator where he got his

Mr. BARKLEY. I got the figures from the director of the W. P. A. I do not think there is any serious dispute about that. Of course, part of the $11\frac{1}{2}$ cents that go for materials goes indirectly to labor.

Mr. VANDENBERG. Mr. President, may I ask the Senator a question at this point?

Mr. WILEY. I yield.

Mr. VANDENBERG. Does the Senator from Kentucky know whether this particular overhead percentage is merely the general supervisory overhead, or whether it includes the project overhead also?

Mr. BARKLEY. I am not able to tell the Senator whether it includes all the supervisors, the timekeepers, and the area engineers who are on the ground, on the job, supervising the project itself. But the entire overhead, including the employees in Washington and the supervisory officers in the States, amounts to 3½ cents.

Mr. VANDENBERG. Of course, the other figure could be a substantial addition in overhead, and probably is.

Mr. BARKLEY. If the local engineers, the local timekeepers, and the supervisors of the individual projects are not to be regarded as employees in the sense that they get this money into their pockets, that would make a different figure for calculation.

Mr. VANDENBERG. The Senator has no percentage on that point available?

Mr. BARKLEY. No; I have no percentage on that point available.

Mr. HATCH. Mr. President, will the Senator yield?

Mr. WILEY. I yield.

Mr. HATCH. I made inquiry about the subject which is being discussed just now, and which was dealt with in the question asked by the Senator from Kentucky a moment ago. My information is that, including all nonrelief work of every kind, the overhead is less than 5 percent.

Mr. BRIDGES. Mr. President, will the Senator yield?

Mr. WILEY. I yield.

Mr. BRIDGES. If the figures which have been given here by the Senator from Kentucky are true, certainly the picture which the country has gotten and I have gotten, and which certainly many other Members of the Congress have gotten, is not an accurate one, because certain figures were developed in the House proceedings indicating that the average cost of the W. P. A. worker per year was \$994, and the cost of material, as the Senator says, is limited to a certain percentage or a certain figure, and it is only necessary to multiply the number of weeks and the pay of a W. P. A. worker and we will see a difference left, that pretty largely goes to the nonrelief supervisors and supervisors and foremen with political connections.

Mr. BARKLEY. I have no doubt that the country has obtained an erroneous idea about the relative percentage of the W. P. A. money which goes to the workers, because there have been certain individuals and certain interests in this country, political and otherwise, which have been biased, undertaking to create a misapprehension on the part of the people on the subject. But we are interested in knowing how much of this money is going into the hands of persons who are employed on projects of the W. P. A. and who need

work, whether they are what may be called relief workers, or include the 5 percent outside the relief workers.

I think there can be no successful dispute on the question of the percentages I have given to the Senate. I am glad to give them because they may, insofar as they have any influence over anyone, correct some of the misapprehensions and mistakes which have been propagated in the country with respect to the work of the W. P. A.

Mr. LODGE. Mr. President, will the Senator yield?

Mr. WILEY. I yield.

Mr. LODGE. I was interested in what the Senator said about the difficulty of computing the percentage of the W. P. A. appropriation, the cost of overhead and the percentage that goes to the man on relief, and the difficulty of ascertaining that figure lies in the fact that it all depends on what we want to class as overhead and what we want to class as relief. Before the Special Committee on Unemployment and Relief last year Mr. Hopkins, who was then W. P. A. Administrator, testified that these funds were used for the publication of brochures and pamphlets and expensive printed matter to advertise the W. P. A., which was not done with relief labor. He testified that moving pictures were produced to advertise his theories of the way things ought to be running. And none of those things was done by relief labor, yet all of them came out of the relief appropriation. The question of what percentage is to be attributed to overhead and what percentage is to be attributed to relief labor all depends on how we would interpret those activities. I think the Senator is right in contending that all of the money should go to the men who need relief, and should not be used for these private matters.

Mr. WILEY. I thank the Senator. I want to go back now to the main issue. I am not discussing this afternoon the inaccuracy of the bookkeeping methods of W. P. A., nor am I saying that the figures given by the Senator from Kentucky are inaccurate. If I were to express my own opinion, I would say that it was a matter of bookkeeping, and they being the sole judges of their bookkeeping, throw into whatever column they want to the figures they think should belong there. But what I am saying, and I am saying to the country here today, is that we should have the President and Colonel Harrington back of the joint resolution of the Senator from Michigan. It will stop heartache. It will stop the fear and the worry; it will stop a further break in the

morale.

When I stated that the President had said that if we take off this \$125,000,000 or \$150,000,000 it will mean a reduction of 331/3 percent in the working force, whereas it only amounts to a cut of 17.4 percent in the actual money, the figures somehow do not bear his conclusion out. There is something wrong in that set-up. And the explanation of the Senator from Kentucky was no explanation in that respect. He merely stated, quoting the record of the W. P. A., that there was such a percentage spent for overhead or administration, so much for material, and so much for labor.

I should like to get back to the main issue now.

Mr. NEELY. Mr. President, will the Senator yield? Mr. WILEY. I yield.

Mr. NEELY. Does the Senator mean that a break in the morale of the W. P. A. workers would be avoided by the

adoption of the Vandenberg amendment?

Mr. WILEY. Certainly yes; for this reason, that they have been told, and they have been educated, and they have been propagandized to the effect that if we do not allow \$150,000,000 by April 1, 2,000,000 or 1,000,000 persons will be cut off the pay rolls, whereas according to the letter the Senator from Michigan received today from the head of the W. P. A., if we agree to his resolution there will be sufficient funds until June 7. Therefore let the country know that not one worker will be taken off by any action of the House or the Senate up to this time if we pass the resolution, and they will have continuous work until June 7.

Mr. NEELY. Does the Senator have any information to the effect that the W. P. A. workers favor the Vandenberg resolution?

Mr. WILEY. I have no information at all except the information which comes from common sense. If a man knows that his job is safe until June 7, he is in favor of anything which will keep him on the job. But if he is worried by agents who, after all, are but propagandists of the idea that Government must do the work, feed the people, and provide everything—the situation becomes different. Those who hold such a view are earnest and sincere, but they are just as wrong as were the people four centuries ago, when the Protestants and Catholics of Europe burned each other at the stake, thinking that God Almighty liked the smell of burning flesh. They were wrong, however.

Mr. NEELY. The petitions and letters which I have received from the W. P. A. workers of West Virginia are almost unanimously in favor of the additional appropriation of \$150,000,000 which the President has recommended.

Mr. BRIDGES. Mr. President, will the Senator yield? The PRESIDING OFFICER (Mr. HATCH in the chair). Does the Senator from Wisconsin yield to the Senator from New Hampshire?

Mr. WILEY. I yield.

Mr. BRIDGES. I suggest that the Senator from Wisconsin ask the distinguished Senator from West Virginia, who is my friend, whether or not he has heard from others in West Virginia besides those on the W. P. A., and if they take the same position as the W. P. A. workers.

Mr. NEELY. I have received but one expression of opposition to the additional appropriation, from anyone in West Virginia. All the requests but one which I have received about this matter have been in favor of granting the President's request for \$150,000,000 more than the Congress has yet provided.

Mr. WILEY. Why are they in favor of it?

Mr. NEELY. Presumably because they desire employment, and detest starvation for their wives, their children, and themselves.

Mr. WILEY. I will accept that as a clear-cut statement as to why they are in favor of it. Yet it has been demonstrated today by the Senator from Michigan [Mr. VANDEN-BERG] that if we pass the Vandenberg resolution, there will be continuous employment until June 7. In the meantime, those who are supposed to be the trustees of the American people's money will have an opportunity to see whether or not some of the ideas which have been put forth will materialize, and to see whether or not the big war program we have will provide more labor, and whether or not some of the other things that are under way will take men off the W. P. A.

Until that time arrives, everything is conjectural. Yet, without any thought, it is desired to spend \$150,000,000 of the people's money just because someone has convinced someone else that it should be done. If we pass the Vandenberg resolution no one will be injured. Not one person will be taken off the W. P. A., according to the record of the Democratic administration itself which has been produced

Recently I have been receiving letters, not alone from my own State, but from all over the country, calling my attention to the fact that the political pets hold plenty of good jobs. If we could get rid of some of the pets, there would be more money to help the needy.

After all, the W. P. A. has not been such a clean thing. The indictments in New York and other things are significant, but they are beside the question. The real question is, now that we know that none of the labor will be injured, now that we know that men and women can keep on working until June 7 if we pass the resolution, why should we hesitate? Why should we not pass it? We who are just as interested as is the Senator, in those on the W. P. A. rolls, we who wish to see the constructive thing done, say that if it develops during the next 2 months that more money is needed, it can be provided. But no; we must rush into it now. Why? Because the whip has been cracked. We owe some allegiance to the people who are paying the taxes of this country, and who are bearing the burden.

The new law, which we passed a short time ago, has teeth in it. The teeth in the law will start to have effect and we shall find that there will be less politics in W. P. A. in the next 30 to 60 days. We know that parasites have been preying upon helpless workers in the W. P. A. The Senator from West Virginia [Mr. NEELY] knows that that situation is true in his State. As the Senator knows, his colleague [Mr. Holt] is ready to expose the condition. Conditions in other places will be exposed.

Let us get back to the main issue. The main issue is, Shall we pass the Vandenberg resolution? We know that there is need for a probe, with a view not merely of eliminating waste, but of obtaining information which will result in the transformation of the whole relief system.

The Sheppard Committee on Campaign Expenditures has published startling revelations of the political exploitation of W. P. A. workers.

Mr. MINTON. Mr. President-

Mr. WILEY. I yield.

Mr. MINTON. Did I correctly understand the Senator to say, awhile ago, that there have been some indictments of W. P. A. officials in New York?

Mr. WILEY. My understanding is that a year ago in New York there was an investigation by the grand jury which developed some very startling and significant facts.

Mr. MINTON. Does the Senator have in mind the investigation by the grand jury in Buffalo, N. Y.?

Mr. WILEY. I have not in mind the exact place.

Mr. MINTON. I remember reading a report of the investigation by the grand jury in Buffalo. A "blue ribbon" grand jury investigated the situation under the direction of a Republican judge, and the "blue ribbon" grand jury found nothing on which to indict officials in the county in which Buffalo is located.

Mr. WILEY. I call the Senator's attention to the fact that, irrespective of that statement, we are discussing the advisability of passing the Vandenberg resolution, so that if and when any of the things on which we may differ shall come to light within the next 60 days, we shall have more light to determine the course of our action as to the need for the additional \$150,000,000.

Mr. MINTON. All I was trying to do was to obtain some information from the Senator as to whether or not there was some other place in New York of which I had not heard where indictments had been returned against W. P. A. officials.

Mr. WILEY. I think the records can be obtained when the matter comes up. I understand that one of the other Senators, when he regains his health, intends to expose the matter in detail. At that time we shall probably have the records available.

As I said, the Sheppard Committee on Campaign Expenditures has published startling revelations of the political exploitation of W. P. A. workers. Personally I feel that if relief funds are to be conserved the local committees must be given some incentive to see that the funds are used to the best advantage. There will be no desire to economize so long as the unemployed are taken care of by the Federal Government, because the desire to economize will be subordinated to the desire on the part of the local community to get as much as possible from the common "jackpot."

Some weeks ago I received a letter from a farmer's wife telling me of the critical situation of the farmers in Wisconsin, and comparing the farmer's lot with that of the W. P. A. worker. I published that letter, putting it into the Congressional Record. Since then I have received letters from many other farmers concerning the situation, and stating that they are worse off than W. P. A. workers.

After 6 years of failure to spend ourselves into safer times, after 6 years in which the farmer's lot has become worse and worse, after 6 years in which the management of industry and the industrial workers find themselves less and less secure, and after 6 years in which the lot of the W. P. A. workers has not been improved, we find the people everywhere questioning the ways and means which have been used to effectuate recovery and prosperity.

A short time ago some persons did not like the idea of "going back." The words "going back" were not very pleasant. However, today people want to go back to the days of decent wages, decent jobs, and an American standard of living for those willing and able to work.

Instead of addressing the Senate, I now address the occupants of the galleries, and say to them, "Why not wire the President and your Representatives asking them to support the Vandenberg resolution, and thus assure W. P. A. workers who are entitled to work that there will be no lay-offs before June 7?"

Mr. NEELY. Mr. President, will the Senator yield?

Mr. WILEY. I yield. Mr. NEELY. Let me inquire of the able Senator from Wisconsin if he meant by one of his allusions, which was not quite clear to me, that someone purposes to expose corruption in the administration of Works Progress in the State of West Virginia.

Mr. WILEY. I believe I asked the Senator if he had any information on the subject.

Mr. NEELY. I did not understand the Senator to ask that question. But now I venture to answer it by saying that my information is to the effect that this agency has operated properly, successfully, and satisfactorily in West Virginia. No one of any political standing in the State has, to my knowledge, charged the W. P. A. in West Virginia with corruption.

Mr. BRIDGES. Mr. President, I merely wish to make a few comments relative to the remarks of the Senator from Wisconsin [Mr. Wiley] with which I agree. I think he has made a very able presentation.

In the first place, I think it ought to be very clearly understood that it has not been proven as yet that the extra \$150,000,000 is needed. I do not believe anyone connected with the W. P. A. or the administration, from the President down, has made a good case for the increase, in spite of what the Senator from Indiana [Mr. MINTON] is going to say.

Mr. MINTON. Mr. President-Mr. BRIDGES. I yield.

Mr. MINTON. How are we to pay the extra money which the Republicans promised to W. P. A. workers in the last campaign, if we do not obtain more money?

Mr. BRIDGES. I think we can take care of the problem very well if we eliminate the political hacks who have been doing the work for the administration in the various sections. If we could eliminate them and let the money go to the W. P. A. workers who are in need, the country would be better off.

Mr. MINTON. Is it only Democratic political hacks that the Senator wants to dispense with?

Mr. BRIDGES. The Senator may have more information, but I do not know of many Republican political hacks who have jobs under the W. P. A. These instances must be very rare.

Mr. MINTON. I am sorry to say there are a great many out in Indiana.

Mr. BRIDGES. The Senator has more information than

Mr. NEELY. Mr. President, will the Senator yield?

Mr. BRIDGES. I yield.

Mr. NEELY. Let me inform the Senator from New Hampshire that since 12 o'clock today a distinguished Republican from West Virginia told me in the Senate reception room that he had resigned a W. P. A. appointment last year to run for a high office on the Republican ticket; that he had been defeated, and now desires that I help him to obtain

I assured him that I would render him every proper service in my power. Many prominent Republicans have long held important W. P. A. appointments in West Virginia, without opposition from me. My support of an additional appropriation for the W. P. A. springs from no desire to provide for the "hacks" of any political party, but from a devout yearning to supply the absolute necessaries of life to the needy, whether they be Democrats or Republicans. Mr. BRIDGES. I am very happy that the Senator from West Virginia has indicated that he has a kindly spot in his heart for some Republicans in his home State. It is very refreshing to hear that statement.

Mr. NEELY. I trust that the Senator from New Hampshire will not limit my friendly sentiments to the Republicans of West Virginia who have so frequently honored me with their support. These sentiments extend to reputable Republicans in New Hampshire, and every other State in the Union.

Mr. BRIDGES. I thank the Senator.

The point I want to make here is, first, that as far as my personal position is concerned, we can have economy and we can make a step in that direction by refusing to grant the \$150,000,000 additional, and no one will suffer. We can have economy if we at once start to eliminate some of this unnecessary overhead, and the political hacks who have been holding the nonrelief jobs under W. P. A. around the country for the past few years; and in addition we could eliminate some of the projects that are just building up the continuance of W. P. A.

We are told that W. P. A. is spending \$250,000 or \$300,000 to put on an exhibit at the world's fair in New York. What justification can there be for granting relief money to put on an exhibit at the world's fair in New York? If people in this country are hungry let that money go to the hungry people rather than going into making moving pictures, putting on various programs, making exhibits at the world's fair, and so on. No one yet knows how the unnecessary overhead referred to by the Senator from Massachusetts [Mr. Lodge] is figured. I am sorry the Senator from Kentucky is not here; but I have seen him in action many times, and I never saw him more indefinite than he was today when he was talking about percentages, and what went into various percentages. I respect him for it, because I do not think he was entirely sure of what he was saying, and therefore he wanted to talk with some moderation.

I think there is another wrong philosophy. My good friend the Senator from West Virginia [Mr. Neely] has referred to the W. P. A. workers in West Virginia being unanimously for this increase. He also said he had heard no adverse comment from other persons in West Virginia. I think we are concerned with a great body of citizens all over the country. We are not going to have prosperity unless we have permanent prosperity; and neither you, Mr. President, nor anyone else in this country can picture, outside of temporarily taking care of persons in need in this country, which is necessary and we are all for it, any permanent good that came forth from W. P. A. in many of its activities.

Some of the activities of W. P. A. are worth while, but many are not. We might as well have dumped part of this money into the Atlantic Ocean. For all the permanent good accomplished, outside of temporary benefits, we have taken a very expensive method of accomplishing results.

Now, do not get me wrong. I know we have never had many persons starve to death in this country. So far as my political party is concerned, so far as I know, they have always stood for the principle that no man, woman, or child in this country should go hungry or cold. We want to continue relief as long as needed, but we want to eliminate some of the waste and some of the overhead that is so unnecessary and that is building up and piling up the costs of W. P. A.

Mr. NEELY. Mr. President, will the Senator yield?

Mr. BRIDGES. Certainly.

Mr. NEELY. Does the able Senator from New Hampshire really believe that all the expenditures which have been made by the W. P. A., excepting those to save human life or prevent great suffering, have been lost, and that they have produced nothing of permanent value to the people of the United States?

Mr. BRIDGES. I said that, aside from keeping people from being actually hungry and cold, it is only in certain instances that we have gained anything of permanent value as the result of our vast expenditure of money.

Mr. NEELY. The W. P. A. has constructed enough modern highways to extend twice around the world.

It has improved more than 159,000 miles of roads and streets; it has constructed 130 airplane landing fields and improved 136 more; it has laid more than 4,000 miles of water lines and more than 6,000 miles of storm and sanitary sewers; it has built, modernized, and improved more than 20,000 schoolhouses and more than 30,000 other public buildings; it has planted more than a billion trees to prevent soil erosion and floods; it has bound more than 20,000.060 library books; it has made more than 95,000,000 pieces of clothing for the poor; it has provided more than 129,000,000 lunches for the needy school children of the Nation.

Does not the Senator think that practically all of these

achievements are of great permanent value?

Mr. BRIDGES. I will answer the Senator by saying that in many instances these things were needed, and in many instances money has been spent for unneeded projects. Some permanent good has been accomplished, but it is creating a heavy and tremendous overhead for the maintenance of many of these new projects.

Of course, the Senator has distinctly picked out the better things. I admire his ability and his discretion. He has not brought out the facts about the monkey houses or similar projects that the W. P. A. has built, and about some of the other boondoggling projects. He has brought to the surface the very best things.

Mr. NEELY. I thank the Senator for the undeserved compliment which he has so graciously paid me. But will he not inform the Senate, if he can, of just one of the 20,000 schoolhouses that have been built by the W. P. A. that was not needed or that does not represent a valuable investment?

Mr. BRIDGES. Mr. President, I am not on the inside of what the W. P. A. has been doing. The administration forces seem to be able to get all the necessary information. Being a Republican, and a little out in the cold, I have not been able to get all of it, so I do not know where these schoolhouses are located; but I should say, with reference to the school buildings as a whole, that that is one of the most wortny things the W. P. A. has done.

Mr. NEELY. Can the Senator specify a single mile of road or street construction or repair by the W. P. A. that is not

indicative of present utility and permanent value?

Mr. BRIDGES. Let me answer that question by saying that I am not technically informed on the details. I cannot tell where these projects have been built, or anything of the kind; but, if the Senator would like to have me do so, I should be glad to present to this body a list of the unneeded, wasteful, uncalled-for projects that come in the other category from the type of project the Senator has been discussing.

Mr. NEELY. Is the Senator of the opinion that any of the 20,000,000 garments that have been made, and given by the W. P. A. to the poor of the country, were not needed by

those who received them?

Mr. BRIDGES. No; that is right in line with what I am saying, that we must keep people from being hungry and cold. That keeps them from being cold, and I am heartily in favor of it.

Mr. NEELY. Then, so far as the W. P. A. appropriations have been used to build roads, construct schoolhouses, plant trees, bind books, lay water lines and sewers, and provide clothes for the naked and food for the needy, the Senator from New Hampshire approves them?

Mr. BRIDGES. I should say to the Senator that he has

listed the good things of the W. P. A.

Mr. NEELY. There are, of course, many more than I have enumerated.

Mr. BRIDGES. I could very easily enumerate very many more of the projects. I said at first that I was for economy, and I thought it had not been proven that the \$150,000,000 was needed. I said we should cut out some of the waste and the overhead and the political hacks who are doing the work for the administration around the country. Let us spend our money in helping the poor and the unfortunate people of the Nation.

Mr. WILEY. Mr. President, will the Senator yield?

Mr. BRIDGES. I yield to the Senator from Wisconsin.

Mr. WILEY. In my remarks I stated that the matter I wanted to discuss was the advisability of passing the resolution introduced by the Senator from Michigan [Mr. Vandenberg]. After concluding my remarks, a letter was handed to me by the junior Senator from South Dakota [Mr. Gurney] which has some bearing on what I said in relation to that issue.

I stated that if we should pass the resolution we would better the morale of the persons who are fearful that if we do not appropriate \$150,000,000 now they will be out of a job, who have been propagandized into that belief by persons in positions of authority, and who, I think, will find that there are teeth in the new law, and this letter confirms that position.

Here is a letter signed by M. A. Kennedy, Works Progress administrator of South Dakota, dated February 15, written to Miss Mary Waterman, of Tyndall, S. Dak.:

DEAR MISS WATERMAN: The reason you have not been employed on a W. P. A. project is that we have only been given sufficient money to employ a certain number of persons eligible for employment. At this time we are employing every person we can possibly pay, and naturally there are a number of people awaiting assignment who will not be employed.

Now we are getting down to it:

Congress in recently appropriating money made an appropriation of \$150,000,000 less than was recommended by the President and less than was needed for continuing on jobs all those now employed in the Nation. I do not anticipate employment will be increased in the future, and undoubtedly after April 1 further reductions will be mandatory.

will be mandatory.

At the present time it is not possible for us to add any new

people.
Yours very truly,

M. A. KENNEDY, Works Progress Administrator.

The point I am making is that this man, who is the servant of the people, in effect, told this woman that Congress had no judgment, no sense, no right—that is what it amounted to—when all Congress said was, "Give us time, and we will, if necessary, appropriate the additional amount; but give us time. We think we are the custodians of the fund; we think we are the trustees of the people's property, and we want to be heard. We do not want one man to go off the rolls who should be there, but we do not want the grafters and the chiselers and the political hacks to remain on the job. We think it will take a little more time." But no; according to this letter, this woman is not employed, and cannot remain on the job, because Congress refuses to appropriate the \$150,000,000!

Mr. HATCH. Mr. President, will the Senator yield?

Mr. BRIDGES. I yield to the Senator from New Mexico. Mr. HATCH. Returning to the statement the Senator

made a while ago about the "useless" projects that have been built all over the Nation, and the statement that in effect, except for feeding people, the larger part of this expenditure has been made for projects which are of no use and of no permanent value—that was the Senator's statement, as I recall it—

Mr. BRIDGES. In part only. I qualified my statement.
Mr. HATCH. I also have just been reading a copy of the
Republican platform of 1932, which says that, true to
American tradition, responsibility for relief should be a State
and local matter, and I have heard the Senator many times
subscribe to the same general thought. I know the Senator
wants to be fair, but I now desire to call his attention to the
fact, which is known to every person in this Chamber to be
true, that at no time has the Works Progress Administration
initiated any project anywhere. Is not that correct?

Mr. BRIDGES. No; I cannot say that it is.

Mr. HATCH. Is it not correct that all the projects which are sponsored and brought into existence are brought forth by the local communities, the subdivisions, the cities, the towns, and the States?

Mr. BRIDGES. Sometimes the administration of the W. P. A. certainly has drummed up trade.

Mr. HATCH. I think the Senator evades the question. I am sure he knows that what I have said is true, that all projects start locally.

Mr. BRIDGES. May I ask the Senator, then, who origi-

nated the exhibit at the world's fair?

Mr. HATCH. I know nothing about the exhibit at the world's fair. I am talking about the general program of the Works Progress Administration. All the schoolhouses and highways and other things about which the Senator from West Virginia [Mr. Neely] was speaking, with the exception of certain "white collar" projects, were initiated by local communities. If there were exceptions, there were only a few of them. The general program and policy has been as I have stated. Is not that correct? Let us be fair about it. Is not that the way it works?

Mr. BRIDGES. In theory that is the way it works; but I say, and the Senator knows, that in many instances the Administration has drummed up trade for certain types of

projects.

Mr. HATCH. I think there is plenty to criticize in the W. P. A.

Mr. BRIDGES. I agree with the Senator's last statement.
Mr. HATCH. I think criticism can be well founded; but
why place it on a false basis? We know that the local communities sponsored these projects. They are the ones who
started them; and if the projects are useless, if they are
worthless, the condemnation should go against the cities and
the school districts and the various subdivisions all over
the United States, with the exception of those to which I
have referred.

Mr. LODGE. Mr. President, will the Senator yield?

The PRESIDING OFFICER (Mr. Bone in the chair).

Does the Senator from New Hampshire yield to the Senator from Massachusetts?

Mr. BRIDGES. I do.

Mr. LODGE. Speaking to the distinguished Senator from New Mexico [Mr. Hatch], is it not true that while the projects start locally, most of them have to be approved right here in Washington?

Mr. HATCH. Certainly.

Mr. LODGE. So if a project is a failure there is a certain local responsibility, but there is a national responsibility too, and the national authorities cannot get away from it.

Mr. HATCH. I do not attempt to evade any responsibility at all.

Mr. LODGE. I thought the Senator would not do so.

Mr. HATCH. Certainly not. I say there are plenty of things to criticize. There have been in various agencies. I do not deny that; but why say the Works Progress Administration is responsible for all these things when it cannot initiate the projects in the first instance?

Mr. LODGE. There is a dual responsibility.

Mr. HATCH. There is a dual responsibility, and any possible condemnation must be heaped upon the local communities and cities and towns and villages and school districts, although I emphatically disagree with what the Senator has said about the uselessness of the projects. I say they have been of permanent value.

Mr. BRIDGES. Would the Senator say they have all been useful?

Mr. HATCH. Certainly not; I would make no such exaggerated statement. I would prefer to let exaggerated statements come from those who are heaping such wholesale condemnation on the plan.

Mr. BRIDGES. I think the record of W. P. A. in some sections of the country, with the political racket which has been run in connection with it, in certain States, and the waste and the overhead and the unnecessary projects, probably deserves wholesale condemnation in those particular States. In other States it has functioned reasonably well.

Mr. HATCH. I am quite sure the Senator feels that way, and I have heard him so express himself many times. I am

asking the Senator only to be fair.

Mr. BRIDGES. I shall try to be fair. Now, let us get back to the original premise, first, that we need economy, and that there has not been a proper demonstration of the need of \$150,000,000 additional requested. There has been no determined effort to eliminate politics, waste, and unnecessary overhead. I want the poor to be cared for, but let us not throw money around to those not in need.

In case there is any legitimate or real fear, or in case there is any real need, probably the next best thing would be some step along the lines of the proposal of the Senator from Michigan [Mr. Vandenberg], which has been so ably presented by the Senator from Michigan and the Senator from Wisconsin. I think that is the second best step.

I do believe that Senators on the other side who have been talking themselves know, just as well as I do, of the political hacks who occupy positions today under W. P. A. and the waste, the extravagant overhead, and the way politics runs right down the line through W. P. A. in some States. I have

no complaint in some States.

Of course there have been some useful projects; of course it has done good, but there have been many projects which were not useful and much waste which could have been eliminated. Let us give the needy of the country the breaks rather than the New Deal henchmen, who have found their way into many of our relief set-ups and who are utilizing money which the taxpayers of the country will some day have to pay and that the poor people of the country need. CONGRESS HAS NO JUDICIAL POWER EXCEPT AS TO IMPEACHMENTS

Mr. ASHURST. Mr. President, intermittently I receive letters chanting a jeremiad, or, with caustic verbiage, inveighing against the Senate Committee on the Judiciary because, forsooth, that committee does not "get busy and report out a constitutional amendment proposing to take from the courts the power to invalidate an act of Congress."

Some of the letters are intemperate in tone and some are written by persons who in good faith seek light upon this

question.

No conceivable energy at my command could, by correspondence, furnish to every person making such inquiry a dissertation upon the necessity, in a constitutional government, of reposing in the Federal courts the power to declare invalid and void such acts as Congress had no power to enact.

Some of the complainants take the view that since we derived our legal procedure from England and that inasmuch as the British courts did not exercise the power to declare an act of Parliament void, it was, therefore, unprecedented and unauthorized for courts of the United States to explore an act of Congress with a view of ascertaining if such act

It will be remembered that the colonial governments in America were grants from the King and were connected with Great Britain through the medium of the Crown and not through Parliament. The colonial charters were, in fact,

was within the power of the National Legislature.

through Parliament. The colonial charters were, in fact, constitutions, and the words "our Constitution" in the Declaration of Independence have particular reference to the colonial charters or grants. These charters differed somewhat as to the powers granted or denied, but they all appear to have contained the provision that legislation enacted by the Colonies should not be contrary to the laws of England; hence the colonial laws were frequently tested by the charter or by the law of England, and some acts of colonial assemblages were annulled because they were not in accord with the Constitution; that is to say, with the colonial charter—the

grant. Thus, the American colonists became familiar with that system and practice.

The address delivered before the Bar Association of the City of Charleston, W. Va., on January 25, 1936, by the Honorable John H. Hatcher, president of the Supreme Court of Appeals, State of West Virginia, is one of the clearest expositions of this subject that may be found. It would seem to me that if we are to maintain a constitutional government and protect the inviolable rights, privileges, and immunities that accompany free men, we should not strike down what is called "judicial review."

In tyrannical governments the supreme magistracy, or the making, construing, and enforcing the law, is vested in one and the same man or one and the same body of men.

In a government where one and the same magistracy makes, construes, and enforces the laws, whether such magistracy be lodged in one man or in a body of men, there can be no public liberty.

The question of the power of the courts of the United States to declare "unconstitutional" such acts as Congress had no authority to enact was not an issue that divided the framers of the Constitution into opposing political parties.

Thomas Jefferson was not a member of the Constitutional Convention, but Jefferson and his supporters, on this particular question, differed in no essential respect from Alexander Hamilton.

Jefferson and Hamilton each took the view that the courts should have the power to declare void such legislation as Congress had no authority to pass, and Jefferson went further on this subject than did Hamilton. Jefferson's letters indicate he desired that the power be given to the courts to invalidate legislation not only because the legislation was in opposition to the Constitution, but he was content to grant to the courts the power to invalidate laws on questions of policy also. What both Jefferson and Hamilton seemed to fear was the despotism of unchecked majority rule.

Jefferson in his Notes on the State of Virginia, page 195, said, inter alia:

One hundred and seventy-three despots would surely be as oppressive as one. Let those who doubt it, turn their eyes on the Republic of Venice. As little will it avail us, that they are chosen by ourselves. An elective despotism was not the government we fought for; but one which should not only be founded on free principles, but in which the powers of government should be so divided and balanced among several bodies of magistracy, as that no one could transcend their legal limits, without being effectually checked and restrained by the others.

It is true that in Great Britain the courts at the time of the formation of our Constitution recognized the supremacy of acts of Parliament. Such recognition, however, did not flow from any legislative immunity from review but flowed from the fact that Parliament acted in a double capacity—that is to say, as legislature and as court. Parliament possessed legislative and judicial power. Parliament was a court, the old curia regis or aula regis—a court established in England by William the Conqueror in his own hall—long before Parliament possessed the legislative power. In other words, when our American Government was formed there were reposing in Parliament both legislative and judicial power; hence, an act of Parliament was both supremely legislative and supremely judicial.

In this connection it must be remembered that when our Constitution was formed much care was taken to see to it that the three powers of government—to wit, the legislative, the executive, and the judicial—should be lodged in different magistracies, different officials, and that these powers should not be permitted to repose in or be exercised by one and the same magistracy.

The Constitution of the United States (art. II, sec. 1) says:

The executive power shall be vested in a President of the United States of America—

And (art. III, sec. 1) that-

The judicial power of the United States, shall be vested in one Supreme Court, and in such inferior courts—

Bear in mind that the executive power shall be vested in a President and the judicial power shall be vested in one Supreme Court, and so forth. The Constitution did not vest in the Congress all legislative power, but only such powers as were granted and enumerated. The Constitution says that—

All legislative powers herein granted shall be vested in a Congress

* * . (Art. I, sec. 1.)

Observe the scrupulous phrasing wherein executive power is granted to the President, judicial power to the courts, but that only such legislative power as is granted is lodged with the Congress, and this was done because the makers of the Constitution desired it to be crystal clear that the Congress was to be of limited power and that certain rights and powers

of the States were not granted to the National Government but were reserved to the States. The States possess all the rights and powers not denied to them by the Federal Constitution, whereas Congress possesses only such power as was granted to it by the Federal Constitution.

Mr. KING. Mr. President, will the Senator yield?

Mr. ASHURST. I yield.

Mr. KING. If the Senator will pardon me for interjecting an observation into his very able address, I think he might with propriety call attention to the fact that we have 48 States, and I do not recall that in a single State where the people make their own constitutions they have suggested that the supreme court which they established should not have the authority to declare unconstitutional any enactment of the legislature.

Mr. ASHURST. The Senator is correct.

Mr. KING. So that the people who are complaining about the Supreme Court of the United States declaring laws unconstitutional probably have voted upon the constitutions of their own States, certainly in the cases of the more recent constitutions, in which they conferred power upon their own supreme courts to declare unconstitutional enactments of the respective legislatures.

Mr. ASHURST. Quite so.

The British Parliament was not a body of men with delegated limited authority. It was a body of men supremely legislative and supremely judicial. The Congress of the United States is a body of men with delegated, limited authority, with no judicial power except as to impeachments and the qualifications of its own Members, and it is not even supremely legislative, as the States possess the powers that were not granted to the Congress. The belief that Congress possesses absolute and unlimited power is a devastating error into which many well-meaning persons have fallen.

The Constitution makers would have recoiled from the suggestion of granting to Congress the judicial power, and they would have recoiled with repugnance and alarm from the suggestion of granting to the judiciary the legislative

Not a few of the founding fathers were philosophers, and they knew that power, like alcohol, exaggerates the ego, hence the care exercised by the founding fathers to distribute the powers of government among various magistracies. Many of the founding fathers were men of ripe scholarship and large experience. Some of them had served in the Continental Congress, officers in the Continental Army, in State legislatures, as State judges, in State constitutional conventions, as Governors, as signers of the Declaration of Independence, and as signers of the draft of the Articles of Confederation. More than 25 of them were from the various colleges: for example, some had studied at Princeton, William and Mary, Harvard, Yale, King's, and Pennsylvania. Eleven of them had been educated either entirely at British universities or had gone there from the American colleges.

One will observe that whilst the Constitution makers lodged the judicial power of the United States in the courts of the United States, these Constitution makers knew the history of the judicial abuses and tyrannies, not only the troublous days of the Tudors and the Stuarts, but the judicial abuses of their own century as well, and they used care to see to it that whilst granting the judicial power to the courts, there should be ample checks and balances in the Constitution to enable Congress to prevent judicial abuses and

usurpations should the courts attempt the same.

Legislative power is the power to make laws. Judicial power is the power to declare laws. Executive power is the power to enforce laws.

The power to declare the law, of course, comprises the duty to determine what is the law and what is not the law. Article VI of the Constitution, among other things, says:

This Constitution and the laws of the United States which shall a made in pursuance thereof * * * shall be the supreme law be made in pursuance thereof of the land * *.

An act not made in pursuance of the Constitution is, of course, not a law. The judicial power may not make laws, but must declare, when its jurisdiction is invoked, whether an act of Congress is in pursuance of the Constitution; and if not made in pursuance of the Constitution, it is not a law.

A judicial review of acts of Congress is not an offshoot of English law, but is an American development arising from colonial practice out of a wholesome effort to keep separate the legislative power and the judicial power. It would be baleful to public liberty in our country for the legislative and the judicial powers to be centered in one and the same magistracy. Our genius of government is built upon the separation of the legislative, the executive, and the judicial powers; and I doubt if, upon serious second thought, any enlightened friend to civil liberty will argue that these three powers should be centered in one and the same magistracy.

The legislative powers granted to Congress are enumerated and limited, and such limitation was not by chance, was not fortuitous, was not accidental, but was deliberate. Instead of seeking to acquire the judicial power, we in Congress would more truly serve our country by confining our operations to

our legislative power.

It is true that our powers as Members of Congress are limited; but, nevertheless, if properly exercised, they are of sufficient amplitude and grandeur to give scope and opportunity to the most zealous champions of true progress and needful reforms, the most redoubtable defenders of liberty, the most eloquent tribunes of popular government, and to soothe and assuage the most fevered ambition.

NATIONALISTIC ANIMOSITIES IN AMERICA

Mr. LEWIS. Mr. President, I make bold to speak for a moment or two to advise the Senate concerning what I feel is something of a very great danger, which we are allowing to settle in our vicinity, apparently not heeding what it means to the union of our citizenship. I heard the distinguished Senator from Arizona [Mr. ASHURST] present a thesis of great attraction to demonstrate that a great national government cannot hope to survive unless it shall hold together the trinity of the judicial, the legislative, and the executive, in a common cause, and in union and harmony. I should like to add to the thought by saying that the same rule must apply as to the citizenship in a country such as the United States, those who are native born, those who are foreign born, but who have been adopted by us, and those whom we have taken to be our people, without regard, sir, to their nationality.

My attention is drawn to the address delivered yesterday. Sunday, to his people, by the Premier of Italy, whom we speak of as Mussolini. We noted that that distinguished leader called on the world to note that he demanded the possession of that portion of the world called Tunisia, Djibouti, and also, in addition thereto, what he called rights in the Suez Canal.

Mr. President, I am strongly impressed with the thought that that distinguished and very erudite individual, so far as governmental matters are concerned, had never the thought in mind of demanding the Suez Canal, or any rights in the canal, but that he was artful enough to include in his expression what he has long thought of, and has no doubt conveyed to his partner in the undertaking, the Fuehrer of Germany, and that the real object is not to claim the Suez Canal, but to give notice to England that, "You keep your hands off the undertaking that I now say is my object, of taking to myself or to the country I represent these lands I have described, and if you attempt to interfere with that or with my policy or purpose, the penalty will be the pressure by me to the full extent of my capacity of a claim to that which you have held up to the world as solely your property, the Suez Canal."

But, sir, while there is this threat of possible conflict between these very great countries over their possessions, I am exceedingly anxious that this, my America, shall realize that it is no controversy of ours. I am exceedingly aroused, sir, to a high degree of alarm, when I see that in my great America, in a matter which does not touch us, processions are taking place in great cities, are being organized, and people are marching up and down, the purpose being to pass their judgments upon these foreign countries. Certain citizens of our country, but who are, some of them, of foreign birth, some of whom are naturalized in our land, thousands being of the same blood, live in America, and they take one attitude. In opposition are others, some of whom are likewise of foreign birth, some being born in our own midst. The two elements live as neighbors one with the other. We are making the blunder, I am pained to advise my colleagues in this body, of taking sides in these controversies of which we can know but little, and inviting one set of our foreign-born citizens, who are citizens of America, to enmity, rivalry, and perchance, sir, to assault upon the other set of their neighbors, who are of another foreign-born element within our land, and yet they are neighbors, one of the other.

Sir, have we forgotten what was the condition in our America just a year or two before our country entered the World War? Have we learned nothing from what we brought upon ourselves then, the enmities among our fellow citizens, how one set turned against the other, representatives in our country of different nationalities, and how we went so far in our bitterness that we turned upon that production of genius called music, and that called art, of certain people, merely because the people of other countries disliked what was being done in the fatherlands of the first peoples? Should we in America, where representatives of different peoples live together in one brotherhood of citizenship, invite a controversy among our own people whenever there arise dispute and conflict in the motherland and fatherland of the former foreigners? This is an unhappy beginning which our people seem to fail to recognize as but the repetition of that which transpired in their own midst and among their own citizens but a short while past. Sir, we must not overlook the fact that we have Italians in millions among us, that we have likewise French and Germans among us to the number of many millions. The city in which I live, Chicago, contains a larger number of people from Czechoslovakia than any other community in the

Why should our fellow Americans allow themselves to invite these people into conflict with each other? They are neighbors. They are friends. They have intermarried with each other. They have business association with each other. Is it a fair thing for our officials in Washington to overlook what may transpire if that sort of thing is continued, by which, before we know it, enmities will lead to assaults, assaults to very dangerous results, and very shortly we shall discover that the armed forces of our States or Nation will be called out to quell the enmities and disorders, and we shall find, if we look to ourselves, that we have ourselves largely brought upon our country such a condition, sir, as can awaken that power we have seen awakened, the cry of conflict, and the summoning of our country to enter into it, and before we would know it there would arise such voice, in such volume, and I may add further, such prejudices, that before we saw where we were tending we would be lifted in a whirlwind, and by the whirlwind we would be driven into the storm, and by the storm we would be deluged, and the great danger of total destruction might be upon us.

Mr. President, I take the liberty to recall the speech of the able Senator from Arizona, and warn that there must not be a failure to recognize the other unions in citizenship which are necessary if we shall have a constitutional government, a government of order.

I beseech my Government to recognize the dangers toward which we are rapidly moving. We have nothing to do with the conflict between Italy and its leader Mussolini, and France and its leadership. We in our own land should not enter into the controversy between those two—that I may make my illustration clear—any more than they would have a right to enter into a controversy between the United States and the Government of Colombia as to Panama, which we took, or between ourselves and Panama, concerning whom there is now pending some suggestion in our own Government touching further additions to the Canal.

We have nothing to do with the situation of the mere contests among themselves as to their territory. We are not involved in the business one way or the other.

While it may be regretted and deeply deplored that there should arise any such severe conflict as seems to be threatening, it must be first noted that our object, and, above all, our duty, is to preserve the peace of our own land; that we shall attend to our own duty, but above all, sir, to cling close to our friendship with all nations whose children are among our own citizens. And they must know that we shall avoid in all instances entering into conflict to oppose other lands merely because they desire to bring us in for the strength of our Army and the worth of our Treasury.

I conclude in the observation that our philosophy can be found in the famous lines of the great seer—

True to our colors, though the shadows grow dark, We will trim our broad sails as before, And stand by the rudder that governs our bark, Nor care how we look from the shore.

I thank the Senate.

WAR DEPARTMENT APPROPRIATIONS

The Senate resumed the consideration of the bill (H. R. 4630) making appropriations for the Military Establishment for the fiscal year ending June 30, 1940, and for other purposes.

The PRESIDING OFFICER. The question is on agreeing to the first committee amendment.

The amendment was agreed to.

The next amendment was, under the subhead "Finance Department-Pay of the Army," on page 11, line 9, after the word "of" where it occurs the second time, to strike out "thirteen thousand and thirty-one" and insert "thirteen thousand four hundred and twenty-one"; in line 11, after the word "officers", to strike out "\$35,942,416" and insert "to include 50 Medical Corps officers and 25 Dental Corps officers, authorized by act of January 29, 1938 (52 Stat. 8), \$36,491,-916"; in line 17, after the word "exceed", to strike out "five" and insert "thirty-six"; in the same line, after the word "officers", to strike out \$2,660,893" and insert "\$2,705,533"; in line 19, after the word "officers", to insert "(except flight surgeons)"; in line 20, after the word "annum", to insert "and flight surgeons at a rate in excess of \$720 per annum"; in line 22, after the word "maximum", to strike out "rate" and insert "rates"; in line 25, after the word "thousand", to insert "three hundred and forty-six"; on page 12, line 1, after the name "Philippine Scouts", to strike out "\$69.688 .-888" and insert "\$69,926,797"; in line 20, after the word "available", to strike out "\$7,158,834" and insert "\$7,693,461"; in line 21, before the word "interest", to strike out "\$6,733,-707" and insert "\$6,819,948"; on page 13, line 3, after the words "in all", to strike out "\$170,208,385" and insert "\$171,-661,302"; and in line 9, after the word "approved", to strike out "May 12" and insert "May 11", so as to read:

out "May 12" and insert "May 11", so as to read:

For pay of not to exceed an average of 13,421 commissioned officers, to include 50 Medical Corps officers and 25 Dental Corps officers, authorized by act of January 29, 1938 (52 Stat. 8), \$36,491,916; pay of officers, National Guard, \$100; pay of warrant officers, \$1,361,180; aviation increase to commissioned and warrant officers of the Army, including not to exceed 36 medical officers, \$2,705,533, none of which shall be available for increased pay for making aerial flights by nonflying officers (except flight surgeons) at a rate in excess of \$1,440 per annum and flight surgeons at a rate in excess of \$720 per annum, which shall be the legal maximum rates as to such officers; additional pay to officers for length of service, \$10,201,502; pay of an average of not to exceed 165,346 enlisted men of the line and staff, not including the Philippine Scouts, \$69,926,797; Regular Army Reserve, \$400,000; pay of enlisted men of National Guard, \$100; aviation increase to enlisted men of the Army, \$774,361; pay of enlisted men of the Philippine Scouts, \$1,050,447; additional pay for length of service to enlisted men, \$5,535,750; pay of commissioned officers on the retired list, \$12,-256,977; pay of retired warrant officers and retired members of the Army Nurse Corps, \$1,378,033; increased pay to not to exceed 8 retired officers on active duty, \$8,213; pay of retired enlisted men, \$13,924,988; pay not to exceed 60 civil-service messengers at not to exceed \$1,200 each at headquarters of the several Territorial departments, corps areas, Army and corps headquarters, Territorial districts, tactical divisions and brigades, service schools, camps, and ports of embarkation and debarkation, \$72,000; pay and allowances of contract surgeons, \$39,576; pay of nurses, \$950,-320; rental allowances, including allowances for quarters for enlisted men on duty where public quarters are not available, \$7,-693,461; subsistence, allowances, \$6,819,948; interest on soldiers' deposits, \$70,000; pa

charged to and paid out by disbursing officers of the Army at the legal valuation fixed by the Secretary of the Treasury, \$100; in all, \$171,661,302, of which amount \$1,000,000 shall be immediately available; and the money herein appropriated for "Pay of the Army" shall be accounted for as one fund: Provided, That during the fiscal year ending June 30, 1940, no officer of the Army shall be entitled to receive an addition to his pay in consequence of the provisions of the act approved May 11, 1908 (10 U.S. C. 803).

The amendment was agreed to.

The next amendment was, under the subhead "Travel of the Army," on page 16, line 7, after the word "martial", to strike out "\$2,919,520" and insert "\$2,961,980," so as to read:

For travel allowances and travel in kind, as authorized by law, for persons traveling in connection with the military activities of the War Department, including mileage, transportation, reimbursement of actual expenses, or per diem allowances, to officers and contract surgeons; transportation of troops; transportation, or reimbursement therefor, of nurses, enlisted men, recruits, recruiting parties, applicants for enlistment between recruiting stations and parties, applicants for enlistment between recruiting stations and recruiting depots, rejected applicants for enlistment, general prisoners, cadets and accepted cadets from their homes to the Military Academy, discharged cadets, civilian employees, civilian witnesses before courts martial, and dependents of military personnel; travel pay to discharged military personnel; transportation of discharged prisoners and persons discharged from St. Elizabeths Hospital after transfer thereto from the military service, to their homes, or elsewhere as they may elect, the cost in each case not to be greater than to the place of last enlistment; hot coffee for troops traveling when supplied with cooked or travel rations; commutation of quarters and rations to enlisted men traveling on detached duty when when supplied with cooked or travel rations; commutation of quarters and rations to enlisted men traveling on detached duty when it is impracticable to carry rations, and to applicants for enlistment and general prisoners traveling under orders; per diem allowances or actual cost of subsistence while in a travel status, to nurses, civilian employees, and civilian witnesses before courts martial, \$2,961,980, of which amount \$100,000 shall be available immediately, and such total amount may be increased, subject to the approval of the Director of the Bureau of the Budget, by transfers from other appropirations for the Military Establishment of such amounts as may be required in addition to those herein provided for travel in connection with development, procurement, production, maintenance, or construction activities; and, with such exception, no other appropiration in this act shall be available for any expense for or incident to travel of personnel of the Regular Army or civilian employees under the War Department, except the appropriation "Contingencies of the Army" and the appropriations for the National Guard, the Organized Reserves, the Reserve Officers' Training Corps, citizens' military training camps, and the National Board for the Promotion of Rifle Practice, and except as may be provided for in the appropriation "Air Corps, Army."

The amendment was agreed to.

The next amendment was, under the subhead "Quartermaster Corps," on page 20, line 19, after the words "in all", to strike out "\$29,510,250" and insert "\$29,661,798", so as to

Subsistence of the Army: Purchase of subsistence supplies: For issue as rations to troops, including retired enlisted men when ordered to active duty, civil employees when entitled thereto, hospital matrons, applicants for enlistment while held under observation, general prisoners of war, and general prisoners at posts; ice for issue to organizations of enlisted men and offices at such places as the Secretary of War may determine, and for preservation of stores; for the subsistence of the masters, officers, crews, and employees of the vessels of the Army Transport Service; meals for recruiting parties and applicants for enlistment while under observation; for sales to officers, including members of the Officers' Reserve Corps while on active duty, and enlisted men of the Army. For payments: Of the regulation allowances of commutation in lieu of rations to enlisted men on furlough, and to enlisted men when stationed at places where rations in kind cannot be economically issued, including retired enlisted men when ordered to active duty. For payment of the regulation allowance of commutation in lieu of rations for enlisted men, applicants for enlistment while held under observation, civilian employees who of commutation in lieu of rations for enlisted men, applicants for enlistment while held under observation, civilian employees who are entitled to subsistence at public expense, and general prisoners while sick in hospitals, to be paid to the surgeon in charge; advertising; for providing prizes to be established by the Secretary of War for enlisted men of the Army who graduate from the Army schools for bakers and cooks, the total amount of such prizes at the various schools not to exceed \$900 per annum; and for other necessary expenses incident to the purchase, testing, care, preservation, issue, sale, and accounting for subsistence supplies for the Army; in all, \$29,661,798.

The amendment was agreed to.

The next amendment was, on page 23, line 18, after the word "reasons", to strike out "\$12,463,900" and insert "\$12,508,658", so as to read:

Clothing and equipage: For cloth, woolens, materials, and for the purchase and manufacture of clothing for the Army, including retired enlisted men when ordered to active duty for issue and for sale; for payment of commutation of clothing due to warrant offi-

cers of the mine-planter service and to enlisted men; for altering and fitting clothing and washing and cleaning when necessary; for operation of laundries, existing or now under construction, includand fitting clothing and washing and cleaning when necessary; for operation of laundries, existing or now under construction, including purchase and repair of laundry machinery therefor; for the authorized issues of laundry materials for use of general prisoners confined at military posts without pay or allowances, and for applicants for enlistment while held under observation; for equipment and repair of equipment of existing dry-cleaning plants, salvage and sorting storehouses, hat-repairing shops, shoe-repair shops, clothing-repair shops, and garbage-reduction works; for equipage, including authorized issues of toilet articles, barbers' and tailors' material for use of general prisoners confined at military posts without pay or allowances and applicants for enlistment while held under observation; issue of toilet kits to recruits upon their first enlistment and issue of housewives to the Army; for expenses of packing and handling and similar necessaries; for a suit of citizen's outer clothing and when necessary an overcoat, the cost of all not to exceed \$30, to be issued each soldier discharged otherwise than honorably, to each enlisted man convicted by civil court for an offense resulting in confinement in a penitentiary or other civil prison, and to each enlisted man ordered interned by reason of the fact that he is an alien enemy, or, for the same reason, discharged without internment; for indemnity to officers and men of the Army for clothing and bedding, etc., destroyed since April 22, 1898, by order of medical officers of the Army for sanitary reasons, \$12,508,658, of which amount not exceeding \$60,000 shall be available immediately for the procurement and transportation of fuel for the service of the fiscal year 1940.

The amendment was agreed to.

The amendment was agreed to.

The next amendment was, on page 25, line 23, after the words "in all", to strike out "\$15,509,875" and insert "\$15,-556,561", so as to read:

Army transportation: For transportation of Army supplies; of authorized baggage, including packing and crating; of horse equipment; and of funds for the Army; for transportation on Army vessels, notwithstanding the provisions of other law, of privately owned automobiles of Regular Army personnel upon change of station; for the purchase or construction, not to exceed \$242,000, alteration, operation, and repair of boats and other vessels, including not to exceed \$180,000 for use exclusively in the preparation of plans, by contract or otherwise, for a new Army transport; for wharfage, tolls, and ferriage; for drayage and cartage; for the purchase, manufacture (including both material and labor), maintenance, hire, and repair of pack saddles and harness; for the purchase, hire, operation, maintenance, and repair of wagons, carts, drays, other vehicles, and horse-drawn and motor-propelled passenger-carrying vehicles required for the transportation of troops and supplies and for official military and garrison purposes; for hire of draft and pack animals; for travel allowances to officers of National Guard on discharge from Federal service as prescribed in the act of March 2, 1901 (10 U. S. C. 751), and to enlisted men of National Guard on discharge from Federal service, as prescribed in amendatory act of September 22, 1922 (10 U. S. C. 752), and to members of the National Guard who have been mustered into Federal service and discharged on account of disability; in all, \$15,556,561, of which amount not exceeding \$250,000 for the procurement and transportation of fuel for the service of the fiscal year 1940, and not exceeding \$3,000,000 for the procurement of motor vehicles, shall be available immediately.

The amendment was agreed to.

The next amendment was agreed to.

The next amendment was, under the subhead "Horses, draft and pack animals", on page 27, line 8, after the word "including", to strike out "\$92,030" and insert "\$97,430"; and in line 12, after "maintenance)", to strike out "\$307,150" and insert "\$312,550", so as to read:

For the purchase of draft and pack animals and horses within limits as to age, sex, and size to be prescribed by the Secretary of War for remounts for officers entitled to public mounts, for the United States Military Academy, and for such organizations and members of the military service as may be required to be mounted, and for all expenses incident to such purchases (including \$97,430 for encouragement of the breeding of riding horses suitable for the Army, in cooperation with the Bureau of Animal Industry, Department of Agriculture, including the purchase of animals for breeding purposes and their maintenance), \$312,550.

The amendment was agreed to.

The next amendment was, under the subhead "Military posts", on page 28, line 7, before the word "to", to strike out "\$7,094,878" and insert "\$8,594,878"; and in line 11, after the name "Canal Zone", to strike out "\$514,400" and insert "\$2,014,400"; so as to read:

For construction and installation of buildings, flying fields, and appurtenances thereto, including interior facilities, fixed equipment, necessary services, roads, connections to water, sewer, gas, and electric mains, purchase and installation of telephone and radio equipment, and similar improvements, and procurement of transportation incident thereto, without reference to sections 1136 and 3734, Revised Statutes (10 U. S. C. 1339; 40 U. S. C. 267); general overhead expenses of transportation, engineering, supplies, inspec-

tion, and supervision, and such services as may be necessary in the office of the Quartermaster General; and the engagement by contract or otherwise without regard to section 3709, Revised Statutes (41 U. S. C. 5), and at such rates of compensations the Secre-(41 U. S. C. 5), and at such rates of compensation as the Secretary of War may determine, of the services of architects or firms or corporations thereof and other technical and professional personnel as may be necessary; \$8,594,878 to remain available until expended and to be applied as follows: For work authorized by the act of August 12, 1935 (49 Stat. 610-611): At Hickan Field, Hawaii, \$3,086,978; Albrook Field, C. Z., \$2,014,400; and radio aids to air navigation, \$322,500; for work authorized by the act of August 26, 1937 (50 Stat. 857-862): At Fort Clayton, C. Z., \$689,500; Fort Davis, C. Z., \$553,000; and Fort Kobbe, C. Z., \$99,000; and for the payment of obligations incurred in the amount of \$1,838,500 under the contract authorizations provided for under this head in the the contract authorizations provided for under this head in the Military Appropriation Act for the fiscal year 1939.

The amendment was agreed to.

The next amendment was, under the subhead "Air Corps Air Corps, Army", on page 38, line 1, after the name "Secretary of War", to strike out "\$94,737,281" and insert "\$95,737,281"; in line 24, after the word "than"; to strike out "\$66,783,529" and insert "\$57,494,962"; on page 39, line 4, after the word "of" where it occurs the second time, to strike out "\$66,783,529" and insert "\$57,494,962", and in line 5, after the word "than", to strike out "\$65,193,825" and insert "\$56,113,200", so as to read:

For creating, maintaining, and operating at established flying schools and balloon schools courses of instruction for officers, students, and enlisted men, including cost of equipment and supplies necessary for instruction, purchase of tools, equipment, materials, machines, textbooks, books of reference, scientific and professional papers, instruments, and materials for theoretical and practical instruction; for maintenance, repair, storage, and operation of airships, war balloons, and other aerial machines, including nstruments, materials, gas plants, hangars, and repair shops, and appliances of every sort and description necessary for the operation, construction, or equipment of all types of aircraft, and all necessary spare parts and equipment connected therewith and the establishment of landing and take-off runways; for purchase of supplies for securing, developing, printing, and reproducing photographs in connection with aerial photography; improvement, equipment, maintenance, and operation of plants for testing and experimental work and procuring and introducing water electric light establishment of landing and take-oir rulways; for purchase of supplies for securing, developing, printing, and reproducing photographs in connection with aerial photography; improvement, equipment, maintenance, and operation of plants for testing and experimental work, and procuring and introducing water, electric light and power, gas, and sewerage, including maintenance, operation, and repair of such utilities at such plants, for the procurement of helium gas; for travel of officers of the Air Corps by air in connection with the administration of this appropriation, including the transportation of new aircraft from factory to first destination; salaries and wages of civilian employees as may be necessary; transportation of materials in connection with consolidation of Air Corps activities; experimental investigations and purchase and development of new types of airplanes, autogiros, and balloons, accessories thereto, and aviation engines, including plans, drawings, and specifications thereof; for the purchase, manufacture, and construction of airplanes and balloons, including instruments and appliances of every sort and description necessary for the operation, construction (airplanes and balloons), or equipment of all types of aircraft, and all necessary spare parts and equipment connected therewith; for the marking of military airways where the purchase of land is not involved; for the purchase, manufacture, and issue of special clothing, wearing apparel, and similar equipment for aviation purposes; for all necessary expenses connected with the sale or disposal of surplus or obsolete aeronautical equipment, and the rental of buildings, and other facilities for the handling or storage of such equipment; for the services of not more than four consulting engineers at experimental stations of the Air Corps as the Secretary of War may deem necessary, at rates of pay to be fixed by him not to exceed \$50 a day for not exceeding 50 days each and necessary traveling expenses; purchase of special apparatus and applian

appropriated the Chief of the Air Corps, when authorized by the Secretary of War, may enter into contracts between the date of the approval of this act and July 1, 1940, for the procurement of new airplanes and for the procurement of equipment, spare parts, and accessories for airplanes to an amount not in excess of \$32,205,988, and his action in so doing shall be deemed a contractual obligation of the Federal Government for the payment of the cost thereof: Provided further, That of the amount herein appropriated and the amount herein authorized for contractual obligation not less than \$57,494,962 (exclusive of \$18,826,894 for payment of obligations incurred under the above-mentioned contract authorizations for the fiscal years 1938 and 1939) shall be applied to the procurement of new airplanes and their equipment and accessories, of which amount \$57,494,962 not less than \$56,113,200 shall be applied to the procurement of combat airplanes and their equipment and accessories: Provided further, That no part of this or any other appropriation contained in this act shall be available for any expense incident to the use of Crissy Field, Calif., as an air station: Provided further, That the sum of \$2,000 of the appropriation for Air Corps, Army, fiscal year 1935, the sum of \$331,376 of the appropriation for Air Corps, Army, fiscal year 1937, shall remain available until June 30, 1940, for the payment of obligations incurred under contracts executed prior to July 1, 1937.

The amendment was agreed to.

Mr. KING. Mr. President, may I inquire of the Senator the total amount which will be appropriated during this session for military purposes, and also the total appropriations which will be authorizations? I have been told that the appropriations for military and naval purposes will aggregate: more than \$2,000,000,000.

Mr. THOMAS of Oklahoma. Mr. President, this is the first bill for our Military Establishment. The bill carries \$52,000,-000 more than the bill for last year. However, it carries \$7,000,000 less than the estimates made by the Bureau of the Budget. The deficiency bill just passed by the House, and which is now before the Senate Committee on Appropriations, proposes to appropriate money to take care of the expansion authorized by the bill originally passed by the Congress. I have not seen the deficiency bill and I do not know how much it embraces.

Mr. KING. I understand it carries more than \$200,000,000. Mr. THOMAS of Oklahoma. It is quite a sum. I am advised it is \$69,000,000.

The Navy bill has not been acted upon by Congress. As to the total, no one can tell until the bills are passed. No doubt the Navy will have a larger bill, just as the Army is having a larger bill. The expansion program will increase the two component parts of the service. Under present conditions it is natural to expect a very substantial increase as a result of the expansion program which Congress has already adopted.

Mr. McKELLAR. Mr. President-Mr. THOMAS of Oklahoma. I yield.

Mr. McKELLAR. The Senator from Utah spoke of authorizations. There are no authorizations in the bill, are

Mr. THOMAS of Oklahoma. There are none. Mr. KING. However, there have been bills carrying authorizations for the Army, the Navy, or both.

Mr. THOMAS of Oklahoma. That is correct.

Mr. KING. May I ask the Senator whether or not he believes the very large appropriations, which will amount to nearly \$2,000,000,000 for the Army and Navy, are warranted by conditions affecting the United States?

Mr. THOMAS of Oklahoma. Speaking only for myself, I am convinced that they are.

Mr. KING. What are the conditions which justify appropriations of perhaps more than \$2,000,000,000 for the Army and Navy for the next fiscal year?

Mr. THOMAS of Oklahoma. If I may answer that in my own way, in former times it was customary for nations to declare war upon one another, and after the declaration of war was made it was customary to have a breathing spell.

The nations would call the men to the colors and prepare for the armed contest. After awhile, when they thought they were ready, they would march out to do battle. That time has gone. In more modern times a declaration of war is passé. China had no war declared against her by Japan. Ethiopia had no war declared against her by Italy. As I understand, Germany has not declared war on either of the countries taken by Germany. The modern policy is for a nation to march over and take what it wants without a declaration of war. That being true, as I see it, it is up to each nation to be ready at every moment of every day to defend iself. Acting upon that theory I am supporting the expansion of our military program.

Mr. KING. What nation does the Senator think contem-

plates attacking the United States?

Mr. THOMAS of Oklahoma. I have no idea that any nation contemplates attacking the United States. However, our Nation, the richest in the world, would be subject to attack by a small nation if that nation were prepared for attack and our great nation were unprepared for attack. While I do not favor the largest army in the world, or the largest navy, I do favor a sufficient army and a sufficient navy to defend our people and our property, wherever they may be located.

Mr. KING. Mr. President, if the Senator will pardon me for saying so, it seems to me that we are governed too much by our emotions if not by our fears. We may be controlled by conditions which are perhaps entirely outside the periph-

ery of our influence or our activity.

It seems to me that we are being influenced by fears arising from causes which relate to European concerns and which inspire and influence their conduct and arouse their fears. However, speaking for myself, I see no danger to our Republic from attacks by other nations. The Latin American states are friendly. There is now a spirit of solidarity among the nations of the Western Hemisphere stronger than any which has existed in the past. This spirit is due in part to the service rendered by President Roosevelt. He has sought to cultivate the arts of peace among our neighbors to the south, and has been successful in establishing closer relations between them and this Republic. I think the United States has never before enjoyed greater prestige or greater influence among the nations of the world than it enjoys today. I pay tribute to Mr. Roosevelt for his efforts in the consummation of that result.

The solidarity of the Western Hemisphere is manifest, and is apparent even to the most casual observers. Canada is almost a part of us. As the Senator knows, the Canadian border, 3,000 miles long, is without a fort or a gun. None is needed to protect either country, because of the community of interest between Canada and the United States.

It seems to me we have no foe across the Atlantic, unless it is the Nazi government, but many believe that it has its hands full for the present. I do not think that Hitler, notwithstanding his usurped power, will long continue to defy civilization and the moral and spiritual forces of the world. His reign will be evanescent and will come to an end. His power will be broken, as was the power of Napoleon, and as was the power of other great military leaders who struck down nations and paved the roads over which they trod with the bones of their victims.

I see no reason for the formulation of our national-defense policy upon the basis of attacks from European nations. Certainly Great Britain, France, Portugal, the Scandinavian states, Holland, Belgium, Switzerland, Finland, Poland, the Balkan states, are not enemies of this Republic, nor can they, in my opinion, ever be drawn into any combination which sought to injure the United States. Indeed, the peoples of those countries entertain a feeling of friendship and respect for this Republic and a high regard for its institutions.

I think I am justified in ascribing to the Russian Government a desire to maintain cordial relations with this Republic. The relations between the United States and Italy have been of the most cordial character, and in the World War our Government and the Italian Government were associates and their military forces engaged in the same enterprise. Certainly the relations between our Government and Spain are not tinged with any feelings of animosity or ill feeling. Great Britain and France, devoted to democratic principles, look upon this Republic as one of the mighty pillars necessary for the protection of liberty and democratic institutions.

They are menaced, directly or indirectly, many believe, by the Nazi regime, but I cannot think that they can be successfully attacked by the Nazi Government. The Nazi Government may achieve further conquests in Europe, but it will sooner or later meet a Waterloo.

Some entertain the view that there will be a conflict between the United States and Japan. Japan, as we now know, is concerned with the attitude of the Soviet Government toward her. Russia's authority and power are not limited to European Russia, but extend for several thousands of miles easterly from the Ural Mountains to the Pacific. Japan may not affront her powerful neighbor upon the north. The armies of Japan are now beating their heads against the walls of China. They are carrying on a ruthless and cruel campaign, ignoring the rules of civilized war. They have not yet triumphed over the 400,000,000 Chinese, and many persons familiar with the conditions in the Orient believe that in the end Japan will fail to achieve a permanent victory.

There seems to be some evidence to support the contention that Japan, Italy, and Germany are united in a common purpose. It is believed by some that under a tripartite agreement Japan is to have control over China; Hitler is to have a free hand in eastern and southeastern Europe and perhaps territory beyond the Hellespont; and Mussolini is to acquire territory in northern Africa and to have a rather free hand

in the Mediterranean

Undoubtedly the Rome-Berlin-Tokyo axis possesses great military strength and constitutes a formidable organization to carry out aggressive policies disturbing to the peace of the world. But alliances for the purpose of conquest usually carry with them seeds of dissolution. History records the formation and the death of many combinations made for the purpose of waging unjust wars and the destruction of nations. The scales of justice may often seem to be unbalanced but ultimately there is an adjustment based upon justice, moral precepts, and the everlasting principles of truth and right-

The Rome-Berlin-Tokyo axis may function smoothly and effectively today but on the morrow or in the not distant future the day of retribution comes and tyrants and oppressors end their evil days and the fruits of their victories

But I return to the question which I suggested to the Senator from Oklahoma; in my opinion the adventures of the tripartite powers to which I have referred and their assaults upon other nations do not contemplate an attack upon the United States, nor do they constitute a proximate or, indeed, a remote menace to this Republic. I am not contending that we should not adopt reasonable military measures for the defense of our country. I know there will be differences of opinion as to what constitutes reasonable measures. It is a question which may not, academically or categorically, be determined, but I do insist that we should not be swept off our feet because of the conflicts in Europe and Asia.

I do not believe that Hitler, with all his power, is a menace to this Republic, nor do I believe that our appropriations for military purposes should be controlled or fully determined by Nazi philosophy or Hitler's open or hidden policies, or the rivalries, jealousies, hatreds, and fueds which arise among selfish and ambitious militarists. As I have indicated, there is a moral law in the universe, and though injustice may have its day, it ends in ignominy and defeat to be superseded by greater liberty and a day where justice spreads its benefactions among those who have suffered under the heel of oppression.

I cannot help but believe that the evil forces so pervasive in the world will be banished and the reign of law and order and peace be the inheritance of the children of men.

I can only repeat that I do not think we should be unduly influenced by the barbarous and indefensible policies of Hitler or that our military and naval appropriations for this year should be primarily based upon the Nazi and Fascist policies which admittedly are aggressive and menacing toward many peoples and nations. The United States, with its material resources and its moral strength, is and should be free from

the fears and hates so prevalent in various parts of the world. The people of the United States desire peace; they have no ambition for conquest and there is not a foot of territory which they covet. Our policy should rest upon the concept that this Republic has a duty and a responsibility to demonstrate the energizing moral and spiritual forces of genuine democratic government.

It is not in a spirit of arrogance that the people of this Republic believe that it stands as a symbol of liberty and is and should be an example to all nations that democratic institutions are promotive of peace and essential to the reign of law and order. So, as I have stated, our Nation should be a leader for world peace, for moral disarmament, for the establishment of those enduring spiritual qualities which must find expression in the hearts and lives of the world if the highest form of civilization is attained.

Mr. McKELLAR. Mr. President-

Mr. KING. I yield to the Senator from Tennessee.

Mr. McKELLAR. But if these nations are arming, as the Senator says they are, for the purpose the Senator says they have, surely it is the part of wisdom on the part of this country to be able to defend ourselves if the Senator should happen to be mistaken and they were to start an offensive against our country.

I agree with the Senator that our appropriations ought not to be based upon the attitudes or the propensities or any other consideration of foreign countries, but they ought to be based upon what is necessary for the defense of this country, which is the richest country of them all and the greatest prize of them all; and under the circumstances we ought to be in a position to defend our country against any and all comers.

Mr. KING. I agree with the Senator that if our Nation is menaced or is in danger, or if there are to be threats against it, all necessary and proper steps should be taken to insure its protection. I am trying to indicate, however, if in taking the necessary steps for protection, it is important to determine just what amount or degree of protection is necessary, we must know against whom we are to protect ourselves; what nation is threatening to invade us or to attack our institutions, or undermine the foundations of this Republic. In appraising these questions there should be no hysteria. We boast often of our realistic approach to material and governmental questions, so I ask against whom are we to guard ourselves; what nations or combination of nations give evidence of a design to attack or invade or weaken or destroy this Republic? We sometimes hear the statement that Japan is our enemy and we must arm to protect the Republic against a Japanese invasion.

Mr. President, Japan, as I have indicated, has troubles and burdens of her own. It is unnecessary to point out her fiscal policies; the heavy drains which have been made, and are being made, upon her material resources, as well as upon her manpower. Soviet Russia is not indifferent to Japanese policies, and, as I stated a few moments ago, Japan's problem now is to defeat the army of Gen. Chiang Kai-shek and bring 400,000,000 Chinese under Japanese rule.

Obviously she could send no armies to our shores. She has no navy adequate for that purpose, even if it were possible to transport, thousands of miles across the Pacific, a military force of any considerable number. Our Navy is infinitely superior to Japan's, and, whether we appreciate it or not, the presence of Great Britain's Navy in the Atlantic may not be overlooked.

Admiral Sims testified a few years ago, before the Committee on Naval Affairs, of which I was then a member, that no nation could carry on a successful war against an enemy where it had to transport its troops thousands of miles across the Pacific, particularly where it had no naval bases or landing places or stations for refueling or repairs in the territory which it was seeking to invade.

Mr. MINTON. Mr. President, will the Senator yield?

Mr. KING. I yield to the Senator from Indiana.

Mr. MINTON. I should like to submit to the Senator's judgment this proposition:

A while ago the Senator referred to the fact that Napoleon, of course, was overcome; but Mr. Hitler has brought all of

central Europe under his influence without firing a gun, whereas Napoleon had very difficult campaigns to carry out his objectives.

Now that all of central Europe has come under his domination and Mr. Hitler has become implemented with men and materials and food supplies and all necessary things to carry on war, suppose he should get into a war with England and be successful, and one of the provisions of the peace settlement should be that England should cede Bermuda, and the Bahama Islands just off the coast of Florida, or perhaps Canada, would the Senator like to live next door to Mr. Hitler?

Mr. KING. The Senator is assuming a great many things which, in my opinion, are not in the realm of reasonable assumption.

Mr. MINTON. I am assuming only one thing—that Mr. Hitler might defeat England.

Mr. KING. I do not agree with that assumption; but, even if he should defeat England, I have not the slightest idea that it would jeopardize the safety of the United States.

Mr. LUNDEEN. Mr. President-

Mr. KING. I yield to the Senator from Minnesota.

Mr. MINTON. Will the Senator yield to me just a minute longer so that I can finish this thought?

Mr. KING. I yield to the Senator from Indiana.

Mr. MINTON. The Senator said America could not be successfully attacked unless the attacking country had bases near our shores. That is true; but suppose Hitler got the bases from England in the peace settlement after a victory over England. Suppose he got Bermuda, right at the door of New York, or got the Bahamas, just off the coast of Florida, or perhaps got part of Canada, just to the north of us. Then would he not have all the bases he needed?

Mr. KING. Mr. President, we can assume any situation which might be disadvantageous to any country, or to any individual, or to any cause; but we are talking as realists now, and we are not predicating our course upon hypotheses, some of which have little basis upon which to rest and some of which rest only in the realm of imagination.

Mr. MINTON. Mr. President, will the Senator yield for one more question?

Mr. KING. I yield.

Mr. MINTON. Was not Munich due to the fact that England felt that she was not a match for Mr. Hitler?

Mr. KING. Before I reply to that question may I revert to the former assumptions of the Senator from Indiana? I do not and cannot assume that Hitler will defeat the British Empire, take possession of Great Britain, and seize as a part of the booty some of the British possessions in the Atlantic. The British Empire contains millions of brave men and women who are ready and willing to defend their country against any foe. The British Empire with her millions of people and her great resources will not and cannot be defeated by Hitler. Moreover, there are democratic forces in the world which would be aroused to vigorous action were Hitler to determine to destroy the liberty of democratic nations of the world.

Recurring to the Senator's last question, may I say that there have been many interpretations by politicians and statesmen in various countries concerning the Munich conference?

I do not think that the British Prime Minister when at Munich believed that Great Britain was not a match for Hitler. Undoubtedly both he and Daladier regarded the military forces of Germany as exceedingly formidable. It is quite likely that they believed that Germany had a superior air force which would, in the early stages of any conflict, give to the attack of the Nazi government considerable advantage.

But England and France knew that the Maginot line of fortifications was invulnerable against any frontal attack. They knew that France possessed perhaps the best and strongest army of any nation in the world; that England's Navy would be an effective blockade of Germany and effectively aid in transporting troops from England's dominions and possessions. They also knew of the military strength of

Czechoslovakia, which would be of powerful aid in a conflict with the Hitler regime.

Undoubtedly the British and French Premiers were deeply concerned over the possibility, if not probability, of war, and they attempted by what was called a policy of appeasement—which, by the way, did not appease—to avert the tragedy of another European war.

I have no doubt that Hitler overreached the two representatives at the conference; I have no doubt that he deceived them as he had deceived them before. He had given many assurances before the Munich conferences that Germany's ambitions would be satisfied when the Saar Basin was restored, when Germany had control of the Rhineland, and when Austria was brought under the control of the Reich.

Hitler further stated at the Munich conference that if the small Sudeten area were relinquished by Czechoslovakia, Germany had no further designs in Eastern or Central Europe. Unfortunately for Great Britain and France and Czechoslovakia, and I believe for Europe, the assurances and promises of Hitler at the Munich conference deceived Chamberlain and Daladier, which resulted in the destruction of Czechoslovakia and further aggressive movements by Hitler.

France and Great Britain were overplayed at Munich and the concessions there made are the direct, if not the proximate, cause of the brutal and unfortunate aggressions by Hitler since then.

Mr. LUNDEEN. Mr. President, will the able Senator yield at that point?

Mr. KING. I yield.

Mr. LUNDEEN. If the Senator from Utah will permit me, I should like to say to the able Senator from Indiana [Mr. Minton] that there is a remedy for the Bermuda situation and the West Indies. Repeatedly on this floor I have called attention to the fact that the great European powers owe us vast debts, billions of dollars, and that we should adopt the Andrew Jackson good Democratic doctrine of laying hands on them and seizing them now, when European nations cannot budge from Europe. You say the Germans are coming—I say, let us get there first.

The other day some Senator said, "Why, that means war." Why war? One moment I hear able Senators on the floor say that England is trembling in her boots and that we must go over and save her.

Mr. KING. Let me say that I have heard no such statement, and I do not believe any American Senator believes that Great Britain needs our help to save her.

Mr. LUNDEEN. I am not attributing that statement to the distinguished Senator from Utah.

Mr. KING. I hope not.

Mr. LUNDEEN. But the statement has been made that something has to be done about the so-called democracies of France and Great Britain. If they are in fear over there, and need help from the outside, they are not coming over here to fight to prevent the payment of an honorable debt which they dishonorably failed to pay.

Mr. KING. Let me say to my friend that I do not rise to discuss foreign debts—do not desire to be drawn into a discussion of the debt question.

Mr. MINTON. Mr. President—

The PRESIDING OFFICER. Does the Senator from Utah yield; and if so, to whom?

Mr. KING. I have the floor in my own right. May I repeat that I rose merely to ask a few questions concerning the military bill which is before us and which carries appropriations of more than \$500,000,000. I have been diverted by a number of questions which have been suggested, and my friend from Minnesota now raises another question which I do not deem relevant to a consideration of the military appropriations bill. However, I may say because of the question raised by the Senator from Minnesota that there are two sides of the question of foreign debts. It must be remembered that the United States was one of the belligerents. We took our place side by side with the allied nations and were profoundly concerned in the issues then involved. As one of the Allies we were interested in winning the war, and our obliga-

tion was to take every honorable means to accomplish that result. We extended credit to our associates in the war and they extended credits to and among themselves. Great Britain extended credit to Italy during the war to the amount, as I recall, of four and a half billion dollars, and Great Britain extended loans to Belgium of several billion dollars; and Great Britain and France both extended credits to other nations who were allies with them in the terrible conflict. The fact is that Great Britain loaned to the Allies in the war more than the United States loaned to Great Britain.

The Senator will forgive me when I say that I would repel the suggestion that we should seize Bermuda, or any part of Great Britain's territory, or, for that matter, any part of the territory of any other nation for obligations which may be owing to the United States.

Mr. MINTON. Mr. President, will the Senator yield?

Mr. KING. Wait until I get through. If the Senator from Minnesota owed me a thousand dollars, I would repel the thought that I should seize any part of his territory, or of his farm, or any of his substance.

Mr. LUNDEEN. We are doing just that, Mr. President.
Mr. KING. I would sue him in the courts, and then have
the courts lay their hands upon his property.

Mr. LUNDEEN. And the sheriff would seize the property.
Mr. KING. But, as I stated, I am not going to be drawn into a discussion of that subject because there are two sides. I will make one further observation and then depart from the debt question because, as I have stated, it is not the question before the Senate.

Soon after the United States entered the war representatives of Great Britain and France made inquiry as to what our Government could and would do in order to carry forward to success the common cause. I happened to have the honor of being present at the White House when a number of Senators and representatives of our military and naval departments were present, as well as several representatives, as I recall, of Great Britain and France. The meeting had been called by the President of the United States in response to the inquiry as to what the United States would be able to do in the prosecution of the war. The reply was to the effect that we could not send to France any considerable number of troops until early in 1918. Our Chief of Staff made clear the situation and indicated the steps necessary to be taken in order to send to the battle front any considerable number of troops. During the discussion it was stated that our allies had expended in the purchase of commodities, foodstuffs, munitions of war, and so forth, substantially all of their money and a considerable portion of their stocks and bonds. It was made clear that our allies must have food supplies and munitions in order to hold the lines and to carry forward the conflict. I recall the views that were expressed by representatives of our allies that they would continue to hold the lines awaiting the arrival of our troops; and they stated in substance that they must, in order to repel their assailants, have help in food supplies, munitions, and so forth, and that they would match their boys and their blood against the food and supplies and munitions which were imperative and required in the joint undertaking. It was there arranged, as I recall, that credit would be extended to our allies to the amount of billions of dollars in order that payment might be made for the supplies which were to be shipped from the United States.

Mr. MINTON. Mr. President-

Mr. KING. I yield to the Senator from Indiana.
Mr. MINTON. The Senator from Minnesota [Mr. Lundeen]

Mr. MINTON. The Senator from Minnesota [Mr. LUNDEEN] suggests that when we find England in extremity we should rush in and seize what England has to satisfy our demands upon England. In advocating that course is not the Senator from Minnesota adopting the technique of Mr. Hitler?

Mr. KING. I am afraid he is.

Mr. LUNDEEN. Mr. President—

Mr. KING. I yield to the Senator from Minnesota.

Mr. LUNDEEN. I had no intention of intruding this discussion into the able Senator's exposition in this debate, but

merely to reply, if I were permitted, to my friend the Senator from Indiana [Mr. MINTON]. I will, however, call the Senator's attention to the fact that the policy I mentioned has been very successful in the past, not only on the part of Mr. Hitler-whose doctrines he seems to be well able to defend himself. They have proved successful in the advocacy of a great Democrat-Andrew Jackson-against France when she was in the extremity of a war with Great Britain. He did not hesitate to say, "We will seize your territory and we will seize your property, and we will take the territory that you have in the Western Hemisphere unless you pay the debt.'

He was not afraid. He was a red-blooded American. He argued for Americans and did not seek to find excuses for the nations of Europe. He held true to his own. He formed

a thoroughgoing American policy.

Mr. KING. Mr. President, the example of any one person, whether saint or sinner, statesman or politician, should not control us in the determination of serious questions affecting our internal welfare and our international relations. Presidents are not always sound in their views, and even great men such as Andrew Jackson was, may say and do things which are not in harmony with moral or political principles or with sound statesmanship. Statesmen sometimes do things which later they regret and which fail to command the approval of later generations. I am sure there is no similarity between President Jackson and Adolph Hitler. President Jackson never manifested any of the malignant spirit exhibited by the Nazi leader. If he was unjust at any time, I would experience regret and would be inclined to hope that in the Great Beyond where the spirit of this redoubtable leader reposes he would dissociate himself from any covetous views which he might have entertained during his public

Mr. LUNDEEN. Mr. President, the Senator does not mean to say that he regrets that we collected the debt from France? Why so much melting kindness toward debtor nations—they scorn any sign of weakness on our part-we need iron in our systems and backbone in our policies. European nations deride our scented letters and kindly notes. We need that great Democrat today who carried on so well more than a hundred years ago, Andrew Jackson. He threatened the French and collected the French debt. Why not talk about

that at our Jackson Day banquets?

Mr. KING. Mr. President, I shall make no comment upon that matter. I merely state that if my friend is advocating aggressive policies, the seizure of property by reason of the fact that we are stronger than somebody else, I am not in favor of acting the bully because our Nation may be stronger, or some other nation may be owing us. I am unwilling to apply the law of the tooth-and-the-nail. I am in favor, so far as possible, of adjusting international controversies by peaceable means. I am in favor of Roosevelt's good-neighbor policy. Notwithstanding that the idea perhaps would meet with derision and scorn here and elsewhere, I think we could do nothing better for the promotion of world peace than to call an international conference for the purpose of reducing armaments, or formulating a plan under the terms of which this Nation and other nations might be relieved of the frightful burdens which are now pressing upon the people of our country and the people of the world.

We are not upon this earth to become a great military nation. We are here as a great democratic nation, and the policies of democracy are the policies of peace, not war; of world amity; of world unity; of world solidarity. Professing, as we do-and I fear too many of us are only making a profession—that ours is a Christian nation, I commend to my friend from Minnesota, who seems so belligerent today, the lessons and the teachings of the Great Master—a little forgiveness, a little charity, a little more of the spirit of peace,

and a large portion of the spirit of love.

Mr. LODGE. Mr. President, I think it is appropriate to observe that even with the provisions made in the pending bill the United States Army will still not be among the largest armies of the world. The figures I saw about a year ago indicated that the United States Army was about fifteenth in rank among the armies of the world, and I know that, speaking for myself, I was not overly impressed by current considerations in coming to my conclusion on this

I believe it is noteworthy and appropriate for me to say that the Republican members of the subcommittee joined with the majority members in approving the pending appro-

Mr. LUNDEEN. Mr. President, at this point I ask unanimous consent to introduce into the RECORD Senate Resolution 111, offered by me, which reads:

Whereas it has been widely reported that there has been developed and tested in Europe, under actual war conditions, a new type of aerial bomb of superdestructive power and supposedly liquid oxygen character; and

Whereas the officials of the United States War Department have, before the Senate Military Affairs Committee, admitted that such a superaerial bomb was tested in Spain but that they did not yet know the secret of that bomb or how to equal its power in aerial bombs of American design; and

Whereas it has been reported in the press that Lester P. Barlow, George B. Holderer, and Herbert Bugbird, of Baltimore and New York, all United States citizens and explosives experts and authori-

York, all United States citizens and explosives experts and authorities on liquid oxygen-carbon explosive and aerial bombs, have made public certain information tending to reveal an extensive war hazard in the placement of large gas and oil tanks, exposed to aerial bomb attack, within the large cities of the United States, and that such tanks, if war is declared upon the United States, may be detonated by liquid-oxygen bombs dropped from enemy bombing planes, and thereby cause widespread loss of life and destruction of vast sections of city property; and

Whereas there is grave danger of a major war in Europe; and
Whereas there is grave danger of a major war in Europe; and whereas the United States may become involved in any such war, and it is essential that any war hazards that may exist, due to large gas and oil tanks being located in the heavily populated districts, be determined at once and the proper safeguards established:
Therefore be it York, all United States citizens and explosives experts and authori-

Therefore be it.

Therefore be it Resolved, That the Committee on Military Affairs, or any duly authorized subcommittee thereof, is authorized and directed to make a full and complete investigation with respect to (1) the extent of the war hazards to the lives and properties of residents of the United States resulting from the location of large gas and oil tanks within heavily populated districts of the United States, and (2) the means of eliminating or decreasing such hazards for the purpose of more adequately insuring the safety of such lives and properties. The committee shall report to the Senate as soon as practicable the results of its investigations, together with its recommendations.

The bomb referred to was tried out at Barcelona, it is claimed, and before the Military Affairs Committee and other committees and before those in authority it has been held out as a bomb which would destroy human life within an area of one-eighth of a mile.

If we are to be saving the world again, let us have bigger and better bombs. I do not want any nation to have any better bombs than the United States. I want this matter investigated by experts. We have technical experts and engineers in this country as good as there are in the world. I am not worried about that. We will have as fine defenses as any other nation.

While I am on the floor I should like to say to the Senators present that when the great Democrat Andrew Jackson left the White House, because of his insistence upon the payment of debts which nations owed this country, and his collections, because of his unafraid, red-blooded, American attitude, he left the White House with a surplus in the Treasury and no debt, whereas we are plunging down and over the precipice, and almost any moment we may be rushing into destruction, financial inflation, or whatever it may be called. We had better turn back the pages a little in American history to the days of glory and greatness, and to the doctrines of the fathers and founders of this country, instead of running along after the "smart boys," who have not done so well. Jackson was a great Democrat. Let our Democratic Senators heed his advice. Let us collect those debts, the billions owed us by Great Britain and France and others. Let them pay or turn over the West Indies or other valuable property. That is good democratic doctrine.

The PRESIDING OFFICER. The clerk will state the next amendment of the committee.

The next amendment was, under the subhead "Medical" Department-Army-Medical and Hospital Department", on

page 41, line 13, after the words "Medical Department", to strike out "\$1,551,072" and insert "\$1,553,840", so as to read:

page 41, line 13, after the words "Medical Department", to strike out "\$1,551,072" and insert "\$1,553,840", so as to read:

For the manufacture and purchase of medical and hospital supplies, including disinfectants, for military posts, camps, hospitals, hospital ships and transports, for laundry work for enlisted men and Army nurses while patients in a hospital, and supplies required for mosquito destruction in and about military posts in the Canal Zone; for the purchase of veterinary supplies and hire of veterinary surgeons; for expenses of medical supply depots; for medical care and treatment of patients, including supernumeraries, not otherwise provided for, including care and subsistence in private hospitals of officers, enlisted men, and civilian employees of the Army, of applicants for enlistment, and of prisoners of war and other persons in military custody or confinement, when entitled thereto by law, regulation, or contract: Provided, That this shall not apply to officers and enlisted men who are treated in private hospitals or by civilian physicians while on furloughs or leaves of absence in excess of 24 hours; for the proper care and treatment of epidemic and contagious diseases in the Army or at military posts or stations, including measures to prevent the spread thereof, and the payment of reasonable damages not otherwise provided for for bedding and clothing injured or destroyed in such prevention; for the care of insane Filipino soldiers in conformity with the act of Congress approved May 11, 1908 (24 U. S. C. 198); for the pay of or shall be prescribed by the Secretary of War; for the pay of civilian physicians employed to examine physically applicants for enlistment and enlisted men and to render other professional services from time to time under proper authority; for the pay of other employees of the Medical Department; for the supply of Army and Navy Hospital at Hot Springs, Ark.; for advertising, laundry, and all other necessary miscellaneous expenses of the Medical Department, \$1,553,840.

The amendment was agreed to.

The next amendment was, under the subhead "Ordnance Department-Ordnance service and supplies, Army", on page 44, line 3, after the word "expenses", to strike out "\$46,840,620" and insert "\$53,173,100", so as to read:

44, line 3, after the word "expenses", to strike out "\$46,840,620" and insert "\$53,173,100", so as to read:

For manufacture, procurement, storage, and issue, including research, planning, design, development, inspection, test, alteration, maintenance, repair, and handling of ordnance material, together with the machinery, supplies, and services necessary thereto; for supplies and services in connection with the general work of the Ordnance Department, comprising police and office duties, rents, tolls, fuel, light, water, advertising, stationery, typewriting and computing machines, including their exchange, and furniture, tools, and instruments of service; to provide for training and other incl-dental expenses of the Ordnance service; for instruction purposes other than tuition; for the purchase, completely equipped, of trucks, and for maintenance, repair, and operation of motor-propelled and horse-drawn freight and passenger-carrying vehicles; for ammunition for military salutes at Government establishments and institutions to which the issues of arms for salutes are authorized; for services, material, tools, and appliances for operation of the testing machines and chemical laboratory in connection therewith; for publications for libraries of the Ordnance Department, including the Ordnance Office, including subscriptions to periodicals; for services of not more than four consulting engineers as the Secretary of War may deem necessary, at rates of pay to be fixed by him not to exceed \$50 per day for not exceeding 50 days each, and for their necessary traveling expenses, \$53,173,100, of which not to exceed \$2,900,000 shall be available for payments under contracts for the procurement or production of ordnance material, machinery, and supplies under the authorization contained in the Military Appropriation Act for the fiscal year 1939, and of which \$2,067,100 shall be available immediately for the objects embraced by this paragraph, including the employment of persons and means at the seat of government and elsew

The amendment was agreed to.

The next amendment was, on page 46, after line 12, to strike out the subhead "Cavalry School, Fort Riley, Kans." and insert the subhead "Instruction in Cavalry activities."

The amendment was agreed to.

The next amendment was, under the subhead "National Guard—Arming, equipping, and training the National Guard", on page 51, line 3, after the word "vehicles", to strike out "\$10,121,937" and insert "\$12,107,297"; in line 10,

after the word "exceed", to strike out "\$100,000" and insert "\$710.360", and in line 12, after the word "camps", to insert a comma and "of which \$610,360 shall be available for such work at Fort Sill, Okla.", so as to read:

For expenses, camps of instruction and air fields, field and sup-For expenses, camps of instruction and air fields, field and supplemental training, including construction and maintenance, and the hire (at a rate not to exceed \$1 per diem), repair, maintenance, and operation of motor-propelled passenger-carrying vehicles, \$12,-107,297: Provided, That not to exceed \$25,000 of this appropriation shall be available for the settlement of claims (not exceeding \$500) for damages to or loss of private property incident to the operation of camps of instruction, either during the stay of National Guard units in such camps or while thereto or therefrom en route: Provided further, That not to exceed \$710,360 of this appropriation shall be available for construction at concurrent camps, of which \$610,360 shall be available for such work at Fort Sill, Okla.

The amendment was agreed to.

The next amendment was, under the subhead "Arms, uniforms, equipment, etc., for field service, National Guard," on page 53, line 24, after the figures "\$14,067,299", to strike out "and of the total of such amount \$500,000 shall be availably exclusively for defraying the cost of increasing the strength of the National Guard from approximately 205,000 to not exceeding an average of 210,000 officers and men", so as to read:

To procure by purchase or manufacture and issue from time to time to the National Guard, upon requisition of the Governors of the several States and Territories or the commanding general, National Guard of the District of Columbia, such military equipment and stores of all kinds and reserve supply thereof as are necessary to arm, uniform, and equip for field service the National Guard of the several States, Territories, and the District of Columbia, including animals, motortrucks, motorcycles, field ambulances, and station wagons and to repair such of the aforementioned articles of equipage and military stores as are or may become damaged when, under regulations prescribed by the Secretary of War, such repair may be determined to be an economical measure and as necessary for their proper preservation and use, \$14,067,299, and all of the sums appropriated in this act on account of the National Guard, \$1,500,000 shall be available immediately.

The amendment was agreed to.

The amendment was agreed to.

The next amendment was, under the subhead "Citizens' military training—Reserve Officers' Training Corps", on page 62, line 24, after the word "wagons", to strike out "\$4,825,842" and insert "\$5,592,411"; and on page 63, line 14, after the word "made" and the colon, to strike out "Provided further, That none of the funds appropriated in this act shall be used for the organization or maintenance of an additional number of mounted, motor-transport, or tank units in the Reserve Officers' Training Corps in excess of the number in existence on January 1, 1928: Provided further, That none of the funds appropriated in this act shall be available for any expense on account of any student in Air Corps, Dental Corps, or Veterinary units not a member of such units on May 5, 1932, but such stoppage of further enrollments shall not interfere with the maintenance of existing units", so as to read:

the maintenance of existing units", so as to read:

For the procurement, maintenance, and issue, under such regulations as may be prescribed by the Secretary of War, to institutions at which one or more units of the Reserve Officers' Training Corps are maintained, of such public animals, means of transportation, supplies, tentage, equipment, and uniforms as he may deem necessary, including cleaning and laundering of uniforms and clothing at camps; and to forage, at the expense of the United States, public animals so issued, and to pay commutation in lieu of uniforms at a rate to be fixed annually by the Secretary of War; for transporting said animals and other authorized supplies and equipment from place of issue to the several institutions and training camps and return of same to place of issue when necessary; for purchase of training manuals, including Government publications and blank forms; for the establishment and maintenance of camps for the further practical instruction of the members of the Reserve Officers' Training Corps, and for transporting members of such corps to and from such camps, and to subsist them while traveling to and from such camps and while remaining therein so far as appropriations will permit, or, in lieu of transporting them to and from such camps and subsisting them while en route, to pay them travel allowance at the rate of 5 cents per mile for the distance by the shortest usually traveled route from the places from which they are authorized to proceed to the camp and for the return travel thereto, and to pay the return travel pay in advance of the actual performance of the travel; for expenses incident to the use, including upkeep and depreciation costs, of supplies, equipment, and matériel furnished in accordance with law from stocks under the control of the War Department; for pay for students attending advanced

camps at the rate prescribed for soldiers of the seventh grade of the Regular Army; for the payment of commutation of subsistence to members of the senior division of the Reserve Officers' Training Corps, at a rate not exceeding the cost of the garrison ration prescribed for the Army, as authorized in the act approved June 3, 1916, as amended by the act approved June 4, 1920 (10 U.S. C. 387); for the medical and hospital treatment of members of the Reserve Officers' Training Corps, who suffer personal injury or contract disease in line of duty, and for other expenses in connection therewith, including pay and allowances, subsistence, transportation, and burial expenses, as authorized by the act of June 15, 1936 (49 Stat. 1507); for mileage, traveling expenses, or transportation for transincluding pay and allowances, subsistence, transportation, and burial expenses, as authorized by the act of June 15, 1936 (49 Stat. 1507); for mileage, traveling expenses, or transportation, for transportation of dependents, and for packing and transportation of baggage, as authorized by law, for officers, warrant officers, and enlisted men of the Regular Army traveling on duty pertaining to or on detail to or relief from duty with the Reserve Officers' Training Corps; for the purchase, maintenance, repair, and operation of motor vehicles, including station wagons, \$5,592,411, of which amount \$400,000 shall be available immediately: Provided, That the Secretary of War is authorized to issue, without charge, in lieu of purchase, for the use of the Reserve Officers' Training Corps, so many horses now belonging to the Regular Army as he may consider desirable: Provided, That uniforms and other equipment or material issued to the Reserve Officers' Training Corps in accordance with law shall be furnished from surplus stocks of the War Department without payment from this appropriation, except for actual expense incurred in the manufacture or issue: Provided further, That in no case shall the amount paid from this appropriation for uniforms, equipment, or material furnished to the Reserve Officers' Training Corps from stocks under the control of the War Department be in excess of the price current at the time the issue is made: Provided further, That none of the funds appropriated elsewhere in this act, except for printing and binding and pay and allowances of officers and enlisted men of the Regular Army, shall be used for expenses in connection with the Reserve Officers' Training Corps.

MIR FRAZIER. Mr. President, I should like to ask the

Mr. FRAZIER. Mr. President, I should like to ask the Senator in charge of the bill a few questions with regard to this increase of the appropriation for the Reserve Officers' Training Corps.

On page 4 of the report of the committee, in the last paragraph, there is noted an appropriation for the Reserve Officers' Training Corps. The first item is to provide for 1,435 additional advanced course students, \$138,702. Is that additional number of students in colleges which now have R. O. T. C., or in new colleges where the R. O. T. C. training is to be installed?

Mr. THOMAS of Oklahoma. The request was for a total of 18,000. This number it was necessary to add in order to make the 18,000 in the colleges which now have R. O. T. C.

Mr. FRAZIER. From whom did the request come?

Mr. THOMAS of Oklahoma. It came from the War Department.

Mr. FRAZIER. The additional 1,435 are to be in the col-

leges which now have R. O. T. C. units?

Mr. THOMAS of Oklahoma. The committee was in receipt of requests from practically every college president in the United States for this increase along with some others. Mr. FRAZIER. The next item is for the installation of

37 new senior units. What does that mean?

Mr. THOMAS of Oklahoma. I believe it was in 1938 that Congress created 54 units in the several colleges. This item is to increase that by doubling it, to create another 54 units.

Mr. FRAZIER. In the same colleges? Mr. THOMAS of Oklahoma. No; in different colleges

throughout the United States. Mr. FRAZIER. The next item is for the installation of

17 new junior units. I suppose that means in high schools? Mr. THOMAS of Oklahoma. In junior colleges, smaller

Mr. FRAZIER. There are some in high schools.

Mr. THOMAS of Oklahoma. I believe that is correct.

Mr. FRAZIER. I have noticed that a number of high schools throughout the Nation where the school boards have asked for R. O. T. C. units, they have voted on the question and voted it down.

Mr. THOMAS of Oklahoma. I think the record will show that some of the most efficient units are in the high schools throughout the country. I think the one here in Washington ranks among the most efficient among the units throughout the Nation.

Mr. FRAZIER. The junior units? Mr. THOMAS of Oklahoma. Yes. Mr. FRAZIER. That will make 54 new units in new schools? Mr. THOMAS of Oklahoma. That is correct.

Mr. FRAZIER. Mr. President, it seems to me rather strange that we should provide for drilling the students in the high schools and junior colleges, and even in the universities, in war courses. In practically all of the universities which have these courses, and in some of the high schools and junior colleges, the courses are compulsory. In practically all of the universities where there is military training it is compulsory. The students have to take the military training in order to get degrees at the universities. In fact, there are only three or four universities or land-grant colleges which do not have compulsory military training at the present time. One that does not have it is the University of Wisconsin, one is the University of Minnesota, and I think the third is one in North Dakota. The agricultural college in North Dakota is a landgrant college, but the Legislature of North Dakota forbade compulsory courses in military training. There are still units in both of the schools in North Dakota; they have such a course in Minnesota, and they have one in Wisconsin, but the courses are not compulsory there.

Several times I have offered an amendment to the military appropriation bill providing that none of the money should be used where there was a compulsory course, but I have never been able to get anywhere with the amendment, and I shall not offer it at this time, because I believe it is useless to urge the amendment. But I have not changed my mind in regard to the matter. I still think that it is against all American principles to compel the boys in the universities and high schools and junior colleges to take military training in order to entitle them to degrees. It is un-American, in my opinion, and I hope the time will come when it will be forbidden, when military training in colleges, if we have any, will be voluntary,

instead of compulsory, as it is now.

The PRESIDING OFFICER (Mr. MINTON in the chair). The question is on agreeing to the committee amendment.

The amendment was agreed to.
The PRESIDING OFFICER. That completes the committee amendments.

Mr. KING. Mr. President, I am so much opposed to the enormous appropriations we are making that I think it is time that we should try to bring about a little economy. I therefore move to recommit the pending bill, with instruc-tions to the committee to reduce the appropriations to the extent of 10 percent.

The PRESIDING OFFICER. The question is on agreeing to the motion of the Senator from Utah that the bill be recommitted.

The motion was rejected.

The PRESIDING OFFICER. The question is on the engrossment of the amendments and the third reading of the

The amendments were ordered to be engrossed and the bill to be read a third time.

The bill was read the third time and passed.

Mr. THOMAS of Oklahoma. Mr. President, I move that the Senate insist upon its amendments, ask for a conference with the House thereon, and that the Presiding Officer appoint the conferees.

The motion was agreed to; and the Chair appointed Mr. Thomas of Oklahoma, Mr. Hayden, Mr. Overton, Mr. RUSSELL, Mr. SHEPPARD, Mr. TOWNSEND, and Mr. BRIDGES conferees on the part of the Senate.

SALE OF COTTON ABROAD BELOW COST

Mr. McKELLAR obtained the floor.

Mr. REYNOLDS. Mr. President, will the Senator yield to me a moment?

Mr. McKELLAR. I yield to the Senator.

Mr. REYNOLDS. I am reminded to make the observation which I am about to make because this morning I listened to a very informative argument which grew out of certain interesting statements made by the senior Senator from Georgia [Mr. George] in reference to the resolution which he is sponsoring, which relates to the sale of cotton to parties abroad, embodying the subject of subsidies.

I might state to the Senator from Tennessee that I shall occupy the floor but a moment. Of course, the subject of cotton is of interest to all Senators from the South, because we are today experiencing greater difficulty in selling our products than ever before in the history of cotton production in the South. It occurred to me that if we would endeavor to create friendly markets over the face of the earth instead of apparently endeavoring to drive the markets away from us, particularly the people of the South would not be up against the situation they are facing today in attempting to get rid of more than 11,500,000 bales of cotton.

I have in mind a subject upon which I spoke at length some time ago, at which time the junior Senator from Indiana, who now presides, was on the floor of the Senate. It was at that time that I recommended, as a Member of this body, that our Government recognize Nationalist Spain. I say again to the Members of the Senate that I hope our Government will without further delay recognize the Franco Government of Spain, in view of the fact that it is constantly stated in the columns of the press that all the nations of the earth interested in sundry products are selling now to the duly constituted Government of Spain, and in view of the fact that we of the South have millions of bales of cotton to sell, I hope we will soon bring about recognition of that Government by our Government, and particularly considering the fact that the United States of America and the Soviet Union are the only two of the important governments in the world today which have failed and refused to recognize the Nationalist Government of Spain.

I ask that an editorial of several days ago, from the columns of the Washington Evening Star, a very able editorial, be published as a part of my remarks, and that that be followed by a clipping I made from a magazine, the name of which I do not now have, which lists the number of countries which have recognized Spain. I ask that there be printed also a clipping from the New York Times carrying an article with a Baltimore, Md., date line of March 21.

There being no objection, the matters were ordered to be printed in the RECORD, as follows:

[From the Washington Evening Star] COMMUNIST TREASON

The death throes of the Spanish Republic have been trans-

The death throes of the Spanish Republic have been transformed into a prolonged, violent convulsion by the Communist rebellion in Madrid, now reported suppressed in Madrid by Gen. Jose Miaja and his National Defense Council.

For more than a week final peace in Spain was thwarted by a fractious minority interested not in the welfare of the Spanish people, but only in leaving to Nationalist General Franco a Spain more broken, more bloody, more embittered than it has become in 32 months of civil war.

This Communist revolt against surrender in the face of overwhelming odds would be of little significance if it were not the last chapter of a story of intrigue, domination, and intimidation by terror which the disciples of Stalin have written throughout the later phases of the war. the later phases of the war.

The Popular Front originally united Republicans, Socialists, and Communists behind the one ideal of preserving for Spain a democratic form of government, but the exigencies of war put it at the mercy of Moscow. The price of the badly needed assistance was Communist primacy, and under Premier Juan Negrin the Communist grip upon the Republican government tightened in a virtual reign of terror which destroyed the semblance of a demo-

The true story of Communist machinations behind the retreating Republican front is now being told by Americans returning from Spain. It is a tale of plots, private prisons, dread Cheka police, unjustifiable executions, ruthless suppression of opposition and despotic domination of the army.

All this fostered internal dissension and so weakened the Republican forces that whatever unity and morale they might have possessed to resist General Franco and his foreign legions crumbled.

INTERNATIONAL EVENTS IN BRIEF—THE INTERNATIONAL IMPORTANCE OF THE QUESTION OF REPATRIATION OF THE RED SOLDIERS—RECOGNITION OF THE NATIONALIST GOVERNMENT

OF THE NATIONALIST GOVERNMENT

The majority of the militiamen who formed the ranks of the Red Army have been undeceived as regards Marxist propaganda. Refugees in a foreign country, the former Marxists combatants found themselves suddenly face to face with a somber perspective of hunger and misery. They ask themselves, "What will the attitude of the Spain of Franco be toward those who yesterday were enemies and today knock at her door asking protection and aid?" The answer may be found in what has transpired to date. The Nationalist Government has not given the lie to the promises of

its leader. The frontier is open at Irun for all those who want to enter Nationalist Spain which bears no malice toward those who once were hostile to her. Spain has generously opened her arms to receive and pardon the men whom international Marxism exploited as mere instruments in its service.

The repatriation of 80,000 fugitives from Catalonia is of such transcendental importance that not even the enemies of Nationalist

transcendental importance that not even the enemies of Nationalist Spain have failed to recognize it. The voluntary decision to return to Nationalist Spain unanimously adopted by thousands of men who had fled from the "red" zone is a manifestation of the real sentiments of the Spanish people. Thus this may be considered as a plebiscite. In effect, the "red" soldiers keep up their useless final resistance only because of the terror maintained by the Marxist leaders. These men have nothing in common with the cause of the committee presided over by Negrin, as they have had ample opportunity to view the failures of the social revolution preached by their leaders. In the territory still under the yoke of Marxism commerce and industry are at a standstill. The agricultural produce is insufficient to still the hunger of the civil population, although Valencia is one of the richest regions in Spain and yields two crops a year. In the "red" zone the fountains of Spanish economy have been cut off during the 30 months of civil strife. Not a single improvement has been legislated for of civil strife. Not a single improvement has been legislated for the Marxist worker by his "protectors." And besides this total collapse of the economic system in the Marxist zone, the "reds' daily sacrifice thousands of lives as the price of their stubborn and suicidal resistance. At this very moment it is only the oppo-

and suicidal resistance. At this very moment it is only the opposition of Communist troops which prevents peace.

In the face of these facts, it is absurd to think that Negrin ever had the backing of the people. The people lost, along with their liberty and free will, the most essential attributes of human beings. It is easy to enslave a people, but fraud and tyranny can never be interpreted as the legitimate functioning of government. In the case of the population, both civil and combatant, of the "red" zone, it is terror alone that holds them subject to Marxist tyrants who will kill anyone rather than yield their power. The men who yesterday faced the soldiers of Nationalist Spain in battle today express their desire and are now repatriated to Spain.

Recently the Minister of the Interior Serior Serrano Suñer de-

their desire and are now repatriated to Spain.

Recently the Minister of the Interior, Señor Serrano Suñer, declared that the number of refugees entering Spain at Irun was very great and every day thousands more come. But solving the problem of their care is one of the greatest satisfactions of Nationalist Spain, because their repatriation is more than anything a symbol of the defeat of the "red" lie of "resistance to the bitter end" which the "red" committees attributed to the "people."

The following countries have accorded de jure recognition to the Nationalist Government: Argentina, Albania, Australia, Bolivia, Brazil, Bulgaria, Czechoslovakia, Denmark, Egypt, El Salvador, Estonia, Finland, France, Germany, Great Britain, Greece, Guatemala, Vatican City, Hungary, Ireland, Italy, Japan, Lithuania, Manchukuo, Netherlands, Nicaragua, Norway, Peru, Poland, Portugal, Rumania, Switzerland, Sweden, Turkey, Uruguay, Venezuela, and Yugoslavia.

The only two world powers that have failed to recognize the Nationalist Government are the Union of Soviet Socialist Republics and the United States of America.

[From the New York Times] CHALLENGES ROOSEVELT

CHALLENGES ROOSEVELT

Baltimore, Md., March 21.—Speaking today before the Maryland Chapter of the International Federation of Catholic Alumnae, Dr. Joseph F. Thorning, professor of sociology and social history at Mount St. Mary's College, Emmitsburg, Md., declared that "the time had come for every convinced believer in God to bring to the notice of the Honorable Franklin D. Roosevelt, President of the United States, and the Honorable Cordell Hull, United States Secretary of State, that patriotism, international law, and love of religious liberty all suggest early recognition of the defeat of the Soviet Union in Spain."

Dr. Thorning made public the text of a talegree by the contraction of the second states.

Dr. Thorning made public the text of a telegram he sent to President Roosevelt Sunday, in which he inquired "which faction in Leftist Spain Dr. Fernando de los Rios, accredited Spanish envoy in Washington, represents.

"Does he speak for the Negrin group, with which he was most closely allied politically, and which has now been revealed as dominated by Communist elements still engaged in active rebellion, or does he claim contact with military officers who suggested exile for both [former President Manuel] Azaña and [former Premier Juan] Negrin? Juan] Negrin?

Juan Negrin?

"I also address most respectful inquiry as to whether our Government, in delaying recognition of the only peaceful, orderly, liberty-loving government of Spain, is willing to condone the brutal suppression of all public worship in Leftist Spain," the telegram continued. Appended to the signature was also the name of Dr. Joseph B. Code, professor of history of the Catholic University of America.

Mr. REYNOLDS. I thank the Senator from Tennessee [Mr. McKellar] very much for his indulgence.

EXECUTIVE MESSAGES REFERRED

The PRESIDING OFFICER (Mr. MINTON in the chair), as in executive session, laid before the Senate messages from the President of the United States submitting sundry nominations (and withdrawing a nomination), which were referred to the appropriate committees.

(For nominations this day received and nominations withdrawn, see the end of Senate proceedings.)

DEATH OF REPRESENTATIVE TURNER, OF TENNESSEE

The PRESIDING OFFICER. The Chair lays before the Senate resolutions from the House of Representatives, which will be read:

The legislative clerk read the resolutions (H. Res. 141), as follows:

IN THE HOUSE OF REPRESENTATIVES, UNITED STATES, March 24, 1939.

Resolved, That the House has heard with profound sorrow of the death of Hon. CLARENCE W. TURNER, a Representative from the State of Tennessee.

Resolved, That a committee of four Members of the House, with such Members of the Senate as may be joined, be appointed to attend the funeral.

Resolved. That the Sergeant at Arms of the House be authorized and directed to take such steps as may be necessary for carrying out the provision of these resolutions and that the necessary expenses in connection therewith be paid out of the contingent fund of the House.

Resolved, That the Clerk communicate these resolutions to the Senate and transmit a copy thereof to the family of the deceased. Resolved, That as a further mark of respect the House do now adjourn.

Mr. McKELLAR. Mr. President, I send to the desk a resolution, which I ask to have read and immediately considered.

The resolution (S. Res. 112) was read, considered by unanimous consent, and unanimously agreed to, as follows:

Senate Resolution 112

Resolved, That the Senate has heard with profound sorrow the announcement of the death of Hon. CLARENCE W. TURNER, late a

Representative from the State of Tennessee.

Resolved, That a committee of two Senators be appointed by the Presiding Officer to join the committee appointed on the part of the House of Representatives to attend the funeral of the deceased Representative.

Resolved, That the Secretary communicate these resolutions to the House of Representatives and transmit a copy thereof to the family of the deceased.

The PRESIDING OFFICER. In pursuance of the direction in the resolution, the Chair appoints the senior Senator from Tennessee [Mr. McKellar] and the junior Senator from Tennessee [Mr. Stewart] as the committee on the part of the Senate to attend the funeral of the deceased Representative.

Mr. McKELLAR. As a further mark of respect to the memory of my late colleague the deceased Representative, I move that the Senate do now adjourn.

The motion was unanimously agreed to; and (at 4 o'clock and 33 minutes p. m.) the Senate adjourned until tomorrow, Tuesday, March 28, 1939, at 12 o'clock meridian.

NOMINATIONS

Executive nominations received in the Senate March 27, 1939
COLLECTOR OF CUSTOMS

Abe D. Waldauer, of Memphis, Tenn., to be collector of customs for customs collection district No. 43, with head-quarters at Memphis, Tenn., to fill an existing vacancy.

United States Public Health Service

Dr. Filip C. Forsbeck to be surgeon in the United States Public Health Service, to take effect from date of oath.

APPOINTMENT IN THE REGULAR ARMY

VETERINARY CORPS

First Lt. Don Lee Mace, Veterinary Corps Reserve, to be first lieutenant, with rank from date of appointment.

APPOINTMENTS, BY TRANSFER, IN THE REGULAR ARMY

TO FIELD ARTILLERY

First Lt. Melville Brown Coburn, Infantry, with rank June 12, 1938.

TO CAVALRY

First Lt. Shelby Francis Williams, Infantry, with rank June 13, 1936.

Second Lt. Frederick Harold Gaston, Jr., Infantry, with rank from June 12, 1936.

PROMOTIONS IN THE REGULAR ARMY

TO BE COLONEL

Lt. Col. Burton Oliver Lewis, Ordnance Department, from March 18, 1939.

TO BE LIEUTENANT COLONEL

Maj. Withers Alexander Burress, Infantry, from March 18, 1939.

TO BE MAJOR

Capt. Paul Thomas Hogge, Infantry, from March 18, 1939.

Appointment to Temporary Rank in the Air Corps in the Regular Army

Capt. Cornelius Emmett O'Connor, Air Corps, to be major from March 20, 1939.

APPOINTMENT IN THE NATIONAL GUARD OF THE UNITED STATES
GENERAL OFFICER

Brig. Gen. Francis Vincent Logan, Massachusetts National-Guard, to be brigadier general, National Guard of the United States.

APPOINTMENTS AND PROMOTIONS IN THE NAVY

The following-named commanders to be captains in the Navy, to rank from the 13th day of February 1939:

Howard K. Lewis
Francis P. Traynor
Howard B. Berry
Webb Trammell

Howard B. McClung

Howard B. McClung

The following-named lieutenant commanders to be commanders in the Navy, to rank from the 1st day of July 1938:

Wilbur V. Shown
Leonard Doughty, Jr.
Vernon F. Grant
Carl L. Hansen

Volney O. Clark
James L. Fisher
Martin R. Derx

The following-named lieutenant commanders to be commanders in the Navy, to rank from the 1st day of August, 1938:

Smith D. A. Cobb
John W. Rogers
Allan P. Flagg
Vaughn Bailey

Newcomb L. Damon
Harold F. Fultz
Benjamin W. Cloud
Learned L. Dean

The following-named lieutenant commanders to be commanders in the Navy, to rank from the 1st day of September 1938:

Ralph S. Barnaby (an additional number in grade)
Andrew Crinkley

Alfred J. Byrholdt
Charles A. Goebel
James D. Barner

Arthur L. Karns Lucien M. Grant (an addi-Ratcliffe C. Welles tional number in grade)

The following-named lieutenant commanders to be commanders in the Navy, to rank from the date stated opposite their names:

John W. Roper, October 1, 1938. Harry B. Slocum, October 1, 1938. Charles E. Coney, February 13, 1939.

The following-named lieutenants to be lieutenant commanders in the Navy, to rank from the 1st day of February 1939:

Beverley R. Harrison, Jr. Merle A. Sawyer Kenneth P. Hartman Leo A. Bachman Orville F. Gregor William M. Cole Lee R. Herring James W. Smith Elmer E. Yeomans Eugene C. Rock Robert L. Campbell, Jr. George C. Towner William G. Michelet Wallace M. Beakley William A. Hickey Hallsted L. Hopping Thomas U. Sisson Maurice M. Bradley Ralph E. Wilson Lester K. Rice

The following-named lieutenants to be lieutenant commanders in the Navy, to rank from the 13th day of February 1939:

Stephen G. Barchet Ephraim R. McLean, Jr. Shirley Y. Cutler Walter V. R. Vieweg Rae E. Arison Richard F. Stout Willford M. Hyman

The following-named lieutenants (junior grade) to be lieutenants in the Navy, to rank from the 1st day of February 1939:

Louis F. Volk John O. Miner

Bafford E. Lewellen

Ensign Rodney J. Badger to be a lieutenant (junior grade) in the Navy, to rank from the 6th day of June 1938.

The following-named lieutenant commanders to be lieutenant commanders in the Navy, to rank from the 1st day of July 1938, to correct the date of rank as previously nominated and confirmed:

Homer B. Hudson Horace C. Robison John B. Moss Valentine L. Pottle William G. Pogue Philip D. Lohmann

Thomas H. Hederman

Surg. John B. O'Neill to be a medical inspector in the Navy, with the rank of commander, to rank from the 23d day of June 1938.

Charles H. Neel, a citizen of Colorado, to be an assistant civil engineer in the Navy, with the rank of lieutenant (junior grade), to rank from the 20th day of March 1939.

Boatswain William R. J. Hayes to be a chief boatswain in the Navy, to rank with but after ensign, from the 2d day of February 1939.

Machinist John W. Perdue to be a chief machinist in the Navy, to rank with but after ensign, from the 17th day of February 1939.

Pharmacist Vernon T. Palmer to be a chief pharmacist in the Navy, to rank with but after ensign, from the 22d day of October 1938.

Pay Clerk Charles A. Batchelder to be a chief pay clerk in the Navy, to rank with but after ensign, from the 2d day of February 1939.

WITHDRAWAL

Executive nomination withdrawn from the Senate March 27, 1939

POSTMASTER

PENNSYLVANIA

Stanley J. Van Vliet to be postmaster at Buck Hill Falls, in the State of Pennsylvania.

HOUSE OF REPRESENTATIVES

MONDAY, MARCH 27, 1939

The House met at 12 o'clock noon.

The Chaplain, Rev. James Shera Montgomery, D. D., offered the following prayer:

Our Heavenly Father, before Thine infinite throne we pause and pray in the name of the Prophet of human brotherhood; help us to hate the things that make Thee mourn. Forgive us and let us know that behind every judgment beats the heart of divine tenderness. We bless Him who for the joy that was set before Him endured the cross. Alone He dares, defies, and forsakes all, and takes His place in the final scene of earth's greatest tragedy. May we endure it with Him in every moral movement, in every appeal that comes from the bed of pain, and in every cry that bursts from a breaking heart. Dear Lord God, persuade us that when love becomes frozen in the cold embrace of selfishness we die as we have lived, alone. It is love that gilds life and gives it worth. We pray that His bright and morning star may shine in the firmament of our souls. This day may we work diligently, be altogether considerate in word and deed, and the seal of Thine approval shall be upon our lips. In the name of our Lord and Saviour. Amen.

The Journal of the proceedings of Saturday was read and approved.

MESSAGE FROM THE SENATE

A message from the Senate, by Mr. St. Claire, one of its clerks, announced that the Senate had ordered that Mr.

Townsend and Mr. La Follette be appointed as additional members on the part of the Senate of the committee of conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H. R. 4425) entitled "An act to provide for reorganizing agencies of the Government, and for other purposes."

COMMITTEE ON PATENTS

Mr. LANHAM. Mr. Speaker, I ask unanimous consent that on Wednesday and Thursday of this week the subcommittee of the Committee on Patents conducting hearings on the trade-mark bill may sit during the sessions of the House.

The SPEAKER. Is there objection to the request of the gentleman from Texas?

There was no objection.

SPECIAL JOINT COMMITTEE ON FORESTRY

Mr. SABATH, from the Committee on Rules, reported the following privileged resolution (Report No. 317), which was read, referred to the Committee of the Whole House on the state of the Union, and ordered to be printed.

House Resolution 143

Resolved, That immediately upon the adoption of this resolution it shall be in order to move that the House resolve itself into the Committee of the Whole House on the state of the Union for consideration of House Concurrent Resolution 11, concurrent resolution continuing the Special Joint Committee on Forestry. That after general debate, which shall be confined to the concurrent resolution and shall continue not to exceed 1 hour, to be equally divided and controlled by the chairman and ranking minority member of the Committee on Eules, the concurrent resolution shall be read for amendment under the 5-minute rule. At the conclusion of the reading of the concurrent resolution for amendment the Committee shall rise and report the same to the House with such amendments as may have been adopted, and the previous question shall be considered as ordered on the concurrent resolution and amendments thereto to final passage without intervening motion except one motion to recommit, with or without instructions.

COMMITTEE ON BANKING AND CURRENCY

Mr. SPENCE. Mr. Speaker, on last Friday by direction of the Committee on Banking and Currency I requested that the committee have until midnight Saturday night to report on the bill (H. R. 3232) to amend the National Housing Act and for other purposes, and that the minority be given until midnight tonight to file minority views. I find that the committee has reported the bill (H. R. 5324) to amend the National Housing Act, and for other purposes, as a substitute for the bill H. R. 3232, and I ask unanimous consent that my request be granted as to H. R. 5324.

Mr. MARTIN of Massachusetts. Reserving the right to object, Mr. Speaker, I presume the gentleman is taking care of the minority in his request?

Mr. SPENCE. That is the very purpose of the request. I am asking that the minority have until midnight tonight to file minority views.

The SPEAKER. Is there objection to the request of the gentleman from Kentucky?

There was no objection.

PERMISSION TO ADDRESS THE HOUSE

Mr. ROBERTSON. Mr. Speaker, I ask unanimous consent to address the House for 1 minute to make two announcements.

The SPEAKER. Is there objection to the request of the gentleman from Virginia?

There was no objection.

Mr. ROBERTSON. Mr. Speaker, on Saturday I promised the gentleman from Massachusetts [Mr. Gifford] that he would be given an opportunity to be heard on the migratory bird refuge program of the Biological Survey. The House Committee on Wildlife Conservation will commence hearings next Friday morning at 10 o'clock, at which time we will hear those who wish to be heard, and continue the hearings until all who have indicated a desire to be heard can be heard.

Mr. Speaker, in the Washington Post I have noted a reference to the fact that the Virginia trout season opens on April 20, and in the article several good trout streams are mentioned. They will be heavily fished streams. What we need most, Mr. Speaker, is an opportunity for solitude in our

fishing, to get away from the stress and strain here. I know some good trout streams in Virginia where we can find quiet and an opportunity to commune with Nature and through Nature with Nature's God. I shall welcome the privilege of arranging fishing trips after April 20 for any Member of the House who wishes to go trout fishing. [Applause.]

EXTENSION OF REMARKS

Mr. BUCKLER of Minnesota. Mr. Speaker, I ask unanimous consent to extend my own remarks in the Record, and include therein a short letter from one of my constituents concerning the Townsend plan.

The SPEAKER. Is there objection to the request of the gentleman from Minnesota?

There was no objection.

Mr. SMITH of Washington. Mr. Speaker, I ask unanimous consent to extend my own remarks in the Record, and include therein a resolution adopted by the Committee on Pensions.

The SPEAKER. Is there objection to the request of the gentleman from Washington?

There was no objection.

Mr. Harrington and Mr. Romjue asked and were given permission to extend their own remarks in the Record.

Mr. GEYER of California. Mr. Speaker, I ask unanimous consent to extend my own remarks in the Record, and include therein letters from my constituents concerning the case of Dr. Nylander, of the National Labor Relations Board.

The SPEAKER. Is there objection to the request of the gentleman from California?

There was no objection.

Mr. THOMAS of New Jersey. Mr. Speaker, I ask unanimous consent to extend my own remarks in the Record, and include therein a radio address made by me last week in New York City.

The SPEAKER. Is there objection to the request of the gentleman from New Jersey?

There was no objection.

PERMISSION TO ADDRESS THE HOUSE

Mr. KEAN. Mr. Speaker, I ask unanimous consent to address the House for 1 minute.

The SPEAKER. Is there objection to the request of the gentleman from New Jersey?

There was no objection.

Mr. KEAN. Mr. Speaker, on Monday, March 20, the House received a message from the President of the United States, in which he stated that he would not ask for the increase in the total authorized public debt of the United States from \$45,000,000,000 to \$50,000,000,000, which he had indicated that he would request. Certain business interests might, perhaps, take heart from this and consider that there was going to be some halt to the extravagances of the Government. However, the administration has shown no signs of ceasing its spending policies and there is nothing in the present law which will cause it the least inconvenience in continuing these policies.

The statement that the national debt today is only \$39,-950,000,000 is entirely false. The gross national debt today is over \$45,000,000,000. For besides the direct debt there is outstanding in the hands of the public \$5,416,700,000 of obligations fully guaranteed by the United States Government, as follows:

Federal Farm Mortgage Corporation	
Home Owners' Loan Corporation	
Commodity Credit CorporationFederal Housing Administration (guaranteed de-	206, 000, 000
bentures)	1, 700, 000
Reconstruction Finance Corporation	819, 000, 000
U. S. Housing Administration	114, 000, 000
	The second second second

Total 5, 416, 700, 000

In addition to which there are authorized, but unissued, guaranteed obligations to the sum of an additional \$9,485,-000,000. Thus, without any change in the present law, which authorizes an increase in the regular debt to \$45,000,000,000, the gross debt might be increased to the fantastic sum of

\$60,000,000,000 by issuing the authorized guaranteed obligations.

The following list shows the securities guaranteed by the Government which have been authorized but so far are unissued:

Commodity Credit Corporation	\$294,000,000
Home Owners' Loan Corporation	1, 862, 000, 000
Federal Farm Mortgage Corporation	612, 000, 000
Tennessee Valley Authority	100, 000, 000
Reconstruction Finance Corporation (approximate)	2, 931, 000, 000
U. S. Housing Authority	686, 000, 000

Also, but in a little different category, there is approximately a \$3,000,000,000 contingent potential liability under the Federal Housing Administration. These bonds can only be issued if there is a default of F. H. A. mortgages, and, if issued, they would be secured by home mortgages which under present business conditions might not result in a very large loss to the Government.

With the thought in mind that if we are ever to pay our debts we must put a stop to this almost unlimited number of securities issued by or under the guaranty of the Treasury, I have introduced a bill to forbid the further issuance of Federal securities guaranteed by the United States in all cases except that of the Federal Housing Administration. The bill reads as follows:

Be it enacted, etc., That after the date of enactment of this act no obligation shall be issued by any of the following agencies which contains a guaranty of payment of either the principal or interest on such obligation by the United States: The Commodity Credit Corporation, the Federal Farm Mortgage Corporation, the Home Owners' Loan Corporation, the Reconstruction Finance Corporation, the Tennessee Valley Authority, or the United States Housing Authority. The power of the Secretary of the Treasury to acquire obligations issued by any such agency shall be construed to include the power to acquire such obligations, notwithstanding the absence of any such guaranty by the United States.

How does the administration get the money at present? Well, for example, the Reconstruction Finance Corporation today owes the Treasury \$381,582,000. The Treasury needs money. What will it do? It will sell, say, \$382,000,000 Reconstruction Finance Corporation bonds to the public with the guaranty of the United States. It then repays the Treasury for the money which has been spent and which has already been received from the public by issuing previous Treasury bonds. Thus, presto, the Treasury has the money; the direct Government debt is not increased; the public is fooled; everyone is happy, except the taxpayer when he finds out what has been going on.

I have before me the daily statement of the United States Treasury. On page 2 there is a summary of the condition of the Treasury, in which it states: "Gross public debt this date"—and the figure given is \$39.950.000.000.

There is no mention of the additional \$5,416,700,000 of guaranteed securities. If an officer of any corporation in the United States were to put out a statement so misleading, under the Truth in Securities Act he would very shortly land in jail. What is the advantage of handling the matter this way? The only possible reason that I can see is to fool the public into thinking that the debt is much smaller than it is,

for it achieves no other purpose.

The normal way to handle this financing would be for the fully owned agencies of the Government to borrow any money which they need from the Treasury and to have the Treasury issue its own securities to the public. Not only would this be the honest way to do it, but it would be financially advantageous to the Government, for the direct Treasury obligations sell at a slightly higher figure than do the guaranteed obligations.

People have long memories and have not forgotten the repudiation by the United States of its own word with reference to gold bonds. They therefore consider a guaranteed obligation not quite so sure of payment as a direct Government obligation. A rough estimate of the additional interest cost at which these guaranteed obligations have been sold, as compared with Treasury securities of like maturity, would seem to show that the additional cost to the Government has been somewhere in the neighborhood of one-fourth of 1 percent.

With \$5,000,000,000 of these obligations now outstanding a rough figuring will show that the United States has had to pay additional interest charges on the guaranteed debt which the Government has issued so far of over \$12,000,000 a year, merely in order to keep the taxpayers from realizing what the debt really is. But what is a little thing like \$12,000,000 yearly to this administration?

There are two excuses that the new dealers give for this method of selling securities. The first is that many institutions may feel they already hold too many Government securities and that under another name, such as R. F. C. or Federal Farm Mortgage, they might be willing to add these bonds to their portfolio. This argument, of course, is pure unadulterated bunk, as no one buys these securities for any reason except that they are fully guaranteed-principal and interest-by the United States.

The second reason is that they say these securities of Government agencies have behind them the assets of such agencies and, therefore, the Government may not have to fulfill its guaranty. This is partially true. But the argument falls by its own weight; for if there are ample assets to secure these bonds, why is it necessary for the Government to guarantee them before investors will buy? If we are to start figuring what assets are behind bonds sold by the Government, the next thing we would do would be to undertake an entirely new concept of Government financing and mortgage the various Government assets behind each bond issue. I am sure that an issue secured by a first mortgage on the Capitol would sell like hotcakes.

The truth is that the one and only reason for this method of Government financing is to fool the people. Let us be honest with ourselves and put a stop to it. [Applause.]

This can be accomplished by the adoption of the bill which I have today introduced.

EXTENSION OF REMARKS

Mr. KEAN. Mr. Speaker, I ask unanimous consent to extend my remarks in the RECORD, and include therein a copy of the bill I have today introduced.

The SPEAKER. Is there objection to the request of the gentleman from New Jersey?

There was no objection.

Mr. ALEXANDER. Mr. Speaker, I ask unanimous consent to extend my own remarks in the RECORD by inserting therein a speech I delivered before the National Rivers and Harbors Congress last Thursday.

The SPEAKER. Is there objection to the request of the gentleman from Minnesota?

There was no objection.

PERMISSION TO ADDRESS THE HOUSE

Mr. TARVER. Mr. Speaker, I ask unanimous consent to address the House for 1 minute.

The SPEAKER. Is there objection to the request of the gentleman from Georgia?

There was no objection.

Mr. TARVER. Mr. Speaker, before the Committee of the Whole rose on Saturday an amendment was offered by the gentleman from Oklahoma [Mr. Johnson] affecting seriously the Soil Conservation Service. The Soil Conservation Service has furnished to the subcommittee in charge of the bill a statement of the facts relative to this proposed amendment. I ask unanimous consent that this statement may be incorporated in the RECORD at this point for the information of the House.

The SPEAKER. Is there objection to the request of the gentleman from Georgia?

There was no objection.

Mr. TARVER. Mr. Speaker, the statement to which I refer is as follows:

1. Mr. Johnson stated that the proposed amendment "would cut \$52,000 from the personal service item in the District of Columbia and would reduce the general expenses under the research item from \$1,631,000 to \$1,300,000." This is not correct.

(a) The proposed amendment would reduce the general administrative expenses in Washington from \$552,050 to \$500,000. The proposed reduction of \$52,050 on administrative funds would seriously curtail necessary work in an important phase of our work

which is already operating under limited funds. Examination of Budget figures during the past 3 fiscal years will show that there has been no increase in funds for this item. On the other hand, there has been a material increase in our administrative work. The present appropriation is barely sufficient to carry the minimum administrative load necessary to insure proper administration of personnel, property, accounting, and auditing functions. Any reduction in the item would have the effect of reducing controls reduction in the term would have the effect of reducing controls necessary for compliance with procedures and practices required by law and regulations. In a service as large as the Soil Conservation Service, over-all administrative control of personnel, property, and finances is essential. It can best be accomplished in Washington, but it must be accomplished some place. The proposed reduction will have the effect of decentralizing this work to the field and of lessening the amount of effective coordination.

to the field and of lessening the amount of effective coordination which can be done in Washingtoon, D. C.

(b) With reference to other changes it amounts to a reduction of personal service item from \$1,734,636 to \$1,300,000. This affects of the coordinate of the not only the research item, but also covers all personal services in Washington, including map reproduction, technical supervisory and inspection activities, cooperative relations and planning, and in fact, all responsibilities of the Service.

2. A large portion of the expenditures in Washington goes toward helping serve farmers in districts such as the services rendered in the cartographic unit where all mapping work is consummated. Much of this work is of direct service to districts and can be done much more effectively at one single point than it can in numerous field offices. Consequently, it is not true that every dollar that the Congressman proposes to save in "overhead" in Washington could be used in supplying additional direct funds for districts relating to assistance in technical and engineering

3. Any reduction in either the research or general administrative expense item could not be made available for cooperation with districts inasmuch as this cooperative work with districts is specifically provided for in the operations appropriation.

4. There is the implication that there is no direct service to districts from area offices and other field offices. This implication is erroneous in that much of the service rendered to districts can be carried on more effectively in Washington, the regional office, or in the area office, than it could be by rendering all types of services as a large number of local offices in each district. Such services as a large number of local offices in each district. Such services as surveys, drafting, preparing base maps for the development of farm plans, the supplying of planting stock, and many other similar services are types of services that can be more effectively rendered in the area, regional, or Washington offices than they can in a local office because of the variation in the needs of the districts, and because of the possibility of maintaining well trained people and satisfactory equipment which can be utilized more effectively in this manner.

5. Congressman Johnson refers to the policy of the Soil Con-servation Service relating to contacts with Members of Congress. The rule that Congressman Johnson refers to is not a rule relating

servation Service relating to contacts with Members of Congress. The rule that Congressman Johnson refers to is not a rule relating to Washington but is a general statement of policy which was supplied to him some time ago, which is stated below:

"The policy which we have tried to maintain, and which is in effect today, may be stated as follows: Everyone throughout the Service is at liberty to maintain friendly and constructive contacts with Congressmen. We feel that because of the demands on the time of an official as high ranking as a Member of Congress and because of the multitude of problems with which they are called upon to deal, and to avoid misunderstanding, contacts with them should be made by officials who thoroughly understand the policies of the Department and of the Service and who are in a position to give a full and complete interpretation of these policies. While we have never prevented anyone from having friendly relations with Members of Congress, we do require that when official matters are discussed employees have full knowledge of the policies discussed and that the proper interpretations are given; further, that where the person making contacts does not have full knowledge, the matter be referred to the proper officials for interpretation. We believe that official contacts should be made with the knowledge of the administrative officer in charge and that at least an informal report be submitted subsequently so that we may have the full benefit of any constructive suggestions that were received. I do not see how we could otherwise carry on our work in an orderly way and of any constructive suggestions that were received. I do not see how we could otherwise carry on our work in an orderly way and also maintain here in Washington friendly and intelligent relation-ships with Congressmen. We have had the experience on several occasions where well-intentioned individuals have given to Congressmen information and erroneous interpretations as to certain actions were taken, mainly because they were not fully informed. As a consequence, such procedure has led to misunder-standings and differences of opinion which could have been avoided had the information been fully complete and accurate. We have taken steps from time to time to avoid repetition of such instances. We believe this to be sound."

It is not required, but indicated as desirable, that they contact the Chief of the Service or their immediate administrative officer before contacting Members of Congress. I believe that if this policy is read carefully you will find that it states very definitely that no one in the Service is required to refrain from contacting that no one in the Service is required to retrain from contacting Congressmen and maintaining friendly relations. Furthermore, this is a general policy of the Department, which the Service is trying to carry out, we believe for good reason, so that Members of Congress may be better served and will not be confused by receiving inadequate information and misinformation based upon somebody's interpretation who is not in a position to have the whole facts. Insofar as is known, the Service has always supplied the information which is requested whenever possible under the general regulations of the Department and of the Government, and will continue to do so. will continue to do so.

eral regulations of the Department and of the Government, and will continue to do so.

6. Congressman Johnson's statement implies that the figure of \$21,483,444, which is the amount estimated will be spent in field operations this year includes at least 123 employees who are permanently stationed in Washington, but paid out of this particular fund. This item does not include the 123 employees who are permanently stationed in Washington, but consists only of actual field activities of the program for the year 1939, such as field research, operations, and all other phases of the field work. These 123 positions are included as a part of the item that has been allowed for personal services in Washington, namely, \$1,734,636.

The Congressman further states that he has evidence that other letters have gone out of Washington calling on the boys in the field, on the pay roll, of course, to have their friends write Members of Congress, especially members of the Appropriations Committee, suggesting that this appropriation be increased \$4,000,000. There has never to our knowledge been any instructions sent from Washington by letter or otherwise asking that field employees put pressure on Members of Congress, or suggesting that they ask other people to do so. If this has been done, it has been done without authorization or without suggestion. If there is such evidence we would be glad to have it, since it is against the avowed policy of the service. of the service.

of the service.

If this limitation were imposed, it is our belief that it would be necessary to decentralize certain technical services that are now carried on in Washington to field offices, such as the cartographic work, and similar types of service. This would not only involve the expenditure of the same amount of funds but would entail larger expenses which undoubtedly would detract from rather than advance the objective of the Congressman in getting more direct funds into districts. We are sincerely interested in making all the services and funds available to districts that it is possible, but would like to point out again that some of these services can be supplied more readily and effectively by the Washington, regional, or area offices than they can by establishing complete services of all types in every district at a greater total cost.

SPECIAL JOINT COMMITTEE ON FORESTRY

Mr. FULMER. Mr. Speaker, I ask unanimous consent for the present consideration of House Concurrent Resolution 11. The Clerk read the resolution, as follows:

House Concurrent Resolution 11

House Concurrent Resolution 11

Resolved, etc., That the special joint committee, which was authorized and directed to study and make investigation of the present and prospective situation with respect to the forest land of the United States, its condition, ownership, and management, as it affects a balanced timber budget, watershed protection, flood control, and the other commodities and social economic benefits which may be derived from such land, be authorized to continue the investigation begun under Senate Concurrent Resolution 31 of the Seventy-fifth Congress and for such purposes said committee shall have the same power and authority as were conferred upon it by Senate Concurrent Resolution 31 of the Seventy-fifth Congress, and shall report to the House as soon as practicable, and Congress, and shall report to the House as soon as practicable, and not later than April 1, 1940, the results of its investigation together with its recommendation for necessary legislation.

The SPEAKER. Is there objection to the present consideration of the resolution?

Mr. WARREN. Reserving the right to object, Mr. Speaker, this joint investigation was authorized at the last session and \$10,000 was provided, \$5,000 from the contingent fund of the House and \$5,000 from the contingent fund of the Senate. This authority heretofore given you expired on January 3. I understand you did not have much opportunity to carry on these investigations and you spent only \$613.34 out of the \$10,000.

Mr. FULMER. Six hundred and thirteen dollars and thirty-four cents from each House.

Mr. WARREN. A total of \$1,226.68 out of the \$10,000. I believe it is only fair to the House if we let this resolution go through by unanimous consent that the gentleman state to the House that the committee will not ask for over \$10,-000 in all if the inquiry is continued, especially as you are going to end it next year.

Mr. FULMER. Will the gentlemen reserve his objection and let me make a short statement?

Mr. WARREN. Yes. Mr. FULMER. Mr. Speaker-

Mr. MAPES. Mr. Speaker, will the gentleman yield?

Mr. FULMER. Yes.

Mr. MAPES. May I ask whether the gentleman has asked unanimous consent to bring up this concurrent resolution? Mr. FULMER. Yes; I have.

The SPEAKER. The matter now pending before the House is the request of the gentleman from South Carolina for the present consideration of a concurrent resolution by unanimous consent and the gentleman from North Carolina [Mr. Warren] has reserved the right to object and has yielded to the gentleman from South Carolina for a brief statement and the gentleman from South Carolina now has the floor.

Mr. RICH. Mr. Speaker, will the gentleman yield?

Mr. FULMER. I would like to make a brief statement.

Mr. RICH. If I may ask the gentleman a question, he can probably explain it in his statement.

Mr. FULMER. Yes.

Mr. RICH. I would like to ask the gentleman from South Carolina this question. If you are investigating the floodcontrol situation in this country, I may say we have made appropriations in the Army appropriation bill for that investigation. The Department of Agriculture has asked money for the same purpose, and we have also appropriated money in the Interior Department bill for the same purpose; and now you are coming in and asking for a continuation of the work of this special committee. In other words, we have four separate and distinct investigations going on of the same problem.

Mr. FULMER. Mr. Speaker, may I state to the gentleman from Pennsylvania that that is not the purpose of this joint committee at all. At the last session of Congress a joint committee was appointed to investigate the forestry problems of the country, of which we have many, and, as far as I am concerned, I believe that the building up and the preservation of our forestry resources is the most important thing pending before the Congress.

Last year was a campaign year and most of the Members had primary trouble and also the general elections, all of which prevented this from properly functioning. We held two meetings, one in the southeast at Jacksonville, Fla., and one in Sun Valley, Idaho, with two Members attending the Idaho meeting and at Jacksonville we had four Members. We secured wonderful information at both of these meetings. but what this committee now wants to do is to go into the various sections of this country, New England and other sections, to get at the real problems involved so we may be able to come back and make a report to the Congress upon which the Congress may pass constructive legislation taking care of these problems in every section, rather than have individual Members come in from time to time and introduce bills for their own section which do not get proper consideration because Members from other sections do not know what it is all about. From time to time appropriations are made, many of which are important, but in a great many instances they involve a wasting of money.

If this committee is permitted to function during the coming year when we can hold these hearings, I believe we will be able to come back to the Congress with information upon which we will be able to formulate and pass constructive legislation to do the thing that we ought to have done years ago, and in this way we will be able to increase the purchasing power of the people, give work to the unemployed, and supply revenue to truck lines and railroads in this country. The matter is more important at this time than ever before, because of fire protection, reforesting of millions of acres of commercially and farmer-owned lands.

We only spent at these two meetings around \$1,200, but I want to say to you that when it comes to the matter of how much money we ought to have for this important work, each of you ought to understand that the work cannot be done carefully and correctly with \$10,000. There are too many sections to cover where the problems are altogether different.

I may say that as far as I am concerned, as a Member of this Congress interested in doing constructive things, it is absolutely a shame for this Congress to appropriate from time to time thousands of dollars for various and sundry investigations that do not amount to a scrap of paper, and when it comes to an important piece of constructive work, whereby we may get information which will build up and preserve one of our most important resources, create purchasing power, and be helpful to the country, someone wants to say, "We cannot give you over \$10,000."

What the Congress is going to do about the amount of money is another question. Just the other day we had up here an item involving a disease of certain trees and certain other matters. Certain gentlemen were vitally interested, and this may be a very important matter, but many of the Congressmen in other sections of the country do not know anything about it, just as many Congressmen in other sections do not know about the problems of the Southeast or New England or the far West or New York State. We ought to have complete information and come in here with a thorough understanding of the matter and pass the type of legislation that will be in the interest of the people as a whole and stop wasting the taxpayers' money. Just because some groups or some department want an appropriation.

Mr. RICH. Mr. Speaker, will the gentleman yield?

Mr. FULMER. Yes.

Mr. RICH. This is for reforestation and flood control, is it not?

Mr. FULMER. We do propose to investigate flood control but if we have proper information and would spend money accordingly it would mean everything for flood control.

Mr. RICH. Then it is for reforestation, and the Interior Department has money appropriated to it for the purpose of investigating reforestation in this country, and the Department of Agriculture, I understand, has money for the same purpose. If this goes through, we will certainly have three departments, even if flood control is not involved, investigating the problems with respect to reforestation.

Mr. FULMER. I may say to the gentleman that I appreciate his stand for economy, but I hope you can gather from my remarks that we are continually and annually wasting money by appropriating for certain objects that many of the Members do not know anything whatsoever about, and because some department wants more money to waste on jobs and that as a rule is wasted. They are not going to make a direct investigation that will bring to you the actual facts involved in this matter from the lips of those who are interested in these sections.

Mr. RICH. Will you get information from the Department of Agriculture and from the Department of the Interior if this resolution is permitted to go through so we do not duplicate the work of those Departments?

Mr. FULMER. Oh, we go down to the various sections and have farmers and landowners, pulp people, hardwood people, and every other person interested in these problems, and who know what they want, to come in and give information before the committee.

Mr. RICH. I think the gentleman ought to call the Agricultural Department and the Interior Department before the committee starts to make this investigation.

Mr. FULMER. Oh, there are lots of folks right now lobbying around here for a tremendous increase in fire control, and I am for it, but who is getting the benefit of it today? Those fellows who own thousands of acres of land, going into immense wealth, while the farmers, the small landowners, are not getting that type of benefit. The farmers' lands in my country have been cut over and destroyed by the pulp and sawmill people, and nothing is being done to reforest that land or to inform that farmer as to what sort of timber should be cut or what sort should be left on the land, or anything to help him get the proper price for it. In other words, he is being robbed while we up here are appropriating money in the name of the farmer, and the farmer is left out of the picture and does not know what it is all about.

Mr. WARREN. Mr. Speaker, I have no objection to the continuance of the investigation, and I do not think that I am going to object to the consideration of the resolution, but the reason I asked the gentleman to give assurance to the House is this: There is not one copper cent in the contingent fund of the House. The House has exhausted every single dollar of the contingent fund on one investigation—the Dies committee—and speaking only for myself, if this

goes through, I shall be unwilling to report out a resolution calling for funds exceeding the total of \$10,000.

Mr. FULMER. Mr. Speaker, last year Mr. Snell, the leader on the Republican side, stated that if I would ask for \$100,000, or something that would actually do the work, he would be for the bill, and we had the same statement by the gentleman from North Carolina [Mr. WARREN] last year that the funds were all gone; but the gentleman can bring in an investigating resolution in respect to Communists for a committee of the House to run around the country stirring up communism, all of us knowing at this time what kind of legislation we ought to pass, and nothing will be done about it. Another resolution to investigate the W. P. A. is brought in in the meanwhile, and we all know what W. P. A. is doing, and it will be just like putting that much money in a rat hole; and yet, when we come here today to do something to get real facts that would enable us to do something to help bring back recovery, we find that we have not got the money. What amount we shall be able to secure is up to the Congress, and what we want now is to extend the services of this committee and do the work that ought to be done and that should have been done years ago.

Mr. SHEPPARD. Mr. Speaker, will the gentleman yield?

Mr. FULMER. Yes.

Mr. SHEPPARD. Does the committee intend to include the Pacific coast in its itinerary?

Mr. FULMER. Yes; and your people want this committee to come to your great section, and we want to go with the

hope of being helpful. [Applause.]

Mr. REED of New York. Mr. Speaker, I suppose if I were a wise attorney, now that the waves have subsided and the legislative waters seem more or less calm, I should not take the floor. I do so merely to say that I am deeply interested in this subject, and I think it is deplorable, in a way, that so many times we Members fail to understand the economic situation in various parts of the country. Many of the conflicts on this floor are because we do not happen to raise cotton in our section and you fail to raise grapes and apples in your section, and consequently we are not acquainted with each other's problems. I think this committee should be continued for this purpose. It is composed of Members of Congress, from the Senate and the House of Representatives. and from both sides of the aisle; therefore, the investigation that is to be made will be more or less independent of the investigations made by so-called bureaucrats. This is a congressional investigation of a most important subject in which your own colleagues, acting as your agents, will bring to you information in regard to forestry, especially as it relates to the farmers throughout the country. The farmers of this country are becoming forest-minded. Their whole attitude has changed. I know it has in my State, and it has in many other States. I am satisfied that this committee, going out to the country, can in a very inexpensive way bring to the House information of a most constructive character; and in the time at my disposal I shall go into detail in regard to the part that the small forest plays in the income of the average farmer through all of the eastern and middle western and northwestern sections of the country.

Mr. Speaker, I ask unanimous consent to extend my remarks, and I hope that this resolution will pass.

The SPEAKER. Is there objection to the request of the gentleman from New York?

There was no objection.

Mr. REED of New York. Mr. Speaker, I am deeply interested in the future of forestry in the United States, and I firmly believe that the committee, if permitted to continue its work, will be able to lay before Congress some highly valuable and constructive suggestions. A wise legislative policy can be formulated only when and if Congress is in possession of the facts with reference to this important subject. The purpose of this legislation is to make it possible for a committee such as the Joint Committee on Forestry to obtain the facts.

I believe that we are all fully aware that forests and agriculture are closely related subjects. I have obtained official figures which show that several million farmers work part

time each year in cutting and marketing wood, gathering maple sap and making sugar, cutting and marketing Christmas trees and basket wood. Farm woodlands in the United States now comprise approximately 127,000 acres, or more than one-fourth of the total commercial forests of the entire country. I find that in 1929 forest products to the value of \$240,000,000 were cut on areas associated with farms. This brings me to the next step, in which we should all be vitally interested, and that is since 1910 it is estimated that at least 30,000,000 acres of land have gone out of agricultural production, and it is estimated that by 1950 at least 75,000,000 acres will no longer be used for agricultural purposes. This, it seems to me, raises the important question of what will be done with this land.

I believe that under a wise legislative policy it is safe to assume that much of this land can be utilized and will have to be utilized only for reforestation.

I believe that we are all aware that the farmers' attitude is changing from one of indifference to one of keen interest in the preservation of his wood lot. This being so, I venture the opinion that it is to the national interest that the farmers be encouraged in the wise utilization and conservation of his woodland.

I believe that this committee, if authorized to continue its work, can bring before Congress accurate and pertinent facts relating to this phase of conservation.

I now turn to forests and lumber. When we approach this subject we find that of our 20 leading industries, not including agriculture or railroads, the lumber industry in 1930 ranked second in number of persons employed, third in the extent of investments, eighth in the value of its products. Not only this, the records show that normally more than 1,000,000 persons are employed directly in the lumber industry, but when we consider other forest industries it raises the number of employed in this field to 5,000,000 people.

I want to stress the value of forests:

First. They produce large quantities of forest products, such as lumber, poles, posts, cross ties, mine timbers, pulpwood, and fuel wood.

Second. They produce secondary forest products, such as bark, nuts, fruits, and decorative materials.

Third. They produce derived forest products, such as dyes, proteins, oils, resins, tannins, and cellulose.

Fourth. They regulate stream flow and control floods.

Fifth. They protect watersheds and help supply wholesome water.

Sixth. They conserve and enrich the soil.

Seventh. They serve as windbreaks and shelterbelts and help provide safeguards against drought.

Eighth. They provide healthful outdoor recreational oppor-

Ninth. They provide food, shelter, and habitats for wildlife and game animals.

Tenth. They provide forage for cattle, sheep, and other domestic animals.

Eleventh. They act as a sanitary agent by helping purify the atmosphere.

Twelfth. They enhance the beauty of the landscape.

This is not a new legislative field, as the following list of laws enacted indicate: Weeks law, March 1, 1911; Clarke-McNary law, June 7, 1924; McSweeney-McNary law, 1928; Fulmer law, August 29, 1935; Fletcher bill-not passed-

I call the attention of the House to the fact that as forestry involves this vast investment and the extraordinary possibility, actual as well as potential, of employment, the National Government has an interest in protecting our forests from loss and damage from whatever source. I shall mention only the importance of protection against forest fires, which is still a serious problem in this country. To emphasize this I call attention to the fact that 41,000,000 acres of forests are burned over annually in the United States-that 37,000,000 acres of this area was in Southern States.

I firmly believe that this Nation can ill afford the devastating results of 150,000 forest fires annually.

I therefore, in view of these facts, urge favorable action on the part of the Congress with reference to this resolution,

The SPEAKER. The Chair understands that the gentleman from South Carolina desires to offer an amendment. Mr. FULMER. Mr. Speaker, I ask unanimous consent to

strike out the word "House," the last word on line 13 of the resolution, and insert in lieu thereof the word "Congress", so that the resolution will read:

And shall report to the Congress.

The SPEAKER. Is there objection to the request of the gentleman from South Carolina?

There was no objection.

The SPEAKER. Is there objection to the present consideration of the resolution?

There was no objection.

The SPEAKER. The question is on the engrossment and third reading of the resolution.

The resolution was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider laid on the table.

House Resolution 143 was laid on the table.

QUESTION OF PERSONAL PRIVILEGE

Mr. HOFFMAN. Mr. Speaker, I rise to a question of personal privilege.

The SPEAKER. The gentleman will state it.

Mr. HOFFMAN. A magazine circulating in Washington, in its issue of the 28th of February 1939, contained these statements:

This was followed by the following language:

——— (I omit the name) is the least useful Member of the House of Representatives, Washington correspondents voted.

But he barely nosed out ———— of —————————, and

C. E. Hoffman (Republican), of Michigan, who shared a three-way tie for runner-up

This language raises a question of personal privilege for the reason that, if the statement that the Representative from Michigan named is the least useful man in the House is true, the statement is false for the reason that no such poll was conducted among the Washington correspondents who know the Congressmen best and that no secret vote was taken among capital newsmen, and as so made it calls in question the ability, the industry, the influence, the capacity, as a Representative of the Member from Michigan.

The SPEAKER. The gentleman from Michigan rises to a question of personal privilege, which question is based upon the language he has just read from a paper he held in his hand. It seems that the gravamen of the matter relates to a newspaper poll that was purported to have been made with reference to the usefulness, standing, and so forth, of Members of the House of Representatives.

Of course, there are sometimes border-line cases in which it is rather difficult for the Chair to reach, for himself, a definite conclusion on the question of personal privilege, but the Chair thinks the rule should again be stated because this question is frequently stated.

Rule IX provides:

QUESTIONS OF PRIVILEGE

Questions of privilege shall be, first, those affecting the rights of the House collectively, its safety, dignity, and the integrity of its proceedings; second, the rights, reputation, and conduct of Members, individually, in their representative capacity only; and shall have precedence of all other questions except motions to adjourn.

The gentleman from Michigan takes the position that this newspaper criticism, if the Chair may call it that, states a question of personal privilege. While the Chair is inclined to give the greatest elasticity and liberality to questions of personal privilege when raised, the Chair is of the opinion

that in this particular instance the mere statement of opinion by a group of newspaper correspondents with reference to a Member's record or position in the House of Representatives does not present in fact, or under the rules of the House, a matter of personal privilege.

Therefore, the Chair is constrained to rule that the gentleman has not presented a question of personal privilege.

Mr. HOFFMAN. Mr. Speaker, I rise to a question of personal privilege.

The SPEAKER. The gentleman will state it.

Mr. HOFFMAN. The March 23, 1939, issue of the New York Times, referring to John L. Lewis, chairman of the Congress of Industrial Organizations, among others, carried this statement:

Maintaining that the C. I. O. was an American institution, Mr. Lewis denied that it was controlled by Communists, saying that anyone who charged such communistic control was a knave, a liar, and a poltroon.

Labor's Non-Partisan League, during the campaign of 1938, circulated throughout the press of the country a statement to the effect that I was on its blacklist and should be defeated for the reason that it considered me unfair to its legislative policy.

On June 1, 1937, in the House a speech was made by me in which it was charged, among other things, that the methods used by the C. I. O. in the sit-down strikes were communistic and that some of those who directed the activities of the C. I. O. in those strikes were Communists.

Inasmuch as more than 100,000 copies of that talk were distributed and that the Labor Board held that its circulation among employees was an unfair labor practice, and in view of the fact that I have, on several occasions, charged on the floor of the House and elsewhere that the methods used by some of the C. I. O. organizers were those of the Communists and that some of their officials were Communists, under the precedents heretofore established, even though the statement by Lewis does not refer to me by name, it raises a question of personal privilege, growing out of the fact that he charges that the statements that were made by me on the floor were untrue.

The SPEAKER. The Chair is ready to rule on this question of personal privilege presented by the gentleman from Michigan.

The question now raised is the following language that was purported to have been quoted in the March 23, 1939, issue of the New York Times as coming from John L. Lewis, chairman of the Congress of Industrial Organizations:

Maintaining that the C. I. O. was an American institution, Mr. Lewis denied that it was controlled by Communists, saying that anyone who charged such communistic control was a knave, a liar, and a poltroon.

The gentleman from Michigan takes the position that because of something that he may have said heretofore on the floor of the House, brings him within the purview of the definition given by Mr. Lewis. But in the language quoted there is certainly no reference to any particular individual. The gentleman is not named, and for aught appearing in the statement that has been made, the gentleman who is quoted may have been referring entirely to some other individual or some other group of individuals rather than the gentleman from Michigan.

The Chair is clearly of the opinion that it would be stretching the rule too far to construe the general statement here made as giving the gentleman from Michigan a question of privilege.

Mr. HOFFMAN. Mr. Speaker, I rise to a question of personal privilege.

The SPEAKER. The gentleman from Michigan will state his question of personal privilege.

Mr. HOFFMAN. Mr. Speaker, I call the Chair's attention to the Congressional Record of January 17, 1939, page 417, and to the following statement made on the floor of the Senate.

The SPEAKER. Whose language is the gentleman quoting?

Mr. HOFFMAN. That of the Senator from Missouri [Mr. CLARK].

The SPEAKER. The Chair thinks it proper for the purpose of the record that the gentleman state his question of personal privilege.

Mr. HOFFMAN. Mr. Speaker, in the Senate on the day referred to, January 17, 1939, as reported at page 417 of the Congressional Record, Mr. Clark from Missouri said——

The SPEAKER. Will the gentleman from Michigan indicate to the Chair where on that page the matter he is about to read is to be found?

Mr. HOFFMAN. Page 417, the third from bottom paragraph in the right-hand column. I read:

Mr. Clark of Missouri. Mr. President, Representative Hoffman has the undoubted right to be heard in the House of Representatives, the body of which he is a Member. He was heard in that body at very great length the other day, and his observations were published in full in the Congressional Record, to the extent of several pages. It does not seem to me to be proper again to inflict upon the Congressional Record the remarks of Representative HOFFMAN made in the House of Representatives.

The second statement I read is the third paragraph in the left-hand column of page 418. I read:

Mr. Clark of Missouri. Mr. President, certainly I have no disposition to insist on any course which would seem in any degree to preclude the printing of the whole record in this case. My motion was based upon the fact that the House of Representatives is the sole judge of its own Record and the Senate of the United States is the sole judge of its own Record. But an intemperate, vituperative, libelous attack having been printed once in the Record of the proceedings of the House of Representatives seems to me to be no justification for repeating that same sort of an intemperate, libelous attack in the Record of the Senate.

The question of privilege is raised by the foregoing statement of the Senator from Missouri for the following reasons:

His statement—"It does not seem to me to be proper again to inflict upon the Congressional Record the remarks of Representative Hoffman, made in the House of Representatives"—carries the implication that the remarks were improper and should not have been made, and it questions the ability and the capacity as a Representative of the Member from the Fourth District of Michigan.

By inference it charges that the remarks made on the floor and printed in the Record were an imposition upon the House; that they in some way were not proper; that their utterance constituted a breach of the privileges of the House.

The statement of the Senator from Missouri, referring to these remarks in the following language: "But an intemperate, vituperative, libelous attacks having been printed once in the record of the proceedings of the House of Representatives seems to me to be no justification for repeating that same sort of an intemperate, libelous attack in the Record of the Senate" raises a question of personal privilege for the reason that it charges that the language used was improper in the sense that it was not justified by the facts stated.

"Vituperative" means that the language used was defamatory, abusive, and that the Member using it was railing at the person of whom it was spoken—all of which reflected upon his capacity as a Representative.

The use of the word "libelous" by the Senator from Missouri is a charge that the remarks of the Representative from the Fourth Michigan District were false, for the truth is always a justification to the charge that a statement is libelous.

One cannot make a libelous attack without making an attack which is false, as a matter of fact; hence, the substance of the statement of the Senator from Missouri is that the Representative from the Fourth Michigan District made a false charge against an appointee of the President.

To charge that one has made a false statement in debate raises a question of personal privilege, as does any statement which reflects upon the capacity of a Member as a Representative.

The correctness of these claims is borne out by the precedents cited under section 2 of page 273 of Cannon's Precedents.

The SPEAKER. The gentleman from Michigan now raises a question of personal privilege which, in the opinion of the Chair, is in somewhat of a different category from the other two propositions of privilege that were raised by him heretofore.

It appears that the gentleman from Michigan complains that on January 17 last, as reported on page 418 of the Congressional Record, the Senator from Missouri [Mr. Clark] made certain direct and specific observations with reference to the remarks of the gentleman from Michigan [Mr. Hoffman], who is now raising this question of personal privilege.

In the course of those remarks language was used which has been cited by the gentleman from Michigan in which the following description was used by the Senator:

But an intemperate, vituperative, libelous attack having been printed once in the RECORD of the proceedings of the House of Representatives seems to me to be no justification for repeating that same sort of an intemperate and libelous attack in the RECORD of the Senate.

Mr. RANKIN. Mr. Speaker, a parliamentary inquiry.
The SPEAKER. The gentleman will state his parliamentary inquiry.

Mr. RANKIN. Mr. Speaker, this question was raised a number of years ago when Speaker Longworth was presiding.

The SPEAKER. Will the gentleman suspend for just a minute? The Chair was undertaking to state his ruling upon this matter. Inasmuch, however, as the gentleman from Mississippi desires to submit some observations that may be helpful to the Chair, the Chair will recognize the gentleman.

Mr. RANKIN. Mr. Speaker, I will make a point of order in order that I may be heard by the Chair at this time.

I make the point of order that each House is the judge of its own proceedings. There is a rule of comity which prohibits Members of one House from criticizing Members of the other in open session.

This question was raised when Speaker Longworth was in the chair, and the older Members will remember it created considerable furor on the floor. Speaker Longworth, if I remember correctly, held that a Member had no right on the floor of the House to discuss matters that took place on the floor of the Senate; in other words, had no right to discuss on this floor what a Senator said on the other floor, on the theory that if this rule were broken down it would create controversies between the two Houses that would simply be interminable.

My recollection is that Speaker Longworth held that a Member had no right on the floor of this House to attack a Senator for something the Senator was supposed to have said about him in the other body. I make this point of order in order to refresh the Chair's mind, because the present distinguished Speaker was a very prominent Member of the House at that time and I am sure will recall the occasion, and I believe the Parliamentarian if he will look back over the records of those days will find that the gist of the ruling by Speaker Longworth was about as I have stated.

I have no interest in the quarrel between these two distinguished statesmen, but if we break down the rule and permit Members of one body to begin criticizing and attacking Members of the other, in this body or in the other body, it will result in that confusion which Speaker Longworth pointed out at that time.

Mr. MARTIN of Massachusetts. Will the gentleman yield?
Mr. RANKIN. I yield to the gentleman from Massachusetts.

Mr. MARTIN of Massachusetts. The gentleman would not contend that if a Member of the Senate made a statement against a Member of the House, the House Member would have an opportunity to refute that charge?

Mr. RANKIN. I do not think he would have a right to discuss it on the floor of the House.

May I call the gentleman's attention to another instance—and I may say to the gentleman from Massachusetts that I am speaking from memory now. On one occasion when Mr.

Gillett was Speaker of the House he went to New Haven, Conn., I believe, and made a speech about certain Senators. It got back to the floor of the Senate and the question was raised there. My recollection is it was held they had no right to discuss on the floor of the Senate the statement made by Mr. Gillett in New Haven, Conn., on the ground he was a Member of the House. There was a question raised here. I was a new Member at that time, and I questioned Speaker Gillett about it. He called me into the library here and explained to me the distinction. He said then, if I remember correctly, that if you permit Members of one body the liberty of attacking or criticizing the Members of the other body on the floor, it would simply result in interminable controversy and confusion.

Mr. MARTIN of Massachusetts. This is a different matter, as I see it. The gentleman thinks the Senate has erred in permitting an attack to be made on the gentleman from Michigan in the Senate? The attack having been made, what right has the Member of the House?

Mr. RANKIN. That is a matter for the Senate to dispose of.

Mr. MARTIN of Massachusetts. The gentleman cannot go into the Senate and answer it.

Mr. RANKIN. On one occasion I remember the distinguished Senator from Missouri, Mr. Reed, attacked Mr. Volstead, whose name is more or less familiar in these halls. There was a resolution introduced or a motion made here of protest; but my recollection is there was no debate or at least there was no attack made on Senator Reed. What I am trying to do, I may say to the gentleman from Massachusetts, is to clarify the situation. Remember, I know nothing about this controversy.

Mr. MARTIN of Massachusetts. This is a parliamentary point, of course.

Mr. RANKIN. I am interested in the same thing the gentleman from Massachusetts is, which is the orderly procedure of the two Houses. For the sake of argument, let us say that the gentleman from Michigan proceeded to say what he thinks about the Senator from another State.

Mr. HOFFMAN. May I interrupt to say I do not propose to say anything about the Senator.

Mr. RANKIN. I am using this simply for the sake of argument. Assume further a reply comes from the other body. It would be the beginning of that confusion to which Speaker Longworth referred when passing upon this proposition. So, in order to maintain orderly procedure of the two Houses, I think we should strictly adhere to the ruling of former Speaker Longworth.

Mr. MARTIN of Massachusetts. In order to maintain the integrity of the House, in justification of what the gentleman from Mississippi just stated, I presume he would be in favor of a resolution passing this House requesting the Senate to expunge the remarks made by the Senator about the gentleman from Michigan. That would be protecting thoroughly the integrity of the House.

Mr. RANKIN. I have not read what has been said.

Mr. MARTIN of Massachusetts. I have not either. I have no advantage over the gentleman from Mississippi.

Mr. RANKIN. I may say to the gentleman from Massachusetts that in my opinion that would be the orderly procedure, if any notice at all is taken of the matter in the House. I do not think it is subject to a question of personal privilege for a Member to take the floor and discuss what happened in the Senate or what was said in the Senate.

Mr. GIFFORD. I recall plainly the ruling of Speaker Longworth. Shall words of praise of a Senator be precluded? It might be regarded by others as criticism. Shall you be given the opportunity to praise some great Senator?

Mr. RANKIN. I may say to the gentleman from Massachusetts that is exactly what Speaker Gillett said, and I consider him a splendid parliamentarian.

Mr. GIFFORD. I care nothing about that, but I have a little common sense left.

The SPEAKER. Will the gentleman from Michigan [Mr. Hoffman] and the gentleman from Mississippi [Mr. RANKIN]

permit the Chair to make a suggestion, which is in the utmost

The gentleman from Michigan has raised in this question of personal privilege a matter of supreme importance, in the opinion of the Chair, affecting the question of policy between the two Houses of Congress. The Chair has endeavored, with the assistance of the Parliamentarian, very hurriedly, not anticipating this question of personal privilege, to arrive at a correct decision.

The Chair does not desire to render an improvident decision on first impression after hearing these brief statements. Will the gentleman from Michigan [Mr. Hoffman] very kindly agree to withdraw his question of personal privilege for the moment and give the Chair and the Parliamentarian an opportunity to look a little more carefully into the question because it is one of supreme importance?

Mr. HOFFMAN. I will do that and I will renew it again on Wednesday. May I call the Speaker's attention to a decision in the last session on this very question raised by me in connection with certain remarks of Senator Barkley inserted in the Record?

The precedent which I cite will be found in volume 83 part 5, of the Seventy-fifth Congress, third session, at page 5235, under date of April 11, 1938. On that occasion the Speaker held that a question of personal privilege was involved because the language printed in the Congressional Record "might bring into question the rights, reputation, and conduct of a Member of the House."

The SPEAKER. Will the gentleman withdraw his question of personal privilege temporarily?

Mr. HOFFMAN. I withdraw it for the time being.
Mr. WOLCOTT. Mr. Speaker, will the Chair indulge me
for a moment on the point of order raised by the centleman

for a moment on the point of order raised by the gentleman from Mississippi?

The SPEAKER. The Chair will be very glad to hear the gentleman.

Mr. WOLCOTT. Mr. Speaker, it seems to me we should draw a distinction in this matter between whether this constitutes a question of personal privilege and the anticipation of the remarks of the gentleman from Michigan [Mr. Hoff-MAN]. I believe the rule is well settled that a Member of the House of Representatives cannot, neither should he, attack a Member of the other body. If a Member of the other body has misspoken himself or violated any of the rules of the Senate, of course, that is not a justification for any Member of the House to do likewise. It seems to me that when a Member of the House has been attacked by a Member of the other body that in itself constitutes a question of personal privilege or privilege of the House, as the case may be, but if the gentleman raising the question of personal privilege or privilege of the House confines himself to the facts involved without making a personal attack on the Member of the other body allegedly making the attack, then he is clearly within the rules of the House. I merely offer this as a suggestion to the Chair.

The SPEAKER. The Chair will be very glad to consider the statement made by the gentleman from Michigan when the question is again presented to the Chair.

PERMISSION TO ADDRESS THE HOUSE

Mr. REED of New York. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and revise and extend my remarks.

The SPEAKER. Is there objection to the request of the gentleman from New York?

There was no objection.

Mr. REED of New York. Mr. Speaker, as most of you know, I happen to be a member of the Committee on Ways and Means. I want to say to you that the chairman of that committee, Mr. ROBERT L. DOUGHTON, of North Carolina, is a most able and distinguished gentleman, and we hold him in the highest esteem and affection.

I was amazed, therefore, to see in the press of March 26, 1939, a statement purporting to be made by Chairman Doughton, of the Ways and Means Committee, in which he

charged the Republicans with playing "political football" with administration proposals for revision of the social-security program.

Now that the public has discovered that this administration has collected over a billion dollars from the pay rolls of those who labor, not for old-age security, but to spend, the administration legislators are peeved.

Chairman Doughton's memory must be failing, otherwise he would recall that I introduced in the Seventy-fifth Congress, first session, House Concurrent Resolution 3, to amend the Social Security Act to accomplish just what Secretary Morgenthau now recommends.

Chairman Doughton seems to have forgotten that the Republican platform of 1936 contained this plank:

We propose a system of old-age security based upon the following principles:

We approve a pay-as-you-go policy which requires of each generation the support of the aged and the determination of what is just and adequate.

And, further, the platform made this prophecy:

The so-called reserve fund, estimated at \$47,000,000,000, for oldage insurance is no reserve at all, because the fund will contain nothing but the Government's promise to pay, while the taxes collected in the guise of premiums will be wasted by the Government in reckless and extravagant political schemes.

The fact is that over \$1,000,000,000, taken from the pay envelopes of the laboring men and women, have been wasted by this administration "in reckless and extravagant political schemes."

The Republicans have sought by resolution, by speeches, and by public statements, and by every means within their power to stop this unjust waste and diversion of funds collected by legislative coercion from the low-income group of this Nation.

On page 663 of the Congressional Record, January 29, 1937, appears a "Joint statement made by Senators Vandenberg and Townsend and Representatives Reed of New York and Jenkins of Ohio," in which we pointed out the very remedy now so belatedly suggested by the administration. In this statement we revealed in plain language the cruel effects of collecting pay-roll taxes from the working men and women and then using the funds so collected for New Deal political rackets and boondoggling.

The \$1,000,000,000 already collected and spent will again be repaid by the taxpayers, including, of course, those who already have paid their portion of it once before.

The time has passed when the departmental press releases, the radio propaganda can any longer smother this legalized fraud upon those who "pay taxes in the sweat of their brow."

Now that the administration has had to admit the squandering of \$1,000,000,000 in pay-roll taxes, the public should be insistent that the act be amended, as the Republican Party has insisted from the first should be done and as Secretary Morgenthau now recommends.

This whole unsavory mess, this spending of trust funds for boondoggling and election expenditures, would never have occurred had the original recommendation of the President's Economic Council been followed. Instead of adopting a wise, honest, straightforward policy, a "rubber stamp" group listened to the persuasive appeal of the President to set up a fake reserve. The possibility of obtaining \$1,000,000,000 to spend as political whim or caprice might suggest was as irresistible to the new dealers as cheese is to a lot of ravenous rats, [Applause.]

EXTENSION OF REMARKS

Mr. SHAFER of Michigan. Mr. Speaker, I ask unanimous consent to extend my own remarks in the Record and include therein a letter from General Hines of the Veterans' Administration.

The SPEAKER. Is there objection to the request of the gentleman from Michigan?

There was no objection.

Mr. Reed of New York, asked and was given permission to revise and extend his own remarks in the Record.

DISTRICT OF COLUMBIA

The SPEAKER. This is District of Columbia day. The Chair recognizes the chairman of the Committee on the District of Columbia

Mr. RANDOLPH. Mr. Speaker, I am certain that once again the Committee on the District of Columbia has demonstrated to the Members of this body that we always attempt to be generous. Although this is our day we have allowed these other matters to come before the House. By the same token, we trust that during the remainder of this session. not especially today, when controversial matters will not be before us, but later in the session, the Members of the House will find it possible to be present when District of Columbia business is being considered and give valuable assistance in the consideration of measures that not only affect the wellbeing of the residents of the District of Columbia but have a radiating effect on the country at large.

DAVID R. THOMPSON AND RALPH S. WARNER

Mr. RANDOLPH. Mr. Speaker, I ask unanimous consent to take from the Speaker's table the bill (S. 316) to authorize and direct the Commissioners of the District of Columbia to reappoint David R. Thompson and Ralph S. Warner as members of the Metropolitan Police Department of the District of Columbia with House amendments thereto, and ask unanimous consent that the House recede from its amendments.

The Clerk read the title of the bill.

The Clerk read the amendment, as follows:

Strike out all after the enacting clause and insert:
"That the Commissioners of the District of Columbia be, and they are hereby, authorized and directed to set aside the trial-board conviction of Policemen David R. Thompson and Ralph S. Warner and their resultant dismissal, and to reinstate David R. Thompson and Ralph S. Warner to their former positions as members of the Metropolitan Police Department of the District of

Amend the title.

The SPEAKER. Is there objection to the request of the gentleman from West Virginia?

There was no objection.

The Clerk read the Senate bill, as follows:

Be it enacted, etc., That the Commissioners of the District of Columbia be, and they are hereby, authorized and directed to reappoint David R. Thompson and Ralph S. Warner as members of the Metropolitan Police Department of the District of Columbia; compensation to commence from the date of such reappointment only, and no pay or compensation to be paid them from the date of their dismissal from the Metropolitan Police Department to the date of such reappointment. date of such reappointment.

The bill was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

PROCEEDINGS IN ADOPTION IN THE DISTRICT OF COLUMBIA

Mr. RANDOLPH. Mr. Speaker, by direction of the Committee on the District of Columbia, I call up the bill (H. R. 5066) to amend the act entitled "An act to regulate proceedings in adoption in the District of Columbia," approved August 25, 1937.

The Clerk read the bill, as follows:

Be it enacted, etc., That section 1 of the act entitled "An act to regulate proceedings in adoption in the District of Columbia" be amended by striking out the word "sixty" in the last paragraph thereof and inserting in lieu thereof the word "ninety."

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

FURNISHING OF STEAM FROM THE CENTRAL HEATING PLANT TO THE DISTRICT OF COLUMBIA

Mr. RANDOLPH. Mr. Speaker, I call up the bill (H. R. 4940) to authorize the furnishing of steam from the central heating plant to the District of Columbia, and ask unanimous consent that the bill may be considered in the House as in Committee of the Whole.

The Clerk read the title of the bill.

The SPEAKER. Is there objection to the request of the gentleman from West Virginia?

There was no objection.

The Clerk read the bill, as follows:

The Clerk read the bill, as follows:

Be it enacted, etc., That the Secretary of the Interior, through the National Park Service, be, and he is hereby, authorized to furnish steam from the central heating plant to such buildings as may be erected by the District of Columbia on the property in the District of Columbia bounded by C Street, Third Street, Indiana Avenue, D Street, and John Marshall Place NW., and known as square 533; on the property bounded by C Street, John Marshall Place, Louisiana Avenue, and Sixth Street NW., and known as square 490; on the property bounded by Pennsylvania Avenue, John Marshall Place, C Street, and Sixth Street NW., and known as square 491; and on the property bounded by Pennsylvania Avenue, Third Street, C Street, and John Marshall Place NW., and known as reservation 10: Provided, That the District of Columbia agrees to pay for the steam furnished at reasonable rates, not less than cost, as may be determined by the Secretary of the Interior: And provided further, That the District of Columbia agrees to provide all necessary connections with the Government mains at its own expense and in a manner satisfactory to the Secretary of the Interior.

The bill was ordered to be engrossed and read a third

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

RESEARCH ASSISTANTS IN THE PUBLIC SCHOOLS OF THE DISTRICT OF COLUMBIA

Mr. RANDOLPH. Mr. Speaker, by direction of the Committee on the District of Columbia, I ask unanimous consent to take from the Speaker's table the bill (S. 1125) to provide for the appointment of research assistants in the public schools of the District of Columbia, and for other purposes, and ask for its immediate consideration.

I may say the Committee on the District of Columbia has reported out an identical House bill, H. R. 3597.

The Clerk read the title of the Senate bill.

The SPEAKER. Is there objection to the request of the gentleman from West Virginia?

There was no objection.

The Clerk read the Senate bill, as follows:

Be it enacted, etc., That the Board of Education is hereby authorized to appoint research assistants who shall qualify for said positions by meeting such eligibility requirements as the said Board may prescribe and who shall on appointment be assigned to salary class 2 of article I of the Teachers' Salary Act, approved June 4, 1924, in accordance with the professional qualifications which they possess at the time of appointment.

SEC. 2. Research assistants shall be appointed to either group A or group C of said salary class 2 in accordance with the eligibility qualifications possessed and the character of duties to be performed by such research assistants.

SEC. 3. Research assistants shall be promoted to group B or

performed by such research assistants.

SEC. 3. Research assistants shall be promoted to group B or group D of said salary class 2 on the basis of such evidence of superior work and increased professional attainments as the Board of Education may prescribe.

SEC. 4. That research assistants shall be classified as teachers for pay-roll purposes and for retirement purposes.

SEC. 5. Appointments, assignments, and transfers authorized in this act shall be made in accordance with the act approved June 20, 1906, as amended (Public, No. 254).

SEC. 6. This act shall take effect on July 1, 1939.

The bill was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

A similar House bill (H. R. 3597) was laid on the table.

RETIREMENT OF PUBLIC-SCHOOL TEACHERS IN THE DISTRICT OF COLUMBIA

Mr. RANDOLPH. Mr. Speaker, I ask unanimous consent to take from the Speaker's table the bill (S. 1130) to amend Public Law No. 111, Sixty-sixth Congress, entitled "An act for the retirement of public-school teachers in the District of Columbia," and ask its immediate consideration. An identical House bill (H. R. 3667) is now on the calendar.

The Clerk read the title of the Senate bill.

The SPEAKER. Is there objection to the request of the gentleman from West Virginia?

There was no objection.

The Clerk read the Senate bill, as follows:

Be it enacted, etc., That section 10 of the act entitled "An act for the retirement of public-school teachers in the District of Columbia," approved January 15, 1920, as amended, is further amended to read as follows:

"That every teacher from whose salary retirement deductions are made in accordance with this act shall be required to designate in writing a beneficiary or beneficiaries to whom the amount of his

deductions, together with interest then credited thereon, shall be

deductions, together with interest then credited thereon, shall be payable in the event of the death of such teacher.

"Sec. 2. In the event of death of any such teacher the order of precedence of payments shall be as follows: First, to the beneficiary, or beneficiaries, designated in writing by the teacher and recorded on his or her individual account; second, if there be no such beneficiary or beneficiaries designated, then to the duly appointed executor, or administrator, of the estate; third, if there be no such beneficiary, or if an executor or administrator be not appointed within 6 months after the death of such teacher, payment shall be made into the registry of the District Court of the United States for the District of Columbia."

The bill was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

A similar House bill (H. R. 3667) was laid on the table. SALARIES OF TEACHERS, SCHOOL OFFICERS, ETC., OF THE DISTRICT OF COLUMBIA

Mr. RANDOLPH. Mr. Speaker, I ask unanimous consent to take from the Speaker's table the bill (S. 1295) to amend section 9, article V, of an act known as "An act to amend the act entitled 'An act to fix and regulate the salaries of teachers, school officers, and other employees of the Board of Education of the District of Columbia,' approved June 20, 1906, as amended, and for other purposes," and immediately consider the same, a similar House bill being on the calendar.

The Clerk read the Senate bill, as follows:

Be it enacted, etc., That section 9, article V, of an act known as "An act to amend the act entitled 'An act to fix and regulate the salaries of teachers, school officers, and other employees of the Board of Education of the District of Columbia,' approved June 20, 1906, as amended, and for other purposes," approved June 4,

1924, be amended to read as follows:

20, 1906, as amended, and for other purposes, approved Jule 4, 1924, be amended to read as follows:

"Sec. 9. That every teacher in the service on July 1, 1924, except as herein otherwise provided, and every teacher thereafter appointed, shall be assigned to group A of the class to which eligible or to group C of class 2 and shall be promoted to group D of class 2 or group B of any class on the basis of such evidence of superior teaching and of increased professional attainments as the Board of Education may prescribe: Provided, That teachers receiving salaries in group B of class 6 on June 30, 1924, and teachers receiving salaries in group A of class 6 who on June 30, 1924, are on the eligible list for promotion to group B of class 6, shall be assigned to group B of class 3 on July 1, 1924, without further examination or additional qualifications: Provided further, That no person who has not received for at least 1 year the maximum salary of group A in any class or group C of class 2 shall be eligible for promotion to group B of any class or group D of class 2: And provided further, That the number of group B and group D salaries shall be divided proportionately between the teachers in the white schools and the teachers in the colored schools on the basis of the enrollment of pupils in the respective white and colored schools."

Mr. COLE of New York. Mr. Speaker, reserving the right to object, obviously no Member of the House is familiar with these bills except the members of the Committee on the District of Columbia. It occurs to me it might be well for the chairman to give a brief statement about these bills before we pass upon them.

Mr. RANDOLPH. I think the statement of the gentleman from New York is very timely. I was going to discuss this bill. I have felt that was not necessary in the case of the others, but as to the bills remaining on the calendar I shall be pleased to comply with the gentleman's request.

I may say that this bill amends the Teachers' Salary Act and repeals the phrase which requires the Board of Education to maintain a proportionate number of salaries for white and colored teachers in each salary class. The frequency with which changes are made due to death and resignation, and so forth, makes it impossible to carry out such a schedule. This has been found by the Board of Education and this bill will require a division of salaries between teachers in white and colored schools, regardless of the manner in which they are distributed in the various salaried classes. I may say to the gentleman from New York and the other gentlemen present that this bill has the support of the Board of Education and of the Commissioners of the District of Columbia.

Mr. MITCHELL. Mr. Speaker, will the gentleman yield?

Mr. RANDOLPH. I yield. Mr. MITCHELL. Does that bill mean that now you are going to give different salaries to teachers doing the same work in different schools; that is to say, white teachers doing work in a white school will be paid a different salary from the salary of teachers doing the same work in a colored school?

Mr. RANDOLPH. I may say to the gentleman that such is not the case and, really, we are protecting the colored teachers by the passage of this bill. There is no change in the present salary status.

The SPEAKER. Is there objection to the request of the

gentleman from West Virginia?

There was no objection.

The bill was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

A similar House bill was laid on the table.

GAS AND ELECTRIC METERS

Mr. RANDOLPH. Mr. Speaker, I ask unanimous consent to take from the Speaker's table the bill (S. 1123) to amend paragraph 57 of section 8 of the act entitled "An act making appropriations to provide for the expenses of the government of the District of Columbia for the fiscal year ending June 30, 1914, and for other purposes," approved March 4, 1913, and consider the same, a similar House bill being on the

The Clerk read the Senate bill, as follows:

Be it enacted, etc., That subparagraph fifth, paragraph 57, of section 8 of the act entitled "An act making appropriations to provide for the expenses of the government of the District of Columbia for the fiscal year ending June 30, 1914, and for other purposes", approved March 4, 1913, (37 Stat. 974), be amended by deleting the words "4 percent, if an electric meter, or more than" and deleting ", if a gas meter," so that the said subparagraph when so amended the literature of the said subparagraph when so amended the literature of the said subparagraph when so amended

shall read as follows:

shall read as follows:

"If any consumer to whom a meter has been furnished shall request the Commission in writing to inspect such meter, the Commission shall have the same inspected and tested; if the same, on being so tested, shall be found to be more than 2 percent defective or incorrect to the prejudice of the consumer, the inspector shall order the gas or electrical corporation forthwith to remove the same and to place instead a correct meter, and the expense of such inspection and test shall be borne by the corporation; if the same, on being so tested, shall be found to be correct, the expense of such inspection and test shall be borne by the consumer." consumer."

Mr. RANDOLPH. Mr. Speaker, in line with the request of the gentleman from New York [Mr. Cole] I want to make a brief statement about this measure.

The purpose of the bill is to reduce the margin of error allowed on electric meters from 4 percent to 2 percent. The margin of error now is 2 percent for gas, but 4 percent for electricity. We simply bring them in the same error class

The SPEAKER. Is there objection to the request of the gentleman from West Virginia?

There was no objection.

The bill was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

A similar House bill was laid on the table.

PASSENGER VEHICLES FOR HIRE IN THE DISTRICT OF COLUMBIA

Mr. RANDOLPH. Mr. Speaker, I ask unanimous consent to take from the Speaker's table the bill (S. 1129) to amend paragraphs 31 and 33 of an act entitled "An act to amend section 7 of an act entitled 'An act making appropriations to provide for the government of the District of Columbia for the fiscal year ending June 30, 1903, and for other purposes', approved July 1, 1902, and for other purposes," approved July 1, 1932, and consider the same, a similar House bill being on the calendar.

The Clerk read the bill, as follows:

Be it enacted, etc., That subparagraphs (c) and (d) of paragraph 31 and paragraph 33 of an act entitled "An act to amend section 7 of an act entitled 'An act making appropriations to provide for the government of the District of Columbia for the fiscal year ending June 30, 1903, and for other purposes, approved July 1, 1902, and for other purposes," approved July 1, 1932, are amended to read as follows:

"(c) Owners of passenger vehicles for hire having a seating capacity of eight passengers or more, in addition to the driver or operator, other than those licensed in the preceding subparagraph, shall pay a license tax of \$100 per annum for each vehicle

used. No such vehicle shall be operated unless there shall be conspicuously displayed therein a license issued under the terms of this subparagraph. Licenses issued under this subparagraph shall date from March 1 of each year, but may be issued on or after February 15 of such year: *Provided, however*, That all licenses issued for a period prior to March 1, 1940, shall expire on February

29, 1940, and the license fee therefor shall be prorated accordingly.

"(d) Owners of passenger vehicles for hire, whether operated
those licensed in the two preceding subparagraphs, shall pay a
license tax of \$25 per annum for each such vehicle used in the conduct of their business. Stands for such vehicles upon public space, adjacent to hotels or otherwise, may be established in the manner provided in section 6 (e) of the act entitled 'An act to amend the acts approved March 3, 1925, and July 3, 1926, known as the District of Columbia Traffic Acts, and so forth.' The Public as the District of Columbia Traffic Acts, and so forth.' The Public Utilities Commission is hereby authorized to make and enforce all such reasonable and usual police regulations as it may deem necessary for the proper conduct, control, and regulation of all vehicles described in this and the preceding subparagraphs and paragraph 33 hereof. Licenses issued under this subparagraph shall date from March 1 of each year, but may be issued on or after February 15 of such year: Provided, however, That all licenses issued for a period prior to March 1, 1940, shall expire on February 29, 1940, and the license fee therefor shall be prorated accordingly.

ary 29, 1940, and the license fee therefor shall be prorated accordingly.

"PAR. 33. Owners of vehicles for hire, used in hauling goods, wares, or merchandise, and operating from public space, shall pay a license tax of \$25 per annum for each vehicle. Stands for such vehicles upon public space may be established in the manner provided in section 6 (e) of the act entitled 'An act to amend the acts approved March 3, 1925, and July 3, 1926, known as the District of Columbia Traffic Acts, and so forth.' Licenses issued under this subparagraph shall date from March 1 of each year, but may be issued on or after February 15 of such year: Provided, however, That all licenses issued for a period prior to March 1, 1940, shall expire on February 29, 1940, and the license fee therefor shall be prorated accordingly."

The SPEAKER. Is there objection?

There was no objection.

Mr. RANDOLPH. If this measure is enacted into law it would simply require the drivers of vehicles for hire in the District of Columbia to secure their licenses and their tags at the same date. At the present time the licenses are issued as of July 1 and the tags as of March 1. We believe it is often difficult to trace down these drivers who operate between the July 1 date and the March 1 date. It is made merely for the purpose of uniform application of the law.

Mr. SCHULTE. Mr. Speaker, will the gentleman yield?

Mr. RANDOLPH. Yes.

Mr. SCHULTE. This does not give any more power to the Public Utilities Commission in the District of Columbia, which every one wants to abolish, does it?

Mr. RANDOLPH. I might say that no additional power is given by the passage of this legislation. I know the gentleman's feeling about the Commission.

The SPEAKER. The question is on the third reading of the Senate bill.

The Senate bill was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider laid on the table.

A similar House bill was laid on the table.

ENFORCEMENT OF ORDERS, PUBLIC UTILITIES COMMISSION

Mr. RANDOLPH. Mr. Speaker, I ask unanimous consent to take from the Speaker's table the bill S. 1126, to provide alternative methods of enforcement of orders, rules, and regulations of the Joint Board and of the Public Utilities Commission of the District of Columbia and consider the same, a similar House bill (H. R. 3668) being on the calendar.

The SPEAKER. Is there objection to the request of the

gentleman from West Virginia?

Mr. SACKS. Mr. Speaker, I reserve the right to object, to inquire the purpose of this legislation.

Mr. RANDOLPH. Mr. Speaker, I might say to the gentleman from Pennsylvania [Mr. Sacks], a former member of the House Committee on the District of Columbia-and we are sorry to have lost his services—this bill provides a method of enforcement whereby the Public Utilities Commission may effectually carry out its orders and regulations. Up to the present time we have found there is no method of enforcement provided in law, and it has been practically impossible to enforce the orders of that Commission in the District of Columbia.

Mr. SACKS. Will this give any added power to the Public Utilities Commission so far as changing rates and regulations are concerned?

Mr. RANDOLPH. No; just the enforcement of the present regulations and orders.

Mr. SCHULTE. Mr. Speaker, will the gentleman yield?

Mr. RANDOLPH. Yes.

Mr. SCHULTE. I was about to ask the same question. In view of the antagonism that has arisen in the District of Columbia toward the Commission, because of its antagonistic attitude toward Members of Congress, and everyone else here, I am not going to sit idle here and see that Commission granted any more power than it has at the present time.

Mr. RANDOLPH. Any orders of the Commission now carried out will not be enhanced, but this will simply provide

for some uniformity of enforcement.

Mr. SCHULTE. Mr. Speaker, the Public Utilities Commission of the District of Columbia cares no more about a Member of Congress than it does about anything that flies along on the street. They hold in contempt anything that we may do simply because of the fact that it is Congress that does it. I do not want to give them any more power than they have at the present time; in fact, I would like to curtail their power and get them to do something that would be of benefit to the people of the District of Columbia, and not to their detriment. At the present time they seek to legislate, whether they have the power to do so or not. For that reason I want to cut them.

Mr. RANDOLPH. Mr. Speaker, all of us are aware of the gentleman's frankness on these questions, and I am sure that he has contributed much to the consideration of measures before the District of Columbia Committee.

The SPEAKER. Is there objection to the request of the gentleman from West Virginia?

There was no objection.

The SPEAKER. The Clerk will report the Senate bill. The Clerk read the Senate bill, as follows:

The Clerk read the Senate bill, as follows:

Be it enacted, etc., That prosecution for violation of any rule, order, or regulation made, adopted, or approved by the Public Utilities Commission under authority of section 8 of the act approved March 4, 1913 (37 U. S. Stat. L. 974), or amendments thereto, or section 6 (e) of the traffic acts, as amended February 27, 1931 (46 U. S. Stat. L. 1424), or section 7 of the act approved July 1, 1902 (32 U. S. Stat. L. 590), as amended by the act approved July 1, 1932 (47 U. S. Stat. L. 550), or by the Joint Board under authority of section 6 (e) of the said traffic acts, as amended February 27, 1931, or section 7 of said act approved July 1, 1902, as amended by said act approved July 1, 1932, shall be on information in the Police Court of the District of Columbia, in the name of the District of Columbia, by the corporation counsel or any of his assistants. Any person, corporation, or public utility violating any such rule, order, or regulation shall, upon conviction, be fined not more than \$200: Provided, That the provisions of this act shall not be construed to apply to rules, orders, or regulations adopted or promulgated by the Commissioners of the District of Columbia which are not specifically required to be referred to the Joint Board or subject to the approval of such board: Provided further, That with respect to orders, rules, or regulations made or adopted by the Public Utilities Commission under authority of section 8 of the said act approved March 4, 1913, this section shall be construed to apply only to such orders, rules, or regulations as are subject to the penalties specifically provided in paragraph 85 of that act.

Sec. 2. The provisions of section 1 of this act and of paragraph of that act.

of that act.

SEC. 2. The provisions of section 1 of this act and of paragraph 85 of section 8 of the said act approved March 4, 1913, so far as they relate to the orders, rules, and regulations of the Public Utilities Commission, shall be construed as prescribing alternative methods of enforcement of the orders, rules, or regulations of the Commission, and any order, rule, or regulation adopted by the Public Utilities Commission which is required to be referred to or is subject to the approval of the Joint Board may be enforced either as provided by paragraph 85 of section 8 of the act approved March 4, 1913, or as provided in section 1 of this act.

The SPEAKER. The question is on the third reading of

The Senate bill was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider laid on the table.

A similar House bill (H. R. 3668) was laid on the table.

BANKING, BANKS, ETC., IN THE DISTRICT OF COLUMBIA

Mr. RANDOLPH. Mr. Speaker, I call up the bill S. 794, relating to banking, banks, and trust companies in the District of Columbia, and for other purposes, a similar House bill (H. R. 2561) being on the calendar. I ask unanimous consent to take the Senate bill from the Speaker's table.

The SPEAKER. Is there objection?

There was no objection.

The SPEAKER. The Clerk will report the Senate bill.

The Clerk read as follows:

Be it enacted, etc., That where a check or other instrument payable on demand at any bank or trust company doing business in the District of Columbia is presented for payment more than 1 year

the District of Columbia is presented for payment more than 1 year from its date, such bank or trust company may, unless expressly instructed by the drawer or maker to pay the same, refuse payment thereof, and no liability shall thereby be incurred to the drawer or maker for dishonoring the instrument by nonpayment.

SEC. 2. Notice to any bank or trust company doing business in the District of Columbia of an adverse claim to a deposit standing on its books to the credit of any person shall not be effectual to cause said bank or trust company to recognize said adverse claimant unless said adverse claimant shall also either (1) procure a restraining order, injunction, or other appropriate process against ant unless said adverse claimant shall also either (1) procure a restraining order, injunction, or other appropriate process against said bank or trust company from a court of competent jurisdiction in a cause therein instituted by him wherein the person to whose credit the deposit stands is made a party and served with summons; or (2) execute to such bank or trust company, in form and with sureties acceptable to it, a bond indemnifying said bank or trust company from any and all liability, loss, damage, costs, and expenses, for and on account of the payment of such adverse claim or the dishonor of the check or other order of the person to whose or the dishonor of the check or other order of the person to whose credit the deposit stands on the books of said bank or trust company: Provided, That this section shall not apply to any instance where the person to whose credit the deposit stands is a fiduciary for such adverse claimant, and the facts constituting such relationship, together with the facts showing reasonable cause of belief on the part of the said claimant that the said fiduciary is about to misappropriate said deposit, are made to appear by the affidavit of such claimant.

such claimant.

SEC. 3. (a) No bank or trust company doing business in the District of Columbia, which has paid and charged to the account of a depositor any money on a forged, altered, or raised check issued in the name of said depositor shall be liable to said depositor for the amount paid thereon unless either (1) within 1 year after notice to said depositor that the vouchers representing payments charged to the account of said depositor for the period during which such payment was made are ready for delivery, or (2), in case no such notice has been given, within 6 months after the return to said depositor of the voucher representing such payment, said depositor shall notify the bank or trust company that the check so paid is forged, altered, or raised.

(b) The notice referred to in subsection (a) may be given by mail to said depositor at his last-known address with postage prepaid.

prepaid.

(c) This section shall not be construed to relieve a depositor from due diligence in the examination of returned vouchers or in otherwise discovering that a check has been forged, altered, or raised, or in notifying the bank or trust company of his actual

discovery of a forgery or alteration.

(d) When used in this section the word "check" shall also include drafts, notes, acceptances, or other negotiable instruments payable at a bank or trust company, and the word "forged" shall also include an unauthorized signature by an agent or officer of

a depositor.

The provisions of this section shall not be held to apply to

the forgery of an endorsement.

the forgery of an endorsement.

SEC. 4. Whenever a deposit, which is in form in trust for another, shall be made by any person in any bank or trust company doing business in the District of Columbia, and no other or further notice of the existence and terms of a legal and valid trust shall have been given in writing to the bank or trust company, such deposit, or any part thereof, together with the dividends, or interest thereon, may, in the event of the death of the trustee, be paid to the person for whom such deposit was made or to his legal representative.

SEC. 5. It shall be lawful for any notary public who is a stockholder, director, officer, or employee of a bank, trust company, or other corporation to take the acknowledgment of any party to any written instrument executed to or by such corporation, or to administer an oath to any other stockholder, director, officer, employee, or agent of such corporation, or to protest for nonacceptance or nonpayment drafts, checks, notes, acceptances, or other nego-

ployee, or agent of such corporation, or to protest for nonacceptance or nonpayment drafts, checks, notes, acceptances, or other negotiable instruments which may be owned or held for collection by such corporation: Provided, That it shall be unlawful for any notary public to take the acknowledgment of an instrument executed by or to a bank or corporation of which he is a stockholder, director, officer, or employee, where such notary is a party to such instrument, either individually or as a representative of such corporation, or to protest any negotiable instrument owned or held for collection by such corporation, where such notary is individually a party to such instrument: Provided further, That it shall be unlawful for any notary public to take the oath of an officer or director of any bank or trust company of which he is an officer, or to take an oath of any person verifying a report of such bank or trust company to the Currency.

Sec. 6. No bank or trust company doing business in the District of

SEC. 6. No bank or trust company doing business in the District of Columbia shall be liable to a depositor because of the nonpayment

through mistake or error and without malice of a check, draft, note, acceptance, or other negotiable instrument, payable at any bank or trust company, which should have been paid unless the depositor shall allege and prove actual damage by reason of such nonpayment, and in such event the liability shall not exceed the amount of damage so proved.

SEC. 7. Any bank or trust company doing business in the District

SEC. 7. Any bank or trust company doing business in the District of Columbia receiving for collection or deposit any check, draft, note, acceptance, or other negotiable instrument drawn upon or payable at any other bank, located outside the District of Columbia, may forward such instrument for collection directly to the bank on which it is drawn or at which it is made payable, and such method of forwarding direct to the payer shall be deemed due diligence, and the failure of such payor bank, because of its insolvency or other default, to account for the proceeds thereof shall not render the forwarding bank liable therefor: Provided, however, That such forwarding bank shall have used due diligence in other re-

render the forwarding bank liable therefor: Provided, however, That such forwarding bank shall have used due diligence in other respects in connection with the collection of such instrument.

SEC. 8. (a) Section 456 of the act entitled "An act to establish a code of law for the District of Columbia," approved March 3, 1901, as amended (D. C. Code, title 24, sec. 132), is amended by adding at the end thereof the following new sentence: "The garnishee, in any case in which the property or credits attached or sought to be attached is held by him in the name of or for the account of another than the defendant, shall retain such property or credits during the period pending determination by the court of the propriety of the attachment or the rightful owner of such property or credits, and, during such period, shall incur no liability whatsoever for such retention."

(b) Section 1090 of such act, as amended (D. C. Code, title 24,

soever for such retention."

(b) Section 1090 of such act, as amended (D. C. Code, title 24, sec. 288), is amended by adding at the end thereof the following new sentence: "The garnishee, in any case in which the property or credits attached or sought to be attached is held by him in the name of or for the account of another than the defendant, shall retain such property or credits during the period pending determination by the court of the propriety of the attachment or the rightful owner of such property or credits, and, during such period, shall incur no liability whatsoever for such retention."

The SPEAKER. The question is on the third reading of the Senate bill.

The Senate bill was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider laid on the table.

A similar House bill (H. R. 2561) was laid on the table.

Mr. RANDOLPH. Mr. Speaker, this concludes the 10 items of legislation brought in by the District of Columbia Committee today.

INVESTIGATION OF WORKS PROGESS ADMINISTRATION

Mr. COX. Mr. Speaker, I call up House Resolution 130. which I send to the desk and ask to have read.

The SPEAKER. The gentleman from Georgia calls up a privileged report. The Clerk will report the resolution.

The Clerk read as follows:

House Resolution 130

Resolved, That for the purpose of obtaining information necessary as a basis for legislation the Committee on Appropriations, as a whole or by subcommittee, is authorized and directed to conduct a thorough investigation and study of the Works Progress Administration and the administration of laws, regulations, and orders administration by its conduct of the conduc ministered by it.

The committee shall report to the House as soon as practicable during the present Congress the results of its investigations, together with such recommendations for legislation as it deems

desirable

desirable.

For the purposes of this resolution the committee, or any subcommittee thereof, is authorized to sit and act during the present Congress at such times and places within the United States, whether or not the House is sitting, has recessed, or has adjourned, to hold such hearings, to require the attendance of such witnesses and the production of such books, papers, and documents, and to take such testimony, as it deems necessary. Subpenas may be issued under the signature of the chairman of the committee or any member designated by him, and may be served by any person designated by such chairman or member. The chairman of the committee or any member thereof may administer oaths to witnesses. Every person who, having been summoned as a witness by authority of said committee or any subcommittee thereof, willfully makes default, or who, having appeared, refuses to answer any questions pertinent to the matter herein authorized, shall be held to the penalties provided by section 102 of the Revised Statutes of the United States, as amended (U. S. C., 1934 ed., title 2, sec. 192).

Mr. COX. Mr. Speaker, I yield 30 minutes to the gen-

Mr. COX. Mr. Speaker, I yield 30 minutes to the gentleman from Michigan [Mr. Mapes], to be in turn yielded by him as he sees fit.

Mr. Speaker, this resolution, as the reading has just disclosed, provides for an investigation of the Works Progress Administration. I have no purpose, certainly at this time, of indulging in any criticism of this agency of the Government. Because of the widespread charges of maladministration that have been made, I came to the conclusion that if there is anything wrong with the W. P. A. it ought to be discovered and ought to be made known. Therefore the resolution is now before the House.

The resolution does not provide for the setting up of a special committee. Such provision might be taken as an expression of hostility to the agency. There is nothing in the resolution that is hostile to the W. P. A. or to the administration of that agency. The resolution provides that the investigation shall be conducted by the Appropriations Committee of the House. That is the committee of the Congress that has handled appropriations for this activity during the past several years. It is the committee that is best qualified, in my opinion, to carry on a thorough and impartial investigation, having considerable background on the subject and is well equipped to examine into the matter. It enjoys the confidence of the House and of the country and we can well afford to rest upon the assurance that that committee will conduct a dignified examination and will handle the whole subject in a temperate and dignified manner.

I now yield to my colleague from Michigan [Mr. MAPES]. Mr. MAPES. Mr. Speaker, I yield 15 minutes to the gentleman from Massachusetts, the minority leader [Mr.

MARTIN].

Mr. MARTIN of Massachusetts. Mr. Speaker, I am delighted to join with the able and distinguished gentleman from Georgia [Mr. Cox] and the Rules Committee in support of this resolution. I rejoice that the Committee on Rules has reported it favorably, and I trust it will have, as

it deserves, the unanimous support of this body.

I believe I have a mandate, using the words of one high in Government official circles, to support a resolution of this character, because certainly in the last campaign it was an outstanding issue in my own congressional district. The people of my district were deeply concerned and disturbed with the politics, the graft, the corruption, and the mismanagement that was in evidence in the W. P. A. The distrust of the administration of the W. P. A. in my district was not confined to those who pay the bills. It was universal among the general public, and particularly many on the W. P. A., who have suffered through maladministration. Groups have passed resolutions requesting there be a fair and impartial examination and inquiry into W. P. A. Many individuals have voiced similar sentiments. The public wants this great humane agency to be conducted fairly and squarely and in the interest of all who need relief. If that is done, you will not find any complaints on the part of the American people, because no one in America wants a deserving person to go hungry or without shelter, but the American people are demanding this agency be conducted in a fair and impartial manner.

It is stated there is no politics in W. P. A. Well, I do not have to go farther than the Fourteenth Massachusetts District to be able to tell you that there has been considerable politics in the W. P. A. In the last campaign the high command here in Washington, according to information that was brought into Massachusetts, picked the man who was to oppose me for election. He was the State employment administrator, and he frankly admitted he was a candidate because he had been requested to be one. The W. P. A. workers in my district were obliged to sign pledge cards of support. They were obliged to buy lottery tickets in order to contribute to the campaign fund. One woman came into my office with the front of her shoes broken and said, "My husband last week was obliged to buy a lottery ticket for \$1, and the result is I am unable to buy a pair of shoes this week."

Think of that being permitted in relief administration.

The workers were forced to buy clambake tickets. They were obliged to put their automobiles and their trucks in a monster parade that was held on the Saturday before election day for a great parade and demonstration. Men who were on W. P. A. were required to distribute signs and to make house-to-house solicitations for votes. They were marshalled

to the polls on election day. Promotions were made for their political effort. Men from the regional office visited town officials and requested they submit additional names to be placed on the rolls. The whole W. P. A. regional office seethed with political activity, and it was obvious to all.

I realize that is "water gone over the dam." I know "Harry the Spender" is no longer head of the Department, and there is a new Administrator, who I hope will bring about

better conditions.

Mr. WOOD. Mr. Speaker, will the gentleman yield?

Mr. MARTIN of Massachusetts. I yield.

Mr. WOOD. Is the gentleman for this resolution because of the supposed political activity that he mentions, or is it to ascertain probable amounts necessary to carry on W. P. A.? In view of the fact that we amended the law in the last resolution, practically depriving W. P. A. workers of their franchise, is it the gentleman's intention to further investigate that we will further deprive them of their franchise? About all they can do now is vote. No supervisory employee can do anything but vote now.

Mr. MARTIN of Massachusetts. I want every W. P. A.

man to be a free American.

Mr. WOOD. The gentleman mentioned this particular activity. Is that why he wants this resolution passed?

Mr. MARTIN of Massachusetts. This is my time, I am going to answer the gentleman. I want the W. P. A. worker to be a free man. I do not want him forced to sign pledge cards.

Mr. WOOD. Does not the gentleman think-

Mr. MARTIN of Massachusetts. Wait a minute. The gentleman should restrain himself.

Mr. WOOD. I think the gentleman from Massachusetts should restrain himself, too.

Mr. MARTIN of Massachusetts. I do not want the workers to be branded as they brand cattle on the western ranches,

Mr. WOOD. They have already been branded in the matter of franchise. What further does the gentleman want?

Mr. MARTIN of Massachusetts. I agree with the gentleman that legislation has been passed which I hope will correct the evil practices of 1938. I agree with the gentleman from Missouri that there is a new head of the Bureau and a hope for better things. In reciting these happenings of 1938 I am doing so with the hope there will be a genuine change in the methods of administration of the W. P. A.

Mr. WOOD. The gentleman refers, I assume, to the reason—

Mr. MARTIN of Massachusetts. Mr. Speaker, I decline to yield.

Mr. Speaker, I want this committee to make a thorough investigation with the object, first, of ascertaining how much money is legitimately needed for the relief of the people of this country; and I want them, secondly, to see that the laws passed by this Congress are observed. I have confidence the

committee will do these things.

Relief is bound to cost the American people an enormous sum, and legitimately so, but Congress should take hold of the purse strings of the Nation; we should make certain the amounts requested are needed. That is an obligation on the part of Congressmen. This is why I favor an investigation on the part of the subcommittee of the Appropriations Committee of the House. This committee can do a splendid constructive service to the country, and they can do a tremendous service to the poor men on relief who want protection and fair treatment.

Mr. SACKS. Mr. Speaker, will the gentleman yield?

Mr. MARTIN of Massachusetts. I yield.

Mr. SACKS. I agree with the gentleman from Massachusetts that there ought to be a house cleaning if it is necessary; but I call the gentleman's attention to a situation in my city, where the Republican city council said, "We will sponsor projects if we get half the jobs."

So the blame does not rest entirely on the Democrats. The Republicans would like to get their hands on it, too.

Mr. MARTIN of Massachusetts. You apparently are more liberal up in Pennsylvania than they are in the Fourteenth District of Massachusetts.

Mr. DUNN. Mr. Speaker, will the gentleman yield?

Mr. MARTIN of Massachusetts. I yield.

Mr. DUNN. I agree with the gentleman from Massachusetts that no person should be forced to vote, that he should be allowed to vote the way his conscience dictates; and in this connection I would ask the gentleman whether there is anything in the resolution now pending before the House providing for the investigation of such organizations as the chain stores and big manufacturing companies which call upon their employees to vote for certain candidates, which tell their employees how to vote.

Mr. MARTIN of Massachusetts. As I listened to the reading of the resolution I did not hear anything like that. If the gentleman can persuade the distinguished Representative of the Rules Committee to include it, I shall have no

objection.

Mr. DUNN. I may say to the gentleman that I know as a positive fact that chain stores have put literature in the baskets of their customers in my district and in other congressional districts. Manufacturers have done likewise.

Mr. MARTIN of Massachusetts. I know nothing about that.

I am for this resolution, Mr. Speaker, because it is the belief of the minority it will put a great humane experiment on a fair and equitable basis.

Mr. BREWSTER. Mr. Speaker, will the gentleman yield?

Mr. MARTIN of Massachusetts. I yield.

Mr. BREWSTER. Would it be within the scope of this investigation for the committee to inquire why it is that representatives of the Federal Government in the State of Maine who on their own confession have stolen thousands of dollars of Federal funds are not prosecuted by Federal authority as yet? I should think gentlemen on the other side would certainly be interested in seeing that the money we have appropriated is properly and prudently expended.

Mr. WOOD. Mr. Speaker, will the gentleman yield?

Mr. MARTIN of Massachusetts. I yield.

Mr. WOOD. I may say that I have no objection. I heartily concur with the gentleman that those engaged in corruption or fraud in the handling of this money should be brought to justice.

Mr. MARTIN of Massachusetts. For 3 long years we have sought to get these men prosecuted, but without success.

Mr. WOOD. That is partisan politics. The gentleman from Massachusetts in setting forth the reasons why he supports this resolution talks nothing but partisan politics and says nothing about the real or supposed purpose of this resolution.

Mr. MARTIN of Massachusetts. The gentleman from Massachusetts is stating why he is on the floor today asking an investigation. I am demanding it because the people of his district have given me a mandate to do everything possible to purify and clean up a situation that has disgusted the fair-minded people. All of us, I hope, can agree upon two things. We can agree, if there is corruption—whether it be in Massachusetts or Pennsylvania, whether it be on the part of a Republican or Democrat, Socialist or Independent—this corruption should cease, and we should exert every effort and influence to prosecute those who are guilty. I believe we can also all agree the man or woman on W. P. A. must be allowed to be a free American, a free man to vote as he pleases. I do not think any Republican or Democrat can find fault with this demand; it is decidedly American.

Mr. MOSER. Mr. Speaker, will the gentleman yield?

Mr. MARTIN of Massachusetts. I yield.

Mr. MOSER. If the gentleman will permit, I may state that as recently as yesterday there came through the mail a complete check-up of one group of W. P. A. workers under the domination and threat of the Workers' Alliance which showed that only 28 percent of that group of dodgers sent to me were registered voters. The rest of them were either duplications or they were not registered to vote with any party in any election.

I would like to further state that the Workers Alliance as such has been threatening W. P. A. workers and requesting them to join the union and sign up. Following each such instance that they have come in and joined the union and signed up, my mail has brought me great quantities of dodgers which have been signed by people who under this form of duress have been forced to sign. It has disclosed that such registrations are prevalent. I believe it is important that Members of the House should know that that condition exists at the present time. They have had them sign up in the districts represented by our colleagues [Mr. Kinzer and Mr. Ditter], whose districts adjoin mine.

Mr. MARTIN of Massachusetts. Mr. Speaker, I repeat I am in favor of the pending resolution. I concede a great deal of what I have been finding fault with is reported to be eliminated. I sincerely hope the conditions have been remedied, although I am a little bit doubtful as yet, because when I look back in my district I find the men who had charge of all the political manipulations still hold supervisory positions and a great many of them have lately been promoted to higher positions at higher salaries.

[Here the gavel fell.]

Mr. MAPES. Mr. Speaker, I yield the gentleman 5 additional minutes.

Mr. MARTIN of Massachusetts. I still hope we can look forward to a more wholesome situation under the new Administrator from the Army.

I always have faith in an Army officer, because I believe as a rule they have no politics. An Army officer generally wants to clean up a bad situation, and I hope this will be true of Colonel Harrington.

The American people want to give all that is necessary for relief, but the American people are demanding the money be honestly and prudently expended. The American people do not want the money to be dissipated in large overhead expenses; they do not want it dissipated improperly. Realizing the heavy relief drain they insist this money shall go to the people who are in actual need. Today under present conditions there are millions of deserving people who cannot get on the relief rolls while many privileged persons who are getting relief do not merit a place. That is unfair, and the American people will not stand for it.

Mr. SACKS. Will the gentleman yield?

Mr. MARTIN of Massachusetts. I yield to the gentleman from Pennsylvania.

Mr. SACKS. May I call the attention of the gentleman to the fact that the question of getting on relief is a State matter, not a Federal matter.

Mr. MARTIN of Massachusetts. Will the gentleman just explain himself? How is it a State matter?

Mr. SACKS. Any man who gets on relief obtains that relief as a result of an investigation made by State investigators, and it is purely a State matter.

Mr. MARTIN of Massachusetts. That may be true in Pennsylvania, but it is not so in Massachusetts.

Mr. SACKS. It is Republican in Pennsylvania.

Mr. MARTIN of Massachusetts. It is not done that way in Massachusetts. I do not know anything about Pennsylvania. I know as far as Massachusetts is concerned that last year at election time you could get on the W. P. A. rolls whether you were on the relief rolls or not. I do not say that condition is true today.

Mr. HOOK. Will the gentleman yield?

Mr. MARTIN of Massachusetts. I yield to the gentleman from Michigan.

Mr. HOOK. Inasmuch as the gentleman has expressed himself with regard to the needs of the people, does he not think they are in need of the \$150,000,000 that has been requested for W. P. A.?

Mr. MARTIN of Massachusetts. I will meet that situation when the subcommittee of the Committee on Appropriations reports the bill and gives us the facts. It may be old fashicned but I believe we should secure all the evidence before we make up our minds.

Mr. MARTIN of Colorado. Will the gentleman yield?

Mr. MARTIN of Massachusetts. I yield to the gentleman from Colorado.

Mr. MARTIN of Colorado. The gentleman from Massachusetts has affirmed his confidence in Army officers, and I join with him in that view; but apparently his side of the House does not have much confidence in the repeated statements of Colonel Harrington that we need an additional \$150,000,000 for the remainder of this fiscal year.

Mr. MARTIN of Massachusetts. I may say to the gentleman from Colorado when you are making a request for an appropriation, no committee or anyone else should take a man's unsupported word. When one appears before the Committee on Appropriations or when one comes before the Congress he should have the facts and figures to prove the money is needed and they ought to be presented. You should not have to take any one man's word. [Applause.]

Mr. MARTIN of Colorado. One further question. Does the gentleman from Massachusetts infer that Colonel Harrington has repeatedly come before the Appropriations Committee without proof to back up his claims?

Mr. MARTIN of Massachusetts. I have not received a report from the committee. I have not had an opportunity to read the hearings of the subcommittee. I do not know whether he has or not. However, I do make the statement we should not take a man's unsupported claim. Whether Colonel Harrington has brought the evidence or proof in or not, we will find out later.

Mr. SCHAEFER of Illinois. Mr. Speaker, will the gentle-

Mr. MARTIN of Massachusetts. I yield to the gentleman from Illinois.

Mr. SCHAEFER of Illinois. Did the gentleman make the statement they could get on W. P. A. last year without being on relief?

Mr. MARTIN of Massachusetts. In my district they could.
Mr. SCHAEFER of Illinois. They cannot in the State of

Mr. MARTIN of Massachusetts. I congratulate the gentleman from Illinois on his State. [Applause.]

[Here the gavel fell.]

be defeated.

Mr. COX. Mr. Speaker, I yield 15 minutes to the gentleman from Illinois [Mr. Sabath].

Mr. SABATH. Even though I realize that this resolution will pass, I would vote against it if in doing so I stood alone. The gentleman from Massachusetts [Mr. Martin] is no more sincerely interested in economy and in divorcing politics from relief than I am. As a matter of fact, when the Governor of Illinois turned relief work over to a State board—composed predominantly of Republicans, as I afterward learned—I vigorously condemned and criticized that board when I learned that its administrative costs ran to 27½ percent. Since that time I have maintained an interest in the administration and cost of welfare work generally, and I can say unequivocally that the Works Progress Administration has handled a difficult job with the minimum of waste and with an efficiency that can only reflect to the great credit of Mr.

Harry Hopkins, and at a cost of only 2 percent. It is true that there was some waste, and it would be foolish to deny the existence of some irregularities. The important thing is that 3,000,000 individuals were put to work, all in the space of a very short time, with no real waste to speak of; with no widespread inefficiency, as has sometimes been charged; and, I say to you emphatically, with very little of politics. In any organization as large as W. P. A. there are bound to be imperfections. But to criticize and investigate an organization for occasional mistakes does not appear to me to be with the purpose of economy in mind. Neither can I believe that it is in the interest of efficiency, nor to clear politics from relief. Now, it may be a coincidence that this resolution comes to us just before another resolution for a deficiency appropriation for W. P. A. is considered. And the Members may look upon it as a coincidence. But I do not. To my mind it is nothing but a political move, pure and simple, designed to discredit the W. P. A. and to reflect against

it to such an extent that the deficiency appropriation might

There is nothing that can come of this investigation that is not already in the hands of this House. Senator Sheppard's committee went thoroughly into phases of this; the Senate Judiciary Committee certainly considered everything that had been said about Administrator Hopkins before he was unanimously confirmed by the Senate, and the Appropriations Committee of this House has just concluded 6 full days of inquiry into W. P. A. activities. Then, too, the Dies committee has had ample time to bring before the House anything they may have discovered.

The gentleman from Massachusetts [Mr. MARTIN], minority leader, for whom I have great personal admiration, must admit of very little on which to base his support of the proposed investigation when the most glaring example of inefficiency to which he can point is the case of a young man, age 20 years, who was found to be holding a relief job at \$23 a week. I can only say to the gentleman that if that is the extent of his complaint I can really astonish him with examples of politics played by Republicans who have had charge of relief bodies. If there are to be any complaints, incidentally, about not being able to place people in the administrative offices of the W. P. A., it certainly cannot be denied that the Democrats have more reason to complain than the Republicans. I know that I have never been given the consideration I felt I deserved, but that does not mean that I am going to condemn the W. P. A., investigate it, malign its officials, and refuse it money to help the poor and unemployed. If I did that I would be a poor American.

Mr. Speaker, in my many years of service this is the first instance where I have seen a resolution introduced on such flimsy evidence, or rather I should say lack of evidence, to investigate any Government agency. When the author of this resolution made a brief statement in the Rules Committee, of which he is a distinguished member, justifying the need for an investigation, I was astonished at the meager evidence he gave.

I repeatedly urged that Colonel Harrington, who enjoys the respect of every Member of this House, be given a chance to appear before the Rules Committee and explain anything on which there might be doubt. That privilege was denied Colonel Harrington, and the other members of the committee chose to overrule me and report the resolution. When I also asked that the chairman of the Appropriations Committee, which had been conducting hearings on the question of a deficiency appropriation, be called before the committee, the suggestion was waved aside. I can only believe that the purpose of considering this bill today is to attempt the defeat of the deficiency appropriation when it comes before the House. How can any Member even consider such a resolution as this, and postpone action on an authorization of money so urgently needed? Cannot they realize that thousands of the poor and needy will be thrown out of employment unless this money is made available to the W. P. A.? Or is it that they place politics above relief?

The gentleman from Georgia [Mr. Cox], echoed by his colleague [Mr. Dies], has made serious charges against the Federal theater projects. I have learned that these projects for 8 months ending February 28, 1939, have cost the Government only \$7,636,623, which has taken care of thousands of unemployed.

It has been charged that the theater groups are Communist dominated. Let me call your attention to an article in yesterday's New York Times, which reports that the Vassar College public discussion group, with all the evidence of the Dies committee before it, and with a brief of the Federal theater project, in class discussion concluded that the Dies committee is turning attention from the real issue of how to wipe out human misery, which breeds discontent and revolt, and that the Federal theater project is creating an American theater, relieving need and enriching culture. I am also informed that in the city of Chicago alone the company of W. P. A. players which has performed for 8 months the old Gilbert and Sullivan production, the Mikado, has shown a profit of \$150,000, which was turned in to the United States Treasury. Incidentally they anticipate an equal profit from the production in New York City.

Now, there are some, influenced by the desires of private enterprise, who charge that such activities interfere with business. But in this case, even though there has been the same charge, it has proven that the contrary is true. A second company, owned privately, is now successfully presenting the same production, simultaneously with the W. P. A. production, giving employment to upward of 200 persons, and

The point-by-point refutation of the many charges against the theater projects, which were submitted in great detail to the Dies committee, were never the subject of newspaper reports, although everything that was ever said in criticism of those projects made the front pages. I know that a great ado was made regarding the evidence of Mrs. Lazelle, on the charge that some of the writers' guides contained subversive material. That was thoroughly investigated and the charge found to be groundless. Unfortunately, the press is not so impartial as to print findings which absolve an administration agency from blame.

Mr. MARTIN of Massachusetts. Mr. Speaker, will the gentleman yield?

Mr. SABATH. I yield to the gentleman from Massachu-

Mr. MARTIN of Massachusetts. My good friend from Illinois, who is always extravagant in his language and generally does not mean what he says, as far as this question is concerned-

Mr. SABATH. That is not a question; it seems to be a charge or accusation.

Mr. MARTIN of Massachusetts. I would not make any charges against my lovely friend from Illinois, with whom I served for 10 years on the Committee on Rules, because I appreciate his sterling worth; but I will say to the gentleman from Illinois that if there is an investigation that is open to the public, I will bring before the committee persons who will prove any statement I make. [Applause.]

Mr. SABATH. I may say to the gentleman from Massachusetts that in the last campaign I received hundreds of letters and complaints which I caused to be investigated; and what did I ascertain? That in nearly every instance the complaint came from the man because he was not promoted or because he was discharged for inefficiency. I found nearly all the complaints that came to me unjustifiable and unwarranted. The complaints were made more for the purpose of trying to besmirch the organization and those honest men who got rid of a man or group of men who failed to do their duty.

Mr. BRADLEY of Pennsylvania. Mr. Speaker, will the gentleman yield?

Mr. SABATH. I yield to the gentleman from Pennsyl-

Mr. BRADLEY of Pennsylvania. Apropos of the claims that there is very great need for investigating the W. P. A., I should like to read a statement appearing in this morning's press which I think is very interesting in the present circumstances. The item is very short.

Mr. SABATH. I will permit the gentleman to read the statement. I know what it is. It is from a Senator, if I am not mistaken.

Mr. BRADLEY of Pennsylvania (reading):

As chief investigator of the Senate Campaign Fund Committee, As chief investigator of the Senate Campaign Fund Committee, H. Ralph Burton wrote most of the reports blasting the W. P. A. for meddling in politics in Kentucky, Pennsylvania, and other States. The other day Burton visited W. P. A. headquarters in search of a job. This time he said: "I've looked over Government agencies, and there isn't one I'd rather work for than W. P. A. You have the most efficient and square-shooting organization in Washington."

This is from the chief investigator who blasted the W. P. A. Mr. SABATH. All the investigators came to the same conclusion, I may say.

Mr. Speaker, as I have been informed by the chairman of that committee [Mr. TAYLOR], than whom there is no more honorable man to be found anywhere, during the entire 6 or 7 days devoted to an examination of the officers of the W. P. A., there was nothing whatever brought out to show

that the W. P. A. officials had not performed their duty honestly, faithfully, and well.

Mr. KEEFE. Mr. Speaker, will the gentleman yield just for a question?

Mr. SABATH. I cannot yield now.

For this reason, Mr. Speaker, I thought there was no justification for the reporting of this resolution, but in view of the fact that a majority of the Members felt that there should be an investigation, notwithstanding there was not a single word of evidence produced before the Rules Committee and not a single witness appeared, the resolution was reported without giving Colonel Harrington an opportunity to be heard or to assure the Members that the investigation is called for.

Therefore, Mr. Speaker, I came to the conclusion that this resolution is more or less for the purpose of creating unfair publicity, as well as for the purpose of defeating the needed \$150,000,000 for the W. P. A., as recommended by the President.

Mr. KEEFE. Mr. Speaker, will the gentleman yield? Mr. SABATH. I cannot yield now.

I am satisfied, notwithstanding the fact that this resolution has been reported, a majority of the Members on this side, and I know there are a great many on my left, will recognize the need of this appropriation and will vote for it.

I do not object to investigations, Mr. Speaker, but to investigate an organization of this kind without any justification is unfair and unwarranted. Naturally, the Republicans for political reasons alone will vote for any kind of resolution to investigate any department or bureau under President Roosevelt. This is natural. They are trying to make political capital out of it. Are we to play into their hands and aid them in their attempts to discredit honorable, honest, and faithful officials of this administration? I think such a course is ridiculous, especially when, through a resolution of this kind, some Democrats will attack their administration out of nothing but revenge.

Mr. KEEFE. Mr. Speaker, will the gentleman yield?

Mr. SABATH. I yield, but only for a question.

Mr. KEEFE. I would like to ask the gentleman, having listened to him for about 12 minutes-

Mr. SABATH. I will not yield further, Mr. Speaker. I vielded for a question.

Mr. KEEFE. I am going to ask a question. Is the gentleman for this bill or against it? That is my question.

Mr. SABATH. Sit down and I will answer you. You know your action here will not bring you anything, I may say to my young friend from Wisconsin.

We are not given to being scared even if the gentleman takes such a threatening attitude.

Yes; I am against this resolution and it should not pass. but I am for the \$150,000,000 that has been asked for by the President; and I wonder if the gentleman, when the time comes, will vote for the relief of the people of his district, many thousands of whom will be thrown off of the relief rolls without that appropriation.

Mr. HOOK. Mr. Speaker, will the gentleman yield? Mr. SABATH. I yield to the gentleman from Michigan.

Mr. HOOK. I was very much interested in the statement of the gentleman from Massachusetts [Mr. Martin] when he said there should be a complete investigation before there should be any appropriation made. I am interested now in the statement of the gentleman from Illinois that there was no one who appeared before the Rules Committee when this resolution was brought out. I am wondering whether a resolution should be passed by the Rules Committee without any testimony any more than an appropriation bill should be passed without any testimony.

Mr. COX. Mr. Speaker, will my friend yield? Mr. SABATH. I will answer the gentleman by saying that the gentleman from Georgia [Mr. Cox], a member of the Rules Committee, made a statement requesting or demanding this investigation, and in view of the fact that a majority of the members of the Rules Committee felt that the Appropriations Committee having already investigated the matter

this resolution would not make much difference, and it was reported out on that basis.

Mr. HOOK. In other words, a resolution was passed and reported out by the Rules Committee just because some member of the Rules Committee asked for it.

Mr. COX. Now, will the gentleman yield? Mr. SABATH. I yield to the gentleman.

Mr. COX. I wonder if the gentleman cannot find it pleasing to himself to give answer to the gentleman from Michigan to the effect that the members of the Rules Committee meet, and will continue to meet, their own responsibility without suggestion from the gentleman from Michigan. [Applause.]

Mr. HOOK. On my oath as a Member of this House I feel I am just as responsible, as a Member of Congress from the liberal group of this House, as the conservative Member from Georgia, who has sought to block every piece of liberal legislation in this House; and I will stand on my record as a Member of this House in face of his record here.

Mr. SABATH. Mr. Speaker, as member and chairman of the Rules Committee, I can assure the House that fair treatment and consideration will be given to all Members on all pending resolutions; and as long as I am chairman of that committee I am going to continue to give each and every Member an opportunity to be heard, even though I may personally oppose their resolutions. [Applause.]

[Here the gavel fell.]

Mr. COX. Mr. Speaker, I yield 5 minutes to the gentleman from Oklahoma [Mr. Nichols].

Mr. NICHOLS. Mr. Speaker, insofar as my knowledge of W. P. A. is concerned, I am frank to say it has been limited to the State of Oklahoma and I know of nothing that has happened that would justify the charge of graft, corruption, and political activity. Be that as it may, however, I, of course, shall support this resolution, but I think the record should be kept straight. The Republicans, of course, will attempt to take unto themselves the credit for this investigation. This resolution comes from the Committee on Rules, a majority of which, of course, are Democrats. If the resolution pass this body, and I am confident that it will, it will pass by reason of the fact that this body is constituted of a majority of Democrats. If there is corruption and graft in W. P. A., the Republicans are no more anxious to discover that corruption and graft than are the Democrats.

Mr. MARTIN of Massachusetts. Mr. Speaker, will the

gentleman yield?

Mr. NICHOLS. Not at the moment. I am willing that the gentlemen on the Republican side of the aisle shall have their proportionate share of the credit, if credit there be, for bringing about this investigation. I simply want to keep the record in shape so that they cannot claim, if it become a credit, that all of credit for this investigation belongs to them. I yield to the gentleman from Massachusetts.

Mr. MARTIN of Massachusetts. Mr. Speaker, I assure the gentleman that I am not trying to take credit to the Republicans for bringing about this resolution, because I know as well as the gentleman knows that it could not be done unless conscientious Democrats who believe as we do in having a wholesome presentation of relief had joined us, and I want to give them every credit for doing so.

Mr. HOOK rose.

The SPEAKER pro tempore. Does the gentleman from Oklahoma yield to the gentleman from Michigan?

Mr. NICHOLS. Not now. I thank the gentleman from Massachusetts. I am convinced that will be the attitude of many of my Democratic brethren who support this resolution. In supporting it I do not agree, nor do I subscribe, to the proposition that the many, many charges which have been made against the W. P. A. and its administration and its administrators are true; but I for one, as I am sure every other Democrat does, feel if there is trouble in our house that we are not afraid to clean house. That is the purpose of this resolution. I for one have no fear of the resolution nor of the investigation that follows because I am convinced that no bunch of men could have done the herculean job that has been done under the Administration of the W. P. A. any bet-

ter than have those men and women who have had in charge the administration of that department of government.

Mr. SABATH. Mr. Speaker, will the gentleman yield?

Mr. NICHOLS. Yes.

Mr. SABATH. To state to the gentleman that I have no fear as to the result, but I think it is unnecessary. There is no justification for it; no evidence warranting it.

Mr. NICHOLS. And we are not afraid of it.

Mr. HOOK. Mr. Speaker, will the gentleman yield?

Mr. NICHOLS. Yes.

Mr. HOOK. We all know that there is nothing perfect under the sun. Therefore I wonder if when this investigating committee gets through it will commend the Works Progress Administration for the good things it has done as well as condemn it for the poor things.

Mr. NICHOLS. I doubt that they will. Investigating committees seldom commend anyone for good work.

The SPEAKER pro tempore. The time of the gentleman from Oklahoma has expired.

Mr. COX. Mr. Speaker, I yield 2 minutes to the gentleman from Texas [Mr. RAYBURN].

Mr. RAYBURN. Mr. Speaker, I have heard a great deal about W. P. A. and its administration. I am not personally acquainted with the administration of that law in any other State than the one in which I live, and if it has been conducted in other States as it has in mine, it is a credit to this administration and to the American people. [Applause.] The Committee on Appropriations in considering the 1940 appropriation can, and in my opinion will, make rather a thorough investigation of the whole W. P. A. set-up. I am pleased that the gentleman from Georgia [Mr. Cox] insisted in the resolution that the Committee on Appropriations make this investigation, and when they do, I think it will reflect credit upon the administration of the Works Progress Administration throughout the length and breadth of the land. Therefore, as far as I am concerned, I am very much pleased to allow the investigation to go on and I shall vote for the resolution.

Mr. MAPES. Mr. Speaker, I yield 5 minutes to the

gentleman from New York [Mr. FISH].

Mr. FISH. Mr. Speaker, the question has been raised why the gentleman from Georgia [Mr. Cox] should introduce this resolution. He introduced it as a member of the Committee on Rules because he believed in safeguarding our free institutions, our representative form of government, our republican form of government, all of which are more under attack today than at any time heretofore, not only from within but from without. Charges have been made that the American electorate has been corrupted by the use, the partisan use, of these relief funds, and that our American system has been undermined. We still have a government of free people under free institutions and are not like some of the Old World dictatorships, which have replaced a free ballot by a government with bullets, compulsion, and armed force. Charges have deliberately been made, which this committee must investigate, that 500,000 relief workers were placed upon the W. P. A. rolls within 2 months prior to election. Charges have been made right in the State of Illinois—the State of the distinguished gentleman who presides over the Rules Committee—that forms were sent out asking those workers on W. P. A. what their party affiliations were and how they proposed to vote.

The gentleman from Georgia [Mr. Cox], holding the interest of his country above that of his party, understanding that this issue transcends all party lines, desires to have an impartial and thorough investigation. My only complaint about this investigation is that it should have been introduced by the gentleman over a year ago, and possibly 2 years ago. It should have the united support of every Member on both sides.

Mr. WOOD and Mr. SABATH rose.

Mr. FISH. I yield to the gentleman from Illinois [Mr. Sabath].

Mr. SABATH. I wish to say that the charges that have been made during the campaign in Illinois were found to be

incorrect. There was no substance to them. Furthermore, the heads of the administration in Illinois are all Republicans.

Mr. FISH. We Members of Congress who propose to vote for this resolution think that an impartial committee, headed by a Democrat, should investigate all these charges. The gentleman from Pennsylvania [Mr. Moser] asks that this committee investigate charges against the Workers Alliance for influencing elections and coercing voters. I join with the request of that Democratic Member from Pennsylvania.

Mr. WOOD. Mr. Speaker, will the gentleman yield?

Mr. FISH. I cannot yield now.

There is no question but that in the Sixteenth District of the city of New York in the last primary campaign and in the last election campaign, the Workers' Alliance, headed by Communists, organized the W. P. A. voters and brought out sufficient voters to help defeat the former distinguished chairman of the Rules Committee. John O'Connor was defeated by the Workers' Alliance because he refused to be a rubber-stamp Member of Congress. This particular investigation aims, and I think it is the purpose of the gentleman from Georgia, to prevent further purges of members of his own party in primaries by the use of W. P. A. funds and to safeguard our free institutions and our representative form of government in general elections.

The gentleman from Illinois has asked why should we not appropriate \$150,000,000 additional for the W. P. A. I say to you that \$150,000,000 was spent in taking care of these 500,000 voters put upon the pay rolls 6 weeks before election, and now the Democratic Party or the New Deal administration that put them there have a bear by the tail and is afraid to let them go. They were put there obviously for political purposes. It is the duty of this committee to ascertain those facts and prevent such abuse in the future, and to punish those who are responsible for the partisan manipulation of the W. P. A.

[Here the gavel fell.]

Mr. MAPES. Mr. Speaker, I yield the gentleman 2 additional minutes.

Mr. HEALEY. Mr. Speaker, will the gentleman yield?

Mr. FISH. No; I cannot yield. The Administrator at the time was Mr. Harry Hopkins. He was the responsible authority for these so-called political manipulations and purges within his own party, and the use of those funds to coerce voters on election day. Instead of being repudiated and rebuked by the President, he is given an accolade and a kiss on both cheeks and promoted to the high office of Secretary of Commerce.

Mr. Aubrey Williams, his assistant, who addressed the Workers' Alliance and told them "We must stick together and elect our friends," has likewise been promoted in office, but never a rebuke from the White House for turning the

W. P. A. into a huge political machine.

The time has come for the House of Representatives, acting in its own representative capacity in order to protect our free institutions, regardless of partisanship, to investigate the serious charges of corruption, pay-roll padding, and coercion of the electorate. We are not the sponsors of this resolution. We do not claim authorship. It emanates from a Democrat, but we on this side have been advocating and have been urging an investigation of the corrupt practices under W. P. A. for the last 2 years. [Applause.]

[Here the gavel fell.]

Mr. MAPES. Mr. Speaker, I yield 1 minute to the gentle-

man from South Dakota [Mr. CASE].

Mr. CASE of South Dakota. Mr. Speaker, I may say that I think this investigation may turn out to be of political advantage to the administration in power. My observation has been that to date the political activity of the W. P. A. has been a liability rather than an asset. An investigation may clear up W. P. A.'s faults. But I am not interested in whether one party or the other gains political advantage out of this investigation; what concerns me is the chance it may afford to make relief a real thing to those who need it.

The present distinguished occupant of the chair [Mr. McCormack], in the consideration of the last relief appropriation bill, offered an amendment to provide that no rule

of eligibility would be effective which denied certification of needy women with dependent children, even though they might be eligible for some other form of social-security program. To date that amendment, although nominally in effect, is actually not being observed in my State.

The women who were taken from the rolls 2 months ago, under the rule which the gentleman from Massachusetts sought to correct, have not as yet been restored to the rolls. They may be eligible for a social-security program—aid to dependent children—but that program is not operating in South Dakota. Local funds are exhausted. These women are in need. Their children are in need. The W. P. A. is refusing to accept them for recertification.

I trust that the committee, in investigating this matter, will discover why and how the W. P. A. finds it possible by some administrative act to evade the plain intent of the acts

of this Congress.

[Here the gavel fell.]

Mr. MAPES. Mr. Speaker, I yield the balance of my time to the gentleman from Illinois [Mr. Dirksen].

The SPEAKER pro tempore (Mr. McCormack). The gentleman from Illinois is recognized for 2 minutes.

Mr. DIRKSEN. Mr. Speaker, it occurs to me that every Member of the House can support the pending resolution. This is the first time within my experience that you are making available to the Appropriations Committee an instrument whereby it can secure the necessary data upon which to legislate intelligently.

The situation is about like this: Here in one of the anterooms adjoining this Chamber sits the deficiency subcommittee dealing with this matter. Ranged on one side of the table are the members of the committee. Ranged on the opposite side are the accountants, the auditors, the administrators, the directors, and such other people as W. P. A. chooses to send. The only information the committee can get is by means of cross-examination, and it does not make any difference how skillfully the cross-examination is carried on you cannot always get it. There is a great body of data, statistics, and facts that are so necessary and so essential properly to legislate on this subject that never come before the subcommittee. It has been my experience to sit across the table from department heads through the last three or four sessions and to make an earnest endeavor to find out what the factual basis is for an appropriation, and ofttimes you fail, no matter how diligently you address yourself to the subject.

So I believe every Member of Congress can support this resolution, because it will make available to the Appropriations Committee information which they should have had 3 or 4 years ago. I sincerely hope the resolution will be adopted without a dissenting vote.

[Here the gavel fell.]

Mr. COX. Mr. Speaker, I yield 4 minutes to the gentleman from Pennsylvania [Mr. Faddis].

Mr. FADDIS. Mr. Speaker, in this investigation of the W. P. A. and the conduct of its activities I feel that the Congress is at last receiving a service to which it has been entitled ever since the W. P. A. was instituted, for, strange as it may seem, in this day and at this time I still feel that the Members of the House of Representatives are the representatives of the taxpayers of the United States as well as of any other class of citizens.

I believe that we are entitled to know the facts which surround the W. P. A. I do not believe any corruption will be found, but I do believe a great deal of mismanagement and inefficiency, waste, and extravagance will be disclosed. I believe the expenses connected with the running of the W. P. A. could be drastically curtailed and no deserving person would suffer. [Applause.]

And I do hope that in conducting this investigation this committee will give special attention to how much of the money expended by the W. P. A. has been expended where it is going to support organizations which are active in circulating throughout the United States subversive literature and in propagating subversive doctrines. Also, in investigating the activities of this organization I hope they will go into its

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Schaefer, Ill. Schafer, Wis.

kindred organization, the Workers' Alliance, and find out just how much the W. P. A. in connection with the Workers' Alliance, an organization admittedly dominated by communistic-minded individuals, find out how much that organization is working to bring pressure on Members of the House of Representatives in order to frighten them, or compel them, to appropriate larger and larger sums of money each year for its activities.

I also want to say to my Republican friends that as far as being a political asset is concerned, the W. P. A. has never been such to me. Last election I was bitterly opposed by the members of the Workers' Alliance in my district and was elected in spite of their opposition. I believe that the Republicans have received more than their share of the W. P. A. in Pennsylvania, and, so far as Pennsylvania politics is concerned, I may say that I and nearly everyone else in Pennsylvania who has carefully analyzed the situation at the time of the last election in Pennsylvania are thoroughly satisfied that the Republicans received at least 75 percent of the W. P. A. votes in that State last fall. The reason they did so is that they went throughout the State of Pennsylvania and outbid the Democrats in their promises of what they would give them. The Democratic candidates were bound by what the W. P. A. was actually getting. Bound by what we were giving them through the agencies connected with the W. P. A.; but there was no limitation on the promises the Republican candidates could make to these credulous people. [Applause.]

Mr. Speaker, I yield back the balance of my time.

Mr. COX. Mr. Speaker, this investigation to be conducted by the Appropriations Committee, in the event this resolu-tion is adopted, will not be a political investigation. There will be no endeavor to whitewash anybody or anything. The committee will discharge the responsibility put upon it by the House in the resolution and will, as I am sure every Member of this House knows it will, do a good job.

Mr. HEALEY. Mr. Speaker, will the gentleman yield?

Mr. COX. I yield.

Mr. HEALEY. Will this resolution of investigation authorize the committee to ascertain the true relief picture?

Mr. COX. Oh, yes.

Mr. HEALEY. That is, go to various cities and either through investigating officials or by their own investigation determine just what the real relief picture is?

Mr. COX. Under the resolution such action would be

within the jurisdiction of the committee.

Mr. Speaker, in offering the resolution I had in contemplation, of course, that the committee would make use of the subcommittee of the committee which has had most to do with the consideration of questions of appropriations for this organization; that is, the Subcommittee on Deficiency Appropriations, but whatever the committee does I shall have confidence in their method of handling the whole question.

Mr. Speaker, I move the previous question on the resolu-

The previous question was ordered.

The SPEAKER. The question is on the passage of the

Mr. MARTIN of Massachusetts. Mr. Speaker, upon that I ask for the yeas and nays.

The yeas and nays were ordered.

The question was taken; and there were-yeas 351, nays 27, not voting 53, as follows:

[Roll No. 42] YEAS-351

Alexander	Bates, Ky.	Brown, Ohio	Church
Allen, Ill.	Bates, Mass.	Bryson	Clark
Allen, La.	Beam	Buck	Clason
Allen, Pa.	Beckworth	Burch	Claypool
Andersen, H. Carl	Bell	Burdick	Clevenger
Anderson, Calif.	Bland	Burgin	Cluett
Anderson, Mo.	Bloom	Caldwell	Cochran
Andresen, A. H.	Boehne	Cannon, Fla.	Coffee, Nebr.
Andrews	Bolles	Cannon, Mo.	Cole, Md.
Angell	Bolton	Carlson	Cole, N. Y.
Arends	Boren	Carter	Collins
Ashbrook	Boykin	Cartwright	Colmer
Austin	Bradley, Mich.	Case, S. Dak.	Connery
Ball	Brewster	Chandler	Cooley
Barden	Brooks	Chapman	Corbett
Barnes	Brown, Ga.	Chiperfield	Costello

Cox Crowther Culkin Curtis D'Alesandro Darden Darrow Dempsey DeRouen Dickstein Dies Dingell Dirksen Disney Ditter Dondero Doughton Douglas Dowell Doxey Drewry Duncan Dunn Durham Dworshak Eaton, Calif. Eaton, N. J. Eberharter Edmiston Elliott Elston Engel Englebright Faddis Fenton Ferguson Fernandez Fish Fitzpatrick Flaherty Flannagan Flannery Ford, Leland M. Ford, Miss. Fries Fulmer Gamble Garrett Gartner Gathings Gearhart Gehrmann Gerlach Gibbs Gifford Gilchrist Gillie Gore Gossett Graham Grant, Ala. Grant, Ind. Green Gregory Griffith Griswold Gross Guyer, Kans.

McMillan, John L. Sasscer McMillan, Thos. S. Satterfield Hare Maas Maciejewski Harrington Mahon Hart Maloney Harter, N. Y. Harter, Ohio Havenner Hawks Mapes Marshall Healey Hendricks Mason May Merritt Hess Hinshaw Hobbs Michener Miller Hoffman Holmes Hope Horton Mitchell Houston Hunter Moser Mott Izac Jacobsen Mundt Jarman Jarrett Murray Jenks, N. H. Myers Nelson Jensen Johns Nichols Johnson, Ill. Johnson, Ind. Johnson, Luther A Norrell O'Brien .Oliver Johnson, Lyndon Johnson, Okla. Pace Johnson, W. Va. Jones, Ohio Patman Patrick Jones, Tex. Kee Keefe Keller Pittenger Kelly Kennedy, Md. Plumley Kilday Kinzer Kirwan Poage Polk Powers Kitchens Rabaut Kleberg Kocialkowski Ramspeck Randolph Kramer Kunkel Rankin Rayburn Lambertson Lanham Larrabee Lea Leavy LeCompte Richards Robertson Lemke Lesinski Lewis, Colo. Lewis, Ohio Lord Luce Ludlow McAndrews McArdle Routzohn McGehee McLaughlin Ryan Sandager NAVS-27

Schiffler Schuetz Schwert Scrugham Martin, Colo. Martin, Ill. Martin, Iowa Martin, Mass. Mills, Ark. Mills, La. Monkiewicz Monroney Murdock, Ariz. Patrick Patton Peterson, Fla. Peterson, Ga. Pierce, N. Y. Pierce, Oreg. Reece, Tenn. Reed, Ill. Reed, N. Y. Rees, Kans. Rich Robinson, Utah Robsion, Ky. Rockefeller Rocketener Rodgers, Pa. Rogers, Mass. Rogers, Okla. Romjue Rutherford Massingale Murdock, Utah

Seccombe Secrest Shafer, Mich. Shanley Shannon Sheppard Sheppard
Simpson
Smith, Conn.
Smith, Ill.
Smith, Maine
Smith, Ohio
Smith, Va.
Smith, Wash.
Smith, W. Va. Snyder South Sparkman Spence Springer Starnes, Ala. Steagall Stefan Sumner, Ill. Sumners, Tex. Sutphin Taber Talle Tarver Tenerowicz Terry Thomas, N. J. Thomas, Tex. Thomason Thorkelson Tibbott Tolan Treadway Van Zandt Van Zandt Vorys, Ohio Vreeland Wadsworth Walter Warren Weaver Welch West Wheat Whelchel White, Idaho White, Ohio Whittington Wigglesworth Williams, Del. Williams, Mo. Wolcott Wolfenden, Pa Wolverton, N. J. Woodruff, Mich. Woodrum, Va. Youngdahl Zimmerman Parsons Sabath

Arnold	Geyer, Calif.
Byrne, N. Y.	Hill
Casey, Mass.	Hook
Coffee, Wash.	Kennedy, Mich
Cullen	Kerr
Delaney	McCormack
Ford, Thomas F.	Marcantonio
	THE REST PROPERTY AND ADDRESS OF THE PARTY.

Norton ael O'Connor O'Day O'Leary O'Toole NOT VOTING-53

Short Sirovich Somers, N. Y. Stearns, N. H. Sullivan Sweeney
Taylor, Colo.
Taylor, Tenn.
Tinkham
Vinson, Ga.

Vincent, Ky. Voorhis, Calif.

Wallgren

Creal Keogh Barry Barton Crosser Cummings Knutson Bender Blackney McDowell McGranery Curley Boland McKeough Evans Bradley, Pa.
Buckler, Minn.
Buckley, N. Y.
Bulwinkle Fay Folger Gavagan Goldsborough McReynolds Magnuson Mansfield Mouton Byrns, Tenn. Hartley Hennings Osmers Owen Byron Celler Jeffries Jenkins, Ohio Pearson Pfeifer Cooper Crawford

Kennedy, Martin So the resolution was agreed to. The Clerk announced the following pairs: General pairs:

Mr. Vinson of Georgia with Mr. Short. Mr. McReynolds with Mr. Jenkins of Ohio. Mr. Cooper with Mr. Taylor of Tennessee.

Mr. Keough with Mr. Hartley.
Mr. Hennings with Mr. Barton.
Mr. Bulwinkle with Mr. McDowell.
Mr. Boland with Mr. Tinkham.
Mr. Sullivan with Mr. Knutson.
Mr. Mansfield with Mr. Crawford.
Mr. Sweeney with Mr. Bender.
Mr. Gavagan with Mr. Jeffries.
Mr. Taylor of Colorado with Mr. Winter.
Mr. Celler with Mr. Seger.
Mr. McKeough with Mr. Blackney.
Mr. Pearson with Mr. Stearns of New Hampshire.
Mr. Pearson with Mr. Stearns of New Hampshire.
Mr. Byron with Mr. Fay.
Mr. Somers of New York with Mr. Buckler of Minnesota.
Mr. Byron with Mr. Folger.
Mr. Bradley of Pennsylvania with Mr. Owen.
Mr. Crosser with Mr. Folger.
Mr. Sirovich with Mr. Mouton.
Mr. Crosser with Mr. Folger.
Mr. Byrns of Tennessee with Mr. Curley.
Mr. Byrns of Tennessee with Mr. Curley.
Mr. Magnuson with Mr. Buckley of New York.
Mr. Shaffer of Michigan changed his yote from Mr. Shafer of Michigan changed his vote from "nay" to "yea."

Mr. CHANDLER. Mr. Speaker, my colleagues the gentlemen from Tennessee, Mr. Cooper, Mr. Byrns, and Mr. Pearson, are serving on a committee by appointment of the Speaker and unavoidably absent. If present, they would have voted "yea."

The result of the vote was announced as above recorded. A motion to reconsider was laid on the table.

Mr. NICHOLS. Mr. Speaker, on page 2, line 6, of the bill just passed the word "subpena" is misspelled. By direction of the gentleman from Georgia [Mr. Cox], I ask unanimous consent that the mispelling of the word be corrected.

The SPEAKER. Is there objection to the request of the gentleman from Oklahoma [Mr. Nichols]?

Mr. HOOK. Mr. Speaker, I object.

PERMISSION TO ADDRESS THE HOUSE

Mr. CANNON of Missouri. Mr. Speaker, I ask unanimous consent to proceed for 2 minutes.

The SPEAKER. Is there objection to the request of the gentleman from Missouri [Mr. CANNON]?

There was no objection.

Mr. CANNON of Missouri. Mr. Speaker, I have voted for the resolution just agreed to not because there is anything to investigate but because there is nothing to conceal.

Following the close of the World War the critics of the administration, hoping to turn the situation to political advantage, passed a resolution to investigate the conduct of the war. It was just such a resolution as this resolution passed here this morning, and under that authorization they spent \$157,109.91 probing and exploring every possible lead in the hope of uncovering some sort of corruption or skulduggery on the part of the war administration, and all they were ever able to find after spending this vast sum of money and running all over the United States and Europe at Government expense was that somebody connected with the Army had bought more saddles and bridles than were needed. They were never to show the diversion of a single dollar, and so fruitless was their search that they did not even recommend criminal or impeachment charges against anyone from the President down. Every penny of the \$157,000 they spent was utterly wasted. And the resolution just adopted here will be just as fruitless. The Committee on Appropriationsprecisely the same committee selected for this investigationhas just completed an exhaustive investigation of W. P. A. in which we grilled everyone who might know anything about it, and if you will read the hearings you can see for yourself that nothing was developed. We finally concluded the examination and adjourned because we ran out of witnesses and ran out of questions. If there had been anything to investigate, we would have been investigating yet, as we did not sit days on which we could have sat and on occasion adjourned before the close of the day. And yet here is a resolution for the same committee to investigate the same W. P. A. Every dollar that is appropriated for such an investigation will be wasted as prodigiously as we wasted \$157,-109.91. But any representative government ought to live in

a bird cage, and as long as anybody wants to investigate, I am willing to help them investigate. So I am voting for the resolution, as I have said, not because there is anything to investigate but because there is nothing to conceal. [Ap-

Mr. ANDERSON of Missouri. Mr. Speaker, I ask unanimous consent to proceed for 1 minute.

The SPEAKER. Is there objection to the request of the gentleman from Missouri [Mr. Anderson]?

There was no objection.

Mr. ANDERSON of Missouri. Mr. Speaker, already the papers and commentators are are beginning to speculate on the adjournment date of this Congress. Even congressional leaders are predicting an early adjournment. But are we to go home and leave one of the major issues of the day untouched and unnoticed? What are we going to do about the National Labor Relations Act? Are we going to permit this flery dragon to continue to suck the blood of American business and destroy American institutions and ideals? Are we going to ignore the overwhelming sentiment of the American people who have demanded that the National Labor Relations Act be amended? Are we going to sit here idle while the National Labor Relations Board continues to flaunt every principle and rule of justice; to destroy-if it candemocracy and respect for law; and to interfere seriously with our national defense?

On several occasions you will recall that I pointed out how the National Labor Relations Board, being motivated by some sinister purpose or being guilty of unforgivable ignorance, has set out to impair the vital defenses of this Nation? I pointed out how the National Labor Relations Board ordered a major aircraft company to rehire aliens and convicted felons in its plant which was engaged in making planes for the United States Army, in spite of the fact that the National Defense Act forbids the employment of aliens in such plants.

It is to the eternal credit of this House that the most brazen attempt ever made to undermine our defenses was repelled by our conferees on the warplane bill. They put their country before politics and ousted the insidious Barkley amendment that would have given the National Labor Relations Board and its communistic cohorts of the C. I. O. the power of life and death over the aircraft industry, which is now the backbone of the defense of our shores and homes.

The action of our conferees should give us renewed hope and renewed faith in our democratic processes of government. But we must go on. We cannot stop here.

I have observed reports that hearings on proposals to amend the National Labor Relations Act would be postponed pending the outcome of the peace conference between the American Federation of Labor and the C. I. O. Mr. Speaker, I submit, how can these great labor groups get together when one of the things that keeps them farthest apart is the National Labor Relations Act as it is now being administered by the Labor Board to the continued favoritism of one group and the utter disdain of the other? Common sense impells us to remove this great obstacle that stands in the way of peace between the two labor groups.

We often hear it said here over the radio and in the papers that our biggest problem is to get people off relief rolls and back into private jobs. All this is just so much hollow talk while we stand by and do nothing to remove the barrier that prevents a revival of business and prosperity. The National Labor Relations Act, as it is now construed and administered, stands squarely in the path of recovery. The biggest and most effective thing this Government can do to bring back prosperity is to remove this monster that impedes recovery at every turn.

Have you ever put yourself in the place of the businessman and employer today? What can he do? Is he not called upon at every turn to go to great expense to defend himself and try to save his business, which the National Labor Relations Board in league with agitators is seeking to destroy? Business the country over has witnessed countless instances of Labor Board persecution and inquisition. Under the present set-up the employer has no defense. He is beaten before the case begins, and Labor Board officials have said so.

The whole fiber and structure of business is quaking with fear for which this Government is responsible. The National Labor Relations Board in its complete and utter disregard for established principles of law and justice is destroying the confidence which is the foundation of all business success. It is destroying and preventing the expansion of legitimate business enterprise and thereby is destroying America.

Let us ask this question: Has the Labor Board helped the Certainly, it has done nothing to get working classes? men back into private jobs and after all its wild crusading there are just as many people on relief today as when it be-About all we have to show for the National Labor Relations Board's great crusade is a glaring record of persecution and injustice and needless expense.

We cannot expect any real improvement in business conditions: we cannot expect to reduce relief rolls, until we remove the crushing burden of the present National Labor Relations Act from the shoulders of American business which are already bent under the weight of ever-increasing taxes

The preamble of the National Labor Relations Act reads, "An act to diminish the causes of labor disputes." but the day has long since arrived when the National Labor Relations Board has set out to defeat every intention of that preamble. Not only has the Board failed miserably in diminishing the causes of labor disputes but it has actually fomented and instigated labor strife. This ridiculous conduct of the Labor Board has come to my attention on a number of occasions. There are instances of where the employer and the union representatives have struck an agreement satisfactory in every respect to both sides and yet they were prevented from settling their controversy and reopening their plants and getting men back to work by the Labor Board which blocked settlement unless the employer would sign a stipulation admitting that he had been guilty of unfair labor practices. Does that sound like diminishing the causes of labor disputes? The untenable and unjustifiable conduct by the Labor Board is typical of its entire existence and conduct. The Board is neither interested in settling nor in diminishing the causes of labor strife. All the Board is interested in is seeing how many employers it can persecute and harass and it cares not whether men get back to work, whether plants remain idle, or labor relations strained to a point where the employer and labor can never get together. Are we going to permit this usurping Labor Board to continue its wild crusade while business and labor are drawn farther and farther apart? Now is the time to act. At the beginning of this Congress I offered a bill that removes the rank injustices of the present Labor Relations Act and I am now asking this House to sign a discharge petition I have placed on the Speaker's desk to bring that bill out here on the floor for consideration.

EXTENSION OF TIME FOR RETIREMENT OF COTTON POOL PARTICIPA-TION OF TRUST CERTIFICATES

Mr. FULMER. Mr. Speaker, I ask unanimous consent to take from the Speaker's desk the bill (H. R. 3801) to extend the time for retirement of cotton pool participation trust certificates, with Senate amendments thereto, and to agree to the Senate amendments.

The Clerk read the title of the bill.

The Clerk read the Senate amendments, as follows:

Page 1, line 9, strike out "June" and insert "September," Page 2, line 1, strike out "June" and insert "September."

The SPEAKER. Is there objection to the request of the gentleman from South Carolina [Mr. FULMER]?

Mr. MARTIN of Massachusetts. Mr. Speaker, reserving the right to object, I understand this is simply setting the date back 3 months and that it is agreeable to the gentleman from Kansas [Mr. Hope], the ranking minority member of the Committee on Agriculture?

Mr. FULMER. The gentleman is correct. The SPEAKER. Is there objection to the

Is there objection to the request of the gentleman from South Carolina [Mr. FULMER]?

There was no objection.

The Senate amendments were concurred in. A motion to reconsider was laid on the table.

MILITARY SECRETARY TO THE GENERAL OF THE ARMIES

Mr. ANDREWS. Mr. Speaker, I ask unanimous consent to take from the Speaker's table the bill (S. 1301) to create the office of Military Secretary to the General of the Armies of the United States of America, with the rank of colonel, and for other purposes, and its immediate consideration.

The Clerk read the title of the bill.

The SPEAKER. Is there objection to the request of the gentleman from New York [Mr. Andrews] for the immediate consideration of the bill?

Mr. RICH. Mr. Speaker, reserving the right to object, does this set up another department in the Army?

Mr. ANDREWS. No. It has to do with the military secretary who has served General Pershing for the last 23 years.

Mr. RICH. Has this the approval of the Budget? Mr. ANDREWS. It has the approval of the Budget.

The SPEAKER. Is there objection to the request of the gentleman from New York [Mr. Andrews]?

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the office of Military Secretary to the General of the Armies of the United States of America, with the rank of colonel, is hereby created, and the President is hereby authorized, in his discretion, and by and with the advice and consent of the Senate, to promote to the grade of colonel an officer of the Army who has served as military secretary to the General of the Armies continuously since that office was revived by act of Congress approved September 3, 1919: *Provided*, That not more than one appointment to office shall be made under the terms of this act.

The bill was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

PERMISSION TO ADDRESS THE HOUSE

Mr. BELL. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks in the RECORD.

The SPEAKER. Is there objection to the request of the gentleman from Missouri?

There was no objection.

Mr. BELL. Mr. Speaker, I wish to call attention of Congress to the proposed shifting of present duties of the recorder of deeds office to other offices of the District of Columbia government, which, it is my contention, would result in increased administrative costs and decreased efficiency in the keeping of valuable records for residents of the District of Columbia.

I wish to quote an article that appeared in the Washington Afro-American, a weekly newspaper, on March 25, 1939, which article deplores the assault on this office. The article reads as follows:

Sees New Move As Assault on Record Office—Bill Introduced to Transfer Auto Liens Elsewhere

Thousands of Washington residents are automobile purchasers and many of them have liens on their cars, yet few of them are giving much attention to the four proposed measures now pending before Congress designed to require registration of all liens in either the traffic bureau or the recorder of deeds office.

On the other hand, the bills are causing grave concern among politicians and new dealers have been warned that many votes will be lest accorded exclusively the warner bull to execute the content of the warner bull to be a content of the warner bull to execute the content of the warner bull to be a content of the warner bull to be a

be lost among colored constituents if the wrong bill is enacted.

Under the present District regulations, registration of auto liens is optional and under supervision of the recorder of deeds office, one of the few remaining positions given colored political leaders under the so-called spoils system.

BILLS IN BOTH HOUSES

Two of the bills—H. R. 3950 and S. 1296, the former by Congressman JENNINGS RANDOLPH and the latter by Senator WILLIAM J. KING—have been introduced in the House and Senate, respectively, proposing registration of all liens on autos at the traffic bureau. The Senate District Committee reported favorably on King's meas-

The senate District Committee reported tavorably on King's measure, but Randolph's bill has not come up for a hearing.

Both measures reportedly have the backing of District government heads and Traffic Director Van Duzer.

In view of the fact that District Commissioners have for years been trying unsuccessfully to gain control of the recorder of deeds office, this new move to relieve the office of one of its primary duties appears to be a change of tactics calculated to lower the importance of the bureau.

OPPOSITION SEEN

OPPOSITION SEEN

Opposition to the removal of registration from the recorder's office is certain to crop up when the bills come up for a hearing.

First, because it would be an added expense to the Government

Under the measure proposed by Mr. King, it will require an appropriation of approximately \$15,000 to establish such a bureau at the traffic department with additional funds to maintain an adequate staff.

If the department is established at the recorder's office, the only requirements from an economic angle would amount to approximately \$5,000. This would take care of additional personnel only, inasmuch as equipment and materials needed to carry on the business is already on hand and used daily with registration of the current liens on an optional basis.

In addition to this, I wish to call attention to the fact that in subsequent years it would be found to best advantage to have all records of property holdings and obligations in one office, because many times records must be made of both real and chattel properties, such as in the case of probate cases. civil court actions, and in making credit reports. The proposed changes would scatter those records, leaving only a part of the chattel property records in the office of the recorder of deeds, adding greatly to the confusion in checking by abstractors, attorneys, and the general public,

EXTENSION OF REMARKS

Mr. CASE of South Dakota. Mr. Speaker, I ask unanimous consent to extend my own remarks in the RECORD and include therein brief correspondence with the Works Progress Administration.

The SPEAKER. Is there objection to the request of the gentleman from South Dakota?

There was no objection.

Mr. ARENDS. Mr. Speaker, I ask unanimous consent to extend my own remarks in the RECORD and include therein an editorial from the Chicago Tribune under date of last Saturday.

The SPEAKER. Is there objection to the request of the gentleman from Illinois?

There was no objection.

Mr. McCORMACK. Mr. Speaker, I ask unanimous consent to extend my own remarks in the RECORD and include therein an address I delivered some time ago.

The SPEAKER. Is there objection to the request of the gentleman from Massachusetts?

There was no objection.

Mr. FRIES. Mr. Speaker, I ask unanimous consent to extend my own remarks in the RECORD and include therein an editorial from a labor magazine of recent date.

The SPEAKER. Is there objection to the request of the gentleman from Illinois?

There was no objection.

PERMISSION TO ADDRESS THE HOUSE

Mr. HOFFMAN. Mr. Speaker, I ask unanimous consent that on tomorrow, following the legislative program of the day and any special orders heretofore entered, I may be permitted to address the House for 25 minutes.

The SPEAKER. Is there objection to the request of the gentleman from Michigan?

There was no objection.

The SPEAKER. Under a special order heretofore entered, the gentleman from Georgia [Mr. Peterson] is recognized for 20 minutes.

Mr. PETERSON of Georgia. Mr. Speaker, there is now pending before this House a billion-dollar agricultural appropriation bill. I do not believe there is any doubt but that this bill will be passed by an overwhelming majority vote of this House. Neither do I believe there are many, if any, Members of Congress who seriously believe the farmers of America after this \$1,000,000,000 has been spent will be materially, if at all, permanently benefited through these expenditures. We are continuing on an emergency program as far as our legislation dealing with agriculture is concerned.

I propose at this time to discuss one particular phase of this program, and that is the provision of the bill which covers an appropriation of \$25,000,000 for use in purchasing farms for farmers who are now classified as tenants.

Mr. O'CONNOR. Mr. Speaker, will the gentleman yield? Mr. PETERSON of Georgia. Not just at this time.

I am sure a large number of those who have so earnestly promoted this particular feature of the measure believe it will offer a degree of permanent remedy to the farm problem. However, in view of the fact that I have initiated since entering Congress a program of legislation which deals with this identical question, I believe it is entirely timely and proper that I discuss this matter at this time. I recognize, Mr. Speaker, that my proposed legislation is not germane to this appropriation bill and therefore it would be useless for me to attempt to offer it as a substitute for the tenant purchase provision of this measure: however, I would like to contrast and compare this tenant purchase program with the program I sincerely trust will be brought before this body for your deliberate consideration before this Congress adjourns.

Under this so-called purchase provision of this measure it is provided that \$25,000,000 be used. Under the program as it is now progressing, the Government, through the Department of Agriculture, is purchasing farm units at a cost of approximately \$5,000. I have here a report from the Department of Agriculture showing that the average loan to finance farm purchases during the last year was \$4,890.

I am pleased to observe in the hearings before the Committee on Appropriations on this bill that my distinguished colleague, the gentleman from Washington [Mr. LEAVY], in interrogating Department of Agriculture officials, brought out the fact that there are between 55,000 and 60,000 owneroperated farms changed annually to tenant-operated farms. I also have here from the Department of Agriculture figures showing that the average mortgage on the average owneroperated farm in America is \$3,024. Now we have the picture. An owner-operator is foreclosed by virtue of the fact that he cannot pay a \$3,000 farm mortgage and is forced to become a tenant farmer. After he has become a tenant farmer, and not until he has become a tenant farmer, he becomes eligible for a loan under the provisions of this bill we are now considering, whereby a farm will be pur-chased for him. He is decided by the Department of Agriculture to be eligible. The Department of Agriculture then proceeds to buy for him a farm and places him back in ownership. Instead of the mortgage being now \$3,000, it has risen to \$5,000, and we say to that man, "Well, old man farmer, you could not pay your \$3,000 mortgage and we had to let you drift into tenancy, and now we are picking you up and saying that you can pay a \$5,000 mortgage."

Mr. Speaker, that situation is absolutely ridiculous, in my opinion. Why would it not be far more sensible and far more reasonable for us as legislators to deal with that man first as an owner-operator and help him work out of his hopeless plight, rather than leave him helpless until he is driven to tenancy and then come back with an impossible situation wherein the man has obligations which every reasonable man knows he cannot meet when he enters into them. You may say there has been legislation proposed heretofore which will assist the owner-operator farmer. Yes, there has been such legislation proposed.

Mr. WOOD. Mr. Speaker, will the gentleman yield? Mr. PETERSON of Georgia. Not at this time. I shall be pleased to yield as soon as I have developed my line of thought.

It is my understanding that the Federal land bank was created for the primary purpose of assisting the owneroperator-farmer whose mortgage had grown so large that it was unbearable and beyond his efforts to pay off and thus regain a position of economic security. What do we find from the Federal land bank? I have here a report from the Federal land bank which shows that under normal conditions, considering the average mortgagor to whom the Federal land bank has made a loan, more of the loans are foreclosed every year than are liquidated through payment by the mortgagor. In addition, we find that thousands and hundreds of thousands of those who have borrowed money from the Federal land bank are delinquent in their payments.

It is true that in the last few years this condition has probably somewhat reversed itself, but why? Because Congress has appropriated sufficient funds in the form of bounties to these mortgagors so they could take these moneys and turn them right back to the Government again in order to pay off their mortgages.

Then, too, I might say we have additional legislation in the form of moratoriums on the payment of the principal of these farm debts. Now, I think probably these moratoriums have done more good temporarily for the operator-farmer than any other piece of legislation, but we all know that that is not a practical approach to this proposition. We all know that it is not practical for Congress arbitrarily to cancel all the debts, just as they are on these farms. So we have compromised the matter by canceling the debts until after the next election is over or for the next 2 or 3 or 5 years, but left that farmer to know that he still has that same burden and that same obligation upon him.

Now, Mr. Speaker, in contrast to this ludicrous, this absurd, this ridiculous program of standing by and letting the owner of a farm be driven to tenantry on account of a \$3,000 mortgage, and then step down and pick him up and say, "We are going to place you in security with a \$5,000 mortgage," I have been pleading with you to help me approach that proposition from the viewpoint of first helping him to liquidate that \$3,000 mortgage and prevent him from ever becoming a tenant farmer.

I have introduced very simple legislation. I am inclined to think sometimes that the reason some are prone not to listen to the legislation I have offered is because of its simplicity. I have proposed-and to save my life I cannot understand why anyone fails to see the logic of it-instead of going into the open market and purchasing land with the credit of the Federal Government behind that purchase, which we know will drive the price of land up and up, that we go, into the open market and purchase farm mortgages which, instead of driving the price up, will drive the mortgages into the competitive field and drive the price down and down. I am absolutely confident that in a majority of the instances we could purchase those farm mortgages for from 10 percent to 25 percent of their face value.

Now, we all know that these farmers are never going to pay these debts. The facts show that the carrying charges on the present farm mortgage indebtedness of this country, runs from \$400,000,000 to \$800,000,000 under normal conditions. This means approximately 10 percent of the gross cash income of all the farm products of this Nation must go not to buy the processed goods, not to buy the finished products, but must go to pay interest and sinking funds, and its value is entirely lost, not only to the farmer but to the manufacturer as well, insofar as furnishing a market for the manufactured articles of this country.

We have begun here a program at \$5,000 per farm of taking the 3,000,000 tenant farm families of this country and making them owner-operators. Did you ever stop to thinkand I presume all of you feel that every tenant farmer not only in your district but in America, should have the same consideration—that \$5,000 per farm for 3,000,000—and here are your figures as to the number of tenant farmers in America-means a total cash outlay on the part of this Government of \$15,000,000,000. There is already outstanding a total farm mortgage indeptedness in round figures of \$7,000,000,000. By carrying this ridiculous program to its final conclusion, you will have increased the farm-mortgage debt from \$7,000,000,000 to \$22,000,000,000 and will have absolutely destroyed the purchasing power of all of the agriculture of this Nation.

Now, what is it I have proposed to you? I propose that we first take the 1,600,000 owner-operators whose farms are mortgaged at the rate of approximately \$3,000 per farm, who are faced with a hopeless situation, who you know and I know will never pay their obligations, who are being driven into tenantry at the rate of 55,000 to 60,000 families annually, and that we go into the market through the General Land Office—not through a bureaucratic Department of Agriculture—and that we purchase those mortgages. We know before we begin that we will not have to pay over \$3,000, and the chances are we can get them at approximately \$2,000 to \$2,500. Suppose we pay the \$3,000, 1,600,000 farm families at \$3,000 per unit means an outlay of \$4,800,-000,000. I ask you to compare this with a total expenditure of \$15,000,000,000, under the present program.

This sounds like a heap of money, does it not; but this is not all. We must remember that \$3,000,000,000 of this sum is already obligated by the Federal Government. The Federal land bank today owns over \$3,000,000,000 of the total sum of the outstanding farm mortgages. Subtract this sum from your \$4,800,000,000, and you have an outlay of only \$1,800,000,000. Take a 10-year period, and for \$180,000,000 annually we can absolutely solve the tenant problem of this country and regain purchasing power for over 60 percent of the farm population of this Nation.

After you have spent the \$15,000,000,000 under this proposed program, the President of the United States says that there is still an annual increase of 40,000 tenant-farm families annually and at \$5,000 per unit you have a total outlay of \$200,000,000 annually to take care, Mr. Speaker, of

the increase in tenant families alone.

In other words after providing farms for the tenant population under the present program the farm mortgage indebtedness will have increased from \$7,000,000,000 to \$22,-000,000,000

Under my program, after having helped the 1,600,000 owner-operators take care of their farm mortgages, we will have reduced the farm mortgage indebtedness from \$7,000,-000,000 to less than \$3,000,000,000. And in doing this we will have spent only a small percentage of the annual sum we are now spending under our present temporary and very unsatisfactory program.

I here have shown you that by a common-sense program we can take \$20,000,000 less than that, considering the farmmortgage debts at 100 cents on the dollar, we can take \$180,000,000 or \$20,000,000 less than that and absolutely stop tomorrow, the day the act is passed, the increase among the

tenant population of this country.

I have shown that under the present program after expending \$15,000,000,000 we will have increased farm mortgages to a total sum of \$22,000,000,000. While under my program after expending less than \$5,000,000,000 we will have reduced the farm mortgage debt to less than \$3,000,000,000.

Mr. PATMAN. Has the gentleman examined the Jones-

Lee bill regarding farm tenancy?

Mr. PETERSON of Georgia. No; I have not examined it, but I understand the essence of the bill is to increase the amount of loan annually from \$25,000,000 to \$1,000,000,000.

Mr. PATMAN. That is not the way that I understand it. Mr. PETERSON of Georgia. Has the gentleman examined the measure that I am advocating?

Mr. PATMAN. No; I have not.

Mr. PETERSON of Georgia. I am glad the gentleman brought that up. Insofar as I have been able to learn, every bill that has been brought before this Congress for consideration, that has received any favorable action, had to have the stamp of approval of Secretary of Agriculture Wallace and his lieutenants, and so far I have not seen a single bill to which they gave their O. K. or approval that did not give them a stranglehold on every activity of the farm families that come under their supervision.

Mr. SCHAFER of Wisconsin. Mr. Speaker, will the gentle-

man yield?

Mr. PETERSON of Georgia. Not at present. I am very glad the gentleman mentioned it, because I have discussed this matter at length with the officials in the Department of Agriculture, and they have made it evident that they will be glad to go along with me if I would just put in a provision wherein the activities of the farmer and his family for the remainder of their lives are to be under the bureaucratic control of Mr. Wallace and his Department of Agriculture.

The SPEAKER pro tempore. The time of the gentleman from Georgia has expired.

ELECTRIC POWER-NIAGARA RIVER AUTHORITY

The SPEAKER pro tempore (Mr. Faddis). Under special order the Chair recognizes the gentleman from Mississippi [Mr. RANKIN] for 30 minutes,

Mr. RANKIN. Mr. Speaker, during the time that has been allotted to me I desire to discuss the overcharges for electric lights and power now paid by the unprotected consumers of electricity throughout the State of New York and to call attention to a bill which I have introduced providing for a Niagara River Authority.

Later I want to take up the proposition of relief for the power consumers in the coal-producing States, as well as in other States, that depend upon coal and oil for the production of their electric energy. At that time I propose to show that electricity can be produced with either coal or oil and distributed to the ultimate consumers at the T. V. A. yard-stick rates or at the Ontario rates without loss.

In other words, I want to see this program spread to cover the whole United States, until every single consumer of electric energy, everyone who turns an electric switch, will be getting electricity at these rates. That will not only relieve the man who pays the electric bill, but it will furnish an additional market for coal. That will increase employment in the coal fields, whereas today thousands of coal miners are out of work.

As I have said before, this power program is one of the greatest movements of this generation.

When the future historian comes to survey the record of this administration he will find its outstanding accomplishment to be that of the creation and development of the Tennessee Valley Authority, together with its kindred legislation.

The progress that has been made for saving to the American people our water-power resources, the application of the yardstick for the measurement of electric rates to the ultimate consumers, and the construction of rural power lines to take this energy to the farmers of the Nation, together with the aid in placing in the homes those electric appliances that make home life more pleasant and more attractive—in other words, the establishment of a permanent power policy for the American people that will guarantee justice to the ultimate consumers of electricity in every nook and corner of this Nation—will go down in history as the greatest single accomplishment of this generation.

It is one of the outstanding achievements of modern times. It has already reduced light and power rates to the ultimate consumers \$556,000,000 a year. It has increased the use of all electrical appliances, from the electric iron to the washing machine, from the radio to the refrigerator, from the water pump to the electric range. It has electrified millions of farm homes that never had seen an electric light and probably would not have seen one for at least another generation had it not been for this program.

We have just started; we are just in the beginning of this great national movement to place electricity in every home, including every farm home, and in every business establishment at the yardstick rates, or at rates based upon the cost of generation, transmission, and distribution—which would further reduce the light and power bills of the ultimate consumers of this Nation, even on the present load, by about \$1.300.000,000 a year.

Strange as it may seem, the greatest penalty paid by the people of any State in this Union in overcharges for electric lights and power is paid by the people of the State of New York, where rates ought to be the lowest. The residential consumers alone in the State of New York are overcharged \$62,472,500 a year, the commercial consumers are overcharged \$67,498,500, and the industrial consumers are overcharged \$42,862,700 a year, making a total of \$172,833,700 the people of the State of New York pay in overcharges for electric lights and power in 1 year, as compared with rates in Ontario, Canada, just across the line.

For the information of the House I am inserting a table showing the number of kilowatt-hours of electricity used by the various classes of consumers in the State of New York during the year 1937, together with the amount paid by each class, and showing the amounts they would have paid, and the savings they would have realized, if this power had been delivered to them at the Tennessee Valley Authority rates, or the rates charged at Tacoma, Wash.; Winnipeg, Canada, or throughout the Province of Ontario.

This affects every person in New York State who turns an electric switch. He is simply required to pay an extra tax to the Power Trust which is acting as a supergovernment in New York as well as in many other States, and he must pay that tax in overcharges every month that rolls around. That tax or overcharge amounts to 100 percent, as a rule, of the value of the electricity used, as will appear from the following table to which I have just referred:

Estimated number of electric customers, kilowatt-hour sales, and revenues for 1937 in New York State, and estimated revenues and consumer savings if rates in the Tennessee Valley Authority area, Tacoma, Wash., Winnipeg, Canada, and the Province of Ontario, Canada, had been in effect in New York State during 1937

Service	Estimated sales data for 1937			Estimated revenues and consumer savings under rates in effect in—							
	Number of cus- tomers	Total kilo- watt-hours	Total revenues	Tennessee Valley Authority		Tacoma, Wash.		Winnipeg, Canada		Province of Ontario, Canada	
				Revenues	Savings	Revenues	Savings	Revenues	Savings	Revenues	Savings
Residential service Commercial service Industrial and all other services ex-	3, 176, 420 584, 230	2, 073, 310, 000 3, 320, 179, 000	\$101, 416, 400 110, 834, 900	\$54, 562, 000 53, 200, 800	\$46, 854, 400 57, 634, 100	\$53, 750, 700 55, 528, 300	\$47, 665, 700 55, 306, 600	\$43, 811, 900 61, 513, 400	\$57, 604, 500 49, 321, 500	\$38, 943, 900 43, 336, 400	\$62, 472, 500 67, 498, 500
cept residential and commercial services.	136, 410	8, 117, 614, 000	80, 417, 900	42, 621, 500	37, 796, 400	28, 628, 800	51, 789, 100	46, 562, 000	33, 855, 900	37, 555, 200	42, 862, 700
All services	3, 897, 060	13, 511, 103, 000	292, 669, 200	150, 384, 300	142, 284, 900	137, 907, 800	154, 761, 400	151, 887, 300	140, 781, 900	119, 835, 500	172, 833, 700

How can the people of the State of New York stagger under such a burden?

These overcharges reach into every city, every town, every hamlet, every home, and every business establishment in the State that uses electric energy.

If every individual who turns an electric switch in that proud Commonwealth realized fully the extent to which he is robbed and plundered in overcharges for lights and power, it would create a revolt from one end of the State to the other.

If anyone doubts the accuracy of these statements, let him write to the Federal Power Commission here in Washington and get the annual report on the monthly light and power bills for the State of New York, and then get the one for the State of Mississippi and the one for the State of Washington and compare the rates paid in New York with the rates paid in Tacoma, Wash., or the rates paid in that section of Mississippi that is served with T. V. A. power. He will find that these overcharges are not exaggerated. If he will compare them with his receipted bill, he will find that the overcharges are invariably far greater than these tables would indicate.

Let me suggest that everyone else who reads this Record should send to the Federal Power Commission and get these reports for his own State and for the States above indicated, so he can make his own comparison. If the people only knew what this means to them and what we are trying to do to protect the ultimate consumers of electricity in every state in this Union, they would rise en masse in support of this program to give them relief from these exorbitant overcharges.

These rate reports for the various States may be obtained from the Federal Power Commission for 10 cents each. Everyone who pays an electric bill should have them.

From the above table you will see that the monthly consumption of electricity by domestic consumers throughout the State of New York averaged a little less than 55 kilowatthours a month.

In Tupelo, Miss., where we enjoy the T. V. A. yardstick rates, the residential consumers used on an average of 215 kilowatt-hours last month, and in Corinth, Miss., where they also have T. V. A. rates, they used 258 kilowatt-hours.

High rates not only penalize the consumers but they cut down the consumption of electricity and prevent the use of those electrical appliances necessary for the comforts and conveniences of the home, as well as for the successful operation of a business establishment.

For instance, throughout the State of New York only 48 percent of the residential consumers have electric refrigerators in their homes, while in Tupelo and in Corinth, Miss., 90 percent of the domestic consumers have electric refrigerators in their homes.

Cheap rates for electric energy means increased consumption. Increased consumption also increases the use of electrical appliances, which adds to the comforts and conveniences of the home and lifts the burdens of drudgery from the shoulders of the housewife. It also aids greatly in the successful operation of any business enterprise.

If the people of New York are to get relief from this intolerable condition, that relief is going to have to come through acts of Congress.

For that reason I am introducing a bill providing for a Niagara River Authority. There is a distinct need for such an authority from the standpoint of national defense, navigation, and the protection of the electric consumers in the State of New York.

The average flow of the Niagara River over a period of 70 years has been about 225,000 cubic feet per second, with only a minor daily or seasonal fluctuation, resulting from the enormous reservoir effects of the Great Lakes. This reservoir holds about half of the world's supply of fresh water.

About 1906 public opinion was aroused on the question of the preservation of the beauty of Niagara Falls. This resulted in the Boundary Waters Treaty between the United States and Great Britain, which was consummated in 1909. Under this treaty, which created an International Joint Commission, 56,000 cubic feet of water per second was permitted to be diverted at Niagara Falls for the purpose of producing electric power. Of this total amount 20,000 cubic feet was allocated to the American side and 36,000 to the Canadian side. Although not specifically stated in the negotiations leading up to this treaty, the authorized excess amount on the Canadian side was supposed to compensate for the proposed diversion of 10,000 cubic feet at Chicago.

About 10 years ago the right to this proposed Chicago diversion was declared illegal by the United States Supreme Court, and under the Chicago decree, the use was cut from 10,000 to around 1,500 cubic feet. This cut went into effect on January 1 of this year, still leaving the Canadians with 80 percent more water at Niagara than was allocated to the American side, in spite of the fact, that due to the influence of Lake Michigan, which is entirely within the United States, the American side contributes more run-off water than does the Canadian side.

HOW HYDROPOWER IS MADE

Power is made by water falling through a vertical distance. The amount of water power manufactured varies directly with the amount of water available and the distance of fall—for which engineers use the term "head." If the usable

quantity of water is doubled, the power will be doubled, and the same applies to the use of head.

There exists a 326-foot fall between Lakes Erie and Ontario with about 160 feet or 49 percent concentrated at Niagara Falls. The early power development on the American side took place in two stations, known, respectively, as Adams No. 1 and Adams No. 2, both located above the Falls and discharging the used water under a fall of 160 feet into a tunnel which empties into the lower river just below the fallen bridge.

On the Canadian side the two original stations are known as the Toronto and the Ontario stations. Both are located below Horseshoe Falls with a head of about 180 feet. All four of these stations adjacent to the Falls are woefully inefficient, both from the standpoint of head and machine condition.

During the World War a critical power shortage occurred on both sides of the Niagara. It was so acute that the Canadian—the publicly owned Ontario Hydro—and the American interests decided to increase the efficiency.

The Ontario Hydro, as a result of this wartime shortage, built the Queenstown plant about 13 miles below the Falls, utilizing through a canal about 300 feet head. The Queenstown development was made with modern highly efficient machines.

The American interests met this need by installing six new machines in the Schoellkopf station, located in the gorge under a head of about 160 feet, or 54 percent, of the utilized head at Queenstown.

With less water the American interests are only utilizing about half the power that can be developed with their allotted supply. There has been no development below the Falls, where the full flow of the river would be available instead of the 10 percent of the flow now used on the American side. The Niagara River is Nature's superb damless power site backed up by a vast inexhaustible reservoir system. Why is this inefficient condition allowed to continue? The answer is that the present users of this great natural resource on the American side are more interested in the preservation of a monopoly than they are in seeking benefits to be passed on to the people of the State of New York. To show the effect of such illogical development the Queenstown plant obtains 30 horsepower from every cubic foot of water, compared with the 17 feet per housepower possible at the Falls. The Canadians use most of their allotted water in the modern Queenstown plant with the other two Falls stations carrying only a relatively small load.

It is possible to develop power below the gorge under a head of 30 to 40 feet utilizing the full flow of the river. It will also be possible to build a relatively inexpensive weir in the upper river, which could be the instrumentality of saving millions of dollars annually in dredging operations in the harbors of the Great Lakes. I will refer later, and at length, to the rate situation in New York State, where the consumers pay two to five times as much as they do on the opposite side of the river in the Province of Ontario.

NEW YORK STATE POWER POLICY

The policy of beneficial use of water power has been in the making for 30 years in New York State. In 1907 Governor Hughes, now Chief Justice of the United States Supreme Court, urged the preservation of the power resources for the benefit of the people of that State. The Hughes policy found its way to enactment in 1907, when the legislature directed the State water supply commission to "devise plans for the progressive development of the water powers of the State under State ownership." During the succeeding 25 years the application of this policy was under continued inquiry by legislative committees and commissions. The recommendations of all these State bodies were in the direction of conserving the interests of the people.

In 1912 a joint legislative committee recommended that the State constitution be amended to provide—

That the development of the water power of the State is a governmental function and that private property may be taken therefor with just compensation.

At the same time this committee recommended-

That no further grants of power privileges, water rights, the ownership of which is clearly in the State, should be granted except for limited periods and then only upon adequate compensation being made to the State.

In 1924 Governor Smith advocated a State power authority, which should be a private corporation deriving its power from the State and having the duty imposed upon it to develop the water-power resources.

In 1930 the New York Legislature created the authority for the St. Lawrence power development. This was the first policy legislation maintaining that the water-power resources

are the inalienable possession of the people.

In 1931 the New York Legislature created the New York Power Authority, which was set up to develop that part of the St. Lawrence River within the boundaries of the State of New York, with the requirement that the bed and waters of this river, as well as the power and power sites, shall always remain the property of the people. The power authority was directed, in cooperation with Canadian and United States authorities, to proceed with the development of the international section of the St. Lawrence for navigation and power. This New York Power Authority was also authorized to develop, operate, and manage that part of the St. Lawrence project owned by the people of New York.

In June 1938 an attempt was again made to place in the proposed Constitution of New York a provision vesting in the people of the State, for all time, title to water power and water-power sites. Unfortunately, this provision was rejected because of the lobbying activities of the Power Trust.

MONOPOLY

The inefficient private development at Niagara is being continued to foster the aluminum monopoly. The Niagara Power Co.—a subsidiary and ally of the Aluminum Co.—maintains the position that it has an absolute title to all power which may be created at Niagara. The State of New York has vigorously contested this position of the aluminum interests since the Long Sault case, during Governor Hughes' administration. I hope all the Members of Congress from the copper States will follow this story.

The aluminum monopoly was built on Niagara power. These interests early tried to secure control of the American side of the International Rapids of the St. Lawrence, and when they were blocked they either bought into or joined hands with the Power Trust. The contracts of the Niagara Power Co. contain stipulations preventing other purchasers of power from using this energy to manufacture aluminum.

According to Berle—and this is confirmed by the reports of the New York Power Authority—the Aluminum Co. originally invested \$3,100,000 at Niagara, and since this original investment it has placed no new money into this enterprise. Out of earnings these interests have built up assets of \$167,500,000 and have paid in dividends \$81,000,000, or a \$245,400,000 gain on an investment of \$3,100,000. Out of these stupendous revenues the State of New York has received practically no benefits either in license fees or in low electric rates for homes, farms, or business establishments.

HOLDING COMPANY

The Niagara Hudson Power Corporation is the top holding company which controls the sale of electric power and gas through subsidiary companies in a large part of New York State. It owns and controls the Buffalo, Niagara & Eastern Power Corporation, another holding company, which, in turn, controlled the following companies and their subsidiaries as of 1937:

- (1) The Niagara Falls Power Co. and its subsidiary companies, as follows: Canadian Niagara Power Co., Ltd.; Niagara Junction Railway Co. & Gorge View Park, Inc.
 - (2) The Tonawanda Power Co.
 - (3) The Lockport & Newfane Power & Water Supply Co.
- (4) The Buffalo General Electric Co. and its subsidiary, Niagara Electric Service Corporation.
- (5) The Niagara, Lockport & Ontario Power Co. and its subsidiary companies, as follows: Bradford Electric Co., of

Bradford, Pa.; Hydraulic Race Co.; and Lower Niagara River Power & Water Supply Co.

These companies all operate in western New York State,

Canada, and part of Pennsylvania.

In 1937 the Buffalo General Electric Co. and its subsidiary, Niagara Electric Service Corporation, and the Tonawanda Power Co. were merged into the Buffalo Niagara Electric Corporation. During the same year the Bradford Electric Co. was sold to the Keystone Electric Co., a holding company of the ill-famed Associated Gas & Electric System.

The Niagara Falls Power Co. owns the following hydrogenerating plants located at Niagara Falls, N. Y.: Adams station No. 1, where there are 10 machines of 3,000 kilowatts each. Of these, 5 are usable and 5 are not, due to the fact that of the 10 machines only 5 have been rewound for 12,000 volts.

In Adams station No. 2 there are 11 machines of 3,000 kilowatts each, all in usable condition. Both Adams station No. 1 and No. 2 are located above the hydraulic canal supplying the Schoellkopf station, which is located below the Falls. This plant is old, obsolete, and very inefficient.

The Schoellkopf station is located below the American Falls, down in the gorge. The water is diverted from the Niagara River above the Falls and carried through the hydraulic canal and penstocks to this station. At this point there is a head of about 160 feet. In the Schoellkopf station there are 19 machines, the capacities of which are as follows: Eight, 7,500 kilowatt-hours each, totaling 60,000 kilowatts; three, 30,000 kilowatt-hours each, totaling 90,000 kilowatts; three, 65,000 kilowatt-hours each, totaling 195,000 kilowatts; an hourly total of 345,000 kilowatt-hours. Five direct-current machines owned by the Aluminum Co. of America.

ALUMINUM CO.

In the 1936 figures in the annual report of the Niagara Hudson Power Corporation, after stating its yearly hydroproduction, appears, in small print footnote: "Not including equivalent kilowatt-hours in the following amounts developed by use of mechanical energy 231,007,385 kilowatt-hours in This "mechanical energy" is a subterfuge term for hydroelectric power sold to the Aluminum Co. of America and produced by these five direct-current machines of the latter company. In other words, the Niagara Falls Power Co., a subsidiary of the Niagara Hudson Power Corporation, is selling to the Aluminum Co. of America, under special exclusive contract, direct current at a saving to the Aluminum Co. of America of more than \$5,000,000 during the last 10 years. This special contract expires in 1967, and will permit, unless prevented, special benefits to the Aluminum Co. of America of more millions of dollars in the remaining 29 years. This contract is unjust, unreasonable, and discrim-

The Aluminum Co. of America, being a preferential customer, is buying power at millions of dollars less than any other user, yet it takes just as much water to run a direct-current hydrogenerator as an alternating-current hydrogenerator. As a matter of fact, E. I. du Pont de Nemours & Co., Inc., and most of the chemical companies located in Niagara Falls, are compelled to purchase alternating current from the Niagara Falls Power Co. and have been compelled to install rotary converters to convert their required alternating current into direct current.

As recently as 1937, and undoubtedly at the present time, about one-half of the common stock of the Niagara Hudson Power Corporation was held by four companies: Niagara Share, which owned 1,007,847 shares as of December 31, 1937; United Corporation, which held 2,351,000 shares as of December 31, 1937; United Gas Improvement, which held 643,411 shares at the end of 1936, and the Aluminum Co. of America, which, according to latest figures, on April 1, 1938, held 873,000 shares.

Here we have the monopolistic Aluminum Co. of America owning a large block of the common stock of the Niagara Hudson Power Corporation, contracting with a subsidiary company of this corporation, namely, the Niagara Falls Power Co., and purchasing power at a rate 50 percent lower than other users.

The Niagara Falls Power Co. has challenged the jurisdiction of the Public Service Commission of the State of New York in the contracts upon the ground that the State of New York has no proprietary interest in the Niagara River waters at the point at Niagara Falls whence the power is derived.

The Aluminum Co. of America is one of the largest of the 24 private wholesale industrial customers of the Niagara Falls Power Co. It takes more than 10 percent of the daily hydraulic power available to the power company under the Boundary Waters Treaty, providing for 20,000 cubic feet of water per second on the American side. The Aluminum Co. of America takes 12½ percent of the firm power furnished to the private industrial customers, 49,000 firm horsepower, amounting to about 36,573 kilowatts of guaranteed power daily of the 211,120 kilowatts sold to private industrial customers.

Under the two licenses granted to the Niagara Falls Power Co. by the Federal Power Commission, under the Federal Water Power Act of June 10, 1920, it would seem that the Federal Government could stop this discrimination in rates that is costing the consumers of this holding company millions of dollars every year.

STEAM PLANT

The Buffalo Niagara Electric Co., a subsidiary of the Buffalo Niagara & Eastern Power Corporation, which controls the Niagara Falls Power Co., owns the Huntley Steam Plant, located on River Road between Niagara Falls and Buffalo, N. Y. This steam plant has a steam generating capacity of 560,000 kilowatts of firm power, with an overload capacity of 10 percent. The Huntley Steam Plant was built about 1929 to back up the Niagara Falls Hydro, with a capacity in excess of the hydro plant of over 125,000 kilowatts.

The company offered testimony in the Utica Rate case in 1929 that electric energy could be produced at the Huntley Steam Plant, with all overheads, for 5 mills per kilowatt-hour.

I call the attention of Members from coal-producing States to this statement to show that electricity can be generated with coal and supplied to your people at the T. V. A. or the Ontario rates.

WHOLESALING COMPANY

The Niagara Falls Power Co. is a wholesale company not serving directly any domestic or commercial user of power. It sells only to the large manufacturing companies and the subsidiary operating companies of the holding company, Buffalo Niagara & Eastern Power Corporation and subsidiary companies of the Niagara Hudson Power Corporation, which sell other unrelated electric companies, such as Associated Gas & Electric Co., Keystone Electric Co., and several municipal plants. In this manner, power is transmitted into Pennsylvania

On page 16 of the 1936 report of the Niagara Hudson Power Corporation to its stockholders there are set forth the electric sales in kilowatt-hours, less the 231,007,285 kilowatt-hours developed as direct current and sold as "mechanical energy" to the Aluminum Co. of America. It shows the sale to companies not connected with its system of 1,342,971,451 killowatt-hours. I further shows the total sales, including the system's use of 6,451,278,423 kilowatt-hours. Therefore, about 20 percent of its sales were made to outside sources.

The Niagara Falls Power Co. was set up as a wholesale company to avoid the jurisdiction of the Public Service Commission of the State of New York, since consumers cannot bring a complaint against a company not directly serving them.

LAND MONOPOLY

The Niagara Falls Power Co. owns land bounded by Buffalo Avenue and the Niagara River in the city of Niagara Falls and across the back of Niagara Falls parallel to Hyde Park Boulevard and from Niagara Reservation along the Niagara River to Lewiston. This gives a complete monopoly of all industrial sites available in the city of Niagara Falls, N. Y.

No industry can locate therein unless agreeable to this monopoly. A portion of this land is leased to certain industries but is not sold to them. This land was originally acquired to keep fair-priced Canadian power out of Niagara Falls, N. Y. Any company from Canada or from the United States would have to acquire rights-of-way for transmission lines, which is prevented by the ownership of this land by this corporation. Since the purchase of this land, the Niagara Falls Power Co. has filled in the Niagara River, above the Falls, on the American side, and has thus made for itself many hundreds of acres of new land. Most of this land above the American Falls, toward La Salle, and across the back end of the city of Niagara Falls has been leased for 99 years to various large industries, such as Niagara Alkali, Du Ponts, and Carborundum Co. The value of this land should be stricken from the rate base of the Niagara Falls Power Co.

The Niagara Falls Power Co. retains the ownership of the streets that provide ingress and egress to these manufacturing properties. The following reading matter appears on the signs erected by the Niagara Falls Power Co. at the entrance to these streets on Buffalo Avenue, Niagara Falls, N. Y.:

Private street. The use of this street is permitted under revocable license of the Niagara Falls Power Co.

A large part of the land owned by the Niagara Falls Power Co., from below the Falls down to Lewiston, N. Y., was acquired from its subsidiary, the Niagara Gorge Railroad Co., which has since gone out of existence. No part of the value of this land has any place in the rate base.

Gorge View Park, Inc., another subsidiary of the Niagara Falls Power Co., owns a residential development overlooking the Niagara Gorge below the Falls and is part of the land acquired to prevent the extension of power lines from Canada. The value of this land has no place in a rate base.

A RAILROAD ALLY

The Niagara Junction Railway Co., another subsidiary of the Niagara Falls Power Co., has a complete monopoly on all freight passing in and out of the industries located on the lands leased to them by the Niagara Falls Power Co., and the latter company does not allow the railroads to lay sidings to these industries. This railway company charges \$4 for every car of freight carried over these leased lands.

The Niagara, Lockport & Ontario Power Co., a subsidiary of the Buffalo Niagara & Eastern Power Corporation, holds a contract with the Ontario Hydro Commission of Canada for the purchase of a large block of power produced on the Canadian side in the Ontario Hydro plants. It is not known what the Niagara Lockport & Ontario Power Co. pays for this block of power.

The electric energy produced in the hydro plants of the Niagara Falls Power Co. is firm power. Every second of the year the Niagara Falls Power Co. diverts 20,000 cubic feet of water. There is always this steady flow.

The Niagara Falls Power Co. never had to build dams or storage reservoirs to insure a steady flow of 20,000 cubic feet of water per second. Nature has provided all of this.

Electric energy is produced by the Niagara Falls Power Co. for less than 1 mill per kilowatt-hour. It is the cheapest source of electric energy in the State of New York, if not in the world.

TRYING TO AVOID FEDERAL REGULATION

During 1937 the Niagara Hudson Power Corporation announced the sale of Bradford Electric Co., located in Pennsylvania, to the Keystone Electric Co., a holding company of the Associated Gas & Electric Co. system, so that all direct sales of the Niagara Hudson system would be made within New York State.

It is not known whether the Niagara Hudson Power Corporation, or one of its subsidiary companies, holds the securities of the Keystone Electric Co.—operating the Bradford properties in Pennsylvania—in payment for the Bradford Electric Co.

The Niagara Hudson Power Corporation or its subsidiaries transmit power into Pennsylvania through sales to the Keystone Electric Co.

REFUNDING OPERATIONS

In 1936 the Niagara Falls Power Co. refunded all of its bonds at a lower interest rate, thereby saving interest in the yearly sum of \$567.560.

In 1938 the Buffalo Niagara Electric Corporation refunded its bonds at a lower rate of interest, thereby saving interest in the yearly sum of \$498,560.

In 1937 the Niagara, Lockport & Ontario Power Co. refunded its bonds at a reduced interest rate, thereby saving an annual interest payment of \$393,172.50.

The combined total of these savings in yearly interest charges on funded debt amounts to \$1,459,292.50. Yet no substantial or commensurate rate reduction has been allowed to the consumers of electricity served by these interlocked operating companies.

MILLIONS EXPENDED TO DEFEAT REGULATION

On January 18, 1938, the Buffalo Evening News said: "Utilities expended millions to foil State and public-service

Money was used for suits to block rate cuts. This report states that Buffalo lawyers received \$452,447. "Total payments made by the Niagara Hudson group and affiliated companies for legal services during the 6-year period amounted to \$1,372,951," the report said. The report also said that some of the companies frankly admitted that they spent money to oppose legislation affecting public utilities. I wonder how much of that money trickled into Washington during the time we were passing the utility-holding bill?

Mr. SCHAFER of Wisconsin. Mr. Speaker, will the gentleman yield?

Mr. RANKIN. Yes.

Mr. SCHAFER of Wisconsin. The gentleman wondered how much money was spent in Washington while trying to pass the utility holding-company bill. I suggest that when the Congress was trying to find Mr. Hopson, the big shot utility magnate whom they claimed they were fighting, they found the President's Secretary, Mr. McIntyre, with Mr. Chip Roberts, enjoying the hospitality of Mr. Hopson's Washington office. Perhaps Mr. Chip Robert and the President's Secretary might be able to give the gentleman some information as to how the utility funds were spent in Washington.

Mr. RANKIN. How did the gentleman from Wisconsin

vote on the holding-company bill?

Mr. SCHAFER of Wisconsin. Oh, the gentleman from Wisconsin was not a Member of Congress when that bill came up for consideration. I followed the record of Mr. Hopson when he was running away from Congress and Congress was looking for him, and when the representative of the Congress went into the Washington quarters of Mr. Hopson and found Mr. Chip Robert, a New Deal Government official, and Mr. McIntyre there. Perhaps they can give the gentleman information as to how much money the power companies spent in Washington.

Mr. RANKIN. Is the gentleman going to vote with us in our effort to secure reasonably low light and power rates

throughout the United States?

Mr. SCHAFER of Wisconsin. Yes. However, I am not in favor of the Government going into the electric power business. If we are going into that business in order to furnish cheap electricity, we might as well go into the cotton-producing business and take over the plantations in the gentleman's State so that we could have cheap cotton clothing to wash in the washing machines that are run by Governmentgenerated electricity down in the gentleman's district.

Mr. RANKIN. Oh, cotton and milk and other farm products are too cheap now. But I shall be glad to put into the RECORD a statement showing the overcharges the gentleman's people have to pay for electric light and power, and I will make it complete, show how much overcharge is paid in every locality, in order that the people of his district may understand what the gentleman and I are trying to do.

Mr. SCHAFER of Wisconsin. The gentleman spoke about the use of cheap Government power in the T. V. A. district to run electric refrigerators. The electric bill is only a very small portion of the amount spent by an average family. It is much less than that spent for farm products which are kept cool in the refrigerator. If we are going to furnish cheap Government electricity, why not take over the gentleman's farms down South and have Government-subsidized operation of the farms, so as to have cheap food to put in the refrigerators?

Mr. RANKIN. The gentleman said he was not here when the holding-company bill was voted on. If he does not stop that kind of argument, he will not be here very much longer, because the people in Wisconsin are tired of being robbed by the Power Trust.

Mr. SCHAFER of Wisconsin. Will the gentleman yield further?

Mr. RANKIN. I cannot yield further-

Mr. SCHAFER of Wisconsin. We will ask for some more time for you. I want to give the gentleman some information. The La Follettes made the Power Trust issue the biggest issue in the election in Wisconsin. The Republicans in Wisconsin came out against subsidized Government competition with private business, including the electric business. We gave the La Follette forces the biggest walloping they ever had in the history of our State, and we will do it again.

Mr. RANKIN. Oh, the gentleman from Wisconsin knows that the only reason they elected any Republicans up there was because of the sit-down strike and the low price of farm commodities; not because those people did not want cheap electricity. Now, listen to this. I have been hearing it passed around here that the Republican Party is on its way back. Yes; it is. It is on its way back, out, if it follows that kind of leadership. [Laughter and applause.]

Mr. HAWKS. Mr. Speaker, will the gentleman yield?

Mr. RANKIN. I yield briefly.

Mr. HAWKS. I would like to ask the gentleman a ques-The gentleman said that farm products were cheap enough now. The present administration has been more successful in making cheap farm prices than cheap electric

Mr. RANKIN. Now, the gentleman has been here for 3 months. I wonder what his program is for remedying the situation? [Laughter and applause.] That is the trouble. You come here elected against the sit-down strike, which the Supreme Court has held invalid, and which ought to have been outlawed a long time ago, but now your issue is gone on which you were elected. [Laughter.]

Mr. SCHAFER of Wisconsin. We did not have a sit-down strike issue in our State at all. The Government in the electric business was the biggest issue. The record shows it. If you will come to my office I will show you La Follette's campaign literature on that subject.

Mr. RANKIN. I will not know where to find the gentleman's office after the next election if he does not change his position on this question. [Laughter.]

The money lost by investors in this utility system has been enormous.

Let me say to the gentleman from Wisconsin and you gentlemen from Michigan, also, you live right across the line from Ontario. I will put in the RECORD at this point the overcharges for your States. The people of Michigan are overcharged \$46,590,901 a year, according to the Ontario rates, and the people of Wisconsin are overcharged \$25,-323,124 a year.

If the people of your States will stand for those overcharges and stand for your coming down here and opposing the only program that has ever been offered to relieve them of these overcharges, then they need not kick about other minor inconveniences to which they may be subjected.

INVESTORS' LOSSES

But, as I started to say, the money lost by investors in this utility system has been enormous. The report recently submitted to Congress by the S. E. C. shows only a portion of this loss. A typical instance is the case of the Niagara Hudson Power Co. The public were sold common stock of this company at \$25 a share. This was later called in and one share issued for four held. On February 2, 1929, these shares were listed upon the New York Curb at \$8.75. Through investments in this worthless stock many have lost their life's savings and are now upon relief.

This utility system, which carries extensive advertising in newspapers, has been quite immune from exposure of its methods and practices. It has apparently great influence in the various phases of official life.

FEDERAL CONTROL

What has been said is probably mild, compared with what a congressional investigation would disclose. It is not a matter for State regulation.

It is not a matter of State regulation. The State of Michigan is just as helpless as a new-born babe, even if its present administration were opposed to the present practices of the power interests in that State. The State of Wisconsin is helpless, just as we found the States of Mississippi and Tennessee helpless.

No consumer or body of consumers is financially able even if the Public Service Commission of New York State had jurisdiction to carry on a proceeding against such a powerful monopoly. In fact, it has grown too large for the State of New York to bring it to task. The waters of the Niagara River, the Great Lakes, and the St. Lawrence River are Federal waters and are under the jurisdiction of the United States. The water, which this utility system is using under license of the Federal Power Commission, is controlled by the Boundary Waters Treaty between the United States and the Dominion of Canada. The Federal Power Commission is apparently the only body with control over this utility system, and this Commission is obviously not equipped to fully regulate this system. Sufficient has been shown to demonstrate the necessity of Federal action to cancel the license to this utility, to take over this system and distribute electricity in the interest of the public welfare.

CONSUMER PIRACY

A comparison of retail electric rates in effect in the territory of New York State served by the Niagara-Hudson system and similar communities in the Province of Ontario show outstanding differences. The most satisfactory method of presenting rate comparisons is by means of typical net monthly bills. The Federal Power Commission has calculated and published such information. I have studied this voluminous billing data and have set up a comparison between the Ontario Hydro, the communities served by the Niagara-Hudson, and the private utilities of the United States. I have been able to summarize this information into tabulations which will give an accurate picture of the difference in rates between the composite average of Ontario. Niagara-Hudson, and National United States private power rates. I present this illuminating summarized composite information in tables I and II. I trust all of my colleagues will study these tables in order to see how the electric consumers in the Niagara-Hudson territory and throughout the State of New York are overcharged. These tables cover residential, store-light, and store-power billings. The Ontario Hydro pays no taxes, although the Hydro renders certain municipal services. Therefore, in table II, I have reduced the comparison to a tax-equivalent base—a method which places the comparison on a fair and equitable foundation. From the presentation it can be fairly stated that the residential consumer in the Niagara-Hudson territory and throughout the State of New York is overcharged, on the average, around 100 percent, and the average of the United States around 115 percent to 120 percent-more than double. The numerous small-store owner in New York is similarly overcharged, 90 percent to 100 percent, and in the United States as a whole 105 percent to 115 percent for light and 110 percent to 125 percent for power.

Table I.—Comparison of average typical net monthly electric bills in communities served by the Niagara-Hudson Power Corporation and the Ontario Hydro—Also the representative average of private plants in United States in 1397

	Residential			Commercial light demands, 0.75, 3.0, and 6.0 kilowatts			and 30 kilowatts		
	25	100	250	50	375	750	375	1,500	6,000
Communities 50,000 and	13	A 11	4 =	E 8	10 1			- 10	
over population: Province of Ontario	\$0.75	\$1.54	\$2.80	\$1.37	\$7.84	\$15.68	\$6. 69	\$26. 32	\$70. 38
Niagara-Hudson Power Corporation Private plants, United	1. 27	3. 53	6. 52	2. 96	14. 55	26. 34	14. 55	46. 65	127. 69
States Communities 10,000 up to	1. 45	4. 11	7. 54	2.85	17. 55	34. 57	16. 07	58. 16	177. 87
50,000 population: Province of Ontario Niagara-Hudson Power	.75	1.62	2, 84	1.28	6. 79	13. 58	5. 75	22, 99	62. 70
Corporation Private plants, United	1. 52	4. 07	7. 56	3. 65	17. 91	32. 60	17.36	55, 25	141. 47
States	1. 67	4. 54	8, 16	3. 31	19. 71	36. 84	17. 17	58, 29	169. 43
10,000 population: Province of Ontario Niagara-Hudson Power	.75	1.82	3. 18	1. 41	7. 59	15. 12	6. 52	25. 07	70. 66
Corporation Private plants, United	1. 64	4. 23	7. 97	3.77	18. 30	32. 59	17. 93	56, 48	150. 33
States	1.78	4. 73	8, 28	3.49	19.99	36. 85	17. 28	58. 51	171. 34

Authority: Federal Power Commission.

Table II.—Composite comparison of bills—Percent higher than Province of Ontario—Based billings in table I after allowing 15 percent for taxes

-10-100 OR (3) to 1000 \$	R	esident	ial	Commercial light		light	Commercial power		
The state of the state of				Kilo	watt-b	ours			
THE LIVE	25	100	250	50	375	750	375	1,500	6,000
Niagara-Hudson Power Corporation Private plants, United	Pct. 65. 3	Pct. 101, 8	Pct. 96, 5	Pct. 114. 3	Pct. 91. 5				Pct. 74. 2
States	84. 2	129.8	113.8	107.0	116. 5	105. 8	125. 5	99.4	117.0

I would like to have the Power Trust attempt to answer this presentation. This huge combination is openly plundering the American people through exorbitant overcharges.

INDUSTRIAL RATES

The Niagara-Hudson has put out information from time to time on an over-all unit basis, attempting to show lower average unit rates than the Ontario Hydro. Such misinformation has been quoted on this floor and placed in the Congressional Record. To completely demonstrate the fallacy of such a presentation, it is advisable to summarize wholesale industrial billings. By a process similar to tables I and II, I present the overcharges in billings for industrial power, compared to the Ontario Hydro.

TABLE III .- Percent overcharge in industrial power monthly bills

	150 kilo-	300 kilo-	1,000 kilo-
	watt-days	watt-days	watt-days
	30,000 kilo-	60,000 kilo-	200,000 kilo-
	watt-hours	watt-hours	watt-hours
Average Niagara-Hudson	Percent 42.6 80.5	Percent 32.6 61.4	Percent 19.5 40.5

Here again the allegations of the Power Trust is exploded. There are some 20 to 25 monopolistic bulk consumers at the Falls—like the Aluminum Co.—which purchase large quantities of current under exclusive contracts, at average discriminatory rates, ranging from 1½ to about 2½ mills per kilowatt-hour, while the same system sells bulk power to other large industries at prices ranging from about 6 to 10 mills per kilowatt-hour. This discriminatory power

has been used to shade downward the presentations of the Niagara-Hudson combination. The public cannot and should not accept these presentations at face value.

THE TWO NIAGARAS

The effective electric rates in the communities of Niagara Falls, N. Y., and Ontario furnish a vivid comparison. With generating conditions ideally the same, the American consumer pays practically double the bill of his Canadian neighbor for a given quantity of electricity. I present in table IV the overcharges in billings on the American side compared with the Canadian side of the Niagara River for the different classes of service under the standard typical bill arrangement.

TABLE IV.—Percent overcharge on bill comparisons, Niagara Falls, Ontario, and Niagara Falls, N. Y.

[Note.—New York bills higher than Canadian bills by following percents.]

Service	Consump- tion	Percent overcharge
Residential Do	Kilowatt- hours 25 100 250 50 375 750 6,000 60,000 200,000	50.8 86.8 95.1 108.6 185.0 90.2 233.0 62.8 66.2 18.0

Kilowatt-hours per month-standard demands used by Federal Power Commission.

THE ANSWER

A question naturally is presented. Will such conditions be allowed to continue under Federal sanction? Will the people of New York be robbed perpetually through the private use of a resource that belongs to them?

I present a solution of this problem through the introduction of a bill creating the Niagara River Authority. This bill is remedial, and is based on the constitutional provision that the control of navigable waters rests with Congress [Applause.]

The SPEAKER pro tempore (Mr. Faddis). Under previous special order of the House the gentleman from Alabama [Mr. Patrick] has been allotted 20 minutes. Is that satisfactory to the gentleman from Alabama?

Mr. RANKIN. Mr. Speaker, I will ask unanimous consent to revise and extend my remarks.

The SPEAKER pro tempore. Is there objection? There was no objection.

The SPEAKER pro tempore. Under previous special order of the House, the gentleman from Alabama [Mr. Patrick] is recognized for 20 minutes.

POLITICAL PARTIES IN AMERICA

Mr. PATRICK. Mr. Speaker, ladies, and gentlemen, the purpose of my getting up here this afternoon is just a little different from any other for which I have recently arisen. Do you know, there is sort of a build-up running around here? It is interesting. It springs from the fact that our good friends on the left, the Republicans, at the mid-term election, somehow breathed a little better air than they thought they would, and the draft was so surprisingly sweet that they have been kicking their heels up a little too high. [Laughter.]

It makes me think of an apple tree that blossoms out in the late fall—sometimes that happens. That apple tree thinks it is going to have a bunch of apples, but the blooms came too late. And so it is to that little feature of political life in America that I want to address myself here for a minute. I talked on this subject a few days ago a little while, but I did not get all I had to say out of my system. I enjoyed getting off what I did, though.

Now, you know, we have been running 150 years under the Constitution here. That is a pretty good while, as nations go. When we compare it with the turn-over of nations we find that, with the exception of Japan, we are probably the oldest Nation in the world today—that is, of the major nations. The changes in government form have been so absolute.

Why is that? Because we decided that folks could be folks, that here there was to be no lord, or duke, or earl; that people were people and that the gospel Robert Burns announced, that "a man's a man for a' that," is sky high, world-wide, sea-deep, lifelong, and fundamental enough to establish the business of peoples upon; and so we have one hundred and thirty millions getting along pretty well under that logic today. We have held out. A few little amendments have come along, but fundamentally, integrally-I suppose integrally is a good word; integral is-we have held out pretty faithfully on that same old original idea: No prince, no duke-we have a few overlords, we have to fight them constantly, consistently, and religiously because we never know-you know the big ones are always trying to eat up the little ones. And we had one thing that is a pretty hard proposition to get at, especially as long as Delaware and a few other States issue a corporate power that is greater than the power of States that issue them, and can say to a corporation: "Now, I breathe into your nostrils the breath of life and you become an individual that will never die, you have rights that nobody else has. You are a fictitious character, but one that will never die." That is an abuse I talked about a while ago and is something we have got to fight out.

Mr. HOFFMAN. May I ask a question?

Mr. PATRICK. Yes; but do not bust in right here; wait a little bit.

Mr. HOFFMAN. The gentleman was speaking about the corporations of Delaware.

Mr. PATRICK. I have not yielded. I hope the gentleman will wait a little while. Do not be restless. The gentleman is as nervous as an old maid when the right man finally comes along.

The point is that we established here a two-party system. The Democrats started out as one of those two. They have had to have a lot of fights. We have had the Federalists, the Whigs, the Constitutional Unionists, the Anti-Masons, the Republicans, the Populists, the Progressives, the Farmer-Laborites; but the Democrats have had to fight them all. It has been the Democrats on one side and all or some of the others on the other side; the Democratic Party founded by Thomas Jefferson is just as strong and powerful and faithful to its ideals today as it was when he founded it, but the Republicans just jumped up about the time this Nation decided to get rid of slavery.

Mr. SCHAFER of Wisconsin. Mr. Speaker, will the gentleman yield?

Mr. PATRICK. Not just now, if the gentleman please. I would like to yield to the gentleman who has thrown less light on more subjects than any man in Congress since I have been here. I would like to yield to the gentleman, because I know he has a brilliant brain child that he wants to turn loose here in our midst. He has been trying to give birth to it ever since he got here.

Now, the point is that the Democratic Party has had to fight all of them through all these years, first one set and then the other. You know wolves hunt in packs, but the lion hunts alone. So it has been with the Democratic Party all these years. The word "republic" and the word "democracy" are very similar. The purposes and ideals of the Republicans are wholesome, just as good, perhaps, as are the ideals of the Democrats; but the greatest difference is in the way they work the thing out. The average Republican on this floor does not want to give any special interests a throat hold on the Nation. They did not intend to build up monopolies, but their lazy idea—laissez faire—the do-nothing method—the looking-for-prosperity-around-corners practice,

saying that a chicken is going to hatch out in every pot, and a car is going to blossom forth in every garage if you just be good and keep the Republicans in office as each 4 years roll around. Well, things do not work out like that. That is the reason the good Mr. Coolidge—he just did not choose to run, he was so disgusted. We can look back now and see what the silent Mr. Coolidge saw; that he had a lot to be silent about. He had more to be silent about perhaps than any man that has ever been in the White House. The Democrats have to deliver what the Republican Party promises.

Mr. RUTHERFORD. I hope not.

Mr. PATRICK. The Republicans hope not because they want to let these promises be. The Republicans have had 13 Presidents in the White House and they have had only 2 men who were willing to go in there and slug it out—Abraham Lincoln and Theodore Roosevelt, the only real Executives they have had.

They are always going around "going to do something." The Republican program, as far as practice is concerned, is like the old man Huckaby Goss who had never been down to Jasper, Ala. He asked an old fellow standing around there, "Can you tell me the way to the post office?" The old fellow said, "You go this way two blocks, turn right and go two blocks; when you get there turn to the right and go two more blocks, then right two more blocks, and when you get there turn two more blocks to the right."

He said, "Well, that would bring me right back to where I am now." He said, "Yes. This is the post office right here." That is exactly the way the Republican program goes.

It is a bag of oats on the end of a wagon tongue, but the mule never gets to it. The plan is to promise everything, deliver nothing, and keep them guessing, but do it with a straight face.

Let us talk about leadership. Here is one of the strange things we have right here. This is not original with the Republicans, either. There are two things that the Republicans seem to be always anxious to do; that is, build up a gospel of hatred against the Executive who is in power. You will remember that theory started with the Whigs. There was hatred built up against Thomas Jefferson, then against Andrew Jackson, and under Republican rule against Woodrow Wilson, also Grover Cleveland, and now against Franklin Delano Roosevelt. They are building up a doctrine of hatred, but these were men who could take it. Those men represent good, representative types of Democratic leadership. Can the Republicans boast of such leadership?

The Republican Party has had 13 Presidents. Ohio State has presented Republican Presidents Hayes, McKinley, Taft, Harding, and Garfield—not an executive in the bunch. Good men; clean, wholesome men. But they were often found in the hands of selfish practitioners who would parcel out Government properties like ham sandwiches at a southern barbecue. All you have to do is think back and

review what has gone on before.

Let us look at the things that have happened—the Teapot Dome, the veterans' scandal, the Elk Hills proposition, and all that sort of thing, coming under one administration. Now, President Harding did not want that to happen, but he was just rocking along. Do you think that Ohio, as fine a State as it is, wanted to produce that kind of leadership? No. Neither did General Grant want the things that produced scandals of his administration.

Both the Democratic and Republican Parties should get away from this old habit of nominating a point in geography instead of a man as party standard bearer. That is as true of one party as another. We want a man who can deliver the goods, a man who is an executive from his heart, who has a program, and a definite thing to do. He should be the man to be the standard bearer, whether he comes from Arkansas, Alabama, Oregon, Ohio, New York, or anywhere else. People do not go out to elect a State but to elect an official.

The States of special choice are today left in the same old state of uncertainty. Look at the replacements that have come in here. Those represent the very places of uncer-

tainty now. Here is what the Republicans are puffed up over by the changes in Congress.

They have 64 replacements, as far as Democrats and Republicans are concerned, 12 from Ohio, 12 from Pennsylvania, 6 from Indiana, 4 each from Illinois, Connecticut, California, and New Jersey; 3 each from Iowa, Michigan, and Wisconsin; 2 each from Rhode Island and New York—only 2 changes in New York—1 each from Idaho, South Dakota, West Virginia, Wyoming, and Montana. Those are 17 States and 30 changes come from only 3 States—Ohio, Pennsylvania, and Indiana. There is where the changes have come from. The others are slight. In the Senate we only have 4 changes—Connecticut, Kansas, New Hampshire, and Ohio—with the exception of Oregon and South Dakota that had 2 Senators elected to succeed appointments.

How does this do-nothingness work out on the floor, that unwillingness to get in and fight it out when something has to be done, something that means blazing a new trail? Enacting a new law. Something that has not been done before. And there is where courage shows. There is where men like Woodrow Wilson stand out. I wish I could give you a complete list of the things that he led or helped fight through, that were sabotaged by the succeeding President of the United States administration.

There was the case of President Grant and the disgraces that came in his day, and which still blacken the pages of history—the whisky ring, the United States safe-burglary case, the Sanborn and Jayne contract scandal, bribery of the Secretary of State, Secretary's resignation, and Indian post trade-off. Grant was an honest man himself. Even Members of Congress were found to have bought stock in the Pacific Railroad Co. which depended for its life on enactments by the Congress. Other scandals were revealed at that time.

The Democratic program is to get in and when something needs to be done, do something about it if it does hurt and scar. You have to take it.

Edmund Vance Cooke said:

Did you tackle that trouble that came your way
With a resolute heart and cheerful?
Or hide your face from the light of day
With a craven soul and fearful?
Oh, a trouble's a ton, or a trouble's an ounce,
Or a trouble is what you make it.
And it isn't the fact that you're hurt that counts,
But only how did you take it?

Now, can you take it? That is what we have to do. When we have to do something, have to blaze a trail, it takes courage—someone who can go in there and know he is going to get something done or die trying.

Mr. Sayit met Mr. Doit
Coming down the avenue.
Said Mr. Sayit to Mr. Doit,
"Most everything is wrong with you."
Said Mr. Doit to Mr. Sayit,
"I've made mistakes. That can't be hid.
I was tryin' to do the things
You said you'd do, but never did."

There is where we got our scars. There are the things we have tried so hard to correct—evils that have been building up through the years when they said, "There will be a rose garden on every hillside"; and we were held up at the cross-roads, poor and naked and out of work, right when nature was most propitious, right when success seemed crowning every effort, right when prosperity seemed riding the waves. They promised good days, but we hove up at the crossroads, with banks breaking and hearts breaking and business gone to pot. Then because we had the courage of the Democratic Party to step into the breach, to step in and break the jam in the river, risking our political life, they come up and say, "Everything you do is wrong."

Of course, mistakes are always made when blazing new trails. This inactivity, this kind of leadership that puts mediocre men at the helm—the Republicans have not been inclined to put their own true leaders in. They thought they had Roosevelt tabled.

They got him in as Vice President, but it unfortunately happened that that fine man, McKinley, got shot, and Roosevelt was stepped in. Seward was the man labeled even when Abraham Lincoln was elected, but he got stymied, deadlocked, and the unheard-of happened, and that poor, lanky thing that did not have a Chinaman's chance walked into the White House and delivered the goods. With those two Chief Executives, they have something to brag about. But they could not stand it. They made it so miserable for Theodore Roosevelt that he got out of the party. That is the way the Democrats got a crack at it then. But the thing we have now to do is to let the people know. Get away from this old "hate the leader" business, and get away from this idea that things will take care of themselves, because for some reason life was not builded that way; life was not cut by that sort of pattern.

How does all this work out on the floor here? Notice their inability to shoulder responsibility. They holler at the Democrats right here on this floor and say, "You are 'rubber stamps," because we have a program. We have bills introduced that are a means to remedy a wrong, to correct an error, to make it better for folks to live, to give us a little uplift, to get a little more economic security, to make it better for human beings to live in the land—the very things the Republicans spent 20 years promising. When you start to do it the Republicans get up here and vote as a unit against it. They do not bring you something in place of it. They do not tell you what to do. They just say, "Everything is wrong with you," and vote in a unit against it. It is so easy to do so. They say, "We are in sympathy with what you want to do: we are in absolute sympathy with the purpose and aims of what the Democratic Party wants to do; but we just cannot stand it, while that man is in the White House, to see it done."

That is often it, and that is often all there is to it. If they were sincere, it seems to me-I do not mean to slap at them and say they are not sincere-I mean if they were not so inactive, so willing to be supine and let nature take its course, they would be themselves offering a program. They would be introducing and helping to fight through measures that need to be fought through Congress and helping to pass laws. It is amazing how many things they fought bitterly, but now since they have commenced to bear fruit, since they commence to blossom forth, since they have gotten to where they carry their own weight and stand on their own feet, they will come on the floor and brazenly say, "We will not vote against that, we will not vote to repeal it today, but this new bill you are trying to get in will ruin us and wreck us and carry us into the maelstrom of some other great disaster." Lo, politics is a strange creature. [Applause.]

[Here the gavel fell.]

PERMISSION TO ADDRESS THE HOUSE

Mr. HOFFMAN. Mr. Speaker, I ask unanimous consent to address the House for 5 minutes.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Michigan?

There was no objection.

Mr. HOFFMAN. Mr. Speaker, the gentleman from Alabama [Mr. Patrick] and the gentleman from Mississippi [Mr. Rankin] have two traits in common. Whenever they are asked a question they answer with some wisecrack, and immediately after concluding a speech they ordinarily leave the Chamber. They do not wait for a reply to what they have to say.

Mr. PATRICK. Mr. Speaker, I will stick it out with the gentleman this time, I will assure him.

Mr. HOFFMAN. That certainly is a compliment.

The gentleman's argument or statement, or whatever it was, was quite illogical. In the first place, the gentleman said we were kicking all the time about everything the new dealers did, and before the gentleman concluded he said that we were too supine to offer any suggestions at all. He complains when we offer suggestions which we think are constructive. Then he finds fault and alleges that we do not offer anything to remedy the situation. He damns us if we

do and he damns us if we do not. The gentleman said that when anything was to be done we had to ask you Democrats to do it.

I will admit that you told us that the deficit Mr. Hoover had of \$5,000,000,000 was going to send us into bankruptcy. And what have you done? You have given us a deficit on the average of \$3,000,000,000 a year since—an added deficit of over eighteen billion. Were we not going fast enough down the road to bankruptcy? You shoved us along ahead of you at high speed every year, until now you have reached the legal limit of indebtedness, until bankruptcy is no longer a theory; you have made it a fact; and you boast of your accomplishment.

Do something? Every Member in this House knows that the labor law you put on the book must be amended. The A. F. of L., which was the father of that law, which sponsored it, said in the papers yesterday and in a circular letter the day before that it must be amended. You do not even have the courage on your side to give us a hearing before the Committee on Labor, either in the Senate or before the Committee on Labor in the House. Now, why do you not do something?

You say we have not offered anything constructive. We put in a bill here, or I have, at least, which covers almost every single amendment the A. F. of L. had in mind and which covers other amendments proposed by the National Association of Manufacturers. Why not have the courage to give us the hearing which the A. F. of L., which business, which millions of taxpaying citizens are demanding?

Mr. PATRICK and Mr. WOOD rose.

Mr. HOFFMAN. I yield to the gentleman from Missouri. Mr. WOOD. Does the gentleman assume that the Labor Committee of the House is not going to have a hearing on those amendments?

Mr. HOFFMAN. I will say that although the gentleman holds a card, I think in the A. F. of L., up to this time you have not given any notice that you are going to give any hearing.

Mr. WOOD. Does the gentleman assume there are going to be no hearings?

Mr. HOFFMAN. We do not know.

Mr. WOOD. You do not know, but you are making statements that you do not know anything about here.

Mr. HOFFMAN. I say that up to this time—and Congress has been in session nearly 3 months and we all know that the country is demanding that the Wagner Act be amended—you have not given any indication that you are going to have any hearing. You are waiting for John L. Lewis to ruin your A. F. of L.

Mr. WOOD. You do not know what you are talking about

Mr. HOFFMAN. I do. The C. I. O. has been collecting money from the workers and turning a part of it over to the New Deal administration and the New Deal administration is "sicking" the Labor Board on the A. F. of L. and the majority has not had the courage to bring the proposed amendments out in the open and amend that law.

The A. F. of L. charges in substance, and it is becoming more and more a matter of common knowledge, that the administration is stalling; that, to aid the C. I. O., the so-called negotiations between the A. F. of L. and the C. I. O. are continued from time to time as an excuse for the failure to open the hearings on the amendment of the Wagner law.

As the administration aided the C. I. O. throughout the sit-down strike situation, so now it is aiding the C. I. O., denying the fair request of the A. F. of L. that hearings be held on the amendment of this law.

You talk about Teapot Dome. All right, we admit all that, and those men, or one of them, was sent to prison. What have you done about your marble deal? Nothing. What have you done with reference to the report coming from Kentucky that \$300 was spent out of funds voted for relief for every single vote that was cast for a Democratic candidate? What have you done about all those dead men who are on the rolls down in Oklahoma—anything? Talk about doing something, what the majority does is to cover

up the dirty work that has been done when relief money has been used to buy votes, and then charge us with fraud and corruption that occurred years ago.

If Republicans ever did anything of that kind, ever used money to influence elections, they used their own money. But the New Dealers have taken the money that was appropriated to buy food for the hungry, shelter for those who were exposed to the weather, food and clothing for those who were cold, and used it to influence elections. The new dealers have "played politics with human misery." They have diverted funds appropriated for a charitable purpose to a corrupt purpose. [Applause.]

[Here the gavel fell.]

Mr. PATRICK. Mr. Speaker, will the gentleman ask unanimous consent for 1 additional minute?

Mr. Speaker, I ask unanimous consent to talk for 1 min-

The SPEAKER. Is there objection to the request of the gentleman from Alabama?

Mr. KEEFE. I object, Mr. Speaker.

EXTENSION OF REMARKS

Mr. Sabath asked and was given permission to revise and extend his own remarks in the Record.

ADJOURNMENT

Mr. PATMAN. Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to; accordingly (at 4 o'clock and 14 minutes p. m.) the House adjourned until tomorrow, Tuesday, March 28, 1939, at 12 o'clock noon.

COMMITTEE HEARINGS

COMMITTEE ON WAYS AND MEANS

Public hearings will continue on Tuesday, March 28, 1939, at 10 a.m., on social-security legislation, in the Ways and Means Committee room in the New House Office Building.

COMMITTEE ON NAVAL AFFAIRS

There will be a meeting of the Committee on Naval Affairs at 10 a. m. on Tuesday, March 28, 1939, for the consideration of the Hepburn Board report.

COMMITTEE ON MILITARY AFFAIRS

There will be a meeting of the Committee on Military Affairs in room 1310, New House Office Building, at 10:30 a.m. March 28, 1939, for the consideration of H. R. 2645, "To regulate the formation and activities of private military forces in the United States, and for other purposes."

COMMITTEE ON IRRIGATION AND RECLAMATION

There will be a meeting of the Committee on Irrigation and Reclamation in room 128, House Office Building, at 10 a.m. Tuesday, March 28, 1939, for the purpose of considering H. R. 5076.

COMMITTEE ON INTERSTATE AND FOREIGN COMMERCE

There will be a meeting of the Committee on Interstate and Foreign Commerce at 10 a.m. Tuesday, March 28, 1939. Business to be considered: Railroad legislation—H. R. 2531. Commissioner Eastman will be the witness.

There will be a meeting of the tourist travel subcommittee of the Committee on Interstate and Foreign Commerce at 2 p. m. Tuesday, March 28, 1939. Business to be considered: Hearing on H. R. 1792—tourist travel bill.

There will be a meeting of the Business Research Subcommittee of the Committee on Interstate and Foreign Commerce at 10 a.m. Monday, April 3, 1939. Business to be considered: Hearing on H. R. 3395—business research bill.

There will be a meeting of the subcommittee of the Interstate and Foreign Commerce Committee on the trust indenture bill (H. R. 5220), inserted in the CONGRESSIONAL RECORD as soon as possible. The hearings are to be held in the Interstate and Foreign Commerce Committee room beginning April 4 at 10 a. m. The hearings will be continued on April 5 and 6. Proponents of the bill will be heard on the 4th and opponents on the 5th and 6th.

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COMMITTEE ON PATENTS

A subcommittee of the Committee on Patents, House of Representatives, will hold hearings in the caucus room of the House Office Building beginning Tuesday, March 28, 1939, at 10 a.m., on H. R. 4744, a bill to provide for the registration of trade-marks used in commerce, to carry out the provisions of certain international conventions, and for other purposes. Hon. Fritz G. Lanham is chairman of the subcommittee.

Mr. Lanham announces that the procedure at these hearings will be the same as that he initiated at the hearings on trade-marks in the Seventy-fifth Congress, 1938; that is, the bill will be taken up section by section, so all testimony on a given section will be found at one place in the printed record.

COMMITTEE ON IMMIGRATION AND NATURALIZATION

There will be a public hearing before the Committee on Immigration and Naturalization at 10:30 a. m. Wednesday, March 29, 1939, for the consideration of H. R. 3657 and H. R. 4369. Room 445, House Office Building.

COMMITTEE ON RIVERS AND HARBORS

The Committee on Rivers and Harbors will meet Tuesday, April 4, 1939, at 10:30 a.m., to continue hearings on the project for the Connecticut River, Conn. and Mass.

COMMITTEE ON MERCHANT MARINE AND FISHERIES

The Committee on Merchant Marine and Fisheries will hold public hearings in room 219, House Office Building, at 10 a.m., on the bills and dates listed below:

Tuesday, March 28, 1939:

H. R. 197, relating to the clearance of vessels; H. R. 199, relating to the allotment of wages by seamen; H. R. 200, relating to foreign towboats towing between American ports; H. R. 1780, relating to penalties on certain undocumented vessels and cargoes engaging in the coastwise trade or the fisheries; H. R. 1782, relating to change of masters of vessels.

Wednesday, March 29, 1939:

H. R. 198, relating to the measurement of vessels; H. R. 132, authorizing the use of condemned Government vessels for breakwater purposes; and H. R. 5130, to amend certain provisions of the Merchant Marine and Shipping Acts, to further the development of the American merchant marine, and for other purposes.

Tuesday, April 4, 1939:

H. R. 3209, making it a misdemeanor to stow away on vessels; H. R. 3398, regarding the down payment for construction of new vessels; H. R. 3935, relating to the discharge of seamen.

Wednesday, April 5, 1939:

H.R. 3052, uniform insignia for Naval Reserve radio operators; H.R. 1010, intercoastal subsidy bill (Welch).

Thursday, April 6, 1939:

H. R. 1011, acquisition of drydock facilities for United States Maritime Commission on San Francisco Bay (Welch); H. R. 2870, acquisition of drydock facilities for United States Maritime Commission at Los Angeles (Thomas F. Ford); H. R. 3040, acquisition of drydock facilities for United States Maritime Commission at Los Angeles (Geyer of California).

Tuesday, April 11, 1939:

H. R. 1783, inspection of hulls of sail vessels and barges (Bland); H. R. 1785, motorboat bill (Bland); H. R. 1795, motorboat bill (Hendricks); H. R. 1809, inspection of motorboats, 15 gross tons up (Magnuson); H. R. 2398, regarding pilots on yachts (Angell); H. R. 3837, inspection of motorboats, 15 gross tons up (Connery).

Thursday, April 13, 1939:

H. R. 4220, load-line bill for seagoing vessels (BLAND).

Tuesday, April 18, 1939:

H. R. 2404, surgeon and hospital on vessels (Sirovich); H. R. 2660, limitation of liability (Sirovich); House Joint Resolution 153 and House Joint Resolution 194, investigate conditions pertaining to lascar seamen (Sirovich).

EXECUTIVE COMMUNICATIONS, ETC.

Under clause 2 of rule XXIV, executive communications were taken from the Speaker's table and referred as follows:

586. A communication from the President of the United States, transmitting supplemental estimates of appropriations and proposed changes in the text of certain estimates of appropriations for the Navy Department. These estimates involve increases aggregating \$19,574,500 in the estimates of appropriations for the Navy Department now contained in said Budget (H. Doc. No. 246); to the Committee on Appropriations and ordered to be printed.

587. A letter from the Secretary of Agriculture, transmitting the draft of a proposed bill to further amend the act for the establishment of the Bureau of Animal Industry; to the Committee on Agriculture.

588. A letter from the Secretary of Agriculture, transmitting the draft of a proposed bill to amend section 2 and section 7 of the United States Grain Standards Act; to the Committee on Agriculture.

589. A letter from the President, Board of Commissioners, District of Columbia, transmitting the draft of a proposed bill authorizing the installation of parking meters or devices on the streets of the District of Columbia; to the Committee on the District of Columbia.

590. A letter from the Secretary of Agriculture, transmitting the draft of a proposed bill to fix standards for till baskets and boxes, climax baskets, hampers, round-stave baskets, drums, market baskets, barrels, cartons, crates, boxes, sacks, and other containers for fruits and vegetables; to the Committee on Coinage, Weights, and Measures.

REPORTS OF COMMITTEES ON PUBLIC BILLS AND RESOLUTIONS

Under clause 2 of rule XIII,

Mr. SABATH: Committee on Rules. House Resolution 143. Resolution providing for the consideration of House Concurrent Resolution 11. Concurrent resolution continuing the special Joint Committee on Forestry; without amendment (Rept. No. 317). Referred to the House Calendar.

Mr. SCHULTE: Committee on Immigration and Naturalization. H. R. 3215. A bill to amend the act of March 2, 1929 (45 Stat., ch. 536); without amendment (Rept. No. 318). Referred to the House Calendar.

Mr. SCHULTE: Committee on Immigration and Naturalization. H. R. 5030. A bill to amend section 4 of the act of June 29, 1906, entitled "An act to establish a Bureau of Immigration and Naturalization and to provide for a uniform rule for the naturalization of aliens throughout the United States"; without amendment (Rept. No. 319). Referred to the House Calendar.

Mr. O'CONNOR: Committee on Indian Affairs. S. 961. An act for expenditure of funds for cooperation with the public-school board at Wolf Point, Mont., for completing the construction, extension, equipment, and improvement of a public-school building to be available to Indian children of the Fort Peck Indian Reservation, Mont.; without amendment (Rept. No. 320). Referred to the Committee of the Whole House on the state of the Union.

PUBLIC BILLS AND RESOLUTIONS

Under clause 3 of rule XXII, public bills and resolutions were introduced and severally referred as follows:

By Mr. COLLINS:

H.R. 5370. A bill to provide educational employees of the public schools of the District of Columbia with leave of absence with part pay for purposes of educational improvement, and for other purposes; to the Committee on the District of Columbia.

By Mr. KEAN:

H. R. 5371. A bill to terminate the authority of certain Federal agencies to issue obligations guaranteed by the United States; to the Committee on Banking and Currency.

By Mr. PETERSON of Florida:

H. R. 5372. A bill authorizing refund of certain excise taxes erroneously or illegally assessed under the Revenue Act of 1932; to the Committee on Ways and Means.

By Mr. RANKIN:

H.R. 5373. A bill to provide for the development and improvement of navigation of the Niagara River and its compensating effect on the Great Lakes; to provide for the national defense by the creation of an authority to operate the power facilities at and near Niagara Falls, N. Y., and for other purposes; to the Committee on Rivers and Harbors.

By Mr. BARDEN:

H. R. 5374. A bill to amend sections 7 and 13 of the Fair Labor Standards Act of 1938; to the Committee on Labor.

By Mr. BLAND:

H. R. 5375. A bill to promote nautical education, and for other purposes; to the Committee on Merchant Marine and Fisheries.

By Mr. CANNON of Florida:

H. R. 5376. A bill relating to intrastate production and marketing of sugar; to the Committee on Agriculture.

By Mr. HORTON:

H.R. 5377. A bill to provide for the distribution of the judgment fund of the Shoshone Tribe of the Wind River Reservation in Wyoming, and for other purposes; to the Committee on Indian Affairs.

By Mr. IZAC:

H. R. 5378. A bill to authorize the President to enter into negotiations with the Republic of Ecuador for the acquisition of the Galapagos Islands; to the Committee on Foreign Affairs.

By Mr. SMITH of Ohio:

H. R. 5379. A bill to amend the act entitled "An act to prohibit the movement in interstate commerce of adulterated and misbranded food, drugs, devices, and cosmetics, and for other purposes," approved June 25, 1938; to the Committee on Interstate and Foreign Commerce.

By Mr. SUMNERS of Texas:

H. R. 5380. A bill to amend an act approved April 26, 1926, entitled "An act fixing the fees of jurors and witnesses in the United States courts, including the District Court of Hawaii, the District Court of Puerto Rico, and the Supreme Court of the District of Columbia"; to the Committee on the Judiciary.

By Mr. WHITE of Ohio:

H. R. 5381. A bill to authorize a preliminary examination and survey of the entire Portage River Basin and its tributaries, with particular emphasis on what is known as the Middle Branch, in the State of Ohio, for flood control, for run-off and water-flow retardation, and for soil-erosion prevention; to the Committee on Flood Control.

By Mr. MARTIN of Iowa:

H.R. 5382. A bill authorizing the city of Keokuk, Iowa, to purchase, construct, maintain, and operate a toll bridge across the Mississippi River at or near Keokuk, Iowa; to the Committee on Interstate and Foreign Commerce.

By Mr. SIMPSON:

H. J. Res. 239. Joint resolution designating August 19 of each year National Aviation Day; to the Committee on the Judiciary.

By Mr. SPARKMAN:

H. J. Res. 240. Joint resolution designating August 19 of each year National Aviation Day; to the Committee on the Judiciary.

By Mr. BLAND:

H. J. Res. 241. Joint resolution providing for the participation of the United States in the celebration of the one hundred and fiftieth anniversary of the establishment of the United States Lighthouse Service; to the Committee on Merchant Marine and Fisheries.

By Mr. SCHULTE:

H. Res. 144. Resolution authorizing the Committee on Immigration and Naturalization to make a thorough study of need for revision and separate codification of laws relating to immigration, deportation, naturalization, and expatriation; to the Committee on Rules.

MEMORIALS

Under clause 3 of rule XXII, memorials were presented and referred as follows:

By the SPEAKER: Memorial of the Legislature of the State of Georgia, memorializing the President and the Congress of the United States to consider their House bill 212. by Messrs. Scott and Williams, concerning old-age assistance: to the Committee on Ways and Means.

Also, memorial of the Legislature of the State of Nebraska, memorializing the President and the Congress of the United States to consider their resolution concerning Federal relief

agencies; to the Committee on Appropriations. Also, memorial of the Legislature of the State of Oregon, memorializing the President and the Congress of the United States to consider their Senate Joint Memorial No. 8, with reference to Senate bill 997, concerning taxation; to the Committee on Claims.

PRIVATE BILLS AND RESOLUTIONS

Under clause 1 of rule XXII, private bills and resolutions were introduced and severally referred as follows:

By Mr. CANNON of Florida:

H. R. 5383. A bill for the relief of H. A. Dixon: to the Committee on Claims.

By Mr. CHANDLER:

H. R. 5384. A bill for the relief of N. F. Clower and Elijah Williams; to the Committee on Claims.

By Mr. CLAYPOOL:

H. R. 5385. A bill granting an increase of pension to W. H. Robinson; to the Committee on Pensions.

By Mr. CROWE:

H. R. 5386. A bill granting a pension to Charity Cooper; to the Committee on Pensions.

H. R. 5387. A bill granting a pension to Cora S. Day; to the Committee on Invalid Pensions.

H. R. 5388. A bill for the relief of Thomas Lewellyn and Drusilla Lewellyn; to the Committee on Claims.

H. R. 5389. A bill granting a pension to Stella Meadows; to the Committee on Invalid Pensions.

H.R. 5390. A bill granting a pension to Maude Moody; to the Committee on Pensions.

H. R. 5391. A bill granting a pension to Sarah E. Jackson; to the Committee on Invalid Pensions.

By Mr. DELANEY:

H. R. 5392. A bill for the relief of Anthony J. De Amara; to the Committee on Naval Affairs.

By Mr. FULMER:

H. R. 5393. A bill granting an increase of pension to Addison P. M. Martin; to the Committee on Pensions. By Mr. IZAC:

H.R. 5394. A bill for the relief of the San Diego Consolidated Gas & Electric Co.; to the Committee on Claims. By Mr. JOHNSON of Oklahoma:

H. R. 5395. A bill for the relief of Jack Stuckey; to the Committee on Claims.

By Mr. OLIVER:

H. R. 5396. A bill for the relief of Ada Elmira Marshall; to the Committee on Claims.

By Mr. SMITH of Connecticut:

H. R. 5397. A bill for the relief of Richard L. Calder; to the Committee on Claims.

By Mr. SMITH of Maine:

H.R. 5398. A bill granting a pension to Celia Mae Miller; to the Committee on Invalid Pensions.

By Mr. TERRY:

H. R. 5399. A bill for the relief of Charles Boothe Amis; to the Committee on Military Affairs.

H. R. 5400. A bill for the relief of Evyline Vaughn; to the Committee on Claims.

PETITIONS, ETC.

Under clause 1 of rule XXII, petitions and papers were laid on the Clerk's desk and referred as follows:

2097. By Mr. ANGELL: Petitions of the City Council of the City of Portland, Oreg., and the Board of County Commissioners of Multnomah County, Oreg., favoring the Townsend plan; to the Committee on Ways and Means.

2098. Also, memorial of the Legislature of the State of Oregon, petitioning the Congress to pass legislation regulating the importation of nursery stock, etc.; to the Committee of Agriculture.

2099. By Mr. CASE of South Dakota: Resolution of the South Dakota Division, Meade County Chapter, F. E. C. U. of America, urging support of the cost-of-production farm bills (H. R. 2377 and S. 570); to the Committee on Agri-

2100. By Mr. CURTIS: Petition of the Legislature of the State of Nebraska; to the Committee on the Judiciary.

2101. By Mr. GAMBLE: Petition signed by Charles Indzonka and other residents in Ossining, N. Y., urging the enactment of legislation for the relief of substitutes of the Post Office Department; to the Committee on the Post Office and Post Roads.

2102. Also, petition signed by James T. Contant and other residents of Ossining, N. Y., urging the enactment of legislation for the relief of substitutes of the Post Office Department; to the Committee on the Post Office and Post Roads.

2103. By Mr. MARTIN J. KENNEDY: Petition of Minneapolis Lodge, No. 270, Brotherhood of Locomotive Firemen and Enginemen, Minneapolis, Minn., urging passage of House bill 4862; to the Committee on World War Veterans' Legis-

2104. Also, petition of Lodge No. 460, International Association of Machinists, Brooklyn, N. Y., urging passage of House bill 4862; to the Committee on World War Veterans'

2105. Also, petition of Elyria Local No. 1282, International Association of Machinists, Elyria, Ohio, urging passage of House bill 4862; to the Committee on World War Veterans' Legislation.

2106. Also, petition of Central Lodge, No. 866, Brotherhood of Maintenance of Way Employees, Buffalo, N. Y., urging support of House bill 4862; to the Committee on World War Veterans' Legislation.

2107. Also, petition of the Bayside Hills Civic Association, Inc., Bayside, N. Y., opposing Senate bill 286 and House bill 2196, to provide for imposing a tax of 3 cents per gallon on fuel oil when used for the generation of heat and power: to the Committee on Ways and Means.

2108. Also, petition of the Retail Dry Goods Association, New York City, opposing the wool-products labeling bill: to the Committee on Interstate and Foreign Commerce.

2109. Also, petition of the Bricklayers' Union, No. 34, New York City, urging passage of Senate bill 591 and House bill 4576; to the Committee on Appropriations.

2110. By Mr. McLAUGHLIN: Resolution of the Legislature of Nebraska, memorializing the Congress of the United States to correct defects in Federal statutes relating to the distribution of food commodities by Federal relief agencies; to the Committee on Ways and Means.

2111. By Mr. PFEIFER: Petition of the International Association of Bridge, Structural, and Ornamental Iron Workers, Local Union No. 361, Brooklyn, N. Y., urging support of House bill 4576 and Senate bill 591; to the Committee on Appropriations.

2112. Also, petition of the United Federal Workers of America, New York City, concerning House bill 3664 and Senate bill 1314; to the Committee on the Civil Service.

2113. My Mr. KEOGH: Petition of Marked Tree schools. Marked Tree, Ark., concerning House bill 3517; to the Committee on Education.

2114. Also, petition of the Rutland-Fair Haven Supervisory Union, Fair Haven, Vt., concerning Senate bill 1305, Federalaid bill; to the Committee on Education.

2115. Also, petition of the David A. Howe Public Library, Wellsville, N. Y., concerning Senate bill 1305 and House bill 3517: to the Committee on Education.

2116. Also, petition of the San Jose High School, San Jose, Calif., concerning Federal aid for education; to the Committee on Education.

2117. By Mr. SECCOMBE: Petition of Margaret M. Wright, and 19 other residents of Wooster, Ohio, urging the President of the United States and the Congress to use every practicable means to bring to an end trade between the United States and Japan which is aiding Japan as an aggressor in the undeclared war between Japan and China; to the Committee on Foreign Affairs.

2218. By Mr. SCHAEFER of Illinois: Petition of Local Union No. 4, Progressive Miners of America, Walter Bogner, recording secretary, Belleville, Ill., urging early consideration of amendment to the Wagner Labor Relations Act as proposed in legislation offered in Congress by the Senator from Massachusetts, the Honorable David I. Walsh; to the Committee on Labor.

2119. By Mr. SCHIFFLER: Petition of N. G. Anas, president, Weir-Cove Chamber of Commerce, Weirton, W. Va., protesting against the construction of the Lake Erie-Ohio River Canal; to the Committee on Rivers and Harbors.

2120. By the SPEAKER: Petition of the Santa Clara County Farm Bureau, San Jose, Calif., petitioning consideration of their resolution with reference to House bill 70, known as the Farmers' Refinance Act; to the Committee on Agriculture.

2121. Also, petition of Young Judaea, New York, N. Y., petioning consideration of their resolution with reference to Senate bill 1305, to promote the general welfare, etc.; to the Committee on Education.

2122. Also, petition of the International Workers Order, Los Angeles, Calif., petitioning consideration of their resolution with reference to antilynching legislation; to the Committee on the Judiciary.

2123. Also, petition of the city of Hastings, Hastings, Nebr., petitioning consideration of their resolution with reference to the Townsend plan; to the Committee on Ways and Means.

2124. Also, petition of the Loyal Ladies' Auxiliary of the Young Men's Bohemian Democratic Club, Seventh Ward, Baltimore, Md., petitioning consideration of their resolution with reference to the United States frigate Constitution; to the Committee on Naval Affairs.

2125. Also, petition of the Women's Advertising Club of Baltimore, petitioning consideration of their resolution with reference to the United States frigate Constellation; to the Committee on Naval Affairs.

SENATE

TUESDAY, MARCH 28, 1939

The Chaplain, Rev. Z@Barney T. Phillips, D. D., offered the following prayer:

O gracious Father, of whose mercy it is that another day is added to our lives, hide not, we beseech Thee, Thy face from us, for in Thy light alone shall we see light. Grant to us in fuller measure the awareness of Thy presence, and harken to Thy children who confess their sins unto Thee, and, when Thou hearest, forgive.

For our temers, our insincerities, the foul desires, and fatal leanings of our souls we pray not for pardon only, but for cleansing. Absolve us from the things for which we never can forgive ourselves, those sad turned pages of our life which some chance stir of memory blows back again with shame; the hours beyond recall and the unheeded fading of bright ideals, that we may undertake once more the duties of the day with a conscience void of offense toward Thee and all mankind. We ask it in the name of Him who for our sins endured the cross, despising the shame, Jesus Christ our Lord.

THE JOURNAL

On request of Mr. Barkley, and by unanimous consent, the reading of the Journal of the proceedings of Monday, March 27, 1939, was dispensed with, and the Journal was approved.

MESSAGE FROM THE PRESIDENT

A message in writing from the President of the United States submitting a nomination was communicated to the Senate by Mr. Latta, one of his secretaries.

MESSAGE FROM THE HOUSE

A message from the House of Representatives, by Mr. Chaffee, one of its reading clerks, announced that the House had passed without amendment the following bills of the Senate:

S. 794. An act relating to banking, banks, and trust companies in the District of Columbia, and for other purposes;

S. 1123. An act to amend paragraph 57 of section 8 of the act entitled "An act making appropriations to provide for the expenses of the Government of the District of Columbia for the fiscal year ending June 30, 1914, and for other purposes", approved March 4, 1913;

S. 1125. An act to provide for the appointment of research assistants in the public schools of the District of Columbia, and for other purposes:

S. 1126. An act to provide alternative methods of enforcement of orders, rules, and regulations of the Joint Board and of the Public Utilities Commission of the District of Columbia:

S. 1129. An act to amend paragraphs 31 and 33 of an act entitled "An act to amend section 7 of an act entitled 'An act making appropriations to provide for the government of the District of Columbia for the fiscal year ending June 30, 1903, and for other purposes', approved July 1, 1902, and for other purposes", approved July 1, 1932;

S. 1130. An act to amend Public Law No. 111, Sixty-sixth Congress, entitled "An act for the retirement of public-school teachers in the District of Columbia";

S. 1295. An act to amend section 9, article V, of an act known as "An act to amend the act entitled 'An act to fix and regulate the salaries of teachers, school officers, and other employees of the Board of Education of the District of Columbia', approved June 20, 1906, as amended, and for other purposes"; and

S. 1301. An act to create the office of military secretary to the General of the Armies of the United States of America, with the rank of colonel, and for other purposes.

The message also announced that the House had receded from its amendments to the bill (S. 316) to authorize and direct the Commissioners of the District of Columbia to reappoint David R. Thompson and Ralph S. Warner as members of the Metropolitan Police Department of the District of Columbia.

The message further announced that the House had agreed to the amendments of the Senate to the bill (H. R. 3801) to extend the time for retirement of cotton pool participation trust certificates.

The message also announced that the House had agreed to a concurrent resolution (H. Con. Res. 11), in which it requested the concurrence of the Senate, as follows:

Resolved by the House of Representatives (the Senate concurring), That the special joint committee, which was authorized and directed to study and make investigation of the present and prospective situation with respect to the forest land of the United States, its condition, ownership, and management, as it affects a balanced timber budget, watershed protection, flood control, and the other commodities and social economic benefits which may be derived from such land, be authorized to continue the investigation begun under Senate Concurrent Resolution 31 of the Seventy-fifth Congress, and for such purposes said committee shall have the same power and authority as were conferred upon it by Senate Concurrent Resolution 31 of the Seventy-fifth Congress, and shall report to the Congress as soon as practicable, and not later than April 1, 1940, the results of its investigation, together with its recommendation for necessary legislation.

The message further announced that the House had passed the following bills, in which it requested the concurrence of the Senate:

H. R. 4940. An act to authorize the furnishing of steam from the central heating plant to the District of Columbia;

H. R. 5066. An act to amend the act entitled "An act to regulate proceedings in adoption in the District of Columbia," approved August 25, 1937.

ENROLLED BILLS SIGNED

The message also announced that the Speaker had affixed his signature to the following enrolled bills, and they were signed by the Vice President:

S. 1301. An act to create the office of military secretary to the General of the Armies of the United States of America. with the rank of colonel, and for other purposes; and

H.R. 3801. An act to extend the time for retirement of cotton pool participation trust certificates.

CALL OF THE ROLL

Mr. MINTON. I suggest the absence of a quorum. The VICE PRESIDENT. The clerk will call the roll. The Chief Clerk called the roll, and the following Senators answered to their names:

Adams	Danaher	King	Reed
Ashurst	Davis	La Follette	Reynolds
Austin	Donahey	Lee	Russell
Bailey	Downey	Lewis	Schwartz
Bankhead	Ellender	Lodge	Schwellenbach
Barkley	Frazier	Logan	Sheppard
Bilbo	George	Lucas	Shipstead
Bone	Gerry	Lundeen	Smathers
Borah	Gillette	McKellar	Smith
Bridges	Glass	McNary	Taft
Brown	Green	Maloney	Thomas, Okla.
Pulow	Guffey	Miller	Thomas, Utah
Burke	Gurney	Minton	Townsend
Byrd	Harrison	Murray	Truman
Byrnes	Hatch	Neely	Tydings
Capper	Hayden	Norris	Vandenberg
Caraway	Herring	Nye	Wagner
Chavez	Holman	O'Mahoney	Walsh
Clark, Idaho	Hughes	Overton	Wheeler
Clark, Mo.	Johnson, Calif.	Pepper	White
Connelly	Johnson Colo	Pittman	Wiley

Mr. MINTON. I announce that the Senator from New York [Mr. MEAD] and the Senator from Maryland [Mr. RAD-CLIFFE) are detained from the Senate because of deaths in their respective families.

The Senator from Florida [Mr. Andrews] and the Senator from Indiana [Mr. Van Nuys] are unable to attend the session today because of illness.

The Senator from West Virginia [Mr. Holt] is absent due to the illness of his father.

The Senator from Alabama [Mr. HILL] and the Senator from Nevada [Mr. McCarran] are detained on important public business.

The Senator from Tennessee [Mr. STEWART] is absent attending the funeral of the late Representative Turner, of Tennessee

Mr. AUSTIN. I announce that my colleague the junior Senator from Vermont [Mr. Gibson] is necessarily absent.

The VICE PRESIDENT. Eighty-four Senators have answered to their names. A quorum is present.

THE LIGHTHOUSE SERVICE

The VICE PRESIDENT laid before the Senate a letter from the Acting Secretary of Commerce, transmitting a draft of proposed legislation to improve the efficiency of the Lighthouse Service, and for other purposes, which, with the accompanying paper, was referred to the Committee on Commerce.

PETITIONS AND MEMORIALS

The VICE PRESIDENT laid before the Senate the following joint memorial of the Legislature of Montana, which was referred to the Committee on Public Lands and Surveys:

House Joint Memorial 16

Memorial to the Congress of the United States requesting an investigation of certain homesteads on Indian lands in Valley, Daniels, Roosevelt, and Sheridan Counties in regard to settlement thereof, money paid therefor to the United States Government, abandonment of such homesteads and thereafter the enactment of legislation for refunding to such settlers or their heirs who were compelled to abandon said land, of the amount read therefore. paid therefor

To the honorable Senate and the House of Representatives of the United States in Congress assembled:

Whereas certain Indian lands in the counties of Valley, Daniels,

whereas certain indian lands in the countes of variey, Danies, Roosevelt, and Sheridan were opened for settlement under the homestead laws of the United States prior to the year 1920; and Whereas many bona fide settlers filed on said lands, completed requirements for and obtained patents to parcels thereof, paying therefor to the Federal Government from \$2.50 to \$7.50 per acre;

Whereas said lands being worthless for farming purpo patent holders, their successors or heirs were forced either to abandon said lands, to have said lands sold for delinquent taxes, or to sell said lands to the Federal Government under the resettlement program at 50 cents per acre; and

Whereas said lands were inadvertently and wrongfully opened for settlement under said homestead laws: Now, therefore, be it Resolved, That the Twenty-sixth Legislative Assembly of the State of Montana (the house of representatives and the senate concurring), hereby does petition and memorialize the Congress of the United States that an investigation be made of the inadvertent and wrongful opening of said Indian lands in the counties of Valley, Daniels, Roosevelt, and Sheridan, State of Montana, the amount of money paid therefor by settlers in procuring patents, and abandonment, sale for taxes or sale to the Resettlement Administration, and that thereafter legislation be enacted to refund to such settlers or their heirs the amounts paid for such lands;

Resolved, That a copy of this memorial be transmitted by the cretary of state of the State of Montana to the Senate and House of Representatives of the Congress of the United States and to the Senators and Representatives in Congress from the State of Montana, and that our Senators and Representatives be urged to use all honorable means within their power to bring about the enactment of such legislation.

The VICE PRESIDENT also laid before the Senate a letter from Arthur L. Johnson, executive secretary, General Welfare Federation of America, Washington, D. C., transmitting copies of petitions of sundry citizens of the State of New York, praying for the enactment of House bill 11, a general-welfare bill granting old-age assistance, which, with the accompanying papers, was referred to the Committee on Finance.

He also laid before the Senate a resolution adopted by referendum vote of the Mining and Metallurgical Society of America, relative to essential minerals for the national defense, which, with the accompanying paper, was referred to the Committee on Military Affairs.

Mr. WALSH presented a letter from the Hopeville Manufacturing Co., Inc., of Worcester, Mass., relative to shoddy, reworked wool, and labeling, and protesting against the enactment of the so-called truth-in-fabric bill, which was referred to the Committee on Interstate Commerce.

Mr. CAPPER presented resolutions of two local Workers Alliances of Burlington; and Local No. 111, International Union of Mine, Mill, and Smelter Workers, of Treece, in the State of Kansas, favoring an additional appropriation of \$150,000,000 for continuance of the Works Progress Administration program, which were referred to the Committee on Appropriations.

He also presented petitions, numerously signed, of sundry citizens of Claffin, Garnett, Greeley, Greenleaf, Richmond, Seneca, and Topeka, all in the State of Kansas, praying that the United States adhere to a general policy of neutrality, which were referred to the Committee on Foreign Relations.

He also presented a petition of sundry citizens of Summerfield, Kans., praying for the enactment of neutrality legislation to keep the United States out of all foreign entanglements, which was referred to the Committee on Foreign Relations.

He also presented petitions, numerously signed, of sundry citizens of Bushton, Haviland, Frederick, Geneseo, Lorraine, and of Stafford and Kiowa Counties, all in the State of Kansas, praying for the adoption of an amendment to the Constitution providing a referendum on war, which were referred to the Committee on the Judiciary.

Mr. REED presented a petition of 60 citizens of Cullison, Kans., praying for the enactment of legislation exempting small telephone plants from the operation of the wage and hour law, which was referred to the Committee on Education and Labor.

He also presented a petition of 35 citizens of Great Bend, Kans., praying that the United States end the traffic in arms and munitions to Japan to be used in operations in China, which was referred to the Committee on Foreign Relations.

He also presented a petition of 25 citizens of Marshall County, Kans., praying for the enactment of legislation to keep the United States neutral in fact and to avoid any foreign entanglements, which was referred to the Committee on Foreign Relations.

He also presented a petition of 25 citizens of Kiowa County. Kans., praying for the enactment of Senate Joint Resolution 84, proposing an amendment to the Constitution of the United States for a referendum on war, which was referred to the Committee on the Judiciary.

He also presented a petition of 35 citizens of Salina, Kans., praying for the enactment of remedial legislation to better the condition of post-office substitutes, which was referred to the Committee on Post Offices and Post Roads.

Mr. GREEN presented the following joint resolution of the Legislature of Rhode Island, which was referred to the

Committee on Finance:

Joint resolution requesting the Senators and Representatives from Rhode Island in the Congress of the United States to use their earnest efforts to have passed the bill now pending in Congress entitled "A bill to authorize the erection of a United States Veterans' Administration neuropsychiatric hospital and domiciliary facility within and for the State of Rhode Island

Whereas there is now pending in the Congress of the United States a bill of the greatest importance to veterans in the State of Rhode Island, namely, H. R. 4091, a bill to authorize the erection of a United States Veterans' Administration neuropsychiatric hospital and domiciliary facility within and for the State

of Rhode Island; and
Whereas such a neuropsychiatric hospital should be of even
greater service to war-shattered veterans than a general hospital,
since so many of the aftereffects of the shock of conflict in mili-

since so many of the afterenects of the shock of connict in mil-tary and naval engagements have now become evident in neuro-psychiatric conditions in veterans: Now, therefore, be it Resolved, That this general assembly respectfully requests the Senators and Representatives from Rhode Island in the Congress Senators and Representatives from Khode Island in the Congress of the United States to make every earnest effort to have passed the pending legislation known as H. R. 4091, being a bill entitled "A bill to authorize the erection of a United States Veterans' Administration neuropsychiatric hospital and domiciliary facility within and for the State of Rhode Island"; and be it further Resolved, That the secretary of state be authorized to transmit duly certified copies of this resolution to the Senators and Representative Company of the Senators and Representative Company (September 1997).

sentatives from Rhode Island in the Congress of the United States.

Mr. HATCH presented the following joint memorial of the Legislature of New Mexico, which was referred to the Committee on Agriculture and Forestry:

House Joint Memorial 8

Memorializing the United States Senators and Members of Congress from New Mexico to initiate and cooperate in supporting legislation to restore cotton to its former economic importance in world commerce

Be it resolved by the Legislature of the State of New Mexico:
Whereas by reason of legislation creating trade barriers to the
cotton trade, discriminating freight rates, the tariff, and other
legislation, and by reason of world economic conditions and competition from cotton growers in foreign countries with living standards below that of this country the cotton farmers in the Southern States have been reduced to a tragic financial condition, their export markets have been almost lost, they are subject to competition which they are handicapped in meeting, and the growing of cotton made economically impossible under existing conditions;

Whereas unless concerted action is immediately taken by the whereas unless concerted action is immediately taken by the Senators and Members of Congress from the cotton States, looking to the relief of the cotton farmers from the handleaps under which such conditions have come about, the growing of cotton may soon become a thing of the past in this country, and the welfare and income of large sections of the United States seriously affected. Be it

affected: Be it

affected: Be it

Resolved by the House of Representatives of the State of New
Mexico (the senate concurring), That the attention of the Congress of the United States is respectfully directed to the fact that
cotton is the leading product in America's commerce and international trade, and that the cotton farmer represents the world's
largest primary wealth-producing group and that it is of paramount importance to the producers of this commodity, as well as
the continued life of world trade on the part of the United States,
that this interest be adequately rehabilitated and fostered. To
that end, the Senators and Members of Congress from the State
of New Mexico are respectfully urged to take immediate steps to
meet with the Senators and Representatives from all other cotton
States for the purpose of securing concerted action by the Congress for the relief of the cotton farmers and of the industry from gress for the relief of the cotton farmers and of the industry from the handicaps and barriers under which they and it now suffer in the marketing of cotton, domestic and foreign, and it is respect-fully suggested that among the things they are called to advocate the following:

(1) Legislation for the removal of statutory trade barriers, as far as possible, against our cotton trade, such as the modification or repeal of the Johnson Act, the enactment of legislation bringing about the equalization of transportation rates, the revision of the tariff to relieve discrimination against the cotton farmers, and other legislation; (2) the sale to and use by the Government for the manufacture of equipments and munitions of war of 6,000,000 bales of surplus cotton; (3) allocation to producers of cotton from bales of surplus cotton; (3) allocation to producers of cotton from the cotton being carried under Government loans a sufficient num-ber of bales to pay them the balance due on 3-cents-per-pound subsidy authorized by national legislation effective on 1937 cotton

crop and on which only 1.80 per pound had been paid; (4) in-crease the subsidy payment of the cotton producers by the further distribution of Government-loan surplus cotton to 65 percent of crease the subsidy payment of the cotton producers by the further distribution of Government-loan surplus cotton to 65 percent of parity prices on cotton during the crop years 1937, 1938, and 1939; (5) allocation or reapportionment of 4,000,000 bales of cotton being carried by the Commodity Credit Corporation to the cotton growers in lieu of their making an additional reduction of one-third or less in their cotton acreage allotment for 1939, each farmer so additionally reducing his allotted cotton acreage to be allotted the amount of cotton he would have produced on this acreage based upon his average yield as allowed by the Government, and farmers so reducing to be paid the same soil building and other amounts they would have been paid had they planted the full cotton acreage allotted by the Government for 1939; (6) selling to the Post Office Department 1,000,000 bales of cotton now being carried by the Government under loans, this cotton to be used to be manufactured into twines and other materials for use of the United States Mail Service, the Post Office Department to place this cotton through bids to be manufactured for their use; (7) to allocate or reapportion from the cotton being carried by the Government under the loans 1,000,000 bales to be manufactured into cotton bagging to be distributed to cotton farmers as an additional subsidy without charge for baling their 1939 cotton and cotton of subsequent years; (8) the allocation of cotton in point of time to comply with the time now required under the law for the sale thereof; (9) the retention of soil-conservation payments as now made, pending the working out of a definite permanent plan for the future of cotton; (10) the pledging of the Government to a service of the forters. to comply with the time now required under the law for the sale thereof; (9) the retention of soil-conservation payments as now made, pending the working out of a definite permanent plan for the future of cotton; (10) the pledging of the Government to a definite support of cotton production profitable to the cotton growers; (11) the protection of cotton growers, through a subsidy payment increasing the selling price to 65 percent of the parity price of cotton, so that they may successfully compete with foreign growers and regain lost export markets; (12) the granting to cotton growers of the privilege of planting other money crops than cotton on surplus lands resulting from reduction of cotton acreage, and not needed for production of feed and food crops for home consumption, without imposing a penalty against compliance payments, as now done; (13) the immediate payment to cotton farmers of all amount due for 1938 compliance, as was promised; (14) there is no one in the United States Department of Agriculture whose primary interest is the promotion of the welfare of the cotton farmer. To remedy this condition, create an office of Cotton Commissioner in the United States Department of Agriculture. It should be the Commissioner's duty to develop new uses and markets for cotton and to represent producers of cotton in developing farm programs; (15) in addition to finances otherwise available, that a sufficient fund be appropriated from the general funds of the Treasury and made available to the Secretary of Agriculture to carry into effect this program here recommended and that funds for agriculture be raised in the same manner that funds are raised for other Government expenditures; (16) the formation in each House of Congress of a bloc to advocate measures for the protecfor agriculture be raised in the same manner that funds are raised for other Government expenditures; (16) the formation in each House of Congress of a bloc to advocate measures for the protection, encouragement, and support of the cotton both now and in the future; be it further

Resolved, That the legislative bodies of the cotton States be urged to take immediate action to request from their Senators and Members of Congress similar cooperation and support of such actions and measures; be it further

Resolved. That the clerk of the house do forthwith transmit

Resolved, That the clerk of the house do forthwith transmit copies of this resolution to the United States Senators and Members of Congress from this State, and to the legislative bodies of each of the following States, to wit: North Carolina, Georgia, Abama, Florida, Louisiana, Mississippi, Arkansas, Oklahoma, Arizona, South Carolina, California, Missouri, Kansas, Texas, and Tennessee.

REPORTS OF COMMITTEES

Mr. NYE, from the Committee on Military Affairs, to which was referred the bill (S. 505) authorizing the President of the United States to summon Sam Alexander before an Army retiring board, and for other purposes, reported it without amendment and submitted a report (No. 218)

Mr. MALONEY, from the Committee on Commerce, to which was referred the bill (H. R. 136) to authorize contingent expenditures, United States Coast Guard Academy, reported it without amendment and submitted a report (No. 219) thereon.

Mr. GLASS, from the Committee on Banking and Currency, to which was referred the bill (S. 1886) to amend subsection (g) of section 22 of the Federal Reserve Act relating to loans of bank officials to member banks, reported it with amendments and submitted a report (No. 220) thereon.

VIOLET M'DEVITT

Mr. BYRNES. From the Committee to Audit and Control the Contingent Expenses of the Senate I report back favorably without amendment Senate Resolution 110, and ask unanimous consent for its immediate consideration.

There being no objection, the resolution (S. Res. 110) submitted by Mr. Overton March 23, 1939, was read, considered, and agreed to, as follows:

Resolved, That the Secretary of the Senate hereby is authorized and directed to pay from the contingent fund of the Senate to Violet McDevitt, widow of Daniel L. McDevitt, late a private of United States Capitol Police, a sum equal to 1 year's compensation at the rate he was receiving by law at the time of his death, said sum to be considered inclusive of funeral expenses and all other allowances.

EXECUTIVE REPORTS OF COMMITTEES

As in executive session,

Mr. PEPPER, from the Committee on Commerce, reported favorably the nomination of Ensign Bernard E. Scalan to be a lieutenant (junior grade) in the Coast Guard of the United States, to rank as such from May 27, 1938.

Mr. THOMAS of Utah, from the Committee on Education and Labor, reported favorably the nomination of Elmer F. Andrews, of New York, to be Administrator of the Wage and Hour Division, Department of Labor.

Mr. McKELLAR, from the Committee on Post Offices and Post Roads, reported favorably the nominations of several postmasters.

The VICE PRESIDENT. The reports will be received and placed on the Executive Calendar.

BILLS AND JOINT RESOLUTIONS INTRODUCED

Bills and joint resolutions were introduced, read the first time, and, by unanimous consent, the second time, and referred as follows:

By Mr. WAGNER:

S. 1964. A bill to amend section 5136 of the Revised Statutes, as amended, to authorize charitable contributions by national banking associations; to the Committee on Banking and Currency.

By Mr. WALSH:

S. 1965. A bill for the relief of Lena E. Procter; to the Committee on Claims.

S. 1966. A bill to entitle Effie Canning Carlton to now file with the Register of Copyrights a corrected application for renewal of copyright to her musical composition entitled "Rock-A-Bye Baby"; to the Committee on Patents.

By Mr. McNARY:

S. 1967. A bill for the relief of the Benedictine Sisters of the Convent Queen of Angels; to the Committee on Claims.

S. 1968. A bill to provide for the distribution of the judgment fund of the Klamath and Modoc Tribes and Yahooskin Band of Snake Indians; to the Committee on Indian Affairs.

By Mr. DONAHEY:

S. 1969 (by request). A bill to provide for the acquisition by the United States of land on South Bass Island, in the State of Ohio, for addition to the Perry's Victory and International Peace Memorial National Monument, and for other purposes; to the Committee on Public Lands and Surveys.

(Mr. La Follette (for himself and Mr. Thomas of Utah) introduced Senate bill 1970, which was referred to the Committe on Education and Labor, and appears under a separate

heading.)

By Mr. LUNDEEN:

S. 1971. A bill for the relief of George Holtegard;

S. 1972. A bill for the relief of Beltrami Consolidated Abstract Co.; and

S. 1973. A bill for the relief of Itasca County Abstract Co.; to the Committee on Claims.

By Mr. MINTON:

S. 1974. A bill granting a pension to Arthur R. Wagner; to the Committe on Pensions.

By Mr. CAPPER:

S. 1975. A bill granting an increase of pension to Rachel Murrey (with accompanying papers); to the Committee on Pensions.

By Mr. WHEELER:

S. 1976. A bill granting an increase of pension to Carrie M. Whiteley; to the Committee on Pensions.

S. 1977. A bill for the relief of John A. Farrell; to the Committee on Public Lands and Surveys.

By Mr. GILLETTE, Mr. McKellar, Mr. Bilbo, Mr. Truman, Mr. Herring, Mr. Shipstead, Mr. Lundeen, Mr. Ellender, Mr. Overton, Mrs. Caraway, Mr. Lewis, Mr. Lucas, Mr. Harrison, Mr. Clark of Missouri, Mr. Barkley, Mr. Logan, Mr. Miller, and Mr. Wiley:

S. 1978. A bill to authorize a National Mississippi River Parkway and matters relating thereto; to the Committee on Public Lands and Surveys.

By Mr. REYNOLDS:

S.1979. A bill to provide for the deportation of aliens inimical to the public interest; and

S. 1980. A bill to provide for the deportation of aliens in certain cases, and for other purposes; to the Committee on

Immigration.

S. 1981. A bill to amend an act entitled "An act to codify, revise, and amend the penal laws of the United States, approved March 4, 1909" (35 Stat. L. 1134), and an act which is an amendment thereto, approved March 4, 1921, amending sections 232, 233, 234, 235, and 236 of such act to codify, revise, and amend the penal laws of the United States, approved March 4, 1909, which supplementary amending act was approved March 4, 1921, by amending section 233; to the Committee on Interstate Commerce.

By Mr. CONNALLY:

S. 1982. A bill to convey certain property to the city of El Campo, Tex.; to the Committee on Public Buildings and Grounds.

By Mr. HOLMAN:

S. J. Res. 105. Joint resolution making an emergency appropriation for the protection of property on Bayocean Peninsula and in Tillamook, Oreg.; to the Committee on Commerce.

By Mr. NYE (for himself, Mr. Bone, and Mr. Clark of Missouri):

S. J. Res. 106. Joint resolution to amend the joint resolution entitled "Joint resolution providing for the prohibition of the export of arms, ammunition, and implements of war to belligerent countries; the prohibition of the transportation of arms, ammunition, and implements of war by vessels of the United States for the use of belligerent states; for the registration and licensing of persons engaged in the business of manufacturing, exporting, or importing arms, ammunition, or implements of war; and restricting travel by American citizens on belligerent ships during war," approved August 31, 1935, as amended; to the Committee on Foreign Relations.

ELIMINATION OF OPPRESSIVE LABOR PRACTICES

Mr. LA FOLLETTE. Mr. President, I ask consent to introduce a bill on behalf of the junior Senator from Utah [Mr. Thomas] and myself. I request that the bill be referred to the Committee on Education and Labor. Because of the interest which I think there may be in this measure, I ask that the bill may be printed in the Record as a part of my remarks, and that an explanatory statement concerning the bill may likewise be printed.

The VICE PRESIDENT. Without objection, the bill will be received, referred as indicated, and, together with the ex-

planatory statement, printed in the RECORD.

The bill (S. 1970) to eliminate certain oppressive labor practices affecting interstate and foreign commerce, and for other purposes, was read twice by its title, referred to the Committee on Education and Labor, and ordered to be printed in the Record, as follows:

Be it enacted, etc., That this act may be cited as the "Oppressive Labor Practices Act of 1939."

TITLE I

SECTION 1. (a) The Congress hereby finds that the utilization of labor spies, strikebreakers, strikebreaking agencies, oppressive armed guards, and industrial munitions, (1) violates the right of employees to organize, bargain collectively, and engage in concerted activities for their mutual aid and protection; (2) causes

and provokes acts of violence, breaches of the peace, and destruction of property, affecting commerce; (3) leads to labor disputes burdening and obstructing commerce and the free flow of commerce; (4) obstructs the settlement of labor disputes through negotiation and the orderly procedure of collective bargaining, thereby tending to prolong interruption of the free flow of commerce; (5) burdens and obstructs commerce and the free flow of commerce; (6) interferes with the United States and its agencies in obtaining goods and services pursuant to contract; and (7) interferes with and obstructs the effective exercise by the several States of their respective police powers.

(b) The Congress further finds that the use of the channels and instrumentalities of commerce and of the mails for the transportation of goods produced by employers engaged in the activities above referred to, or for the transportation or furnishing of supplies and services for engaging in such activities, tends to spread and perpetuate such activities and the evils resulting therefrom.

(c) It is hereby declared to be the policy of the United States to eliminate the activities referred to in subsection (a) when such activities affect commerce or are engaged in by employers who are engaged in commerce, in the production of goods for commerce, or in furnishing goods or services to the United States and its agencies pursuant to contract, and to prohibit the use of the channels and instrumentalities of commerce and of the mails for the transportation of goods produced by employers who engage in such activities and for the transportation of rurnishing of supplies and cativities and for the transportation of rurnishing of supplies and for the transportation of rurnishing of supplies and for the transportation of rurnishing of supplies and cativities and for the transportation of rurnishing of supplies and cativities and for the transportation of rurnishing of supplies and cativities and for the transportation of rurnishing of supplies and cativities

the transportation of goods produced by employers who engage in such activities, and for the transportation or furnishing of supplies and services for engaging in such activities.

DEFINITIONS

in such activities, and for the transportation or furnishing of supplies and services for engaging in such activities.

DEFINITIONS

Sec. 2. Whenever used in this act—

(a) The term "person" includes one or more individuals, partnerships, corporations, associations, business trusts, receivers, trustees, or legal representatives, but shall not include any State or political subdivision thereof.

(b) The term "State" means any State of the United States, the District of Columbia, Puerto Rico, Hawaii, or Alaska.

(c) The term "commerce" means trade, traffic, commerce, transportation, transmission, or communication among the several States, or between any State and any place outside thereof, or between points within the Bame State but through any place outside thereof, or within the District of Columbia.

(d) The term "affecting commerce or the free flow of commerce, or burdening or obstructing commerce or the free flow of commerce, or having led or tending to lead to a labor dispute burdening or obstructing commerce or the free flow of commerce, (e) The term "employer" includes any person acting in the interest of an employer, directly or indirectly, in relation to an employee, but shall not include the United States or any State or political subdivision thereof, or any labor organization, or anyone acting in the capacity of officer or agent of such labor organization.

(f) The term "employee" includes any individual employed by an employer and any individual whose work has ceased as a consequence of or in connection with any labor dispute or has been terminated in contravention of any State or Federal law.

(g) The term "labor dispute" includes any controversy concerning terms, tenure, or conditions of employment, or concerning the association or representation of persons in negotiating, fixing, maintaining, changing, or seeking to arrange terms or conditions of employment, regardless of whether the disputants stand in the proximate relation of employer and employee.

(h) The term "industrial munitions" means any

disposition.

(1) The term "labor spy" means any person who for any compensation, promise of compensation, or other inducement, and whether done as a separate duty or as an additional duty in connection with other work, engages in industrial espionage, and includes any person engaged, in whole or in part, in the business of hiring, recruiting, enlisting, or inducing any person to engage in industrial explorates.

ing, enlisting, or inducing any person to engage in industrial espionage.

(m) The term "industrial espionage" means reporting, securing and reporting, or attempting to secure and report to an employer, directly or indirectly—

(1) information with respect to the plans or activities of any of his employees or any labor organization with reference to self-organization or mutual aid or protection, or with respect to the identity, number, or composition of the membership of any labor organization, without the express consent of such employees or of such labor organization, as the case may be; or

(2) information with respect to the political or economic views or activities of any of his employees or prospective employees, or of any organizer, officer, or member of a labor organization, or with respect to the affiliation of any of his employees or prospective employees with a labor organization, without the express consent of such employees or prospective employees or of such organizer, officer, or member of a labor organization, as the case may be.

(n) The term "strikebreaker" means any person who, during or in anticipation of a labor dispute, is hired—

(1) to replace any regular employee whose work ceases as a consequence of or in connection with such labor dispute if such person receives or is offered a wage, salary, or other compensation from any source (including transportation to the place of employment, board, lodgings, or other facilities) at a rate in excess of the rate received by such regular employee immediately prior to the cessation of his work; or

work; or

(2) to engage in activities which indicate that the employer is about to cease or transfer the operations of the plant when in fact the employer has no intention of doing so.

(b) The term "strikebreaking agency" means any person engaged, directly or indirectly, in whole or in part, in the business of hiring, recruiting, enlisting, or inducing any person to act as a strikebreaker or labor spy.

(c) The term "armed" means equipped with, or carrying upon one's person, any firearm or other dangerous weapon.

(d) The term "labor organization" means any organization of any kind, or any agency or employee representation committee or plan, in which employees participate and which exists for the purpose, in whole or in part, of dealing with employers concerning grievances, labor disputes, wages, rates of pay, hours of employment, or conditions of work.

grievances, labor disputes, wages, rates of pay, hours of employment, or conditions of work.

(r) The term "goods" includes wares, materials, products, supplies and equipment, commodities, merchandise, or articles or subjects of commerce of any character or any part or ingredient thereof, and includes ships and marine equipment.

(s) The term "produced" means produced, manufactured, mined, packed, assembled, handled, or in any other manner worked on; and for the purposes of this act goods shall be deemed to have been produced in or about a place of employment if employees in or about such place of employment are employed in producing, manufacturing, mining, packing, assembling, handling, transporting, or in any other manner working on such goods or in any process or occupation necessary to the production thereof.

(t) The terms "includes" and "including" when used in a definition contained in this section shall not be deemed to exclude other things otherwise within the meaning of the term defined.

OPPRESSIVE LABOR PRACTICES

OPPRESSIVE LABOR PRACTICES

SEC. 3. (a) For the purposes of this act, it shall be an oppressive labor practice for any person in any State—
(1) To employ or utilize any labor spy;
(2) To employ or utilize any strikebreaker or strikebreaking

agency;

(3) To pay or agree to pay any compensation or gratuity, directly or indirectly, to, or to make any contracts or payments for the services of, any person who (A) with the authority, knowledge, or consent of his employer, acts as a private guard or peace officer while armed and while absent from the premises or place of business of his employer, whether or not such person holds a commission from any State or political subdivision thereof: Provided, That it shall not be an oppressive labor practice to employ armed private guards or peace officers to the extent reasonably necessary for the protection against theft of goods or money in transit; or (B) acts as a private guard or peace officer during, or in anticipation of, a labor dispute when the records of the Bureau of Investigation of the Department of Justice indicate that such person has at any time been convicted of a crime of felonious assault or homicide;

(4) (A) To possess or utilize industrial munitions in or about

(4) (A) To possess or utilize industrial munitions in or about (4) (A) To possess or utilize industrial munitions in or about any place of employment, or to furnish industrial munitions to any person or to any law enforcement officer or agency of any State or political subdivision thereof: *Provided*, That the possession, sale, or disposition of industrial munitions in the regular course of business by any manufacturer or importer thereof, or dealer therein, shall not be deemed to be an oppressive labor practice; (B) to utilize industrial munitions in connection with any labor dispute,

utilize industrial munitions in connection with any labor dispute, or to possess industrial munitions for the purpose of utilizing them in connection with any labor dispute;

(b) For the purposes of paragraph (3) (A) of subsection (a), proof that any person paid or agreed to pay any compensation or gratuity, directly or indirectly, to, or made a contract or payment for the services of, any person who thereafter acted as a private guard or peace officer while armed and while absent from the premises or place of business of his employer, shall be prima facie evidence that the former person engaged in an oppressive labor practice.

(c) For the purposes of paragraph (3) (B) of subsection (a), the Federal Bureau of Investigation of the Department of Justice is authorized and directed to make available any record of conviction for crimes of felonious assault or homicide committed by any person employed or to be employed as a private guard or peace officer when the fingerprints of such person are submitted by the employer to the Bureau of Investigation of the Department of Justice for search.

PROHIBITED ACTS

SEC. 4. It shall be unlawful for any person, after the expiration of 90 days from the date of the enactment of this act—

(a) To engage in any oppressive labor practice in or about any place of employment in or about which goods are being produced

for commerce:

(b) To engage in any oppressive labor practice affecting commerce or involving or affecting employees employed in commerce or in the production of goods for commerce;
(c) To furnish any person with supplies or services for engaging in any oppressive labor practice affecting commerce or involving or

affecting employees employed in commerce or in the production of

goods for commerce; or

(d) To discharge or in any other manner discriminate against any employee or prospective employee because he has filed any complaint, or has testified or is about to testify with respect to any

complaint, or has testified or is about to testify with respect to any violation of the provisions of this act.

SEC. 5. (a) It shall be unlawful for any person, after the expiration of 90 days from the date of the enactment of this act—

(1) To use the mails or the channels or instrumentalities of commerce to furnish or offer to furnish any person with supplies or services for engaging in any oppressive labor practice;

(2) To use the mails or the channels or the instrumentalities of commerce to procure supplies or services for engaging in any oppressive labor practice; or

(2) To use the mails or the channels or the instrumentalities of commerce to procure supplies or services for engaging in any oppressive labor practice; or

(3) To transport, offer for transportation, ship, deliver, or sell in commerce, or transport, offer for transportation, ship, deliver, or sell with the knowledge that shipment, delivery, or sale thereof in commerce is intended, any goods produced in or about any place of employment in or about which, after 90 days from the date of the enactment of this act, any oppressive labor practice existed at any time during the production of such goods; but nothing in this subsection shall impose any liability (A) upon any person with respect to any goods in which he has a substantial proprietary interest, solely because oppressive labor practices of which he had no knowledge or notice at the time of acquisition of such interest existed prior to such acquisition, or (B) upon any common carrier for the transportation in commerce in the regular course of its business of any goods not produced by such common carrier, and nothing in this subsection shall excuse any common carrier from its obligation to accept any goods for transportation.

(b) For the purposes of paragraph (3) of subsection (a), if goods have been removed from a place of employment within 90 days after the existence of any oppressive labor practice in or about such place of employment, it shall be presumed that such goods were produced in whole or in part in such place of employment during the existence of such oppressive labor practice, and the burden of proof shall be upon the person accused of violating the provisions of such paragraph to rebut such presumption.

SEC. 6. Any person who violates any of the provisions of section 4 or 5 shall upon conviction thereof be subject to a fine of not more than \$10,000 or to imprisonment for not more than 6 months, or

COURT PROCEEDINGS AND REVIEW

SEC. 7. The district courts of the United States, and the United States courts of any Territory or other place subject to the jurisdiction of the United States, shall have exclusive jurisdiction of violations of this title, and shall have jurisdiction, for cause shown, and subject to the provisions of section 17 (relating to notice to opposite party) of the act entitled "An act to supplement existing laws against unlawful restraints and monopolies, and for other purposes," approved October 15, 1914, as amended (U. S. C., 1934 ed., title 28, sec. 381), to restrain such violations. Any prosecution or suit under this title may be brought in the district wherein the defendant is found or is an inhabitant or transacts business, and process in such cases may be served in any other district of which the defendant is an inhabitant or wherever the defendant may be found. Judgments and decrees so rendered shall be subject to review as provided in sections 128 and 240 of the Judicial Code as amended (U. S. C., 1934 ed., title 28, secs. 225 and 347).

ENFORCEMENT AND INVESTIGATIONS

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SEC. 8. (a) Whenever it shall appear to the Secretary of Labor that any person has engaged or is about to engage in any acts or practices which constitute or will constitute a violation of this title, he may bring an action in the name of the United States in the proper district court of the United States, or the United States courts of any Territory or other place subject to the jurisdiction of the United States, to enjoin or restrain such acts or practices, or may designate an attorney to bring such action, and upon a proper showing a permanent or temporary injunction or decree or restraining order shall be granted without bond.

(b) No action to enjoin or restrain any such acts or practices shall be brought except by the Secretary of Labor or an attorney designated by him for such purpose. The provisions of the act entitled "An act to amend the Judicial Code and to define and limit the jurisdiction of courts sitting in equity, and for other purposes," approved March 23, 1932, as amended (U. S. C., 1934 ed., title 29, secs. 101-115), shall not be applicable to any such action, but the rights, benefits, and protection contained in the provisions of such act shall not be affected in any other manner by any provision of this title.

(c) The Secretary of Labor may transmit such evidence as may be available concerning such acts or practices to the appropriate United States attorney, whose duty it shall be to bring the matter before the grand jury for its action, or to the Attorney General, who may institute appropriate proceedings under this title.

Sec. 9. (a) The Secretary of Labor may investigate any facts, conditions, practices, or matters the investigation of which he may deem necessary or proper to aid in the enforcement of the provisions of this title, or in securing information to serve as a basis for recommending further legislation concerning the matters to which this title relates.

(b) For the purpose of any investigation by the Secretary of Labor under subsection (a), t

(b) For the purpose of any investigation by the Secretary of Labor under subsection (a), the provisions of section 18 (c), (d), and (e) of the act of August 26, 1935 (49 Stat. 831) (relating to the attendance of witnesses and the production of books, papers,

and documents) shall be applicable to such investigation in the

and documents) shall be applicable to such investigation in the same manner and to the same extent as in the case of investigations by the Securities and Exchange Commission under such act.

SEC. 10. No provision of this title, and no investigation, prosecution, or suit instituted under this title, shall in any manner affect any of the powers or duties of the National Labor Relations Board under the National Labor Relations Act (49 Stat. 449).

TITLE II

PROVISIONS RELATING TO GOVERNMENT CONTRACTS

PROVISIONS RELATING TO GOVERNMENT CONTRACTS

Sec. 201. (a) Section 1 of the act entitled "An act to provide conditions for the purchase of supplies and the making of contracts by the United States, and for other purposes," approved June 30, 1936, is hereby amended by striking out the period at the end thereof and inserting a semicolon and the following new subsection: "(1) That in the performance of the contract the contractor will not engage in any oppressive labor practice as defined in section 3 of the 'Oppressive Labor Practices Act of 1939."

(b) Section 2 of such act is hereby amended to read as follows: "Sec. 2. Any breach or violation of any of the representations and stipulations in any contract for the purposes set forth in section 1 hereof shall render the party responsible therefor liable to the United States for liquidated damages, in addition to damages for any other breach of such contract, (1) in the sum of \$10 per day for each male person under 16 years of age, for each female person under 18 years of age, and for each convict laborer knowingly employed in the performance of such contract, (2) in a sum equal to the amount of any deductions, rebates, refunds, or underpayment of wages due to any employee engaged in the performance of such contract, and (3) in a further sum amounting to \$1,000 for each day during which any breach or violation of any representation or stipulation relating to oppressive labor practices shall have occurred, which further sum shall be covered into the United States Treasury as miscellaneous receipts; and, in addition, the agency of the United States entering into such contract shall have the right to cancel the same and to make open-market purchases or enter into other contracts for the completion of the original contract, charring any States entering into such contract shall have the right to cancel the same and to make open-market purchases or enter into other contracts for the completion of the original contract, charging any additional cost to the original contractor. Any sums of money due to the United States by reason of any breach or violation of any of the representations and stipulations in said contract for the purposes set forth in section 1 hereof may be withheld from any amounts due on any such contracts or may be recovered in suits brought in the name of the United States by the Attorney General thereof. All sums withheld or recovered as deductions, rebates, refunds, or underpayments of wages (except those withheld or recovered for a breach or violation of section 1 (f)) shall be held in a special deposit account and shall be paid, on order of the Secretary of Labor, directly to the employees who have been paid less than minimum rates of pay as set forth in such contracts and on whose account such sums were withheld or recovered: Provided, That no claims by employees for such payments shall be entertained unless made within 1 year from the date of actual notice to the contractor of the withholding or recovery of such sums by the United States." States.'

SEA 202. Every contract subject to the act entitled "An act to amend the act approved March 3, 1931, relating to the rate of wages for laborers and mechanics employed by contractors and subcontractors on public buildings," approved August 30, 1935, shall contain a stipulation that the contractor or his subcontractor in the performance of the contract work, shall not engage in any oppressive

tain a stipulation that the contractor or his subcontractor in the performance of the contract work, shall not engage in any oppressive labor practice.

Sec. 203. (a) Any loan hereafter made by any agency or instrumentality of the United States which is financed by means of public moneys or obligations guaranteed by the United States shall be conditioned upon the borrower making a stipulation with the United States that he will not engage in any oppressive labor practice and that upon any breach of such stipulation the loan shall immediately become due and payable.

(b) Any subsidy made pursuant to the provisions of the Merchant Marine Act of 1936, as amended, shall be conditioned upon the making of a stipulation with the United States by the recipient of such subsidy that he will not engage in any oppressive labor practice that upon any breach of such stipulation the subsidy or any part or balance thereof shall not be payable.

Sec. 204. The provisions of sections 2 to 6, inclusive, of such act of June 30, 1936, as amended, shall be applicable with respect to any breach or violation of any stipulation required by sections 202 and 203.

Sec. 205. The provisions of sections 201 and 202 shall apply to all

SEC. 205. The provisions of sections 201 and 202 shall apply to all contracts entered into pursuant to invitations for bids issued on or after 90 days from the date of the enactment of this act.

SEPARABILITY CLAUSE

Sec. 206. If any provision of this act, or the application of such provision to any person or circumstances, shall be held invalid, the remainder of the act, and the application of such provision to persons or circumstances other than those as to which it is held invalid, shall not be affected thereby.

The explanatory statement presented by Mr. LA FOLLETTE is as follows:

Senators Robert M. La Follette, Jr., and Elbert D. Thomas, of the subcommittee of the Senate Committee on Education and Labor, jointly introduced today a bill designed to eliminate certain "op-pressive labor practices." These practices were exposed during the committee's investigations of violations of civil libertles and the rights of labor. The bill prohibits employers from utilizing labor

spies, strikebreakers, and strikebreaking agencies, and restricts the use of private guards and company police to company property. It also prohibits the possession or use of industrial munitions. The bill extends the provisions of the Walsh-Healey Act so as to cover employers guilty of the "oppressive labor practices."

The bill embodies, in a significant measure, the legislative recommendations contained in the committee's four reports on labor espionage, strikebreaking, private police systems, and industrial munitions. The committee, during the course of its investigation, found that the most persistent and significant violations of civil liberties occurred in the field of labor and arose principally from a labor-relations policy hostile to collective bargaining and the organization of unions. The committee's first report revealed and condemned the widespread use of labor spies by employers, and particularly the indefensible and highly profitable industrial espionage services supplied by commercial detective agencies. The second report disclosed the evils and incendiary nature of strikebreaking ervices in labor disputes and described commercialized strikebreaking and strike-guard agencies. The third report discussed the use of private industrial police as an instrument of opposition to collective bargaining and found that the activities of such private police in the field of labor relations resulted in bloodshed and brutality and the usurpation of public authority. The fourth report analyzed the use of industrial munitions and the accumulation of large private arsenals in anticipation of labor troubles. All of these subversive or violent practices were shown to spring from a common objective and to be closely related.

tallty and the usurpation of public authority. The fourth report analyzed the use of industrial munitions and the accumulation of large private arsenals in anticipation of labor troubles. All of these subversive or violent practices were shown to spring from a common objective and to be closely related.

"Oppressive labor practices" is the characterization given these activities by the bill. The aim of the bill is to prevent employers and others from engaging in them. The bill clearly permits employers to maintain at all times adequate protection for property and human life. Enforcement is through the Secretary of Labor, who is empowered to investigate and apply for injunctions against violations. The Department of Justice will have charge of prosecution. The proposed act purposely does not provide for any new Federal agency or administration. Use of the mails or instrumentalities of commerce is forbidden to violators.

In making public the draft of the bill, Senators La Follette and Thomas Jointly stated:

"This bill is several decades overdue. On complaints made and on the finding of past governmental investigations in the last 40 years, such a bill should have been introduced long ago. In several instances, as the studies and reports show, similar recommendations have been made, but nothing has been done. Now, after 2½ years of intensive investigation, affording some 18,000,000 words of testimony and exhibits, obtained during 98 days of public hearings, wherein 485 witnesses were heard, the subcommittee calls attention to its exhaustive record of studies in over twoscore industries, employers' associations, and communities, the testimony it took on over 116 strikes occurring from 1930 to 1937, and to the research, reports, and recommendations it has issued. The committee calls attention to another fact attesting the thoroughness of its inquiry. As a result directly or indirectly of interval plays and the information elicited in its hearings, the Bureau of Internal Revenue has proposed additional income-tax l

exposed, although witnesses were time and time again asked to justify their action.

"The officials of a great motor concern, when forced to admit having hired labor detective agencies, asserted that they had just issued orders to discontinue such service. Officials of a great steel company declared that they had not used the weapons in their plant arsenals and had actually destroyed their machine guns. An official of a large radio manufacturing concern admitted that no check had been made of the bills of a strikebreaking agency furnishing 300 strike guards and billing their services at over \$150,000, and concluded that if his concern should experience another strike he 'would do it different next time.' The representative of a large coal-mining institute, when questioned about the purchase of \$17,000 worth of chloropicrin gas for use against 'bootleg miners' on mine property, declared the 'gas, after long consideration, had not been used.' Officials of another steel company told the committee they had discontinued espionage after the committee started investigating and had decided to prohibit their private policemen from acting off company property. In short, the committee encountered professions of reform rather than justification of the practices exposed. The nearest to defense of espionage and strike-breaking was the warning of an officer of an employers' association that regulation might result in 'bootleg' outfits getting the business and driving dastardly practices farther underground.

"As a result of the committee's exposures some industrialists have been persuaded to abandon certain oppressive practices, thereby saving themselves hundreds of thousands of dollars. For example, in the motor industry the committee's hearings resulted in the cancelation of hundreds of thousands of dollars. For example, in the motor industry the committee's hearings resulted in the cancelation of hundreds of thousands of dollars. The disposition of other employers to dispose of certain elements of their plant arsenals will

"As the bill moves on to legislative consideration, therefore, we doubt that any person will undertake to justify labor espionage or commercialized strikebreaking, the use of private police for these purposes, and the use or possession of industrial munitions during or in anticipation of labor disputes.

or in anticipation of labor disputes.

"No bill could more directly aid industrial peace. In no way does the bill deprive the employer of the fullest protection of property. It does not touch his legitimate private protective equipment nor limit policing activities on his own premises. It does strike at aggressive private armies by whomsoever employed.

"While the investigation has apparently corrected some ills the committee emphasizes that investigation alone has long been proved insufficient. Legislation is needed to end the evils. The bill contains nothing that will cause concern to the great majority of businessmen, most of whom now conform to present enacted national nessmen, most of whom now conform to present enacted national policies. A powerful minority have, however, fostered the oppressive practices banned in this bill and have developed their use to the point of constituting a menace to civil liberty generally; hence the urgency for legislation."

The title of the bill is the "Oppressive Labor Practices Act of 1939." The purposes and policy of the bill are stated in the first two sections which contain findings of fact and definitions of terms. Section 3 outlines four oppressive labor practices against which the bill is directed. First, it is declared to be an oppressive labor practice to use labor spies.

The second oppressive labor practice is defined as the use of strikebreakers or strikebreaking agencies. Strikebreakers are defined as persons who are paid a bonus to replace regular employees during a strike or lock-out.

during a strike or lock-out.

The third oppressive labor practice is defined as the employment of private guards armed with guns or other dangerous weapons off company property except where necessary for protection against theft of goods or money in transit. The employment of men who have been convicted of crimes of violence to act as private guards during a labor dispute is likewise declared to be an oppressive labor practice. The Federal Bureau of Investigation of the Department of Justice is directed to cooperate with employers by searching their files for criminal records of applicants for employment as private guards during labor disputes.

The fourth oppressive labor practice is defined to be the use or possession of industrial munitions in or about a place of employment or during a labor dispute. Industrial munitions are defined as machine guns, sawed-off shotguns, and long-range tear-gas and sickening-gas missiles.

Sections 4 and 5 of the bill list the prohibited acts. Two classes

Sections 4 and 5 of the bill list the prohibited acts. Sections 4 and 5 of the bill list the prohibited acts. Two classes of persons are brought within the prohibitions of the bill—those whose directly engage in oppressive labor practices and those who assist in the commission of oppressive labor practices by furnishing goods or services. There are also two separate types of offenses listed. It is declared to be a crime to engage in an oppressive labor practice which affects commerce or to use the instrumentalities of the mails or of commerce for the purpose of engaging in an oppressive labor practice. In addition, the principle of the Wage and Hour Act is applied so as to make it criminal for an employer who engages in oppressive labor practices to ship his goods into interstate commerce. into interstate commerce.

Section 6 of the bill fixes maximum penalties of a fine of \$10,000 or imprisonment of 6 months for violations of the criminal provi-

Section 8 authorizes the enforcement of the criminal provisions of the act by the Attorney General. Injunctive remedies are also provided for to restrain violations of the act. The injunctive power can be invoked only by the Secretary of Labor, who is given the necessary investigatory powers to exercise this authority. A separate title of the bill amends the Walsh-Healey Act and requires persons who make contracts with or secure loans from the United States to stipulate that they will not, during the pendency of the contracts or loans, engage in any oppressive labor practice.

HOUSE CONCURRENT RESOLUTION PLACED ON CALENDAR AND HOUSE BILLS REFERRED

The concurrent resolution (H. Con. Res. 11) continuing the special Joint Committee on Forestry was ordered to be placed on the calendar.

Also the following bills were each read twice by their titles and referred to the Committee on the District of Columbia:

H. R. 4940. An act to authorize the furnishing of steam from the central heating plant to the District of Columbia; and H. R. 5066. An act to amend the act entitled "An act to

regulate proceedings in adoption in the District of Columbia," approved August 25, 1937.

AMENDMENT TO SECOND DEFICIENCY APPROPRIATION BILL

Mr. REYNOLDS submitted an amendment intended to be proposed by him to House bill 5219, the second deficiency appropriation bill, 1939, which was referred to the Committee on Appropriations and ordered to be printed as follows:

At the proper place in the bill, to insert the following:
"For additional compensation at the rate of \$1,000 per annum to
each of 80 secretaries to Senators who has served in his or her
present capacity for a period of 1 year or longer, \$80,000.

AMENDMENT TO INTERIOR DEPARTMENT APPROPRIATION BILL

Mr. HATCH submitted an amendment intended to be proposed by him to House bill 4852, the Interior Department appropriation bill, 1940, which was referred to the Committee on Appropriations and ordered to be printed, as follows:

On page 51, line 24, to strike out "\$37,500; in all, \$266,500" and sert in lieu thereof "\$71,193; in all, \$300,193", so as to make the item read:

"Albuquerque, N. Mex.: For 600 pupils, \$204,000; for pay of super-intendent or other officer in charge, drayage, and general repairs and improvements, \$25,000; for the purchase of land and improve-ments thereon, \$71,193; in all, \$300,193."

UNEMPLOYMENT IN GERMANY

Mr. LOGAN. Mr. President, there has been considerable talk of late as to the unemployment situation in Germany. A few days ago I addressed a communication to the Department of Labor asking for information on the subject. I have received a letter from Mr. Arthur G. Stevens, Jr., Assistant to the Commissioner, enclosing some information. I ask unanimous consent to have printed in the RECORD the letter from Mr. Stevens and also the statement prepared by Mr. H. S. Hanna, chief editor, Bureau of Labor Statistics.

There being no objection, the letter and statement were ordered to be printed in the RECORD, as follows:

> UNITED STATES DEPARTMENT OF LABOR, BUREAU OF LABOR STATISTICS, Washington, March 7, 1939.

Senate Office Building, Washington, D. C.

MY DEAR MR. LOGAN: In the absence of Mr. Lubin, who is out of the city on official business, I wish to acknowledge receipt of your letter of March 2, requesting information regarding unemployment in Germany.

In order to give you a picture of the employment problem in Germany as compared with the United States, Hugh S. Hanna, chief editor of the Bureau of Labor Statistics, has prepared for you the attached memorandum. I hope you will find that it contains the information in which you are interested.

If you should want material on points not covered in this memorandum, we should be delighted to have you call upon us.

Very sincerely,

ARTHUR G. STEVENS, Jr., Assistant to the Commissioner.

REPLY TO STATEMENT THAT GERMANY HAS NO UNEMPLOYMENT PROBLEM (By H. S. Hanna, Chief Editor, Bureau of Labor Statistics)

In the continuing discussions of fascism versus democracy, one constantly repeated statement undoubtedly impresses, and at times disturbs, the average American. The statement is that the Fascist governments have abolished unemployment. In Germany, for example, it is said that at the end of the year only about a half million persons were registered as unemployed, whereas, in the United States, unofficial reports indicate that there were some 9,000,000 unemployed, with a large proportion of these on Federal relief work.

The figures cited give an entirely erroneous impression of the relative situation regarding employment conditions in the two countries.

In the first place the figures themselves are not comparable. The American practice is to count as employed only those with jobs in private industry or in regular Government service. As a The American practice is to count as employed only those with jobs in private industry or in regular Government service. As a result the nearly 4,000,000 persons engaged in work relief projects, including the C. C. C., are classed as unemployed, whereas the German practice is to include as employed all persons in the labor camps and other relief projects. Mcreover, the German figure cited refers only to persons voluntarily registered as unemployed at the state offices, and large numbers of persons, such as the whole "non-Aryan" population and political offenders in concentration camps, are not eligible for registration. Also it is a generally accepted fact, confirmed by authoritative observers, that many German workers, especially those who expect to be only temporarily out of work, as is the case with the building tradesmen in bad weather, do not register themselves as unemployed for fear that they will thereupon be drafted into the forced labor undertakings of the state. That there is a large amount of unregistered unemployment is evident from the fact that, according to official German statistics, there was a decrease of 969,000 (from 20,236,000 to 19,267,000) in the number of employed persons in Germany between November and December 1938, while, during the same period, the number registering as unemployed at the state offices increased from 152,430 to 455,656, or by barely 300,000.

If, therefore, the German practice of counting relief workers as employed were followed in this country, the estimate of total unemployment here would be approximately 5,000,000. On the other hand, if the American practice of estimating as unemployed all employable persons who are not working at a given date were followed in Germany, then the number of persons listed as unem-

¹Germany. Statistische Beilage zum Reichsarbeitsblatt 1939, Nr. 4, p. 1,

ployed in Germany would be very considerably increased—possibly to one and one-half or two million. This would mean that, as the

ployed in Germany would be very considerably increased—possibly to one and one-half or two million. This would mean that, as the population of Germany is only about one-half that of the United States, the disparity between the two countries in the burden of unemployment would be very much less than appears from a superficial acceptance of the published statistics.

But the fallacy of the argument that the German employment situation is far better than ours is still more evident when comparison is made on the basis of the relative proportion of the people productively employed. In the United States, with the exception of a military establishment so small as to be negligible as an employer of otherwise idle labor, all employed persons are engaged in productive labor; that is to say, they are producing goods and services of social value. Even the W. P. A. projects, whatever the merits of the criticisms made as to their relative efficiency, do produce vast quantities of useful things—roads, bridges, streets, sewers, forestation, and education. In contrast, a very large proportion of the employed workers in Germany are engaged in the maintenance of a mammoth military establishment, work which is essentially unproductive in the economic sense of the term. The persons so engaged include not only the military forces proper but those necessary to feed, clothe, and otherwise maintain such forces, as well as those engaged in the making and maintenance of fortifications, ships, tanks, airplanes, and other types of military equipment and supplies. All of them are supported out of the public funds and, from the standpoint of the economic status of the population, are just as much on relief as if they were receiving money doles for their support.

There is no way of ascertaining with any exactness the number of persons thus employed in the German military establishment.

There is no way of ascertaining with any exactness the number of persons thus employed in the German military establishment, including those, equally unproductive, who are employed by the soincluding those, equally unproductive, who are employed by the so-called party organizations. But a fairly good estimate may be made from certain known facts. Thus, according to authoritative statistics, Germany, on November 1, 1938, reported an active army of 750,000 men, trained reserves of 3,150,000 men, and an air force of 226,000, making a total land and air force of 4,126,000, or 5.2 percent of the population. On the basis of such active service as is required of the reserves, as indicated by the mobilizations which have occurred, and adding those employed in the Navy, it is probably conservative to say that Germany must have at least 2,000,000 persons constantly on active military duty. If there is added to this figure the number of civilian workers engaged in the making of military supplies, estimated as being at least 1,000,000, and if there is added still further as a minimum estimate another million machinists and mechanicians necessary for the another million machinists and mechanicians necessary for the efficient operation of a modern mechanized army of the size of Germany's, the total approaches 4,000,000 persons. This figure efficient operation of a modern mechanized army of the size of Germany's, the total approaches 4,000,000 persons. This figure does not provide for the large number of workers required to feed and otherwise maintain the armed forces. This would certainly take the labor of another one and one-half million persons, especially as the military is notoriously better fed and better maintained generally than is the civilian working population.

In grand total, therefore, there must be at least five and one-half million persons supported by the German military establishment in addition to a large but unknown number of secret police, guards, and other functionaries associated with the party government.

Looked at from this standpoint it is evident why German industry is so superficially active and why there may well be shortages of labor in certain particular specialized lines.

In any economic society the productive workers must support

In any economic society the productive workers must support those who are idle or unproductively employed. This means that in Germany, with a working population of some 20,000,000 per-

in Germany, with a working population of some 20,000,000 persons, less than 75 percent and possibly less than 70 percent are productively employed and must support the unproductive activities of the remainder, who for the most part, represent the physical cream of the population. In the United States, in spite of the large number of the unemployed, the proportion of the population productively employed is much larger than in Germany.

The accuracy of these estimates is substantiated by the current tax situation in Germany. According to a dispatch in the New York Times of February 25, from its Berlin representative, taxes collected in Germany for the fiscal year beginning March 30, 1938, will be equal to 38 percent of the national income, as compared with 18 percent of national income collected in Federal, State, and local taxes in the United States in 1937, and with 19.6 percent in Great Britain. Great Britain

CONCLUSIONS

1. The improvement in employment conditions and general industrial activity, which has taken place in Germany in the past few years, has been due to the huge expenditures made for the military establishment of that country. These expenditures have given employment, directly and indirectly, to millions of persons. There is not the slightest indication that this improvement is in

² New York World-Telegram. The World Almanac and Book of

*New York World-Telegram. The World Almanac and Book of Facts for 1939, New York, 1939, p. 948.

*Estimate based on Annual Report of Secretary of War of the United States, 1919, p. 19; Kriegswirtschaftliche Jahresberichte, 1937 (Hamburg); Der Deutsche Volkswirt, April 3, 1936, p. 1265.

*The following quotation is from Science Digest, March 1938, p. 86: "Mechanized armies are rapidly turning into machinists' armies, declares a writer in the Military Weekly (Militarwochenblatt), Berlin. For every machine gun there must be 3 workmen behind the lines; for every light tank, 46 backers in the shops; and for every combat plane, 60 mechanicians and laborers."

What Would Be the Character of a New War? By Sir Norman Angell and others, New York, 1933, sec. C (1), beginning p. 49.

any way due to a better economic organization or to superior political policies.

2. Because of the many millions of German workers engaged in nonproductive military activities, the proportion of the population productively employed is much smaller in Germany than in the United States.

United States.

3. Regarded as a method of relieving unemployment, the German program is extremely costly. It is far more costly per individual given work than the American policy of stimulating construction and financing work-relief projects—partly because the total cost of supporting soldiers is greater than the cost of supporting civilian workers, and partly because under the American system, the civilian worker constitutes a net addition to the economic and social life of the country for the money paid him.

A PERMANENT AGRICULTURAL PROGRAM

[Mr. REYNOLDS asked and obtained leave to have printed in the RECORD an address delivered by Edward Corneaby, former director of the Department of Agriculture, State of Minnesota, Division of Markets and Marketing, on the subject "A permanent agricultural program," which appears in the Appendix.]

WAR OR PEACE?-ARTICLE BY DR. JOSEPH F. THORNING

[Mr. Walsh asked and obtained leave to have printed in the RECORD an article entitled "War or Peace?", written by Dr. Joseph F. Thorning, which appears in the Appendix.]

SUGGESTED AMENDMENT OF BITUMINOUS COAL ACT

[Mr. Truman asked and obtained leave to have printed in the RECORD a letter addressed to the Kansas City Star by Commissioner Walter H. Maloney, of the National Bituminous Coal Commission, concerning the so-called Allen bill proposing to amend the Bituminous Coal Act, which appears in the Appendix.]

CONSERVATION IN MISSOURI RIVER BASIN

[Mr. Lundeen asked and obtained leave to have printed in the RECORD an article entitled "Conservation-The Missouri River-Progress and Prosperity for North Dakota and South Dakota," which appears in the Appendix.]

REORGANIZATION OF EXECUTIVE DEPARTMENTS—CONFERENCE REPORT

Mr. BYRNES submitted the following report:

The committee of conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H. R. 4425) to provide for reorganizing agencies of the Government, and for other purposes, having met, after full and free conference, have agreed to recommend and do recommend to their respective Houses as follows:

That the Senate recede from its amendments numbered 27, 28,

36, 39, 40, and 42.

That the House recede from its disagreement to the amendments of the Senate numbered 2, 3, 4, 5, 6, 7, 8, 9, 10, 11, 12, 13, 14, 15, 16, 17, 18, 19, 20, 21, 23, 24, 29, 30, 31, 32, 33, 34, 35, and 38; and agree to the same.

Amendment numbered 1: That the House recede from its disagreement to the amendment of the Senate numbered 1, and agree to the same with an amendment, as follows:

In lieu of the matter proposed to be inserted by the Senate amendment insert the following: "The Congress hereby declares that by reason of continued national deficits beginning in 1931 it

that by reason of continued national deficits beginning in 1931 it is desirable to reduce substantially Government expenditures and that such reduction may be accomplished in some measure by proceeding immediately under the provisions of this act. The President"; and the Senate agree to the same.

Amendment numbered 22: That the House recede from its disagreement to the amendment of the Senate numbered 22, and agree to the same with an amendment, as follows:

In lieu of the matter proposed to be inserted by the Senate amendment insert the following: "which agency or part (by reason of transfers under this act or otherwise, or by reason of termination of its functions in any manner) does not have, or upon the taking effect of the reorganizations specified in the reorganization plan will not have, any functions" and a comma; and the Senate agree to the same. Senate agree to the same.

Amendment numbered 25: That the House recede from its dis

agreement to the amendment of the Senate numbered 25, and

agree to the same with an amendment, as follows:

In lieu of the matter proposed to be stricken out by the Senate amendment on page 5. lines 9, 10, and 11, of the House bill, strike out "or the affairs of the executive agency with respect to the functions abolished, as the case may be"; and the Senate agree to

Amendment numbered 26: That the House recede from its disagreement to the amendment of the Senate numbered 26, and agree to the same with an amendment as follows: In lieu of the matter proposed to be stricken out by the Senate amendment insert the following:

"Sec. 6. No reorganization under this title shall have the effect-

"(a) of continuing any agency or function beyond the time when would have terminated if the reorganization had not been made: or

"(b) of continuing any function beyond the time when the agency in which it was vested before the reorganization would have terminated if the reorganization had not been made; or

terminated if the reorganization had not been made; or "(c) of authorizing any agency to exercise any function which is not expressly authorized by law."

And the Senate agree to the same.

Amendment numbered 37: That the House recede from its disagreement to the amendment of the Senate numbered 37, and agree to the same with an amendment as follows: In lieu of the matter proposed to be inserted by the Senate amendment insert the following: "10. (a)"; and the Senate agree to the same.

Amendment numbered 41: That the House recede from its disagreement to the amendment of the Senate numbered 41, and agree to the same with an amendment as follows: In lieu of the

agree to the same with an amendment as follows: In lieu of the matter proposed to be inserted by the Senate amendment insert the following: "not to exceed one hour"; and the Senate agree to the same.

> JAMES F. BYRNES, HARRY F. BYRD, ALBEN W. BARKLEY, JOSEPH C. O'MAHONEY, PAT HARRISON PAT HARRISON,
> SCOTT W. LUCAS,
> CHAS. L. MCNARY,
> JOHN G. TOWNSEND, Jr.,
> ROBERT M. LA FOLLETTE, Jr., Managers on the part of the Senate. JOHN J. COCHRAN, LINDSAY C. WARREN,

J. W. ROBINSON, HARRY P. BEAM, WM. T. SCHULTE, E. E. Cox,

Managers on the part of the House.

Mr. BYRNES. I ask unanimous consent for the immediate consideration of the report.

The VICE PRESIDENT. Is there objection?

There being no objection, the Senate proceeded to consider the report.

Mr. KING. Mr. President, may we have an explanation of the report?

Mr. BYRNES. It is a complete report, signed by all the Senate conferees, and, I think, by all House conferees, with the exception of one. If the Senator desires me to state the adjustment which has been reached of the differences between the two Houses, I shall be glad to do so.

The amendment which we have called the O'Mahoney amendment, which provided that the President should not have power to abolish functions, remains in the bill with some clarifying provisions.

The Senate amendment as to the word "agencies" and its definition remains in the bill.

In fact, the only amendment of any importance that I can recall as to which the Senate receded was the amendment as to the time of debate, the conference report agreeing upon 1 hour's debate upon a motion to discharge the committee, and 10 hours' debate upon the resolution when the committee is discharged, or if the resolution is reported by the committee without a motion to discharge.

Mr. VANDENBERG. Mr. President, will the Senator yield?

Mr. BYRNES. Yes.

Mr. VANDENBERG. What happened to the particular

exemptions which the Senate added?

Mr. BYRNES. The exemptions in the bill as it passed the Senate are retained in the bill.

The VICE PRESIDENT. The question is on agreeing to the conference report.

The report was agreed to.

SALE OF COTTON ABROAD BELOW COST-ORDER OF BUSINESS

Mr. BARKLEY. Mr. President, Senate Resolution 107, submitted by the Senator from Georgia [Mr. George], occupies practically the status of being the unfinished business.

The VICE PRESIDENT. Let the Chair state that in spirit it does, but not as a matter of parliamentary procedure.

Mr. BARKLEY. That is true.

I have conferred with the Senator from Georgia; and in view of the imminent action of the House on the agricultural appropriation bill, which contains items involving the cotton situation, and in view of the fact that the Senator from South

Carolina [Mr. Smith] has suggested, and it has been agreed and understood, that the bill from his committee, which is on the calendar, will go over awaiting action on the part of the House on the agricultural appropriation bill, which may have some bearing upon the legislation which is necessary or advisable, the Senator from Georgia has agreed that his resolution may preserve its present status and go over without prejudice.

The VICE PRESIDENT. Does the Senator mean to say that it shall be the pending business and go over without

prejudice?

Mr. BARKLEY. That is correct.

The VICE PRESIDENT, Is there objection? The Chair hears none.

The consideration of bills on the calendar, under rule VIII,

Mr. BARKLEY. Mr. President, only three or four reports of committees have been made since the last call of the calendar. I ask unanimous consent that the call of the calendar be dispensed with.

The VICE PRESIDENT. Is there objection? The Chair

hears none, and it is so ordered.

ACQUISITION OF STOCKS OF STRATEGIC MILITARY MATERIALS, ETC.

Mr. THOMAS of Utah. Mr. President, I move that the Senate proceed to the consideration of calendar No. 125, Senate bill 572, to provide for the common defense by acquiring stocks of strategic and critical raw materials, concentrates, and alloys essential to the needs of industry for the manufacture of supplies for the armed forces and the civilian population in time of a national emergency, and for other purposes.

The VICE PRESIDENT. The question is on the motion

of the Senator from Utah.

Mr. McNARY. Mr. President, what is the number of the bill?

The VICE PRESIDENT. The bill is Senate bill 572. It is

No. 125 at the bottom of page 4 of the calendar.

The question is on the motion of the Senator from Utah that the Senate proceed to the consideration of the bill designated by him.

The motion was agreed to; and the Senate proceeded to consider the bill, which had been reported from the Committee on Military Affairs with amendments.

The VICE PRESIDENT. The clerk will read the bill.

The Chief Clerk proceeded to read the bill.

The first amendment of the Committee on Military Affairs was, in section 1, page 1, line 6, after the word "country", to insert "for common defense"; on page 2, line 1, after the word "materials", to strike out "concentrates, and alloys" and insert "to encourage the further development of mines and deposits of these materials in the United States"; and in line 6, after the word "these", to strike out "commodities" and insert "materials", so as to make the section read:

Be tt enacted, etc., That the natural resources of the United States in certain strategic and critical materials being deficient or insufficiently developed to supply the industrial, military, and naval needs of the country for common defense, it is the policy of Congress and the purpose and intent of this act to provide for the acquisition of stocks of these materials, to encourage the further development of mines and deposits of these materials in the United States, and to decrease and prevent wherever possible a dangerous and costly dependence of the United States upon foreign nations for supplies of these materials in times of national emergency.

The amendment was agreed to.

The next amendment was, in section 2, page 2, line 12, after the word "which", to strike out "raw materials, concentrates, and alloys" and insert "materials"; in line 14, after the word "such", to strike out "materials, concentrates, and alloys", and insert "materials"; and in line 17, after the word "the", to strike out "raw materials, concentrates, and alloys", and insert "materials"; so as to make the section read:

SEC. 2. To effectuate the policy set forth in section 1 hereof the Secretary of War and the Secretary of the Navy acting jointly through the agency of the Army and Navy Munitions Board are hereby authorized and directed to determine which materials are

strategic and critical under the provisions of this act and to determine the quality and quantities of such materials which shall be purchased within the amount of the appropriations authorized by this act. In determining the materials which are strategic and critical and the quality and quantities of same to be purchased the Secretaries of State, Treasury, Interior, and Commerce shall each designate representatives to cooperate with the Secretary of War and the Secretary of the Navy in carrying out the provisions of this act.

The amendment was agreed to.

Mr. VANDENBERG. Mr. President, I desire to make a general inquiry of the Senator from Utah. May I ask what the attitude of the Departments is respecting this bill? Are the Departments in favor of the bill as it now stands on the calendar?

Mr. THOMAS of Utah. Mr. President, the Departments which have considered this bill include the State Department, the War Department, the Navy Department, the Department of Commerce, and the Department of the Interior. The Departments all report favorably upon the bill. Most of the Departments stated in last year's reports that it was contrary to the President's Budget program, but this year the reports are different from that; and the report from the Treasury Department, which has lately come, states that there is no objection to consideration of the bill on the ground of its not being part of the President's Budget program.

I may say at this point that any objection to the bill on the ground of its being not in harmony with the budgetary program is hardly consistent, because the bill does not provide for expenditures in the ordinary sense. The bill merely provides for the purchase of stock piles, so that the Government will at all times, especially in time of emergency, have probably even a greater value in its stock and in its ownership than the purchase price. So from the standpoint of the Budget it is really and truly not a budgetary matter. The bill does provide, however, that as much as \$25,000,000 of these materials may be purchased the first year, \$25,000,000 the second year, \$25,000,000 the third year, and \$25,000,000 the fourth year.

Mr. VANDENBERG. Mr. President, will the Senator further yield?

Mr. THOMAS of Utah. I shall be glad to do so.

Mr. VANDENBERG. Am I mistaken in my recollection that the President's budgetary program at this point sought to limit this figure to \$10,000,000 in each of the years?

Mr. THOMAS of Utah. A letter went to the House of Representatives suggesting that the first year the limitation be put at \$10,000,000. I have assumed that the bill will go to conference, and that the proper adjustment in regard to the expenditure the first year can be made there; and it is not a point of vital concern to us here because of that fact.

Mr. VANDENBERG. Does the Senator mean that the letter to the House authorities was from the President?

Mr. THOMAS of Utah. I do not know. All I know is what I have read in the press; but I think the House committee, in reporting the bill, left the total sum of \$100,000,000, but the distribution over the years has been changed.

Mr. VANDENBERG. Except as the Senate made a change at this point, would the \$25,000,000 authorization for the

first year be in conference?

Mr. THOMAS of Utah. There would surely be a difference, so far as that is concerned, if the House bill carried a \$10,000,000 appropriation and our bill carried a \$25,000,000 appropriation for the first year. There would be a difference.

Mr. VANDENBERG. Suppose the House bill did not carry the figure of \$10,000,000, but merely carried the total of \$100,000,000, and we passed the bill with an appropriation of \$25,000,000 the first year: Would the \$25,000,000 be subject to reduction to \$10,000,000 in conference under those circumstances?

Mr. THOMAS of Utah. I should think not, unless there was some provision, such as has been suggested, that only \$10,000,000 should be spent the first year. That, of course, depends upon the provisions of the House bill.

The VICE PRESIDENT. The clerk will continue the read-

ing of the bill.

The reading of the bill was resumed.

The next amendment was, in section 3, page 3, line 1, after the word "above", to strike out "commodities" and insert "materials"; in line 5, after the word "department," to insert "from the funds authorized in section 6 of this act"; in line 6. after the word "such." to strike out "materials, concentrates, and alloys from the funds made available by the provisions of this act and" and insert "materials"; in line 11, after the word "Navy", to insert "and to provide for the storage and maintenance and, where necessary to prevent deterioration, for the rotation of such materials. complish such rotation, the Secretary of the Treasury, with the approval of the Secretary of War and the Secretary of the Navy, is authorized to replace acquired stocks of any such material subject to deterioration by equivalent quantities of the same material in such manner as he deems will best serve the purposes of this act. The Secretary of the Treasury is authorized to pay the expenses necessary to accomplish such rotation out of the funds authorized in section 6 of this act. The Secretary shall include in his annual report to Congress a detailed statement of expenditures made under this section and the method of rotation employed"; and on page 4, line 1, after the word "reservations", to strike out "in" and insert "or in other", so as to make the section read:

SEC. 3. The Secretary of War and the Secretary of the Navy, when they deem such action appropriate because the domestic supply of any of the above materials is insufficient to meet the industrial, military, and naval needs of the country, shall direct the Secretary of the Treasury through the medium of the Procurement Division of his Department, from the funds authorized in section 6 of this act, to make purchases of such materials in accordance with specifications prepared by the Procurement Division of the Treasury Department and approved by the Secretary of War and the Secretary of the Navy, and to provide for the storage and maintenance and, where necessary to prevent deterioration, for the rotation of such materials. To accomplish such rotation the Secretary of the Treasury, with the approval of the Secretary of War and the Secretary of the Navy, is authorized to replace acquired stocks of any such material subject to deterioration by equivalent quantities of the same material in such manner as he deems will best serve the purposes of this act. The Secretary of the Treasury is authorized to pay the expenses necessary to accomplish such rotation out of the funds authorized in section 6 of this act. The Secretary shall include in his annual report to Congress a detailed statement of expenditures made under this section and the method of rotation employed. The commodities so purchased shall be stored by the Procurement Division of the Treasury Department on military and naval reservations or in other locations approved by the Secretary of War and the Secretary of War

The amendment was agreed to.

Mr. LODGE. Mr. President, I should like to make an inquiry of the Senator from Utah. Is it not true that many of these strategic materials come from countries which owe debts to the United States?

Mr. THOMAS of Utah. I shall have to ask the Senator to name one. I should think that statement might be true, except for the word "many." I do not think the statement including the word "many" would hold.

Mr. LODGE. We know that manganese comes from Austria, for example; and we know that there are other materials that come from the British Empire, let us say. Does it not seem a fair proposition that the debts which are owed to the United States could in part, at least, be paid by furnishing to the United States these materials, which do not in any way compete with anything that is produced by American labor in this country?

Mr. THOMAS of Utah. I think that is an idea that the Government might very well consider, except in the respect that the debts which are owed to the United States are foreign government debts, while the materials which will be purchased undoubtedly will be purchased from private concerns

Mr. LODGE. But the foreign governments involved could purchase the materials from the private concerns, or could make some sort of arrangement which would stand as a credit to them on their debts to us, could they not?

Mr. THOMAS of Utah. I should hope that would be the case; and if it is possible, no one will be more happy to have such an adjustment made than will the Senator from Utah.

Mr. LODGE. I am glad to have that assurance.

The VICE PRESIDENT. The clerk will continue the reading of the bill.

The reading of the bill was resumed.

The next amendment was, in section 4, on page 4, line 4, after the words "Sec. 4.", to strike out "Commodities" and insert "Materials"; in the same line, after the word "Act", to insert "except materials which must be rotated to prevent deterioration"; and in line 12, after the word "national", to strike out "welfare" and insert "defense", so as to make the section read:

Sec. 4. Materials acquired under this act, except materials which must be rotated to prevent deterioration, shall be used only upon the order of the President in time of war, or when he shall find that a national emergency exists with respect to national defense as a consequence of the threat of war, or when he shall find and shall issue a proclamation that a state of emergency exists arising out of deficiencies in the supply of these commodities of such a character as to have a seriously adverse effect on the national defense, by unemployment, the closing of manufacturing plants and interruption in the supply of semimanufactured or manufactured commodities.

The amendment was agreed to.

Mr. KING. Mr. President, I should like to make an inquiry of my colleague. Has it been deemed necessary to make this authorization for 4 years? It seems to me that if 1 year or 2 years were allowed within which to see just how beneficial the measure might be, perhaps the war clouds would have abated, and there would be no necessity of projecting the legislation so far into the future. I wonder if that point was considered by the committee.

Mr. THOMAS of Utah. Mr. President, the sum was arrived at as a result of a joint meeting of all of the departments affected. I will answer my colleague's question by saying that the bill not only provides for acquiring the materials which are deemed strategic at a given time, but it also provides for encouraging the production within the bounds of the United States of materials which we think are here but which up to the present time it has not been economic to produce; so that in the total appropriation the bill keeps in mind at all times two objectives: First, the acquirement of a stock that would be available in case of an emergency; second, the encouragement of attempts to develop these materials from our own products, so that the United States may at all times have an independent source of supply of these materials which are so much needed.

Mr. VANDENBERG. Mr. President, may I ask the Senator a question at that point?

Mr. THOMAS of Utah. I yield.

Mr. VANDENBERG. The Senator said that some of these materials are not at present produced economically in the United States.

Mr. THOMAS of Utah. That is true.

Mr. VANDENBERG. Will the Senator identify some of the products which are deemed not to be economically produced in the United States?

Mr. THOMAS of Utah. Manganese is probably the com-

Mr. VANDENBERG. Let me pursue the subject a little further. Am I to understand that when a commodity is deemed not to be economically produced in the United States the bill would contemplate the purchase of such commodity abroad?

Mr. THOMAS of Utah. That is true under this provision. There is this advantage to the American producers, in that it is a "buy American" plan for making purchases wholly in the United States. In addition there is the further advantage that 1 year is allowed prospective American producers within which to get their products ready and in shape so that the Government may feel that it can rely upon contracts it may make

There is a still further provision which favors the American producer, namely, that in cases where Americans happen to build plants and make initial expenditures, the bond may be waived in making the anticipated purchases. The American producers are encouraged by every phase of the bill.

Mr. VANDENBERG. Who would make the decision as to whether or not a commodity is economically produced in the

Mr. THOMAS of Utah. The decision would have to be made by the consultive board set up, which is to be composed of the Secretary of War, the Secretary of the Navy, the Secretary of the Interior, and the Secretary of State; and I think the Procurement Division of the Treasury Department would be associated with the board.

Mr. VANDENBERG. Can the Senator indicate any commodity besides manganese which might fall within the de-

scription we are discussing?

Mr. THOMAS of Utah. Yes; there are many commodities which might come within that description. There are three classifications of strategic materials—those which are purely strategic, for which we are completely dependent on the outside: those which are deemed critical, which we need, some of which we produce but not sufficient; and those which we may need only rarely. In this classification there may be certain metals, for example, which would be strategic at one time and not at another.

There is, for example, nickel. Ordinarily nickel comes from Canada. It is deemed that we can produce nickel in the United States for our own use, but so long as there was no difficulty between the United States and Great Britain, or between the United States and Canada, the ordinary flow of nickel from Canada to the United States would not be interrupted, and technically, therefore, nickel would not be strategic material. So in the framing of the bill it was necessary to frame it in general terms, to provide for all sorts of emergencies and all types of conditions.

Some of these materials are perishable. Some we have to rotate in order that the Government may not have to keep them on hand and allow them to deteriorate. Rubber, for example, is quite essential, and it is essential that it be used at a given time, or it will deteriorate. So there is provision for revolving.

Mr. VANDENBERG. In the list of essential materials, for instance, sugar is found. Is it contemplated that sugar is to be produced and stored under the terms of the bill?

Mr. THOMAS of Utah. I think not. There was once an occasion when that was necessary. If the Senator will let his memory go back to the time of the last war, he will recall that sugar became a military necessity on the part of the United States.

Mr. VANDENBERG. Precisely. Then we come back to the question I originally asked the Senator. The Department of Agriculture for some strange reason takes the position that we do not domestically produce sugar on an economical basis, and that therefore we ought to let the whole world raise our sugar for us. If, under the terms of the bill, it should finally be concluded that we should buy sugar, I am wondering whether it would be purchased abroad rather than at home.

Mr. THOMAS of Utah. I hope not. I cannot conceive of the gentlemen who will make up the proposed board doing anything of that sort.

Mr. VANDENBERG. I could conceive of it as readily as I could the decision of the Department of Agriculture regarding sugar generally.

Mr. PITTMAN. Mr. President, I have been reading the bill hastily. I see no provision in it for a resale of any of the materials purchased under the contemplated law.

Mr. THOMAS of Utah. It is in the rotating section.

Mr. PITTMAN. That applies only to goods which may deteriorate. For instance, if the Government should buy what it considered an adequate supply of manganese, and there should be developed in this country an adequate supply of manganese, the Government would not then need the supply it had purchased abroad, and it should be authorized to dispose of it and put the proceeds in the revolving fund, so as to reduce the cost to the Government.

Mr. THOMAS of Utah. It was assumed by the committee that as the Government uses its supply it will receive credit for that use, and the money will be available for keeping the supply up to the point which the commission or board decide is the point at which it should remain.

Mr. PITTMAN. I understand the theory of the proposed act to be that there shall be surpluses of certain materials on hand in the event of war, as otherwise the Government might be cut off from the foreign supply. What is contemplated would always be a surplus. But the surplus would not be needed if we developed an adequate domestic supply, and the Government should then be allowed to dispose of the surplus, and put the money back into the fund.

Mr. THOMAS of Utah. The committee thought the provi-

sions under section 5 took care of that suggestion.

Mr. PITTMAN. That would not apply to manganese because manganese does not deteriorate.

Mr. THOMAS of Utah. No; but the ordinary rules of the Government in regard to purchase and sale would prevail.

Mr. PITTMAN. The trouble is that the bill is limited to materials which deteriorate. Nickel does not deteriorate; manganese does not deteriorate; platinum does not deteriorate. The bill is so limited that the Government could not dispose of a surplus, although we developed an ample supply within the country. I think there should be a provision that when there is in this country an ample supply of any of these materials, a supply sufficient to meet any demand, the surplus should be either entirely wiped out or reduced. There is no provision for that.

Mr. THOMAS of Utah. I thought there was, in the citation which has been mentioned, although I am not sufficiently familiar with it to answer the question directly. That problem has arisen, and we have put it up to the experts in just that way, and the answer has been that there would be authority in the proposed board to do the

very thing the Senator suggests.

Mr. PITTMAN. I cannot find it in the bill. All the surplus of these metals would be accumulated in order to meet a war emergency. They could not be used except in a war emergency. Yet the bill provides for the attempted development of these metals in this country. If the citizens of this country should succeed in developing them here, and a surplus should become absolutely unnecessary, or half of it should not be needed, the money should not forever be impounded; but the President should be given authority to sell all or a part of the surpluses. There is no such provision in

Mr. THOMAS of Utah. I understood there was.

Mr. O'MAHONEY. Mr. President, will the Senator from Utah yield for a question?

Mr. THOMAS of Utah. I am glad to yield.

Mr. O'MAHONEY. In response to an inquiry directed to the Senator from Utah by the Senator from Michigan I understood the Senator from Utah to reply that the Secretary of State was one of those who would determine whether or not a commodity could be economically produced within the United States.

Mr. THOMAS of Utah. I think that statement is a little different from the idea contemplated by the scheme of the bill. The question which has to be decided, of course, is whether or not a commodity is strategic. Then the question as to whether it can be produced economically in our country would hinge upon whether the board, the group of certain officers, which is to have the authority to issue an order or to make the contract, would decide that it was economically feasible. The Secretary of State would be one of those.

Mr. O'MAHONEY. Where in the bill is that group fixed? Mr. THOMAS of Utah. I think the Senator will find it in section 3:

The Secretary of War and the Secretary of the Navy when they deem such action appropriate because the domestic supply of any of the above materials is insufficient to meet the industrial—

That shows that it is a little broader than the mere military necessity-

To meet the industrial, military, and naval needs of the country shall direct the Secretary of the Treasury through the medium of the Procurement Division of his Department, from the funds author-ized in section 6 of this act, to make purchases of such materials in

accordance with specifications prepared by the Procurement Division of the Treasury Department and approved by the Secretary of War and the Secretary of the Navy.

Mr. O'MAHONEY. The Secretary of State does not appear. Mr. THOMAS of Utah. The Secretary of State is one of the group for which provision is made in the measure, as the Senator will see if he reads on.

Mr. O'MAHONEY. I have not read far enough to find the designation of the Secretary of State.

Mr. THOMAS of Utah. It is in the measure.

Mr. JOHNSON of California. Mr. President, will the Senator yield?

Mr. O'MAHONEY. Mr. President-

Mr. JOHNSON of California. I thought the Senator from Wyoming had concluded.

Mr. O'MAHONEY. Mr. President, I have been trying to discover where in the bill any authority is vested in the Secretary of State to pass upon the need for the materials with which the bill deals and the question as to whether or not they can be economically produced in the United States, and I have been unable to find that language. It gives me a little bit of concern because of the disagreement some of us have had with the reciprocal trade agreement policy of the Department of State.

Mr. BARKLEY. The Senator will find the reference to the Secretary of State in section 2, page 2, in the following

In determining the materials which are strategic and critical and the quality and quantities of same to be purchased, the Secretaries of State, Treasury, Interior, and Commerce shall each designate representatives to cooperate with the Secretary of War and the Secretary of the Navy in carrying out the provisions of this act.

Mr. O'MAHONEY. Then, under that language, the authority of the Board there set up is limited to determining whether the materials are strategic and critical and the quality and quantities to be produced?

Mr. THOMAS of Utah. That is correct.

Mr. O'MAHONEY. And the Senator does not apprehend that there is any provision in the measure which would cause those who are concerned about the policy and effect of the reciprocal-trade agreements to give it closer attention than has been given?

Mr. THOMAS of Utah. I should think not. In all the hearings and all the conferences there was present a repre-sentative from the State Department. That representative has been in agreement with the other departments with regard to the bill.

Mr. O'MAHONEY. Apparently the purpose of the bill is to encourage domestic production.

Mr. THOMAS of Utah. That is one of the purposes.

Mr. O'MAHONEY. And it is provided that commodities or materials which are not capable of production in the United States economically may be secured abroad?

Mr. THOMAS of Utah. That is true.

Mr. O'MAHONEY. Is it true that the Secretary of State is clothed with the power of determining when foreign materials rather than domestic materials should be purchased?

Mr. THOMAS of Utah. No; I think that would be a stretch of his authority.

Mr. O'MAHONEY. I wanted to be sure that that would be a stretch of his authority.

Mr. THOMAS of Utah. It would be very much so.

Mr. JOHNSON of California. Mr. President, will the Senator yield?

Mr. THOMAS of Utah. I am glad to yield to the Senator from California.

Mr. JOHNSON of California. I make my apologies to the Senator, because I have been in committee up to this time, and just now arrived in the Senate Chamber, so I have not heard the presentation the Senator made with respect to this particular measure. How much money does it carry?

Mr. THOMAS of Utah. It carries \$100,000,000, spread over 4 years.

Mr. JOHNSON of California. Well, that is a mere "bag of shells." [Laughter.]

Mr. VANDENBERG. Mr. President, where are these stocks to be stored, and how?

Mr. THOMAS of Utah. They are to be stored under the direction of the Secretary of the Navy and under the direction of the Secretary of War on military or naval reservations, with the one exception that with respect to those materials which deteriorate there probably will have to be some kind of special arrangement made.

Mr. VANDENBERG. This is not another Kentucky concentration, is it?

Mr. THOMAS of Utah. I do not know what the Kentucky

concentration is, but I do not think it is that.

Mr. VANDENBERG. Such as the concentration at Fort Knox.

Mr. SCHWELLENBACH. Mr. President, will the Senator yield for a question?

Mr. THOMAS of Utah. I yield.

Mr. SCHWELLENBACH. I notice the provision that the definition of "strategic" and "critical" is to be made by the Board. Yet in the report there are set out certain things that are indicated to be strategic and critical. I notice that in the report steel is indicated as being neither critical nor strategic. It is my understanding that steel is one of the most important products to be used in times of war. It might not be critical, but on what theory is it contended that it is not strategic?

As the Senator knows, I have been trying to prevent the shipment from the country of scrap steel. My bill has been carefully laid away by the Senator from Utah, and very gently treated. I do not like the idea of having in the pending measure a declaration that steel is not a strategic product in time of war.

Mr. THOMAS of Utah. Steel at the present time is not a strategic material in the United States. It is an essential material in time of war. So far as scrap steel and scrap iron are concerned, both scrap steel and scrap iron may become. under given circumstances, strategic as well as necessary and as well as essential.

Mr. SCHWELLENBACH. What is the difference between "essential," "necessary," and "strategic"? When does a material reach the point that it becomes strategic?

Mr. THOMAS of Utah. All necessary materials are strategic. I take it.

Mr. SCHWELLENBACH. Now we have that straight.

Mr. MILLER. Mr. President, will the Senator yield to me? I think I can reply to that question.

Mr. THOMAS of Utah. I shall be glad to yield.

Mr. MILLER. A strategic material is one which is necessary and essential, but for a portion of the supply of which in time of conflict we have to look to foreign countries. A critical material is likewise an essential material for the prosecution of war, but the supply of which can under ordinary circumstances be obtained in this country. That is the distinction between "critical" and "strategic."

Mr. McNARY. Mr. President, will the Senator yield?

Mr. THOMAS of Utah. I yield.

Mr. McNARY. The Senator doubtless classifies the bill as an emergency measure.

Mr. THOMAS of Utah. I think not. I think it is quite otherwise.

Mr. McNARY. The Senator has limited its operation to 4 years. I assume from that that the general nature of the bill has to do with an emergency which the Senator is trying to meet. Would the Senator, then, be willing to limit the life of the measure to 2 years?

Mr. THOMAS of Utah. The 4-year provision comes up in relation to the accumulation of stock piles. It is contemplated that within 4 years sufficient surplus will be accumulated so that the purposes of the bill will have been met at the end of the 4-year period.

Mr. McNARY. What would prevent the purpose being attained at the end of 2 years?

Mr. THOMAS of Utah. If \$50,000,000, which would be spent at the end of 2 years, were deemed sufficient to provide the stock piles for the emergency, then, of course, the end would be attained at the end of 2 years; but that was not deemed sufficient by the committee and by the experts.

Mr. McNARY. Did the committee consider the period of 2 years in contradistinction to the period of 4 years?

Mr. THOMAS of Utah. Not in that way; but the committee did consider that the purpose of the bill is to enable the Government at all times to have on hand necessary strategic materials which it can, if necessary in emergency, make use of; and it was deemed that over a period of 4 years, if we spent \$25,000,000 a year, our stock piles would be sufficient to take care of the situation probably for all time and make the United States from the standpoint of strategy independent

of the outside world. Mr. McNARY. What amount of strategic material is produced in this country? Is it the purpose of the bill to place a fixation on importation of rare and strategic material or to

encourage and foster the production of it in this country?

Mr. THOMAS of Utah. The purpose is dual, and the Senator has covered the dual purpose very well in his question. The first is to take care of our Army and Navy and see that we have a stock pile of material. The second is to encourage the production within the United States.

Mr. McNARY. Assuming that \$100,000,000 is to be used for the purposes specified in the measure, what proportion of that would be expended in the production of domestic

material?

Mr. THOMAS of Utah. There is no division made in that regard.

Mr. McNARY. No; but the Senator must have some idea along that line.

Mr. THOMAS of Utah. I could get an idea, and so could anyone else, by quickly running over the list of the various materials.

Mr. McNARY. It is important from my standpoint to know whether the bill attempts to foster domestic development and production of the materials specified in the bill, categorically, or to bring them in as importations from foreign countries. Somewhere there is a line between those

Mr. THOMAS of Utah. Take manganese, for example. That is a material of which some of the experts say we have plenty, but in order to satisfy the demand of both our Army and our Navy, production of our domestic material would have to be developed and increased, and much of the \$25,-000,000 would be spent for that purpose. It is deemed advisable to expend a considerable amount in the development of that very necessary strategic material.

Mr. McNARY. Does the Senator assume that approximately \$25,000,000 of the \$100,000,000 would be expended to

foster production in this country?

Mr. THOMAS of Utah. I assume that the first year a large proportion of the \$25,000,000 would be expended for that purpose. Probably half of it would be so expended. However, that is merely an estimate.

Mr. WHEELER and Mr. TYDINGS addressed the Chair. The PRESIDENT pro tempore. Does the Senator from Utah yield; and if so, to whom?

Mr. THOMAS of Utah. I yield to the Senator from Mon-

Mr. WHEELER. With reference to manganese, as I understand, the purpose of the bill is to foster the development of manganese in this country, and also to create a stock pile in the event of war, so that we may have a supply of manganese. So far as the Government's losing anything on the operation is concerned, let me say that today the principal places in the United States where manganese can be produced for use in the hardening of steel are in Butte, Mont., and vicinity. At the present time many miners are on the W. P. A. They are being paid something like \$56 a month. If the miners could be put to work in the mines producing manganese the Government would save at least \$56 a month for each one taken off the W. P. A. and put to work. In my humble judgment, the Government would save money if miners were put to work producing manganese. Some of the producers of manganese have stated to me that they are perfectly willing to produce manganese practically at cost, plus

4, 5, or 6 percent upon the actual investment. In that way many persons would be taken off relief, and at the same time the Government would receive something for its money. I think such a plan would be a great blessing to the Government and to those on relief.

Mr. TYDINGS. Mr. President-

Mr. THOMAS of Utah. I yield to the Senator from Mary-

Mr. TYDINGS. I should like to ask the Senator one or two questions for information. In the event of emergency, or in the event of war, is it contemplated that the Government would resell the materials to private concerns for at least the figure that was paid for them at the time the Government acquired them?

Mr. THOMAS of Utah. That is my understanding.

Mr. TYDINGS. How much of the money would be used to build factories, as distinguished from the purchase of the materials themselves?

Mr. THOMAS of Utah. I do not think any of it would be used for that purpose. Some of it might be used for building storehouses on military and naval reservations; but I doubt whether even that would be necessary.

Mr. TYDINGS. In other words, the Government would simply make a contract in a given case to buy so much of the material; and I take it, it is assumed that private interests would put up whatever plant was necessary to make the material. Is that correct?

Mr. THOMAS of Utah. That is correct.

Mr. TYDINGS. The Government would not go into the business of producing the material per se.

Mr. THOMAS of Utah. I think that statement is correct.

Mr. BYRNES. Mr. President, will the Senator yield?

Mr. THOMAS of Utah. I shall be glad to yield.

Mr. BYRNES. Three or four years ago a bill was introduced in the House to encourage the development of certain materials. The bill was before the Committee on Mines and Mining. Later an appropriation of \$5,000,000 was placed in the naval appropriation bill, in the general supply account, to encourage strategic material development. The Appropriations Committee took the position that such legislation should be brought to the floor of the Senate and House from the legislative committees, and that it should be determined in that way what should be done.

If business is to be developed by contracts with the War Department or the Navy Department for the purchase of materials at high prices, it is evident that at the conclusion of those contracts in 3 or 4 years some provision will have to be made to carry on the business. The original plan was that, on the strength of the contracts from the Government, loans were to be secured from the Reconstruction Finance Corporation in order to bring about the development of strategic materials, not only in Montana, but in Virginia, Georgia, and elsewhere throughout the country. I suppose that every Member of the Senate has received letters-I know I have received them-from various States urging that we provide for the purchase of strategic materials, the purpose being that if the contracts were made by the Army and Navy, loans could be secured from the Reconstruction Finance Corporation on the strength of the contracts. The Navy bill has carried such an appropriation from time to time. I think \$5,000,000 was the highest amount ever appropriated in that way. I should like to know whether or not the committee has gone into all the past history of this matter, and has now reached the conclusion that instead of \$5,000,000 we should authorize the expenditure of as much as \$25,000,000 a year. Is that the conclusion of the committee?

Mr. THOMAS of Utah. That is the conclusion of the committee.

Mr. BYRNES. Did the committee hear from the Army and Navy representatives?

Mr. THOMAS of Utah. At every committee meeting representatives from the Navy Department, the War Department, and the Department of Commerce, and other departments have been present.

Mr. BYRNES. Have they officially stated their opinion as to what should be the extent of our purchases each year?

Mr. THOMAS of Utah. No.

Mr. BYRNES. I must say to the Senator that, as I recall, before the naval appropriations subcommittee last year the Navy expressed its entire satisfaction with an appropriation of \$5,000,000 for the purchase of strategic materials for the Navy. I do not know about the Army, because I am not on that particular subcommittee.

However, I wish to call the attention of the Senator to the fact that from the information furnished to the Naval Appropriations Subcommittee with respect to the various materials set forth in the report, it appeared that in most instances the Navy could purchase such materials in the open market for 25 or 50 percent less than they could be purchased for in this country. Therefore, I am interested in the question asked of the Senator. If the appropriation proposed is, for the purpose of national defense, to purchase materials which are not produced in this country, and which we should have stored in the event of war, that is one proposal. If, on the other hand, it is proposed to bring about the development in this country of the various materials set forth in the report. I think we should give careful consideration to the question whether or not it is feasible to do so, and whether or not the Government can make contracts for the purchase of a sufficient amount of such materials over a period of years to warrant individuals going into the business. I do not think we should permit to occur such a situation that an individual would go into the business of developing at great expense raw materials, such as manganese, in Georgia, Virginia, and other States in the belief that the Government will each year provide an appropriation for the purchase of such materials. and then have the Government decline to make a purchase 4 years from now. The producers would then come to the Congress and say that they were led to believe that if they went into the business it would be carried on, and that they had been injured by reason of the failure of the Government to continue to make appropriations. That is my fear. I should like to know if the Senator has investigated that phase of the subject.

Mr. THOMAS of Utah. We have gone into that question. It is the judgment of the committee, and it is the hope of the chairman of the committee, that never again will we move into an uneconomic sphere. We felt that with the great diversity of experts available to the Secretary of State, the Secretary of War, the Secretary of the Navy, the Secretary of Commerce, and the Secretary of the Interior, the Government would never do an uneconomic thing under the

provisions of the bill.

Mr. BYRNES. The idea is to develop the production of the various materials in this country.

Mr. THOMAS of Utah. That is one reason for making the appropriation a little larger than the amount immedi-

ately required for strategic materials.

Mr. BYRNES. Does the Senator believe that even with \$25,000,000 we could develop the production of nickel, rubber, manganese, tin, and mica? Or is it the Senator's idea that we could do so partially?

Mr. THOMAS of Utah. We may be very close to some of the materials and may reach them by simple experimen-

Mr. BYRNES. How are we to do it? Are we to do it by giving contracts to the producers of such materials?

Mr. THOMAS of Utah. That is the only way it can be

done under the bill. Mr. BYRNES. Then I presume the situation of several

years ago still exists and that the only hope of the producer will be that on the strength of the contract he will be able to borrow money from the Reconstruction Finance Corporation and go into business.

Mr. THOMAS of Utah. I think not. I think that type of contract will not be entered into. I am very sure that that kind of individual exploitation of something which is not proved will be guarded against. We have the experience of the war time on which to fall back. We have the experience which the Senator has mentioned on which to fall We know of the work of the Contract Adjustment Board, and what a tremendous expense the Government incurred as the result of the manner in which we attempted to obtain such materials during the Great War. In the light of such experiences the pending legislation is brought forth at this time to avoid a repetition of past experience. There are still some claims not adjusted.

Mr. BYRNES. A repetition is what I fear.

I should like to ask one other question. Does the bill provide for the determination by the Procurement Division of the Treasury, or by the Army and Navy, of how much shall be bought?

Mr. THOMAS of Utah. By the Army and Navy through the Procurement Division.

Mr. BYRNES. The Procurement Division will do the pur-

Mr. THOMAS of Utah. Yes. The representatives of all the departments will function at the same time.

Mr. TYDINGS. Mr. President, will the Senator yield?

Mr. THOMAS of Utah. I shall be glad to yield.

Mr. TYDINGS. The Senator will recall-and the point raised by the Senator from South Carolina [Mr. BYRNES] suggests the inquiry—that in the appropriation bills for the past 12 or 15 years allowances have been made annually to settle the war minerals claims resulting from the World War. I imagine that the purpose of the Senator's bill is to prevent to some extent the recurrence of such a contingency. Instead of making contracts to produce in time of war when the necessity arises, we want the machinery set up so that enormous claims will not be made for machinery set up, even though nothing was produced.

Mr. THOMAS of Utah. That is true.

Mr. TYDINGS. That leads me to ask the Senator another question. Is it contemplated in the bill—I have been trying to read it through—that the contracts for the procurement of any of these materials will be so drawn that the Government will have a recurring liability similar to that involved in the war minerals claims because the producers of the articles expended large sums of money in setting up plants. and then the Government did not buy as much of the materials as the producers anticipated the Government would buy at the time the contracts were entered into?

Mr. THOMAS of Utah. I am sure that would not be the case, because every witness testified about our experiences in wartimes. Some of the witnesses pointed out that some of those claims have not yet been adjudicated; and we had information given to us about how, in the excitement of the moment and the zeal to get these materials under emergencies, all types of contracts were entered into. For example. some producers were told to ship ore, and that the Government would take the chances, so that great expenditures were entered into, and implied contracts were made; and, as everyone knows, the adjustments of those contracts have been going on since. It is to avoid the recurrence of that very thing that this legislation is looked upon as desirable.

Mr. TYDINGS. I think the Senator has answered my question very well, but I should like to ask him another question.

On page 4, section 5, the bill says:

Purchases under this act shall be made in accordance with title III of the act of March 3, 1933-

And so forth. That, I believe, is the section under which the Procurement Division now operates. Is that correct? Mr. THOMAS of Utah. It is.

Mr. TYDINGS. I should like to see some wording put in that particular section—I have not the wording available, but I suggest it to the Senator—so that any contract for the purchase of materials by the Procurement Division of the Treasury Department shall be in such terms that the producers of the commodity cannot afterward come to the Government and say, "Notwithstanding that your initial order was for \$100,000 worth of this particular material, we were led to believe that if we would spend \$500,000 in developing a plant, there would be subsequent orders; and now that no

subsequent orders have come, we feel that the Government has a moral obligation to refund us the amount of money that we have invested in this plant." In other words, in my judgment, the contracts should specify definite amounts of material only, so that there cannot be any doubt about the Government's liability on the purchase of a certain amount of material.

In the case of the war industries claims, as the Senator will recall, a commission was appointed which went into the question of how much the various agencies had expended. Some of them expended a great deal of money to build plants, and received practically no orders when the war came to a conclusion, and they had very meritorious cases. I know the Senator is seeking to avoid a similar condition in this connection; but I think some language tantamount to my suggestion ought to be incorporated in the bill to make certainty doubly sure.

Mr. THOMAS of Utah. We sought the advice of the experts, and they say that that sort of thing cannot happen again under this provision.

Mr. TYDINGS. If I may pursue the matter one step further, aside from the purchase of materials, could a plant be subsidized under this bill?

Mr. THOMAS of Utah. No, sir.

Mr. TYDINGS. Could the bill in any way leave the producer under the impression that he was to recapture a certain amount of his capital outlay to produce the material?

Mr. THOMAS of Utah. It could not.

Mr. TYDINGS. The advice which the Senator has had in writing the bill is to the effect that that door has been definitely closed?

Mr. THOMAS of Utah. I think it has been definitely closed, especially by the provision that a year is allowed for production and delivery; and, in addition to that, there is provision for the waiver of delivery bond.

Mr. TYDINGS. I see that provision.

Mr. THOMAS of Utah. I suppose that provision would limit the contract all the more.

Mr. TYDINGS. One more question, and then I shall not again interrupt the Senator. Was it contemplated by the evidence brought before the committee that the Government will pay the present price for the materials which it is desired to purchase; or will the Government pay more than the present price for the articles it wishes to purchase and store?

Mr. THOMAS of Utah. In making the purchases, the rules of the Government still hold. Bids will be offered and accepted, so that there is no let-down of the usual Government practice.

Mr. BYRNES. Mr. President, I desire to ask the Senator a question. The Navy this year submitted its estimate for strategic materials, asking \$500,000. That is the amount included in the Budget. Why was it determined that it was necessary to buy \$25,000,000 a year of strategic materials instead of \$500,000, as the Navy asked?

Mr. THOMAS of Utah. The pending bill includes both the

Army and the Navy.

Mr. BYRNES. Does it include \$24,500,000 for the Army? I am serious about the matter. In the Budget all that the Navy has asked is \$500,000. We gave the Navy \$3,500,000 for the year 1938; we gave it \$500,000 for the year 1939; and now, for 1940, the Budget submitted by the President asks for this purpose only \$500,000. It seems to me that some statement should be furnished to the Senate as to what amount the Army and the Navy believe is essential from the standpoint of national defense to justify an expenditure of \$25,000,000. We are finding it necessary to spend so much money for so many purposes that the question arises whether this is of greater importance than the other purposes for which the Army and the Navy are asking money.

Mr. THOMAS of Utah. The \$500,000 for which the Navy asked is for a current need; is it not?

Mr. BYRNES. Yes. We have had this matter before the committee for 4 or 5 years. We compromised one year on an appropriation of \$3,500,000. For 1939 only \$500,000 was ap-

propriated, and all that the Navy asked for the next year was \$500,000.

Mr. THOMAS of Utah. That may be true; but this bill is for the purpose of building up stock piles, so that the materials will be available during times of emergency. If we had an emergency, \$500,000 would not satisfy the needs of the Navy, would it?

Mr. BYRNES. The item in the naval appropriation act is for the same purpose; and we put this language in that

That materials acquired hereunder shall not be issued for current use in time of peace without the approval of the Secretary of the Navy, except that materials acquired under this title may be issued for current use when replaced by materials purchased from current appropriations.

If, out of current appropriations, the Navy purchase some more materials, they may use those that are stored and replace them; but the materials purchased under the provision I have read are part of the materials stored for use in time of war.

Mr. THOMAS of Utah. If this bill should become a law, such an appropriation as the Senator's subcommittee has heretofore recommended would be unnecessary.

Mr. BYRNES. I agree that if we should appropriate \$25,000,000, this \$500,000 would not be necessary; but the Committee on Military Affairs did not hear officially from the Army and Navy as to the amount that in their opinion it would be necessary or wise to spend annually for this purpose, did it?

Mr. THOMAS of Utah. I will say to the Senator that the amount carried in this bill was put in it on the recommendation of both the Army and the Navy and the other departments. The figures were arrived at by a joint meeting of the departments.

Mr. BYRNES. Will the Senator tell me who appeared for the Navy?

Mr. THOMAS of Utah. Captain Allen, I think.

Mr. BYRNES. They suggested the expenditure of \$25,-000,000 a year?

Mr. THOMAS of Utah. They were parties to the sugges-

Mr. BYRNES. There was a general agreement then?

Mr. THOMAS of Utah. Yes; a general agreement on the part of all the departments.

Mr. BYRNES. They asked us for \$500,000.

Mr. LODGE. Mr. President, in further support of the remarks I made a little while ago, I give notice that I intend to offer an amendment; and before sending it to the desk I should like to read it because it is extremely brief. It proposes to add to the bill the following new section:

SEC. 8. The President is hereby requested to enter into negotiations with foreign governments which are indebted to the United States with a view to arranging with such governments to furnish the United States with strategic and critical materials for national-defense purposes in payment or part payment of the indebtedness of such governments to the United States.

I ask that the amendment lie on the table.

Mr. REYNOLDS. Mr. President, will the Senator yield?

Mr. THOMAS of Utah. I am glad to yield.

Mr. REYNOLDS. I should like to say to the Senator from Utah that I naturally am very much interested in the bill he is now discussing, firstly, on account of my interest, and his, in national defense; secondly, I am interested because I note that one of the purposes of the bill is to encourage the further development of mines and deposits of these strategic and critical materials in the United States.

In my State of North Carolina we are possessed of some very valuable deposits of nickel. For a number of months past I have had in mind the matter of bringing the subject to the attention of the Senator from Utah, but I thought it would be wise to wait until the bill itself reached the floor, in order that I might then more properly secure the information I am desirous of receiving in reference to the bill.

May I ask the Senator whether my impression is correct that some \$350,000 is to be annually provided the Bureau of Mines for the development of undeveloped mines throughout the United States?

Mr. THOMAS of Utah. That is true.

Mr. REYNOLDS. May I ask the Senator if I have the correct impression when I understand that \$150,000 is to be annually appropriated to the Geological Survey?

Mr. THOMAS of Utah. That is true.

Mr. REYNOLDS. Now, may I inquire of the Senator what procedure should be followed after the enactment of the bill into law? I understand that the bill carries with it a suggested appropriation of \$100,000,000. Is that correct?

Mr. THOMAS of Utah. Covering a period of 4 years; yes. Mr. REYNOLDS. In case the bill should pass, what would be the proper procedure in the various States of the Union where there are valuable deposits of minerals that we need to have stored, as mentioned in the bill, to enable the owners of the deposits to secure aid under the act for the development, we will say, of nickel mines in my State of North Carolina, copper mines in the State of the Senator from Nevada, or mines of manganese that might be found in the State of the Senator from Wyoming? What would be the procedure to be followed in case the bill should be enacted into law and we should be desirous of gathering certain materials that are essential in the prosecution of a war?

I make that inquiry because I perceive that there are present other Senators who doubtless have received letters from constituents possessed of valuable mineral deposits; and they, like myself, no doubt would like to know now what would be the procedure necessary to bring about aid from the Government under the act for the development of mines containing minerals classified as essential under this measure.

Mr. THOMAS of Utah. I should think the application would go first to the Bureau of Mines; and after the Bureau of Mines has experimented and proved that the development of certain mines and certain processes is feasible and economic, I should think application should be made to the Government for a contract for the purchase of a certain amount of the materials; and then the person who is to supply the materials would be given a year in which to produce the materials.

Mr. REYNOLDS. Of course, I have read the bill and the report, and I was wondering whether or not it would help my part of the State of North Carolina, where valuable nickel mines are located, to present an amendment in a sense, or by way of suggestion, to the Senator's bill, which he has been explaining on the floor of the Senate. I am of the opinion that I would not avail my State of anything by offering any sort of an amendment or suggestion. Is the Senator in accord with that view?

Mr. THOMAS of Utah. I am sure the Senator's State would not have any better advantage than it has now.

Mr. REYNOLDS. That was my impression, but I wanted to be sure about it. It has been brought to my attention that interests which are not identical with American interests, but are foreign, and, in my opinion, opposed to the interests of the United States, that is, interests of Germany, have been interesting themselves, I cannot exactly say in the purchase of these properties, but have been interesting themselves in viewing the properties. I was wondering whether there was anything I could do by way of the presentation of an amendment to protect the American interests in my State, or to bring about aid through governmental money for the development of the mines to which I have referred.

Mr. THOMAS of Utah. I think the bill implies in its spirit and in its wording that the American producer shall have all the advantage.

Mr. REYNOLDS. That was my impression, but I wanted to make sure.

Mr. SCHWARTZ. Mr. President, will the Senator from Utah yield?

Mr. THOMAS of Utah. I yield.

Mr. SCHWARTZ. I wish to find whether I have a correct notion of the bill. In the first place, I understand that wherever we now have developed deposits of the kind referred to which are economically feasible, the mines, of

course, are operating and getting the market, whatever it is, to the extent it exists; but we have throughout the United States large deposits of manganese; we have them in Arkansas and the Dakotas and in other States, and also deposits of chromium and large deposits of a relatively low grade of ore.

There is a provision in section 7 of the bill which authorizes the appropriation of some \$500,000 a year for a period of 4 years to enable the Bureau of Mines and the Geological Survey to make some preliminary investigations, borings and diggings, in these large low-grade deposits, nickel, or whatever the mineral may be, for the purpose of ascertaining whether or not they can be used commercially. Furthermore, the Bureau of Mines and the Geological Survey would be authorized to engage in certain technical studies, chemical and other investigations, in the effort to discover new proc-When and as we develop a possibility of marketing any of these low-grade ores by reason of preliminary developments and new processes, then the field will be open, and private industry will go ahead and develop the material, and when and as we need it, under the terms of the bill they will then sell to the Government. But it is not the purpose to spend any part of the \$25,000,000 a year for the purpose of developing a raw product and ascertaining whether a success can be made of its production.

Mr. THOMAS of Utah. That is correct.

Mr. SCHWARTZ. But \$500,000 a year is provided, which may be used for that purpose.

Mr. REYNOLDS. Mr. President, my understanding as to that, as I stated a while ago, is that \$350,000 is the annual appropriation for the Bureau of Mines, and \$150,000 for the Geological Survey.

In reference to what the Senator from Wyoming has just stated, let me make a further inquiry of the Senator from Utah. In case the owners of mining property in the State of North Carolina were desirous of pursuing the question of ascertaining as to whether or not these mines were valuable commercially, and should solicit the support of the Bureau of Mines, would it be necessary for those who own the mines to borrow the money, under the proposed act, or would the money be appropriated under the National Defense Act?

Mr. THOMAS of Utah. They would have to borrow the money.

Mr. REYNOLDS. To what extent would the Bureau of Mines, with the \$350,000 annually, help the development of the mines in my State?

Mr. THOMAS of Utah. They would not help the mines directly. They would help in the discovery of processes. They would help in establishing the feasibility and the economic worth of the property, but that is the only way they would help.

Mr. REYNOLDS. That is the full extent?

Mr. THOMAS of Utah. Yes. There is no subsidy.

Mr. REYNOLDS. I thank the Senator very much.

Mr. GILLETTE. Mr. President, will the Senator from Utah yield?

Mr. THOMAS of Utah. I yield.

Mr. GILLETTE. The Senator may have covered this question, and through my attention being diverted I may have failed to get the answer. I note that the first part of the bill is designed to provide that studies be made under the supervision of the Secretary of War and the Secretary of the Navy to determine certain shortages in materials that are critical and strategic, and provision is made for the Secretary of the Treasury, through the Procurement Division, to make up the deficiencies through purchases.

In section 7, however, the bill directs the Secretary of the Interior, on his own motion and without any reference to the studies or needs as determined by the two other branches, to make studies of ores and materials, without limitation, not of materials strategically necessary but which are essential to the industrial needs of the United States for common defense. Why is such leeway given to the Secretary of the Interior, and why is he not held within the same horizon of limitation as in the purchase?

Mr. THOMAS of Utah. Primarily because his field is exploratory, investigating, and experimental and it was deemed by the committee that no other branch of the Government would be so well prepared as the Department of the Interior, the Bureau of Mines, for doing this kind of work. They, of course, are conscious all the time of the economic, the industrial, and the strategic needs of certain metals. But the big idea behind the bill is to make such provision that we may avoid in the future the experiences we suffered in the last great emergency; so that if an emergency should come, there should always be a committee thoughtful about these things, and that such development as might come would not the type of mushroom development which we had, which was very bad for the country.

Mr. GILLETTE. I am in full accord with the purpose of the bill. I am merely wondering why we should give to the Secretary of the Interior blanket authority to investigate all the fields, whether their development is strategically necessary or not. There is no limitation, except his own viewpoint,

as to where he can spend the \$500,000 a year.

Mr. THOMAS of Utah. It is deemed that that is exactly where the authority should be, because the Secretary of the Interior is expert in that particular field, just as the limitation as to what constitutes a strategic material is left with the Secretary of the Navy and the Secretary of War.

Mr. GILLETTE. But the Senator does not propose to limit the Secretary of the Interior on the strategic need as determined by the Secretary of War or the Secretary of the

Navy

Mr. THOMAS of Utah. No; because the bill provides for industrial needs, and it is hoped that we will be able to develop those commodities which American industry needs in peacetime quite as rapidly as those things which the War and the Navy Departments need in wartime.

Mr. WILEY. Mr. President-

The PRESIDING OFFICER (Mr. Lucas in the chair). Does the Senator from Utah yield to the Senator from Wisconsin?

Mr. THOMAS of Utah. I yield.

Mr. WILEY. I notice in the report the definition of "essential material," neither "strategic" nor "critical" is included, and that one of the items under that heading is zinc. Because of the reciprocity treaties or trade agreements which have been negotiated, a number of zinc producing mines in southwestern Wisconsin have been closed. I ask what effect the bill, if enacted, would have upon that situation. Those mines are closed, not because we have not the zinc, not that we cannot produce it, but because under the reciprocal-trade agreements people in other countries can produce it cheaper. Let me find out how this proposed law would operate on that situation. If the mines are not kept going, the mines deteriorate. The zinc is there. In present circumstances we need to employ labor. Labor is idle; labor is going on W. P. A. If there is something in the bill that will help remedy that situation, then certainly it will be something we are looking for in Wisconsin.

Mr. THOMAS of Utah. I am afraid there is nothing in the bill that would remedy that situation. There is a possibility, which is very remote, so far as zinc is concerned, that the Government would decide to purchase a stock pile of zinc, and to that extent the zinc mines might benefit. But, so far as zinc in the United States is concerned, it is not strategic; it is necessary, but at the present time it is not

strategic. So it is not covered.

Mr. PITTMAN. Mr. President, this whole matter has been under consideration since prior to our entry into the World War. Prior to that time Mr. Herbert Hoover, afterwards President, was in charge of what we termed the necessary rare war minerals. They were minerals such as platinum. At that time we produced none of it in this country. It could be obtained possibly from Colombia. Platinum is also produced in Russia. There was tin, which is produced to some extent in Great Britain and also in Peru. We produce no substantial quantity of tin in this country.

Mr. Hoover, in charge of that matter, was attempting to devise some plan by which we could obtain these metals in the event we got into the war and our commerce in the supplies of rare metals was cut off. He suggested that our Government enter into arrangements by which a Government-controlled corporation should take over certain tin mines and platinum mines. I suggested to him at that time that that would not cure the difficulty, because the power to place embargoes against exports, or impose taxes, is inherent in government.

In the long run there was no way that could be thought of by which we could assure a supply of these essential war minerals, which we have never produced in this country in sufficient quantities, except to store the metals in this country. There is a large list of them in the report, and I do

not need to go into it.

I will state what I have in mind. There is no doubt, from this report, that the Army and Navy will advise from time to time as to the quantity of the metals or materials that should be stored here. Under the proposed law, the development of production in this country of certain of those rare minerals is purely incidental to the proposal. It may not change it at all. But the Navy Department and the War Department are to be the advisers under the proposed act, and should be the advisers.

There is one provision which I think should be in the bill. Our Government would, in an emergency, lay in a supply of platinum, or of tin, or of manganese, or of chromium, or of other minerals, vast quantities of which would be needed instantly in the event we were going into war, as was found to be so in the World War; but in the event the threat of war disappeared and there was a condition of peace throughout the world, these enormous supplies of metals which we do not produce here would not be needed, at least not in the quantities in which they would be needed under the immediate threat of war. The bill not only does not provide for the resale of such materials but it provides that they cannot be disposed of except during war or an emergent threat of war.

I should like to have the bill provide that when there is no threat of war, when peace seems to be smiling over the world, if that ever happens, the Government may recoup the money it has put out either for all or a part of the supplies

which are proven to be unnecessary.

Today we have not a sufficient supply of manganese to meet emergency demands in war. We might buy 10,000,000 tons of manganese, but war might not come for some time. In the meantime, production of manganese in this country might be increased to such a point that we would not need the supply we had stored away. Yet, under the provisions of the bill, the supply could not be disposed of except under threat of war. There is no question that as the domestic supply increases to meet the demand the surplus should be reduced and the money should be returned to the fund.

So I offer an amendment, which I hope the Senator from Utah will accept, and at least take to conference, where it can be rewritten or eliminated if thought necessary. I have not had sufficient time to study the bill as I should have done.

I offer the following proviso, to be inserted at the end of section 4, on page 4:

Provided, That when the President finds that any material acquired under this act is not necessary to carry out the purposes of the act or that the quantity in possession is larger than is necessary, he may sell all or any part of such material. The proceeds of any such sale shall be allocated to and deposited in the fund herein provided for.

Mr. THOMAS of Utah. Mr. President, I shall be very happy to accept the amendment because I think it is in complete keeping with the whole spirit of the bill.

Mr. AUSTIN. Mr. President, I do not understand the amendment clearly. With the main purposes of the bill I am in hearty accord, and I hope to continue to be so. But if there are amendments being added to the bill which change its nature from one of national defense to one of relief, I cannot go along as I have done in the past. I want to know what the amendment is and to understand it.

Mr. PITTMAN. I have heretofore tried to explain it, and

shall with pleasure try to do so again.

As I said awhile ago, the chief object of the measure is to meet a war emergency if it should arise. As we discovered prior to the World War, certain essential war materials were necessary in the production of munitions and implements of war-chiefly platinum, chromium, and tin. We could devise no legal way by which we could assure those materials coming into our country under certain conditions of warfare when embargoes might be placed by countries which produce the materials. We had no remedy. It was determined at that time, when Herbert Hoover was in charge of what were termed the necessary, rare war materials, to take steps so as to assure to our Government that it would have the supplies on hand in case of emergency, threat of war, or even possibility of our country going into war. That is what I understand the purpose of the pending bill is. There is no doubt that the President will be advised as to necessary materialsthe bill so provides—by the Navy Department and the War Department.

But the bill at the present time, I will say to the Senator from Vermont, compels the President to hold all the materials and supplies he buys, and not dispose of them, except in an emergency. An emergency may be facing us now, or there may be no emergency; but we hope that in a year or two years, or some time, there will be no emergency at all, and perhaps for 20 years we shall have a period of peace. So if with respect to any of the materials which are held the President is advised that it is no longer necessary to hold them, or that they are held in larger quantities than are necessary, he should be allowed to dispose of them and replace the money

in the fund.

Mr. AUSTIN. Mr. President, I could hear no more than half of what the Senator previously said, but what I heard in connection with the amendment I observed on page 2, line 3 and following, of the bill as it is now printed, excited me to suspect there might be a similar objective in the amendment proposed by the Senator. I understood that the bill permitted exactly the type of rotation of the stock piles to which the Senator referred.

Mr. PITTMAN. I thought so when I first read the bill. As the Senator will observe, it provides that the President may rotate materials which deteriorate. Of course, metals do not deteriorate very much. The President can rotate metals. But even the rotation anticipates that the President will keep the same supply. There is no provision in the bill that if an emergency ceases to exist in this country the President may dispose of the materials. That is all the amendment seeks to provide for.

Mr. AUSTIN. If there is no such provision in the measure,

there ought to be.

Mr. PITTMAN. That is all the amendment provides.

The PRESIDING OFFICER. The question is on agreeing to the amendment of the Senator from Nevada [Mr. PITTMAN] in section 4, on page 4.

The amendment was agreed to.

The PRESIDING OFFICER. The clerk will state the next amendment.

The next amendment was, in section 5, page 4, line 17, after the word "with", to strike out "section 3709, Revised Statutes (as amended by act of June 25, 1910) (36 Stat. 861; U. S. C. 41:5), and the act of March 3, 1933 (47 Stat. 1520; U. S. C. 41:10a)" and to insert in lieu thereof "Title III of the act of March 3, 1933 (47 Stat. 1520), but a reasonable time (not to exceed 1 year) shall be allowed for production and delivery from domestic sources and in the case of any such material available in the United States but which has not been developed commercially, the Secretary of War and the Secretary of the Navy may, if they find that the production of such material is economically feasible, direct the purchase of such material without requiring the vendor to give bond", so as to make the section read:

SEC. 5. Purchases under this act shall be made in accordance with title III of the act of March 3, 1933 (47 Stat. 1520), but a reasonable time (not to exceed I year) shall be allowed for production and delivery from domestic sources and in the case of any such material available in the United States but which has not been developed

commercially, the Secretary of War and the Secretary of the Navy may, if they find that the production of such material is economi-cally feasible, direct the purchase of such material without requiring the vendor to give bond.

The amendment was agreed to.

The next amendment was, in section 6, page 5, line 4, after "transportation", to insert "maintenance, rotation"; in line 5, after the words "storage of the", to strike out "commodities" and to insert "materials"; in line 9, after "June 30", to strike out "1939"; in the same line, after the figures "1941", to strike out "and"; after the figures "1942" to insert "and 1943"; and in line 10, after the words "under the", to insert "joint", so as to make the section read:

SEC. 6. For the procurement, transportation, maintenance, rotation, and storage of the materials to be acquired under this act, there is hereby authorized to be appropriated the sum of \$25,000,000, out of any money in the Treasury not otherwise appropriated, for each of the fiscal years ending June 30, 1940, 1941, 1942, and 1943, to be expended under the joint direction of the Secretary of War and the Secretary of the Navy.

The amendment was agreed to.

The next amendment was, in section 7, page 5, line 20, after the words "essential to the", to strike out "national defense or the"; in line 21, after "United States", to insert "for common defense,"; on page 6, line 8, after the word "which", to strike out "the" and insert "such"; in line 13, after "June 30", to strike out "1939,"; in line 14, after "1941", to strike out "and"; and in the same line, after "1942", insert "and 1943", so as to make the section read:

SEC. 7. (a) That the Secretary of the Interior, through the Director of the Bureau of Mines and the Director of the Geological Survey, is hereby authorized and directed to make scientific, technologic, and economic investigations concerning the extent and mode of occurrence, the development, mining, preparation, treatment, and utilization of ores and other mineral substances found in the United States or its Territories or insular possessions which are essential to the industrial needs of the United States for common defense and the constitutions regarded of mineral substances. are essential to the industrial needs of the United States for common defense, and the quantities or grades of which are inadequate from known domestic sources, in order to determine and develop domestic sources of supply, to devise new methods for the treatment and utilization of lower-grade reserves, and to develop substitutes for such essential ores and mineral products; to explore and develop on public lands and on privately owned lands, with the consent of the owner, deposits of such minerals, including core drilling, trenching, test-pitting, shaft sinking, drifting, crosscutting, sampling, and metallurgical investigations and tests as may be necessary to determine the extent and quality of such deposits, the most suitable methods of mining and beneficiating them, and the cost at which such minerals or metals may be produced.

(b) For the purposes of carrying out the provisions of this section there is hereby authorized to be appropriated, out of any money in the Treasury not otherwise appropriated, out of any money in the Treasury not otherwise appropriated, out of son \$500,000, of which amount \$350,000 shall be appropriated to the Bureau of Mines and \$150,000 to the Geological Survey.

The amendment was agreed to.

The PRESIDING OFFICER. That completes the committee amendments.

Mr. AUSTIN. I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll. The Chief Clerk called the roll, and the following Senators answered to their names:

Adams	Danaher	King	Reed
Ashurst	Davis	La Follette	Revnolds
Austin	Donahey	Lee	Russell
Bailey	Downey	Lewis	Schwartz
Bankhead	Ellender	Lodge	Schwellenbach
Barkley	Frazier	Logan	Sheppard
Bilbo	George	Lucas	Shipstead
Bone	Gerry	Lundeen	Smathers
Borah	Gillette	McKellar	Smith
Bridges	Glass	McNary	Taft
Brown	Green	Maloney	Thomas, Okla.
Bulow	Guffey	Miller	Thomas, Utah
Burke	Gurney	Minton	Townsend
Byrd	Harrison	Murray	Truman
Byrnes	Hatch	Neely	Tydings
Capper	Hayden	Norris	Vandenberg
Caraway	Herring	Nye	Wagner
Chavez	Holman	O'Mahoney	Walsh
Clark, Idaho	Hughes	Overton	Wheeler
Clark, Mo.	Johnson, Calif.	Pepper	White
Connally	Johnson, Colo.	Pittman	Wiley

The PRESIDING OFFICER. Eighty-four Senators having answered to their names, a quorum is present.

The bill is still before the Senate and open to further amendment.

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Mr. LODGE. Mr. President, I offer an amendment, which I send to the desk and ask to have stated.

The PRESIDING OFFICER. The amendment will be stated.

The CHIEF CLERK. At the end of the bill it is proposed to add a new section 8, as follows:

SEC. 8. The President is hereby requested to enter into negotiations with foreign governments which are indebted to the United States with a view to arranging for such governments to furnish the United States with strategic and critical materials for nationaldefense purposes in payment or part payment of the indebtedness of such governments to the United States.

Mr. LODGE. Mr. President, I should like to reiterate the remarks I made briefly earlier today with regard to the amendment. I think it is self-evident that an amendment of the kind suggested or procedure of the character proposed would not in any way interfere with goods which are produced by American citizens. One of the difficulties in the settlement of the debt question has been that if we imported goods from foreign countries such goods might compete with American-produced goods. That would not be true in this case. Here is an opportunity to confer a service upon the American people by providing them with strategic raw material. Here is an opportunity to confer a service on them by having the material come in without additional cost and also to confer a benefit in the way of development of international good will by having at least a partial settlement made of the debt question.

So I hope my amendment will be adopted.

Mr. ASHURST. Mr. President, salutary and wholesome as are the spirit and purpose of the bill which proposes to develop strategic and critical materials which may be necessary in an emergency in the future, there are some other questions which are even more vital than the proposals of this bill.

The leadership for a protective tariff in the United States has passed from New England. It passed for economic reasons. The demand for a protective tariff is now led by the West, without regard to party. I need not now rehearse what I have said many times in this forum—although it could not be said too often-that the Democratic Party, and not Alexander Hamilton, was the father of the American protective tariff, and in this assertion history will bear me out. No one who makes any pretension to study history will question my statement on this head.

A tariff to afford some adequate measure of protection to those who are producing in this country-I emphasize the word "producing"-would give more truly independence, more efficiency, and more employment than any other law we could enact.

Since the able Senator from Massachusetts [Mr. Longe] has been in the Senate, he has given evidence of close investigation of subjects upon which he speaks. However, the able Senator seemed to leave the impression that there are metals which the United States does not or could not produce, and that therefore it would be wise and expedient to seek to import from foreign countries such metals as we do not produce, or could not produce.

I commend the general idea of his amendment. However, I should be recreant not only to the West but recreant to our whole country if I failed to say that, so far as I know, within our own bosom, within our own hills repose all the metals which might be necessary to this Government in a time of emergency, or necessary to carry on the ordinary purposes of commerce, manufacture, chemistry, industry, and common life.

Within the past half century—yes, within the past 25 years—science has done many startling things. The agencies of science have returned from their remote excursions bringing many trophies. Men of science have lately tickled Nature until she has laughed forth secrets which for generationsyea, for thousands of years—she kept closely hidden and carefully guarded. To this generation, indeed, has been given the key to the kingdom of the material sciences. Whether we are any better or happier for all this is a question I do not now discuss.

At Fort Knox, Ky., some \$11,000,000,000 in gold lies buried. In a desperate emergency perhaps a few tons of some of the rare metals might be quite as important to national defense as all the gold there buried. So I repeat that if we will but give proper encouragement to what I shall term the owners of small mines in the United States, the miners will smite with pick and drill the obdurate face of Nature and compel her to pour forth these necessary metals, and we shall not need to depend upon any foreign country for our critical and strategic metals in time of war or peace.

Up to the time of the World War we had neglected to develop an adequate supply of manganese. Every Senator present knows as well as I the importance of that metal in time of war, as well as its importance in time of peace. So hardly were we pressed during the war to secure manganese that we apparently offered a bonus to prospectors and miners who would discover manganese ores and extract the metal therefrom. Acting upon that encouragement, hundreds of men went forth and discovered and developed manganese ores. About the time the miners had the ore on the dump, the war concluded, and the United States was called upon for many years to pay-and I think properly so-large sums of money out of the Treasury of the United States to reimburse those with whom it appeared we had impliedly contracted to develop manganese ores.

I think this bill indicates prescience and forethought on the part of its sponsors and supporters. Its general purpose is good; and if we will set up a protective tariff upon the products of our mines we will not stand in need of securing

metals from any foreign country.

My friend the Senator from Pennsylvania [Mr. Davis] sits before me and does me the honor to listen. It was believed that his State was a leader in the advocacy of a protective tariff. For a time it was. In the First Congress Mr. Fitzsimons, of the State of Pennsylvania, took the leadership for a high protective tariff.

Mr. MILLER. Mr. President, will the Senator yield?

Mr. ASHURST. Certainly.

Mr. MILLER. In connection with the remark of the Senator about manganese, I should like to interject that as a result of the war activity we stepped up the production of manganese in the United States from 1916 to 1918. In 1916 the production was 11,000 tons. In 1918 it was 318,000 tons. Immediately after the war ended we began buying manganese from Russia, and have been buying 800,000 tons a year from Russia under our trade practices. As a result the manganese miners of this country are now on relief.

Mr. ASHURST. Mr. President, I am immensely obliged to the able Senator from Arkansas for what he calls an "interjection," but what I believe to be a tremendous reinforcement of the argument I am trying to make. He is correct when he says that notwithstanding the fact that the United States possesses ample sources of manganese, we have been purchasing from Russia manganese which is produced by

slave labor, or by forced labor.

We talk much about the workingman, about his woes, his troubles, and his tribulations. The workingman would like to have a few votes here in favor of a tariff to keep out forced- and slave-labor produced metals. He would appreciate such consideration equally as much as he would appre-

ciate a fine speech. [Laughter.]

So far as within my power lies, ever since I became converted 20 years ago to the high protective tariff, I have never failed upon a proper occasion to speak for a protective tariff. It may interest Senators to know that in the early years of my career, like a bifurcated, peripatetic volcano, I traveled over the United States speaking for low tariffs. Some day I may bring into the Senate a copy of a speech I made nearly 28 years ago on that subject. It is regarded as one of the best speeches ever made for low tariffs.

It was so able that I have been answering that speech ever since. Our country cannot subsist without a high protective tariff. If I should be asked, "On what?" I reply, "A protective tariff on the products of the farm, the field, the forest, the factory, the mines, and the ranch."

Mr. SMITH. And the politicians. [Laughter.]

Mr. ASHURST. I did not catch the sotto voce remark of my learned friend, but I know it is an illuminating statement. Mr. SMITH. I thought it might be possible to obtain a

high protective tariff on politicians.

Mr. ASHURST. Mr. President, the politician needs no protection. If he be a true politician, he ought to be able to protect himself at any place, in any circumstance, at any time. [Laughter.]

When I speak of the politician, I do not employ the word "politician" as an epithet. We are here because we are politicians; and when we cease being politicians we shall go out of this body. Politics is a profession worthy of any young man's consideration. The Government is run by politics in the higher sense. It is only after a politician achieves fame, and after all motive to envy is silenced, that we begin to call him a statesman. Many of my brethren now in the Senate, after they have left these doors forever and are sleeping, will be called statesmen. They will not be called statesmen during their lifetimes. History and destiny quite properly are jealous as to the way and as to the place they assign living men and grant compliments to existing statesmen.

Mr. NEELY. Mr. President-

Mr. ASHURST. I yield to my able friend from West Virginia.

Mr. NEELY. I rose to suggest as a substitute for the amendment offered by the distinguished Senator from South Carolina [Mr. SMITH] in favor of a high tariff to protect politicians from competition, that the Congress provide the

public protection against politicians. [Laughter.]

Mr. ASHURST. Mr. President, I have had experience with many persons. I have never met a more pungent intellect, and I have never met a man better fitted for public service than my able friend from West Virginia [Mr. NEELY]. When I say "able" I am not merely using the language of compliment, which is proper as used in the Senate. He touches nothing that he does not adorn. If I understood him aright, he wished to have the public protected from the politician. Is that the Senator's suggestion?

Mr. NEELY. Yes; but not the kind of politicians whom the eminent Senator from Arizona has described with his usual eloquent language which is always like apples of gold

in pictures of silver.

Mr. ASHURST. I was using the word "politician" in the sense of a man who is earnestly desirous of serving his country. When I was a very young man there was another young man in our community who tried to conceal the fact that he wanted to be elected to Congress. Somehow he seemed apologetic. I said to him, "Do not apologize. No more valuable public service can be rendered to the country than true service in Congress. Do not be afraid of being called a

Here is my friend from South Carolina [Mr. SMITH]. A farmer; he is one of the scholars of the Senate. I shall ask him to tell the Senate the etymology of the word "politician." He will tell us that in the etymology of that word there is no epithet to be attached to the word "politician." Let him

now make his admission. [Laughter.]

So, Mr. President, again expressing my approval of the spirit and purpose of the bill, I will say that I am prepared to consider any amendment or any suggestion which will cause foreign countries to look with any degree of amiability upon the payment of their debt to the United States. My able friend from Massachusetts [Mr. Longe], who is undoubtedly a student of foreign relations, seems to have a lurking idea or belief that foreign countries will ultimately pay their debts. They will never pay unless compelled to do so. It is a part of the policy of European governments never to pay another government. I shall support any move that may be made looking toward obtaining even a farthing due to the United States from foreign governments, whether they be democracies or autocracies.

Mr. MURRAY. Mr. President, will the Senator yield?
Mr. ASHURST. Certainly, I yield to my friend.
Mr. MURRAY. Will not the Senator make one or two exceptions to that statement?

Mr. ASHURST. Yes, Mr. President; and I thank the Senator. The able Senator from Montana, a few days since, very properly called attention to the fact that there are two governments, so far as we know, which pay their debts. One is Ireland, the land that has produced so many warriors, so many scholars, and so many orators that at times it seems that Prometheus took an extra fagot of divine fire and touched the lips of all Irishmen, thus making them eloquent by nature. That nation, Ireland, is not only paying the debts it owes but it has gone still further and is paying the debts which it is under no moral or legal obligation to pay. Am I right about that?

Mr. MURRAY. The Senator is right. Mr. ASHURST. That is No. 1.

The other one, Finland, a small country, is paying its obligations to the United States but the natural state of many European countries is "war." In the case of most of the young men in foreign countries, when they learn there is going to be war their eyes will sparkle as if they were viewing some beautiful picture or some exquisitely chiseled statue. For 2,000 years war has been the usual European occupation. So when we read of these so-called crises in Europe and imagine that we are going to save Europe we should remember that Europe's salvation, like the salvation of an individual, depends upon itself. Europe will save itself if and when it spends money for building up its internal resources and developing itself, instead of trying to take what belongs to some other nation.

We hear a great deal nowadays to the effect that the nations in Europe are much concerned over forms of government. Truth is that the troubles in Europe and the disputes there are not concerned with forms of government. The disputes in Europe are over lands, concessions, markets, harbors, material advantages, and imperial designs. A Senator is not a sophisticated man if he believes that the European nations are going to fight over any particular form of government. With a few noble exceptions, they do not care anything about the form of the government.

But I seem to have drifted away from what I was intending to say. I was saying that if we will develop our own internal resources, protect our shores, encourage the small mineowners of the United States, they will produce not only all the ferrous metals we need but also what we call the nonferrous metals, and rare metals and precious metals.

I was interrupted by the able Senator from Montana [Mr. MURRAY]. His State is a great producer of copper. The State of Arizona produces a vast amount of copper, possibly a third annually of all the copper produced in the United States, and Arizona has done so for many years. Copper in Arizona pays more than half of all the taxes paid there. Copper pays more than half of all the wages paid in Arizona. I have not vexed the ears of Congress urging laws giving copper special privileges. If we will but let the natural, honest, economic laws operate, industries like the copper industry will have no great difficulty and will flourish.

Mr. President, I now read a resolution adopted by the Arizona Small Mine Operators' Association on the 15th of

Resolution passed unanimously by Phoenix Council, Arizona Small Mine Operators' Association, at its meeting March 15, 1939

Whereas it is a well-known and established fact, that this country has never enjoyed prosperity unless great activity was prevalent in the development of our natural resources; and

Whereas it is absolutely essential that financing of efforts to develop our natural resources is necessary before the little-business

man can go ahead; and
Whereas the present restrictions, rules, and regulations of the
Securities and Exchange Commission as imposed upon such financ-Securities and Exchange Commission as imposed upon such financing efforts require the expending of varying sums in order to prepare the data, information, etc., required by the said Department, even when only a prospectus is required, and only less than \$100,000 is needed for development purposes; and Whereas a great feeling of fear exists whenever plans for financing the little fellow are taken up, fear that he may unintentionally violate the Federal Securities Act or the restrictions, rules, and regulations of the S. E. C.; and Whereas if small developers and small-business men, working in the exploitation of our natural resources, could go ahead and finance their propositions say up to \$100,000 without having to file a prospectus or meet any other of the Federal red-tape requirements

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now imposed, it is certain that a great step toward recovery and normalcy would immediately result, and the feeling or fear would vanish: and

Whereas present fraud laws are sufficient and should be enforced

to the limit; and
Whereas it is the little-business man of today who develops and
creates the big taxpaying businesses of tomorrow: Now, therefore,

Resolved, That the Phoenix Council, Arizona Small Mine Operators' Association, does hereby petition Members of the United States Senate and House of Representatives to take steps immediately to eliminate the restrictions, rules, and regulations of the Federal Securities Act and the Securities and Exchange Commission insofar as they apply to financing of enterprises engaged in the development of our natural resources up to an amount of \$100,000.

A prospector goes into the hills; he sleeps beneath the starry stillness of the desert night. He has credit for food for a few weeks. We call it a grubstake. I say to my scholarly friend [Mr. Smith] that the word "grubstake" is a legitimate and accepted locution. I saw the Senator smiling. The grubstake is known to the law. A prospector discovers a mine, and the men who have grubstaked him become part owners according to their agreement. There is a prospect. It requires money for development. It requires from five to thirty-five or forty thousand dollars to make a preliminary discovery or exploration and then it requires additional capital to develop further and to operate. So long as we continue to hamper prospectors and to lay unnecessary burdens, fines, and amercements upon small mine operators, we need have no hope of any large development of our mineral resources.

Mr. President, consider a mighty and majestic river upon whose placid bosom may swim the commerce of a great nation-let us say the Mississippi River, adjacent to the State which you, Mr. President [Mr. Lucas in the chair], with your colleague so ably represent-does not gush forward at once a large stream, full panoplied, like Minerva from the brow of Olympian Jove. That great river sprang from small and meager beginnings-here a slender, small stream, here the melting of some snow, possibly in some alpine region, accumulating, accelerating, gathering more and more springs as it flows, until the slender streams finally reach the proportions of a great river. So it is with the mining industry. Prospectors very rarely, if at all, go out and discover offhand and without development a million-dollar mine. Actual mines are brought into existence because some man working with a pick and shovel, able to enlist some capital, develops a small mine into a larger mine, and that, in turn, is developed into a still larger mine. The mining industry must have legitimate encouragement at its original sources if it is to

Arizona, so far, produces no fuel oil. I suppose we buy great quantities of fuel oil from Oklahoma. The Senator from Oklahoma [Mr. Thomas], who is a close student of the subject, will bear me out in the assertion that in many instances large sums of money, from fifteen to twenty-five thousand dollars, are required to test and ascertain whether or not there is even a prospect for oil. So, Mr. President, our independence from an economic standpoint, our security in times of war, if war should unhappily come, will largely depend upon our ability to produce essential materials from our own soil.

Senators who were here some 21 years ago will remember that one morning a grief of unusual poignancy settled upon us. We were notified that the ship called the Cyclops, coming here from Brazil loaded with manganese-we had not developed our manganese resources-had disappeared. I may say that no trace of the Cyclops has ever been discovered. She was lost with all her crew and passengers. It happened that the nephew of one of our Senators was on board the ship. We were required to secure manganese from a foreign country during wartime. Nitrates we were obliged largely to get from Chile during wartime. I join with all Senators in seeking the enactment of any legislation that will make the United States self-sufficient and self-contained, so that she will not be required to depend upon foreign countries for essential materials if we should unhappily have trouble in the nature of war.

Mr. CAPPER. Mr. President, while we are discussing measures pertaining to the national defense I desire to call

the attention of the Senate to a large number of petitions which I have received during the past few days from citizens of Kansas. Several thousand citizens of my State have signed these petitions praying for the enactment of a neutrality law which will keep the United States out of all foreign entanglements; also, a large number of petitions praying for the adoption of an amendment to the Constitution authorizing a referendum vote on war.

Mr. President, all of us are much disturbed, horrified, in fact, by what is developing in Europe these days. It looks as if the Old World is war mad again.

Central Europe is on the march again.

Mr. President, I say that right now is a good time for the people of the United States to stop, look, and listen. It is my judgment that the more we face the world situation today realistically, and the less we face it emotionally-I might almost say hysterically—the better for us, and, in the long run, the better for Europe and the entire world.

Reading history casually, and studying maps of central Europe at different periods, it does not look to me as if lasting peace can ever be expected in central Europe unless practically all the states in this area can be united into one federation. Perhaps that process is now going on. I do not know; you do not know; nor is it likely that anyone else knows. But I will say frankly that I do feel that I know this much:

Trying to settle those boundary lines, trying to prevent such a federation, is no job for the United States of America. I will go further than that: I say it is none of our business. It would be an impossible task for the United States to settle the boundary lines of European countries, even if that were

I know there are those in the United States who are obsessed with the idea that we have a rendezvous with destiny to attempt some such fantastic feat; but I believe most Americans realize that such ambitions are just delusions of grandeur.

Let us look at the matter from the other angle. Do we want the nations of Europe to come over here and try to fix the boundary lines of nations either in North America or in South America? Emphatically, we do not. We have a Monroe Doctrine directed against any such procedure. Now I ask, have we any more right to go over to Europe to settle boundary lines than Europe has to come over here to settle boundary lines?

It seems to me there is only one logical answer to that question. Uncle Sam should keep out of Europe.

I abhor Hitlerism, with its Jewish pogroms, its persecutions of helpless minorities, its crushing out of human sympathies, as much as does anyone. I am not in accord with the ambitions of Mussolini to restore the old Roman Empire and its vanished glories.

We may as well be somewhat realistic in considering foreign affairs; in fact, we had better be. And let us keep in mind that the present situation in Europe is not all due-perhaps it is not even in large part due—to the ambitions of either Adolf Hitler or Benito Mussolini, or both.

Perhaps a glance at a map of Europe, and a comparison of that map with the map of North America, may help to explain what seems to many Americans the fantastic and horrible nightmare which they see developing in Europe these

When the late World War broke out in 1914 that map was bad enough in the eyes of anyone who could visualize what national boundary lines mean. In a territory two-thirds the size of the United States there were some score of sovereign nations, most of them densely populated, many of them unable to feed themselves, competing for markets, for raw materials, for political power.

The United States was persuaded at that time that to make the world safe for democracy the United States must send an army overseas to aid the Empires of England and France crush the imperialism of Germany. We sent our boys overseas. We poured billions and billions of dollars into Europe. We won the war for the Allies.

Then came the Treaty of Versailles. Boundary lines were again readjusted, as they are at the conclusion of most wars. Did the Allies establish boundary lines with the idea of promoting the welfare of Europe, of creating a more prosperous and peaceful Europe? I say the answer to that question emphatically is "no." The Allies drew up a peace treaty that might as well have been called a war treaty, written for the purpose of breaking up central Europe into more and smaller and weaker states, none of them strong enough to lead a national existence, none of them so weak that it did not constitute a threat to its neighbors when economic conditions became unbearable.

Instead of 20 nations, Europe consisted of 27 nations after the Versailles Treaty was written. Every nation except the United States grabbed off some more territory from Germany and her allies. Seven new sovereign states were in Europe west of Russia—Poland, Czechoslovakia, Finland, Estonia, Latvia, Hungary, and Lithuania. Serbia became Yugoslavia.

Seven thousand miles of new tariff walls were erected in western Europe. Twenty-seven nations, in an area about two-thirds the size of the United States, proceeded to restrict the trade of each other, to gain marketing advantages, to survive in a struggle for existence.

The boundary lines established by the Treaty of Versailles were impossible. They could be maintained only by force and by the use of continually greater force. No wonder England and France wanted the United States to head the League of Nations and supply the necessary police force to try to keep dismembered Austria and disrupted Germany inside those impossible boundary lines.

Hitler and Mussolini, particularly Hitler, were the logical results of the Treaty of Versailles. Some may not like that statement; I do not like to make it, but I believe it to be substantially true. Just imagine the United States broken up into 30 nations, perhaps a third of them incapable of supporting their populations, and prevented by tariff walls and standing armies from even trading with their neighbors on anywhere near even terms. Could it not be foreseen that an explosion would be inevitable?

Even supposing the United States did have a destiny in Europe—which I most emphatically deny—how could any of us, or even a President of the United States, determine how that destiny should or could be fulfilled?

In Europe today are two imperialistic democracies, England and France, to whom we are tied by blood relationship and traditional friendship. Then we see two dictatorships with imperialistic ambitions, Germany and Italy, with whom we have had no wars of our own. We joined in one war against. Germany in which Italy was one of our allies

against Germany, in which Italy was one of our allies.

Partly in and partly out of Europe is another great nation—Russia, mysterious Russia, communistic Russia.

Complicating the European situation still farther is Japan in the Orient, trying to become the England of Asia.

What chance has a President of the United States, or a Congress of the United States, or the people of the United States, of straightening out that mess? Not a chance in the world. I repeat, our position is that of onlooker, and we should not for one moment consider taking sides in quarrels that we can neither understand nor hope to settle.

Let us insist on strict neutrality; let us strengthen the Neutrality Act, not weaken it. I say that we have no business trying to settle the boundary disputes among England, France, Italy, Germany, Russia, and a score of lesser European nations. Such disputes are entirely out of our sphere, no matter who may think we have a rendezvous with destiny somewhere in France. Let us mind our own business and follow the sound foreign policy laid down by Washington of avoiding foreign entanglements and alliances.

Our best foreign policy is to provide a strong defense for the United States and for the Western Hemisphere against attack, but not to defend the Rhine in Europe or the island of Guam in the Orient. Nor should we arm so heavily or so speedily as to give Europe or Asia reason to believe we intend to participate in their quarrels. We made the world "safe for democracy" once and got the worst of it. Why get into another European mess? I am also strongly opposed to any secret assurances being given to other nations that the United States will back them in case of war. If we are to enter into any alliances—and I am absolutely opposed to entangling alliances—better have them open, aboveboard, and ratified by the Congress.

Better still, let us adopt the war referendum amendment and serve notice that no official or set of officials can pledge this Nation to participate in other nations' wars until the people themselves have had a chance to say what they want done.

This is a good time not to go abroad looking for trouble—there is too much trouble there to be had for the looking and we have enough trouble of our own right here at home. Helping the farmer save his farm from foreclosure, getting jobs for the 10,000,000 unemployed in the cities, and balancing the Nation's Budget is enough to keep all of us busy for a while.

Mr. LODGE. Mr. President, the Senator from Arizona made the very pertinent observation that any provision looking to foreign nations supplying us with strategic materials should make it very plain that such materials are not being produced in the United States. I think that in the language of my amendment it was implicit that that could not be done, but in order to lay any doubts at rest I have exercised the privilege which I understand I have and have modified my amendment so that strategic materials which are produced in the United States will not come in under this arrangement. I believe too many goods of foreign production are already coming into this country.

Mr. ASHURST. Mr. President, I am very much pleased that the Senator has cleared up what might have been a doubt in his amendment. He says he has made the language explicit so that it will apply only to such metals as are not produced in commercial quantities in the United States.

Mr. LODGE. That is correct.

Mr. ASHURST. I shall take great pleasure in supporting the amendment in its present form.

Mr. LODGE. I thank the Senator. I modify my amendment by adding the words "which are not now produced in the United States" after the words "defense purposes," so as to make the amendment read:

SEC. 8. The President is hereby requested to enter into negotiations with foreign governments which are indebted to the United States with a view to arranging for such governments to furnish the United States with strategic and critical materials for national defense purposes, which are not now produced in the United States, in payment or part payment of the indebtedness of such governments to the United States.

Mr. SMITH. Mr. President, I did not know the measure now pending was to be brought up, and I am not familiar with all its details; but I take it the purpose of the bill is to encourage the production of necessary materials of war. I wish to recite an experience I had during the last war.

As everyone knows, nitrates are the basis of all explosives. For a pertinent reason I went to Mr. Baruch, who was then the head of the War Industries Board, and asked him what supply of the basic material which is the sine qua non of all war materials, the explosive power, we had on hand. He had not paid any attention to it, so he investigated, and it was discovered that we had less than 2 weeks' supply for practice purposes. At that time we were wholly dependent upon the mines of Chile.

It developed that we came within a heart's throb of having Chile embargoed by Germany. Had that occurred, there would have been no other sufficient source of nitrogen available for the United States.

I introduced a bill, which passed this body and the House of Representatives, appropriating \$20,000,000 for an investigation by the Government into certain water-power sites where we might engage in developing the newly discovered method of extracting nitrogen from the air. There was a plant at Niagara which at that time was producing what they call cyanamide, a composition of nitrogen and lime. The product was not very satisfactory and could not, without being reprocessed, be used for the manufacture of explosives.

As a result of the alarming situation of our Government in regard to its ability to go to war, which ability, in the final analysis, rested upon its possession of sufficient nitrates, experiments were begun in the extraction of nitrogen from the air. As everyone who has made any study of chemistry knows, the air is composed of four parts of nitrogen and one of oxygen. The necessity for this Government being independent of all other sources has resulted in the perfection of a process of extracting nitrogen from the air to such a point that today one company is producing enough nitrogen to supply the armies of the United States without limit, and it is producing it, by the Haber process, in such a form that it takes a minimum amount of manipulation to reconvert it into pure nitrogen necessary as a basis of all our explosives.

Mr. President, I am convinced that had not the startling fact been brought to the attention of the American people that we as a great nation, in the event of war, would be dependent upon a little strip of country on the west coast of South America for our power to fight, this great discovery would not have been made.

Mr. ASHURST. Mr. President, will the Senator yield?

Mr. SMITH. I yield.

Mr. ASHURST. I perfectly recall the circumstance stated by the Senator, and while, history has never done ample credit to the able Senator from South Carolina, it was, in my opinion, none other than he, certainly so far as the United States Senate was concerned, who first called attention to the fact that we had on hand supplies of nitrogen which would last no longer than 2 weeks, and that if a blockade could be maintained around the ports of Chile, and such nitrogen cargoes as were bound for the United States could be seized, we would be powerless to move. I think that it was one of the gyidences of the Senator's real statesmanship when he exposed that fact, and not only exposed the fact, but took measures looking toward securing adequate supplies of nitrogen.

Mr. SMITH. I thank the Senator.

Mr. LUNDEEN. Mr. President, will the Senator yield?

Mr. SMITH. I yield.

Mr. LUNDEEN. I was under the impression that we took care of that situation in part by the construction of the Muscle Shoals Dam.

Mr. SMITH. That was the result of the appropriation of the \$20,000,000, at my suggestion. It was finally decided that Muscle Shoals was the place where the Government should set up its nitrogen plant. Since then it has been distorted into more or less of a power plant; but the object of the Muscle Shoals development was the production of nitrates for the United States during times of war.

Mr. LUNDEEN. If the Senator will permit a further interruption, I should like to ask him, can Muscle Shoals, as it is now constituted, be used for the production of nitrates?

Mr. SMITH. I think the machinery at Muscle Shoals is so obsolete that it would be difficult for the Government to modernize the plant without a tremendous outlay of additional money.

Mr. LUNDEEN. I take it, then, the Senator is in favor of installing modern machinery there, so that in the event of difficulty we would be able to produce the necessary nitrates?

Mr. SMITH. Mr. President, I wish to acknowledge that I never was more disappointed than when, after my efforts in the Senate had finally resulted in the location of the plant at Muscle Shoals, and the war was over, there was a clamor that we desist and let private enterprise go on, and in the same breath a demand that we enter into the production of power in competition with private industry.

Mr. ASHURST. Mr. President, waiving the question as to whether governmental activity should enter into competition with private enterprise, is it not a fact—and I think the Senator ought to draw some comfort from the circumstance—that enormous amounts of hydroelectric energy are necessary for the production of air-fixed nitrogen? That is true, is it not?

Mr. SMITH. Not so much now. The process has been reduced to such a point that a comparatively small amount

of hydroelectric power is necessary to produce a unit of nitrogen.

Mr. ASHURST. The Senator is a keener student of that subject than am I, but my general information, obtained as a result of an investigation I made a long time ago, is that large amounts of electrical energy are necessary to obtain the fixation of nitrogen.

Mr. SMITH. Mr. President, under the modified process enough power is generated at Muscle Shoals to produce all the nitrates the Army would need. The amount of nitrogen produced by a unit of electrical power is now so increased that the cost of a ton of nitrate is cut to one-half its original cost.

I desire to congratulate the Senator from Utah on the fact that he has introduced a bill which will develop some of our mineral resources to such a point that we will be independent of the rest of the world. With respect to those whose production at home we cannot develop we should make the best terms possible to get them from abroad.

I heard my colleague say earlier today that \$500,000 was provided in the Navy bill with which to purchase the necessary strategic war materials. I think that would be like providing a 2 weeks' supply of nitrogen. Five hundred thousand dollars could not provide more than the current ammunition necessary to carry on gunnery practice and war games. Surely we would need more than \$500,000 to possess ourselves of that one essential in time of actual war.

Mr. President, I believe—and I am going to take this occasion to say it—that our Government is duty bound to its citizens and to our great, rich country to see that it is amply protected at all times against any exigencies that may arise. I do not believe we have a right to interfere with or get mixed up in the embroglios of Europe. European countries can settle their own affairs as they see fit. But I want America to be so prepared with its fighting forces, its Army and Navy, backed up by our inexhaustible resources, as to be able to meet all comers who dare to interfere with us or to attempt to change our form of government.

Mr. President, so long as I am in the Senate, I am going to vote for every dollar that is necessary to be expended to keep us properly equipped to meet any exigency or emergency that may arise. I am not a pacifist in the sense that I think that peace on earth and good will to men will prevail during my lifetime or that of my grandchildren. I am afraid human nature is not ready for that great transformation.

In conclusion, I wish to say that the results of the experiment in extracting nitrogen from the air are almost parallel with the development of radio. There is an unlimited, infinite supply of it. The ingenuity of man has tapped the synthetic source and is now producing the material in such quantities as to make us forever independent of any natural deposits. It is a synthetic material, true, but it has the same chemical composition as the natural product.

I hope the Senator from Utah will have success with his bill. We are spending millions in America. We are pouring out money at the bung and trying to stop the drippings at the spigot.

The PRESIDING OFFICER. The question is on agreeing to the amendment of the Senator from Massachusetts [Mr. Lodge] as modified.

Mr. BARKLEY. Mr. President, I wish to ask the attention of the Senator from Utah. A number of Senators have to attend committee hearings, and have other engagements, which have compelled them to suggest that unless there is some haste or emergency with respect to the pending measure final action on the bill go over. I will say frankly that it is my purpose to move that the Senate adjourn until Thursday. Would the Senator from Utah have any objection to that course? Of course, his bill remains the unfinished business until it is disposed of.

Mr. THOMAS of Utah. Mr. President, I have no objection at all to the suggested arrangement.

Mr. McNARY. Mr. President, will the Senator yield?

Mr. BARKLEY. I yield.

Mr. McNARY. I hope the able Senator in charge of the bill will consent to the request made by the Senator from Kentucky, because we have today a meeting of the Thomas Jefferson Memorial Association. The meeting is a very important one. In fact, the Commission is already in session, the meeting having begun at 2:30 p.m. If the Senate were to suspend at this time, we could attend the meeting.

Mr. AUSTIN. Mr. President, in order to have the matter before the Senate in the RECORD overnight, I ask unanimous consent to have printed in the RECORD at this point in my remarks an extract from Fortune magazine of January 25, 1939, which is a background reading for common-defense plans; also a part of a clipping from the Christian Science Monitor of February 24, 1939, entitled "This Changing World," by H. B. Elliston—that part of the article only which relates to the buying and selling program.

The PRESIDING OFFICER. Without objection, it is so ordered.

The matters referred to are as follows:

[Excerpts from article entitled "The High Cost of Peace," published in Fortune of January 25, 1939]

Besides the money needed for machine tools, the Army procurement experts would like to see \$25,000,000 appropriated for the purchase of stock piles of the so-called strategic raw metals that do Besides the money needed for machine tools, the Army procurement experts would like to see \$25,000,000 appropriated for the purchase of stock piles of the so-called strategic raw metals that do not exist in commercially exploitable form in the United States. These strategic materials include manganese, tin, tungsten, and chromite. If we do not contemplate war with Canada the nickelalloy problem solves itself; the partly United States owned International Nickel Co. is right next door. And if we are certain that the sea lanes to South America can be kept open, other shortages do not shape up as menacing. Manganese, an absolute essential as a steel alloy, can be had in Cuba. Chromite, needed for armor plate, gun carriages, and cutting tools, is practically a South African monopoly. But there is some in Cuba, and in wartime our civilian use of chromium for barroom fixtures could be dispensed with. Tin now comes from British Malaya, but Bolivia has quantities of this metal. Tungsten, needed for bullet cores and for hardening high-speed cutting tools, is imported from China and India. The United States, however, has plenty of tungsten deposits that can be worked when the occasion warrants.

But if this hemisphere is theoretically self-sufficient in metals, it does not follow that the severing of the sea routes to South Africa and Malaya would not result in immediate shortages in our supply of alloys. It takes enormous time to bring new mining regions into production. Common sense, then, would seem to indicate the logic of laying in a few stock piles, especially of manganese. The strategic metals might be purchased at low points in the business cycle, as a fillip to languishing international trade.

Rubber, silk, coffee, and tea are the nonmetallic strategic and critical raw materials that the United States lacks. Coffee, an essential as an army morale maintainer, can be had in quantity from South and Central America. Tea, an absolute necessity for British troops, could be dispensed with by Americans in a pinch. Nor n

perimentation, nylon will almost certainly be adequate for parachutes and powder bags.

[From the Christian Science Monitor of February 24, 1939]

THIS CHANGING WORLD—GOODS OR GOLD—HOW GOLD RUSH COULD BE MITIGATED BY MORE IMPORTS OF USEFUL COMMODITIES—TYING UP EXTRA PURCHASES WITH STORAGE FOR DEFENSE

(By H. B. Elliston)

There's nothing new in buying and storing useful goods. Storage against emergency goes clear back to Joseph, and was an essential part of the economy of both imperial Rome and traditional China. Of late years, too, every country in Europe has adopted it. Even in Norway nearly 2 years ago I discovered the legislators discussing a buying scheme.

a buying scheme.

Why it hasn't hitherto figured in American calculations is probably because so many Americans think of the United States as self-sufficient. A fond delusion. From time to time I have itemized articles of American use for which the United States is dependent upon others. Some, it is true, are luxuries, but many are necessities, particularly in a country which must be armed as well as provided for in a world given over to economic conflict.

The outline of a buying scheme is already set out in an old bill. But the bill, proposed by Senator Elbert D. Thomas, of Utah,

remains in storage, instead of the objects of it, even though the contemplated outlay is absurdly modest. What is wanted is a Thomas bill brought up to date, and it should provide for the acquisition and storage of these foreign commodities—manganese, chromium, tin, tungsten, nickel, rubber, quinine, coconut shells, quartz, crystal, silk, wool, manila fiber, and coffee.

If the supply of one of these commodities were interrupted, then some important industry would be affected; and if more than one were impeded from coming to America, then American living standards would suffer; and I know of no surer way of stumbling into war than seeing other people's war interfere with your living standards.

standards.

America could get most of these commodities relatively cheap. Silk has been skyrocketing of late, but the remainder are on the bargain counter. Let an emergency come, however, and Uncle Sam would have to pay through the nose, as he has paid before, for some of these vital commodities. The need for early action is military as well as economic. The spectacle of Japan drawing closer to Malaysia should turn American statesmanship to policy making with regard to both rubber and tin.

Mr. LODGE. Mr. President, will the Senator yield?

Mr. BARKLEY. I yield.

Mr. LODGE. It is my understanding that when the Senate shall reconvene the pending question will be the amendment which I have offered.

Mr. BARKLEY. The status of the bill will be just as it is now. It is the unfinished business, with the pending amendment undisposed of.

Mr. SCHWELLENBACH. Mr. President, will the Senator yield?

Mr. BARKLEY. I yield.

Mr. SCHWELLENBACH. I ask whether or not the amendment of the Senator from Massachusetts [Mr. Lodge] was read into the RECORD.

The PRESIDING OFFICER. The Chair will say to the Senator from Washington that it will be printed in the RECORD.

Mr. BARKLEY. It will also be printed separately.

Mr. LODGE. My amendment was read into the RECORD. The PRESIDING OFFICER. The Chair will state that the

amendment will be printed in the usual form.

Mr. McNARY. Mr. President, what was the statement made by the Chair?

The PRESIDING OFFICER. The Chair said that the amendment offered by the Senator from Massachusetts, as modified by him, will be printed in the usual form, as well as printed in the RECORD.

Mr. McNARY. As modified.

The PRESIDING OFFICER. Yes.

MESSAGE FROM THE HOUSE—ENROLLED BILLS SIGNED

A message from the House of Representatives, by Mr. Chaffee, one of its reading clerks, announced that the Speaker had affixed his signature to the following enrolled bills, and they were signed by the President pro tempore:

S. 316. An act to authorize and direct the Commissioners of the District of Columbia to reappoint David R. Thompson and Ralph S. Warner as members of the Metropolitan Police Department of the District of Columbia;

S. 794. An act relating to banking, banks, and trust companies in the District of Columbia, and for other purposes;

S. 1123. An act to amend paragraph 57 of section 8 of the act entitled "An act making appropriations to provide for the expenses of the government of the District of Columbia for the fiscal year ending June 30, 1914, and for other purposes," approved March 4, 1913;

S. 1125. An act to provide for the appointment of research assistants in the public schools of the District of Columbia, and for other purposes;

S. 1126. An act to provide alternative methods of enforcement of orders, rules, and regulations of the Joint Board and of the Public Utilities Commission of the District of Columbia:

S.1129. An act to amend paragraphs 31 and 33 of an act entitled "An act to amend section 7 of an act entitled 'An act making appropriations to provide for the government of the District of Columbia for the fiscal year ending June 30, 1903, and for other purposes', approved July 1, 1902, and for other purposes", approved July 1, 1932;

S. 1130. An act to amend Public Law No. 111, Sixtysixth Congress, entitled "An act for the retirement of public-

school teachers in the District of Columbia"; and

S. 1295. An act to amend section 9, article V, of an act known as "An act to amend the act entitled 'An act to fix and regulate the salaries of teachers, school officers, and other employees of the Board of Education of the District of Columbia', approved June 20, 1906, as amended, and for other purposes.'

EXECUTIVE MESSAGE REFERRED

The PRESIDING OFFICER (Mr. Lucas in the chair), as in executive session, laid before the Senate a message from the President of the United States submitting the nomination of Frederick I. Thompson, of Alabama, to be a member of the Federal Communications Commission for the unexpired portion of the term of 7 years from July 1, 1934, vice Eugene O. Sykes, which was referred to the Committee on Interstate Commerce.

RECESS TO THURSDAY

Mr. BARKLEY. I move that the Senate take a recess until Thursday next at 12 o'clock noon.

The motion was agreed to; and (at 2 o'clock and 40 minutes p. m.) the Senate took a recess until Thursday, March 30, 1939, at 12 o'clock meridian.

NOMINATION

Executive nomination received by the Senate March 28, 1939 FEDERAL COMMUNICATIONS COMMISSION

Frederick I. Thompson, of Alabama, to be a member of the Federal Communications Commission for the unexpired portion of the term of 7 years from July 1, 1934, vice Eugene O. Sykes.

HOUSE OF REPRESENTATIVES

TUESDAY, MARCH 28, 1939

The House met at 12 o'clock noon.

The Chaplain, Rev. James Shera Montgomery, D. D., offered the following prayer:

Eternal God, we thank Thee that Thine only begotten Son taught us to say "Our Father"; in these undying words are our utmost need and hope. We praise Thee that here is our spiritual fortune; may it glow with vision and inflame with power. Since we cannot by searching find Thee out, may we strive to learn of Thee by becoming more like our Elder Brother. Look upon us; love us and prepare us to know Him better. May we patiently bear with human infirmities as Thou dost bear with ours. We earnestly entreat Thee that our great country, founded upon thousands of precious influences, may continue to be strong for justice, goodness, and the right. Oh, may the Christ, "The Light of the World," reinvade our skies with clear, white solemnity until all selfish shrines are no more; thus spiritual night shall fade before the glorious illumination of the inner dawn. In the name of our Saviour. Amen.

The Journal of the proceedings of yesterday was read and approved.

MESSAGE FROM THE SENATE

A message from the Senate, by Mr. Frazier, its legislative clerk, announced that the Senate had passed, with amendments, in which the concurrence of the House is requested, a bill of the House of the following title:

H. R. 4630. An act making appropriations for the Military Establishment for the fiscal year ending June 30, 1940, and

The message also announced that the Senate insists upon its amendments to the foregoing bill, requests a conference with the House on the disagreeing votes of the two Houses thereon, and appoints Mr. Thomas of Oklahoma, Mr. HAYDEN, Mr. Overton, Mr. Russell, Mr. Sheppard, Mr. Townsend, and Mr. Bridges to be the conferees on the part of the Senate.

The message also announced that the Senate had passed the following resolution:

Senate Resolution 112 (March 27, 1939)

Resolved, That the Senate has heard with profound sorrow the announcement of the death of Hon. CLARENCE W. TURNER, late a Representative from the State of Tennessee.

Resolved, That a committee of two Senators be appointed by

the Presiding Officer to join the committee appointed on the part of the House of Representatives to attend the funeral of the deceased Representative.

Resolved, That the Secretary communicate these resolutions to the House of Representatives and transmit a copy thereof to the

family of the deceased.

Resolved, That as a further mark of respect to the memory of the deceased Representative the Senate do now adjourn.

The message also announced that the Senate agrees to the report of the committee of conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H. R. 4425) entitled "An act to provide for reorgan-izing agencies of the Government, and for other purposes."

RECIPROCAL-TRADE AGREEMENTS

Mr. COCHRAN. Mr. Speaker, considerable has been said about the effect the reciprocal tariffs have had on agricultural products. I ask unanimous consent to extend my remarks in the RECORD at this point, to answer that argument.

The SPEAKER. Is there objection?

There was no objection.

WHEN DID THE UNITED STATES LOSE ITS EXPORT MARKETS FOR AGRICUL-TURAL PRODUCTS?

Mr. COCHRAN. Mr. Speaker, there has been considerable talk regarding the loss of export markets for agricultural products in recent years. It might be worthwhile to examine not only the trend in agricultural exports but also the import figures for a number of years. The following table furnishes this information:

Value of foreign trade of United States in agricultural products1

Calendar year	Imports of agricultural products	Exports of domestic agricultural products
1929	\$2, 218, 000, 000 1, 468, 000, 000 1, 007, 000, 000 668, 000, 000 743, 000, 000 858, 000, 000 1, 106, 000, 000 1, 307, 000, 000 1, 579, 000, 000 955, 637, 000	\$1,693,000,000 1,201,000,000 821,000,000 662,000,000 694,000,000 748,000,000 710,000,000 797,000,000 827,629,000

1 Official figures.

It is seen that in 1929, the last year before the Tariff Act of 1930 went into effect, the agricultural exports amounted to \$1,693,000,000. At the low of the depression in 1932 these exports had dropped to \$662,000,000, or a net loss of more than a billion dollars. Those responsible for the action which brought about this result would, of course, like for these figures to be forgotten. They keep harping on the current exports when the situation is not half as bad as when the people relieved them from the responsibility of running the Government. It is seen that since 1932, in spite of droughts and other factors, the exports of agricultural products in 1938 amounted to \$827,629,000, which was greater than any year since 1930. This export figure for agricultural products was some \$150,000,000 more than for 1932. Once and for all, such figures should put a stop to the yelping about the loss of the export markets for agricultural products. That market was lost within the brief period from 1929 to 1932, when we lost more than a billiondollar market for agricultural products. It little behooves members of the party then in power to state or imply that this administration is injuring agriculture by taking the farmer out of the foreign market.

On the other side, it is seen that the agricultural imports in 1929 amounted to \$2,218,000,000. As with agricultural exports, the imports decreased to a very low level in 1932. Also as with exports, there has been a rise since that time, except for 1938, when the agricultural imports, including coffee, silk, rubber, tea, bananas, and cocoa and other tropical products not produced in the United States, were not much more than half of what they were even in 1930, the year of the Hawley-Smoot Act. Agricultural imports were even below the 1931 figures during 1938. Total exports from the United States for the first 2 months of 1939 exceeded imports by \$95,000,000, in spite of the almost daily whining about the country's being flooded with imports.

A leader of the opposition to trade agreements keeps reiterating that the Tariff Act of 1930 had nothing to do with the loss of export trade from 1929 to 1932. He repeats that the depression started before the Tariff Act of 1930 went into effect. To his mind that seems to be a simple and comforting answer to the responsibility of his party. He forgets, however, that the tariff revision was anticipated after the election of Mr. Hoover in November 1928 and that in fact the Republicans prepared for hearings on their so-called limited tariff revision in December of that year. In May of 1929 when the House bill was introduced, the country and the world saw what was coming and naturally this unsettled conditions. The complete collapse, however, did not come until 5 or 6 months later. The opposition cannot get away with the old alibi that the depression struck us before the nefarious Hawley-Smoot Act went into effect; we frequently have thunder and lightning before a storm strikes.

The Republicans might be reminded of the protest against the Tariff Act of 1930 by more than a thousand economists when they said to Mr. Hoover in May 1930:

America is now facing the problem of unemployment. Her labor can find work only if her factories can sell their products. Higher tariffs would not promote such sales. We cannot increase employment by restricting trade. American industry, in the present crisis, might well be spared the burden of adjusting itself to new schedules of protective duties.

Finally, we would urge our Government to consider the bitterness which a policy of higher tariffs would inevitably inject into our international relations. * * Tariff war does not furnish good soil for the growth of world peace.

Those responsible for carrying out that tariff against this protest now attempt in every conceivable way to hide their guilt and responsibility by calling attention to some temporary and unforeseen conditions. It is an old scheme to point an accusing finger at others when you are condemned before the world

In recent days the comforting but unsound phrase "the American market for the American farmer" has been bandied about in the House. The American market for the American manufacturer is just as sound and the one will inevitably follow the other. When American farmers and American manufacturers both decide that they want the American market and the American market alone for their products, then and only then can they enforce this glib slogan and live entirely at home. When they decide that they do not desire to buy or sell abroad, then they can have the American market to themselves.

Any time a Member of the House gets off the slogan, "The American market for the American farmer," pounds his fists against the desk, beats his breast, and waves the flag, he gets applause. The American farmer nearly succeeded in having the American market and the American market alone in 1932 and 1933. What were the results? Imports of agricultural products in any way competitive with American products were almost nonexistent. What happened to farm exports? They almost reached the vanishing point. Did all this bring good times?

In 1932, when we had almost lost our foreign trade, the cash farm income reached the all-time low for modern times of \$4,328,000,000. In 1938, when the opposition alleges that times were so hard for American farmers, the cash farm income was \$7,625,000,000, or \$3,300,000,000 greater than for 1932, and the farm price index was 95 percent as compared with 65 percent. Agricultural imports, including coffee, rubber, tea, bananas, cocoa, and other tropical products not produced in the United States, were about \$300,000,000 greater in 1938 than in 1932. Take that whole difference from the

difference in the farm incomes for these years and we still have a clear farm income gain of \$3,000,000,000 in 1938 over 1932. If the farmers were satisfied with the conditions of 1932, and possibly worse, they can have the American market and the American market alone for their products. I do not believe they were.

EXTENSION OF REMARKS

Mr. MASON. Mr. Speaker, I ask unanimous consent to extend my own remarks in the Record upon the subject of the political significance of the word "appeasement."

The SPEAKER. Is there objection?

There was no objection.

RELIEF OF HOME OWNERS' LOAN CORPORATION MORTGAGORS

Mr. FITZPATRICK. Mr. Speaker, I ask unanimous consent to proceed for 1 minute and to extend my remarks in the Record.

The SPEAKER. Is there objection?

There was no objection.

Mr. FITZPATRICK. Mr. Speaker, on January 3, I introduced a bill, H. R. 40, to amend the Home Owners' Loan Act of 1933, to reduce the rate of interest on home loans to 4 percent, and to extend the amortization period to 30 years, in order to try and bring relief to the home owners throughout the country who are now holding H. O. L. C. mortgages.

From information I have received, there are thousands of owners who have fallen behind on their payments and are threatened with foreclosures. In many cases they have paid their interest, taxes, and part of the principal, and because they could not keep up their principal payments they are in danger of losing their homes.

When the H. O. L. C. bill was passed in the Seventy-third Congress it was intended to bring relief to the distressed property owners throughout the country.

There is not any question in my mind as to the fact that it did bring relief to many, but at the present time there are those who, because of their financial condition, are unable to meet their monthly payments as required by the act itself.

The object of my bill is to extend the time of payment from 15 years to 30 years and reduce the interest rate from 5 to 4 percent, as I understand from the daily press there are many banks today offering loans on property from 4 to $4\frac{1}{2}$ percent.

I personally know of many cases where persons have invested their entire life savings amounting in some instances from five to ten thousand dollars in homes. These citizens who have made such investments, are the kind that should be encouraged in these trying times, and I appeal to Congress to enact legislation to bring a measure of relief to them.

The Home Owners' Loan Corporation was created by Congress and in foreclosing mortgages are carrying out the mandate placed upon them by the act. They have no other choice except they may be temporarily lenient toward some deserving property owners. However, in all cases they must collect the interest and principal in the number of years specified by the act.

Therefore, I appeal to you, the Members of Congress to try and get the Banking and Currency Committee of the House to report my bill out favorably, or any other bill that will extend the time of amortization and lower the interest rates, so as to bring relief to those good citizens holding H. O. L. C. mortgages. [Applause.]

A bill (H. R 40) to amend the Home Owners' Loan Act of 1933, to reduce the rate of interest on home loans to 4 percent, and to extend the amortization period to 30 years

Be it enacted, etc., That the fourth sentence of section 4 (d) of the Home Owners' Loan Act of 1933, as amended (U. S. C., 1934 ed., title 12, sec. 1463 (d)), is amended to read as follows: "Each home mortgage or other obligation or lien so acquired shall be carried as a first lien or refinanced as a home mortgage by the Corporation on the basis of the price paid therefor by the Corporation, and shall be amortized by means of monthly payments sufficient to retire the interest and principal within a period of not to exceed 30 years; but the amortization payments of any home owner may be made quarterly, semiannually, or annually, if in the

judgment of the Corporation the situation of the home owner

judgment of the Corporation the situation of the home owner requires it."

SEC. 2. The fifth sentence of section 4 (d) of the Home Owners' Loan Act of 1933, as amended (U. S. C., 1934 ed., title 12, sec. 1463 (d)), is amended to read as follows: "Interest on the unpaid balance of the obligation of the home owner to the Corporation shall be at a rate not exceeding 4 percent per annum."

SEC. 3. The amendments made by sections 1 and 2 of this act shall apply only to interest and principal amortization payments falling due on dates occurring after 30 days from the date of enactment of this act.

EXTENSION OF REMARKS

Mr. LEAVY. Mr. Speaker, I ask unanimous consent to extend my remarks in the RECORD and to include therein a radio address delivered last evening by the Attorney General of the United States.

The SPEAKER. Is there objection? There was no objection.

AGRICULTURAL APPROPRIATION BILL, 1940

Mr. CANNON of Missouri. Mr. Speaker, I move that the House resolve itself into the Committee of the Whole House on the state of the Union for the further consideration of the bill (H. R. 5269) making appropriations for the Department of Agriculture and for the Farm Credit Administration for the fiscal year ending June 30, 1940, and for other purposes.

Mr. WIGGLESWORTH. Mr. Speaker, I make the point of order that there is no quorum present.

The SPEAKER. The gentleman from Massachusetts makes the point of order that there is no quorum present. The Chair will count. [After counting.] One hundred and seventeen Members present, not a quorum.

Mr. CANNON of Missouri. Mr. Speaker, I move a call of the House.

The motion was agreed to.

The Clerk called the roll and the following Members failed to answer to their names:

[Roll No. 43]

Barden	Cooper	Gwynne	Osmers
Beam	Crawford	Hartley, N. J.	Owen
Blackney	Creal	Healey	Pearson
Boland	Crosser	Hennings	Plumley
Bolton	Crowther	Jenkins	Rodgers, Pa.
Boykin	Culkin	Knutson	Seger
Buckley, N. Y.	Cummings	McLean	Short
Bulwinkle	Curley	McReynolds	Sirovich
Byrne, N. Y.	Eaton, Calif.	Magnuson	Sullivan
Byrns, Tenn.	Evans	Mansfield	Sumners, Tex.
Byron	Fish	May	Taylor, Tenn.
Cannon, Fla.	Goldsborough	Mitchell	Tinkham
Celler	Green	Nichols	

The SPEAKER. On this roll call 381 Members have answered to their names. A quorum is present.

Mr. CANNON of Missouri. Mr. Speaker, I move to dispense with further proceedings under the call.

The motion was agreed to.

REORGANIZATION OF AGENCIES OF THE GOVERNMENT

Mr. COCHRAN submitted a conference report and statement on the bill (H. R. 4425) to provide for reorganizing agencies of the Government, and for other purposes, for printing in the RECORD.

EXTENSION OF REMARKS

Mr. McGEHEE. Mr. Speaker, I ask unanimous consent to revise and extend my remarks and include therein an article by Hon. Lewis Jacobs, national Democratic committeeman for Mississippi, appearing in the Washington Post on March 5.

The SPEAKER. Is there objection?

There was no objection.

By unanimous consent, Mr. KINZER was granted permission to revise and extend his own remarks.

THE SUGAR-BEET INDUSTRY

Mr. JOHNS. Mr. Speaker, I ask unanimous consent to address the House for 1 minute.

The SPEAKER. Is there objection?

There was no objection.

Mr. JOHNS. Mr. Speaker and Members of the House, I am going to bring to your attention briefly this morning some very serious protests which I have received from the beet-sugar manufacturers.

At a meeting of the United States Department of Agriculture, held in Chicago, Ill., in February of this year, Mr. B. H. Benidt, senior agricultural economist, in charge of the sugarbeet unit for the Sugar Division, submitted a proposal on marketing allotments for 1939, that would force many companies, so they advise me, to carry over some of the sugar produced in 1938 until 1940, and not permit these companies to sell a bag of sugar produced in 1939 until 1940. would create a condition which, these companies advise me, threatens their existence as an industry, and they say tends to defeat one of the purposes of the new Sugar Act of 1937, namely; orderly marketing.

One of the companies in my own district have about 1,500 farmers delivering beets to their factory, and other factory districts taking beets in this area have a greater number of growers. It has been the policy of one of these factories to finance the growers in their operations, including the working and delivery of their crops, and it has been their practice to make an initial settlement with them on December 15. It has also been the policy of the industry, so they advise me, to sell a liberal portion of their current production to help finance their operations, but if Mr. Benidt's proposal is carried out, they would not be able to do this, and the farmers would have to wait until 1940 for payment of 1939 deliveries, or until such time as the producers can market the sugar produced from their 1939 beets. This would necessitate a heavy burden on the producers and which there is no reason for them to be required to carry. In addition to this it would create a condition where on the 1st of January 1940, a market condition would develop that would enforce the rapid sale of sugar and defeat one of the purposes of the act, namely, orderly marketing.

The allotments are not fair, efficient, nor equitable to the growers and processors in my district, nor are they fair to those producing in other districts. The processing companies in this area during the past 5 years have on the average marketed in each calendar year their total January 1 effective inventories, plus 33.39 percent of the new-crop sugar produced in the fall of the year. Similarly the processing companies in this area during the past 5 years have on the average marketed in each calendar year a quantity of sugar equal to 153.4 percent of their January 1 effective inventories.

Comparing these figures with the figures for all beet-sugar processing companies in the United States as a whole during the same past 5 years shows that the processing companies in this area sell a much larger proportion of new-crop sugar than do all the processing companies in the United States as a whole. All the processing companies in the United States as a whole have averaged during the past 5 years marketings in each calendar year which were equal to their January 1 effective inventories plus 20.37 percent of new-crop sugar produced in the fall of the year. Similarly all the processing companies in the United States as a whole during the past 5 years have marketed on an average in each calendar year a quantity of sugar equal to 125.35 percent of their January 1 effective inventories.

The reason that the processing companies in this area have marketed sugar in this manner is:

First. Due to climatic conditions, the storage of sugar over long periods of time is unsatisfactory and expensive; and

Second. The financing of companies in this area is on the basis that all the January 1 effective inventories will be marketed in the current year, plus about 20 to 35 percent of new-

I also have received a serious protest from the manufacturers of beet tools for the handling of the beet crop. They advise me that it affects over 4,000 beet farmers and many more workers in about 35 counties in Wisconsin. For a great many years they have been privileged to furnish tools for the purpose of raising beets for sugar purposes and it is the feeling of the Wisconsin farmers and the sugar companies that the authority at present time is being exercised in such a way that it is detrimental to the domestic sugar-beet industry, which is a very important industry in the United States.

I have been asked, as their Representative in Congress, to take such steps as necessary to divest the Secretary of Agriculture of the dictatorial powers that give him the life and death control he now has over the beet industry which has brought about such disastrous results in the price of their product.

I have also received a very serious protest from the State of Montana in which they advise that only 29.5 percent of domestic sugar sales are allotted to domestic producers at present. Cuba has practically the same amount and our insular possessions 41.5 percent. American producers are rightfully entitled to all of the domestic market that they are able to supply. The import quotas of raw sugar as set at the present time have brought the farmers, the workers in the beet-sugar factories, and the laborers in the beet fields in direct competition with the poorly paid labor in the sugarproducing territories outside of continental United States; such competition has the direct result of lowering the standard of living of these farmers and laborers to a level incompatible with the American way of life. Sugar beets can be effectively grown at a reasonable profit and there is no food more valuable to the consumer in nutritive worth even at a much higher price than at present. The production of sugar beets provides employment at good wages for many times as many workers as the same acreage of other crops adapted to this latitude and any control of the expansion of sugarbeet acreage means more unemployment and more relief clients who could otherwise make a living in this industry.

There is grave danger that the present policy, if continued, will result in many now employed in this country losing their means of livelihood, thereby further increasing the already tremendous burden of unemployment. Our beet growers, if permitted to make a reasonable amount of money are, due to their higher standard of living, many times better customers for eastern industry than are foreign sugar laborers and planters.

The expansion of the domestic production of sugar should be encouraged as a problem of national economy and defense; the acute shortage of sugar during the World War demonstrated our need for much higher domestic sugar production in time of emergency.

I am in hopes that the Members of this body will secure a copy of Senate bill 69, introduced by Senator Ellender, and will study it carefully and support it when it reaches the House floor for consideration. In order to bring the provisions of this bill to your immediate attention, I desire to quote the bill, which is very short:

A bill relating to the apportionment of shares of the sugar crop for 1939 and 1940

for 1939 and 1940

Be it enacted, etc., That in the administration of the Sugar Act of 1937, the proportionate share (expressed in terms of planted acreage) for any farm, as determined by the Secretary pursuant to the provisions of section 302 of such act, of the quantity of the crop of sugar beets or sugarcane for the calendar years 1939 and 1940 required to be processed to enable the area in which such crop of sugar beets or sugarcane is grown to meet the quota (and provide a normal carry-over inventory) shall be so fixed or adjusted that the share of such crop for such farm shall be an amount not less than the amount of the share of the 1938 crop for such farm.

[Applause.]

PROGRAM FOR TOMORROW

Mr. RAYBURN. Mr. Speaker, I ask unanimous consent to proceed for 1 minute in order to ask a question.

The SPEAKER. Without objection, it is so ordered. There was no objection.

Mr. RAYBURN. When does the gentleman from Missouri intend to call up the conference report on the reorganiza-

Mr. COCHRAN. The intention is to call it up immediately after 12 o'clock tomorrow.

Mr. MARTIN of Massachusetts. Mr. Speaker, will the gentleman yield?

Mr. RAYBURN. I yield, Mr. MARTIN of Massachusetts. Could the gentleman inform us what else is to be considered tomorrow?

Mr. RAYBURN. If we complete the pending bill today, which I hope we may, we will have general debate on the Department of Labor appropriation bill.

Mr. COCHRAN. I will say to the gentleman from Texas that, of course, the conference report cannot be called up on tomorrow, Calendar Wednesday, unless the House agrees.

Mr. RAYBURN. In reply to the gentleman I will say that the chairmen of the different committees who have the call have agreed that Calendar Wednesday business may be dispensed with tomorrow.

ARMY MEDICAL LIBRARY AND MUSEUM

Mr. MAY. Mr. Speaker, I ask unanimous consent to address the House for 1 minute.

The SPEAKER. Is there objection?

There was no objection.

Mr. MAY. Mr. Speaker, my remarks at this time will be directed principally to the membership of the Appropriations Committee as well as to all Members of the House.

At the last session of the Congress I introduced a bill to provide for a new structure for the protection of the Army Medical Library and Museum. The bill was favorably reported and passed by both Houses of Congress and signed by the President.

There is involved in the library practically \$25,000,000 worth of books. The library contains more than 600 volumes that cannot be duplicated and have not been reprinted. It is admitted to be the most valuable collection of medical authorities on the face of the globe, and it is at all times available to libraries and medical authorities throughout the country

I have in my hand an editorial from the Washington Star on the subject of the Army Medical Library, and I ask unanimous consent to extend my remarks to include this short editorial.

The SPEAKER. Without objection, it is so ordered.

Mr. MAY. I have made these few remarks to emphasize the importance of early action by the Committee on Appropriations, and to say to them that the bill authorizes the appropriation of the sum of \$3,750,000 for the construction of a new building to house and secure this library of more than 500,000 volumes and about the same number of manuscripts. I wish, Mr. Speaker, to say the present building is wholly insufficient for the protection of this most valuable collection of books, and it has no security against fire or the hazard of fire and may be lost at any time. I merely want to relieve myself of any further responsibility for the safety of this valuable library.

The editorial referred to is as follows:

[From the Washington Star] ARMY MEDICAL LIBRARY

Washington is the site of the largest medical library in the world—a total of more than a million volumes.

Very nearly everything that has ever been printed about the functions of maladies of the human body in any language during the past half century can be found among them. This great collection brings scholars here from all over the world. It renders invaluable service to that science which is closest to human interests—the science that is continually adding months and years to men's lives.

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This collection is the Army Medical Library. It far transcends, of course, the ordinary needs of members of the Army Medical Corps. It is, perhaps, the most significant single unit in the system of hospitals and universities and research laboratories which are making Washington a world medical center.

are making Washington a world medical center.

This library is housed in a rather decrepit red brick building behind the National Museum, erected in 1887, and altogether inadequate for its purpose. Manuscripts, records, and books that are irreplaceable are exposed to the danger of fire and the hazards of dust, dirt, and decay.

In 1919 a site for a new building was acquired near the Army Medical Center. Congress has never seen fit to make the necessary appropriations for a suitable building. At the last session a structure to cost \$3,750,000 was authorized, but no money was appropriated. There is a long gap between an authorization and an appropriation—a gap that sometimes never is bridged.

Groups of the medical profession all over the country are joining with the Army doctors in urging that this project be delayed no longer. There could be few better investments for the Nation—an investment in medical knowledge which is, in effect, an investment in longer life, less suffering, a more physically and mentally efficient Army, and more physically and mentally efficient people.

DEPARTMENT OF AGRICULTURE APPROPRIATION BILL, 1940

Mr. CANNON of Missouri. Mr. Speaker, I renew my motion; and, pending that, I would like to reach some agreement with the gentleman from Kansas [Mr. Lambertson] as to the time for debate on the parity amendment, in which there seems to be considerable interest.

I am wondering if we can reach an agreement to have 2 hours of general debate, one-half of the time to be controlled by myself and one-half by the gentleman from Kansas [Mr. LAMBERTSON] on the parity amendment. Would that be agreeable to the gentleman from Kansas?

Mr. DIRKSEN. Mr. Speaker, will the gentleman yield?

gentleman can agree.

Mr. CANNON of Missouri. I yield. Mr. DIRKSEN. There seem to be three diverse interests on this amendment-those who are entirely opposed, those who favor the language of the bill, and those who would like to have it increased. May I suggest to the chairman that he liberalize that somewhat and make it 3 hours instead of 2 hours?

Mr. CANNON of Missouri. I am very anxious to cooperate with the gentleman, but you will recall we originally considered 40 minutes on a side, and on request of the gentleman on that side I am extending the request to 1 hour on each side. We would like to finish this bill tonight. I hope the

Mr. LAMBERTSON. I do not think there are many other items that are controversial, and in view of the fact that there are these three groups or factions, why would not 2½ hours be satisfactory to the gentleman? I do not think it will take over an hour, aside from the 2½ hours that will be devoted

to this amendment, to complete the bill.

Mr. FERGUSON. Mr. Speaker, reserving the right to object, may I ask the gentleman from Missouri if the time will apply to the amendment and all amendments thereto?

Mr. CANNON of Missouri. That is correct.

Mr. FERGUSON. Will control of the time be within the discretion of the Chair, or how will it be handled?

Mr. CANNON of Missouri. It will be controlled by the two ranking members of the committee.

Mr. FERGUSON. Would it apply to the amendment and the amendments thereto?

Mr. CANNON of Missouri. At the expiration of the time further amendments could be offered, but there would be no debate on them.

Mr. LAMBERTSON. I would suggest to the chairman of the subcommittee that our side will be liberal with the third

Mr. FERGUSON. Mr. Speaker, I am still in doubt. Do I understand that this is further general debate or that this is to take the place of the debate on amendments under the 5-minute rule?

Mr. CANNON of Missouri. Mr. Speaker, pending the motion to go into the Committee of the Whole House on the state of the Union, I ask unanimous consent that 2 hours and 20 minutes' general debate be allowed on the parity provision of the bill and all amendments thereto, in lieu of time under the 5-minute rule, the time to be equally divided between and controlled by the gentleman from Kansas [Mr. LAMBERTSON] and myself; that during the 2 hours and 20 minutes it may be in order to offer amendments in time yielded for debate.

Mr. DIRKSEN. Mr. Speaker, reserving the right to object, what was the gentleman's last reservation?

The SPEAKER. Let the Chair state the request of the

The gentleman from Missouri moves that the House resolve itself into the Committee of the Whole House on the state of the Union for the further consideration of the bill H. R. 5269, the agricultural appropriation bill, 1940; and pending that motion he asks unanimous consent that there may be 2 hours and 20 minutes of general debate in the Committee of the Whole on the so-called parity amendment to the bill and all amendments thereto, one-half to be controlled by himself and one-half to be controlled by the gentleman from Kansas; and that there be no debate under the 5-minute rule.

Mr. BRADLEY. Mr. Speaker, reserving the right to object, do we have the assurance of the gentleman from Missouri that those who oppose this provision will have adequate time out of the two hours and a half?

Mr. CANNON of Missouri. There will be 1 hour and 10 minutes on this side and 1 hour and 10 minutes on the other side; and, of course, those who are opposed to the provision

will be recognized, as well as those who favor it.

Mr. TABER. Mr. Speaker, reserving the right to object, does the request of the gentleman from Missouri mean that there will be no debate on this paragraph under the 5-minute rule other than the debate regarding which request is being made at this time?

Mr. CANNON of Missouri. We are substituting general debate for debate under the 5-minute rule.

Mr. FERGUSON. Mr. Speaker, may I ask the chairman of the subcommittee if this precludes 5 minutes' debate under the ordinary rules of the House when an amendment is

Mr. CANNON of Missouri. We are merely substituting general debate for debate under the 5-minute rule.

Mr. FERGUSON. Then the Member offering amendments cannot have even 5 minutes in which to present it?

Mr. RAYBURN. Mr. Speaker, reserving the right to object, I think we should have a complete understanding about this. The last remark of the gentleman from Oklahoma indicated to me clearly that his mind and that of the gentleman from Missouri had not met. The gentleman from Missouri, in answer to his question, as I understood it, said to him that when time was yielded to him under the 1 hour and 10 minutes on this side he could offer his amendment. Then the gentleman from Oklahoma asked if that would preclude him from having 5 minutes on his amendment.

I ask that the Chair restate the request of the gentleman from Missouri.

The SPEAKER. The gentleman from Missouri asks unanimous consent that there may be 2 hours and 20 minutes of general debate in the Committee of the Whole on the socalled parity amendment and all amendments thereto; and if this agreement is entered into, there will be no debate under the 5-minute rule on any amendments that may be offered after the expiration of the 2 hours and 20 minutes.

Mr. TABER. Mr. Speaker, reserving the right to object, that would not prevent a Member's offering any amendment he might desire subsequent to the expiration of the 2 hours and 20 minutes.

Mr. CANNON of Missouri. It would not; but amendments offered after the expiration of the 2 hours and 20 minutes could not be debated.

Mr. TABER. But such amendment would not be debatable.

Mr. RAYBURN. That is right.

The SPEAKER. The Chair will answer the gentleman from New York, so that the RECORD may be perfectly clear as to the nature of the request and its effect. It would be permissible to offer any amendment during the 2 hours and 20 minutes discussion that was in order under the rules of the

Mr. TABER. But it would be in order subsequent to the expiration of the debate only to offer amendments.

Mr. RAYBURN. There would be nothing to prevent a Member's offering an amendment.

Mr. CANNON of Missouri. Mr. Speaker, a proposition is coming up in which there is general interest—so general, in fact, that when we get into the Committee of the Whole it will be necessary, if this agreement is not entered into, to move to close debate after a reasonable time. It will be necessary, in order to accommodate all those who want to speak, for somebody to control the time. It is not in order under the rules, either on motion or by unanimous consent, to control the time under the 5-minute rule. But by substituting general debate for the 5-minute debate we can accomplish the same result-dividing the time equally and

giving each side control of half the time; and any Member

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who wants to offer amendments will have an opportunity to be heard.

Mr. SABATH. But the Speaker will be foreclosed from making a speech or being recognized to speak on his amend-

Mr. CANNON of Missouri. If a Member desires to offer an amendment he will apply to the gentleman from Kansas or myself and will be allotted 5 minutes.

Mr. SABATH. He will have to offer the amendment and before a vote is taken he will be foreclosed from explaining the amendment.

Mr. CANNON of Missouri. No. He will have 5 minutes which he is granted to offer the amendment and speak on it. He will have 5 minutes to explain the amendment.

Mr. SABATH. But not at the time he offers the amendment.

Mr. CANNON of Missouri. Yes.

Mr. SABATH. Not when the vote is taken. I do not know how much thought the gentleman has given to his unanimous-consent request, but I fear Members will be foreclosed from discussing amendments. They may have good substantial amendments and they cannot speak on the amendment after the general debate has been exhausted.

Mr. RAYBURN. Mr. Speaker, reserving the right to object, the gentleman from Missouri has told the House in good faith, of course, that if these gentlemen who have bona fide amendments will apply to him the gentleman from Missouri will yield 5 minutes in which the Members may offer their amendments and speak on them.

Mr. SABATH. But the vote will not be taken on the

amendment during general debate.

Mr. CANNON of Missouri. A Member may offer his amendment and discuss it in the 5 minutes allotted to him.

Mr. SABATH. Is it not a fact, if I should offer an amendment in the first half hour and speak on the amendment, I cannot speak on it when the amendment is voted on?

Mr. CANNON of Missouri. Under the request the gentleman offers the amendment during general debate.

The regular order was demanded.

Mr. FERGUSON. Mr. Speaker, a parliamentary inquiry. The SPEAKER. The gentleman will state it.

Mr. FERGUSON. If a point of order is made against the section after general debate is concluded, what effect will that have on amendments offered to the section if the point of order is sustained at the conclusion of general debate?

The SPEAKER. A point of order would have to be made before debate began on the paragraph or amendment as the case may be. A point of order would come too late after the matter had been debated.

Mr. FERGUSON. Would a point of order be in order under this general-debate agreement? Could a point of order be made during the general debate?

The SPEAKER. A point of order may be made after the paragraph is read or after an amendment is offered.

Is there objection to the request of the gentleman from Missouri [Mr. Cannon]?

Mr. MARCANTONIO. Mr. Speaker, I object.

The SPEAKER. The Chair understands the gentleman from New York [Mr. MARCANTONIO] objects to the unanimous-consent request?

Mr. MARCANTONIO. Mr. Speaker, I do.

The SPEAKER. The question is on the motion of the gentleman from Missouri [Mr. Cannon] that the House resolve itself into the Committee of the Whole House on the state of the Union for the further consideration of the bill (H. R. 5269) making appropriations for the Department of Agriculture and for the Farm Credit Administration for the fiscal year ending June 30, 1940, and for other purposes.

The motion was agreed to.

Accordingly the House resolved itself into the Committee of the Whole House on the state of the Union for the further consideration of the bill H. R. 5269, the agricultural appropriation bill, 1940, with Mr. Parman in the chair.

The Clerk read the title of the bill.

The CHAIRMAN. The parliamentary situation is as follows: On Saturday last the gentleman from Oklahoma [Mr. JOHNSON] offered an amendment and spoke on it for 8 minutes. His time expired, and the debate was limited to 8 minutes on the amendment.

Mr. CANNON of Missouri. Mr. Chairman, I ask unanimous consent that time for debate on this amendment be extended for 5 minutes, the time to be allotted to the gentleman from Oklahoma [Mr. Johnson].

The CHAIRMAN. Is there objection to the request of the

gentleman from Missouri [Mr. CANNON]?

There was no objection.

Mr. TARVER. Mr. Chairman, for the information of the House I ask unanimous consent that the amendment may be again read by the Clerk.

The CHAIRMAN. Is there objection to the request of the gentleman from Georgia [Mr. TARVER]?

There being no objection, the Clerk again read the amendment, as follows:

Amendment offered by Mr. Johnson of Oklahoma: Page 88, line 3, strike out the period, insert a colon and the following: "Provided, That of the funds made available in this paragraph not exceeding \$500,000 shall be available for general administrative expenses in the District of Columbia, and not exceeding \$1,300,000 of such funds may be expended in the District of Columbia for personal services in connection with research and investigations, account in a particular stations and planning man reproduction and feebcooperative relations and planning, map reproduction, and technical supervisory and inspectional activities."

The CHAIRMAN. Does the gentleman from Oklahoma desire to be heard on his amendment?

Mr. TARVER. May I state to the Chair that the gentleman from Oklahoma was heard for 8 minutes on his amendment on Saturday.

The CHAIRMAN. By unanimous consent, 5 additional minutes have been granted him. Does the gentleman from Oklahoma desire to be heard?

Mr. JOHNSON of Oklahoma. Mr. Chairman, it was the understanding of the committee that the request of the chairman of the committee was that I close debate.

The CHAIRMAN. The gentleman from Georgia [Mr. TARVER] is recognized for 5 minutes.

Mr. TARVER. Mr. Chairman, I hope the members of the Committee will give me attention during the 5 minutes I have. The opponents of my position, the supporters of the amendment, have had and will have altogether 16 minutes as against the 5 minutes allotted to me.

This amendment, if adopted by the House, will very seriously cripple the work of the Soil Conservation Service. I do not know what you think of the Soil Conservation Service. I believe it is one of the best institutions for which this administration is responsible. But certainly, whether it is a good institution or not, if it is a thing that ought to be got rid of, the way to get rid of it is not by so hampering it in its administrative activities as to make it unable to properly

The effect of this amendment will be to transfer about \$434,000 now being used for personnel services in the District of Columbia to work of similar character in the field. When the gentleman from Oklahoma pointed out that in his opinion insufficient personnel was available for work in soilconservation districts he apparently had the idea that this amendment would correct that situation, if it exists. As a matter of fact, it would not. The money available for work in soil-conservation districts is included in the operations item in the justifications. The transfer of \$434,000 from the personnel item to the field would not make that money available for work of that sort in soil-conservation districts but would simply mean that the work that is now being conducted in the city of Washington would have to be transferred to the field and conducted there, and would consequently add to the expense of the Soil Conservation Service in carrying on exactly the same character of operations it is now carrying on.

The gentleman from Oklahoma speaks of the vastly expanded organization which there is in the Soil Conservation Service. The organization is substantially the same as it has been ever since Congress made provision for enlarging it and enlarging its work. The Soil Conservation Service by reason of the mandate of Congress has been vastly increased. When that increase came about your Subcommittee on Agricultural Appropriations spent days going over with the officials of the Soil Conservation Service the type and character and number of personnel that would be required both in Washington and in the field, and the organization as at present set up represents our judgment as to how these matters ought to be fixed insofar as they can be fixed in an appropriation bill. We have gotten along very well with this set-up for, I believe, 3 years, but the gentleman from Oklahoma came in at the last hour at the meeting of our subcommittee, when we had no opportunity to question the authorities of the Soil Conservation Service regarding his contentions, and made an appeal that a general reduction be made in this personnel item in this appropriation on his idea that it would be used in the soil-conservation districts in the field. The gentleman had no specific information, and if you will examine the record of his evidence in the hearings you will find that to be true. The gentleman had no idea of how much money would be needed in order to provide this additional service in the soil-conservation districts, or if he did have such an idea he failed to give the committee the benefit of his informtion.

I take the position that after your committee has carefully studied this matter, as has been true, and has approved this set-up in the form in which it now exists, that the House ought not, upon the appeal of the gentleman from Oklahoma, apparently actuated by some of his differences with officials of the Soil Conservation Service, to disrupt that setup and to cut off \$434,000 from the appropriation now being used in the District of Columbia. The effect of it would be to transfer it to the field for use in the same type of work there, which would necessarily have to be carried on at far greater expense than it is being carried in the city of Washington at the present time. The gentleman may have some merit in his contentions with regard to the treatment accorded Members of Congress by the Soil Conservation Service. That is not a matter we can control by this appropriation. There may be some merit in his position that additional funds ought to be provided in the operations fund for work in the soil-conservation districts. If that is true, that objective would not be accomplished by the adoption of this amendment. If that is true, the subcommittee of which I am a member would be pleased to hear evidence at any time when we are considering further appropriation bills for this Department as to the number and character of personnel necessary in the soil-conservation districts and to provide adequate funds therefor. However, this thing ought not to be handled by way of an amendment which does not affect the purpose which the gentleman has in mind and which would have the effect, which I stated in the beginning. of seriously hampering and crippling the work of the Soil Conservation Service in Washington.

I ask you to look at pages 3358-3359 of the Record to get the statement of the Soil Conservation Service regarding this matter. [Applause.]

[Here the gavel fell.]

The CHAIRMAN. The gentleman from Illinois [Mr. Dirksen] is recognized for 3 minutes.

Mr. DIRKSEN. Mr. Chairman, the procedure of the gentleman from Oklahoma is not unusual because the amendment simply undertakes to fix a limit on administrative expenses in Washington, D. C., and to fix a limit on the amount that may be employed for research in the District of Columbia. The effect of the amendment, of course, will be to cut down about \$52,000 in administrative expenses.

Mr. TARVER. Mr. Chairman, will the gentleman yield? Mr. DIRKSEN. I cannot yield; I have only 3 minutes.

Mr. TARVER. The gentleman is making a statement that is not in accordance with the facts.

Mr. DIRKSEN. There will also be \$434,636 less to spend on research that is being done in the District of Columbia. My notion is that this is regular procedure, and all you have to determine is whether it is feasible and well-advised under the circumstances. My own opinion on the matter is that it can very well be done. The Soil Conservation Service was set up to do work in the field, and, like so many other

bureaus, it has gotten topheavy. It is less than 4 years old, yet the total personnel of the Soil Conservation Service today is over 9,519. This shows how these bureaus can grow in a short space of time. Out of the \$24,000,000 that is made available in this bill, over \$18,500,000 is to be expended for personal services, and so often they concentrate their activities in an office here in the Nation's Capital when they ought to be out behind a contour plow somewhere in Kansas or Illinois or elsewhere.

The only purpose of the amendment of the gentleman from Oklahoma is to constrain and to compel the expenditure of more of these funds in the field and a little less money in the District of Columbia, and in that respect I think it is well advised, and I think it can be well supported, and that it is regular procedure; and I shall suggest to the Members on both sides that they vote for the amendment of the gentleman from Oklahoma [Mr. Johnson]. I think he is on pretty fair ground. [Applause.]

Mr. JOHNSON of Oklahoma. Mr. Chairman, the gentleman from Illinois [Mr. Dirksen] has explained the purpose of the pending amendment very accurately and forcefully. This is not altogether a personal matter on my part, but it is a sincere effort on the part of Members on both sides of the aisle to have a major portion of the money that this Congress is appropriating for Soil Conservation Service spent out in the field, where it belongs, rather than the conservation of so much soil in the Washington office of this Bureau.

Now, the gentleman from Georgia [Mr. Tarver], my good friend and a distinguished member of this committee, who has just made an able defense of his position, began his statement; if I recall correctly, saying that if my amendment is adopted it will seriously cripple this agency of the Government. That is an ancient, worn-out cry that has been made from time to time by many boards, bureaus, and agencies of government. It is the same answer we hear from every department of the Government when committees make an effort to curtail their rapidly expanding functions in the District of Columbia.

The gentleman from Georgia has suggested that you turn to your RECORD of last Saturday and read the statement of the Soil Conservation Service in opposition to the pending amendment. I join my good friend from Georgia in that suggestion. Frankly, I do not believe the Chief of the Soil Conservation Service, for whom I have much respect, dictated that statement. It is too vague and indefinite. You will find that the first two or three paragraphs of nearly an entire printed page haggles over figures. You will be interested in the statement, unsigned, but admittedly from someone in authority in the Soil Conservation Service. It is a rather lengthy dissertation as to whether my figures are correct and leaves the inference there is a difference of 50 cents between my figures and theirs. In my statement in support of this amendment I pointed out we propose to reduce the amount for personal services in the District of Columbia \$52,000, and they say I am wrong. They say, in bold type, that my statement is incorrect. They say the amount is \$52,000.50. [Laughter.] Can you imagine such a thing?

After having haggled over figures for nearly one-third of a printed page, this important epistle goes into some detail concerning that portion of my amendment curtailing research and says that my statement was wrong. They insist that my amendment not only includes research but also includes cooperative relations and planning. Yes; it does include a lot of planning—planning on the part of this Bureau in Washington, planning to perpetuate themselves in office, planning on bigger and fatter appropriations.

Mr. TARVER. Mr. Chairman, will the gentleman yield? Mr. JOHNSON of Oklahoma. Not right now. I shall be glad to yield to the gentleman in just a moment if I have the

But we must not overlook those important words, "cooperative relations." Be sure to get that. Read it over and over, then I suggest you go down to this Bureau and make some casual suggestions concerning some of your soil-conservation districts, or anything else that you or your people are vitally interested in. You will then be amused at these words, "cooperative relations." Certainly, it has not demonstrated much cooperative relations with the Congress of the United States, or with individual Members of this body.

But, getting back to this statement of the Soil Conservation Service, a little further on they take very serious exception to my statement and spend nearly one-third of a full printed page denying in no uncertain terms that I stated the policy correctly with reference to their attitude toward the Congress of the United States. Then, finally, after denying it over and over again, they say, and I quote from their statement, not mine:

While we have never prevented anyone from having friendly relations with Members of Congress, we do require—

Did you get those words?-

we do require that when official matters are discussed employees have full knowledge of the policies discussed and that the proper interpretations are given; further, that where the person making contacts does not have full knowledge, the matter be referred to the proper officials for interpretation.

Please bear in mind that the statement I am reading is not mine, but is a statement by them setting forth the policy of the Soil Conservation Service. These employees, although most of them are college graduates, are unable to interpret for themselves but must have someone else to do the interpreting for them.

But let me read further from this statement advising us of their policy. Now listen to this:

We believe that official contacts should be made with the knowledge of the administrative officer in charge and that at least an informal report be submitted subsequently

And so forth. Then they go on and on actually trying to explain and defend such an unreasonable and, I might add, un-American policy, which is exactly what I said the other day, that before an employee of the Soil Conservation Service is permitted to discuss official matters with Members of Congress, either at his office or over the telephone, he must first secure special permission to do so. It is also admitted that after such permission is given, in case same is given, that "at least an informal report be submitted subsequently." course they are very kind and considerate not to force the employee to make a written report on his contact with the Member of Congress, what he said to the Member, and exactly what the Member might have said to the employee. But why quote further? Why comment? Their own statement speaks louder than anything I might say.

Now, let us see about the latter part of their statement placed in the record. After having denied in no uncertain terms that letters have gone out from the Soil Conservation Service asking that those on the pay roll out in the States write letters to Congressmen, especially those members of the Committee on Appropriations, urging the Members of Congress to vote for additional appropriations, you will note they add that this is a fact, so far as they know. I hold in my hand here a letter that I shall be pleased to show any Member of Congress who desires to see it, which letter I am advised, was dictated by an official high in the Soil Conservation Service. This letter not only suggests but urges additional funds for the Soil Conservation Service. Frankly I have no objections to those interested urging additional funds. The fact is that I should like very much to see additional funds added to this bill for the purpose of aiding every organized soil-conservation district in Oklahoma as well as throughout the country. But why do they wish to deny the fact that they are trying to bring pressure for more funds? I am ready to fight for more funds—not for overhead but for the soil-conservation districts. I give notice now that I have submitted an amendment, which is now on the Speaker's desk and which, if adopted, will increase the sum to be expended \$1,000,000. Our farmers are demanding more soil conservation in the field and less so-called conservation in Washington. In other words, hereafter let our slogan be "more conservation and less compensation." [Applause.]

[Here the gavel fell.]

The CHAIRMAN. The question is on the amendment offered by the gentleman from Oklahoma IMr. Johnsonl.

The question was taken; and on a division (demanded by Mr. Cannon of Missouri) there were—ayes 141, noes 31.

So the amendment was agreed to.

Mr. TABER. Mr. Chairman, I move to strike out the last word, to say a word or two about the situation that we are facing in the next two or three paragraphs in the bill. The next paragraph relates to conservation and use of agricultural land resources, Department of Agriculture. Notwithstanding the fact that this item provides practically \$70,000,-000 more than will be spent this year to pay out in benefits to the farmers, and is \$14,000,000 above the Budget, I am not going to put up any fight against it, because I believe that the farmers are probably in need of this money, in view of the low prices, due to Secretary Wallace's agricultural program. The next paragraph on page 90 relating to parity payments I hope will be eliminated. I hope that a limitation will be placed upon the conservation and use of agricultural land resources so that no such amount as \$10,000 may be paid to any one individual, as the law permits at the present time. If we are talking about relief, and are ever going to get anywhere, we have to spread it out somehow to giving this money in very small amounts to the farmers who are most needy, and if we give as much as \$500 to any one farmer, it would seem to me as though that ought to be the maximum. I make this statement so that the membership may know what my personal position is. Frankly I do not believe in any operation such as raising the parity item to \$500,000,000 in order to beat it. I shall oppose that just as I shall oppose the whole thing.

Mr. GILCHRIST. Mr. Chairman, I rise in opposition to the pro forma amendment. As has been stated by the eminent gentleman from New York [Mr. TABER], we are now approaching in the next paragraph conservation payments. There is, as he has stated, a limitation in the law as to how much should be paid to any one man under that section of the present law. The limitation is \$10,000. Personally, I can agree with the gentleman from New York that the present limitation be reduced. I have prepared and have in my pocket an amendment, but am yielding to the gentleman from South Dakota [Mr. Case], who will present his own amendment on that proposition. We must have the amendment sooner or later to this provision of law, and the reason is that the present provision is very inequitable and unjust as it now stands. I wish the gentlemen on both sides could see the conditions as they now actually exist. In the State of Iowa, for example, the great insurance companies have taken over by foreclosure many hundreds of farms. These companies cannot limit themselves to the amount that is provided in the present law, because they lose money by doing so. Consequently, they go to their tenants and to their sharecroppers and say, "Bill, you cannot go into the program this year, you cannot get the benefit of these conservation payments, because we landlords will not allow you to do it. We do not profit by it ourselves; therefore you must stay out. We cannot allow you to go in or get any of this money." Now, this is unfair to the tenant. It is manifestly unjust. Congress ought to provide a modification in this law so as to allow the small folks to get a portion of these benefits, so that the sharecropper or the tenant can be allowed to go into the program and get his share of it. Therefore, the gentleman from South Dakota [Mr. Case], after conference with some of us who are of like mind with him, is about to present an amendment.

Mr. FERGUSON. Mr. Chairman, will the gentleman yield?

Mr. GILCHRIST. For a question.
Mr. FERGUSON. Does the bill reported out of the Agricultural Committee lowering the maximum to \$5,000 and taking the ceiling off if earned in conjunction with tenants meet the objections of the gentleman?

Mr. GILCHRIST. It meets most of them. I have presented a bill of my own which I think, of course, is better, but there are 434 other unrelenting Members of this Congress who do not seem quite to agree with me. Let us so provide in this bill or in some other bill that the poor fellow, the tenant and the sharecropper, can get some of this money. He cannot get it now. If the amendment to be proposed by the gentleman from South Dakota is carried, it will not add any money to the appropriations in the bill, but it will distribute it to those who ought to have it. The big farm baron should not have it, but the poor sharecropper or the tenant ought to have it. There is a peculiar thing about tenancy. If you go where land is cheap-very cheap-you will find the tenants are living in squalor and want; that they do not have the decencies required for physical living; they do not have the things you ought to provide for an ox. So let us do something for them. If you go into that portion of the country where land is at a high price, as, for example, in my district, then you will find that tenancy has been increasing by leaps and bounds. Land ordinarily in my district is worth \$100 an acre, and there are counties where there are 70 percent of the people who are tenants, and yet they are not allowed to get any of the privileges of this act. I hope the amendment will be adopted.

The CHAIRMAN. The time of the gentleman from Iowa has expired.

Mr. CANNON of Missouri. Mr. Chairman, I ask unanimous consent that all debate upon this paragraph and all amendments thereto close in 15 minutes, 10 minutes to be allotted to the gentleman from Missouri [Mr. Nelson] and 5 minutes to the gentleman from Oklahoma [Mr. Johnson].

The CHAIRMAN. Is there objection?

There was no objection.

Mr. NELSON. Mr. Chairman, I move to strike out the last two words.

The CHAIRMAN. The gentleman from Missouri is recognized for 10 minutes.

Mr. NELSON. Mr. Chairman, with but few exceptions, the best speech any Member of Congress makes is the one he never makes. 'This forum is both a sounding board and a slab. Too much talk on the part of a Member, unless he has something constructive to contribute, is dangerous. It has been said that we dig our graves with our teeth. It is equally true that we dig our political graves with our tongues. There are times, though, when to remain silent is to fail to do one's duty.

The debate on this bill has been long on fight and short on facts. Doubtless this situation is due to the excitement and heat of the discussion rather than to any desire to deceive. Some statements, though, call for correction.

For instance, we were told that in 1937 agricultural imports exceeded \$3,400,000,000. The facts are that agricultural imports for the calendar year 1937 were valued at \$1,579,000,000. Of this amount, competitive agricultural products represented but \$868,000,000.

While I do not have the figures since June 30, 1938, and which would show a far more favorable agricultural trade balance for the United States, total agricultural imports for the fiscal year ending July 1, 1938, fell to \$1,155,000,000 in value, only \$588,000,000 worth being competitive agricultural imports. In other words, competitive agricultural imports decreased more than \$200,000,000 as compared with the calendar year 1937. During the fiscal year ending June 30, 1938, agricultural exports amounted to \$891,000,000, compared with only \$588,000,000 in competitive agricultural imports.

We have many times been told of the vast importation of agricultural products. Corn is frequently referred to. Let us see what the figures show. For the calendar year 1937, 86,337,000 bushels of corn entered the United States.

Those of us directly interested in farming well remember the disastrous droughts of 1934 and 1936, the latter year resulting in a grain shortage of more than a billion bushels.

Let us look further, to the fiscal year 1937-38. For the full 12 months, and from the entire world, only 34,440,000 bushels of corn grown in other countries entered the United States. By comparison, how much is this? My answer is that one county in the congressional district which I have the honor to represent has in a single season grown one-sixth as much corn. Furthermore, there are now practically no corn imports. As to wheat, millions of bushels are being exported.

Much discussion has dealt with dairying. It must be that as we listened to the lamentations concerning the lovely land o'lakes many of us were disillusioned. We had thought of Wisconsin as an outstanding dairy State, made prosperous through the milk pail. Instead, it has been represented that this once great business has been and now is being operated at heavy loss. Seldom has poverty, present or impending, been given greater publicity. Almost tearfully we are told of how the dairy business in Wisconsin is disabled or dying. I shall not refer to it as a Wisconsin wail, but as a portrayal of a prosperity that is past or passing, it was perfect. Hired mourners could not have done more. During the debate on this bill, Wisconsin voices—not all—have, from this forum, broadcast the sad story.

Mr. Chairman, I do not charge that the professed interest in behalf of the dairy cow has been all "bull." Far from it. Far be it from me to question any man's sincerity. With any who have thus spoken—spoken in sorrow, I am sure—I sympathize. I love Wisconsin, the splendid State which gave to me the best neighbors, the dearest friends, I have in the world. I think of the glory of the Wisconsin that was, of the days when men from Missouri journeyed to dairy land of big dollars, there to purchase breeding stock, so that they, too, might share in the wealth that the blacks-and-whites and other breeds made possible. Can it be that gone are those days, gone forever? It may be so. For who, in view of the pessimistic picture painted, would go from any other State to Wisconsin, there to buy land or cattle?

Just here, Mr. Chairman, under permission granted, I shall include figures showing assistance that the Federal Government has given to the dairymen not only of Wisconsin but to other States.

Time and again it has been suggested that the Federal Government has done little or nothing for dairymen, and especially those of Wisconsin. So my curiosity, like my sympathy, was aroused. I started out to secure some facts, and here are a few that I have found: For the calendar year 1937, benefits paid to Wisconsin farmers for cooperation under the A. A. program were \$10,868,000; and for the calendar year 1938, \$11,737,000. In fairness it should be said that in these figures it is impossible to separate the different branches of farming.

Let us now look at the figures for the United States as a whole. Naturally these apply, first of all, to Wisconsin. The Commodity Credit Corporation was authorized by law to make loans up to \$33,350,000 to the Dairy Products Marketing Association for the purchase of not to exceed 115,000,000 pounds of butter to stabilize the market. Butter purchased under this provision from July 1, 1938, to March 13, 1939, totaled 114,000,000 pounds during the summer and fall. Then the Federal Surplus Commodities Corporation stepped in and purchased in the markets another 26,000,000 pounds of butter for relief distribution during the winter. The Dairy Products Marketing Association butter was to be available for resale to the regular trade at seasonal increase in price. Of this Dairy Products Marketing Association butter, 47,000,000 pounds has been sold to the Federal Surplus Commodities Corporation for relief distribution.

We now turn to the price of butter and the effect Federal aided purchases had in holding up the market. From June 15, 1938, to July 15, 1938, the price of 92 grade butter in Chicago was 25½ cents. When the Federal Surplus Commodities Corporation entered the market, the price advanced to 25½ cents, where it remained until March 13, when the Federal Surplus Commodities Corporation announced suspension of purchases, and then the price fell to 21¾ cents, proving conclusively the advantage which dairymen had derived as a result of Government buying. On March 23, the latest figures I have at hand, the price had advanced until it was 24½ cents.

What I have said indicates in part the great help that the Federal Government has given to the dairy industry. The price was maintained as stated, despite production of butter at a very high level throughout the winter of 1938-39. To

such an extent has butter been disposed of that on March 1, butter in storage, other than that then held by the Government or agencies referred to, amounted to less than one-half

the yearly average amount in storage at this time.

While it is true that prices received for the finished product were lower than for some other seasons, the cost of production was very much less than when prices of feed were practically prohibitive. Those of us who maintain herds of cattle or handle other livestock, readily recall corn at \$1.45 a bushel, as was the case following the drought of 1936. We want no repetition of such experiences, when, regardless of price received for livestock, there could be no profit.

Getting back to Government assistance, this was not limited to the purchase of butter. The Federal Surplus Commodities Corporation purchased millions of pounds of dried skim milk and more than 100,000,000 pounds of fluid milk. Then, too, previous to June 1938, the Federal Surplus Commodities Corporation had purchased several millions of pounds of cheese. In short, the figures as supplied by the Division of Statistical and Historical Research. Bureau of Agricultural Economics. United States Department of Agriculture—figures which time does not permit me to use in full-completely answer the question, "What have they done for the dairy farmer?"

Mr. Chairman, I do not criticize those who have here presented a dark picture of Wisconsin dairying. Every man should do his duty as he sees it. Still I wish that in this joyous season of bursting bud and fragrant flower-cherryblossom time in Washington-there might have been sounded a more optimistic note, a note less suggestive of the sad, lonesome cry of the loon as I have listened to it on northern

lakes.

In conclusion I am constrained to compare conditions in the once great, but now reported little prosperous, dairy State of Wisconsin, with the much-favored State of Missouri. Missouri, which grows more blue grass than all the States north of her northern border or south of her southern border, is a State of abundant feed, comparatively mild winters, and long grazing seasons. If Wisconsin dairymen desire to better their conditions, we invite them to leave the State of 10,000 lakes and come to Missouri, the dairy cow's happy habitat, "land of a million smiles."

Mr. JOHNSON of Oklahoma. Mr. Chairman, will the gentleman yield?

Mr. NELSON. I yield.

Mr. JOHNSON of Oklahoma. I desire to make the observation that the distinguished gentleman from Missouri is making a very interesting and informative address. May I also add that the great State of Missouri and the second congressional district of that State are extremely fortunate to have a gentleman of the vision, courage, and statesmanship of the gentleman who is now addressing this body to represent them in the United States Congress. [Applause.]

Mr. NELSON. I thank the gentleman.

In the dairy industry Wisconsin and Missouri are not unrelated. The dairy department of the University of Wisconsin taught the world how, by using a simple device, to measure the amount of butterfat in milk; the dairy department of the University of Missouri discovered and gave to the world the secret of how, by scientific breeding and notably the use of proper sires, to put the butterfat in milk.

So to you, my colleagues of the farther north, I extend a

cordial invitation to come to a State-

Neither north nor south, nor east nor west, But part of each, of each the best.

Missouri welcomes. Why should Wisconsin wait? Come, be of good cheer. The cause of milk and butter, man's best food, is not lost. Missouri stands ready to pick up the milk pail, if dropped by Wisconsin, and carry on for cow and country. [Laughter and applause.]

Mr. JOHNSON of Oklahoma. Mr. Chairman, I ask unanimous consent to return to page 87 for the purpose of offering an amendment to increase the amount for the soil conserva-

The CHAIRMAN. Is there objection to the request of the gentleman from Oklahoma?

Mr. TARVER. Mr. Chairman, reserving the right to object, of course, the amendment offered by the gentleman from Oklahoma adopted a while ago was not at the proper place. The gentleman would not only have to go back to the point he mentioned but also to the head of "General administrative expenses," on page 86, where he did not offer the amendment; but entertaining the opinion regarding the desirability of this amendment which I do, I must object to the gentleman's request.

Mr. JOHNSON of Oklahoma. Mr. Chairman, I move to strike out the last three words.

Mr. Chairman, the purpose of the amendment I offered, to which the gentleman from Georgia [Mr. Tarver], who claims to be such a great friend of the Soil Conservation Service, has taken the responsibility of objecting to, proposes to increase the amount for field operations, including the soilconservation districts throughout the country exactly \$1,-000,000. My amendment, as I stated a few minutes ago, has been pending for some time-in fact, it was offered, as the Chair will verify, before the amendment to cut the overhead or administrative expense was presented. The purpose is plain. I have sought to offer it to the field-operations item. If adopted, it would increase the amount for the soil-conservation districts throughout the country. The amendment also provides that not more than 25 percent of the full amount under field operations could be spent in the District of Columbia. Is not that reasonable? Could any possible objection be raised to that? Then why does the gentleman from Georgia raise the point of order, merely because the reading clerk has read a few lines beyond that item in the bill? Here is a chance to show who the real friends of soil conservation are. Again I ask, Why the objection? Is it because the boys downtown do not want an appropriation where they cannot spend more than 25 percent of the money in the District of Columbia? If the gentleman from Georgia is in good faith, I submit that he has a chance to demonstrate his faith by his works now. I beg the gentleman to withdraw his objection and permit this body to vote on a real soil-conservation amendment and permit us to increase the amount for the field service \$1,000,000. That is what I am fighting for. I want to see every soil-conservation district in the United States actually in operation. If this amendment is permitted to be voted upon now, it will be adopted, and I submit that if my amendment with the 25-percent proviso, that I have every reason to believe that we can take care—and by that I mean operate—every legally organized soil-conservation district in the United States.

The body demonstrated a few moments ago in adopting my amendment by 6 or 7 to 1 that it desires to have at least a major part of the money appropriated for the Soil Conservation Service actually out in the field, rather than in building up a large, unappreciative, and autocratic bureau in Washington. [Applause.]

I submit that we have too much soil conservation within recent months in the District of Columbia and too little soil conservation out in the districts where the Congress of the United States intended the major part of the money to go.

I realize full well that a reasonable amount in the Soil Conservation Service should be expended in the District of Columbia, in the regional offices in the State, and area offices. And in this connection I want to make it plain that I have no quarrel with our regional director or coordinator, as I believe he is called, Mr. Merrill, of Fort Worth, or our State coordinator, Mr. Wortman, stationed at Stillwater, Okla. Both are high-class, efficient, and courteous gentlemen. Again, I submit that the Congress of the United States is more interested in soil conservation out in the States and in the districts where the people have voted for those districts and have organized legal conservation districts than they are in conserving the soil or conserving or maintaining the jobs in the District of Columbia. [Applause.]

I have been hoping that the distinguished gentleman from Georgia would rise in his seat and withdraw his point of order against my amendment. The fact is, I cannot conceive of anyone as broad-minded and fair as the gentleman usually is to raise a technical objection. Surely the distinguished gentleman will not object to even discussing an amendment on the floor or even permitting the amendment to be read on the floor of this body. But that is his prerogative as well as his responsibility, not mine.

Mr. TARVER. Mr. Chairman, will the gentleman yield? Mr. JOHNSON of Oklahoma. Yes; I have been waiting

for the gentleman to rise.

Mr. TARVER. I want to say to the gentleman that when he said a while ago the reason for the objection was that the Soil Conservation Service objected to any limitation on its personnel expenditures in the District of Columbia he was entirely mistaken.

Mr. JOHNSON of Oklahoma. I thank the gentleman for his statement. I am certainly willing to accept his statement at face value. But the gentleman undoubtedly has a reason for his objection to the consideration of my amendment. He has not given any reason whatsoever.

Mr. TARVER. Will the gentleman yield further?

Mr. JOHNSON of Oklahoma. No; I cannot yield further unless the gentleman desires that I yield to him for the purpose of withdrawing his objection to the consideration now of my amendment proposing to really do something for the Soil Conservation Service as well as for the farmers throughout the country who are entitled to technical and engineering information. Certainly the gentleman will not object to giving this body an opportunity to vote on an amendment that will aid thousands of farmers. Again I must remind Members that legislation creating these districts in Oklahoma, and I am sure the same is true in other States, was prepared by the Soil Conservation Service in Washington. In Oklahoma our farmers were assured that the Soil Conservation would take them over and operate them. Twenty-seven districts have been organized and they have taken over only 10, so I am advised, up to date; and we are told that at least 9 or 10 districts now organized in my State cannot be taken over because of lack of funds. Therefore I again beg my friend from Georgia to withdraw his objection and give Members the opportunity to vote on my amendment so that the country will know who are the real friends of soil conservation in this Congress. [Applause.]

The CHAIRMAN. The time of the gentleman from Okla-

homa has expired.

The pro forma amendments were withdrawn.

The Clerk read as follows:

CONSERVATION AND USE OF AGRICULTURAL LAND RESOURCES, DEPART-MENT OF AGRICULTURE

Conservation and Use of Agricultural Land Resources, Department of Agriculture

To enable the Secretary of Agriculture to carry into effect the provisions of sections 7 to 17, inclusive, of the Soil Conservation and Domestic Allotment Act, approved February 29, 1936 (16 U. S. C. 590g-590q), and the provisions of the Agricultural Adjustment Act of 1938 (52 Stat. 31-70) (except the making of payments pursuant to secs. 303 and 381 and the provisions of titles IV and V), including the employment of persons and means in the District of Columbia and elsewhere; rent in the District of Columbia; not to exceed \$50,000 for the preparation and display of exhibits, including such displays at State, interstate, and international fairs within the United States; purchase of lawbooks of reference, periodicals, and newspapers, \$429,560,000, together with not to exceed \$70,000,000 of the unobligated balance of the appropriation made under this head by the Department of Agriculture Appropriation Act for the fiscal year 1938; in all, not to exceed \$495,560,000, to remain available until June 30, 1941, for compliances under said act of February 29, 1936, as amended, pursuant to the provisions of the 1939 programs carried out during the period October 1, 1938, to December 31, 1939, inclusive: Provided, That no part of such amount shall be available for carrying out the provisions of section 202 (f) of the Agricultural Adjustment Act of 1938, and not to exceed \$3,200,000 shall be available under the provisions of section 202 (a) to 202 (e), inclusive, of said act, including research on food products of farm commodities: Provided further, That no part of such amount shall be available after June 30, 1940, for salaries and other administrative expenses in connection with the formulation and administrative expenses in connection with the formulation a expenses in connection with the formulation and administration of the 1940 programs or plans now or hereafter authorized under section 7 or 8, or both, of said act of February 29, 1936, or under said provisions of the Agricultural Adjustment Act of 1938: Provided further, That the Secretary of Agriculture may, in his discretion, from time to time transfer to the General Accounting Office such sums as may be necessary to pay administrative expenses of the General Accounting Office in auditing payments under this item: Provided further, That such amount shall be available for the purchase of seeds, fertilizers, lime, trees, or any other farming materials and making grants thereof to agricultural producers to aid them in

carrying out farming practices approved by the Secretary of Agriculture in the 1939 and 1940 programs under said act of February 29, 1936, as amended; for the reimbursement of the Tennessee Valley Authority or any other Government agency for fertilizers, seeds, lime, trees, or other farming materials furnished by such agency; and for the payment of all expenses necessary in making such grants, including all or part of the costs incident to the delivery thereof: And provided further, That the funds provided by section 32 of the act entitled "An act to amend the Agricultural Adjustment Act, and for other purposes", approved August 24, 1935 (7 U. S. C. 612c), shall be available during the fiscal year 1940 for administrative expenses, in accordance with the provisions of section 392 of the Agricultural Adjustment Act of 1938, in carrying out the provisions of said section 32, including the employment of persons and means in the District of Columbia and elsewhere, in accordance with the provisions of law applicable to the employment of persons and means by the Agricultural Adjustment Administration.

Mr. CASE of South Dakota and Mr. SCHAFER of Wisconsin rose.

The CHAIRMAN. The Chair recognizes the gentleman from South Dakota [Mr. Case], a member of the committee. Mr. CASE of South Dakota. Mr. Chairman, I offer an

amendment.

The Clerk read as follows:

Amendment offered by Mr. Case of South Dakota: Page 89, line 9, after the colon, insert "Provided further, That of the funds in this paragraph no payment in excess of \$1,000 shall be paid for any one farm operated by one person: Provided further, That no payment in excess of \$1,000 shall be paid to any one person or corporation unless at least one-half of the amounts so paid shall be paid to sherecompers or restricted. be paid to sharecroppers or renters of farms for which payments are made."

Mr. CANNON of Missouri. Mr. Chairman, I reserve a point of order on the amendment.

Mr. CASE of South Dakota. Mr. Chairman the purpose of this amendment is to accomplish what is sought to be accomplished in the bill H. R. 3800, introduced by the chairman of the Committee on Agriculture, now pending on the Unanimous Consent Calendar. This amendment fixes a limitation of \$1,000 but would change the limitation if the farm is rented and if the landlord gives his renter or sharecropper at least half of the soil-conservation payments.

The problem at stake has been well stated by the gentleman from Iowa [Mr. Gilchrist], when he pointed out that the present limitation carried in the act of 1938 limits the payments so that in the case of lands that are owned by insurance companies or other large landholders the burden really falls upon the renter. A variation of the problem is afforded in my own State of South Dakota. Some years ago the State of South Dakota in an attempt to help the farmers of the State, set up a rural credit board which offered to lend money much the same as the Farm Credit Administration has done since. Under circumstances of the last 15 years, the rural credit board acquired many of the farms and now owns nearly 7,000 farms and operates them through renters in the State of South Dakota.

Under interpretation of the present act the Department here holds that whenever a landlord operates a farm under a rental arrangement where he participates in the proceeds from that farm he is an operator, and the only way these farms can be rented without that applying is where they are rented for cash. To make the thing concrete, last year the rural credit board from the farms which it had cooperating in the farm program received about \$140,000. There were about 7,000 farms involved. This means they got on an average, benefit payment of \$20 a farm. The limitation of the law that goes into effect this year means that it cannot receive over \$10,000. The board, consequently, does not want to rent its 7,000 farms on a share basis because it will cost them \$130,000. So the burden falls upon the renter. The only way he can escape is to pay cash rent, and he does not have the cash to pay. So here we are in March and many of those farms are unrented and the farmers do not know what they can do.

The situation I have described with respect to these rural credit farms exists also with respect to farms owned by insurance companies or other multiple farm owners. The purpose of this amendment is to make an exception in the limitation where the sharecropper or renter gets at least half

the proceeds of the soil conservation payments.

Mr. O'CONNOR. Mr. Chairman, will the gentleman yield?

Mr. CASE of South Dakota. I yield.

Mr. O'CONNOR. Suppose a person or corporation owned more than one farm. Would the gentleman's limitation of \$1,000 apply to each farm or to the entire holdings of the individual? In other words would it limit him to receiving the one payment of \$1,000 regardless of the number of farms he had?

Mr. CASE of South Dakota. If he were the operator of the farms it would, but if they were operated through a rental proposition and he paid his tenant half the proceeds, it would not limit him. I may say to the gentleman that I have an amendment to follow this which preserves the \$10,000 provided in the present act under certain conditions.

Mr. O'CONNOR. I may say to the gentleman that I think his purpose of helping the renter is an exceedingly good one and hope that the language of his amendment does that

without injuring the act in other particulars.

Mr. HOPE. Mr. Chairman, will the gentleman yield?

Mr. CASE of South Dakota. I yield.

Mr. HOPE. Under the gentleman's amendment, if I own a farm of 50,000 acres and rented all to one tenant, would I then get away from that limitation as to benefit payments?

Mr. CASE of South Dakota. I do not think so.

Mr. HOPE. Why not if I gave him half?

Mr. CASE of South Dakota. That would be operated as one farm and would fall within the limitation prescribed in the first section of the amendment.

Mr. HOPE. Suppose I divided it up into two farms. I would then, would I not?

Mr. CASE of South Dakota. If the tenants got half of the payments, the gentleman might get away with it.

Mr. HOPE. No; there would be no limitation in that case. Mr. TABER. Yes; because in each case the tenant would get half, which would be \$500 on each farm, so the owner would get \$1,000.

Mr. CASE of South Dakota. There is a limitation in the first section of the amendment of \$1,000 per farm.

Mr. HOPE. But it would not apply to the landlord who had more than one farm, even though each farm might be 25,000 acres in extent. He could still lease it to a tenant. and, while the tenant might not get more than \$1,000, there would be no limitation upon what the landlord could get.

Mr. CASE of South Dakota. I think, if the gentleman will examine the wording of the amendment, he will find it is somewhat different than the illustration he gives.

[Here the gavel fell.]

Mr. CANNON of Missouri. Mr. Chairman, I make the point of order against the amendment proposed by the gentleman from South Dakota that it is legislation under the guise of a limitation.

The CHAIRMAN. Does the gentleman from South Dakota desire to be heard on the point of order?

Mr. CASE of South Dakota. Mr. Chairman, this amendment is a limitation on payments; and in the present instance one would have to turn from the gentleman from Missouri as chairman of the subcommittee to the gentleman from Missouri as parliamentarian. The Chair will find the following on page 62 of Cannon's Procedure:

As an appropriation bill may deny an appropriation for a purpose authorized by law, so it may by limitation prohibit the use of money for part of the purpose while appropriating for the remainder of it. It may not legislate as to qualifications of recipients, but may specify that no part shall go to recipients lacking contain qualifications. certain qualifications.

In this particular instance the qualification is set up for the landlord that he shall give at least half this payment to his sharecropper or renter. Viewed in this light I believe the Chair will find it is a pure limitation.

Mr. CANNON of Missouri. Mr. Chairman, the proposed amendment couples with the purported limitation affirmative directions and is legislation in the guise of a limitation.

The CHAIRMAN (Mr. PATMAN). Cannon's Precedents, page 667, volume 7, 1936, section 1672, states:

An amendment may not under guise of limitation provide af-firmative directions which impose new duties.

The last part of the pending amendment states:

Unless at least one-half of the amount so paid shall be paid these croppers or renters of farms for which payments are

It is the opinion of the Chair that this requires affirmative action; therefore the point of order is sustained.

Mr. CASE of South Dakota. Mr. Chairman, I offer an amendment which I think meets the point that the gentleman just raised.

The Clerk read as follows:

Amendment offered by Mr. Case of South Dakota: Page 89, line 9, after the colon, insert: "Provided further, That no payment from these funds for any one year shall be made to any person or corporation in excess of \$10,000 unless the payment is with respect to more than one farm and then only if the excess be in the total of payments to a landlord who shall furnish to the Secretary of Agriculture a certificate from the county committee in which his farms are located stating that his division of the proceeds of that farm's benefit payments with the renter or share-cropper are fair and customary in the community.

Mr. JONES of Texas. Mr. Chairman, I reserve a point of order against the amendment.

Mr. CASE of South Dakota. Mr. Chairman, I shall speak only to the point of order. The purpose involved here, of course, is the same; but to obviate the difficulty which the Chair raised with respect to the first amendment with reference to requiring affirmative action by the Secretary of Agriculture or imposing additional duties, I call the Chair's attention to the fact that this amendment specifically provides that the person in question shall furnish to the Secretary of Agriculture a certificate from the local county committee stating that his division of the rents is fair. It puts the duty on the landlord and not on the Secretary.

In this connection I call the Chair's attention to the various paragraphs in Hinds' Precedents which are cited under the head "Limitations," to which I invited the Chair's attention in the first instance. May I call the Chair's attention especially to the rulings cited on pages 644 and 645, volume 4, of Hinds' Precedents of the House.

On page 644 the Chair will find that the then Chairman of the Committee, the Honorable Theodore Burton, of Ohio, stated:

The question arises whether these are limitations merely. If so, the amendment is in order; if not, it is out of order. It is maintained that this amendment changes existing law. In a sense every limitation changes existing law.

Let the Chairman note:

In a sense every limitation changes existing law.

Then, coming to the particular amendment then involved:

Provided, That no part of this appropriation shall be available for the agricultural college of any State or Territory until the Secretary of Agriculture shall be satisfied and shall so certify to the Secretary of the Treasury that no trustee, officer, or employee of said college is engaged in the practice of polygamy or polygamous relations. relations.

As the Chair will find in further consideration of that particular ruling, it was held the provision that the certificate of qualification be offered to the officer in question eliminated the imposition of any additional duty. That is why in the instant case I have provided that the person involved should offer the certificate of the local county committee to show that he has the desired qualifications; that is, that he divides the income and payments fairly with the renter.

Mr. PACE. Will the gentleman yield?

Mr. CASE of South Dakota. I yield to the gentleman from Georgia.

Mr. PACE. How can the gentleman insist this is a limitation fixing the limit at \$10,000 when that is already the limit fixed by law? It could not be classified as a limitation when the limitation already exists under the law.

Mr. CASE of South Dakota. Of course, the same argument could be applied to the whole long list of cases cited here on the pages surrounding those I have cited. The amendment does seek to change existing law. I am not contending it does not change existing law. However, I do contend it does so in the form of a limitation by setting up

the requirement that these payments shall not go to certain persons who lack the required qualifications; that is, land-

lords who do not share the payments fairly.

Many instances could be cited of parallel amendments having been accepted. I may call the Chair's attention to the fact that in each of these propositions considerable latitude has been recognized. For instance, an amendment to provide that engineers should have 5 years' experience was held to be out of order, but the same purpose was then accomplished by an amendment proposing that-

This sum shall not be available to pay a chief engineer who has not had at least 5 years' experience.

That was held to be in order. It was the same proposition stated the other way around. It was held to be a denial of payments to anybody who lacked certain qualifications. That is what is proposed in the amendment I have submitted.

The CHAIRMAN. Does the gentleman from Texas [Mr.

Jones! desire to be heard?

Mr. JONES of Texas. Mr. Chairman, I would like to be

heard for a moment.

On page 5, section 102, of the present act there is a flat \$10,000 limitation on the amount that any person may receive. Insofar as this amendment is effective at all, it changes this provision, but it stipulates that if there is more than one farm the \$10,000 shall apply only to each farm. That is a clear change in the law because he stipulates if there is more than one farm then the \$10,000 flat limitation in the present law shall be of no force and effect. Certainly that is a change in the law.

The amendment has some good features, but I think this thing is so complicated it needs to be done carefully and after thorough consideration. That is the only reason I make the point of order. It is clearly legislation under the guise of a limitation, because if it has any effect it would increase expenditures rather than limit expenditures.

Mr. CASE of South Dakota. Will the gentleman yield? Mr. JONES of Texas. I yield to the gentleman from South Dakota.

Mr. CASE of South Dakota. May I point out it does not

provide for any additional appropriation.

Mr. JONES of Texas. Yes; but the gentleman has reduced

the appropriation, if he is going to have a limitation.

Mr. CASE of South Dakota. I should like to call the attention of the gentleman from Texas to the fact that the language setting up qualifications for the landlord is almost verbatim and I think is verbatim with most of the language in the gentleman's bill, H. R. 3800, in defining the division of the payment between the landlord and the tenant.

Mr. JONES of Texas. I said to the gentleman it has some features that are alike, but some of them I am afraid go a

little afield.

Mr. AUGUST H. ANDRESEN. The language referred to in H. R. 3800 is new legislation.

Mr. JONES of Texas. Yes.

Mr. AUGUST H. ANDRESEN. The set-up proposed in the present bill does not take care of the situation.

Mr. JONES of Texas. I believe the gentleman is advancing that as a persuasive argument in favor of the amendment rather than on the point of order.

Mr. AUGUST H. ANDRESEN. But, of course, it does set up the qualifications of those who receive the money.

Mr. JONES of Texas. Yes. I believe this had better be

done in the regular way.

The CHAIRMAN. It is the opinion of the Chair that the amendment, although in the guise of a limitation, is legislative in nature and not in order on an appropriation bill. The Chair, therefore, sustains the point of order.

The Clerk read as follows:

PARITY PAYMENTS

To enable the Secretary of Agriculture to make parity payments to producers of wheat, cotton, corn (in the commercial corn-producting area), rice, and tobacco pursuant to the provisions of section 303 of the Agricultural Adjustment Act of 1938, \$250,000,000: Provided, however, That, notwithstanding the provisions of said section, one-half of this sum shall be apportioned among such commodities in accordance with the provisions of said section 303 of

the Agricultural Adjustment Act of 1938 and one-half shall be apportioned among such commodities in the same proportion that funds available for sections 7 to 17, inclusive, of the Soil Conservation and Domestic Allotment Act would be allocated to such commodities in connection with the 1939 agricultural conservation program on the basis of the standards set forth in section 104 of the Agricultural Adjustment Act of 1938: Provided further, That such payments with respect to any such commodity shall be made upon the normal yield of the farm acreage allotment established for the commodity under the 1939 agricultural conservation program, and shall be made with respect to a farm only in the event that the acreage planted to the commodity for harvest on the farm in 1940 is not in excess of the farm acreage allotment established for the commodity under said program: And provided further, That the rate of payment with respect to any commodity shall not exceed the amount by which the average farm price of the commodity is less than 75 percent of the parity price. is less than 75 percent of the parity price.

Mr. TABER. Mr. Chairman, I make a point of order against the paragraph.

The CHAIRMAN. The gentleman will state the point of

Mr. TABER. I make the point of order that it is legislation on an appropriation bill and changes existing law.

Mr. CANNON of Missouri. Mr. Chairman, the point of order is conceded.

The CHAIRMAN. The point of order is conceded, and the Chair sustains the point of order made by the gentleman from New York [Mr. TABER].

Mr. CANNON of Missouri. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. Cannon of Missouri: Page 90, after line 22, insert:

"PARITY PAYMENTS

"To enable the Secretary of Agriculture to make parity payments "To enable the secretary of Agriculture to make parity payments to producers of wheat, cotton, corn, rice, and tobacco pursuant to the provisions of section 303 of the Agricultural Adjustment Act of 1938, \$250,000,000: Provided, however, That, in expending the appropriation in this paragraph, the rate of payment with respect to any commodity shall not exceed the amount by which the average farm price of the commodity is less than 75 percent of the parity price."

Mr. CANNON of Missouri. Mr. Chairman, I ask unanimous consent that all debate on this amendment and all amendments thereto close in 2 hours and 10 minutes.

Mr. COOLEY. Reserving the right to object, Mr. Chairman, may I inquire of the Chairman whether or not sufficient time will be given to the gentleman from Oklahoma [Mr. FERGUSON] to introduce his amendment seeking to increase the amount?

Mr. CANNON of Missouri. Time for the gentleman from Oklahoma was included in the request.

Mr. MARCANTONIO. Mr. Chairman, I object.

Mr. FERGUSON. Mr. Chairman, I offer an amendment to the amendment.

The Clerk read as follows:

Amendment offered by Mr. Percuson to the amendment offered by Mr. Cannon of Missouri: On page 91, line 3, in the amendment to the amendment strike out "\$250,000,000" and insert "\$500,-000,000."

Mr. FERGUSON. Mr. Chairman, I ask unanimous consent to proceed for 8 minutes.

The CHAIRMAN. Is there objection to the request of the gentleman from Oklahoma?

There was no objection.

Mr. FERGUSON. Mr. Chairman, the Committee on Agriculture last year brought before the House the Farm Act of 1938, which in section 303 provides for making parity payments to farmers. When the Naval Affairs Committee authorizes funds for the construction of battleships the money is voted without question. When the Military Affairs Committee authorizes expenditures for the Army the money is voted without question. The Committee on Agriculture should have the same treatment. As a new member of the Committee on Agriculture, this year I listened to statement after statement about the pitiful condition of the farmer. No member of the committee or no Member of the House that heard these statements or has knowledge of the farm situation will question the pitiful condition of agriculture in this Nation. The average price for cotton sold in the Nation for 1938 was 8.6 cents per pound, the average price for corn was 47.3 cents a bushel, and the average price for wheat was 53.4 cents a bushel. These prices spell disaster, suffering, and actual want for the farmers of the Nation.

These prices, as far as the farmer is concerned, have the same result on the farmer's standard of living as a dollar-aday wage would have on labor. Another year of these disastrous prices means thousands of farmers abandoning the farm to go on relief in cities or small towns. If the Republicans in this House wish to balance the Budget at the expense of the relief workers and the farmers, let that be their responsibility. The country will not long tolerate a party based on negation, opposed to everything, advocating nothing. In spite of the continuous wave of economy propaganda in the newspapers the people of this Nation realize that the Democratic Party, the Democratic Members of this House, must accept the responsibility of providing the funds necessary to save this Nation from disaster, and we must not be perturbed by propaganda emanating from those who are not sharing the disasters of the farmer and relief worker.

Realizing that section 303 of the 1938 Farm Act authorized parity payments, I canvassed the members of the committee. I talked to the distinguished chairman, the gentleman from Texas, and the distinguished ranking minority member, the gentleman from Kansas. I talked with every member of the committee. A majority, including the chairman and the minority ranking member, agreed that parity payments should be made. Not a single member of the Committee on Agriculture definitely said he would vote against parity payments. With this in view I asked the Secretary of Agriculture for an estimate of the amount required to pay parity payments that would bring the price of wheat, cotton, corn. tobacco, and rice, the five products included in the bill, to parity. The Secretary informed me it would require a billion dollars. After talking with many members of the Agriculture Committee we agreed we could not hope to get more than \$500,000,000. I was informed by the Secretary of Agriculture, through his Statistical Bureau, that \$500,000,000 would bring the price of agriculture products to about 85 percent of parity. If the Congress meant what it said in the Farm Act of 1938, it is the duty of this body to appropriate this \$500,000,000 to relieve the shocking conditions of agriculture by raising the prices of these five commodities. If we do not provide these funds, this \$500,000,000, a large percent of the next crop of cotton, the next crop of corn, and the next crop of wheat will be stored under Government loans. This means that the warehousemen and elevators will be the main recipients of benefits from the farm programs through storage charges.

The Government already has loans on 207,000,000 bushels of corn, 11,000,000 bales of cotton, and 81,000,000 bushels of wheat

Add to this another crop in 1939 such as we had in 1938 and it will mean huge additions to the storage of farm products under loans, and this will mean absolute disaster for farm prices in this country. The chairman of the Committee on Agriculture [Mr. Jones] himself made the statement on this floor that he thought it might be cheaper to accept this amendment appropriating \$500,000,000 than to continue the loan policy. When you take crops out of the loan and let the 1939 crop go into commerce, it will flow into the channels of trade, both foreign and domestic, without ruining the farmer, because parity payments will take up the slack between what he has to sell his product for and what he receives. This \$500,000,000 will cost less in the long run than a continued loan policy.

The House has been told that to vote \$500,000,000 will jeopardize the chance of getting \$250,000,000. I, for one, am not going to let a parliamentary situation keep the farmer from getting a semblance of justice. I cannot believe that any Member of this House in either party—and both parties are pledged to a farm program that will help the farmer—I cannot believe that any Member will vote for an amendment in the Committee of the Whole and then reverse his position when the roll is called in the House.

The condition of agriculture today, with its disastrously low prices, challenges the Democratic Party and the Congress to do something about it. This is your opportunity and probably the only opportunity that will present itself at this session of Congress. Let us accept our responsibility to the 30,000,000 farmers of this Nation by voting up this \$500,000,000 amendment.

Mr. COOLEY. Mr. Chairman, will the gentleman yield? Mr. FERGUSON. I yield to the gentleman from North Carolina.

Mr. COOLEY. How much is it costing the Government at the present time for storage of the one crop, cotton, which is now in storage?

Mr. FERGUSON. I understand it costs around \$30,000,000 to \$35,000,000 a year for storage.

Mr. COOLEY. Is it not \$45,000,000 a year?

Mr. FERGUSON. Forty-five million dollars may be correct. I may say to the gentleman and to the Committee that when a man receives a payment under the agricultural program he is no longer eligible for relief, and this appropriation would obviate the necessity of spending a lot of relief funds. [Applause.]

[Here the gavel fell.]

Mr. CANNON of Missouri. Mr. Chairman, I ask unanimous consent that the ranking members of the Committee on each side of the House be allowed an extension of 10 minutes, respectively, in which to conclude debate on this amendment.

Mr. DIRKSEN. Reserving the right to object, the request does not prejudice others in their right to request additional time?

Mr. CANNON of Missouri. My request is that the gentleman from Kansas [Mr. Lambertson] and myself may have 10 minutes to close debate on the proposition.

Mr. DIRKSEN. That is agreeable.

The CHAIRMAN. Is there objection to the request of the gentleman from Missouri?

There was no objection.

Mr. CANNON of Missouri. Mr. Chairman, I move that debate on this amendment and all amendments thereto close in an hour and a quarter.

The CHAIRMAN. The question is on the motion of the gentleman from Missouri [Mr. Cannon].

The question was taken; and on a division (demanded by Mr. Bradley of Pennsylvania) there were—ayes 80, noes 97. So the motion was rejected.

Mr. HARRINGTON. Mr. Chairman, I rise in support of the amendment offered by the gentleman from Oklahoma [Mr. Ferguson].

When we passed the farm bill last year the plainly indicated intent of the program was to increase the farmer's income from the price of his products to an equality with the prices of the commodities he has to buy. That is known as parity. The principle of parity was written into the bill. The machinery of parity was set up in the bill. But we failed to provide the necessary money to see that he received parity for what he was permitted to produce under the program. In other words, we went through a lot of motions, but the farmer did not get what he ought to get under the farm program.

In the case of corn, I believe our farmers who complied with the program received a gross of around 67 cents a bushel, counting his soil-conservation benefits on top of the loan value of his crop. As I understand it, by increasing the fund for parity payments in the pending bill by \$250,000,000 we can guarantee our farmers the equivalent of 90 percent of parity. This would mean that instead of 67 cents the corn farmer would be assured of 76 cents.

The difference between 67-cent corn and 76-cent corn is the difference between getting by and getting sunk—the difference between a chance to break even or the certainty of a loss. I know that it will help chase the depression out of the Corn Belt, and I assume that a similar effect would be felt in the wheat country, the cotton South, and other crop areas.

Let me remind you, gentlemen, that in order to qualify for these parity payments the farmer must cooperate and comply with the Department of Agriculture crop-control program. He cannot produce to the maximum of his acreage and deluge the market with surpluses. He must abide by the acreage allotment worked out by his local committee under the general scheme of things as prescribed by the Department.

Now, when a farmer shows himself willing to cooperate in the solution of our national-farm program—when he makes good on his end of the bargain—I think it is the duty of the Congress to make good on the implied promise of the Farm Act and see that he receives at least 90 percent of the parity price. We promised him parity when we passed the farm bill. Let us make good on that promise now.

Mr. O'CONNOR. Mr. Chairman, I move to strike out the

last word.

The story is told in the following figures of the farmers' condition. The cash income of farmers in the United States in 1936 has been figured at \$8,100,000,000, compared with \$10,000,000,000 in 1927 and \$16,000,000,000 in 1919. In other words, you will see that the gross income of the farmer is gradually decreasing all the time and it was lower in 1938 than it was in 1936.

Now, remember this, Mr. Chairman. The farm population of the country constitutes about 25 percent of our population. It is estimated that we had a gross national income for 1938 of approximately \$70,000,000,000, and 25 percent of the people, the farm population, are going to receive 10 percent of the income of the Nation for 1938, an unfair share of the Nation's income.

We need go no further, as I said upon this floor the other day, in support of the amendment of the gentleman from Oklahoma, than to quote the figures given by the Secretary of Agriculture before the Senate Committee on Agriculture when he said, "If you give the farmers the cost of production bill it will cost the American consumer \$1,000,000,000

Now, if his statement is true, that the farmers are farming at a loss of \$1,000,000,000 a year, it is time this Congress tried to correct that, if possible. I also want to call your attention to this fact: In 1932 the Democratic Convention pledged itself to the American farmer that it would give him excess of costs as a fair price for his products. I ask the Democratic in this House, have we kept the promise? I also wish to call your attention in connection with the same Democratic platform that it used these words:

Extension and development of farm cooperative movement and effective crop surpluses, so that our farmers may have the full benefit of the domestic market.

In other words, we pledged ourselves to the American farmer that we would not permit farm products to be imported into this country in competition with the American farmer. Have we kept that promise?

Now, Mr. Chairman, if we vote this \$500,000,000, it only means a few battleships and a few thousand airplanes. We voted here the other day money for thousands and thousands of airplanes and a number of battleships that we will never use, and I hope to God we will never have occasion to use them. Why not vote something to give the American people who are underfed and underprivileged, as has been repeatedly said upon the floor of this House, a consuming power so they can put to work the idle people of this country.

I was talking with a man the other day who said that the ten or eleven million people in this country who are out of employment had been pretty patient. I am not so sure that they will remain patient. I think it is about time, instead of straining our eyes looking across the Atlantic Ocean a distance of 3,000 miles for war clouds, that we looked at home to see what our conditions are right under our nose. [Applause.]

I want to say this to you also. It is economy to put the farmer upon his feet. He is the best buyer we have outside of the laboring man. He will go into the manufacturing institutions and buy farming implements, clothes for his family, and he will likewise make the improvements upon

his farm that are necessary so that his home will be habitable.

I also want to ask these questions:

Is there anybody in this House who wants to eat bread made from a bushel of wheat that does not represent the cost of production? Again is there anybody here who wants to wear clothes produced from cotton that was raised at a less cost than what it took to raise it. [Applause.]

Mr. H. CARL ANDERSEN. Mr. Chairman, I move to strike out the last two words. In view of the fact that I am one of the few farmers in this House, and one Member who has only taken up 2 minutes previously of the time of this House, I ask unanimous consent to proceed for an additional 3 minutes.

The CHAIRMAN. Is there objection?

There was no objection.

The CHAIRMAN. The gentleman is recognized for 8 minutes.

THE BASIS OF A REAL FARM PROGRAM

Mr. H. CARL ANDERSEN. Mr. Chairman, we have heard a lot the past few days and have seen huge headlines in the press concerning the billion-dollar relief bill for agriculture. Let us get this straight for the RECORD. This bill appropriates for Weather Bureau, Forestry Service, roads and elimination of grade crossings, and other nonagricultural items, a total in the neighborhood of \$210,000,000. So please let us be fair and refer to the \$800,000,000 agriculture measure, not a \$1,000,-000,000 bill. Of course, \$200,000,000 may not look like much to some of you, but to me, after trying to make a living out of farming for years, \$200,000,000 represents 200,000 taxpaying farmers who would like to have \$1,000 each with which to buy paint, lumber, and new machinery they need, which could be manufactured by the men now on W. P. A., in whose behalf we hear so much now about the necessity of \$150,-000,000 for immediate aid.

I do not think that a Member of this House would vote against double the \$150,000,000 for W. P. A. if he knew that that money would be spent honestly and that men needing relief, and not chiselers, received this aid.

AGRICULTURE ENTITLED TO PARITY

May I read a telegram received from the Minnesota Farm Bureau Federation in relation to this \$250,000,000 for parity payments:

We urge retention of \$250,000,000 for A. A. A. parity payments in agricultural appropriation bill.

May I say to you Members, what can any of us interested in agriculture as a whole say but just that we want this \$250,000,000 parity payment left in this bill? Are you men from farming sections of America, simply because this \$250,000,000 does not help directly your own particular agricultural commodity, going to say, "Oh, to so-and-so with this. It does not help dairying. Why should we vote for it?"

Are you men who want more money for W. P. A., although W. P. A. has in 1938 received four times what agriculture received in that same year, going to reach the depths in refusing to appropriate money to at least give the Agricultural Adjustment Act, that the Congress passed last year, a half chance to operate and show what it can do for the farmer?

ONLY PART OF OUR FARMERS CAN SHARE THIS SUBSIDY

Mr. Chairman, we all know that this \$250,000,000 will not even give 50-percent parity to the five crops—wheat, cotton, corn, rice, and tobacco—let alone to our great livestock industry. The greatest one part of agriculture, dairy products is not in the act. Yet it ranks first in 1937 with \$1,459,000,000 production. Corn is second with \$1,456,000,000, hogs third with \$1,173,000,000, wheat fourth with \$869,000,000, cattle fifth with \$842,000,000, and cotton, that we hear so much about lately, sixth with \$784,000,000.

LET US HELP ALL OF AGRICULTURE

Are we from the dairy sections going to be dogs in the mangers and refuse to support agriculture as a whole just because cotton obtains more than one-third of this \$250,000,000? No, my fellow Members; what helps one section of agriculture helps another. I for one will support this \$250,000,000

appropriation; but at the same time I will also support, if given the opportunity, legislation designed to give the dairy farmer, to which class I personally belong, and the livestockman equal opportunity to share our Nation's subsidy to agriculture. Three million eight hundred thousand farmers received help from the A. A. A. last year. Let us help the other 2,500,000 farmers become eligible for the same subsidy—or call it what you may—for producing food for the consumer at a loss.

SECRETARY WALLACE ADMITS DOUBT

I was very much interested the other day to hear Secretary Wallace admit before the House Committee on Agriculture that to carry into effect section 303 of the Agricultural Adjustment Act of 1938 would require seemingly hopeless sums of money. In the first place, processing taxes were out, due to the opposition of the President. In the second place, Congress would never appropriate the huge amount necessary to really give parity to agriculture.

In other words, the Secretary has admitted that the present act does not and never will give cost of production or parity prices to the farmer. This appropriation for parity payments of \$250,000,000 will, however, partially right the wrong to a portion of our agriculture, the greatest one industry of America.

FNORMOUS APPROPRIATIONS ALREADY MADE FOR OTHER PURPOSES

Billions of dollars have already been appropriated for other purposes so far this session. We gave to relief \$725,000,000; we have had the independent offices bill passed carrying more than \$2,000,000,000. Our national-defense expenditures will crowd, if not exceed, two billions.

Mr. Chairman, in my opinion it is just as important for our national defense to make this appropriation for the farmer in order to remove this cancer gnawing at the vitals of our great democracy. No nation can exist and prosper with a huge portion of its people—one-third, in fact—losing their faith in government because they are forced to produce food for the rest at a loss. No American citizen worthy of the name wants to consume food grown on farms in Minnesota or elsewhere at a loss to the farmer any more than does that farmer want to buy manufactured products produced by orientals when our own workmen are out of work.

A REAL FARM PROGRAM

Let us either appropriate the money necessary to give the farmer parity prices in all agricultural commodities or, if this administration is unwilling to do this, then why not quit beating around the bush and adopt the cost-of-production bill, which would form the basis for a real farm program.

Furthermore, follow this up by refinancing of our farm indebtedness at a low rate of interest, as in the Frazier-Lemke Refinancing Act, or some other measure designed to accomplish this great need. Second, discard the reciprocal-trade agreements and restore the American market to Americans. Third, refund the processing taxes unjustly gathered from the hog producers and cancel the old feed and seed loans which hang like a millstone around the necks of impoverished agriculture.

Then, Members of the House, agriculture's buying power would take off of W. P. A. millions of men and put them to self-respecting work manufacturing paint, machinery, autos, radios, clothing, and thousands of other articles sold by the small retailers to my fellow farmers throughout America. This Congress by such action would serve notice that agriculture in America will be given the consideration which this real, basic, all-important industry of our Nation deserves. [Applause.]

Mr. MASSINGALE. Mr. Chairman, I move to strike out the last word.

Mr. Chairman, I am rising in support of the amendment offered by my colleague from Oklahoma [Mr. Ferguson]. I do this, not because of the fact that Mr. Ferguson and I happen to come from the same State but I believe that I am actuated by the very highest kind of motive. That is, to see that the farmers of America are no longer disappointed, deceived, or deluded. We, in effect, promised the farmers parity prices. We have not been able to deliver. We might just as

well make a frank avowal of that. They expected to get parity prices on their 1938 crops. They have not got anything, and now it has just dawned upon them that we were speculating—making political promises. Gentlemen, we have fed them on that kind of stuff for 150 years. Let us quit it.

Mr. MOTT. Mr. Chairman, will the gentleman yield? Mr. MASSINGALE. I would like to yield, but I do not have he time.

Secretary Wallace himself testified before the Senate and House Committees on Agriculture and he even testified as far back as 1936 that this program was a failure, insofar as benefit to farmers from acreage reduction was concerned. Congress does not seem to be satisfied with that. Here we are now asking for \$500,000,000, which admittedly will not do the job, and unless you appropriate it he will not even get 75 percent of the parity he has been expecting.

Let me call your attention to this: The farmer believed last year, when he pitched his crop, that he was going to get these parity payments. He did not know at that time that he had to wait for the money to be appropriated out of the Treasury before he would get any of it. He sees it now. In other words, the Secretary of Agriculture filled his pockets with cheese and led the march of the farmers into the trap, and now he is back here before Congress and he is telling the farmer that we cannot do what we told him we were going to do, and we have got to have an additional appropriation for it and even then he cannot get his parity money until after he supports the 1940 program of the present bill. Now, let us give it to him or give him a prospect of getting it.

Let me tell you this: I hope this will be a lesson to the American Congress, to the American farmer, and to the American people as a whole, that we are going to abandon these foolish philosophies of trying to do something by cutting down acreage, killing cattle, killing hogs and things of that sort, and restore the American farmer to the estate of decency, at least, that he used to have. We can do that. We can give him parity and better than parity. We can give him cost of production. There is a petition on file up here, No. 5, that will give to the farmers of this country what it costs them at least to produce a pound of cotton or a bushel of wheat or any other commodity that we grow on the farms of this country. Let us give it to him. We have got to quit this. Congress cannot go on year after year appropriating five hundred million to a billion dollars a year in order to carry out this darned fool philosophy that some fellow has picked up somewhere [applause and laughter] and tries to foist on the people of the country and make the farmers endorse it in order to get an imaginary payment. [Applause.]

[Here the gavel fell.]

Mr. DIRKSEN. Mr. Chairman, I rise in opposition to the amendment.

I ask unanimous consent to proceed for an additional 5

The CHAIRMAN. Is there objection?

There was no objection.

Mr. DIRKSEN. Mr. Chairman, before we get too far afield in the discussion of the pending Ferguson amendment, which seeks to increase price-adjustment payments to \$500,-000,000, I think perhaps a word or two might not be amiss in bringing this matter squarely before the Committee, together with the historical development of price-adjustment payments.

Last year when the work-relief bill left the House it went to the Senate, and in the first week of June 1938 the Senate wrote into the work-relief bill a provision for price-adjustment payments in the aggregate for \$212,000,000. The bill in that form went to conference and the \$212,000,000 was retained. When the Budget figures came before the subcommittee with respect to parity payments this year there was no indication from the President, there was no intimation from the Secretary of Agriculture, there was no suggestion from the Bureau of the Budget with respect to price-adjustment payments. I will defy any Member of this Committee to examine the rather voluminous testimony before the subcommittee and find a single shred of testimony in behalf of price-adjustment payments.

It simply is is not there. Now it is rather singular that the President said nothing to us about it in his message on the 5th day of January. It is rather singular that the President has sent us no supplemental message. It is rather strange that the Secretary of Agriculture made no affirmative request for this money. The only place in these hearings where you will find any allusion to price-adjustment payments is on page 1685 where they are suggested by the legislative representative of the American Farm Bureau Federation, Mr. Ogg. Now let me say for Mr. Ogg that he is a very able gentleman and he made a very fine presentation before the committee, but the thing I want to emphasize first of all is that there is no Budget estimate for this item, there is no request from the President, there is no request from the Secretary of Agriculture, there is no request from the Budget Bureau, and no one can stand in his place and confute this statement because these are the facts.

Secondly, let us get clear as to the language of the Agricultural Adjustment Act of 1938. The gentleman from Oklahoma stated awhile ago that these payments were authorized. The language of section 303 does not mean that to me at all. It states that if and when the Congress of the United States shall make the appropriation, then, and only then, the Secretary of Agriculture shall be authorized and directed to make these payments. This is no authority for price adjustment. It is permissive language. This is simply designating the Secretary of Agriculture as the disbursing officer after the Congress has indicated in its wisdom what it wants to do about these payments. So remember that it is the responsibility of this Committee, and it is the responsibility of Congress. Whether or not there shall be price adjustment payments is after all a matter for the Committee and for the Congress to determine, but I want to emphasize the fact that there is no request from the President, from the Budget, or from the Secretary of Agriculture. That is No. 1. Secondly, the language of section 303 of the Farm Act of 1938 can scarcely be construed or interpreted as an authorization for these, if by authorization is meant that Congress is obligated to this course of action. It simply makes the Secretary our agent if and when the appropriations have been made.

I am not insensible of the distress that is everywhere in the country in the farm domain. I know they are not getting enough money, but I want to be particularly careful that as we go along in this discussion we keep our feet squarely on the ground and know precisely what we are doing. I have sometimes thought if you are going to go part way, why not go the whole hog? If parity payments, or "parity income," as the Secretary of Agriculture prefers to term it, is a very desirable objective, and if the Federal Treasury will stand it. why not appropriate all that is necessary in order to achieve

Let us take a look at the figures submitted by Mr. Ogg and see where we stand so far as 1938 is concerned. It must be remembered that price-adjustment payments apply to only five commodities-cotton, corn, wheat, tobacco, and rice. Out of the \$250,000,000 you tobacco farmers and you tobacco representatives will get nothing. They will write it down in the book at perhaps \$5,000,000 or \$6,000,000, but you will not get anything-you cannot because the prices were at a rather high level. Two million dollars will probably be set aside for rice, but you rice farmers are not likely to get it. From \$90,000,000 to \$100,000,000 will be set aside for cotton, from \$70,000,000 to \$75,000,000 will be set aside for wheat, and from \$70,000,000 to \$75,000,000 will be set aside for corn. You dairy farmers can just bet your life now you are not going to get a dollar.

It ought to be made clear, as we consider whether this is to be \$250,000,000 or \$500,000,000, precisely how the money is going to be disbursed. Now, let us look at the crop year 1938. The parity value of the five basic commodities was about \$3,400,000,000.

The proceeds from the crop according to estimate was about \$2,100,000,000. The benefit payments were \$290,000,-000. The total, therefore, in payments and in proceeds from the sale of the five basic commodities was a little less than

\$2,500,000,000. How much further do you think we shall have to go in order to reach parity? We need over \$1,000,-000,000 in addition thereto in order to achieve parity. Now, that is the situation in a nutshell, and I sincerely trust every gentleman in the Committee will have that very definitely in mind when it comes time to register on this matter, whether you vote \$250,000,000 or \$500,000,000; and so I just want to summarize it: There has been no Budget estimate, no request by the President, no request by the Secretary of Agriculture; and you will find a suggestion of this price issue only in the testimony of Mr. Ogg at page 1685 of the hearings.

Mr. FERGUSON. Mr. Chairman, will the gentleman yield?

Mr. DIRKSEN. I yield.

Mr. FERGUSON. If parity payments were not authorized under section 303 would not the amendments all be subject to points of order?

Mr. DIRKSEN. I do not think so.

Mr. FERGUSON. It is clearly an authorization or the

amendments would be subject to points of order.

Mr. DIRKSEN. The gentleman misunderstood. I said it is presently the responsibility of Congress. The act starts with the statement, "If and when." When the gentleman himself was here in the Well of the House he gave the impression that there was a clear duty upon the Congress to appropriate this money. I do not envision it as a clear duty under section 303 at all. We have entire discretion in the matter; and is it not rather odd under those circumstances, is it not rather odd that the Department of Agriculture, huge factfinding agency that it is, has failed to make this request? Is it not strange that the President has made no request? He is just as much interested in the welfare of the farmer as is any other person.

Mr. COOLEY. Mr. Chairman, will the gentleman yield?

Mr. DIRKSEN. I yield.
Mr. COOLEY. Does not the gentleman understand that
the Secretary of Agriculture has advocated a processing tax for the financing of this farm program? And does not the gentleman also understand that the President is opposed to the processing tax? Is not the reason no suggestion in this connection was made is because there was a difference of

opinion between these two men?

Mr. DIRKSEN. It would be far more accurate, in view of the testimony given by the Secretary of Agriculture before the subcommittee, to say that he has been deliberating and thinking around the edges of a processing tax, never having made a commitment of any kind on that subject since the old lamented processing tax went out of the window. On page 3 of the hearings the Secretary stated that in his speeches he had suggested the feasibility of a processing tax. Certainly he left no doubt in the minds of the members of the Subcommittee on Agriculture that he was not going to make an affirmative proposal for a processing tax.

Mr. Chairman, it is no light undertaking to write into an appropriation bill the sum of \$250,000,000 when there have been no hearings on that item. It is no small thing to appropriate a quarter of a billion dollars when the President has not indicated a desire for its inclusion, and when he indicated to the Secretary of Agriculture that there should be offsetting taxes to counterbalance that item. It is no small thing to appropriate this huge sum when the Secretary of Agriculture himself would make no commitment to the committee on this item. Surely no one will attempt to justify this procedure. If it is done now, there will be nothing in the way of writing similar sums into other appropriations, and then one can really shudder for the fiscal stability of

I can think of nothing that would so justify a deep and abiding sense of alarm throughout the country than if the House should follow such a procedure.

Mr. TARVER. Mr. Chairman, I rise in opposition to the

pro forma amendment.

Mr. Chairman, I rise at this time because of statements inadvertently made by the gentleman from Illinois which are not supported by the record. The gentleman stated that no evidence had been adduced before the subcommittee with reference to the subject matter of parity payments except that of Mr. Ogg, who appeared as the representative of the American Farm Bureau. The gentleman from Illinois, because of engagements before another subcommittee, was not present at all of the hearings had before our subcommittee. I direct your attention to the examination by the subcommittee of the Secretary of Agriculture, and particularly to statements made by him on page 6 of the hearings. I also direct your attention to the evidence of Mr. R. M. Evans, head of the Agricultural Adjustment Administration, in whose testimony some reference was made to the subject matter here discussed. On page 6 of the hearings, I asked the Secretary of Agriculture this question:

Mr. Chairman, may I ask a question before you proceed to the next item? Do you think it essential to the success of the farm program that this committee should make an appropriation for the continuance of parity payments?

mr. Wallace if you define by success of the farm program the objective set forth in the Agricultural Adjustment Act of 1938, it is obvious that you cannot be successful without more payments.

Of course, the Agricultural Adjustment Act of 1938 is the only farm program the farmers of this country now have.

I am quite in accord with the views of some of my colleagues who feel that that program must be changed or modified in order to be finally successful. I voted against the Agricultural Adjustment Act of 1938 when it passed the House of Representatives.

I do not believe that the plan which is outlined in that act is sound or one that will be found permanently successful; but it is the only program we have, and we must either follow that and make parity payments and endeavor to attain the objectives set forth in that act, or we must leave the farmer distressed and with a constantly diminishing income, which for the present year, so far as Federal benefits are concerned, will be substantially 30 percent less than it was for the year 1938. With the market values of his crop depreciating, there will thereby be brought about a very much greater percentage of decrease in income than is represented by the decrease in the amount of Federal benefits.

I feel that the President's position with regard to the advisability of trying to raise the money to carry on whatever program is finally adopted, otherwise than by taking the money from the general funds of the Treasury, is a sound position; but you and I, who are not members of the Committee on Ways and Means, are not in position to bring tax legislation before the House of Representatives, and until the Ways and Means Committee may see fit to report to this House legislation which will enable the program to be financed from other than general funds, we have only one of two recourses left: That is, either to abandon the farmer and make no effort to be of further assistance to him, or to make appropriations for his benefit out of the general funds in the Treasury of the United States.

Mr. Chairman, remember that the farmers of this country on the whole receive very little from the Works Progress Administration appropriations that we make. I do not know how it may be in other sections of the country, but I know in my own district those who are customarily employed on farms are not permitted to have W. P. A. employment. That rule was modified for 2 months during last fall, but at the expiration of the 2 months those people who were customarily employed on farms were dropped and were told they must secure employment on the farms and could no longer secure this character of relief through the W. P. A.

I feel that as one measure of relief, not only to the farmer, but to the unemployed in industry in this country, Congress ought to make arrangements for the people in this country who are hungry or ill-clad to secure the benefit of huge farm surpluses, instead of having their export to foreign countries subsidized.

We are subsidizing this year the exportation of 100,000,000 bushels of wheat at a cost to the people of European countries of 26 cents per bushel while our own people pay 55 to 60 cents. There is talk of subsidizing the export of cotton. I would rather spend the money of the United States to feed and clothe its own people.

With further reference to the exact question involved in the parity amendment, I recognize the fact that the establishment of a permanent policy of paying grants and subsidies, whether known as parity payments, soil-conservation benefits, or otherwise, out of general funds in the Treasury to any particular class of the people of the United States, would be unwise and eventually destructive of the Government itself.

At the same time, no one will or can successfully contend that the principle involved is different in character from that which confronts us when we undertake to continue permanently a system of grants to those who are unemployed in industry, to those who live in the slums of the cities, and to various other elements of our population who have from time to time been the beneficiaries of the beneficence of this administration. The entire system except as a matter of most pressing emergency and within the most restricted limits is faulty to the core and it must be drastically revised within the not distant future or this Government will be confronted with very grave danger.

I am not disturbed about the possibility of change in the form of our Government. I have confidence in the wisdom and integrity and capability for self-government of the American people. But I do believe the present trend toward extravagant expenditures, beyond the ability of our people to meet through taxation, will, unless checked, destroy the credit of the Government itself, force the repudiation of public and private debts, and make necessary a long and painful period of reconstruction before we can again reach the point in national development which we occupied before the present emergency began,

It is not inconsistent on my part that, entertaining these views, I am, nevertheless, pressing for parity benefits for farmers out of the Public Treasury. I would rather see those benefits provided by some system similar to processing taxes to raise money from those who consume the farmers' products to place him on a parity with those who make their livelihoods in other ways. It is not the fault of those of us who are not on the Ways and Means Committee that legislation of this sort is not brought before the House. But you have not made arrangements by taxation to raise the money for the unemployed in industry before you appropriated during the last 6 years \$15,000,000,000 for their relief; and that is true, notwithstanding the fact that most of the beneficiaries of those appropriations are located in the wealthiest States of this Union. Why insist that the farmer raise his benefits by special taxes and then expend more tremendously huge sums for the relief of unemployment in industry without that requirement?

Who is in worse condition than the farmer? In 1938 his income available for living expenses was \$4,750,000,000, as against \$58,745,000,000 for nonfarm population. Thus, the farmer had around 8 percent of what the nonfarmer had, although his numbers aggregated around 33 percent of the nonfarm population. If an unwise policy is being pursued for the relief of the nonfarm population, if money not raised by taxes is being poured out for them to the extent of \$15,000,000,000 in 6 years, then why, in Heaven's name, should those of us who feel that that policy is unwise, permit the farmer to be made the goat by not receiving his share of the beneficence which his labor must eventually help to repay?

Should we stop this unwise and impracticable method of attempting to deal with distress, agricultural and nonagricultural? I think so. If you will undertake to do it, I will stand with you. If, however, you attempt to make fish of one class and fowl of another, to spend huge sums for the population of cities and deal niggardly with the farmer, I shall be one of those who will exhaust every possible effort to see that the farmer is placed on a parity in the distribution of national funds, even if we cannot secure for him, as would be far more desirable, parity in the prices of his agricultural products.

Mr. HOPE. Mr. Chairman, I rise in opposition to the proforma amendment.

Mr. Chairman, in view of the statement of my good friend, the gentleman from Illinois, with reference to the lack of testimony in the record concerning why we should have parity payments, I am going to take the time to give a little testimony myself on that point.

One can talk for hours in describing the agricultural situation, but I think I can bring it to your attention by citing a very few figures. In determining the relative standing of agriculture as compared with other industries, we commonly go back to the 5-year period, 1909 to 1914, not because farmers were getting rich at that time—far from it—but because that was a normal period and there existed at that time a fairer relationship between agricultural and nonagricultural prices than has obtained any time since.

What is the relative situation of agriculture and other industries today as compared with the 1909 to 1914 period? These figures from the Department of Agriculture tell the story: In January 1939 the composite price of all grains was 66 percent of what it was during the 1909 to 1914 period. The price of cotton and cottonseed was 71 percent of what it was during that period. I am mentioning only grains and cotton because they are the commodities which are included in the provision for parity payments. Tobacco is also included, but since its prices are almost equal to parity it will not share in the payments unless there should be a tremendous price decline.

Now, what is the other side of the picture? Listen to this: In January 1939 industrial wages were 211 as compared with 100 in the 1909 to 1914 period. The wholesale price of all commodities was 112. In January 1939 farm wages were 117 as compared with 100 in 1909 to 1914, and prices paid by farmers for commodities used in living and production were 120 as compared with 100 in the base period.

Mr. NICHOLS. Mr. Chairman, will the gentleman yield?

Mr. HOPE. Not just at this point.

Mr. NICHOLS. I just wondered if farm machinery was in there.

Mr. HOPE. I will cover that a little later.

Let me ask in all sincerity what would happen if this situation were reversed? Suppose that industrial wages today were 66 percent of what they were in 1909 to 1914 and that farm prices were 211 percent of what they were then? Would we be hearing any complaints from industrial centers? I rather think we would.

Now, you may say, even though this situation exists, "What justification does it afford for paying subsidies out of the Federal Treasury?" Just this, that the relative condition of the farmer today, as compared with the base period, is very largely the result of legislation enacted by the Congress of the United States on behalf of other industries. Our tariff policy has been to the disadvantage of agriculture-not intentionally perhaps, but actually so-because tariffs cannot help producers of surplus crops which are covered by this parity-payment provision, and also because even where tariff rates are effective farmers are not in a position to take advantage of them to the same extent as industry.

Today, as the result of legislation, transportation rates on the farmers' products are fixed. Commission charges he must pay at the stockyards are fixed. Industrial monopolies have, to a large extent, fixed the price he must pay for his machinery. Legislation enacted by Congress for the benefit of labor—such as the Wagner Act, the Railroad Labor Act, and the Wage and Hour Act-have all contributed to the present condition of the farmer because it has increased the cost of everything which the farmer buys. I am not at this time criticizing the purpose of any of this legislation. I am not expressing any opinion on it as to whether it is good or bad as a national policy. I do say, however, that it has very definitely contributed to the situation in which the farmer

now finds himself.

That brings us to the question of what can be done to remedy the situation, because I assume that there is no one who does not want to remedy it. It seems to me either of three things can be done. One is for Congress to repeal all of the legislation which has brought the farmer to his present position. Another is to arbitrarily fix prices on agricultural products at a point where the farmer's income will compare with income from other industries. The other is to give the farmer a subsidy out of the Federal Treasury which will put

him on a price and income parity with producers in other industries. We have not the opportunity today to do any one of these three things. We are not going to have the opportunity to do any one of these three things during this session of Congress. We do have the opportunity today, however, to appropriate a sum of money which, while it may seem large, is but a small part of that to which the farmer is entitled if he is to be put on the same level as other producers.

[Here the gavel fell.]

Mr. HOPE. Mr. Chairman, I ask unanimous consent to proceed for 3 additional minutes.

The CHAIRMAN. Is there objection to the request of the gentleman from Kansas?

There was no objection.

Mr. HOPE. There is a general agreement, I think, on the part of leaders in both industry and agriculture that until a more permanent solution of the agricultural problem can be worked out, there must be subsidies from the Federal Treasury. To my Republican friends I call attention to the provisions of our party platform for 1936 where the party pledges itself, as follows:

To provide in the case of agricultural products of which there are exportable surpluses, the payment of reasonable benefits upon the domestically consumed portion of such crops in order to make the tariff effective. These payments are to be limited to the production level of the family type farm.

Let me call attention also to the attitude of two of our great business organizations on this question. In December 1938 the committee on agricultural cooperation of the National Association of Manufacturers submitted its report to the association. Among other things, that report stated:

This committee reiterates its belief that it is essential to the welfare of manufacturing industry that the farmers receive fair prices for what they produce. Your committee recognizes that the question is probably one of an equitable price relationship more than price level, and it recommends that the National Association of Manufacturers lend its fullest support to any sound effort to bring about such a relationship between industry and exceptions. agriculture.

In January of this year, the United States Chamber of Commerce sponsored a conference composed of 50 farm and industrial leaders. At the conclusion of that conference Mr. George H. Davis, president of the chamber, gave out a statement which is reported in the Washington Post for Thursday, January 26, 1939, as follows:

CHAMBER OF COMMERCE PARLEY HERE FAVORS FARM SUBSIDY—"BONUS" SHOULD BRING "FAIR PRICE," DAVIS DECLARES AFTER TALK

Abandonment of extensive machinery for control of agriculture and a straight subsidy to farmers on production for domestic use were favored at a conference yesterday of about 50 farm and industrial leaders under auspices of the Chamber of Commerce of the

United States.

George H. Davis, of Kansas City, president of the chamber, declared prevailing sentiment at the conference was that the farmers should receive a "fair price" for that part of agricultural commodities consumed in this country.

The difference between a fair price and the prevailing market price, he explained, would be made up by a Government subsidy or "bonus" paid direct to producers. Although the conference, held behind closed doors, took no formal action, he said the majority of those present felt that distribution of agricultural commodities should be left to private facilities.

"The general view," he said, "was that subsidy payments should not be coupled with a plan for crop-control period. Farmers would be permitted to raise as large crops as they want."

He said there was strong sentiment among the conferees against price fixing.

Since the present bill was reported two great farm organizations have gone on record as favoring this \$250,000,000 appropriation. The American Farm Bureau Federation, through its president, Edward A. O'Neal, has stated its position in the following telegram:

WASHINGTON, D. C., March 24, 1939.

Washington, D. C., march 24, 1935.

Honse of Representatives:

Urge your support 250,000,000 parity payments in agricultural appropriation bill. Vitally important Congress provide these funds, as promised section 303 of A. A. A. of 1938. Continuation of parity payments essential to effective operation of A. A. A. in protecting farm prices and farm income. Parity for agriculture is essential to industrial properties. to industrial prosperity.

EDWARD A. O'NEAL,
President, American Farm Bureau Federation.

On yesterday John Vesecky, president of the National Farmers Union, gave a statement to the press urging Congress "to make such appropriations as will give the farmers full

Mr. FULMER. Mr. Chairman, I ask unanimous consent that the gentleman may proceed for 2 additional minutes.

The CHAIRMAN. Is there objection to the request of the gentleman from South Carolina?

There was no objection.

Mr. HOPE. I do not assert that all of the above quotations are in direct support of this particular appropriation, but I do cite them as indicating the general acceptance on the part of political, industrial, and farm leaders of the principle that under existing conditions it is absolutely necessary to supplement the income of agricultural producers, and particularly the producers of surplus commodities by means of a subsidy from the Treasury.

The \$250,000,000 proposed is but a drop in the bucket. It would take several times that much to bring full parity to the producers of farm commodities. I think the farmer deserves full parity, but I do not believe it is practical at this time to attempt to give him more than \$250,000,000 plus the amounts that are carried in this bill for soil-conservation payments. To give him less, however, is to deny the farmer

even a small modicum of justice. [Applause.]

[Here the gavel fell.]

Mr. PIERCE of Oregon. Mr. Chairman, I rise in opposition to the pro forms amendment.

Mr. Chairman, I am a real farmer living on my farm, and I have lived there for 40 years. My district is devoted to farming. It raises a large quantity of wheat. I am deeply interested in farm prosperity. I am seriously worried with the easy-I will not say the flippant, but the easy and careless-way in which we vote millions upon millions of dollars out of the Treasury. Government credit will last my time, but what of my 11 grandchildren coming on? I am wondering whether we are going to have any financial stability.

I do not think we ought to vote this \$500,000,000 out of the Treasury for parity payments for three commodities, and I am going to vote against it. [Applause.] I am going to vote reluctantly for the \$250,000,000. We need it, but we should be making arrangements to raise it by some form of taxation.

I think it is the duty of the Ways and Means Committee of this House to provide ways of getting this money. I think we should quit voting these untold millions without knowing where they are coming from. I believe the farmer ought to have parity and I believe we can get it by putting on processing taxes. The people who use the food and the fibers of this country ought to pay the cost of production.

Mr. POAGE. Mr. Chairman, will the gentleman yield?

Mr. PIERCE of Oregon. Not now.

I just cannot understand how we are going to get cost of production simply by passing a law. It seems to me it is the duty of the committees to bring to this body bills showing how this money is going to be raised.

In a few days we are going to be asked to vote for \$150,000,000 for W. P. A., and before we go home in midsummer we are going to be asked to vote a thousand million dollars for W. P. A., and we are in the red all the time. I am truly frightened at the prospect and the way we vote out

these millions of dollars.

Mr. COOLEY. Mr. Chairman, will the gentleman yield? Mr. PIERCE of Oregon. I yield for a question.

Mr. COOLEY. I would just like to ask the gentleman if he has not supported Bonneville Dam and all those other large expenditures of money?

Mr. PIERCE of Oregon. Surely; and that is all money that is coming back into the Treasury. It is all reimbursable. Every dollar invested in Bonneville power project will come back into the Treasury with interest, and, on top of that, it will help to bring prosperity to the Northwest.

Mr. COOLEY. Does not the gentleman believe that prosperity on the farm will affect the general prosperity of the

Nation?

Mr. PIERCE of Oregon. Not a doubt about it; and I will go with you on any appropriation up to cost of production to the farmer, but show me how we are going to get the money.

Mr. COOLEY. It is the duty of another committee to bring in that bill.

Mr. POAGE. Mr. Chairman, will the gentleman yield? Mr. PIERCE of Oregon. I cannot yield further, as I want to conclude this statement.

I am firmly convinced that in some way we must work out legislation so that every necessary product of the farmer will bring to the man who produces it at least the cost of production. Legislation must be enacted that will in some way be able to get the money from the one who uses the foods or fibers and to pay it where it is justly due, so that the producer thereof may no longer be compelled to furnish it at a loss. I will admit it seems impossible to do this in the free and open markets of the world. The only way I can see at the present time is by processing taxes paid directly into the Treasury of the United States, upon the articles produced on the farm, so that the cost may fall upon those who make use of the foods or the fibers.

I think the Appropriations Committee was extremely liberal to the farming world when it provided \$250,000,000 additional out of the Treasury of the United States, without any corresponding processing taxes moving into the Treasury designed to meet the losses the Treasury would sustain by this appropriation. I do not feel that we should jeopardize the whole program by attempting to raise the amount appropriated to a half billion dollars. I thus put myself on record as a conscientious objector to that larger appropriation now.

The \$250,000,000 will give to the wheat men a parity-price contribution of 15 cents a bushel, which, with their soilconserving appropriation, will give to the average wheat man something like 25 cents or 30 cents a bushel in payments over and above his selling price or loan value. I think we better be satisfied with that amount than at this time attempt to increase this by 12 cens or 15 cents more per bushel. I think the same reasoning will apply to cotton, tobacco, and other basic commodities included in the partial parity-payment program. [Applause.]

Mr. TERRY. Mr. Chairman, I move to strike out the last two words.

Mr. Chairman, as one member of the subcommittee that reported out this bill I wish to assume my full responsibility for reporting the item of \$250,000,000 for parity payments to the farmers of the country. This, of course, will not give parity payments, but from the testimony on the hearings it will give about 75 percent of parity.

We have heard a great deal from both parties about their friendship for the farmers of the country, and this afternoon you will be given an opportunity to show whether or not you are friends of the agricultural interest of this country.

We have done much for industry, we have done much for labor, and yet it is the consensus of opinion of the whole country that we have not done what we should have done for agriculture. We have been a sick country for some time now, and one of the reasons is that we have never done what we should have done for agriculture.

Mr. Chairman, all of the activities of this land are interrelated, and you cannot have a well and sound manufacturing industry, you cannot have labor in a healthy condition and at the same time have agriculture down in the depths of lowpurchasing power.

Mr. Chairman, at page 1698 of the hearings, in a discussion showing the interdependence of industry and agriculture, it is

A study made by a statistical economist connected with one of the large Chicago industries showed that with each 10-percent change in national income, there is reflected a similar change of 10 percent in the total pay roll of the Nation. A 10-percent increase in farm income reflects a 25-percent increase in gross profit of all reporting corporations, a 11-percent increase in distribution of profits in the form of dividends from all enterprises. A 10-percent change in national farm income immediately is reflected in a 10-percent change in the value of all stocks listed on the New York Stock Exchange. A 10-percent change in farm income is reflected in a 16-percent change in the profits of the International Harvester Co.; a 22-percent change in the profits of General Motors; a 14-percent change in the profits of the United Fruit Co.; 10 percent in

the profits of the International Shoe Co.; 8-percent change in the profits of packers; 10-percent change in the profits of millers; and 12-percent change in the profits of the large cotton manufacturers.

I am giving you these figures to show you that by increasing farm income you increase the income of all of the business activities of this land. In the last few days I have heard a great deal about logrolling on this bill. I have heard that the people who are in favor of relief will not go along in favor of these parity payments unless they have some assurance as to what those in favor of parity payments will do for

Mr. DUNN. Mr. Chairman, will the gentleman yield?

Mr. TERRY. Not now. It is a strange thing that those who are in favor of parity payments are being crucified, as it were, by those in favor of relief on the ground that members of the Appropriations Committee in favor of parity are at the same time not in favor of larger relief funds. The fact is that some of those on the committee who most strongly oppose relief also oppose parity prices.

The CHAIRMAN. The time of the gentleman from Arkan-

sas has expired.

Mr. CANNON of Missouri. Mr. Chairman, I ask unanimous consent that the time of the gentleman from Arkansas, who is a member of the subcommittee, be extended for 5 minutes.

The CHAIRMAN. Is there objection?

There was no objection.

Mr. TERRY. Mr. Chairman, I do not believe in logrolling. I have never asked any of you people to vote for parity payments simply on the ground that I have supported legis-lation that you are in favor of. I have voted for the United States housing program, when there is not one single housing authority in my State, because I felt that the people in the large cities, the working people and low-income groups, should have the benefits of that program.

I am one of those Members from the South who voted for the wage and hour bill, because I felt that the great unorganized portions of our laboring people should get the benefit of the legislation. I have felt that those unorganized masses of laboring people who have not up to this time attained the benefits of union labor should receive help from the United States Government. We are now engaged at great length in endeavoring to find world markets for our products, both manufactured and raw. Yet you people who are declining to give the agricultural interests of this country parity payments are neglecting the greatest market that you can have. We have over 30,000,000 people engaged in agriculture in this country, a large part of our national population, who have not the necessary purchasing power to buy those things manufactured in the North and the East. When you deprive the agricultural people of these parity payments, which will assist them to have purchasing power, you are neglecting, probably, the greatest market that you can find.

Mr. McGRANERY. Mr. Chairman, will the gentleman yield?

Mr. TERRY. Yes.

Mr. McGRANERY. If the Budget Director has not included this \$250,000,000 in his set-up, will the gentleman say whether it will not be necessary to go out and assess some new taxes in order to raise the \$250,000,000 now being asked for parity payments?

Mr. TERRY. I say to the gentleman that the Secretary of Agriculture, as was well stated by my colleague from Georgia [Mr. TARVER], made no objection to this item. He said it was not included because the President has said that he wished us to find a source of revenue to cover it, and yet I say to you that the President of the United States and others in authority here have not asked us to find taxes to pay for relief for housing, for armaments, and for those other programs for which huge sums have been appro-

It is a strange thing that we in this House should now be quibbling about finding a source of taxes for the \$250,-000,000 that we are now seeking for the benefit of the agri-

cultural interests.

Mr. McGRANERY. My question to the gentleman is whether the Budget Director included this \$250,000,000?

Mr. TERRY. It is admitted that he did not, and the gentleman well knows that.

Mr. HOPE. Mr. Chairman, will the gentleman yield?

Mr. TERRY. Yes.

Mr. HOPE. Will not we get this money from the same place where we are getting the billion dollars of new national-defense money that we expect to spend?

Mr. TERRY. I say to the gentleman that we passed the largest national-defense bill on the floor of this House a few weeks ago in about 14 minutes by the clock, and nothing was said about whether or not we had to first find the taxes to pay for it. I appeal to you men of the House to give us these parity payments.

The CHAIRMAN. The time of the gentleman from Ar-

kansas has again expired.

Mr. RICH. Mr. Chairman, I move to strike out the last word. The gentleman who preceded me, the gentleman from Arkansas [Mr. Terry], figures on spending but deems it not a proper question to be asked. Where are you going to get the money? I say to the Members of Congress that you have appropriated now for the five regular bills and the four additional bills which you have passed, including this agriculture bill we are now discussing, as follows:

For relief (W. P. A.)	\$725,000,000
First deficiency bill	23, 765, 041
Independent offices bill	1, 668, 218, 340
Legislative establishments	
Treasury and Post Office	1, 701, 189, 114
War Department (military)	513, 188, 882
Second deficiency	139, 871, 028
Agriculture	
Interior Department	159, 839, 815
Total	6, 038, 691, 557

Now, I ask you the question, Where are you going to get the money?

It is a sensible, sane, and very pertinent question at this time to the House of Representatives. The total amount we collected last year was \$6,241,661,226.99. That shows that we have appropriated already a sum about equal to the amount we collected last year; yet the amount that we will receive in our income next year is going to be much less, according to the President's statement, than we received last year. It will be \$500,000,000 less than we have already appropriated this year for 1940.

You still have to appropriate for the nonmilitary establishment, for the civil functions of government. Last year we appropriated \$198,000,000 for this purpose. You have the Navy appropriation bill yet to pass; last year it was \$553,-000,000 for Navy. You have the State, Justice, and Commerce bill yet to pass; you appropriated \$132,000,000 last year for that. You have the District of Columbia bill yet to pass, and you appropriated last year \$50,000,000 for that.

You have relief to take care of for 1940, and last year you appropriated \$3,772,000,000 for that. If you appropriate the same amount of money this year for 1940 that you appropriated for this year, you will have to add to the amount you have already appropriated the sum of \$4,705,000,000, which would make the appropriations at this term of Congress over ten and one-half billion dollars. This will be about five billion more than you will receive in 1940 under present conditions.

WHERE ARE YOU GOING TO GET THE MONEY?

Now, gentlemen, if you read the article in the Washington Post this morning, where the news reporter questioned those who came from the White House yesterday, you know the President of the United States is now going to put it up to Congress; at least, he says so. You know and I know that we have appropriated and spent more money in the last 6 years than was ever appropriated in any 12 years in the history of this Nation, outside of the war years. If the President of the United States says that from now on he is going to be for economy, then he is going to put it up to the Members of Congress. Are you going to be men enough to stand up here and assume the responsibility which the

people of this country are looking for Congress to assume, or are you going to be nothing but pollywogs and mollycoddles that do not have sufficient business ability to try to look forward to the fact that you must collect the money before you spend it? Are you going to permit children yet unborn to pay the bills for the folly of this Congress? That is the question we are confronted with at this time. We need Congressmen with ability and with backbone to run the affairs of Congress in this trying time.

Mr. NICHOLS. Mr. Chairman, will the gentleman yield?

Mr. RICH. I yield.

Mr. NICHOLS. I wonder if my friend would be interested in my correcting him in a matter of about \$50,000,000 in his statement?

Mr. RICH. Well, I asked the Appropriations Committee's office for these figures and I feel sure they are correct.

Mr. NICHOLS. The gentleman has just stated that we would appropriate \$50,000,000 for the District of Columbia. Of course, the gentleman understands, does he not, that that money comes from taxes assessed in the District, and only \$5,000,000 of it comes out of the Federal Treasury, which is a

little discrepancy of some \$45,000,000?

Mr. RICH. Well, I got these figures from the office of the Appropriations Committee, and last year we appropriated in the District of Columbia bill \$49,392,686. When I hear on the floor today talk about \$250,000,000 as if it were not anything, I want to say I have heard so many of you talk about one hundred million, a billion, and all kinds of figures until it makes the people of this country dizzy in the head, and not one of you knows what \$10,000 is. [Laughter and applause.] That is what you are thinking about—\$10,000. The most of you fellows are thinking about that salary check. [Laughter and applause.]

[Here the gavel fell.]

The CHAIRMAN. The gentleman from North Carolina [Mr. Kerr] is recognized for 5 minutes.

Mr. KERR. Mr. Chairman, it is needless for me to apologize for entering this debate, when you recognize the fact that the agricultural area which I represent is one of the greatest and most prosperous agricultural areas in this

country at this time.

I must confess that I have not yet quite understood why it is that some Members of this Congress on both sides of this House, who should be in favor of this \$250,000,000 parity appropriation, criticize the action of the Democratic Party in respect to these things in which they are in-terested. You have heard during this debate, the reciprocaltrade agreements attacked. They have been attacked when the Members who attacked them ought to have known that through these reciprocal-trade agreements we have taken off a large surplus of the various commodities that have been accumulated in this country for several years, and which could not have been removed otherwise. Those gentlemen's constituents who attacked these trade agreements have been the principal beneficiaries of those agreements. You have heard those gentlemen who represent the dairy interests of this country, and we are all interested in this wonderful industry of the United States. They have attacked this administration and its agricultural program because of those trade agreements and because of the reciprocal-tariff agreements. I want to tell you gentlemen that these Members were not warranted in making an attack upon the Democratic policy in respect to their great industry, because they have been probably the greatest beneficiaries of this administration and its agricultural program than any other industry in this country, and the records as to how the administration has dealt with them clearly prove this statement.

This administration loaned the dairy industry of this country millions and millions of dollars to handle their products and to take their surplus products off the market. This administration has bought from those dairy people millions of dollars worth of their stock and distributed it to the poor and needy people of this Nation. It ill becomes those gentlemen to criticize the action of this administration in respect to that agricultural industry.

Then, too, gentlemen, you have heard criticism of the measure under consideration from some of those Congressmen who represent the sugarcane and beet industry in the United States proper. They doubtless feel that these areas in the United States should grow all of the sugar we need. They should certainly not complain, for we have subsidized them through a protective tariff so high that it costs the consumers of sugar in this country \$350,000,000 annually—tariff tax for the benefit of growers and refiners in these United States. Those farmers plant 1,000,000 acres in cane and sugar beets in this country. They average \$75,000,000 for their crops. That is a greater average per acre than any other agricultural products in this country, except tobacco. They are beneficiaries of this Government because a protective tariff puts a subsidy of \$350,000,000 in their and the refiners' pockets every year.

Mr. SCHAFER of Wisconsin. Mr. Chairman, will the gen-

tleman yield?

Mr. KERR. No; I cannot yield. This interest is sub-

sidized by a tariff, \$350,000,000 every year.

The farmers of this Nation paid one-third of that subsidy. The truth of the business is, Mr. Chairman, that these gentlemen who complain about these things belong to that industrial class of this country which has been nursing the tariff bottle for 70 years, and they do not like to be weaned from it. That is why they are protesting.

[Here the gavel fell.]

Mr. KERR. Mr. Chairman, I ask unanimous consent to proceed for 2 additional minutes.

The CHAIRMAN. Without objection, it is so ordered.

There was no objection.

Mr. KERR. Now, what is our duty to the American farmer? The last 6 years we have appropriated \$19,000,000,000 for public relief. The farmers have received less than 10 percent of it, either directly or indirectly. I repeat, of this great appropriation of \$19,000,000,000 only one-tenth of it has gone, directly or indirectly, back to the farmers' pockets. They are entitled to consideration before this House. They are entitled to any law that is fair that will put them on an equal basis with the other industries of this Nation. They are entitled to sympathetic and fair consideration when measures are proposed to give them a purchasing power equal to other industries, the truth is, say what you may, they constitute the backbone of American life; and I venture this prophecy, that if you take care of the farmers of the country they will take care of the Nation regardless of its many hazards. [Applause.]

Mr. GIFFORD. Mr. Chairman, I will speak very briefly in behalf of the Expenditures Committee of the House. I have generally voted for the items in agricultural appropriation bills. I am perhaps the one Member from New England who can qualify as a farmer. I have done much of it. Seriously, where is the money coming from to meet this huge expenditure for parity payments, so-called? Shall I give my neighbor \$10 because I may be highly profited by perhaps a

return of \$1 on the investment?

I wonder if there are not men in this Chamber of sufficient stature of influence and persuasive power to stop this raid on the Treasury. The papers stated that the President in his message this year sneeringly said to the Congress: "If you want economy, you can have it; if you desire it, you can do it."

Sneeringly, indeed, Governor Eccles on Saturday said: "If you want to balance the Budget, go ahead and do it; we realize that the public wants you to do it, but I dare you to do it."

We have dealt generously with the farmer. First and second mortgages, seed loans, production loans, and much other assistance by various other agencies of the Government has been granted. Not satisfied with enough of these, we contribute soil-conservation payments of about \$500,000,000. Today you will add \$250,000,000, and some of you would even vote for \$500,000,000. Why do you not make it \$1,000,000,000 and be perfectly happy?

Mr. O'CONNOR. Mr. Chairman, will the gentleman yield

at that point?

Mr. GIFFORD. I yield.

Mr. O'CONNOR. The gentleman would not want to balance the Budget at the expense and interest of a class of people in this country who have been producing for 100 years

or more at a cost that is less than production?

Mr. GIFFORD. I probably am just as sympathetic for the welfare of the people as the gentleman is. But we must stop somewhere. But I am not one of those orators who in a demagogic way proclaim, "I am for the plain people." am for them but I ought not to need to constantly assert it. But we must be watchful of the Treasury. I have studied with a great deal of care its financial condition. I realize that the banks and insurance companies have mopped up \$17,000,000,000 of this debt we have piled up. I know the menace of that situation. I know that when a very large amount of bonds may be dumped on the market a financial crisis will result. We are living in a psychological atmosphere of security and we are unable to predict the length of time it may continue. We are on a dangerous road and we know it, and everyone of you in your quiet hours are squirming with your conscience at the huge and dangerous debt Congress has placed upon this Nation. Certainly you do not need to be told that it is the chief menace to our national security. If your reelection depends upon outright gifts to the farmers, you will indeed be deceived. A check of a few dollars of charity payments made to a farmer who knows that he himself will be taxed later to pay for it will not be persuasive. He wishes his Government to be that instrumentality which sees that he has fair play. He knows that if he, assisted by the Almighty, raises vast surplus crops, that parity payments will only encourage him to raise more. He surely knows that governments are not superior to great economic forces.

[Here the gavel fell.]

Mr. COOLEY. Mr. Chairman-

The CHAIRMAN. The gentleman from North Carolina is recognized for 5 minutes.

Mr. COOLEY. Mr. Chairman, I ask unanimous consent to proceed for 3 additional minutes.

The CHAIRMAN. Without objection, it is so ordered.

There was no objection.

Mr. COOLEY. Mr. Chairman, we were warned at the outset of this debate that the Republicans would make a political football out of the parity provision in this bill, a provision which is very vital to our farmers. We were told that the Republicans would kick the Ferguson amendment into the bill in committee, raising the amount for parity payments to \$500,000,000 only for the purpose of loading the bill down in the hope that the entire provision would be defeated in the House.

We may find some consolation in a newspaper article which appeared in the Washington Post this morning. The article leads me to believe that there is still some hope that at least some of our Republican friends will vote for the Ferguson amendment in both the Committee of the Whole and in the House. The headline of the article to which I refer reads as follows: "Republicans Cut Party Line in Parity Vote." The subheadline reads as follows: "Conference Frees Members to Follow Their Consciences." article itself quotes the minority leader [Mr. MARTIN of Massachusetts1 as having remarked after the conference of House Republicans last night that "Republican Members will vote their consciences on farm parity and the supplemental relief appropriation, since they are not partisan matters." I am delighted to know that the minority leader has finally released the enslaved consciences of the minority, which has during the entire session so well followed his leadership, and we may now expect the gentlemen on the left side of this aisle to follow their consciences, as no doubt they will. [Applause.]

Mr. TARVER. Mr. Chairman, will the gentleman yield?

Mr. COOLEY. I yield.

Mr. TARVER. The article went on to state further, however, that the consciences of 140 of them would prevent passage of the amendment.

Mr. COOLEY. I have no way of reading the consciences of the Members of the minority but I do call attention to

the fact that it does not appear that the minority leader had any particular reference to the conscience of the gentleman from Massachusetts who has just spoken or to the very distinguished gentleman from New York [Mr. Taber] whose names appear in the article as having predicted that 140 of the 169 Republican Members would vote against parity payments. We have never held out any hope for either of them anyway. [Laughter.] The minority leader, among other things, is a great philatelist. During the election of last year he made a great collection of rubber stamps. I congratulate him upon releasing the consciences of the rubber stamps of the minority so that they may feel free to vote for parity payments at this time. I do not believe that any sincere, honest, or courageous Congressman will hesitate for a moment to vote his convictions with regard to this amendment. I am sure that there is a great difference of opinion in this body with reference to this provision in the bill now under consideration.

I appreciate the fact that \$500,000,000 is a stupendous sum of money but since parity is only justice I hope that the sum involved in the pending amendment will not cause us to shut our eyes to the principle involved and the pitiful situation in which the farmers of this Nation find themselves at the present time.

I agree with the statement which has been made on the floor during the course of this debate, that the farmers of the Nation have been patient quite long enough. I am unwilling to longer abuse that patience. I am sick and tired of so much talk about parity for the farmer and so little action to obtain it. I, for one, am happy to have the privilege of voting for the Ferguson amendment which will increase the income of the producers of the five major commodities to a point at least nearer to the parity figure. I am sure that all Members of this House from agricultural districts in appealing to the farmers for their votes, have stated that they believed that agriculture should be placed on parity with industry and that many Members of the House have been elected upon pledges to support farm legislation and to strive to obtain parity for agriculture. Here is your chance. Here is the opportunity for you to redeem your platform pledges. Here is an opportunity for you to say effectively whether or not you intended to carry out your platform pledges to the farmers of your districts. This is a test vote. Many of you have said that you are for the farmers, for farm legislation, and for parity payments, but many seem frightened with the magnitude of the promises you have made to put the farmer on parity with industry.

I shall not be frightened by the suggestion that by voting for the \$500,000,000 for agriculture I will defeat the very purpose which is sought to be accomplished by this section of the bill. Such a suggestion is preposterous. I do not believe that Members who are against the \$250,000,000 will vote for \$500,000,000. Neither do I believe that there are many who are actually in favor of parity for the farmer who will vote against \$500,000,000, since even that amount will only enable us to reach approximately 90 percent of parity. Of course, if we cannot get \$500,000,000 I hope that we will certainly pass the Cannon amendment carrying \$250,000,000.

The committee in the exercise of its wisdom, reported this bill to the House carrying \$250,000,000 for parity payments, without Budget approval and, of course, without tax provisions providing the money but all of us know that the Appropriations Committee is not the proper committee to report a tax bill. We also know that the Ways and Means Committee, which is the proper committee, will not bring any tax bill raising money for parity payments until the amount is actually fixed and appropriated. If the money is appropriated then we have every reason to believe that the Ways and Means Committee will provide the necessary funds.

If the Appropriations Committee did not think that funds would be provided, why did they bring this bill in for even \$250,000,000? Much has been said about the wishes of the President. The Appropriations Committee, in bringing in even \$250,000,000 without Budget approval, has indicated its

willingness to override the wishes of the Executive with regard to this very vital matter. If it is necessary for the Ways and Means Committee to bring in a bill and for Congress to vote for a tax bill raising additional revenue with which to pay parity payments, then why not provide \$500,000,000, which will at least approach parity rather than \$250,000,000, which is wholly inadequate?

Mr. FERGUSON. Will the gentleman yield?

Mr. COOLEY. I yield to my friend, the gentleman from Oklahoma.

Mr. FERGUSON. The \$250,000,000 provides for 75-percent parity on the major commodities while \$500,000,000 will provide 90 percent of parity.

Mr. COOLEY. Yes: that is my understanding.

Mr. Chairman, a distinguished Member of the House has asserted that a half a loaf is better than no bread at all. I am tired of the farmers of the Nation being given only a half loaf, and I urge that we do better than give to the farmer half a loaf and that we bring him nearer to parity by adopting the amendment which will provide \$500,000,000 for this purpose.

These people from the city districts state that they cannot make up their minds to vote for this vast sum of money for the farmers of the Nation. They seem to forget that the farmer has profited little, if any, by the billions upon billions of dollars which have been appropriated for C. W. A., W. P. A., H. O. L. C., F. H. A., U. S. H. A., and other agencies which have been established, and that he does not profit by wage and hour legislation which increases the price of everything that he has to buy. How do these agencies help the farmer except as they may tend to help the general welfare of the Nation generally? Oh, yes; the Members of Congress from farm districts are supposed to vote for everything, but when they come here and ask for an appropriation which admittedly is insufficient to accomplish the full purpose sought, an appropriation which all political parties agree is fair and just, we are accused of asking for too much. Shall our plea for the farmers be stifled in our mouths?

[Here the gavel fell.]

Mr. STEFAN. Mr. Chairman, just to keep the record straight and to give some information to the distinguished gentleman from North Carolina who preceded me and who took occasion to chastise the Members of the minority side, I would advise him to consult with the chairman of the subcommittee in charge of this bill making appropriations for the Department of Agriculture. In that consultation he will learn that had it not been for a member of the minority party this particular item for parity payments to farmers would not have been in the bill at all.

Mr. COOLEY. Will the gentleman yield?

Mr. STEFAN. I yield to the gentleman from North Carolina.

Mr. COOLEY. I want to congratulate and commend the gentleman who is now addressing the House for the great interest he has had in this matter.

Mr. STEFAN. I merely wanted to inform the gentleman from North Carolina, for whom I have a great deal of respect, that sometimes it is wise to consult Members on the minority side before making certain statements which may unjustly chastise the entire membership on the minority side.

Mr. MARTIN of Massachusetts. Will the gentleman yield?
Mr. STEFAN. I yield to the gentleman from Massachusetts.

Mr. MARTIN of Massachusetts. I may say that the gentleman from North Carolina was just as accurate in his description of the rest of the Republicans as he was in his statement with reference to the conduct of the members of the Committee on Appropriations. The gentleman has been here long enough to know, and he should know, that Republican conferences never bind any Member on any subject. [Applause.]

Mr. STEFAN. I thank the gentleman from Massachusetts. He has confirmed my stand that party politics has no place in my determination to serve my district.

Mr. Chairman, at this time I want to assume my responsibility as a member of the Committee on Appropriations and say that I am not only for fair and just help to farmers but I am for the principles of cost of production for farmers. This parity item under consideration is an admission that the principles involved in the cost-of-production bill are worthy.

Mr. MAY. Mr. Chairman, will the gentleman yield?

Mr. STEFAN. I yield to the gentleman from Kentucky. Mr. MAY. I have felt from the debate that has been going on here during the afternoon that the country may misunderstand the situation as it actually is. As I understand, this \$250,000,000 in issue here is in addition to what the Budget recommended, and there is over \$900,000,000 appropriated for the Department of Agriculture in this bill without the \$250,000,000.

Mr. STEFAN. I know the gentleman is right, but it is merely a brief approach to what industry should have approached a long time ago. Many Members who preceded me have admitted there will be no recovery in this country until

the farmer receives purchasing power again.

Mr. Chairman, I opposed the compulsory features of the farm bill last year because the farmers in my district are opposed to compulsion. But the bill was passed and there being no other farm legislation I feel what legislation we have should be improved and everything be done to improve it until we secure some permanent legislation. I do not believe that the farm bill has worked out to the benefit of all farmers. Farm prices and conditions on the farms indicate this fact. I wanted a voluntary program. You will remember that during the debate on the farm bill I questioned leading members of the committee in charge of the measure regarding the loaning features. I was assured that the farmers would be allowed to borrow money on their corn whether the bill was passed or not. But I find that this idea was not carried out and only those who actually joined the program could secure these benefits. As a result I find today that there is one class of farmer who is not in the program being forced to sell his corn for around 38 cents a bushel while his neighbor, who is in the program, can sell his corn and get 57 cents a bushel. That makes for bad feeling and injustice. I want something done here so that all of the farmers in the corn-marketing area can get the same treatment. I hope the Committee on Agriculture and the Secretary of Agriculture can get together and make some helpful changes in the farm program so that all farmers are treated alike. Some changes which can be used as a stopgap until we can get some real permanent legislation which will actually bring the farming industry on a par with industry and labor.

Farmers who do not believe in coercion or compulsion are beginning to surrender because they are forced into programs they do not believe in because they want to participate in the loan features and benefits. Because of that I feel that the parity item in this bill should stay in. I admit that it is somewhat in the nature of a subsidy. But are we not subsidizing all other industry? Are we not spending billions for war munitions and armaments in the argument of national defense? Does not the farming industry rate the same treatment? The farming industry represents real national defense—those who raise the food we eat, the food the Army and Navy must have to become successful. Do we not argue daily here that we must do something for industry in order that we defeat this war on depression? We might as well admit that eastern factories and industry and even labor will never succeed, nor will the war on depression become successful until the farmer gets some purchasing power. He is your best customer. He is in the market for everything you have to sell, but he cannot buy now because his purchasing power has disappeared. No one denies that it is wrong to ask anyone to produce anything at a loss. Therefore we all agree to the principles in the cost of production for the farmer. Perhaps the bill suggested needs amending. That can be done if you give it some fair and impartial hearings on this floor. I feel that the parity item in this bill seeks to somewhat reach the principles in the proposed cost-of-production legislation. I agree that it is not in the Budget, but it is a step toward increasing the price of farm products. Here is a bill calling for over a billion dollars, and there is not a single item in it

that will increase the farm prices except in the parity item. If it will help do that, plus adding encouragement toward better refinancing for the farmer, I can do nothing more than vote for it. I do this because I represent a purely farming district, and when the farmers in my district prosper the rest of the district prospers, and so does the entire Nation.

In the distribution of these funds I plead for the real farmer and demand that the money go to the actual producer and not

to the absentee operator of gigantic acreage.

Mr. CANNON of Missouri. Mr. Chairman, it is now 4 o'clock, and we have had quite a bit of debate. I wonder how many more Members care to speak.

Mr. Chairman, I shall not make any request for limitation of debate at this time.

The CHAIRMAN. The Chair recognizes the gentleman from North Dakota [Mr. Burdick].

Mr. BURDICK. Mr. Chairman, I have been in lots of places in my lifetime, but never in one like this. Here everybody has an idea and nobody thinks. The gentleman from Pennsylvania complains of huge appropriations. Most of them were made for war purposes, but he voted "aye" on every one of them. You are concerned about how you are going to get the money. If you will listen a minute, I will tell you how to get it, and it will not cost you anything.

Mr. DINGELL. Mr. Chairman, will the gentleman yield? Mr. BURDICK. I yield to the gentleman from Michigan.

Mr. DINGELL. Will the gentleman tell me how much we will get from North Dakota?

Mr. BURDICK. You will get as much from North Dakota as you will from any other State in the Union compared to its population.

Mr. DINGELL. We have not in the last 5 years.

Mr. BURDICK. If you will tell me how much you took away from us in the last 55 years, I will account for the last

5 years. [Applause.]

If you will add a provision to this bill that no bonds of the United States shall be issued to finance any provision of the act, but that the Secretary of the Treasury is hereby authorized and directed to issue Treasury notes, not bonds, under the authority of the act of 1934 authorizing the issuance of \$3,000,000,000 in Treasury notes without reference to any base of issue except the responsibility of the Government of the United States, you can get the money that way. In the history of this great Republic we have had only two Presidents with nerve enough to face the bankers of the country and stand up for the people. Andrew Jackson was one of them and Lincoln was the other. In 1863 Lincoln had issued in this country \$450,000,000 of this kind of money, and \$341,000,000 of it is circulating today. We have never paid a cent of interest on these millions, and if we were compelled today to pay the interest on the money that has circulated since 1863 at the same rate of interest the farmers are paying on their homes it would take \$30,000,000,000 to settle the account. You can see what interest is doing to this

You can issue this money and pay the farmers their parity price, or approach it, and without that there can be no recovery.

Mr. WHITE of Idaho. Mr. Chairman, will the gentleman yield?

Mr. BURDICK. I yield to the gentleman from Idaho.

Mr. WHITE of Idaho. Is it not a fact that today there are £300,000,000 of British money circulating the same as our greenbacks without any gold coverage?

Mr. BURDICK. The gentleman is correct.

You have the authority. You do not need any law. It is on the statute books now. You put it there in 1934. Issue this money and let it circulate. If it is outstanding 50 years, that does not make any difference. It does not cost anything to do it, and you can put agriculture back on its feet and bring prosperity to this country.

Mr. RANKIN. Mr. Chairman, will the gentleman yield?

Mr. BURDICK. I yield to the gentleman from Mississippi. Mr. RANKIN. We have an advantage over President Lincoln because we have about \$15,000,000,000 in gold if we want to use it. On the \$246,000,000 of Lincoln notes that are out-

standing today we have saved \$11,000,000,000 in interest since 1863.

Mr. BURDICK. The gentleman from Mississippi is right on this question, and I appreciate his worth to the people of the United States.

I am not in favor of what some have argued here, "Let us give the farmers a part of their price." That will not do any good. You will prolong the agony, that is all. Let us do the job now at this session of Congress and put buying power back at the grass roots.

Do you know that in normal times the farmers of this country buy two-thirds of all the steel output of the United States, and that they bought 40 percent of the output of all the textile mills of New England? Now the farmers of the country cannot buy anything. When the farmers' buying power is shut off, all the people who make the goods that the farmers buy have to shut down their mills, and there are millions out

of employment because the farmer cannot buy.

You can put this whole program through this afternoon, \$500,000,000 or \$1,000,000,000, and then save money. You can do it without this interest charge. We are concerned about affairs in Europe more than we are about affairs in America, but just remember now that the economic forces in Europe are stronger than all the power of the armies and navies of the world. We sit here with our head under our wing and appropriate billions for defense and then hold up our hands in horror when some propose to put our own house in order. What right have we to criticize any country in Europe when we have more unemployment and more foreclosures on homes than all the countries in Europe? Before we get too busy weeping over distress in Europe let us see our own citizens who have been driven from their homes by the interest system, to become public charges. Strike a blow here for liberty and permit the people of this great Republic to use the credit of their own country for their own use. Drive the money changers out and let the people in. [Applause.]

[Here the gavel fell.]

The CHAIRMAN. The Chair recognizes the gentleman from Texas [Mr. Beckworth].

Mr. BECKWORTH. Mr. Chairman, I am quite happy to have this privilege of rising here for the first time to support the \$500,000,000 amendment offered by Mr. Ferguson of my neighboring State of Oklahoma. It occurs to me that this is one of the most meritorious amendments which has been offered at this session of Congress.

It is true that \$500,000,000 is a stupendous sum of money. It is a colossal sum of money. Standing alone figures are without significance; they are meaningless. Indeed, figures derive their meaning only as they pertain or relate to other figures. For the last 6 years the American Congress has either acceded to or actually sponsored budgets approximating \$8,000,000,000 or \$9,000,000,000, the Congress has been dealing in billions, not mere millions. Therefore, the sum of \$500,000,000 is relatively small and insignificant compared with what the Congress has been concerning itself with. It actually is about one-eighteenth of what might be termed the annual Budget. In view of the fact that one-eighteenth of the money that is being appropriated or which will be appropriated in this instant would be expended to benefit approximately one-third of our population, I believe this amendment deserves the serious and deliberative consideration of the Members of Congress. In other words, we are getting a long way fast by appropriating \$500,000,000 to benefit approximately one-third of our population.

It has been said that those in authority have not asked for the money; that no substantiating evidence has been submitted disclosing the need of the money, that, in short, it has not been included in the Budget. This perhaps is true, but I submit that if those in authority who are doing the asking, and you know who the big asker is, knew as much about the plight of the farmer in this country as they know about the plight of people living within the industrial areas, and the larger cities, the request would be for not \$250,000,000, not \$500,000,000, but for a billion dollars, for those who have been requesting have not been reluctant to ask for plenty. No, the time-worn custom is being demonstrated and the precise

dramas relative to the American farmer are again shaping themselves.

Only recently in the possession of you Congressmen there was a publication entitled "The South Our Economic Problem No. 1." Would the South, largely composed of farmers, be our "economic problem No. 1" if the farmer was receiving his proper share of the national income or if his produced commodities were yielding him a profit? It is conceded that the financial and economic problems of the farmer are manifold and perplexing, but when it comes time to "go to bat" for him, so to speak, many of his purported friends silently and passively occupy the side lines.

Always the requests of the farmer, his needs and problems, are considered last. This Congress is a rather splendid example. For close to 3 months we have been in session—practically one-half of this session—some five or six billion dollars have thus far been appropriated, and countless speeches have been made. It is astounding to note the relatively small amount of time and attention which has been devoted to agriculture, the farmers, and problems related thereto.

In my opinion, the farmer has always received the little end of the deal insofar as legislation is concerned. Of course, we do know that this administration has tried to help the farmer in some ways, but it has not gone nearly far enough.

To this side of the aisle I may say, to the Republicans, if you please, I understand a number of you are in favor of the cost-of-production plan. I recognize that perhaps the plan has great merit; certainly its objectives are worthy; but I say to you that if you cannot get the cost-of-production plan now—and you have no assurance that you will get it—why not take less than the cost of production, which is nearer parity than that now received by the farmers, for it is considerably less, by supporting the Ferguson amendment. In other words, if you cannot get a ham, take a shoulder. Remember this clearly, by voting against the \$500,000,000 you are not sniping the Democratic Party, the President, but the American farmer.

I was astounded and appalled the other day when listening to those who discussed the farmer question in connection with the W. P. A. and funds for this agency.

Some Members from industrial districts spoke recently expressing doubt as to what explanation they might offer to the people of their respective districts if the additional W. P. A. appropriation is not soon received. About 2 months ago I voted for \$875,000,000 for the W. P. A. I did not ask myself the question whether or not I could justify my stand in the minds of the farmers who live in my district, in view of the fact they, the farmers, are not receiv-ing parity for their commodities. I voted for the sum because I thought it was right, fair, and just, and along the same lines and by the same token and by the same sign and the same symbol, why could not those of you who have injected this issue assume the same attitude and viewpoint in behalf of the American farmer? In other words, it is not a question provincial in nature, it is not a question of section against section, but it is a question of trying to give each person or each group of persons a fair deal, and if you want to answer the question quite simply, do so by the facts and say to your people that in the year 1938 more than \$1,900,-000,000 was spent for the W. P. A. while the farmer received in the neighborhood of \$700,000,000. In other words, some 3,000,000 W. P. A. clients, less than 3 percent of our population, received over \$1,900,000,000, while some 30,000,000 American farmers, almost one-third of our population, received far less than half this amount of money. This, in my opinion, will constitute a very logical reason for your vote, but in addition to that, the main question is whether or not the farmer is actually receiving parity and from the information that has been given us, we all are positive he is not. Therefore, I sincerely say that we can justify and unquestionably condone our votes to give the American farmers this sum of money which would be provided by the adoption of the Ferguson amendment.

High tariffs, discriminatory freight rates, and many other factors have for years penalized, pauperized, and handicapped the American farmer. As someone has suggested, this is not equality. You favor it, I know. Manifest your belief in equality and your desire to deal equitably with the American farmer by adopting the Ferguson amendment. [Applause.]

[Here the gavel fell.]

Mr. PIERCE of New York. Mr. Chairman, I presume there is not a Member of this Congress who did not at some time during the course of his campaign, be he a Republican or a Democrat, commit himself to the principle that there should be economy in government, and that the most important issue before the people of the United States today is reduction in taxation.

Permit me to say, as one Republican, to the gentleman from North Carolina who preceded me shortly that I am here this afternoon to keep that pledge. One gentleman in discussion of this bill on Friday afternoon referred to the fact that many Members arose and professed their love for the farmer and their affection for him and that their activities ended there. The fact of the matter is there is a simple, plain, convincing, and effective way to show whether or not we have the well-being of the farmer at heart and that is to vote to reduce the heavy burden of taxation which he bears, and if it happens to begin in this instance with the striking out of \$250,000,000 in which he may have a selfish interest, he will support that vote just the same, and it will not be necessary for any who vote in that way to make long explanations or write involved letters to his farmer friends at home to convince them that he has voted in their interests, because they know it.

There is another reason why this bill should not pass and this amendment should not pass in its present form. It is unjust and unfair to the dairy industry, one of the vital branches of the industry of agriculture. I voice this protest in behalf of 75,000 dairy farmers in my State of New York alone, 8,000 of whom live in my district, who are faced today with one of the most serious crises in the history of agriculture. It is unfair and unjust in that it taxes them to encourage or help, perhaps, if the parity program be right, those engaged in other branches, but let me tell you something else with all the earnestness at my command. The farmers I know are alarmed over this New Deal venture into the realm of farm financing by this parity program. They have been taxed and taxed and taxed for New Deal spending, they have been taxed and taxed to the point of exhaustion for somebody else, and they do not welcome an opportunity to be taxed to pay themselves the money coming from the tax.

The farmers of this country today are interested most of all in the issue of economy. Cut down the farmers' cost of taxation, reduce the burden that he bears, and free his hands in that way and he will do the rest, for after all, right now, today, he is the most enterprising and substantial citizen there is in this country of ours. [Applause.]

[Here the gavel fell.]

Mr. POAGE. Mr. Chairman, we have discussed the ways and means of raising money. We have given rather little attention today to the absolute necessity of bringing into some degree of parity the income of the various industrial groups of this Nation if any or all of these groups are to prosper. I am thoroughly convinced that it is utterly impossible to secure prosperity for any group in America over any extended period of time until every large group in the Nation has a reasonable buying power, and until that buying power bears a reasonable relationship in proportion to the number within that group to the buying power of all other groups of the Nation. You cannot take one-third of your Nation, whether it be the third that the President has so graphically described in times past, or whether it be the third that tills the soil, which latter group includes a major portion of the first group, and say that that group shall have a buying power of less than 10 percent of that of the Nation and expect that group to be able to support its proportionate share of consumption in that Nation. [Applause.]

Mr. VOORHIS of California. Mr. Chairman, will the gentleman yield?

Mr. POAGE. Yes.

Mr. VOORHIS of California. Does not the gentleman feel that in the kind of a world in which we live today, that one of the principal jobs of responsible people in government today is to see to it that that is done?

Mr. POAGE. Absolutely. I feel that that is basic; that regardless of how much money you put out, if it all goes to any one group of our people, you will never restore prosperity. We should bear in mind that we have complained for years that there was a small group in Wall Street that got all the money. You preached it and I did, and we believed it, and it has been true; and we cannot sit here idly now and say that this Government, in distributing purchasing power over the Nation, is going to fall into the same erroneous policy that has brought ruin on our economic system in the past.

Mr. ANDREWS. Mr. Chairman, will the gentleman yield? Mr. POAGE. No; I have only 3 minutes more. If we cannot establish buying power for that third of our population, you can never expect employment in your factories. You may raise hourly wages, but you cannot keep those men employed in your factories unless you have buying power in that great basic third of your people, those engaged in agriculture. I know that when it comes to a proposition of simply saying that you are going to restore that buying power by granting subsidy that you cannot continue to grant subsidies year after year in any such large amounts as will provide that purchasing power.

Though it cannot be done over a long period of time, we know that it can be done immediately, and we are dealing today with an immediate problem, one which confronts our immediate purchasing power. Until we rewrite our basic agricultural legislation this problem can be dealt with in no other manner than to give direct assistance from the United States Government to a great group of underprivileged citizens. That is the only way that you can meet the situation for this year and probably for next year. It is too late to change our farm program this year. Planting has already begun. I hope that in the not-too-distant future we will be able to adopt a farm policy that will enable our farmers to produce freely and to sell at a reasonable price, for both price and volume are necessary to give our farmers a reasonable income. And right here let me call attention to this one thing before my time expires. You have been told that \$500,000,000 would pay approximately 90 percent of parity to the farmer, but bear this in mind: Five hundred millions pay partial parity only on that portion of the farmers' crop that he is allowed to grow under the crop and acreage reduction programs. Thus it amounts to only about 90 percent of 60 percent of a normal crop, and even though you give the \$500,000,000 you have only partially restored parity of purchasing power on no more than 60 percent of the farmers' normal production. This gives only approximately 54 percent of parity purchasing power. This means that even with the Ferguson amendment, for which I shall vote, that farm purchasing power will only be about one-half as great as from 1909 to 1914. Surely you cannot retore any great degree of prosperity on that, and yet this is all that is offered. It is not all that was promised to the farmers. It is not all that is needed, but it is all we can get, and it is more than many Members want to grant. I hope we will consider this \$500,000,000 as a minimum, not as an adequate answer to farm needs. [Applause.]

The CHAIRMAN. The time of the gentleman from Texas has expired.

Mr. AUGUST H. ANDRESEN. Mr. Chairman, I move to strike out the last four words, and I ask unanimous consent to be permitted to proceed for 3 additional minutes.

The CHAIRMAN. Is there objection?

There was no objection.

The CHAIRMAN. The gentleman is recognized for 8 minutes.

Mr. AUGUST H. ANDRESEN. Mr. Chairman, no one is more concerned in securing parity income for the farmers

of the country than I am, but I want them to secure parity income in the prices that they actually receive for their commodities on the American market rather than through a continuous, disastrous program which is now in effect in this country. Let us examine the picture for the past 3 years. The best prices that the farmers have had during the past 6 years were in 1936, when there was no subsidy program, when agriculture was operating under a voluntary soil-conservation program, with appropriations of around \$300,000,000, with no parity payments.

The program operated very well during 1936 and 1937, and the farmers, including the cotton farmers and other farmers, received nearly parity income for their products. Then came the Agricultural Adjustment Administration of 1938, and soon as that was passed, with all of its compulsion and control, farm prices started to go down. Then a subsidy was necessary. First, in 1937 the cotton farmers secured \$130,000,000 as subsidy payments, in addition to the soil-conservation benefit payments. Then in 1938 it was not \$130,000,000, but it was \$212,000,000. Now we are asked for a parity payment, or a subsidy payment, of \$250,000,000. With the amendment offered by the gentleman from Oklahoma we are now asked for \$500,000,000 as subsidy payments, 40 percent of which is to be used for cotton.

What has happened to the whole program? The prices that the farmers receive have been going down. An effort has been made through subsidy payments to give the farmer adequate income. The Members urging this additional subsidy are saying that they must have something for cotton. What has happened to the cotton situation? In 1933, the first year of the New Deal, we exported more than 8,000,000 bales of cotton into the world market. Then came the control over the American cotton farmer and our exports started to diminish. Prices went down, and through the curtailment program in the cotton sections nearly 3,000,000 persons were put on public relief, and they are still there, because they were given no opportunity to work on the cotton farms of this country.

This year it is estimated by the Department of Agriculture that our exports of cotton will not be 8,000,000 bales, but we have dwindled to an amount that will be a little in excess of three and one-half million bales instead of 8,000,000 bales.

In analyzing the effect of the control program for cotton we find that foreign production has increased in more than the amount we have decreased in this country, and we have lost our foreign market for one of the essential export crops produced in the United States.

Then it was found necessary to put a prop under cotton because with the reduced acreage we were still producing too much for domestic consumption and export, and they started the loan program and loaned more than the market price of cotton in addition to the subsidies. Today we have 11,400 000 bales of cotton upon which the Government has invested \$600,000,000, with a carrying charge of more than \$45,000.000 a year to hold the cotton. Now they are asking for a subsidy of \$500,000,000 in order to temporarily give cotton another injection into the arm so as to carry this thing on for another year. What it will be next year no one can tell, and one of these days we will find that those props will be broken down; and then the cotton farmer, the dairy farmer, and the wheat farmer will be down in the depths of disaster, with the lowest prices this country has ever seen on all farm commodities.

We might as well be honest with ourselves. If we cannot be honest with ourselves, let us be honest with the American farmer and try to pass some constructive legislation that will restore to him his world market; that will restore to him his domestic market and guarantee him an American price level.

I served in Congress when the cotton farmers were receiving 22 cents a pound for cotton, when the wheat farmers were getting \$1.35 to \$1.65 a bushel for wheat. Those were back in the twenties—in the days to which some of our Democratic friends say they want to return for a price level, but they do not want to return to those days because the Republican Party was in power.

The farm question is not a political matter. It should not be a political matter here today. I was surprised when my good friend from North Carolina [Mr. Cooley] tried to inject politics into the debate, to the effect that our distinguished leader on the minority side had released some of the Republican Members. The truth is, we have never had any binding agreement since I have been here, for 12 years, tying up any Republican Congressman on his vote. I say to the gentleman from North Carolina [Mr. Cooley] we do not have to try to evade our convictions, but had it not been for the "rubber stamp" tactics of the Democratic majority, men who have deserted their own personal, honest convictions during the past 6 years, we would not be in the muddle we are in today. [Applause.]

Mr. COOLEY. Mr. Chairman, will the gentleman yield?

Mr. AUGUST H. ANDRESEN. I am sorry; I cannot yield. One gentleman referred to the reciprocal-trade agreements. Well, what has happened to cotton under the reciprocal-trade agreements? Your exports dropped from 8,000,000 bales of cotton down to 3,500,000 bales today. You have destroyed your cotton market. You are giving away our export market to foreign farmers who are now producing cotton, where we should be doing it in this country for export, the same as we did for more than 100 years prior to the New Deal. [Ap-

Now, something was said also by the same gentleman about the wonderful aid given to the dairy industry. That is the largest industry in American agriculture. They have had a little aid. They used \$17,000,000, as I understand it, to buy surplus butter. On March 6 they stopped buying surplus butter, and what happened?

Mr. CANNON of Missouri. Mr. Chairman, will the gentleman yield?

Mr. AUGUST H. ANDRESEN. No; I am sorry.

Mr. CANNON of Missouri. The gentleman ought to state

Mr. AUGUST H. ANDRESEN. I am very glad to accept the actual facts.

The CHAIRMAN. The time of the gentleman from Minnesota has expired.

Mr. AUGUST H. ANDRESEN. Mr. Chairman, I ask unan-

imous consent to proceed for 2 additional minutes.

The CHAIRMAN. Without objection, it is so ordered.

There was no objection.

Mr. CANNON of Missouri. The exact amount spent for the purchase of surplus dairy products for the last year alone is in excess of \$33,000,000.

Mr. AUGUST H. ANDRESEN. I am very glad to have that figure.

Mr. CANNON of Missouri. And when you add the loans it makes a total of \$44,000,000 spent in the last year.

Mr. AUGUST H. ANDRESEN. I thank the gentleman for the information. Forty-four million dollars for the greatest industry in American agriculture as compared with the hundreds of millions of dollars given to other branches of agriculture-cotton, wheat, tobacco and rice-which make up only one-third of the agricultural income of this country. Forty-four million dollars for dairy products! And what happened to the dairy products purchasing program? They stopped buying butter on March 6 of this year, and immediately the props went out from under the market price and butterfat dropped 4 cents a pound to the American farmers. What happened further? The price of dairy cows dropped around \$20 a head because butterfat went down. The loss sustained by the American dairy farmer throughout this country cannot be reckoned in millions, it goes into the hundreds of millions of dollars in 3 weeks' time. This is the loss he has sustained in just the past 30 days, something from which he will never recover because we are now going into a flush season in the production of dairy products.

I am for giving the farmers parity payment. I want to do everything I can to restore the price level for the American farmer, because he is the main economic factor in this country. So do not misunderstand me when I bring out these things. Knowing that the program in operation has failed it is our duty to get down to business and enact

sound and beneficial legislation that will be of real benefit in restoring income to the farmers of this country. [Applause.]

[Here the gavel fell.]

Mr. CANNON of Missouri. Mr. Chairman, I move that all debate on this amendment and all amendments thereto close in 25 minutes.

Mr. NICHOLS. Mr. Chairman, I ask recognition in opposition to the motion.

The CHAIRMAN. The motion is not debatable.

The question was taken; and on a division (demanded by Mr. Mott) there were—ayes 195, noes 31.

So the motion was agreed to.

The CHAIRMAN. The gentleman from Oklahoma [Mr.

NICHOLS] is recognized for 5 minutes.

Mr. NICHOLS. Mr. Chairman, I presume I fall within that class pointed out by the distinguished gentleman from Pennsylvania [Mr. Rich], the class that does not know what \$10,000 is. I am not, of course, a baron of industry. I have not for a number of years been engaged in running of the great woolen mills of this country. Probably by reason of that I have not learned the value of money. I do know, however, that \$10,000 is the sum of money it costs me every year to pay for the privilege of being a Member of this body in the matter of campaign expenses and living expenses in Washington and Oklahoma. This is one way, at least, by which I can measure the amount of \$10,000.

What is this terrible thing we are trying to do? How are we trying to wreck the Treasury of the United States? What is it we are about to do that is going to destroy the economics of this Nation? Why, we are asking you to place the farmer, who forms one-third of the population of this Nation, upon an equal footing with whom? Not on an equal footing with the privileged few, nor with bankers nor big business, but on an equal footing with industry, with the laboring man and small-business man of this country. A terrible state of affairs when men would have the intestinal fortitude to stand on the floor of this House and ask that the farmer be given as fair a deal as those employed by the industries of the United States!

I have no apology to offer for supporting the Ferguson amendment. Where are we going to get the money? I answer that by saying that we placed in the hands of our great President the other day power with which to save this amount of money under the reorganization bill. Let us reorganize the departments of the Government; let us write off some of these useless idle bureaus [applause] that infest this Government. Let us stop some of the overlapping duties. It is not only the salaries of the people who run those bureaus but it is the things they spend money for to keep the bureaus alive. If that were done, we would save more than this amount of money.

Mr. SCHAFER of Wisconsin. Mr. Chairman, will the gentleman yield?

Mr. NICHOLS. No; I cannot yield. I am sorry.

We could raise the money very easily by a processing tax; and if that is all that my friends on the minority side are worried about, in the event that we do adopt any amount of money here to pay even an approach to parity, I know my friends over here, being interested simply in raising the money, will support a bill which will impose a processing tax for that purpose.

A distinguished friend of mine on the committee said in his remarks that if you want to be a friend of the farmer you could not vote for \$500,000,000. The test of being a friend of the farmer, said my friend, is if you vote for \$250,000,000. What strange philosophy. In Oklahoma, down in my country, we do not think that half a loaf is as good as a whole loaf; and, of course, \$500,000,000 is not a whole loaf. that will not put the farmer on an equal footing with the industries of this country. It will approach it by only 90 percent. Another friend of mine a minute ago, the distinguished chairman of the Committee on Military Affairs, the gentleman from Kentucky, pointed out that this \$250,000,000 is in addition to the \$900,000,000 which has already been appropriated for the Department of Agriculture.

The gentleman from Kentucky does not think the farmers are getting that \$900,000,000, does he? May I tell the gentleman where some of that \$900,000,000 is going?

Mr. MAY. Will the gentleman yield?

Mr. NICHOLS. Just as soon as I straighten my friend out. Of the \$900,000,000 which the Department of Agriculture gets, \$191,000,000 goes for roads, \$18,000,000 for forests, and \$6,000,000 for the Weather Bureau, just three little items, and a majority of the balance of the amount goes to things from which the farmer receives no benefit whatever.

[Here the gavel fell.]

The CHAIRMAN. The Chair recognizes the gentleman from New York [Mr. TABER].

Mr. TABER. Mr. Chairman, farming is down, prices are low, industry is lagging, and the wheels of business have practically stopped. There is no turn-over. Wages are down, and employment is scarce. The only ones who are better off today than they were 6 years ago are those who never did work anyway.

Mr. Chairman, America must stop making appropriations unless they are absolutely necessary. We must come down to a point where we can more nearly balance our Budget. We must restore confidence, because the only way to attain parity is to restore confidence on the part of farmers and businessmen. Handing out money in a reckless way to the W. P. A., to agriculture, or any other outfit is not going to restore confidence, and it is not going to bring about parity. There is no sense in our appropriating large sums of money for this purpose.

This item is so large, as a matter of fact, that even the President of the United States would not submit a Budget estimate for it. Through his Secretary of Agriculture he gave out the word to the Appropriations Committee, when it had this item under consideration, that he did not favor it; that he felt there must be a special tax to pay it, if it was to be paid at all. By this amendment we are going beyond even the President's wildest estimates.

We are not restoring purchasing power by agreeing to this amendment, because we have to borrow the money, and we do not thereby restore purchasing power. Purchasing power can only be brought about by restoring confidence. Let us vote the amendment down and help restore confidence. Let us keep the expenses of the Government down, these huge expenditures of money that are staggering the people of America and preventing restoration of business confidence and farm confidence. [Applause.]

[Here the gavel fell.]

The CHAIRMAN. The Chair recognizes the gentleman

from Kansas [Mr. LAMBERTSON] for 5 minutes.

Mr. LAMBERTSON. Mr. Chairman, one of the main arguments for parity payments today is that the Congress has been very liberal in appropriating for national defense. Men who talk economy have been very liberal and have not given a second thought to spending money for the war scare we had recently. The appropriations have been made and will be made. The Navy bill is yet to come up for consideration.

There is a feeling of resentment on the part of the farm sections; if we have money available for national defense, we should have it for agriculture. Of course, that is not a

complete defense. It is simply an excuse.

I noticed in the morning paper the Administrator of the Wages and Hours Division states that they are going to raise wages in order to create purchasing power. That is just what I predicted when we considered the wage and hour bill. I thought they were about to increase wages generally, not the subnormal wages but all of them, that they were going to make this apply to all of industry and to all of labor, even down to the employees of the mutual telephone companies and the bank clerks. They are carrying out a jacking-up program. Agriculture thinks it should be jacked up with all the others in order to be equal. I would be in favor of all that if I thought we only had 3 or 4 years to live, then we were going to jump into the abyss. Agriculture then should have equality for 2 or 3 years, just to get even, then we could let everything go by the wayside. The fallacy of this long-time policy, which is sure to follow once started, prompts me in the interest of my country to vote "no."

Mr. Chairman, I am going to vote against this increase to \$500,000,000. I am going to vote against the \$250,000,000 provided in the bill, although it hurts me to do so because I know many of my people are in favor of it. The most dangerous thing facing the country today is waste. We should cut out spending. In order to be consistent you have to do some things that hurt. If you are going to be a spender on one thing, you will be a spender in all probability on everything. This is not sound. Agriculture is not going to come into its own through parity payments. We might as well face that proposition and be fair. Let us be impartial. Let us vote against all these things and hold ourselves down in order to save the country.

[Here the gavel fell.]

The CHAIRMAN. The Chair recognizes the gentleman from Missouri [Mr. Cannon] for the remainder of the time.

Mr. CANNON of Missouri. Mr. Chairman, may I say in response to the gentleman from Minnesota [Mr. August H. ANDRESEN], for the year of 1938 the index price for dairy products was 109, while the index price for all other products

Mr. AUGUST H. ANDRESEN. Will the gentleman yield? Mr. CANNON of Missouri. I yield to the gentleman from Minnesota.

Mr. AUGUST H. ANDRESEN. I may say to the gentleman his figures are probably correct.

Mr. CANNON of Missouri. They come from the Department of Agriculture.

Mr. AUGUST H. ANDRESEN. One reason for the fact that the dairy situation has been as well off as it has been was due to the fact it was not controlled by Washington, while the other groups were. [Applause.]
Mr. CANNON of Missouri. Then why control them from

Washington as in the proposal under consideration at the

Mr. Chairman, I should like to correct two or three misapprehensions on this proposition. In the first place, the statement has been made in the press and on the floor that the President opposes parity payments. I desire to read a letter addressed by him to the president of the American Farm Bureau Federation on June 8, 1938, which was submitted during the hearings on the bill:

The President said:

THE WHITE HOUSE,

Washington, D. C., June 8, 1938.

Dear Ed: I want to thank you for your kind letter of May 20 transmitting your statement to Senator Adams proposing that the pending relief bill be amended to provide funds for parity payments to farmers under the parity payment provision of the Soil Conservation and Domestic Allotment Act. You are undoubtedly right in controlling that provision for parity required to provide the provision for parity. in contending that provision for parity payment would do much to relieve the difficulties faced by farmers in the Corn, Cotton, and Wheat Belt, and in this way also help our general economic situation.

As to my attitude toward the proposal to appropriate Federal money for making parity payments under the Agricultural Adjustment Act of 1938, that was clearly set forth in the final paragraph of my statement of February 16 issued at the time that I signed

the act.
"In order to make such payment it would be necessary to provide additional revenue needed to finance them."

additional revenue needed to finance them."

I am still firmly of the same opinion. As I said then, making these payments would increase the cost of the new farm program over the amount authorized under the Soil Conservation and Domestic Allotment Act. I feel that if Congress appropriates money now for parity payments, such an appropriation should be accompanied by revenue legislation, or at the very least by a definite pledge by the leaders of Congress that revenue legislation to finance the appropriation will be enacted before the end of the 1938 crop year. Such legislation might take a form similar to the proposal recently made in the Senate by Senator Pope for an amendment to the revenue bill to provide for tariff equalizing taxes on the farm commodities on which parity payments are made. While it is true that Federal spending to meet the present emergency is temporarily financed in part by borrowing, the Government, in the long run, must offset all its expenditures by tax revenues.

Very sincerely yours,

Very sincerely yours,

FRANKLIN D. ROOSEVELT,

Another report which has gained currency in the press and has been referred to on the floor is to the effect that there is a trading or logrolling proposition between those who are interested in relief and those who favor parity payments. I should like to say that neither I nor any member of the subcommittee in charge of this bill have been approached by any such suggestion of any kind from anybody.

Mr. VOORHIS of California. Mr. Chairman, will the gen-

tleman yield?

Mr. CANNON of Missouri. I yield to the gentleman from

Mr. VOORHIS of California. I have been trying all afternoon to say this to the Committee: When the W. P. A. appropriation comes up I do hope with all my heart that the \$150,000,000 will be appropriated, because it means work to a lot of people who cannot have it unless this amount is appropriated. I also hope this provision for parity payments to farmers will pass, and I shall vote for it. In my opinion, we shall never solve our problems until we recognize that the real interests of farmers and the people of our cities are identical. Regardless of what others do on either bill, I believe we have got to do the right and just thing by both these groups of people, and until we attack more fundamentally the problem of their lack of buying power I think we must support this Cannon amendment.

Mr. CANNON of Missouri. The surprising thing is that the members of the Committee on Appropriations who are opposed to appropriating \$150,000,000 for relief are also opposed to a parity provision.

Mr. VOORHIS of California. Mr. Chairman, will the

gentleman yield?

Mr. CANNON of Missouri. I regret that the Committee has only 5 minutes. We have been debating this proposition all

Mr. COFFEE of Nebraska. Mr. Chairman, will the gentleman vield?

Mr. CANNON of Missouri. I yield to the gentleman from

Mr. COFFEE of Nebraska. Will the gentleman clear up for the RECORD the question of whether or not there is anything in the amendment that would restrict the parity payments to corn producers in the commercial area?

Mr. CANNON of Missouri. There is no such language in the bill. That clause was in the legislation which went out on the point of order.

Mr. Chairman, what, briefly, is the effect of the adoption of this appropriation of \$250,000,000? We have an example of it in the appropriation last year of \$212,000,000 for the same purpose. Under that appropriation we are paying 11 cents additional for every bushel of wheat, 6 cents additional for every bushel of corn, and 1.6 cents additional for every pound of cotton put on the market. The result not only has been to raise the prices of agricultural products and a corresponding increase in the farm income, but there is coupled with it this remarkable circumstance that this increase is made without increasing the price of any of these products to the consumer. This can be said of no other measure proposed for increasing the farm income.

What is the purpose of the proposal of parity payments here? It is to give the farmers of the country not a fair price, not the price he has been promised by all political parties, not a price equal with labor and industry, but a mere three-fourths of a fair price. During the war the price of agricultural products was limited by law. The price of wheat was limited by law to \$2.20 a bushel when it would have gone to \$10 a bushel, while the price of every other commodity went to the skies. There was no restriction on the wages of labor. The price of manufactured commodities advanced to unprecedented levels. Yet from the close of the war down to the present time the price of every agricultural product has dropped to one-third of what it was at the close of the war and the price of everything the farmer has to buy has increased until today it is one-third higher than it was during the war.

Mr. Chairman, this bill carries appropriations in excess of a billion dollars. And yet out of this vast sum the only item directly and immediately affecting the price of farm products is this appropriation for parity payments. There is not another paragraph in the bill that will increase farm prices. But this provision will actually increase farm prices. It will not give the farmer full parity, but it will give him at least a closer approach to parity than any other, and all other, provisions of the bill. And yet it is the one item that the economists would eliminate. They want to apply economy to the lowest-paid industry in the Nation.

[Here the gavel fell.]

The CHAIRMAN. The time of the gentleman from Missouri has expired. All time has expired.

Mr. DUNN. Mr. Chairman, a parliamentary inquiry.

The CHAIRMAN. The gentleman will state it.

Mr. DUNN. How can I get about 30 seconds to say I am in favor of the Ferguson amendment?

The CHAIRMAN. All time has expired.

Without objection, the Clerk will again report the amendment offered by the gentleman from Oklahoma [Mr. Fer-GUSON 1.

There was no objection.

The Clerk read as follows:

Amendment offered by Mr. FERGUSON to the amendment offered by Mr. CANNON of Missouri: Strike out "\$250,000,000" and insert \$500,000,000.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Oklahoma.

The question was taken; and on a division (demanded by Mr. Ferguson) there were-ayes 70, noes 226.

Mr. COOLEY. Mr. Chairman, I demand tellers.

Tellers were refused.

So the amendment was rejected.

Mr. REES of Kansas. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. REES of Kansas to the amendment offered by Mr. Cannon of Missouri: At the end of Mr. Cannon's amendment add the following: "Provided, That total payments to any person, firm, or corporation under soil conservation and parity payments shall not exceed \$2,500."

Mr. CANNON of Missouri. Mr. Chairman, I make the point of order against the amendment that it is legislation on an appropriation bill.

The CHAIRMAN. Does the gentleman from Kansas desire to be heard on the point of order?

Mr. REES of Kansas. No, I do not believe I do, Mr. Chairman, although I do not believe it is legislation.

Mr. TABER. Mr. Chairman, this is a pure limitation, as I understand it, limiting the amount that can be paid out under the bill to any one person and therefore is clearly in

The CHAIRMAN. The Chair is of the opinion that the amendment is entirely too broad in that it would not only include this appropriation but other appropriations as well and the point of order is therefore sustained.

Mr. AUGUST H. ANDRESEN. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. August H. Andresen to the amendment offered by Mr. Cannon of Missouri: At the end of the amendment strike out the period, insert a colon and the following: "Provided, further, That no total payment in excess of \$2,500 shall be made to any person, firm, or corporation from the amounts herein appropriated for soil-conservation benefit and parity payments."

The CHAIRMAN. The question is on the amendment offered by the gentleman from Minnesota.

Mr. AUGUST H. ANDRESEN. Mr. Chairman, I wish to be heard on the amendment.

The CHAIRMAN. All time for debate has expired.

Mr. AUGUST H. ANDRESEN. Mr. Chairman, I call attention to the fact that the motion that was made by the gentleman from Missouri was to the effect that all debate on his amendment and amendments thereto would close at the end of a stipulated time and did not take in any new paragraph.

The CHAIRMAN. This is an amendment to the Cannon amendment and therefore is included in the motion.

Mr. CANNON of Missouri. Mr. Chairman, I make the point of order against the amendment that it is legislation on an appropriation bill.

Mr. AUGUST H. ANDRESEN. Mr. Chairman, I wish to

be heard on the point of order.

The Chair has just ruled out an amendment offered by the gentleman from Kansas [Mr. REES] which did not tie the distribution of the funds specifically to the appropriation provided in the legislation, while this amendment refers specifically to the appropriations provided for soil conservation and parity payments provided in the measure. Furthermore, the Agricultural Adjustment Act of 1938 provided that not more than \$10,000 in payments should be made to any individual, firm, or corporation, and this amendment simply seeks to limit the authorization already provided in the original act and is surely within the rule which provides for a limitation upon any appropriation provided in this legislation, and I therefore submit, Mr. Chairman, the amendment is in order.

Mr. CANNON of Missouri. Mr. Chairman, I did not understand the amendment as read. I have since read the amendment and I withdraw the point of order.

The CHAIRMAN. The point of order is withdrawn.

The question is on the amendment offered by the gentleman from Minnesota.

The question was taken; and on a division (demanded by Mr. August H. Andresen) there were-ayes 194, noes 61.

So the amendment was agreed to.

Mr. GRISWOLD. Mr. Chairman, I offer an amendment. The Clerk read as follows:

Amendment offered by Mr. Griswold to the amendment offered by Mr. Cannon of Missouri: At the end of Mr. Cannon's amendment add the following: "Provided, That no part of this appropriation shall be made available until the 1930 duty on dairy products has been restored."

Mr. CANNON of Missouri. Mr. Chairman, I make a point of order against the amendment.

The CHAIRMAN. The Chair would call the gentleman's attention to the decisions cited on page 65 of Cannon's Precedents. [Laughter.]

Mr. CANNON of Missouri. Mr. Chairman, I have just noted them, and in view of the authorities cited, I withdraw

the point of order. [Laughter.]
The CHAIRMAN. The point of order is withdrawn.

The question is on the amendment offered by the gentleman from Wisconsin.

The question was taken; and on a division (demanded by Mr. Griswold) there were—ayes 125, noes 165.

So the amendment was rejected.

Mr. BOLLES. Mr. Chairman, I offer the following amendment, which I send to the desk.

The Clerk read as follows:

Amendment offered by Mr. Bolles to the amendment offered by Mr. Cannon of Missouri: Page 91, lines 4 and 5, strike out "one-half of this sum" and insert in lieu thereof—

The CHAIRMAN. The Chair calls the attention of the gentleman to the fact that those lines have been stricken out of the bill.

Mr. BOLLES. I should have added wherever they appear in the amendment of the gentleman from Missouri.

The CHAIRMAN. There is no such line in the bill and the Chair cannot recognize the gentleman to offer the amendment. The question is on the amendment offered by the gentleman from Missouri [Mr. Cannon], as amended.

The question was taken; and on a division (demanded by Mr. TABER) there were—ayes 167, noes 148.

Mr. DIRKSEN. Mr. Chairman, I demand tellers.

Tellers were ordered, and the Chair appointed Mr. DIRKSEN and Mr. Cannon of Missouri to act as tellers.

The Committee again divided; and the tellers reportedayes 175, noes 171.

So the amendment was agreed to.

Mr. JONES of Texas. Mr. Chairman, I offer the following amendment which I send to the desk.

The Clerk read as follows:

Amendment offered by Mr. Jones of Texas: Page 91, at the end of the amendment offered by Mr. Cannon of Missouri, just adopted, insert a new paragraph, as follows:

"To enable the Secretary of Agriculture to further carry out the provisions of section 32, as amended, of the act entitled 'An act to amend the Agricultural Adjustment Act, and for other purposes,' approved August 24, 1935, and subject to all provisions of law relating to the expenditure of funds appropriated by such section, \$60,000,000. Such sum shall be immediately available and shall be in addition to, and not in substitution for, other appropriations made by such section or for the purpose of such section: Provided, That not in excess of 25 percent of the funds herein made available may be devoted to any one agricultural commodity." may be devoted to any one agricultural commodity."

Mr. JONES of Texas. Mr. Chairman, I think this is an amendment that practically everyone can agree to. Section 32 is peculiarly a House provision. It was drafted in the Committee on Agriculture and reported unanimously. It was adopted in the House of Representatives unanimously and was agreed to in the Senate. It furnishes the funds for the Federal Surplus Commodities Corporation. It goes to all of the farm commodities and it makes provision for the natural gluts or temporary surpluses that may aggravate or depress the market. It provides for distribution through relief channels, and it provides also for widening the market at home and abroad. I feel that in the light of the experience we have had in connection with the handling of these funds, it is the most effective provision of the entire act, and I hope that the House of Representatives will adopt this amendment.

Mr. DIRKSEN. Mr. Chairman, will the gentleman yield? Mr. JONES of Texas. Yes.

Mr. DIRKSEN. This merely enlarges the amount of money that would otherwise be available under section 32? Mr. JONES of Texas. Yes.

Mr. DIRKSEN. It increases the amount \$60,000,000, so that with the \$90,000,000 in 1940 for the purpose of exploiting commodities in finding markets, this will raise the

Mr. JONES of Texas. Yes; and it is so worded that this part of the fund is immediately available.

Mr. MICHENER. Mr. Chairman, will the gentleman vield?

Mr. JONES of Texas. Yes.

amount to \$150,000,000.

Mr. MICHENER. This adds \$60,000,000?

Mr. JONES of Texas. That is correct.

Mr. MICHENER. Above the Budget? It is not carried in the Budget?

Mr. JONES of Texas. This was not submitted to the Budget. This is a situation that arises by virtue of the handling of the dairy products, where the funds for this particular commodity have become exhausted, and also for other commodities that are or may be in trouble, and it is additional funds that are needed. I do not see why the House of Representatives should not exercise its own prerogative in this instance and make this money available for purposes beneficial, not only to the people in the country but also in the cities. It serves the double purpose of relieving gluts and affording relief.

Mr. MICHENER. But my question is this; just a simple question-

Mr. JONES of Texas. Very well.

Mr. MICHENER. The question I want to understand thoroughly is this: This amendment adds \$60,000,000 to this bill, and the gentleman from Texas is asking the House to pass it at this time?

Mr. JONES of Texas. Is the gentleman asking that question for information or for the purpose of making an argument?

Mr. MICHENER. Why, for information.

The gentleman already had that Mr. JONES of Texas. information, did he not?

Mr. MICHENER. No; I did not have the information.

Mr. JONES of Texas. The gentleman suspected it, did he not?

Mr. MICHENER. Well, yes.

Mr. JONES of Texas. I like the gentleman from Michigan. He just likes to have a little fun. It has not been submitted to the Budget, but the need for this fund is immediate.

Mr. MURDOCK of Arizona. Will the gentleman yield?

Mr. JONES of Texas. I yield.

Mr. MURDOCK of Arizona. The reason for making this amount immediately available is to take care of gluts in the market right now?

Mr. JONES of Texas. That is right.

Mr. MURDOCK of Arizona. It would apply to grapefruit, and it is not limited to any one crop?

Mr. JONES of Texas. No; it is not.

Mr. VOORHIS of California. This would be available for fruit crops and things like that?

Mr. JONES of Texas. Yes; it would.

[Here the gavel fell.]

Mr. CANNON of Missouri. Mr. Chairman, I ask unanimous consent that all debate on this amendment and all amendments thereto close in 5 minutes.

The CHAIRMAN. Is there objection? Mr. MOTT. Mr. Chairman, I object.

Mr. CANNON of Missouri. Mr. Chairman, I move that all debate on this amendment and all amendments thereto close in 5 minutes.

The CHAIRMAN. The question is on the motion of the gentleman from Missouri.

The question was taken; and on a division (demanded by Mr. Cannon of Missouri) there were ayes 170 and noes 143.

So the motion was agreed to.
Mr. POWERS. Mr. Chairman, a parliamentary inquiry.

The CHAIRMAN. The gentleman will state it.

Mr. POWERS. Do I understand the gentleman's motion was that debate close in 5 minutes?

The CHAIRMAN. The gentleman is correct.

Mr. POWERS. And the amendment calls for the addition of \$60,000,000?

The CHAIRMAN. Without objection, the Clerk will again report the amendment.

There being no objection, the Clerk again reported the amendment offered by Mr. Jones of Texas.

Mr. WOODRUM of Virginia. Mr. Chairman, I rise in opposition to the amendment.

Mr. Chairman, it is with a feeling of deep sorrow that I have to stand before the Committee opposing an amendment offered by my beloved friend from Texas [Mr. Jones]. There is no man in this Congress who has a more earnest desire to help agriculture. I know nothing whatever about the merits of the amendment. I am assuming, however, that it is meritorious because of its authorship, but if I should vote for it, it would be purely upon that assumption and not because of any intelligent understanding I have about it. I venture to say that outside of a small group of gentlemen especially familiar with agriculture and its problems, no Member in the House knows anything about it; and yet today, here by one fell swoop of the hand, debate limited by my beloved friend to 5 minutes by a vote of the Committee, we add an item carrying \$60,000,000-more than the amount in controversy on the famous W. P. A. proposition. Sixty million dollars!

Mr. JONES of Texas. Mr. Chairman, will my friend yield? Mr. WOODRUM of Virginia. I yield to the gentleman.

Mr. JONES of Texas. I am sure that practically every Member of the House is familiar with the activities of the Federal Surplus Commodities Corporation, and that is what this is.

Mr. WOODRUM of Virginia. Sixty million dollars! Never presented to the subcommittee; never presented to the full committee; never presented to the Budget. In addition to that, we have just voted out \$250,000,000 parity payments, over and above the Budget estimates. Gentlemen, if that is the way we are going to proceed, addressing my remarks to my colleagues on the Democratic side, who have from time to time made some rather definite promises to the American people about finances, we might as well repeal the Budget and Accounting Act and run it into pandemonium and chaos, and dump in everything we can get, under the old pork-barrel method. [Applause.]

Probably I am as one crying in the wilderness, but be that as it may, I appeal to you, if this matter has merit, then surely the President of the United States, surely the Bureau of the Budget would be interested in sending an item up here, and let the matter be considered in an orderly, logical fashion as should be done. [Applause.]

The CHAIRMAN. The question is on the amendment

offered by the gentleman from Texas.

Mr. AUGUST H. ANDRESEN. Mr. Chairman, I offer apreferential motion.

The Clerk read as follows:

Mr. August H. Andresen moves that the Committee do now rise and report the bill back to the House with the recommendation that the enacting clause be stricken out.

The CHAIRMAN. Does the gentleman desire to be heard? Mr. AUGUST H. ANDRESEN. I do.

The CHAIRMAN. The gentleman is recognized for 5 minutes.

Mr. AUGUST H. ANDRESEN. Mr. Chairman, the announcement has just come to the House that the President of the United States has demanded an additional subsidy of \$90,000,000 for cotton. This amount is in addition to the \$200,000,000 called for in this bill for cotton.

Mr. HOOK. Mr. Chairman, will the gentleman yield?

Mr. AUGUST H. ANDRESEN. The distinguished chairman of our Committee on Agriculture, Mr. Jones, has offered an amendment carrying \$60,000,000 for dairy and other non-basic agricultural products.

Mr. HOOK. I would like to know on whose authority that statement is made.

The CHAIRMAN. The gentleman from Minnesota may proceed.

Mr. AUGUST H. ANDRESEN. An amendment for \$60,-000,000 to take care of the dairy industry, of fruits, vegetables, of beef cattle, and of all of agriculture outside of tobacco, cotton, wheat, rice, and corn. Sixty million dollars for twothirds of American agriculture!

I am for the amendment. Had I known that an additional \$90,000,000 was being demanded by the President today as an addition to cotton, with only \$60,000,000 for the other two-thirds of American agriculture, I should have voted differently on the last vote. So that there may be no misunderstanding, I voted for the Cannon subsidy amendment on the teller vote.

Mr. Chairman, I am simply rising at this time to ask all Members to support the amendment offered by the gentleman from Texas. Were it in my power to ask for an increase for the majority of American agriculture under section 32, I would do so; but I hope the Members on both sides, in view of what has just transpired at the White House, will see that the rest of American agriculture gets a small morsel from the table as the crumbs fall to the floor.

This is serious business. What will it be next year? Will the subsidies be larger than the \$500,000,000 that is demanded this year, or will the props have been pulled out from under agriculture because of inability to raise more tax money or sell more bonds, and everything gone down to rock bottom? We have a serious responsibility before us whether we like it or not, and that responsibility is to get back on the right road which will put cotton and the rest of American agriculture on the American price level so as to bring recovery to this country. I hope you will all support the amendment offered by the gentleman from Texas [Mr. Jones].

Mr. Chairman, the dairy farmers of this country will not receive more than 25 percent of this \$60,000,000. A very small amount when you consider that dairying is the largest branch of American agriculture. As a matter of right the dairy farmers are entitled to this consideration.

In conclusion, I only desire to do the fair and just thing for the cotton, wheat, and commercial corn farmers, but my final vote for a \$250,000,000 subsidy for the growers of these basic commodities, will be largely determined by the consideration which you now give to the Jones amendment which provides a \$60,000,000 program for American dairy farmers and for other domestic producers of nonbasic farm products.

Mr. DIRKSEN. Mr. Chairman, I rise in opposition to the

The CHAIRMAN. The gentleman from Illinois is recognized for 5 minutes.

Mr. DIRKSEN. I rise at this time only for the purpose of giving the House a little information with regard to section 32. The mere phrase "section 32" does not always mean something to all Members. May I clarify it by saying that in the act of August 24, 1935, there is a section known as section 32, and it provides that 30 percent of the customs receipts shall be put into a fund to be used for the purpose of subsidizing the export of surplus commodities. That goes back to the act of 1935. In 1936 that fund amounted to \$92,000,000; in 1937 it amounted to \$109,000,000; in 1938 it amounted to \$125,000,000; and in 1940 it is estimated it will amount to \$90,000,000. So the amendment offered by the gentleman from Texas seeks only to implement that fund by \$60,000,000, making available a total of \$150,000,000 for the purposes set out in section 32 of the act of August 24, 1935.

I share with the gentleman from Virginia some feeling of trepidation about the way this thing has been handled. We went into the section 32 proposal rather carefully in subcommittee, and at that time no suggestion was made that the fund ought to be augmented by other funds. It has not been to the Budget. The gentleman from Texas was free to state to the committee that it had not cleared through the Budget Bureau.

It is very likely, therefore, it has not come to the attention of the President. I believe the gentleman from Virginia [Mr. Woodrum] is essentially right. If it does have merit, certainly a supplementary appropriation will be sent to the Appropriations Committee. Every day or every other day there comes to the Appropriations Committee from the Budget Bureau and the White House supplementary proposals, providing for this, that, and the other thing. It would only take a day or 2 or 3 days at the outside to secure clearance of the Budget Bureau and let it come up in regular form if it is meritorious and accords with the Budget program. If at the last minute you are going to write \$60,000,000 into this bill, then all orderly procedure is thrown out of the window and we might just as well give this bill to the dogs. I sincerely hope that the Committee of the Whole will not write into the pending bill an amendment providing for an appropriation of \$60,000,000 when there has been no hearings on the proposal and when there is no evidence that it is needed.

[Here the gavel fell.]

Mr. AUGUST H. ANDRESEN. Mr. Chairman, I ask unanimous consent to withdraw my motion.

The CHAIRMAN. Is there objection to the request of the gentleman from Minnesota [Mr. August H. Andresen]?

There was no objection.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Texas [Mr. Jones].

The question was taken; and on a division (demanded by Mr. Jones) there were—ayes 98, noes 195.

So the amendment was rejected.

The Clerk read as follows:

THE SUGAR ACT OF 1937

To enable the Secretary of Agriculture to carry into effect the previsions, other than those specifically relating to the Philippine Islands, of the Sugar Act of 1937, approved September 1, 1937 (7 U. S. C. 1100–1183), and the employment of persons and means, in the District of Columbia and elsewhere, as authorized by said act, \$31,975,000 together with \$16,000,000 of the unobligated balance of the appropriation provided under this head by the joint resolu-tion approved February 4, 1938 (52 Stat. 27); in all, not to exceed

Mr. WHITTINGTON. Mr. Chairman, I move to strike out the last word.

Mr. Chairman, I want to call attention to a situation that it might be well for those who are interested in agriculture to consider. This bill provides for payments, including soilconservation payments, in the sugarcane districts under the Sugar Act of 1937, and under that act large payments may be made to the owners, and properly so, of sugar plantations. The bill carries an appropriation under the Sugar Act of 1937 of approximately \$48,000,000. I merely remind the Committee that corn growers, wheat growers, and cotton growers, where there are large interests and where the amounts that accrue to the owner of properties located in an entire cotton region or an entire wheat region or an entire corn region are involved, could not receive payments in excess of \$2,500 under the amendment proposed by the gentleman from Minnesota [Mr. August H. Andresen], and adopted by the Committee; whereas, in the case of sugar, payments may be made for hundreds of thousands of dollars to one owner. In the case of one domestic firm the payments aggregated more than a million dollars, as I recall.

I call attention to the language of the amendment proposed by the gentleman from Minnesota [Mr. August H. Andresen], and adopted by the Committee, as follows:

Provided further, That no total payment in excess of \$2,500 shall be made to any person, firm, or corporation from the amounts herein provided for soil-conservation benefit and parity payments.

Mr. Chairman, in the case of large landholdings that can only be operated by tenants and by sharecroppers, this means that those lands will not come into the program because it is voluntary. This Committee by its action has excluded hundreds of thousands of sharecroppers and renters from the benefits of this program because it is unthinkable that the owners of the land will permit their land to come under the program unless they are permitted to share part of the

Mr. CUMMINGS. Will the gentleman yield?

Mr. WHITTINGTON. I yield to the gentleman from Colorado.

Mr. CUMMINGS. The gentleman is entirely mistaken about sugar. The Sugar Act provides specifically that the payments starting at \$2,500 are scaled down.

Mr. WHITTINGTON. If I am not correct, I would like to be corrected. I am not opposing the larger payments to the sugar growers, because I say they should be made in order to enable them to come into the program. I am offering no amendment. I am calling attention to the fact that there is a limitation of \$2,500 to the cotton growers, but none on the sugar growers.

Mr. CUMMINGS. They pay it themselves as a tax of 50 cents a hundred.

Mr. WHITTINGTON. I am aware that there is a processing tax in the Sugar Act, but after all, the consumer foots the bill. I think the payments should be made in the case of sugar, because if they were not the program would be hamstrung, or defeated.

Mr. CUMMINGS. We pay it ourselves.

Mr. WHITTINGTON. What you mean is that there is a processing tax under the Sugar Act, but if insufficient the Public Treasury pays the balance.

Mr. JONES of Texas. Will the gentleman yield? Mr. WHITTINGTON. I yield to the gentleman from

Mr. JONES of Texas. The \$10,000 limitation was inapplicable last year to any commodity. I want to ask for an interpretation of one provision of the amendment. The impression was created that the limitation only applied to parity payments. I have looked at the amendment and I think it is a little indefinite whether it is limited to the funds provided in that paragraph or not.

Mr. WHITTINGTON. It is indefinite, and was not germane, and those are among other reasons why it should not have been adopted. I have a copy of the amendment and I read it. It states "herein provided for soil conservation benefit and parity payments." That applies to both. At That applies to both. At least it could be so construed.

Mr. JONES of Texas. I understand it applies to both if they are covered by the term "herein." If the "herein" applies to the whole act, that is one thing. If it applies just to this paragraph, that is another.

Mr. WHITTINGTON. I submit for the consideration of the Committee that inasmuch as the Cannon amendment has nothing to do with anything except parity payments, by the insertion of soil-conservation benefit payments in the Andresen amendment, the words "herein provided" might apply to

the entire act. I submit I am interested in the sugar program as I am in the dairy program. I am not objecting to the large payments in the sugar program, but I am saying that the representatives of the cotton farmers, the wheat farmers, and the corn farmers are providing enormously large payments for the sugar growers and denying these benefits to the owners of large farms and these sharecroppers of the country. The Sugar Act of 1937 was passed by a substantial vote of the House of Representatives. It was supported by representatives from the Cotton Belt, the Wheat Belt, and Corn Belt. It was for the benefit of beet-sugar growers and of canesugar growers. I am aware that a processing tax is provided in the sugar act, but I also know that the consumers of the Nation pay this processing tax. It is rather immaterial whether the benefits to the sugar growers or the parities to cotton growers are paid out of the Public Treasury or by the consumers. I favor a processing tax or a sales tax under the agricultural-adjustment program, if a constitutional bill can be agreed upon, but whether the agricultural-adjustment program is supported by a processing tax or not, the consumers and the taxpayers of the Nation, as in the case of the Sugar Act, foot the bill. The processing tax in the Agricultural Adjustment Act was declared unconstitutional by the Supreme Court.

While I am not thoroughly familiar with the Sugar Act of 1937, I recall that it authorizes expenditures of \$55,000,000 annually. I further recall that the expenditures necessary for implementing the sugar program are offset by tax receipts, but this does not change the situation nor alter the matter that I am bringing to the attention of the Committee. Sugar plantations are frequently in large holdings. I am speaking from memory. I have the recollection that five or six firms in Hawaii received something like five or six million dollars in benefits under the sugar acts. I have the further recollection that domestic sugarcane growers in many instances received, as I stated at the beginning of these remarks, hundreds of thousands of dollars. I emphasize that Representatives voted for these payments and now deny to the large growers of cotton, corn, and wheat comparable payments. It strikes me that the proponents of the Andresen amendment are straining at a gnat and swallowing a camel. It is unthinkable that Congress would provide large payments for sugar growers and deny them to the growers of cotton, corn, wheat, rice, and tobacco. The point I am making is that there is no limitation to the amount of benefits that may be paid to sugar growers. There may be a graduated scale of payments, but there is no ceiling.

Under the Agricultural Adjustment Act, beginning with the year 1939, as stated by the gentleman from Texas [Mr. Jones], the distinguished chairman of the Committee on Agriculture, under section 102 of the Agricultural Adjustment Act of 1938, no total payment for any year to any person under subsection (b) shall exceed \$10,000. In the event of ownership in more than one State or Territory, the \$10,000 limitation applied only to the total payments in each State. Moreover, under the act of 1939, the maximum payment is applicable only to soil-conservation benefits.

The Andresen amendment makes the limitation \$2,500, and it applies to both parity and soil-conservation payments; at least it raises a doubt as to whether it does apply to both classes of payments, but that is not all. Under existing law, the limitation applies to a given year. Under the Andresen amendment, there is no term mentioned. Moreover, the limitation is not confined to ownership in one State but the ownership would extend to another State.

There is an inclination to lean over backward to aid the small farmer. Under existing law, the tenants and share-croppers receive more than 50 percent of the soil-conservation payments. The small payments have been stepped up under the act of 1938. They come out of the total amount allocated to the State or county. After all, a large farm is nothing but an aggregation of small farms. Tenants and renters obtain on large farms. More sharecroppers are found in the areas where there are large cotton plantations than in any other areas of the Cotton Belt. It is unthinkable that the

owners of the large plantations would come into the program, which is voluntary, if they are to be excluded from its benefits. If the owners are to be excluded from the benefits, the renters and sharecroppers would be the sufferers. In other words, the amendment proposed by the gentleman from Minnesota [Mr. August H. Andresen] and adopted by the Committee would discriminate against hundreds of thousands of sharecroppers in the Cotton Belt, for they cultivate lands whose owners would not come into the program, and they could plant substantially all of their lands to cotton. While the owners would get no benefit, the sharecroppers, who are, after all, the small growers, would likewise get no benefit.

The limitation of \$10,000 was adopted in the act of 1939. Personally, I think the Andresen amendment was subject to a point of order. It changed existing law under the guise of limitations. It not only reduced the amount of payments but it changed existing law as to the period when payments are to be made and as to the possession and ownership in one or more States. This is an important matter.

The Agricultural Adjustment Act is voluntary. If the owners of large bodies of land are prevented from entering the program, their tenants will receive no benefits. Probably the owners of large bodies of land would profit if the small growers come into the program. They will probably make more outside of the program than they would in it. The individual or the firm owning thousands of acres of land will not voluntarily agree to cultivate only 25 percent of their acreage when their benefits cannot exceed \$2,500. They would stay out of the program, and the program would thus be defeated; because if all of the large landowners stay out of the program, it would be difficult for the program to succeed.

As has been suggested in the debate, the gentleman from Texas [Mr. Jones] has proposed an amendment to limit the payment to \$5,000, provided the large owners have sharecroppers, and in that event both the owners and sharecroppers will participate, even though the amount accruing to the owner be in excess of \$5,000. I understand that an amendment to the Jones bill-H. R. 3800-has been proposed that will really increase the provisions for sharecroppers and renters. The matter of payments should be worked out by the Legislative Committee. The amendment was proposed by the gentleman from Minnesota [Mr. August H. Andresen], who has been a consistent opponent of the Agricultural adjustment program, after all debate had been concluded and when there was no opportunity for debate. Its adoption without analysis is proof of the folly of legislating on the floor without previous consideration and reports by committees on important legislation. I favor equal treatment for all growers, large and small.

Further, I repeat that I favor legislation in behalf of sugar as well as in behalf of all other agricultural commodities.

The gentlemen from Minnesota [Mr. August H. Andresen], who proposed the ill-considered and hastily adopted amendment which would really destroy the program, certainly insofar as cotton is concerned, has insisted that dairying is discriminated against. If he is the friend of agriculture, as was said by his colleague from Minnesota [Mr. H. CARL Andersen], the proper course to pursue is not to oppose legislation in behalf of cotton, corn, and wheat but to cooperate with the friends of such legislation and then to insist that adequate legislation be provided for the dairy industry. As his colleague says, to oppose parities for cotton, corn, and wheat because parities are not applicable to dairying, where butter and milk are protected by high tariff, soil-conservation payments, and by other legislation, would be, to use the language of his colleague, "to pursue the dog in the manger policy." I congratulate the colleague of Mr. Av-GUST H. ANDRESEN [Mr. H. CARL ANDERSEN] upon his fair presentation of the agricultural problem, and for my part I believe that the spirit manifested by him will obtain more consideration from his colleagues than the "dog in the manger policy" which Mr. H. CARL ANDERSEN opposes.

Further, permit me to say that the Cannon amendment provides \$250,000,000 for parity. The payments are to be

made as provided in section 303 of the Agricultural Adjustment Act of 1938. This section authorizes parity payments for the basic agricultural commodities. These payments are in addition to soil-conservation payments.

For the fiscal year 1939 there was appropriated for parity payments \$212,000,000. For the current year the total amount available for payments to farmers is \$697,000,000, including the \$212,000,000 for parity. The Budget, as estimated by the President, provides a total of \$485,000,000 for farm payments. The bill provides a total of \$499,560,000 for payments under the Soil Conservation and Domestic Allotment Act. Five hundred million dollars is authorized by this act, while Congress provided in the Agricultural Adjustment Administration for the appropriation of such additional sums as Congress might determine. If the \$250,000,000 for parity payments is appropriated, it will make a total of approximately \$750,000,000 in payments to farmers for the fiscal year 1940, or an increase of around \$50,000,000. This increase is justified. I speak respecting cotton. The price of cotton is exceedingly low; in fact, the cotton growers during the year 1938 made substantially no profit.

The purpose of the Agricultural Adjustment Act was to insure the farmers a larger share of the national income. Parity payments were authorized in order that the farmers might receive more nearly a parity price. Two hundred and fifty million dollars will not provide for a parity price, but it will provide for an increase in the returns to the farmer under the program for 1939. Congress has declared repeatedly for a parity price for agriculture. The parity payments are for the purpose of securing as nearly as possible parity payments for farmers.

COTTON

The 5-year average value, 1909-14, of the American cotton crop was \$782,800,000. The 5-year average value of the cottonseed crop for the same period was \$84,900,000. The average value of the cotton and cottonseed crops for the period 1909-14 aggregated \$867,800,000.

The program has been in effect for the past 6 years. Since the program has been in effect the average value of the cotton crop for the 6-year period is \$651,400,000. The average value of the cottonseed crop for the same period is \$103,000,000. The average value of the cotton and cottonseed crops is \$755,000,000 for the period 1933 to 1938, inclusive. In other words, the farmer received the difference between \$867,800,000 and \$755,000,000 on the average for the cotton crop of the last 6 years. This is \$112,000,000 less than the average price received during the period 1909–14.

The parity payments during the 6-year period 1933–38 aggregated \$864,000,000, with an average of \$144,000,000 annually in payments. Including the payments, the cotton crop averaged during the 6-year period \$899,900,000. However, the farmer was able to buy less with \$899,900,000 during the program of the past 6 years than he was able to buy with \$867,000,000 during the parity period from 1909 to 1914. The cost of purchases to the farmer was 29 percent higher from 1933 to 1938, so that the average purchasing power of the cotton crop, including the payments, for the 6-year period 1933–38 is \$697,000,000. This is compared with \$867,000,000 for the parity period 1909–14, or approximately \$170,000,000 less in purchasing power.

The parity payments are made to cotton, corn, wheat, rice, and tobacco. Around 40 percent of the parity payments would be made to cotton; about 28 percent each would be paid to corn and wheat; and the remaining payments would be made to rice and tobacco.

SUBSIDY

The cotton, wheat, and corn growers of the Nation are entitled to the equivalent of the benefits accorded to manufacturers under the tariff. Parity or subsidy for agriculture is nothing more nor less than the tariff in reverse. I am not disturbed by the use of the term "parity" or "subsidy." It is nothing more nor less than a tariff for the farmer.

Subsidies or bounties for agriculture were urged by Alexander Hamilton at the time tariffs were adopted to protect industry. He recognized that the farmer would not get the

benefit of the tariff, and he reported to Congress—and I quote:

There should be an offset to the tariff in the form of bounty to the farmer.

PURCHASING POWER

The manufacturing and industrial sections of the United States will greatly benefit from increasing the purchasing power of farmers. Cotton farmers are liberal spenders. They will buy whenever their income justifies; they spend substantially all they make. If the manufacturers of the East and other industrial areas are to sell to southern cotton growers, it is essential that these growers have an increased purchasing power.

LOGROLLING

I think it is unfortunate that logrolling has been injected into the discussion of farm payments. Farmers are not selfish; they are willing to accord to urban centers the relief to which they are entitled. The representatives of the agricultural areas have supported legislation to aid the home owners in the city, to provide emergency housing, to remove slums, and to afford relief. Congress has appropriated vastly more to aid the 3,000,000 who will receive the benefits of relief than Congress has appropriated for parity and soil-conservation payments to agriculture.

TARIFF

The prices of industrial products have been increased to the American people around \$4,000,000,000 annually by the tariff. At present rates the farm incomes of America are around \$8,000,000,000; 30,000,000 people are directly affected and every citizen of the United States is indirectly affected. There are 3,850,000 farmers who have received about \$712,000,000 in payments during the fiscal year 1939, but at the same time the Congress of the United States has appropriated \$2,000,000,000 for the 3,000,000 people on relief. Farmers are only asking for a square deal. If comparisons were not odious, it would be fair to say that Congress has appropriated vastly more for the relief of 3,000,000 Americans than it has appropriated to promote the interest of 30,000,000 directly and indirectly engaged in agriculture.

DAIRYING

I call attention to the benefits that have been accorded to the dairying sections of the United States. Millions of dollars in soil-conservation payments have been made. It is the only industry where direct appropriations are made for enabling the dairy farmers to plant crops at the expense of the Government. Not only have appropriations been made for seed and for soil conservation in behalf of the dairy growers, but like industry, the dairying industry is protected by the tariff. We have a tariff of 14 cents a pound on butter—the highest tariff in history. Other dairy products are protected by the tariff. Dairying, therefore, is receiving benefits comparable to the benefits accorded to industry under the tariff.

In addition to direct benefits, the Surplus Commodities Corporation has bought large quantities of dairy products. In other words, dairying is receiving benefits comparable to those accorded to cotton, wheat, and corn.

Dairying has probably received more benefits under the present administration than other agricultural commodities. I mention a few: The farm mortgage debt in the dairying States has been materially reduced; liberal payments under the Agricultural Conservation Act have been made to the dairying sections. In 1936 these payments amounted to \$36,000,000 in seven States where dairying is the major farm enterprise. In 1937 the amount was \$29,000,000 and in 1938 the amount was \$34,000,000. As I have indicated, the Government, through the Surplus Commodities Corporation, bought in the open market in 1933-34, \$14,000,000 worth of dairy products, and in 1934-35 large amounts were bought. In 1937-38 the amount aggregated \$15,000,000. For the current fiscal year the Government has purchased around \$4,-000,000 worth of fluid milk, \$2,225,300 worth of dry skimmed milk, and \$27,000,000 worth of butter. In addition, the dairy farmers have received valuable loans, which with the above

amounts, aggregate \$44,000,000 that have been made available by the Federal Surplus Commodities Corporation.

In 1933 butter was worth 20 cents a pound, in 1939 it is worth 26 cents; in 1933 butterfat was worth 18 cents, in 1939 it is worth 25 cents.

The index price received by farmers for dairy products in 1932 was 83; for all other commodities it was 65. In 1938 the index price for dairy products was 109, while for other products it was 95. In 1937 it was 124 for dairy products, and for other farm commodities 121. In addition to all of these services to the dairy farmer, this administration, through the marketing agreements and the Dairy Products Marketing Association, has stabilized the marketing of milk, both in terms and in prices. Those who maintain that the dairy farmers have not been benefited remind me of the words of Josh Billings, when he said, as the gentleman from Missouri [Mr. Cannon] stated last Friday, "It is better not to know so much than to know so much that 'ain't' so."

WORLD MARKETS

It is asserted that the reduction program in the United States is responsible for the loss of world markets for American cotton. It is true that exports of cotton have materially declined. Germany and Italy formerly used large amounts of American cotton, but the reduction in acreage in the United States is not by any manner of means responsible for the loss of foreign markets. Large crops were always followed by small crops before the program was adopted in 1933. Tariff walls, trade barriers, and currency are largely responsible for the loss of foreign markets. Again, other countries have ascertained that they can grow cotton. The reduction program in the United States had nothing to do with the increase in the production of cotton in Russia, but the fact remains that the price of American cotton is slightly higher than the world price of cotton. Foreign cottons are being sold more cheaply today. Foreign trade agreements are not directly helping cotton. While there is little satisfaction in growing cotton in the United States to sell abroad, if Americans are enslaved in the process, foreign markets should be preserved. If the manufacturer obtains the benefit of the American tariff, he should pay to the grower an American price that would give to the grower the equivalent of the benefits of the tariff. Foreign cotton trade is a problem that remains to be solved. I believe that the solution of the problem lies in provisions that will enable the United States to compete in foreign markets with foreign cottons. It may involve the sale of American cottons at a cheaper price in foreign markets than in domestic markets, but the manufacturer should not complain. If typewriters and sewing machines are sold more cheaply abroad than at home, cotton can be sold for less in foreign countries, and the manufacturers should not complain.

SURPLUS

There is a surplus of American cotton. This surplus must be definitely retired from the channels of trade or there is no hope for the American cotton grower. Many methods have been proposed. All involve final and definite retirement of substantially half of the surplus of 13,000,000 bales of cotton. New uses of cotton, as well as new markets, must be discovered. Cotton is an American product and should be used by the departments of the Government. Cotton needed by the War and Navy Departments can be stored, as it is already owned by the Government.

[Here the gavel fell.]

Mr. CANNON of Missouri. Mr. Chairman, I ask unanimous consent that all debate on this section and all amendments thereto close in 5 minutes.

The CHAIRMAN. Is there objection to the request of the gentleman from Missouri [Mr. Cannon]?

Mr. MOTT. Mr. Chairman, I object.

Mr. CANNON of Missouri. Mr. Chairman, I ask unanimous consent that all debate on this section and all amendments thereto close in 10 minutes.

The CHAIRMAN. Is there objection to the request of the gentleman from Missouri [Mr. Cannon]?

Mr. MOTT. Mr. Chairman, I object.

Mr. CANNON of Missouri. Mr. Chairman, I move that all debate on this section and all amendments thereto close in 5 minutes

The motion was agreed to.

Mr. CUMMINGS. Mr. Chairman, I rise in opposition to

the pro forma amendment.

Mr. Chairman, the gentleman is entirely wrong about two things: First, as far as soil conservation payments are concerned, the growers of sugarcane and sugar beets comply with every provision of the Soil Conservation Act and do not receive one penny for doing so, not a penny. We receive no soilconservation payments. Where does the money come from to pay it? There is a processing tax levied of 50 cents per 100 pounds, and then the growers receive a 60-cent payment. Cuba pays but receives no benefits. The money is left in the Government Treasury and this year is more than \$10,000,000. The large plantations are in Hawaii. The benefit payments are made out of their own payments. A man may pay \$10,000 or \$50,000 to the Government. There is 50 cents tax, but he can receive only \$2,500 until his tax is cut, and it is graduated down until he gets, I think, about \$30,000 or \$40,000. That applies to Hawaii, not to continental United States, and he does not get half what he pays in.

Mr. WHITTINGTON. Mr. Chairman, will the gentleman

Mr. CUMMINGS. I yield to the gentleman from Mississippi. Mr. WHITTINGTON. I was not referring to the source of the funds. I know about the processing tax under the Sugar Act. My understanding is that the owners of the sugar plantations receive benefits largely in excess of \$2,500, no matter what the source, whether it comes from the consumers of the Nation by way of a processing tax or the Public Treasury. I think they are entitled to it. I understand domestic sugarcane growers receive soil-conservation payments.

Mr. CUMMINGS. When he gets \$2,500 he has put in more than \$2,500. Then he keeps on, and if he puts in \$50,000, he

might only get \$25,000.

Mr. WHITTINGTON. But the fact is the benefits to sugar growers amount to a great deal more than \$2,500, the maximum under the Andresen amendment, adopted by the committee, that could be paid to cotton growers.

Mr. RICH. Mr. Chairman, will the gentleman yield?

Mr. CUMMINGS. I yield to the gentleman from Pennsylvania.

Mr. RICH. Does not the gentleman believe that, in order to help the beet-sugar industry, if we put a tariff on sugar so we could give the sugar market of this country to the Louisiana sugar growers and the Michigan and Colorado beet-sugar growers, we would be doing a good thing for them?

Mr. CUMMINGS. No, for the reason that if you take away the quota you turn Hawaii, Puerto Rico, and the Philippine Islands loose, and they will grow practically all the sugar we consume. The Philippine Islands can grow 3,000,000 or 4,000,000 pounds of sugar.

Mr. RICH. Put a tariff on so that we give the market to

the sugar growers of the United States.

Mr. CUMMINGS. Yes, but you cannot put a tariff against Hawaii and Puerto Rico, and you cannot put a tariff against Hawaii as long as the American flag flies over those islands, because you fellows would not vote for it. The sugar program is paying for its own expense plus some \$10,000,000 or \$15,000,000, and we do not receive a penny out of soil conservation, but we must comply with that act.

Mr. MICHENER. Mr. Chairman, will the gentleman

Mr. CUMMINGS. I yield to the gentleman from Michigan.

Mr. MICHENER. This matter is very important to the sugar industry of the country.

Mr. CUMMINGS. It means the life of it.
Mr. MICHENER. Does not the gentleman believe we ought to have more than 5 minutes to debate it? We have been shut off from debate, with debate limited to 5 minutes now by main force, yet this is a provision covering \$47,975,000 and affecting the life of one of our agricultural industries.

Mr. CUMMINGS. I am just relying on the good sense of this group not to adopt the amendment. I do not believe the gentleman realized the purport of the amendment when he offered it.

Mr. WHITTINGTON. The gentleman wholly misunderstands. I proposed no amendment at all. I offered a proforma amendment merely to call attention to the fact that some sugar growers are getting hundreds of thousands of dollars, and in Hawaii millions of dollars, whereas cotton and wheat and corn growers are limited under the amendment adopted to \$2,500. I believe this limitation unfair, if not unconstitutional.

[Here the gavel fell.]
The Clerk read as follows:

INTERNATIONAL PRODUCTION CONTROL COMMITTEES

During the fiscal year 1940 the Secretary of Agriculture may expend not to exceed \$17,500 from the funds available to the Agricultural Adjustment Administration for the share of the United States as a member of the International Wheat Advisory Committee, the International Sugar Council, or like events or bodies concerned with the reduction of agricultural surpluses or with other objectives of the Agricultural Adjustment Administration, together with traveling and other necessary expenses relating thereto.

Mr. SCHAFER of Wisconsin. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. Schafer of Wisconsin: Page 92, strike out all of lines 12 to 22, inclusive.

Mr. SCHAFER of Wisconsin. Mr. Chairman, this amendment is offered for the purpose of assisting to a small degree in getting America out of international conferences. The record clearly indicates that the present New Deal international-minded administration is entering into negotiations with foreign countries and Uncle Sam is playing Santa Claus and having his pockets picked, as he did under the Democratic World War administration. It is ridiculous to spend the money of the American taxpayers to subsidize an international sugar council in the name of taking care of the surplus sugar in America, when the facts indicate we produce in America only about 24 percent of the sugar which we consume. The American sugar growers have been sold down the river by the new dealers.

The New Deal sugar policy, formulated by a self-styled and a self-anointed "brain trust" sugar expert, Mr. Charles W. Taussig, is one of the blackest pages of American history. Mr. Taussig poses as a "brain trust" professor having at heart the interest of the sugar producers of America, when in fact he is a multimillionaire importer of foreign sugar. His address is 111 Wall Street, New York City, N. Y.

Mr. Taussig serves the Cuban Sugar Trust and not our American people.

I hope that the Members of Congress who represent farm districts will wake up and oppose the New Deal sell-out of our American farmers. Stop being rubber stamps for these soviet-minded "brain trust" professors who work under the direction of Mordecai Ezekiel, the power behind the throne in the Agricultural Department. Mr. Henry Wallace is the Secretary of Agriculture in name but not in fact. He is only the Charley McCarthy of "brain-truster" Mordecai Ezekiel. If we chase Mordecai away from the Public Treasury trough and remove him from the Government service we will not have to be passing agriculture appropriation bills carrying more than a billion dollars to repair the damage resulting from the half-baked soviet agricultural schemes which Mordecai Ezekiel has foisted upon the American people.

I hope, in the interest of the farmer, you will vote against all pork-barrel appropriations in this bill. We are fast approaching the precipice of inflation, over which we shall plunge unless we stop the New Deal spending spree. The farmers will go over this precipice with the rest of us. I am going to vote and vote to cut indefensible appropriations from this bill. I call upon you Democrats, particularly you Jeffersonian Democrats who preach economy, to also vote to cut, and not confine your economy efforts to talking

about the necessity of reducing the cost of government. Now is the time to act as well as to talk. [Applause.]

Mr. CANNON of Missouri. Mr. Chairman, I ask unanimous consent that all debate on this paragraph and all amendments thereto close in 5 minutes.

The CHAIRMAN. Is there objection to the request of the gentleman from Missouri?

There was no objection.

Mr. VOORHIS of California. Mr. Chairman, I rise in opposition to the amendment. Mr. Chairman, it happens that Dr. Ezekiel, who has just been referred to, came to Washington first under the Hoover administration and has been here ever since as one of the ablest students of our governmental problems. [Applause.]

The things that I principally want to say in these brief 5 minutes are things I have been trying all the afternoon to

say. Here they are:

I voted in favor of the parity payment provision. I shall do so again, of course, on roll call. I did it because I believe those payments are justified as a measure to increase the buying power of the farmers of the country and to compensate in some degree for the payment they constantly make to industry, which is able to control its output and its price. I do not subscribe to the idea that the interests of the farmers of America and the W. P. A. workers of America are in conflict in the least degree. Indeed, I am convinced, on the other hand, that if we do things which will raise the standards and the income of the low-income farm groups in this country, it will be of benefit to the people in our cities who so desperately need work. I shall do all I can when that W. P. A. appropriation comes in to try to see that the \$150,-000,000 figure is adopted, but I also favor the parity payments to farmers on their own merits and because I believe it is the most just thing we can do under the circumstances.

Now, you cannot expect to standardize or regiment the United States of America and its people on a poverty standard, and people who talk about a deflationary policy at this time are in effect proposing exactly that-proposing to solve this problem by additional bankruptcy. We have got to balance our Budget, of course, but we have got to balance it by better distribution of consuming power, by a more courageous tax policy, by taking back into the hands of this Government its constitutional right to be the source of new money and credit. We have got to do this in a constructive manner, and we cannot do it in a destructive manner, and we cannot do it either by attempting to vote against a provision which is on its merits, perhaps, for the benefit of one group of people, hoping thereby we will get more votes to assist another group of people who are in equal or even greater need.

The real problem in connection with agriculture is certainly not that the wages of wage earners are too high. The trouble is that the farmer works in a competitive industry. He competes with every other farmer in the production of crops and in the sale of crops. On the day he sells his crop he is at the mercy of the man who buys it. He can control neither his output nor his price. On the other hand, industry is in a position where it can control both output and price, and you have got to do something to equalize those two situations.

To my mind the most direct and straightforward thing to do is to put a floor under farm prices, a minimum cost-ofproduction price, and say that that will be the way we will prevent the discrimination between industry and agriculture that now exists. Thus, Treasury payments would be avoided. But those who criticize the program of this administration must remember it was confronted with the choice of either, on the one hand, compelling industry to produce abundance at a fair price, or, on the other hand, enabling agriculture to protect itself in some manner against a tremendous production at ruinously low prices. Which of these alternatives, I wonder, would the sharpest critics of the administration have chosen? We have not taken a more fundamental step, as I believe we should have done, and, therefore, as a matter of simple justice in the existing emergency for the farm people, I have felt all along that we should support these parity

payments, and, therefore, I am voting in favor of them. [Applause.]

[Here the gavel fell.]

The CHAIRMAN. The question is on the amendment offered by the gentleman from Wisconsin [Mr. Schafer].

The amendment was rejected. The Clerk read as follows:

FARM TENANT ACT

To enable the Secretary of Agriculture to carry out the provisions of title I of the Bankhead-Jones Farm Tenant Act, approved July 22, 1937 (7 U. S. C. 1000-1006), including the employment of persons and means in the District of Columbia and elsewhere, exclusive of printing and binding, as authorized by said act, \$24,984,500, together with the unexpended balance of the appropriation made under said act for the fiscal year 1939.

Mr. JOHNSON of Oklahoma. Mr. Chairman, I offer the following amendment, which I send to the desk.

The Clerk read as follows:

Amendment offered by Mr. Johnson of Oklahoma: Page 93, line 22, after the word "Act", strike "\$24,584,500" and insert in lieu thereof "\$50.000,000."

Mr. TABER. Mr. Chairman, I make the point of order that the \$50,000,000 is not authorized by law.

The CHAIRMAN. Does the gentleman from Oklahoma

desire to be heard on the point of order?

Mr. JOHNSON of Oklahoma. Yes, Mr. Chairman; of course, I desire to discuss the point of order. I am surprised that the gentleman from New York raised a point of order against the pending amendment. But, more than that am I surprised that he should make a statement to the Committee that the amount set forth in the amendment is not authorized by law. I am sure that no Member of this body is better informed with reference to legislation that has been enacted by Congress in recent years than is the gentleman from New York. Certainly the gentleman from New York has not forgotten that he bitterly opposed and voted against the farmtenant bill passed by Congress and now a part of the organic law authorizing \$50,000,000 this year. Surely he is not serious in his contention. I assume it is a part of his tactics to force me to argue a point of order at this time rather than to permit me to discuss the merits of my pending amendment. If so, it may become necessary to review briefly the history of this legislation in order to convince the gentleman from New York that there is authorization for the amendment offered. The gentleman will recall that after years of argument and empty promises by Congress concerning the problem of farm tenancy a compromise measure was finally enacted and signed by President Roosevelt. Some of us contended then that if we were going to do anything seriously and worth while in an effort to solve this perplexing problem that the Congress should begin with a \$50,000,000 program, and step up the sum until at least \$100,000,000 per year would be expended.

Few were satisfied then with what we got. But for the benefit of the gentleman from New York, I will say that over his stubborn opposition Congress actually tackled this gigantic and tragic situation of aiding landless farmers actually to own their own farms. Others said they favored farm-tenant legislation but wanted to start even more modestly. Of course, the gentleman from New York did not want to start at all. That was his privilege. In that he was joined by many of his Republican colleagues and, I am sorry to say, also by several on the Democratic side of this aisle. You see I am saying all this to educate my good friend from New York, whose memory apparently has failed him and who maintains that there is no law authorizing the amount set out in the pending amendment. [Laughter.]

Mr. CASE of South Dakota. Mr. Chairman, will the gentleman yield?

Mr. JOHNSON of Oklahoma. Not just now, but in a minute I will yield. The gentleman from New York may possibly remember that finally the Congress passed a compromise measure, and that for the first year \$10,000,000 was authorized, which was expended; and that for the second year \$25,000,000 was authorized, and I am glad to say to this

Committee that practically every dollar of the \$25,000,000 will have been expended by July 1. I have for my authority a statement from the Farm Security Administration. Then for the third year Congress authorized \$50,000,000, and the question today is, Were we merely joking with the tenant-farmers and the sharecroppers throughout this country; were we just kidding them when we voted for that authorization, or is this Congress going to keep faith with the tenant-farmers of the country today?

At this time the Farm Security Administration has gone into practically half the counties of the United States, and in a very limited way have really just begun to get under way in carrying out the provisions of the Farm Tenant Act. In my State, with their limited funds, they are doing an excellent job. Of course, the program thus far is really only a drop in the bucket so far as needs are concerned. I do not pretend to say that the present farm-tenant program is going to solve the problem. But up to this good hour Congress has appropriated every dollar authorized under the Bankhead-Jones Farm Tenant Act. Can you now find it in your hearts to break faith with the tenant farmers?

Members will remember that last year the committee brought here an appropriation of \$15,000,000 instead of \$25,000,000, as authorized, and gave then as a reason, or, rather, as an excuse, that the Farm Security Administration had not expended all of the \$10,000,000 appropriated the first year. You recall that the contention was made then that the Farm Security Administration could not expend all of the \$25,000,000. But this House, by a vote of more than 2 to 1, by a vote of 103 to 219, as I recall, said a year ago that we were going to keep faith with the tenant farmers of America. Again I ask, Were you sincere then or only kidding the farm tenants, who are looking to you to make good your promises? The gentleman from New York knows, or, I submit, ought to know, that the substantive law does authorize \$50,000,000. You see, I am still arguing the point of order. [Applause.] I now yield to the gentleman from South Dakota.

Mr. CASE of South Dakota. Mr. Chairman, can the gentleman tell us whether these purchases made under this appropriation are made in the name of the Government or made in the name of the Farmers Home Corporation?

Mr. JOHNSON of Oklahoma. I will say to the gentleman I am not certain in whose name the farms under this program are purchased, but assume they are made in the name of the Government for the farmers. But, after all, that is not of any great importance. The fact is that the farmer has 40 years with which to pay for his farm. Many no doubt will pay off long before that. Please bear in mind also that this appropriation is not a drain on the Treasury of the United States. Remember that every dollar of this money is to be paid back to the Treasury with interest. This item does not affect the Budget or the Treasury of the United States. This is a modest attempt to do something for the farmer, to help the farmer help himself.

Mr. AUGUST H. ANDRESEN. Mr. Chairman, will the gentleman yield?

Mr. JOHNSON of Oklahoma. Yes.

Mr. AUGUST H. ANDRESEN. Does not the gentleman think we should also do something for the hundreds of thousands of farmers who are losing their farms, so that they can keep them?

Mr. JOHNSON of Oklahoma. Oh, yes; and I have introduced a bill in this Congress for that purpose. I would be glad to have the gentleman read that bill. It will help the farmers reclaim the lands that they have lost as well as give assistance to those other landless farmers who pray for an opportunity to own their own farms. There are no more patriotic citizens in America than our farmers. They are feeding the Nation at farm prices so low that they are really appalling. Thousands of hard-working, honest farmers have had their farms foreclosed through no fault of theirs. Many others have longed for the day they might sit by their own firesides, live under their own roofs, and have the opportunity to educate their children and enjoy "a more abundant life" to which all are entitled. [Applause.]

The CHAIRMAN. The gentleman from Oklahoma has consumed 5 minutes. Does the gentleman from New York desire to be heard on the point of order?

Mr. TABER. I am only giving my own recollection that there was not authorization for such an amount.

The CHAIRMAN (Mr. PATMAN). The amendment offered by the gentleman from Oklahoma provides that the figures, \$24,984,500, be stricken out and \$50,000,000 inserted in lieu thereof.

This bill is making appropriations for the Department of Agriculture, and for the Farm Credit Administration, for the fiscal year ending June 30, 1940. The Chair has examined the law, and the law provides, on the question of farm tenancy, that not to exceed \$10,000,000 shall be appropriated for the year ending June 30, 1938; not to exceed \$25,000,000 for the year ending June 30, 1939; and not to exceed \$50,-000,000 for each fiscal year thereafter.

Therefore the point of order is overruled.

Mr. CANNON of Missouri. Mr. Chairman, I ask unanimous consent that all debate on this paragraph and all amendments thereto close in 20 minutes.

The CHAIRMAN. Is there objection?

There was no objection.

waste and should be defeated.

Mr. LAMBERTSON. Mr. Chairman, I rise in opposition to the amendment.

As I said in my opening remarks on the bill, the thing we must face here is raises in this bill. Here is a typical example of a proposed raise. Some Members who were pledged to economy and who have responsibilities on the Appropriations Committee have no temerity at all in offering amendments, no blush in the world for plunging the Government deeper in debt.

The gentleman says this is a loan. This is a direct appropriation from the Treasury at first, in the hope that it will be paid back some day. This whole program is not very satisfactory. We must do something bigger and wider for agriculture, if we are going to save agriculture, than picking out individual people and giving them a little candy. We have to do something different from that. This is typical of the attitude in the last few years in Washington. This amendment fits in perfectly with the idea of the old story that the village debated whether they would maintain an ambulance at the foot of the hill or whether they would build a fence at the top. This administration and its policies and this amendment are identical and typical of those in favor of maintaining the ambulance at the bottom of the hill without doing anything constructive to save lives. It is only a big

The CHAIRMAN. The gentleman from Michigan [Mr. Hook] is recognized for 5 minutes.

Mr. HOOK. Mr. Chairman, it was with great interest that I listened to the gentleman from Oklahoma [Mr. Johnson] when he offered his amendment to the pending bill, at which time he said that certain departments had developed into a body that were rather arrogant to Members of Congress. I do not know of any bureau or any department that is more arrogant to the Members of Congress than the Farm Security Administration.

I have had a little experience with the Farm Security Administration. I do not want it understood that I am opposed to the tenant provision of that bill, but the Farm Security Administration took over the old Resettlement Administration. They have throughout the country homestead projects. They are still administering and managing those homestead projects. I understand these homestead projects were for the purpose of bringing low-cost housing to the people in rural areas. The money spent by the Resettlement Administration was staggering. It was in most instances a glaring example of waste. Now, in order to cover up the amount of money they have wasted they are bringing into those projects people of high income, people who can pay the high There is such a project in Ironwood, Mich. I referred to this project the other day on the floor of this House. To give you an illustration of what they are doing, the promise they made was that they were going to allow people in industry to be sent into those homes, allow them a few acres of ground in order that they might raise their vegetables and help themselves to become self-sustaining by part-time agriculture and part-time industrial employment. The object was to help the laborers to properly clothe and feed themselves and their families. I hoped that such would be the result. But what happened? They brought in the managers of big corporations, men and families that are earning in the neighborhood of from \$3,000 to \$7,000 and \$8,000 a year, instead of bringing in the men and women in industry who are earning from \$900 to \$1,800. Oh, yes; of 119 homes in the project, they have rented 28 to miners, and most of the rest who are still occupying these homes are the high-income people. I expected that after my complaint that the low-income group, the laboring class, if you please, especially miners, would be placed instead of those that can afford to rent homes in the city.

I will not vote for one penny more to build up the Farm Security Administration. [Applause,] I think that what we should do is to wipe off of the books the Farm Security Administration as far as the old Resettlement Administration is concerned. [Applause.] I hope we will make arrangements to liquidate this Administration and make these homes available to those who need them. I hope we can stop this expensive management of the projects now completed.

I hope you vote down this amendment to increase this

appropriation.

[Here the gavel fell.]

The CHAIRMAN. The gentleman from Illinois [Mr. Dirksen] is recognized for 5 minutes.

Mr. HENNINGS. Mr. Chairman, will the gentleman yield?

Mr. DIRKSEN. Not yet, please.

Mr. Chairman, I approach this hour of the day with considerable misgiving. The noise and confusion in the Chamber that is the result of the natural restless spirit at this hour of the day certainly is not conducive to the best legislation. While I have not sought to prevail upon the chairman of the subcommittee to have the Committee rise at this time, yet I think in the interest of the country it might be well.

There is pending before us right now a proposal to add \$25,000,000 to the Farm Security Administration. Gentlemen, \$25,000,000 does not grow on gooseberry bushes; it is still a lot of money out where I come from, and yet here at 6:30 in the evening in the welter of confusion we seek to pass intelligently upon whether or not we ought to add \$25,000,000 to the Farm Security appropriation. I hope this will not be done.

In the first place, this item has had very mature and deliberate consideration on the part of the subcommittee, and I approach the whole thing with misgivings, whether at this hour or any other hour for many reasons. There are nearly 7,000,000 farmers, owners, and tenants in the country and nearly 3,000,000 of those are tenants. Mr. Alexander, of the Farm Security Administration, came before the subcommittee and told us that in the fiscal year 1938 he spent \$25,000,000 with which he purchased 1,869 farms; yet in the justification that came before the committee he said that the number of tenants in the country in that year had increased by 40,000. You increase the number by 40,000 and you alleviate 1,869. So you could wash the entire Federal Treasury through this item in the appropriation bill and still make no impression upon this colossal problem of farm tenancy.

We have been at this problem only a short time. My opinion is that if something good and desirable can be done, let us do it slowly, with assurance that a good foundation will be laid, but let us not throw an additional \$25,000,000 into this, for we do not know what the result is going to be.

In addition thereto you cannot have too much confidence in the Administrator, in view of the testimony that was offered.

Mr. COX. Mr. Chairman, will the gentleman yield?
Mr. DIRKSEN. If the gentleman will let me proceed, I
will try to yield later. I have a story photostated from the
Saturday Evening Post because it deals with farm tenancy.
We asked Mr. Alexander before the subcommittee whether

he read it. He said, "No; I have not." I said, "Was it brought to your attention? Because it is in derogation of the work that you are doing." "No," he said, "I do not get my education from the Saturday Evening Post any more." I said, "You might with profit read it, because here is something that goes to the very heart of your administration, and you come in here and tell the members of the subcommittee that you are too big, and too bold, and too smart to read Garet Garrett in the Saturday Evening Post, who takes the hide off of your administration." You should read this some time. It is available in my office to anybody who wants to read it.

When the Administrator of Farm Security talks like that it is time we paused and asked him how about the tenant down in Alabama who was getting money he did not want, who got \$657 for odds and ends, and did not know what it was for, and who got \$800 for a new house and did not know what it was for. It is about time we called a halt and took stock. We should deliberately explore in greater detail the operations of the Farm Security Administration to see whether or not this money is being wisely expended.

I charge you now at half past six in the evening that \$25,000,000 does not grow on gooseberry bushes.

Mr. PATRICK. I want the address of the man in Alabama who got the money and did not want it.

Mr. DIRKSEN. Mr. Chairman, I now yield to the gentleman from Georgia [Mr. Cox].

Mr. COX. Does the gentleman entertain any serious doubt about this House voting \$25,000,000 more to the Farm Security Administration to be largely wasted under the super-

vision of that off-color politician, Dr. Alexander?

Mr. DIRKSEN. The gentleman who now stands in the Well of the House does entertain some misgivings as to what this House will do under present circumstances. I hope the amendment seeking an extra \$25,000,000 for this purpose will

not be approved.

[Here the gavel fell.]

The CHAIRMAN. The Chair recognizes the gentleman from Missouri [Mr. Cannon] for 5 minutes.

Mr. CANNON of Missouri. Mr. Chairman, due to a miscalculation, we omitted to ask sufficient time to include the gentleman from Georgia [Mr. Pace], who asked to be heard on this item. I therefore ask unanimous consent that the time be extended 5 minutes to be yielded to the gentleman from Georgia.

The CHAIRMAN. Is there objection to the request of the gentleman from Missouri?

Mr. ANDREWS. Mr. Chairman, I object.

Mr. CANNON of Missouri. Mr. Chairman-

Mr. HENNINGS. Mr. Chairman, will the gentleman yield?

Mr. CANNON of Missouri. Yes; I yield.

Mr. HENNINGS. Mr. Chairman, I present a privileged motion, that the Committee do now rise.

The CHAIRMAN. The gentleman is out of order. The gentleman from Missouri [Mr. Cannon] is recognized.

Mr. CANNON of Missouri. Mr. Chairman, I think it is generally recognized that while the farm-tenancy program is a very appealing one from a theoretical point of view, it is in actual practice largely a sentimental gesture. It cannot cure the evil of farm tenancy. It does not even alleviate it. According to the testimony evinced before the committee, it has not materially affected the farm-tenant situation, much less remedied it. Last year we spent \$10,000,000 on this item and \$25,000,000 this year, and during the 2 years tenancy increased at an accelerated rate. Those in charge of the work estimated that, carried out to its ultimate conclusion, it would require \$14,000,000,000 to complete the program outlined in the act authorizing the expenditure. So on the face of it, Mr. Chairman, it is at best merely a demonstrational activity, and, as we already have established projects of this nature in every State of the Union, it follows that any advantage which might accrue from the demonstrational features of this work can now be studied in every representative section of the country and that further expenditures for the purpose are in that respect largely a matter of duplication. However, in deference to those who approve the plan, we allowed the full Budget estimate to continue and enlarge the program, and the bill provides more for the item, or certainly as much, as the situation seems to warrant.

I think we must realize, Mr. Chairman, that the only practical and permanent cure for tenancy is in increasing the price of farm products to a point where they will pay a fair wage for the farmer's labor and a fair return on his investment. Until we do farm tenancy will continue to increase, and no such microscopic contributions as this—affecting at most an infinitesimal percentage of tenants—can have any practical or effective influence on the situation.

Mr. Chairman, I trust the Committee will vote down this proposal to spend an additional \$25,000,000 beyond the more than generous provision already made for this purpose.

[Here the gavel fell.]

The CHAIRMAN. The question is on the amendment offered by the gentleman from Oklahoma [Mr. Johnson].

The amendment was rejected.

Mr. TABER. Mr. Chairman, I offer an amendment which I send to the Clerk's desk.

The Clerk read as follows:

Amendment offered by Mr. TABER: On page 93, strike out lines 15 to 24, inclusive.

The amendment was rejected.

The Clerk read as follows:

LIQUIDATION AND MANAGEMENT OF RESETTLEMENT PROJECTS

To enable the Secretary of Agriculture to carry out the provisions of section 43 of title IV of the Bankhead-Jones Farm Tenant Act, approved July 22, 1937 (7 U. S. C. 1014-1029), including the employment of persons and means, in the District of Columbia and elsewhere, exclusive of printing and binding, as authorized by said act, \$1,987,400.

Mr. HENNINGS. Mr. Chairman, I offer a preferential motion.

The CHAIRMAN. The gentleman will state it.

Mr. HENNINGS. Mr. Chairman, I move that the Committee do now rise.

The motion was rejected.

Mr. CASE of South Dakota. Mr. Chairman, I move to strike out the last word.

ACTIVITIES SHOULD NOT BE INCREASED UNTIL FULL MEANING OF TAX
DECISION IS KNOWN

Mr. Chairman, any amendments that would increase operations under the Bankhead-Jones Farm Tenancy Act should be considered with more deliberation than any amendment will receive tonight. None should be adopted now.

I call the attention of the Members of the House to the effect of the tax decision by the United States Supreme Court yesterday upon the operations of Federal instrumentalities, such as that for which we are now appropriating. The paragraph before us appropriates for title IV of the Bankhead-Jones Farm Tenant Act. That means the Farmers' Home Corporation, a Federal instrumentality in the same class as that directly involved in the Supreme Court decision vesterday.

The paragraph just passed appropriates for title I of the Farm Tenancy Act, and that is the title which sets forth operations for the Farmers' Home Corporation. Clearly the income of that corporation now becomes subject to State taxation.

I have in my hand a copy of the Bankhead-Jones Farm Tenant Act. Title IV provides for setting up of the Farmers' Home Corporation and provides that the Secretary of Agriculture may delegate to the Farmers' Home Corporation such activities authorized under title I and title IV as he may desire. And so, Mr. Chairman, before we increase or extend operations under the Farm Tenancy Act, we should know better than we do today, just how much is to be involved in State taxation for its operation.

DECISION NULLIFIES TAX-EXEMPT SECTIONS

It is true that paragraph (i) of section 40, title IV, and paragraph (b), section 50, of the Bankhead-Jones Farm Tenant Act of 1937 states that the instrumentality created shall be exempt from taxation; but that is no longer valid law.

The decision handed down by the Supreme Court yester-day repealed all that. The Court held that the income of an employee of the Home Owners' Loan Corporation may be taxed by a State and further held that the instrumentality itself is not immune from taxation. This means that the Farmers' Home Corporation, for which we are here appropriating, is no longer exempt from State taxation.

What that will do to its operations is too early yet to say, but at least it seems wise that we do not accept any amendments to broaden its activities, or to increase the funds for expanding its purchases and operations.

ARE RETIRED LANDS TAXABLE?

The next paragraph in the appropriation bill before us appropriates another \$5,000,000 for land utilization and retirement of submarginal land. Yesterday's Court decision raises the interesting possibility that all of the land so purchased, and including the land already purchased, will be subject to State taxation.

Certainly it becomes a question that will be tested in the courts. The question is a matter of life and death in many counties. Hundreds of thousands of acres have been taken from the tax rolls. This throws the burden of outstanding bond and warrant indebtedness on to the remaining tax-payers. Towns that have been established and communities that have been built up to serve a territory in private ownership are finding their values destroyed. And, as I say, it has become a life-and-death matter for some of these communities and the people who have invested their life's efforts and sayings therein.

But clearly, before these land-buying activities are expanded, and before these problems are increased, Congress should know the full meaning of yesterday's tax decision by the Supreme Court.

At a later date I shall place in the RECORD a summary of protests that I have received from some of the communities involved, together with portions of correspondence with the Soil Conservation Service on the subject.

The pro forma amendment was withdrawn.

The Clerk read as follows:

Total, Farm Tenant Act, \$31,950,230.

Mr. MOSER. Mr. Chairman, I offer an amendment, which I send to the Clerk's desk.

The Clerk read as follows:

Amendment offered by Mr. Moser: Page 4, strike out all of line 19.

Mr. MOSER. Mr. Chairman, my amendment would save a substantial amount of money to the taxpayers of the United States, and in terms of money, as necessity has taught its value, this means money to the district I have the honor to represent.

I voted for the Bankhead-Jones Farm Tenant Act in this House now approaching 2 years ago, and at that time those of you who were colleagues of mine then will remember that it was intended that the benefits of rehabilitation were to be extended to a limited number of about five people to a congressional district under its original appropriation of \$10,-000,000. When I became a Member of the Seventy-fifth Congress, the question was rife in the Capital City, What is going to become of Resettlement? The Secretary of Agriculture has said to me it was dropped as a waif on his doorstep and he would appreciate the introduction of a bill that would take it away from his Department; also that he restricted their construction operations to uncompleted buildings and prohibited the launching of any new undertakings.

But the Resettlement Administration, the waif on the Secretary's doorstep, was available to the bureaucrats to pounce upon the Bankhead-Jones Farm Tenancy Act. The Bankhead-Jones Act was a prey to those ubiquitous vultures. Those are the people who rechristened the waif on the Secretary's doorstep, "Resettlement," giving it the dignified title "Farm Security Administration," which title becomes the more opprobrious as the roamings of their wandering minstrels and scavengers seeking case load infest the farming communities with their home-service department, undertaking to teach our farmer's wives to keep house and care for

children—gratuitous advice by childless women who never kept house themselves. Their roving minstrels, with entire freedom, seek to induce farmers to buy steers to fatten, offering to transport them free to the stockyards to make the purchases they select. The purpose of such actions are instantly obvious to the initiated.

In the appropriation act for relief in 1938 they came in and went on relief for \$175,000,000. That group, having gone on relief for \$175,000,000, conceived the idea of paternalism to the degree they thought it would be well and wise to enter into the hosiery-manufacturing business, which has been the subject of controversy for some time.

I do not see how anyone can conceive by any stretch of the imagination why a Farm Security Administration should engage in the manufacture of full-fashioned hosiery—undertaking to manufacture 54-gage hose of the sheer type for exclusive evening dress in different homestead areas.

To one of the posts of an assistant administrator Milo Perkins was appointed over the protest, according to the most reliable sources of information, of our beloved chairman of the Agricultural Committee, Marvin Jones, and our Speaker. Milo Perkins said to me, "We have a bear by the tail, and we cannot let go. It looks like hades to keep these people on relief after building homes for them." Admitting these homes were erected on the self-help conceived idea and in consequence of inexperience they had become too costly.

Mr. Perkins further stated the idea as conceived was to provide them with a piece of land to cultivate that industry might be attracted to these homestead localities and provide supplemental work for cash incomes. As industry was not attracted "farm security" set out to find it and on his statement selected the hosiery industry. They negotiated a contract with the Dexdale Hosiery Mills to furnish the management and take the unfinished product, 300,000 dozen pairs annually. Dexdale to take this product and finish the dyeing and marketing from Lansdale, Pa. The industry producing 50,000,000 dozen pairs annually, of which only 40,000,000 dozen were consumed by the market, was already beyond the saturation point. Perkins argued this proposal represented less than 1 percent of the industry's output. His own release of August 31, 1938, indicated only about 800 families available for this work in the homesteads. The Oakbrook Mill, of my district, produces 80 percent of the industry's consumption of this 54-gage hosiery and has operated at 25 percent of capacity, employing 800 people in one mill. Perkins' proposal involved the advancement of \$3,050,000 to Dexdale for construction of plants.

Dexdale to install the machinery on a 5-year-contract basis at a stated cost of \$320,000, which capital investment nets a 24-cents-per-dozen cost to Dexdale. Consider this being done in the interest of "farm security" and shudder at your farmer constituent's reaction if you vote to continue this sort of paternalism in legislating to assist the farmer under the name and disguise of "farm security." Among the protests registered was one to Colonel McIntyre, who advised me that Mr. Perkins is no longer with Farm Security. But lo, Secretary Wallace informed me the same day he had been transferred to Surplus Commodities. There our genial colleague from Florida [Mr. Peterson] has had his differences in effecting the sale of oranges at 32 cents per box of approximately 150. Perkins wants to buy them at auction to distribute as surplus commodities. Better watch him, boys, he will build canneries next-having learned so much of the hosiery business.

I cannot reconcile myself to that kind of philosophy. It is not the kind of teachings I had in my early childhood and that I carried with me to manhood, and it is not in accord with the character of investigations I was charged with making during all my career as investigator for the Federal Government. I believe the time has arrived that we should take steps to stop all paternalism.

It was I at the importunity of the hosiery manufacturers in my district who went to the Comptroller General after I could not reason with the Farm Security Administration, and it was the Comptroller General who, on the 6th of December, held that, not under the deficiency relief appropriation bill

we passed in January of this year but under the old act of 1938 providing for relief for the year ending June 30, because this hosiery proposition wants to compete with cotton and other manufacturing industries. This was unlawful, yet Perkins went ahead in defiance of the ruling. The very 13th day of September 1938 that I went to the Comptroller General is the date the contracts were let by Milo Perkins when he knew I was going there, and these contracts can be seen in the hands of the Comptroller today and the stop that he placed against them.

In addition, the Farm Security Administration, as a facelifting proposition, or I should say a face-saving proposition instead of a face-lifting proposition—this being the cheaper, it would have been more economical—they undertook to make the Greenbelt area more attractive; and because the people would not travel in there in view of the facilities of transportation that were open to them, they proceeded to enter into a secret contract with the Capital City Traction Co. to operate a direct bus line at a cost of slightly less than \$1,000 per month solely to make travel and residence between Greenbelt and the metropolitan area of Washington more attractive. This the Comptroller General also held to be unlawful. Two nights ago I heard announced over the radio that the proposal was being abandoned and a shuttle bus would be operated between Greenbelt and the Washington metropolitan area.

If you will vote to strike out this appropriation, we can stand squarely on our feet and take care of the Bankhead-Jones Act as it was intended in the original appropriation and enactment. [Applause.]

The CHAIRMAN. The question is on the amendment offered by the gentleman from Pennsylvania.

The question was taken; and on a division (demanded by Mr. Moser) there were-ayes 118, noes 107.

So the amendment was agreed to.

Mr. CANNON of Missouri. Mr. Chairman, I may say that this amendment simply strikes out the total and does not affect the bill.

The Clerk read as follows:

BELTSVILLE RESEARCH CENTER

For general administrative purposes, including maintenance, operation, repairs, and other expenses, \$85,000; and, in addition thereto, this appropriation may be augmented, by transfer of funds or by reimbursement, from applicable appropriations, to cover the cost, including handling and other related charges, of services and supplies, equipment, and materials furnished, stores of which may be maintained at the center, and to cover the cost of building construction, alteration, and repair performed by the center in carrying out the purposes of such applicable appropriations and the applicable appropriations may also be charged their proportionate share of the necessary general expenses of the center not covered by this appropriation. not covered by this appropriation.

Mr. DIRKSEN. Mr. Chairman, would it be agreeable to the chairman of the subcommittee if a unanimous-consent request was submitted at this time to return to pages 54 and 56 to reinsert the items that were stricken out on points of order?

Mr. CANNON of Missouri. The hour is so late and the differences are so inconsequential that I will have to object at this time.

Mr. GIFFORD. Mr. Chairman, I move to strike out the last word, just to call attention to the Beltsville research center. I have visited that locality. I advise all Members to do the same. This is the project that cost \$16,000,000, yet, on their own admission, it ought not to have cost more than \$8,000,000. This is what was known as Tugwelltown, but, in order for us to forget it, they call it Beltsville. They are trying an experiment there. This is a cooperative matter. They fight there to see whether or not dogs will be allowed in Beltsville, and other similar foolish things.

You notice this project is not even self-supporting. Eighty-five thousand dollars is added simply to run it. They do not sell any houses, and the houses are allowed to stay there and decay. It is a peculiar proposition. The Saturday Evening Post told us all about it 2 years ago, but they do not read, as you were told, the Saturday Evening Post. Of all the failures you ought to read about, read about Beltsville.

Mr. CANNON of Missouri. Mr. Chairman, will the gentleman yield?

Mr. GIFFORD. Nothing we can say will change the bill. It is included somewhere else.

The Clerk read as follows:

FOREST ROADS AND TRAILS

For carrying out the provisions of section 23 of the Federal Highway Act approved November 9, 1921 (23 U. S. C. 23), including not to exceed \$59,500 for departmental personal services in the District of Columbia, \$10,000,000, which sum consists of the balance of the amount authorized to be appropriated for the fiscal year 1939 by the act approved June 16, 1936 (Stat. 1520), and \$3,000,000 of the amount authorized to be appropriated for the fiscal year 1940 by the act approved June 8, 1938 (52 Stat. 635), to be immediately available and to remain available until expended: Provided, That this appropriation shall be available for the rental, purchase, or construction of buildings necessary for the storage of equipment and supplies used for road and trail construction and maintenance, but the total cost of any such building purchased or constructed under this authorization shall not exceed \$7,500.

Mr. TABER. Mr. Chairman, I make the point of order against the paragraph that this is legislation on an appropriation bill providing for the construction of a building at a limit beyond that authorized by law.

The CHAIRMAN. Does the gentleman make the point of order against the proviso or against the entire paragraph?

Mr. TABER. Against the paragraph.

The CHAIRMAN. Does the gentleman from Missouri desire to be heard on the point of order?

Mr. CANNON of Missouri. I may say, Mr. Chairman, that this provision in the bill is the only limiting authority. the gentleman can cite us to some other authority establishing the limitation, I should be pleased to have the citation. There is no other limitation, Mr. Chairman, and the point of order is not well taken.

Mr. TABER. There is no authorization for it at all. The CHAIRMAN. The point of order is sustained.

Mr. CANNON of Missouri. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. Cannon of Missouri: On page 97, insert a new paragraph, as follows:

"FOREST ROADS AND TRAILS

"Forest Roads and Trails
"For carrying out the provisions of section 23 of the Federal Highway Act approved November 9, 1921 (23 U. S. C. 23), including not to exceed \$59,500 for departmental personal services in the District of Columbia, \$10,000,000, which sum consists of the balance of the amount authorized to be appropriated for the fiscal year 1939 by the act approved June 16, 1936 (Stat. 1520), and \$3,000,000 of the amount authorized to be appropriated for the fiscal year 1940 by the act approved June 8, 1938 (52 Stat. 635), to be immediately available and to remain available until expended: Provided, That this appropriation shall be available for the rental of buildings necessary for the storage of equipment and supplies used for road and trail construction and maintenance."

Mr. CANNON of Missouri. Mr. Chairman, this strikes out the two words that are objectionable, and I ask for a vote on the amendment.

Mr. TABER. Mr. Chairman, I think the amendment is still subject to a point of order, and I make the point of order against the amendment that it is legislation and provides for construction and purchase of buildings which is entirely unauthorized by law.

The CHAIRMAN. The amendment provides for the rental of buildings.

Mr. TABER. I thought it said construction.

The CHAIRMAN. The language is that the appropriation shall be available for the rental of buildings, and so forth.

The Chair overrules the point of order.

The amendment was agreed to.

The Clerk read as follows:

INTERCHANGE OF APPROPRIATIONS

Not to exceed 5 percent of the foregoing amounts for the miscellaneous expenses of the work of any bureau, division, or office herein provided for shall be available interchangeably for expenditures on the objects included within the general expenses of such bureau, division, or office, but no more than 5 percent shall be added to any one item of appropriation except in cases of extraordinary emergency.

Mr. TABER. Mr. Chairman, I make the point of order against the paragraph that it is legislation on an appropriation bill and delegates authority and requires the performance of further duties on the part of the Secretary of Agriculture.

Mr. CANNON of Missouri. Mr. Chairman, the Chair ruled on that point of order when a similar provision was before the

Committee Friday.

The CHARMAN. On a number of occasions a similar point of order has been overruled. The Chair overrules the point of order.

The Clerk read as follows:

This title may be cited as the "Farm Credit Administration Appropriation Act of 1940."

Mr. BURDICK. Mr. Chairman, I offer an amendment. The Clerk read as follows:

Amendment offered by Mr. Burdick: At the end of line 15, on page 104, add a new paragraph, as follows:
"No bonds of the United States shall be issued to finance any provision of this act, but the Secretary of the Treasury is hereby authorized and directed to issue Treasury notes (in lieu of bonds) therefor under authority of the act of 1934 authorizing the issuance of \$3,000,000,000 in Treasury notes without reference to any base of issue except the responsibility of the Government itself."

Mr. CANNON of Missouri. Mr. Chairman, of course, the amendment is subject to a point of order, and I make the point of order that the amendment constitutes legislation.

The CHAIRMAN. Does the gentleman from North Dakota desire to be heard on the point of order?

Mr. BURDICK. The objection is that it is not a limitation; but I submit that when you are going to raise this money not by the issuance of bonds-

The CHAIRMAN. The point of order is that it is legis-

lation on an appropriation bill.

Mr. BURDICK. No; it limits the manner in which this money is going to be raised. It may not raise it at all, and you had better adopt this amendment or leave it out.

The CHAIRMAN. The Chair is ready to rule.

The point of order is sustained.

Mr. CANNON of Missouri. Mr. Chairman, I move that the Committee do now rise and report the bill back to the House with sundry amendments, with the recommendation that the amendments be agreed to and that the bill as amended do pass.

The motion was agreed to.

Accordingly the Committee rose; and the Speaker having resumed the chair, Mr. Parman, Chairman of the Committee of the Whole House on the state of the Union, reported that that Committee, having had under consideration the bill (H. R. 5269) making appropriations for the Department of Agriculture and for the Farm Credit Administration for the fiscal year ending June 30, 1940, and for other purposes, had directed him to report the same back to the House with sundry amendments, with the recommendation that the amendments be agreed to and that the bill as amended

Mr. CANNON of Missouri. Mr. Speaker, I move the previous question on the bill and all amendments thereto to final passage.

The previous question was ordered.

The SPEAKER. Is a separate vote demanded on any amendment?

Mr. TABER. Mr. Speaker, I demand a separate vote on the Cannon amendment of \$250,000,000 for parity payments.

The SPEAKER. Is a separate vote demanded on any other amendment? If not, the Chair will put them in gross. The amendments were agreed to.

The SPEAKER. The Clerk will report the Cannon amend-

The Clerk reported the Cannon amendment.

The SPEAKER. The question is on agreeing to the Cannon amendment.

Mr. TABER. Mr. Speaker, on that I demand the yeas and nays.

The yeas and nays were ordered.

The question was taken; and there were-yeas 191, nays 204, not voting 37, as follows:

> [Roll No. 44] VEAS-191

Jones, Tex. Keller Drewry Duncan Ramspeck Rankin Allen, Ill. Allen, La. Andersen, H. Carl Dunn Anderson, Mo. Durha Arends Elliott Kennedy, Md. Rayburn Rees, Kans. Richards Durham Elliott Keogh Kerr Robertson Robinson, Utah Arnold Ellis Kilday Barden Barnes Evans Rogers, Okla. Romjue Kleberg Kocialkowski Ferguson Bates, Ky. Beckworth Bell Fernandez Fitzpatrick Ryan Sasscer Schaefer, III. Schulte Flannagan Larrabee Bland Boren Folger Ford, Miss. Lea Leavy Boykin Brooks Ford, Thomas F. Fries LeCompte McAndrews Schwert Scrugham McGehee Shannon
McLaughlin Sheppard
McMillan, John L. Smith, Ill.
McMillan, Thos. S. Somers, N. Y. Brown, Ga. Fulmer Bryson Garrett Gathings Buck Buckler, Minn. Gehrmann Geyer, Calif. Gibbs Burch Burdick Mahon South Sparkman Spence Starnes, Ala. Steagall Stefan Maloney Gilchrist Gore Martin, Colo. Martin, Ill. Burgin Caldwell Gore Gossett Grant, Ala. Cannon, Mo. Martin, Iowa Massingale Mills, Ark. Mills, La. Cartwright Green Gregory Griffith Sumner, Ill Case, S. Dak. Chandler Sumners, Tex. Monroney Talle Guyer, Kans. Gwynne Tarver Tenerowicz Clark Mouton Claypool Mundt Murdock, Ariz. Murdock, Utah Cochran Hare Terry Thomas, Tex. Coffee, Nebr. Collins Harrington Hart Nelson Thomason Havenner Hendricks Colmer Nichols Tolan Vincent, Ky. Cooley Norrell Norton O'Connor O'Day Cox Vinson, Ga. Voorhis, Calif. Hill Crowe Cullen Hobbs Hook Warren Hope Houston Hull Pace Parsons Patman Weaver West Whelchel Cummings Curtis Delaney White, Idaho Whittington Williams, Mo. Dempsey DeRouen Izac Jacob Patrick Patton Jarman Dies Peterson, Fla. Disney Doughton Jensen Peterson, Ga. Johnson, Luther A. Pfeifer Wood Zimmerman Dowell Doxey Johnson, Lyndon Poage Johnson, Okla. Polk The Speaker

NAYS-204 Eaton, N. J. Eberharter

Hoffman

Holmes

Horton

Hunter Jarrett

Jeffries

Jenks, N. H. Johnson, Ill. Johnson, Ind.

Johnson, W. Va.

Alexander Allen, Pa. Anderson, Calif. Andresen, A. H. Edmiston Elston Engel Englebright Faddis Andrews Angell Austin Ball Fay Fenton Barton Fish Flaherty Bates, Mass. Bender Flannery Ford, Leland M. Gamble Bloom Bolles Gartner Bolles
Bolton
Bradley, Mich.
Bradley, Pa.
Brown, Ohio
Byrne, N. Y.
Carter
Casey, Mass.
Chapman
Chiperfield
Church Gavagan Gearhart Gerlach Gifford Gillie Graham Grant, Ind. Griswold Church Hall Halleck Clevenger Hancock Harness Harter, N. Y. Harter, Ohio Hawks Healey Heinke Hennings Hess Hinshaw

Coffee, Wash. Cole, N. Y. Connery Corbett Costello Crosser Crowther Culkin D'Alesandro Darden Darrow Dickstein Dingell Dirksen Ditter Dondero Douglas Dworshak Eaton, Calif.

Kee Keefe Kelly Kennedy, Martin Randolph
Kennedy, Michael Reece, Tenn.
Kinzer Reed, Ill.
Kirwan Reed, N. Y.
Knutson Rich
Kramer Risk Kunkel Lambertson Landis Lesinski Lewis, Colo. Lewis, Ohio Lord Luce Ludlow McArdle McCormack McDowell McGranery McKeough McLeod Maas Maciejewski Magnuson Mapes Marcantonio Marshall Martin, Mass. May Merritt Michener Miller Mitchell Monkiewicz Moser Mott

Murray Myers O'Brien

O'Leary Oliver O'Neal

O'Toole Pierce, N. Y. Pittenger

Plumley Powers Rabaut Robsion, Ky. Rockefeller Rodgers, Pa. Rogers, Mass. Routzohn Rutherford Sabath Sacks Sandager Satterfield Schafer, Wis. Schiffler Schuetz Seccombe Secrest Shafer, Mich. Simpson
Smith, Conn.
Smith, Maine
Smith, Ohio
Smith, Va.
Smith, Wash.
Smith, W. Va.
Springer Springer Stearns, N. H. Sweeney Taber Thill Thomas, N. J. Thorkelson Tibbott Treadway Van Zandt Vorys, Ohio Vreeland Wadsworth Wallgren Walter

Beam

Boland

Byron

Brewster

Buckley, N. Y. Bulwinkle

Byrns, Tenn.

Cannon, Fla.

Welch Wigglesworth Williams, Del. Wheat Winter White, Ohio

Wolcott Wolfenden, Pa. Wolverton, N. J.

Woodruff, Mich. Woodrum, Va. Youngdahl

NOT PRESENT-37 Celler Ashbrook Cooper Blackney

McLean McReynolds Mansfield Crawford Crawlord Creal Curley Goldsborough Hartley Jenkins, Ohio Mason Osmers Owen Pearson Pierce, Oreg. Sirovich Snyder Sullivan Sutphin Taylor, Colo. Taylor, Tenn. Tinkham

The SPEAKER. The Clerk will call my name.

The Clerk called the name of Mr. BANKHEAD, and he voted "yea."

So the amendment was rejected.

Johns Lemke

The Clerk announced the following pairs:

On this vote:

Mr. Lemke (for) with Mr. Brewster (against).
Mr. Byron (for) with Mr. Jenkins of Ohio (against).
Mr. Pearson (for) with Mr. McLean (against).
Mr. Cooper of Tennessee (for) with Mr. Taylor of Tennessee (against)

Mr. Goldsborough (for) with Mr. Short (against). Mr. Celler (for) with Mr. Johns (against).

General pairs:

Mr. Mansfield with Mr. Crawford.
Mr. Boland with Mr. Hartley.
Mr. Bulwinkle with Mr. Mason.
Mr. Sullivan with Mr. Seger.
Mr. Beam with Mr. Blackney.
Mr. McReynolds with Mr. Tinkham.
Mr. Snyder with Mr. Curley.
Mr. Buckley of New York with Mr. Sutphin.
Mr. Taylor of Colorado with Mr. Owen.
Mr. Burns of Tennessee with Mr. Sirovich.
Mr. Ashbrook with Mr. Osmers.
Mr. Cannon of Florida with Mr. Pierce of Oregon.

The result of the vote was announced as above recorded.

The SPEAKER. The question is on the engrossment and third reading of the bill.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider laid on the table.

W. P. A. INVESTIGATION

Mr. SHAFER of Michigan. Mr. Speaker, I ask unanimous consent to extend my own remarks in the RECORD at this

The SPEAKER. Is there objection?

There was no objection.

Mr. SHAFER of Michigan. Mr. Speaker, the record of Monday's vote on the resolution offered by the gentleman from Georgia [Mr. Cox] providing for an investigation of the Works Progress Administration shows that I changed my vote from "nay" to "yea." That is incorrect. I did not vote on the first roll call, having been in conference when my name was called. When I returned to the floor I was informed by my colleagues that someone on the Democratic side had voted "nay" when my name was called. I then went into the Well of the House to make certain that my name would be called on the second roll call. The reading clerk, Mr. Chaffee, did not call my name at the proper place, and I immediately checked him and asked the reason why. He advised me to wait until the roll call was completed and to correct the record at that time. This was done, and I cast a "yea" vote. I at no time cast a "nay" vote in connection with the Cox resolution.

PERMISSION TO ADDRESS THE HOUSE

Mr. HOOK. Mr. Speaker, I ask unanimous consent that on tomorrow, after the conclusion of the business on the Speaker's desk and the legislative program, I be allowed to address the House for 15 minutes.

The SPEAKER. Is there objection?

There was no objection.

EXPLANATION

Mr. CHANDLER. Mr. Speaker, my colleagues from Tennessee, Messrs. Cooper, Pearson, and Byrns, were unavoidably absent today on a mission by appointment of the Speaker.

EXTENSION OF REMARKS

Mr. BROOKS. Mr. Speaker, I ask unanimous consent to extend my own remarks and to include certain figures and statistics

The SPEAKER. Is there objection?

There was no objection.

Mr. HARRINGTON. Mr. Speaker, I ask unanimous consent to revise and extend my own remarks and include therein a short brief on business conditions compiled by the Economic Bureau of Research of the University of Notre Dame.

The SPEAKER. Is there objection?

There was no objection.

By unanimous consent, permission to revise and extend their own remarks was granted to Mr. Dirksen, Mr. Moser, Mr. Hare, Mr. Murdock of Arizona, Mr. Sabath, Mr. H. Carl ANDERSEN, Mr. LORD, Mr. LANDIS, Mr. SHANLEY, Mr. WHITE OF Ohio, and Mr. WHITTINGTON.

Mr. CASE of South Dakota. Mr. Speaker, I ask unanimous consent to revise and extend my own remarks and place therein a letter from the Director of the Farm Security Administration on the subject on which I spoke.

The SPEAKER. Is there objection?

There was no objection.

Mr. MARTIN J. KENNEDY. Mr. Speaker, I ask unanimous consent to extend my own remarks and include a radio speech delivered by my colleague [Mr. Gavagan] over the radio on last Thursday night.

The SPEAKER. Is there objection?

There was no objection.

AMERICAN CLAIMS AGAINST MEXICO

Mr. SABATH, from the Committee on Rules, submitted the following privileged resolution (H. Res. 148), providing for consideration of the joint resolution (H. J. Res. 114) authorizing appropriation for expenses of a representative of the United States and of his assistants, and for one-half of the joint expenses of this Government and the Government of Mexico, in giving effect to the agreement of November 9-12, 1938. between the two Governments providing for the settlement of American claims for damages resulting from expropriations of agrarian properties since August 30, 1927, for printing under the rule:

House Resolution 148

Resolved, That immediately upon the adoption of this resolution it shall be in order to move that the House resolve itself into the Committee of the Whole House on the state of the Union for concommittee of the whole House on the State of the Union for consideration of House Joint Resolution 114, a joint resolution authorizing appropriation for expenses of a representative of the United States and of his assistants, and for one-half of the joint expenses of this Government and the Government of Mexico, in giving effect to the agreement of November 9–12, 1938, between the two Government and the Government of November 9–12, 1938, between the two Government of November 9–12, 1938, between the two Government of November 9–12, 1938, between the two Governments of the Union for contraction of the Union for contrac to the agreement of November 9-12, 1938, between the two Governments providing for the settlement of American claims for damages resulting from expropriations of agrarian properties since August 30, 1927. That after general debate, which shall be confined to the joint resolution and shall continue not to exceed 1 hour, to be equally divided and controlled by the chairman and ranking minority member of the Committee on Foreign Affairs, the joint resolution shall be read for amendment under the 5-minute rule. At the conclusion of the reading of the joint resolution for amendment the Committee shall rise and report the same to the House with such amendments as may have been adopted, and the previous question shall be considered as ordered on the joint resolution. ous question shall be considered as ordered on the joint resolution and amendments thereto to final passage without intervening motion except one motion to recommit, with or without instructions.

EXTENSION OF REMARKS

Mr. RANDOLPH. Mr. Speaker, I ask unanimous consent to extend my own remarks and to include therein an address delivered before the National Rivers and Harbors Congress.

The SPEAKER. Is there objection?

There was no objection.

Mr. BURDICK. Mr. Speaker, I ask unanimous consent to revise and extend my own remarks.

Without objection, it is so ordered. The SPEAKER.

There was no objection.

Mr. Dondero asked and was given permission to extend his own remarks in the RECORD.

Mr. SCHAFER of Wisconsin. Mr. Speaker, I ask unanimous consent to extend the remarks I made on the agricultural appropriation bill.

The SPEAKER. Is there objection to the request of the gentleman from Wisconsin [Mr. SCHAFER]?

There was no objection.

WITHDRAWAL OF MOTION

Mr. FISH. Mr. Speaker, I ask unanimous consent to withdraw a motion to discharge the Committee on Rules which I filed at the Clerk's desk yesterday to make a technical change.

The SPEAKER. Is there objection to the request of the gentleman from New York [Mr. Fish]?

There was no objection.

EXTENSION OF REMARKS

Mr. Keefe asked and was given permission to extend his own remarks in the Record.

CALENDAR WEDNESDAY

Mr. RAYBURN. Mr. Speaker, I ask unanimous consent that the business in order on tomorrow, Calendar Wednesday, may be dispensed with.

The SPEAKER. Is there objection to the request of the gentleman from Texas?

There was no objection.

EXTENSION OF REMARKS

Mr. CANNON of Missouri. Mr. Speaker, I ask unanimous consent that all those who have spoken on the bill just passed may be allowed to revise and extend their own remarks in the Record, and that all Members of the House may have 5 legislative days in which to extend their own remarks on the bill.

The SPEAKER. Is there objection to the request of the gentleman from Missouri?

There was no objection.

The SPEAKER. Under a special order of the House heretofore made, the gentleman from New York [Mr. Dickstein] is entitled to be recognized for 20 minutes.

Mr. DICKSTEIN. Mr. Speaker, in view of the lateness of the hour, I withdraw the request, and I ask unanimous consent that I may have 20 minutes to address the House tomorrow after the disposition of business on the Speaker's table and at the conclusion of special orders heretofore made.

The SPEAKER. Is there objection to the request of the gentleman from New York [Mr. DICKSTEIN]?

There was no objection.

The SPEAKER. Under a special order heretofore entered, the gentleman from Michigan [Mr. Hoffman] is entitled to recognition.

Mr. HOFFMAN. Mr. Speaker, I do not desire recognition at this time.

ENROLLED BILLS SIGNED

Mr. PARSONS, from the Committee on Enrolled Bills, reported that that committee had examined and found truly enrolled a bill of the House of the following title, which was thereupon signed by the Speaker:

H.R. 3801. An act to extend the time for retirement of cotton pool participation trust certificates.

The SPEAKER also announced his signature to enrolled bills of the Senate of the following titles:

S. 316. An act to authorize and direct the Commissioners of the District of Columbia to reappoint David R. Thompson and Ralph S. Warner as members of the Metropolitan Police Department of the District of Columbia;

S. 794. An act relating to banking, banks, and trust companies in the District of Columbia, and for other purposes;

S. 1123. An act to amend paragraph 57 of section 8 of the act entitled "An act making appropriations to provide for the expenses of the government of the District of Columbia for the fiscal year ending June 30, 1914, and for other purposes," approved March 4, 1913;

S. 1125. An act to provide for the appointment of research assistants in the public schools of the District of Columbia, and for other purposes;

S. 1126. An act to provide alternative methods of enforcement of orders, rules, and regulations of the Joint Board and of the Public Utilities Commission of the District of Columbia:

S. 1129. An act to amend paragraphs 31 and 33 of an act entitled "An act to amend section 7 of an act entitled 'An act making appropriations to provide for the government of the District of Columbia for the fiscal year ending June 30, 1903, and for other purposes," approved July 1, 1902, and for other purposes," approved July 1, 1932;

S. 1130. An act to amend Public Law No. 111, Sixty-sixth Congress, entitled "An act for the retirement of public-school

teachers in the District of Columbia";

S. 1295. An act to amend section 9, article V, of an act known as "An act to amend the act entitled 'An act to fix and regulate the salaries of teachers, school officers, and other employees of the Board of Education of the District of Columbia,' approved June 20, 1906, as amended, and for other purposes"; and

S. 1301. An act to create the office of military secretary to the General of the Armies of the United States of America, with the rank of colonel, and for other purposes.

BILL PRESENTED TO THE PRESIDENT

Mr. PARSONS, from the Committee on Enrolled Bills, reported that that committee did on this day present to the President, for his approval, a bill of the House of the following title:

H. R. 3801. An act to extend the time for retirement of cotton pool participation trust certificates.

ADJOURNMENT

Mr. RAYBURN. Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to; accordingly (at 7 o'clock and 31 minutes p. m.) the House adjourned until tomorrow, Wednesday, March 29, 1939, at 12 o'clock noon.

COMMITTEE HEARINGS

COMMITTEE ON WAYS AND MEANS

Public hearings will continue on Wednesday, March 29, 1939, at 10 a.m., on social-security legislation, in the Ways and Means Committee room in the New House Office Building.

COMMITTEE ON INDIAN AFFAIRS

There will be a meeting of the Committee on Indian Affairs on Wednesday next, March 29, 1939, at 10:30 a.m., for the consideration of S. 18 and the continuation of hearing on H. R. 3765.

COMMITTEE ON IRRIGATION AND RECLAMATION

There will be a meeting of the Committee on Irrigation and Reclamation in room 128, House Office Building, at 10 a.m. Wednesday, March 29, 1939, for the continuation of hearing on H. R. 5076.

COMMITTEE ON PATENTS

A subcommittee of the Committee on Patents, House of Representatives, will hold hearings in the caucus room of the House Office Building Wednesday morning, March 29, 1939, beginning at 10 o'clock, and also on Wednesday afternoon, on H. R. 4744, a bill to provide for the registration of trade-marks used in commerce, to carry out the provisions of certain international conventions, and for other purposes. Hon. Fritz G. Lanham is chairman of the subcommittee.

Mr. Lanham announces that the procedure at these hearings will be the same as that he initiated at the hearings on trade-marks in the Seventy-fifth Congress, 1938; that is, the bill will be taken up section by section, so all testimony on a given section will be found at one place in the printed record.

COMMITTEE ON INTERSTATE AND FOREIGN COMMERCE

There will be a meeting of the Committee on Interstate and Foreign Commerce at 10 a. m. Wednesday, March 29, 1939. Business to be considered: Railroad legislation—H. R. 2531. Commissioner Eastman will be the witness.

There will be a meeting of the Business Research Subcommittee of the Committee on Interstate and Foreign Commerce at 10 a.m. Monday, April 3, 1939. Business to be considered: Hearing on H. R. 3395—business research bill.

There will be a meeting of the subcommittee of the Interstate and Foreign Commerce Committee on the trust indenture bill (H. R. 5220). The hearings are to be held in the Interstate and Foreign Commerce Committee room beginning April 4, 1939, at 10 a.m. The hearings will be continued on April 5 and 6. Proponents of the bill will be heard on the 4th and opponents on the 5th and 6th.

COMMITTEE ON IMMIGRATION AND NATURALIZATION

There will be a public hearing before the Committee on Immigration and Naturalization at 10:30 a.m. Wednesday, March 29, 1939, for the consideration of H. R. 3657 and H. R. 4369. Room 445, House Office Building.

COMMITTEE ON RIVERS AND HARBORS

The Committee on Rivers and Harbors will meet Tuesday, April 4, 1939, at 10:30 a.m., to continue hearings on the project for the Connecticut River, Conn. and Mass.

COMMITTEE ON MERCHANT MARINE AND FISHERIES

The Committee on Merchant Marine and Fisheries will hold public hearings in room 219, House Office Building, at 10 a. m., on the bills and dates listed below:

Wednesday, March 29, 1939:

H. R. 198, relating to the measurement of vessels; H. R. 132, authorizing the use of condemned Government vessels for breakwater purposes; and H. R. 5130, to amend certain provisions of the Merchant Marine and Shipping Acts, to further the development of the American merchant marine, and for other purposes.

Tuesday, April 4, 1939:

H. R. 3209, making it a misdemeanor to stow away on vessels; H. R. 3398, regarding the down payment for construction of new vessels; H. R. 3935, relating to the discharge of seamen.

Wednesday, April 5, 1939:

H. R. 3052, uniform insignia for Naval Reserve radio operators; H. R. 1010, intercoastal subsidy bill (Welch).

Thursday, April 6, 1939:

H. R. 1011, acquisition of drydock facilities for United States Maritime Commission on San Francisco Bay (Welch); H. R. 2870, acquisition of drydock facilities for United States Maritime Commission at Los Angeles (Thomas F. Ford); H. R. 3040, acquisition of drydock facilities for United States Maritime Commission at Los Angeles (Geyer of California).

Tuesday, April 11, 1939:

H. R. 1783, inspection of hulls of sail vessels and barges (Bland); H. R. 1785, motorboat bill (Bland); H. R. 1795, motorboat bill (Hendricks); H. R. 1809, inspection of motorboats, 15 gross tons up (Magnuson); H. R. 2398, regarding pilots on yachts (Angell); H. R. 3837, inspection of motorboats, 15 gross tons up (Connery).

Thursday, April 13, 1939:

H. R. 4220, load-line bill for seagoing vessels (Bland).

Tuesday, April 18, 1939:

H. R. 2404, surgeon and hospital on vessels (Sirovich); H. R. 2660, limitation of liability (Sirovich); House Joint Resolution 153 and House Joint Resolution 194, investigate conditions pertaining to lascar seamen (Sirovich).

EXECUTIVE COMMUNICATIONS, ETC.

591. Under clause 2 of rule XXIV a letter from the Acting Secretary of Commerce, transmitting draft of a proposed bill to improve the efficiency of the Lighthouse Service, and for other purposes, was taken from the Speaker's table and referred to the Committee on Merchant Marine and Fisheries.

REPORTS OF COMMITTEES ON PUBLIC BILLS AND RESOLUTIONS

Under clause 2 of rule XIII,

Mr. COCHRAN: Committee on Expenditures in the Executive Departments. H. R. 2751. A bill to repeal sections 3711, 3712, and 3713 of the Revised Statutes which relate to the purchase in the District of Columbia of coal and wood for public use, and for other purposes; without amend-

ment (Rept. No. 321). Referred to the Committee of the Whole House on the state of the Union.

Mr. COCHRAN: Committee on Expenditures in the Executive Departments. H. R. 4830. A bill to amend the act approved April 27, 1937, entitled "An act to simplify accounting;" with amendment (Rept. No. 322). Referred to the Committee of the Whole House on the state of the Union.

Mr. ALLEN of Louisiana: Committee on Immigration and Naturalization. H. R. 5188. A bill to provide for the loss of United States citizenship in certain cases; without amendment (Rept. No. 329). Referred to the House Calendar.

Mr. CULLEN: Committee on Ways and Means. H. R. 5287. A bill relating to the importation of distilled spirits for consumption at the New York World's Fair, 1939, and the Golden Gate International Exposition of 1939, and to duties on certain articles to be exhibited at the New York World's Fair, 1939; without amendment (Rept. No. 330). Referred to the Committee of the Whole House on the state of the Union.

Mr. SABATH: Committee on Rules. House Resolution 148. Resolution providing for the consideration of House Joint Resolution 114; without amendment (Rept. No. 331). Referred to the House Calendar.

REPORTS OF COMMITTEES ON PRIVATE BILLS AND RESOLUTIONS

Under clause 2 of rule XIII,

Mr. KEOGH: Committee on Claims. H. R. 1694. A bill for the relief of Bozzani Motors, Ltd.; with amendment (Rept. No. 324). Referred to the Committee of the Whole House.

Mr. COFFEE of Washington: Committee on Claims. H. R. 2061. A bill for the relief of Ernest O. Robinette and others; without amendment (Rept. No. 325). Referred to the Committee of the Whole House.

Mr. ROCKEFELLER: Committee on Claims. H. R. 2067. A bill for the relief of the Atlas Powder Co.; without amendment (Rept. No. 326). Referred to the Committee of the Whole House.

Mr. KENNEDY of Maryland: Committee on Claims. H. R. 4256. A bill for the relief of the estate of George B. Spearin, deceased; with amendment (Rept. No. 327). Referred to the Committee of the Whole House.

Mr. ROCKEFELLER: Committee on Claims. S. 1119. An act to provide an additional sum for the payment of a claim under the act entitled "An act to provide for the reimbursement of certain officers and enlisted men or former officers and enlisted men of the Navy and Marine Corps for personal property lost, damaged, or destroyed as a result of the earthquake which occurred at Managua, Nicaragua, on March 31, 1931," approved January 21, 1936 (49 Stat. 2212); without amendment (Rept. No. 328). Referred to the Committee of the Whole House.

CHANGE OF REFERENCE

Under clause 2 of rule XXII, committees were discharged from the consideration of the following bills, which were referred as follows:

A bill (H. R. 4958) granting an increase of pension to Albert C. Whitaker; Committee on Pensions discharged, and referred to the Committee on Invalid Pensions.

A bill (H. R. 5299) granting a pension to Jesse L. Fisher; Committee on Pensions discharged, and referred to the Committee on World War Veterans' Legislation.

PUBLIC BILLS AND RESOLUTIONS

Under clause 3 of rule XXII, public bills and resolutions were introduced and severally referred as follows:

By Mr. SPARKMAN:

H. R. 5401. A bill to provide for the naturalization of certain alien spouses of citizens of the United States, and to validate the naturalization of certain persons; to the Committee on Immigration and Naturalization.

H.R. 5402. A bill to admit to the United States and to extend naturalization privileges to alien veterans of the World War; to the Committee on Immigration and Naturalization.

By Mr. DICKSTEIN:

H.R. 5403. A bill to provide for the deposit of certain collections for overtime immigration services to the credit of the appropriation chargeable with the payment for such services, and for other purposes; to the Committee on Immigration and Naturalization.

By Mr. PIERCE of Oregon:

H.R. 5404. A bill to extend the provisions of the Forest Exchange Act, as amended, to certain lands so that they may become part of the Ochoco National Forest, Oreg.; to the Committee on Agriculture.

By Mr. RANDOLPH:

H. R. 5405. A bill authorizing the installation of parking meters and other devices on the streets of the District of Columbia, and for other purposes; to the Committee on the District of Columbia.

H. R. 5406. A bill to amend sections 1 and 2 of the Civil Service Retirement Act approved May 29, 1930, as amended; to the Committee on the Civil Service.

By Mr. CHANDLER:

H. R. 5407. A bill to amend an act entitled "An act to establish a uniform system of bankruptcy throughout the United States," approved July 1, 1898, and acts amendatory thereof and supplementary thereto; to the Committee on the Judiciary.

By Mr. McLEOD:

H.R. 5408. A bill to reimburse the State of Michigan for moneys erroneously paid to the United States; to the Committee on the Judiciary.

By Mr. ROGERS of Oklahoma:

H. R. 5409 (by departmental request). A bill to authorize certain officers of the United States Indian Service to make arrests in certain cases, and for other purposes; to the Committee on Indian Affairs.

By Mr. JOHNSON of Oklahoma:

H.R. 5410. A bill to promote farm ownership by amending the Bankhead-Jones Farm Tenant Act to provide for Government-insured loans to farmers; to encourage sale of farms held by absentee owners to farm tenants; and to enable tenant farmers to become owners of farm homes through long-term low-interest-rate loans on farms; and for other purposes: to the Committee on Agriculture.

By Mr. HUNTER:

H. R. 5411. A bill to create employment and provide for the completion of the Perry's Victory and International Peace Memorial National Monument; to the Committee on the Public Lands.

By Mr. LEA:

H. R. 5412. A bill to encourage travel in the United States. and for other purposes; to the Committee on Interstate and Foreign Commerce.

By Mr. HAVENNER:

H. J. Res. 242. Joint resolution to authorize the appropriation of an additional sum of \$606,650 for Federal participation in the world's fair to be held by the San Francisco Bay Exposition, Inc., in the city of San Francisco during the year 1939; to the Committee on Foreign Affairs.

By Mr. ROGERS of Oklahoma:

H. J. Res. 243. Joint resolution defining and classifying gratuity expenditures allowable as offsets in favor of the United States and against the Five Civilized Nations or Tribes of Indians; to the Committee on Indian Affairs.

H. J. Res. 244. Joint resolution proposing a plan for the adjustment of the claim of the State of Oklahoma against the United States arising from the tax exemption of Indian lands and the products thereof, and for other purposes; to the Committee on Indian Affairs.

By Mr. FADDIS:

H. J. Res. 245. Joint resolution to investigate displacement of labor by machinery; to the Committee on Labor.

By Mr. TAYLOR of Colorado:

H. J. Res. 246. Joint resolution making a further additional appropriation for work relief and relief for the fiscal year ending June 30, 1939; to the Committee on Appropriations.

H. Res. 145. Resolution making H. R. 2658, a bill to assure to persons within the jurisdiction of every State due process of law and equal protection of the laws, and to prevent the crime of lynching, a special order of business; to the Committee on Rules.

By Mr. RANDOLPH:

H. Res. 146. Resolution to authorize the payment of expenses of investigation authorized by House Resolution 113; to the Committee on Accounts.

By Mr. ROMJUE:

H. Res. 147. Resolution relating to private employment; to the Committee on Ways and Means.

PRIVATE BILLS AND RESOLUTIONS

Under clause 1 of rule XXII, private bills and resolutions were introduced and severally referred as follows:

By Mr. CLUETT:

H. R. 5413. A bill granting an increase of pension to Lovina Bates; to the Committee on Pensions.

By Mr. ELSTON:

H. R. 5414. A bill for the relief of Betty Jean Dolan; to the Committee on Claims.

By Mr. THOMAS F. FORD:

H. R. 5415. A bill granting a pension to James C. Ross; to the Committee on Pensions.

By Mr. GEHRMANN:

H. R. 5416. A bill granting retroactive pension to Victor A. Patterson, peacetime veteran; to the Committee on World War Veterans' Legislation.

By Mr. KRAMER:

H. R. 5417. A bill for the relief of Isaac Surmany; to the Committee on Immigration and Naturalization.

By Mr. LECOMPTE:

H.R. 5418. A bill granting a pension to Maude DeLay; to the Committee on Invalid Pensions.

By Mr. LESINSKI:

H.R. 5419. A bill for the relief of Fred Bardutz; to the Committee on Immigration and Naturalization.

By Mr. MARTIN of Massachusetts:

H.R. 5420. A bill granting an increase of pension to Mary H. Green; to the Committee on Invalid Pensions. By Mr. MARTIN of Iowa:

H.R. 5421. A bill granting a pension to Emma Hellwig; to the Committee on Invalid Pensions.

By Mr. MONRONEY:

H. R. 5422. A bill for the relief of Earnest Brezee Carleton; to the Committee on Military Affairs.

By Mr. ROBSION of Kentucky:

H. R. 5423. A bill granting a pension to Eliza S. Rhodes; to the Committee on Pensions.

By Mr. VINSON of Georgia:

H. R. 5424. A bill for the relief of Mrs. E. J. McCardle; to the Committee on Claims.

By Mr. VREELAND:

H. R. 5425. A bill authorizing the President of the United States to present, in the name of Congress, a medal of honor to Taliesin Waters; to the Committee on Military Affairs.

By Mr. WADSWORTH:

H. R. 5426. A bill for the relief of Charles Hicks; to the Committee on Claims.

PETITIONS, ETC.

Under clause 1 of rule XXII, petitions and papers were laid on the Clerk's desk and referred as follows:

2126. By Mr. BOLLES: Petition of the Line City Camp, No. 919, Royal Neighbors of America, a fraternal benefit society, located at Beloit, Wis., favoring an amendment to the Federal Social Security Act exempting local lodges or organizations of their kind from provisions of the act; to the Committee on Ways and Means.

2127. By Mr. CURLEY: Resolution of the Bronx County Division of the Podiatry Society of the State of New York, supporting House bill 4422, which proposes to establish a Chiropody Podiatry Corps in the United States Army; to the

Committee on Military Affairs.

2128. By Mr. FISH: Petition signed by 168 wives and mothers, all citizens of the United States, favoring the passage of legislation amending the Constitution of the United States empowering the people by a national referendum to draft citizens and aliens for military service overseas; to the Committee on the Judiciary.

2129. By Mr. JENKS of New Hampshire: Petition of 15 residents of the State of New Hampshire, protesting against the passage of any legislation tending to return prohibition of alcoholic beverages to the United States; to the Committee cn

the District of Columbia.

2130. By Mr. JOHNS: Petition of V. E. Klontz and 75 other citizens of Wisconsin, asking the support of the Pepper and Boland bills (S. 795 and H. R. 1813), and urging you to do all in your power to defeat any amendment to these bills which might strike out the words "defective in speech," in the definition of "physically handicapped"; to the Committee on Education.

2131. By Mr. MARTIN J. KENNEDY: Petition of the Private Fliers Association, Inc., New York City, urging passage of House bill 5093; to the Committee on Interstate and For-

eign Commerce.

2132. Also, petition of South Shore Lodge, No. 295, Brother-hood Railway Carmen of America, Michigan City, Ind., urging support of House bill 4862; to the Committee on Interstate and Foreign Commerce.

2133. Also, petition of Frankfort Lodge, No. 525, Railway Carmen of America, urging support of House bill 4862; to the

Committee on Interstate and Foreign Commerce.

2134. Also, petition of Local No. 439, International Association of Machinists, urging support of House bill 4862; to the

Committee on Interstate and Foreign Commerce.

2135. Also, petition of engineers and firemen of the Wabash Railway and Ann Arbor Railroad, members of the Brother-hood of Locomotive Firemen and Enginemen, St. Louis, Mo., urging support of House bill 4862; to the Committee on Interstate and Foreign Commerce.

2136. Also, resolution of Allied Patriotic Societies, Inc., New York City, concerning post exchanges in Army encamp-

ments; to the Committee on the Public Lands.

2137. Also, petition of Gulf City Lodge, No. 115, Brother-hood of Locomotive Firemen and Enginemen, Galveston, Tex., urging passage of House bill 4862; to the Committee on Interstate and Foreign Commerce.

2138. By Mr. KEOGH: Petition of the Italian Chamber of Commerce in New York, concerning the Food, Drug, and Cosmetic Act of June 25, 1938, section 902; to the Committee on Interstate and Foreign Commerce.

2139. Also, petition of the United Federal Workers of America, concerning House bill 3664 and Senate bill 1314; to the Committee on the Civil Service.

2140. By Mr. KRAMER: Resolution of the City Council of the City of Los Angeles, relative to the granting of Reeves Field, now owned by the city of Los Angeles, to the United States Navy; to the Committee on the Public Lands.

2141. Also, petition of railroad employees of California, relative to opposing any proposal to regulate earnings of railroad employees by law; to the Committee on Interstate and Foreign Commerce.

2142. By Mr. LESINSKI: Resolution of the East Dearborn Political Club, Dearborn, Mich., opposing any change to the National Labor Relations Act: to the Committee on Labor.

2143. By Mr. PFEIFER: Petition of the United Shoe Workers of America, Joint Council No. 13, New York City, opposing any amendments to the Wagner Labor Relations Act; to the Committee on Labor.

2144. Also, petition of the Greenpoint Terminal Corporation, Brooklyn, N. Y., urging maximum amount recommended by Chief of Engineers for river and harbor work; to the Committee on Rivers and Harbors.

2145. Also, petition of the Anti-Cruelty Society, Chicago, Ill., urging support of House bill 3540 and Senate bill 1045, regulating the killing of whales; to the Committee on Foreign Affairs.

2146. Also, petition of Associated Industries of New York State, Albany, N. Y., concerning hearings on Wagner Act amendments; to the Committee on Labor.

2147. Also, petition of the United Federal Workers of America, Internal Revenue Local No. 47, New York City, endorsing the Randolph and Logan bills; to the Committee on the Civil Service.

2148. Also, petition of the Italian Chamber of Commerce in New York, urging extension for 1 year of the Food, Drug, and Cosmetic Act of June 26, 1938; to the Committee on Inter-

state and Foreign Commerce.

2149. By Mr. PLUMLEY: Petitions of citizens of Vermont, opposing sales of war materials to Japan, and urging embargo on shipment of munitions and war materials and exclusion of imports that might contribute to sales of war materials; to the Committee on Foreign Affairs.

2150. By Mr. RICH: Petition of members of the Third Street Methodist Church of Williamsport, Pa., favoring a world peace conference; to the Committee on Foreign Affairs.

2151. Also, petition of members of the Evangelical Church of Loganton, Pa., protesting against the inclusion of churches and religious organizations in social-security legislation; to the Committee on Ways and Means,

2152. By Mr. RISK: Resolution of the General Assembly of the State of Rhode Island, favoring support of House bill 4091, a bill proposing the erection and maintenance in the State of Rhode Island by a Federal appropriation of a veterans' hospital for the treatment of neuropsychiatric cases; to the Committee on World War Veterans' Legislation.

2153. By Mr. THOMAS of New Jersey: Resolution adopted by the city council at a meeting held March 22, 1939, in which the governing body of the city of Garfield, N. J., went on record requesting the Congress of the United States to vote for a deficiency appropriation of \$150,000,000 for the Works Progress Administration; to the Committee on Ways and Means.

2154. Also, letter signed by 24 members of the Flemington Woman's Club, Flemington, N. J., protesting against the establishment and continued maintenance of camps at Andover, N. J., and at Glen Gardner by the German-American Bund; to the Special Committee on Un-American Activities.

2155. By Mr. WADSWORTH: Petition signed by M. C. Walker and other residents of the State of New York, protesting against the passage of any legislation returning prohibition to the Nation's Capital; to the Committee on the District of Columbia.

2156. By Mr. WARREN: Petition of Hon. H. S. Ward and others, protesting against the return of prohibition to the Nation's Capital; to the Committee on the District of Columbia.

2157. By the SPEAKER: Petition of William A. Conover, Los Angeles, Calif., petitioning consideration of his petition with reference to his manuscript entitled "American Bank and Monetary Reform"; to the Committee on Banking and Currency.

2158. Also, petition of the city of Dearborn, Mich., petitioning consideration of their resolution with reference to the deficiency bill of the Works Progress Administration funds; to the Committee on Ways and Means.

HOUSE OF REPRESENTATIVES

WEDNESDAY, MARCH 29, 1939

The House met at 12 o'clock noon.

The Chaplain, Rev. James Shera Montgomery, D. D., offered the following prayer:

Heavenly Father of mankind, we thank Thee that we cannot fall out of the hands of the living God. The hands that sparkle the darkness with floods of light, that take up the morning stars and make them chime their melodies, that hold the seas in their hollow are the same hands that nestle His children in their palms. We rejoice that the tabernacle of God is with men and that He shall dwell with them and they shall be His people, and God Himself shall be with them and be their God. Forgive, blessed Lord, forgive when our souls

go blind toward Thee, when covetousness closes the doors of our hearts, when indifference pauperizes and outrages the finer feelings, and when we neglect the way of life made warm by the blood and tears gone before. O God, in this strange and varied life, quivering with veiled tragedies, trembling with unsolved mysteries, help us to build the house of our soul of deep foundational purity and thus stand related to the precious gifts of life. In the name of our holy Redeemer. Amen.

The Journal of the proceedings of yesterday was read and approved.

EXTENSION OF REMARKS

Mr. FADDIS. Mr. Speaker, I ask unanimous consent to extend my own remarks in the RECORD.

The SPEAKER. Without objection, it is so ordered.

There was no objection.

Mr. EATON of California. Mr. Speaker, I ask unanimous consent to extend my own remarks in the RECORD, and to include therein a letter from a constituent.

The SPEAKER. Without objection, it is so ordered.

There was no objection.

Mr. SCHIFFLER. Mr. Speaker, I ask unanimous consent to extend my own remarks in the RECORD, and to include therein an editorial from the Wheeling Intelligencer.

The SPEAKER. Without objection, it is so ordered. There was no objection.

ANNOUNCEMENT

Mr. DONDERO. Mr. Speaker, I ask unanimous consent to address the House for one-half minute.

The SPEAKER. Is there objection to the request of the gentleman from Michigan?

There was no objection.

Mr. DONDERO. Mr. Speaker, on yesterday I received a telegram from my colleague the gentleman from Michigan [Mr. Crawford], dated the 26th of March at Saginaw, asking to be paired against the agricultural appropriation bill. Through inadvertence a live pair was not obtained and he was paired generally. Had he been present in the Chamber he would have voted against the entire bill.

ORDER OF BUSINESS

Mr. RAYBURN. Mr. Speaker, I ask unanimous consent that when the House adjourns today it adjourn to meet at 11 a. m. tomorrow.

Mr. MARTIN of Massachusetts. Mr. Speaker, reserving the right to object, this is the first intimation I have had that such a request was to be made by the majority leader. I do not feel that I can agree to it at the present time.

Mr. RAYBURN. I am making the request at the instance of the gentleman from Colorado and the gentleman from Virginia. They told me they had discussed it with the minority members on the Appropriations Committee, giving the clear indication that it was agreeable to them. This is the reason I am submitting the request.

Mr. MARTIN of Massachusetts. I would, of course, like to know something about what is going on before we reach

an agreement

Mr. RAYBURN. Had I known I was going to submit this request I would have communicated with the gentleman. I was just asked to make it a moment ago and was advised that the members of the Committee on Appropriations had

Mr. MARTIN of Massachusetts. That is all right, but at the same time I would like to know about such requests

Mr. TAYLOR of Colorado. The gentleman from Massachusetts just came into the Chamber 3 minutes ago.

Mr. RAYBURN. I think the gentleman from Massachusetts cannot complain about the way I handle these matters, for I usually communicate with him when I know of these things beforehand.

Mr. MARTIN of Massachusetts. The gentleman is entirely

correct in his statement, and I will not object.

Mr. TABER. Mr. Speaker, reserving the right to object, what will be the program today and Friday? It would seem day tomorrow, we ought not to be crowded too hard today and Friday.

Mr. RAYBURN. I may say to the gentleman from New York that all we have to do this week, with the exception of the bill that will be called up tomorrow, will be consideration of the Labor Department appropriation bill.

Mr. TABER. And this conference report.

Mr. RAYBURN. That will be called up this morning. Mr. TABER. There will not be anything else of importance today and Friday except these two things?

Mr. RAYBURN. Not that I know of.

Mr. MARTIN of Massachusetts. There will be no rules called up?

Mr. RAYBURN. No.

Mr. MAPES. Mr. Speaker, reserving the right to objectand I shall not-I said in the meeting of the Committee on Rules that I would not object to this request, but I would like to ask the majority leader if it is the intention to try to finish consideration of the relief bill tomorrow?

Mr. RAYBURN. That is the hope.

Mr. MAPES. Let me say that I have an idea that a good many Members of the House will want to discuss the relief bill as they wanted to discuss the agricultural appropriation bill, which was disposed of last night, and that to attempt to dispose of the bill tomorrow will result in another duplication of what happened last week; we just will not be able to do it.

Mr. RAYBURN. That is a matter, of course, that I cannot control.

Mr. MAPES. It would seem to me it would be much better to have an understanding that we shall have 2 days for the consideration of the relief bill.

Mr. WOODRUM of Virginia. Mr. Speaker, will the gentleman from Texas yield?

Mr. RAYBURN. I yield. Mr. WOODRUM of Virginia. I may say to the gentleman from Michigan that the only purpose in trying to complete consideration of the relief bill tomorrow was to accommodate our colleagues from Illinois who are anxious to return tomorrow on account of an approaching election.

Mr. MAPES. As I understand it, the election is not until Tuesday. The trains will get them there after Friday in plenty of time before the election.

Mr. WOODRUM of Virginia. But there always have to be a few conversations and preliminaries to an election.

Mr. PARSONS. Mr. Speaker, a parliamentary inquiry.

The SPEAKER. The gentleman will state it.
Mr. PARSONS. What is the request pending before the

The SPEAKER. The gentleman from Texas asks unanimous consent that when the House adjourns today it adjourn to meet at 11 o'clock tomorrow.

Mr. PARSONS. I object, Mr. Speaker.

COMMITTEE ON RULES

Mr. SMITH of Virginia. Mr. Speaker, I ask unanimous consent that the Committee on Rules may have until midnight tonight to file a report on a resolution making in order for consideration the joint resolution (H. J. Res. 246) making a further additional appropriation for work relief and relief for the fiscal year ending June 30, 1939.

The SPEAKER. Is there objection to the request of the gentleman from Virginia?

There was no objection.

EXTENSION OF REMARKS

Mr. GILLIE. Mr. Speaker, I ask unanimous consent to extend my own remarks in the RECORD and include therein an article on the sugar problem by my colleague the gentleman from Michigan [Mr. CRAWFORD].

The SPEAKER. Is there objection to the request of the gentleman from Indiana?

There was no objection.

REORGANIZATION BILL OF 1939

Mr. COCHRAN. Mr. Speaker, I call up the conference report on the bill (H. R. 4425) to provide for reorganizing that, after the hard day yesterday and prospects for a hard agencies of the Government, and for other purposes, and ask unanimous consent that the statement be read in lieu of the report.

The Clerk read the title of the bill.

The SPEAKER. Is there objection to the request of the gentleman from Missouri?

There was no objection.

The Clerk read the statement.

The conference report and statement are as follows:

CONFERENCE REPORT

The committee of conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H. R. 4425) to provide for reorganizing agencies of the Government, and for other purposes, having met, after full and free conference, have agreed to recommend and do recommend to their respective Houses as follows:
That the Senate recede from its amendments numbered 27, 28, 36,

39, 40, and 42.

That the House recede from its disagreement to the amendments of the Senate numbered 2, 3, 4, 5, 6, 7, 8, 9, 10, 11, 12, 13, 14, 15, 16, 17, 18, 19, 20, 21, 23, 24, 29, 30, 31, 32, 33, 34, 35, and 38; and

agree to the same.

agree to the same.

Amendment numbered 1: That the House recede from its disagreement to the amendment of the Senate numbered 1, and agree to the same with an amendment, as follows: In lieu of the matter proposed to be inserted by the Senate amendment insert the following: "The Congress hereby declares that by reason of continued national deficits beginning in 1931 it is desirable to reduce substantially Government expenditures and that such reduction may be accomplished in some measure by proceeding immediately under the provisions of this act. The President"; and the Senate agree to the same.

the provisions of this act. The President; and the senate agree to the same.

Amendment numbered 22: That the House recede from its disagreement to the amendment of the Senate numbered 22, and agree to the same with an amendment, as follows: In lieu of the matter proposed to be inserted by the Senate amendment insert the following: "which agency or part (by reason of transfers under this act or otherwise, or by reason of termination of its functions in any manuary does not have a unon the taking effect of the recreative.

act or otherwise, or by reason of termination of its functions in any manner) does not have, or upon the taking effect of the reorganizations specified in the reorganization plan will not have, any functions" and a comma; and the Senate agree to the same.

Amendment numbered 25: That the House recede from its disagreement to the amendment of the Senate numbered 25, and agree to the same with an amendment, as follows: In lieu of the matter proposed to be stricken out by the Senate amendment on page 5, lines 9, 10, and 11, of the House bill, strike out "or the affairs of the executive agency with respect to the functions abolished, as the case may be"; and the Senate agree to the same.

Amendment numbered 26: That the House recede from its disagreement to the amendment of the Senate numbered 26, and agree to the same with an amendment, as follows: In lieu of the matter proposed to be stricken out by the Senate amendment insert the following:

"Sec. 6. No reorganization under this title shall have the effect—

"Sec. 6. No reorganization under this title shall have the effect—
"(a) of continuing any agency or function beyond the time when it would have terminated if the reorganization had not been made;

"(b) of continuing any function beyond the time when the agency in which it was vested before the reorganization would have terminated if the reorganization had not been made; or

"(c) of authorizing any agency to exercise any function which is not expressly authorized by law."

And the Senate agree to the same.

Amendment numbered 37: That the House recede from its disagreement to the amendment of the Senate numbered 37, and agree to the same with an amendment, as follows: In lieu of the matter proposed to be inserted by the Senate amendment insert the following: "10. (a)"; and the Senate agree to the same.

Amendment numbered 41: That the House recede from its disagreement to the amendment of the Senate numbered 41, and agree to the same with an amendment, as follows: In lieu of the matter proposed to be inserted by the Senate amendment insert the following: "not to exceed one hour"; and the Senate agree to

JOHN J. COCHRAN, LINDSAY C. WARREN, J. W. ROBINSON, HARRY P. BEAM, WM. T. SCHULTE, E. E. COX,

Managers on the part of the House.

JAMES F. BYRNES, HARRY F. BYRD, ALBEN W. BARKLEY, JOSEPH C. O'MAHONEY, PAT HARRISON, SCOTT W. LUCAS, CHAS. L. MCNARY, JOHN G. TOWNSEND, Jr., ROBERT M. LA FOLLETTE, Jr. Managers on the part of the Senate.

STATEMENT

On amendment No. 1: The Senate amendment inserts a congressional declaration to the effect that by reason of continued national deficits since 1931 it is desirable to reduce Government expenditures substantially and that such reduction may be accomplished in some measure by proceeding immediately under the act. The House recedes with an amendment the effect of which is to retain the declaration and to rebut any implication that the sole objective of the bill is to reduce expenditures.

On amendments Nos. 2, 3, 6, 7, 13, 18, 19, 20, 21, 23, 24, 25, 29, 30, 31, 32, 33, 34, and 35: These amendments substitute for the term "executive agency," used in the House bill to describe the organizations to which title I relates, the term "agency." The House recedes on all these amendments except amendment No. 25. On that amendment the House recedes with a technical amendment made necessary by the conference agreement on amendments Nos. 5 and 22.

On amendment No. 4: The Senate amendment is clerical and the

On amendment No. 4: The Senate amendment is clerical, and the House recedes.

On amendment No. 5: The Senate amendment eliminates, as one of the purposes of the title, the abolition of functions. The House

On amendment No. 8: This Senate amendment includes within the exempted agencies the Mississippi River Commission. The House recedes.

On amendments Nos. 9 and 10: The Senate amendments are

clerical, and the House recedes.

On amendment No. 11: The Senate amendment includes within the exempted agencies the Federal Deposit Insurance Corporation.

On amendment No. 12: The Senate amendment includes within the exempted agencies the Board of Governors of the Federal Re-serve System. The House recedes.

On amendment No. 14: The Senate amendment is clerical, and the House recedes.

the House recedes.

On amendment No. 15: The Senate amendment provides that no reorganization plan may provide for the continuation of any agency beyond the period authorized by law for its existence. (See amendment No. 26.) The House recedes.

On amendment No. 16: The Senate amendment provides that no reorganization plan may provide for the continuation of any function beyond the period authorized by law for its exercise. (See amendment No. 26.) The House recedes.

On amendment No. 17: The Senate amendment provides that no reorganization plan may authorize any agency to exercise a function which is not expressly authorized by law. The House recedes.

recedes.

On amendment No. 22: The Senate amendment eliminates the On amendment No. 22: The Senate amendment eliminates the power of the President to make a finding with respect to the abolition of a function and thus no reorganization plan can provide for the abolition of any function. The amendment also authorizes a finding that an agency should be abolished only in a case in which all its functions are to be transferred. This has the effect that no reorganization plan can provide for the abolition of an agency unless all its functions are transferred. The House recedes with an amendment the effect of which is to permit the abolition or an agency when it ceases to have functions regard-

House recedes with an amendment the effect of which is to permit the abolition or an agency when it ceases to have functions regardless of the manner by which this is brought about, whether brought about under this act or otherwise.

On amendment No. 26: The Senate amendment strikes out the provision of the House bill which prevents a reorganization from having the legal effect of continuing an agency or function beyond the time of its termination if the reorganization had not been made, or of continuing a function beyond the time when the agency in which the function was vested prior to the reorganization would have terminated if the reorganization had not been made. (See amendments Nos. 15 and 16.) The House recedes with an amendment which restores the provision of the House bill and carries out the policy of the conference agreement on amendment No. 17. The conference agreement adds to the limitations one which prevents a reorganization from having the effect of authorizing an agency to exercise any function not expressly authorized by law.

On amendments Nos. 27 and 28: The Senate amendments are clerical; and the Senate recedes.

On amendment No. 36: The Senate amendment is clerical; and

On amendment No. 36: The Senate amendment is clerical; and the Senate recedes.

On amendment No. 37: The Senate amendment is clerical. The House recedes with a further clerical amendment.

House recedes with a further clerical amendment.

On amendment No. 38: This Senate amendment provides that transfer of personnel under the title shall be without change in classification or compensation, but, after the end of the fiscal year of the transfer, adjustment of classification or compensation may be made to conform to new duties. The House recedes.

On amendments Nos. 39 and 40: The Senate amendments are clerical, and the Senate recedes.

On amendment No. 41: The Senate amendment extends the maximum period of debate on a motion to discharge a committee from the consideration of a concurrent resolution which does not favor a reorganization plan from 20 minutes to 2 hours. The House recedes with an amendment which makes the time limit 1

On amendment No. 42: The Senate amendment extends the maximum period of debate on a concurrent resolution which does not favor a reorganization plan from 10 hours to 20 hours. The Senate recedes.

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Managers on the part of the House.

Mr. COCHRAN. Mr. Speaker, I yield myself 3 minutes.

Mr. Cochran. Mr. Speaker, I yield inyself 3 minutes.

Mr. Speaker, this conference report was agreed to by the
Senate yesterday in less than 1 minute. The report was
signed by the Republican leader, Senator McNary, as well as
by his Republican colleagues on the Reorganization Committee in the Senate.

There is no use rehashing what has occurred in the past. It is sufficient to say briefly, the purpose of this bill is to give the President the power to put his house, that which he is held responsible for, in order. It is not a partisan question and should never have been a partisan question. We voted to give Republican Presidents far more power than is contained in this bill, and I would not hesitate to do so again; in fact, I would not hesitate to make this permanent legislation rather than place a limit on the time within which orders must be sent to the Congress, so that future Presidents would have the same power.

In the final analysis we are saying to the President, who is about the fifth President that has urged the Congress of the United States to delegate power to reorganize the executive branch of the Government, "Here is your opportunity." The President says he wants to do it, and I want him to do it. We all know how inefficient the executive branch of the Government is. In a way, we are putting the President on the spot. If he does not do what he says he wants to do, what the Congress wants him to do, and what the country wants him to do, he is responsible, and then you will be justified in criticizing him. All I ask here is to give the President an opportunity to do his job.

Mr. Speaker, I yield 6 minutes to the gentleman from New York [Mr. Taber].

Mr. TABER. Mr. Speaker, the conference report is before the House. There are some things in it, particularly amendments Nos. 15, 16, and 17, and the changes that have been made in section 6 on page 7 as a result of the House amendment to the Senate amendment striking out the item, that rather improve the bill. However, there is an amendment to Senate amendment No. 22 which leaves the situation as to the right of the President to abolish any function entirely up in the air. Frankly, there is an implied power as a result of the language that the majority have agreed upon but no positive, definite power on the part of the President to abolish any agency. Therefore, it is practically impossible, except insofar as the President may remove duplication by consolidation of functions, for any saving to be effected.

The worst trouble with the whole thing is that there can be consolidation with an increase in overhead and a decrease in efficiency. The only protection Congress has against such operations on the part of the Executive, if Congress does not favor any reorganization that may be submitted by the President, is the passage of a resolution through both Houses. If the President does not approve it, we are faced with the necessity of making it effective over a veto by a two-thirds vote. This is the only protection Congress has against the abuse of this power of reorganization that is given to the President. With this situation existing, I cannot vote to approve any step of that kind in view of the question involved of the impossibility of abolishing functions because the power does not seem to be given clearly and the difficulty the House will have in vetoing an abuse of the power by the Executive.

Mr. WALTER. Mr. Speaker, will the gentleman yield? Mr. TABER. I yield to the gentleman from Pennsylvania. Mr. WALTER. Would not the combination of several agencies necessarily result in the abolition of at least one agency?

Mr. TABER. That is permitted and it is possible. However, the combination of agencies might result, as it has in so many cases I have seen in connection with State governments—I have observed New York and Massachusetts—in an increase in expense and an increase in overhead, and no increase in efficiency.

Mr. WALTER. The gentleman says very definitely that under this bill there would be no agencies abolished.

Mr. TABER. No; I did not say that. I said there is no power to abolish functions. There is power to abolish agencies, but no power to abolish functions is given absolutely and definitely. This power was given in the House bill, but if the gentleman will read the conference report and the proposal in the amendment to the Senate amendment on page 4, amendment No. 22, he will see there is not a bit of real authority to abolish any function.

Mr. RICH. Mr. Speaker, will the gentleman yield?

Mr. TABER. I yield to the gentleman from Pennsylvania. Mr. RICH. In connection with a reorganization, would it not be a wise thing for the President to make his recommendations regarding changes before he makes the changes, so we may find out whether or not they will be satisfactory?

Mr. TABER. That is what he does under the bill. After a recommendation is made by the President, 60 calendar days must elapse before it becomes effective. During these 60 calendar days the Congress would have the power to indicate that it did not approve of the changes. If the Congress did so indicate and the President approved the resolution it would stop the changes.

Mr. BURDICK. Mr. Speaker, will the gentleman yield?

Mr. TABER. I yield to the gentleman from North Dakota.
Mr. BURDICK. If this conference report were adopted,
would not the House be putting itself in a position where a
two-thirds vote would be required to prevent anything the
President might do?

Mr. TABER. It would; there is no question about that. [Here the gavel fell.]

Mr. COCHRAN. Mr. Speaker, I yield 5 minutes to the gentleman from Massachusetts [Mr. Gifford].

Mr. GIFFORD. Mr. Speaker, the finale is about to be written on a matter that has been of great interest to the Nation for the past 2 years.

I want to take a moment to recall to you that in 1936 the President's proposal to pack the Supreme Court was immediately followed by a demand to reorganize the Government, granting to him most extraordinary powers. I congratulate the majority in having finally presented bill that gives him very little power in comparison with those for which he had asked. The sacrifice made in another body to defeat the Wheeler amendment, so-called, has shorn the bill of much of its real danger. Therefore, you may ask why do I further oppose it? I dislike to say it, but when I consider the enormous grants of power demanded by the Executive, I hesitate to entrust him with even the power given under this bill to accomplish his desires.

Some of us feel that we know the Indian traits sometimes exhibited. We recall the impressive exercises held here recently at the anniversary exercises. After 150 years of procedure, will you now vote that a legislative measure shall take effect when one body may be opposed and the other body in favor? Shall we allow a proposal to become a law in such manner? This is too violent a change in procedure for me to approve. Therefore, although the act itself may be a mild measure, the principle involved is of the highest importance. Shall the precedent be established that any legislative matter may become law despite a violent disagreement between the two Houses of the legislative branch of the Government? Many seem to take this lightly, but it was regarded as of the greatest concern in

the other body and many resisted it in a most spectacular debate.

For this particular reason the lack of affirmative action by both Houses as demanded in the Wheeler amendment, which was so earnestly fought for and only finally defeated by extraordinary means which is now recent history, and about which you are fully informed, I must vote in protest. So great were the sacrifices made in order to defeat the Wheeler amendment that no actual function can be abolished. However, if an agency is abolished and no provision made for transfer of its functions, the activity itself would be made ineffectual.

Many bureaus and boards have been established in these recent years by so-called emergency measures. What will be the effect with respect to these which should be repealed as soon as possible? It now seems that none will be abolished during this session, and we fear that they will be largely frozen into the regular departments as a result of this reorganization bill. If the President presents an omnibus bill, these agencies may be perpetuated.

Mr. ROUTZOHN. Mr. Speaker, will the gentleman yield? Mr. GIFFORD. I yield.

Mr. ROUTZOHN. Is it possible for a filibuster in the Senate to defeat that?

Mr. GIFFORD. It seems not, because the bill formulates a peculiar rule binding the other body to a certain procedure. I doubt the effectiveness of that rule. It is hard to imagine that we can bind another body or that they themselves can bind another Congress to such a rule. It may be effective. I do not pretend to know more than the parliamentarians who drew it.

[Here the gavel fell.]

Mr. COCHRAN. Mr. Speaker, I yield the gentleman 1 additional minute. With his permission, I would like to call the gentleman's attention to the fact that the legislation specifically provides in reference to emergency agencies that their functions cannot be continued beyond the time specifically provided by law.

Mr. GIFFORD. Hoover asked for a reorganization, but one branch could, and did, refuse it. That is orderly procedure, because, as always, unless both branches agree, legislation fails.

Again I say I cannot, I will not, vote for any measure, after my long service here and my limited knowledge of constitutional procedure, which provides that legislation shall take effect with one branch in absolute disagreement with the other. It is a new and dangerous procedure, and should be recognized as such. [Applause.]

Mr. COCHRAN. Mr. Speaker, I yield 5 minutes to the gentleman from Illinois [Mr. DIRKSEN].

Mr. DIRKSEN. Mr. Speaker, I believe it was in 1863 that Mr. Lincoln convened a meeting of his Cabinet, and from his drawer took a little volume of the funny stories of Artemus Ward. He read one of those stories to the Cabinet, and just split his sides laughing. Of course, a dignified gentleman like Secretary Seward did not appreciate that, but shortly thereafter he took from that same drawer the Emancipation Proclamation. So he could mingle that which was humorous with that which was serious at one and the same time. I am glad that I have preserved a sense of humor, particularly about this reorganization bill. I think it is a paradox, if a paradox is something that is a contradiction within itself. We start out with a preamble, which was written in by the Senate, in order to make the country conscious, I assume, that there had to be some drastic revision of expenditures, and then we follow that with the word "accordingly" and say that accordingly the President shall be given this power to reorganize. All very fine. After we have given him the power, ostensibly, in the interest of efficiency, economy, and simplicity, then we promptly tell him where he cannot place his hand, and in what respect he cannot effect the basic objectives or the alleged objectives of this act. We have exempted 20 agencies. The Senate wrote in two more for exemption after we got through. Those 20 agencies embrace 60,000 people, and we say to the President, those you must not touch. There is not much left for him. Consequently

there was a peculiar compromise in order to get around the Wheeler amendment in the other body, and that was an amendment that was written in at the instance of still another Member of that distinguished body, which would prohibit and does prohibit the President from abolishing any functions. So there is your paradox. We insist that there ought to be some drastic retrenchment in expenditure, there ought to be efficiency, there ought to be economy, and then we promptly set up the barricade beyond which the President cannot go.

There is a delicious bit of language in the report, and it will be found in the statement of the managers under amendment numbered 1. It states that the House recedes with an amendment, the effect of which is to retain the declaration that the Senate put in and to rebut any implication that the sole objective of the bill is to reduce expenditure. That always tickles me a great deal, but do not expect too much from this bill. If he cannot abolish any functions, it simply means that all functions that exist at the present time must be kept in some way or other. He may transfer, he may send them from one agency to another, but they cannot be abolished; so that this bill could more properly be styled the regrouping act of 1939 rather than the Reorganization Act of 1939. Of course, it still has what, in my judgment, is the basic vice alluded to by the gentleman from Massachusetts [Mr. GIFFORD]. It still requires disavowal by both Houses. That is a weakness, I think. Secondly, it proceeds with a negative rather than an affirmative philosophy, such as we pointed out when the bill was before this body.

Mr. ROBSION of Kentucky. Mr. Speaker, will the gentleman yield?

Mr. DIRKSEN. Yes.

Mr. ROBSION of Kentucky. I am interested in the statement of the gentleman that it is provided here that the President cannot do away with any function. Can he do away with any functionaries who perform those functions?

Mr. DIRKSEN. Mr. Speaker, if I were a Houdini and the great magician Thurston combined in one, I probably would have an answer to that question, but under present circumstances I doubt very much whether I can find the answer. That is the reason I say that this bill can be more accurately styled the regrouping act of 1939 rather than the Reorganization Act of 1939. I yield back the remainder of my time.

Mr. COCHRAN. Mr. Speaker, I yield 10 minutes to the gentleman from North Carolina [Mr. WARREN], after which

I shall move the previous question.

Mr. WARREN. Mr. Speaker, as already stated by the gentleman from Missouri [Mr. Cochran] this is a unanimous report upon the part of the Senate conferees and was unanimously adopted in that body yesterday. Our colleagues of the minority in the House saw fit not to sign the report. I call the attention of the House to the fact that this bill after a rather strenuous debate passed this body by a vote of 246 to 153. The passage of that bill was due to the splendid cooperation of practically the entire membership on the Democratic side of the House, who sat here all day long and fought to preserve the integrity of the bill. It received the largest percentage of Democratic votes that has been obtained on any controversial measure in the House during the last 8 years, and we think that it was quite an achievement that on the final roll call it received the approval and the blessing of such veterans in the House as the gentleman from New York [Mr. Wadsworth], the gentleman from Michigan [Mr. Mapes], the gentleman from Tennessee [Mr. Reece], the gentleman from California [Mr. Welch], the gentleman from New Jersey [Mr. Wolverton], and a new Member, the gentleman from California [Mr. EATON]. In addition to that, it received the solid support of the membership of the three other parties represented in the House. The gentleman from New York [Mr. Taber] stated that we had nothing to protect us from the veto of the President. I call the attention of the House to the fact that since the bill left us there has been no change whatever in the power of the Congress to stop one of these recommendations. Of course, it will be by concurrent resolution, a majority vote of each House of Congress.

Something has been said about the Wheeler amendment. Of course, that is water over the dam. I stated on a previous occasion that had the Wheeler amendment been included in this bill the authors of the measure would have promptly moved to table it. As far as I am concerned, I would not have been guilty of trying to perpetrate such a hoax both on the Congress, the President, and the American people as to stand here and vote for any measure along this line that contained the Wheeler amendment.

I regret, as the gentleman from Missouri [Mr. Cochran] has said, that this has been made a partisan question in the House. It is the last thing that should have happened in

connection with this bill.

There is another thing I wish to say that has been mentioned by the gentleman from Massachusetts [Mr. GIFFORD]. The gentleman calls attention to the first amendment which was put in by the Senator from Virginia [Mr. Byrd]. That means absolutely nothing whatever. It is a mere speech and has no effect whatever on the bill.

In closing, I wish to reiterate one thing that has been said on many occasions before. I have never contended, I have never in any way stated that this bill would effect such great economies as to balance the Budget. It is far from that. We have contended that there are obliged to be economies under this measure, and there will be, and we have contended that there will be far greater efficiency in the bureaus of the Government than now exist. That is the only claim that has been made for it. The standards on page 2 are what we

are seeking to obtain.

It now goes on, in a few moments, I hope, to the President for his signature; and we are all prepared now, after this becomes law, to look under the beds at night and find certain ghosts and impossible things to be contained in these orders. We are simply conjuring up a mountain out of a molehill. I know we all have pet bureaus down here to which we feel attached on account of our contacts with them and services rendered to us at certain times; but, speaking for myself, a plan of reorganization sent here by the President must be absolutely extraordinary in nature and so contrary to everything that the House as a whole may have believed in, that would tempt me to vote against it; because, frankly, I think there is bureau after bureau that ought to be wiped out, that ought to be abolished, that ought to be consolidated, and some of them ought to be transferred. This gives the President that right.

Mr. GIFFORD. Mr. Speaker, will the gentleman yield?

Mr. WARREN. I yield. Mr. GIFFORD. I want to congratulate the gentleman from North Carolina from the bottom of my heart for this measure, which is so mild and so less dangerous, and to say to the gentleman that the gentleman from Illinois [Mr. DIRKSEN] recited the amendment offered by the gentleman from Virginia, and not myself. But I do want to leave this thought: The gentleman called the Wheeler amendment a hoax or something of that sort.

Mr. WARREN. That is correct.

Mr. GIFFORD. But the majority of another body voted

Mr. WARREN. But the majority of another body decided on the next day not to put it in this bill.

This bill, Mr. Speaker, has all the proper and necessary and reasonable safeguards. I believe, and I earnestly hope, the President will do a thoroughgoing job under it. [Applause.]

[Here the gavel fell.]

Mr. COCHRAN. Mr. Speaker, I move the previous question. The previous question was ordered.

The SPEAKER. The question is on agreeing to the conference report.

The conference report was agreed to.

A motion to reconsider was laid on the table.

LABOR DEPARTMENT APPROPRIATION BILL, 1940

Mr. TARVER, from the Committee on Appropriations, reported the bill (H. R. 5427) making appropriations for the Labor Department for the fiscal year ending June 30, 1940, T.XXXIV-219

and for other purposes, which was read a first and second time, and, with the accompanying report, referred to the Committee of the Whole House on the state of the Union, and ordered to be printed.

Mr. PLUMLEY reserved all points of order on the bill.

Mr. TARVER. Mr. Speaker, I move that the House resolve itself into the Committee of the Whole House on the state of the Union for the consideration of the bill (H. R. 5427) making appropriations for the Labor Department for the fiscal year ending June 30, 1940, and for other purposes; and pending that motion I would like to ascertain whether it is possible to arrive at an agreement with the gentleman on the other side as to the limitation of time for general debate.

Mr. PLUMLEY. I think, Mr. Speaker, that we will make haste by permitting the debate to run along this afternoon.

Mr. TARVER. May I say to the gentleman that on this side I have only one request for time. Heretofore this bill has been included in the four-department appropriation bill, which has never taken over 2 days for general debate and passage, and it does seem that we ought to be able to pass this bill, which involves only \$30,000,000, a comparatively small sum, in the course of 1 day. Would the gentleman be willing to limit debate to the bill? It certainly appears there is no reason why the time should be devoted to political or partisan discussions.

Mr. PLUMLEY. Under the circumstances, Mr. Speaker, I

find myself unable to agree.

Mr. TARVER. I regret that I am unable to agree with the gentleman that debate should proceed throughout the afternoon. I hope the gentleman will find that he can accommodate all Members who have requested time before the afternoon has passed and that it may be possible to complete this appropriation bill, since I have only one request on this side.

Mr. Speaker, I therefore ask unanimous consent that general debate proceed without limitation for the present, to be equally divided, and to be controlled by the gentleman

from Vermont [Mr. PLUMLEY] and myself.

Mr. PLUMLEY. That is all right for the present, Mr.

The SPEAKER. The gentleman from Georgia asks unanimous consent that general debate on the bill proceed for the present to be equally divided and to be controlled by himself and the gentleman from Vermont. Is there objection?

There was no objection.

EXTENSION OF REMARKS

By unanimous consent, Mr. BARTON and Mr. REED of New York were given permission to extend their own remarks in the RECORD.

LABOR DEPARTMENT APPROPRIATION BILL, 1940

The SPEAKER. The question is on the motion of the gentleman from Georgia.

The motion was agreed to.

Accordingly the House resolved itself into the Committee of the Whole House on the state of the Union for the consideration of the bill (H. R. 5427) making appropriations for the Labor Department for the fiscal year ending June 30, 1940, and for other purposes, with Mr. WALTER in the chair.

The Clerk read the title of the bill.

By unanimous consent, the first reading of the bill was dispensed with.

Mr. TARVER. Mr. Chairman, I yield myself 20 minutes.

Mr. Chairman, this bill, as doubtless you know, is the work of a new subcommittee which began to function for the first time during the present session of Congress, the subcommittee having jurisdiction of appropriations for the Department of Labor and for the Social Security Board. Prior to the creation of this subcommittee, however, the Subcommittee on Appropriations for the independent offices had completed consideration of estimates for the next fiscal year for the Social Security Board, and appropriations for that agency were included in the independent offices appropriation bill. They will be included in the bill reported by this subcommittee for the fiscal year 1941.

The membership of the House is doubtless apprised of the fact that the subcommittee had as one of its members when it was first created our beloved colleague from Pennsylvania, Mr. Daly, who has since died. It is sincerely deplored that on account of the state of his health during all of our deliberations it was not possible for him to take part in any of the meetings of the committee, but the gentleman from Michigan [Mr. RABAUT], who has heretofore assisted in the preparation of bills for this Department as a member of the subcommittee on the four department appropriation bills, was designated by the chairman of the full committee to sit in with us and help in the formulation of this bill. I wish at this time to express my very deep appreciation for the extraordinary spirit of cooperation which was demonstrated by every member of this subcommittee: The gentleman from Kansas [Mr. Houston], the gentleman from Michigan [Mr. RABAUT], the gentleman from Vermont [Mr. PLUMLEY], and the gentleman from Michigan [Mr. ENGEL]. I think this subcommittee has perhaps established a record which is unique in the history of appropriation bills in this Congress and I think you will agree with me when I say that the membership of the subcommittee is not in disagreement regarding one single item in this bill however important or however small and insignificant. I am glad to be able to say to you also that although differences of opinion existed among members of the subcommittee when the discussion of some items in the bill was begun, yet after talking out these matters around the table it was not necessary even to take a vote on any item contained in the bill. The subcommittee was able, after discussion, to reach a unanimous conclusion. It is unnecessary to add that the efficiency of our clerk, Mr. McFall, has contributed more than any other one factor to the success of the committee's work.

The amount contained in the bill is not extraordinary, in fact it is comparatively small when we take into consideration the huge appropriations which are made for other departments of the Government.

After deducting in this bill the amounts aggregating something in excess of \$11,500,000 which go as grants to the States under the provisions of the Wagner-Peyser Act and for aid to maternal and child health, aid to crippled children, and for child welfare under the Social Security Act, there are left in the bill strictly for the administrative activities of the Department of Labor only about \$19,000,000; and when you take into consideration the fact that this Department deals with the welfare of so large a percentage of the American people, the industrial workers, and is the only Department of Government which is engaged primarily in an effort to contribute to their welfare and their well-being and prosperity, it certainly appears that appropriations aggregating only \$19,000,000 are minor in character; in fact, I think the committee feels—I know I feel—that if it could have been shown that we could have placed additional money in the bill for any item with the prospect of that money being useful to the American workingman the committee would probably have taken action to that end.

The bill carries an appropriation of \$30,552,470, which represents an increase over the appropriation made for the Department for the current fiscal year of \$2,730,920. I may say, however, that this increase is more than accounted for by reason of the appropriations which have been made necessary for the administrative expenses of the Wage-Hour Division in the Department of Labor and for the Children's Bureau in the enforcement of the provisions of the Fair Labor Standards Act, the administration of which was delegated by the act to these two agencies. Notwithstanding the creation of this new activity by legislative act and the necessity for appropriating funds therefor, the subcommittee has found it possible to bring about a reduction in the Budget estimate submitted for the Department of Labor of \$377,810. This is perhaps a comparatively small reduction below the Budget estimate, but it is as far as our subcommittee felt that we were justified in going without the possibility of inflicting injury upon some activity of the Department, which, of course, it was not our purpose to do.

WAGE AND HOUR DIVISION

When you examine the appropriation for the Wage and Hour Division of the Department of Labor, which I shall un-

dertake to discuss first because it is a new activity, and also because it represents a very substantial part of the appropriation carried in this bill, you may perhaps come to the conclusion that the committee has substantially reduced the Budget estimate for this Division. If, however, you will examine the committee report, you will find that no very drastic reduction has been made, but that there has been a transfer of certain funds which have been allocated in the Budget estimate from the Wage and Hour Division of the Department of Labor to the general fund for the Department for traveling expenses, contingent expenses, and expenses of printing and binding. The transfer that has thus been brought about by committee action is in pursuance of a policy adopted some years ago by a subcommittee of which the gentleman from South Carolina [Mr. McMillan] is chairman, under which it was determined to transfer all items for traveling, contingent expenses, and printing and binding to the funds under general control of the Department so that allocations may be made upon the order of the Secretary to the various bureaus and divisions in accordance with their needs. I think I may say that the carrying out of that policy has resulted in considerable economy in the Department. The committee, therefore, did not feel that any reason existed for treating one bureau or division of the Department of Labor in a different manner, with regard to these items, from the treatment accorded other bureaus in the Department. It, therefore, made provision for transferring these three items from the estimates for the Wage and Hour Division to the general appropriations for these purposes under direction and control of the Secretary, as are other bureaus and divisions of that Department. As a matter of fact, the estimate for the Wage and Hour Division of the Department of Labor as approved by the Budget amounted to \$3,350,000, and the total amount the committee allowed, including the items of transfer to which I have made reference, is \$3,123,630. The subcommittee, therefore, brought about a reduction of approximately 5 percent in the amount of the Budget estimate and, in addition to that, provided for the transfer of two other funds, one of \$50,000 and the other of approximately \$17,000, to other bureaus or divisions of the Department for purposes which I shall hereinafter detail.

Our reason for providing a cut of approximately 5 percent in the amount of the estimate of the Bureau of the Budget was that we might be in accord with the policy adopted by the deficiency subcommittee and approved by the Congress in connection with the deficiency appropriation made for the Wage and Hour Division during the present Congress. You will recall that the Budget estimate in the deficiency bill for the Wage and Hour Division was \$950,000, and that the deficiency subcommittee cut the item by \$100,000, reducing the amount to \$850,000, and that their action in so doing was approved by the Congress. This represented substantially a 10-percent reduction in the amount of their estimates. It was based on the opinion of the deficiency subcommittee that the activity of this creature of the Congress was expanding too rapidly, so far as acquisition of additional personnel was concerned, and that it would be better if the personnel of the organization should be more slowly developed. We have not made a cut in the same proportion as that made by the deficiency subcommittee. As I said, the reduction made by the deficiency committee was about 10 percent; but we have cut the amount of the estimate by approximately 5 percent in the belief it would be in accord with the policy approved by the Congress.

Mr. DICKSTEIN. Will the gentleman yield?

Mr. TARVER. I would prefer to conclude my statement before yielding. I will yield at present if the gentleman insists.

Mr. DICKSTEIN. I want to know what is the difference between the appropriation of last year and this year? Is there much of a difference in the appropriation?

Mr. TARVER. For the Wage and Hour Division?

Mr. DICKSTEIN. The Wage and Hour Division and the Department of Labor.

Mr. TARVER. I have already given the figures with reference to the entire Department.

Mr. DICKSTEIN. I thought the gentleman meant off-

Mr. TARVER. May I say to the gentleman the Wage and Hour Division only had \$350,000 for its initial appropriation. Its activities, of course, did not begin until October 24, 1938. Fifty thousand dollars of the four hundred thousand dollars first appropriated for the Fair Labor Standards Act administration was transferred to the Children's Bureau for performance of its duty under the Fair Labor Standards Act. The Wage and Hour Division received an additional appropriation of \$850,000 in the deficiency bill enacted during the present session of Congress, making a total of \$1,200,000 which it has for the present fiscal year, whereas we are appropriating in this bill \$3,123,630 for the next fiscal year, which would be an increase of almost 3 to 1 except for the fact, as I have pointed out, that its activities for the present fiscal year will cover only a period of 8 months. It does represent a very substantial increase, and the committee is satisfied that the Wage and Hour Division will not be hampered in its activities by reason of the small decrease which has been brought about.

Mr. DICKSTEIN. Will the gentleman give me the appropriation for the enforcement of the law in the Department of Labor, whether it was reduced or increased, according to the Budget estimate?

Mr. TARVER. To what law does the gentleman have reference?

Mr. DICKSTEIN. The appropriation for the Department of Labor, aside from the Wage and Hour Division.

Mr. TARVER. I have stated that once. We have brought about a decrease below the Budget estimate of \$377,810 for the ventire Department. We have at the same time appropriated \$2,730,920 more than the Department will have for the present fiscal year.

Mr. AUGUST H. ANDRESEN. Mr. Chairman, will the gentleman yield?

Mr. TARVER. I yield to the gentleman from Minnesota.

Mr. AUGUST H. ANDRESEN. With reference to the Wage and Hour Division, the gentleman knows that many of us are aware that certain necessary amendment should be adopted with reference to the wage and hour law in order to clear up some of the things that have been brought out with reference to agriculture and many small businesses.

Mr. TARVER. I am heartily in accord with the gentleman's statement on that point.

Mr. AUGUST H. ANDRESEN. Does the gentleman believe there might be a possibility of offering amendments to this section of the bill in order to clear up those points without having a point of order raised against them?

Mr. TARVER. May I say to the gentleman I do not believe that is a subject matter which ought to be handled in this bill? I believe I am as much interested as any Member of this House in having amendments adopted to the wage and hour law which would bring about the correction of some of the injustices which have resulted and at the same time preserve whatever benefits may have come about by reason of its enactment. At the same time, I believe it is a matter that ought to be handled by the appropriate legislative committee, and in the usual way, and not by attempted action on an appropriation bill.

Mr. AUGUST H. ANDRESEN. I agree with the gentleman, but I just wanted to get his opinion, because sometimes it is difficult to get action out of a particular legislative committee.

Mr. TARVER. I understand that; but, at the same time, I do not believe the handiwork of the Committee on Appropriations should be made the vehicle for the enactment of legislation. We have tried studiously to refrain from placing in the bill any language which might be construed to be of a legislative character.

CONCILIATION SERVICE

Now, if I may pass along, the committee has been very greatly impressed and feels that the American people, employers as well as employees, have been very greatly impressed with the extremely satisfactory character of the work which is being performed by the Conciliation Service in the Depart-

ment of Labor. The committee has received expressions of approval of this Service from both employers and employees. It may interest you to read the hearings as it relates to the work of the Conciliation Service. You will find its work succeeded in averting 339 threatened strikes during the fiscal year 1938. However, this is only a part of its work. Its activities in trying to bring about peace in labor difficulties extend also to what are designated as disputes which have not reached the stage of threatened strikes, and, of course, to trying to bring about the settlement of strikes which have already arisen. You will find in the hearings an estimate, and I believe it is a very reasonable estimate, that as a result of the activities of this Service in preventing 339 threatened strikes during the fiscal year 1938 there was a saving to the men who would have gone out on those strikes if they had occurred, estimating that each man would have lost 20 working days because of the strike, which is considered a reasonable estimate, of approximately \$10,000,000.

[Here the gavel fell.]

Mr. TARVER. Mr. Chairman, I yield myself 10 additional minutes.

The committee felt that this Service ought to be provided with sufficient funds to carry on its functions properly, and as a result of hearings we added a comparatively small amount above the Budget, \$25,000, for the purpose of bringing about the necessary employment of some additional conciliation commissioners.

DIVISION OF PUBLIC CONTRACTS

The Division of Public Contracts, which has to do with the enforcement of the Walsh-Healey Act, is far behind in its work. It has had to undertake, since its inception, the examination of Government contracts aggregating in amount \$735,000,000 and in number over 12,000. It has not been able to examine more than approximately 4,000 of these contracts. We felt that necessary personnel ought to be provided to enable this division to proceed with a greater degree of speed in transacting the work which lies before it. We have, therefore, granted an increase to this particular service of \$22,120, which, while it may not be sufficient to enable it to get its work in current form, will at least be helpful in bringing to an earlier conclusion the large volume of investigatory work which is unfinished.

In that connection I wish to point out that the committee has felt there ought to be an investigation to determine just what benefits have been derived by the American laborer and what injuries may have been sustained by the Government, if any, by reason of the enactment and enforcement of the Walsh-Healey Act; in other words, we have felt that the American people ought to be fully advised regarding the controversies which from time to time have arisen with regard to whether the act has in fact been beneficial to the man engaged in working in industry; and if so, whether or not it has added so greatly to the expenses of the Government as to counteract or nullify, to some extent, at least, the benefits which may have been derived by the worker in industry from its operation. We felt that the Bureau of Labor Statistics is the proper facility of the Government to conduct that investigation.

I wish to point out also that the estimates for the Wage and Hour Division contained an estimate of \$50,000 which the Wage and Hour Division was going to use in preparing and sending out questionnaires to determine the effects of the Fair Labor Standards Act. However, our committee was of the opinion that the proper agency of the Government to conduct that sort of investigation is the Bureau of Labor Statistics, which has been established by Congress for such character of inquiry. We were further of the opinion that an agency ought not to investigate itself and the result of its own work. We also found that if the Bureau of Labor Statistics should conduct both of these investigations it would be able to do so at a substantial reduction in cost below what the investigations would cost if one were conducted by the Wage and Hour Division and the other by the Bureau of Labor Statistics, so we transferred \$50,000 which the Wage and Hour Division had for this investigatory work to the Bureau of Labor Statistics and added \$15,000 above the

Budget to the appropriation for that Bureau in order to enable it to conduct both of these investigations.

BUREAU OF LABOR STATISTICS

We gave to the Bureau of Labor Statistics approximately \$200,000 more than was appropriated for the present fiscal year for the activities of that Bureau. I wish to call your particular attention to the fact that \$71,000 of this increase is intended to provide for an occupational outlook study. You are familiar with the fact, of course, that young men and women who are arriving at manhood and womanhood today are finding it exceedingly difficult to determine just what opportunities may lie in different occupations or in different employments they may be able to secure. Furthermore, young people who are going off to college oftentimes find it difficult to decide just what line of study they ought to undertake in order to be sure they are fitting themselves for occupations where reasonable assurance of employment will exist.

The purpose of this study, in the main, is to furnish information in cases of that sort, to study the occupational trends, the possibility of expansion of employment in certain industries and of contraction of employment in others. It is felt by Dr. Lubin, whom I regard as one of the ablest men connected with the Department or with the Government itself, that he will be able to develop, by the use of this appropriation, information which will be exceedingly useful along this line.

CHILDREN'S BUREAU

The Children's Bureau, for its work under the social-security program as distinguished from its activities under the Fair Labor Standards Act, has had its appropriation increased under this bill by \$14,000, this increase being made necessary for the administration of work incident to grants for maternal and child health, crippled children, and child welfare.

There has been made a decrease of \$100,000 in the appropriation approved by the Bureau of the Budget for the Children's Bureau for its activities in connection with the enforcement of the Fair Labor Standards Act. I want to explain to you the reasons which actuated the committee in providing for this decrease. The Children's Bureau had for the present fiscal year \$129,000 for carrying on this activity. Of course, it was only operating under the Fair Labor Standards Act for approximately 8 months of the present fiscal year. We took that into consideration and then we approximately doubled for the next fiscal year the money which it had had available for a comparative period of the present fiscal year, thus giving it an appropriation of \$400,000, or \$100,000 below the Budget. If you will examine the hearings, you will find that the officials of the Children's Bureau testified before our subcommittee that they have received only 30 complaints as to violations of the Fair Labor Standards Act in the matter of child labor, involving 11 employers, and, certainly, it seemed to the committee in view of the fact that these are new duties devolving on the Bureau under a recently enacted law, and in view of the fact that the number of violations of the law do not appear to be considerable, that we ought not to provide here for setting up any larger organization to begin with than appears to be absolutely necessary. We can expand it later if we find that expansion is desirable, but if we start out on too large a scale, then we will find it, indeed, a matter of very great difficulty to contract the organization which we may authorize.

WOMEN'S BUREAU

We have provided for an increase of \$8,000 for the work of the Women's Bureau, in order to enable it to take care of new and additional activities in connection with cooperating with and furnishing information to the States in the enactment of legislation for the protection of women in industry.

UNITED STATES EMPLOYMENT SERVICE

The Employment Service item, which represents an increase over last year of \$360,000, but at the same time a decrease below the Budget of \$93,000, will be discussed by the gentleman from Kansas [Mr. Houstow]. I may say here that I have not undertaken to cover in detail the appropriations for the Wage and Hour Division. That is a sub-

ject matter which has received the careful study of the gentleman from Michigan [Mr. RABAUT].

The appropriations which have been made to carry out the provisions of the Wagner-Peyser Act with regard to grants to the States by the Employment Service and of the Social Security Act with regard to grants to the States for maternal and child health, crippled children, and child welfare are in the amounts provided by law and with regard to which the subcommittee did not feel it had any discretion. As I have previously stated, however, these items account for \$11,630,000 of the pending bill.

[Here the gavel fell.]

Mr. TARVER. Mr. Chairman, I yield myself 5 additional minutes.

DIVISION OF LABOR STANDARDS

The estimates for the Bureau of Labor Standards have been diminished by only \$2,600, and this was felt justified by reason of the fact that this Bureau had lapses in 1938 aggregating approximately \$21,000 and estimated lapses for the next fiscal year of only \$6,600. We felt it might reasonably expect greater lapses in the amounts estimated and the slight reduction which has been made would not affect its activities in any material way.

IMMIGRATION AND NATURALIZATION SERVICE

In the Immigration and Naturalization Service we have added \$153,900 to the appropriation for the present fiscal year, which still leaves the amount a little more than \$7,000 below the Budget. The increase provides for five additional immigration inspectors, seven additional naturalization examiners, and six additional border patrol officers. It also provides for the custodial staff of the new immigration station at San Pedro, Calif., and for the acceleration of the program for deportation of aliens either subject to removal by law or who desire themselves to be repatriated.

ADMINISTRATIVE PROMOTIONS

I wish to point out also that in the bill the committee has taken the Budget estimate of approximately \$37,000 for administrative promotions and have distributed it throughout the various Bureaus so as to bring about a one-step promotion of all employees paid less than \$1,800 per year who have been in the service of the Labor Department 3 years or more without promotion, and to bring about the same result as to employees drawing salaries between \$1,800 and \$3,000 per year who have been without a promotion for 5 years or more.

I have taken more of the time of the Committee than I was justified in doing, although I regret I have not been able to fully discuss all the items of the bill. However, in view of the fact that some of my colleagues on the committee are going to talk to you, I am sure you will be fully advised regarding its provisions by the time their observations shall have been concluded. [Applause.]

Mr. PLUMLEY. Mr. Chairman, I yield 20 minutes to the gentleman from Michigan [Mr. ENGEL].

Mr. ENGEL. Mr. Chairman, by the end of the present session Congress will have appropriated for the 7 fiscal years from June 30, 1933, to June 30, 1940, the enormous sum of \$65,346,482,906. It will have increased the gross national debt from \$20,934,729,209, where it stood on February \$1,933, to an all-time high of \$44,457,845,210 by June 30, 1940, or nearly \$20,000,000,000 more than the wartime peak. The wartime peak was \$25,482,034,419.

Col. F. C. Harrington, the W. P. A. Director, in testifying before the Appropriations Committee recently, placed into the record a table showing the number of persons and households receiving various kinds of relief, month by month from January 1933 to November 1938. This table shows that in February 1933 there were 4,976,000 households and 19,565,000 persons receiving various kinds of relief. His latest record shows that in February 1939 there were 7,278,000 households and 22,781,000 persons receiving various kinds of relief—an increase of 2,302,000 households and 3,216,000 individuals over 1933.

The American Federation of Labor unemployment figures show that in 1933 the average number of employed persons was 36,959,000, while the average number of unemployed for the same year was 13,723,000. The same figures for 1938 show that the average number of gainful workers was 52,-879,211, of which 41,942,945 were employed and 10,936,265 were unemployed. The March American Federationist preliminary figures show that in January 1939 there were 53,-191,932 gainful workers, of whom 41,668,901 were employed, and 11,523,031 were unemployed. Volume 4 of the Census of Unemployment, table No. 6, shows that in November 1937 there were 54,474,000 persons, 15 years old and over, seeking gainful occupation. Department economists say that this figure increases at the rate of about 400,000 a year and that in November 1938 there were 54,874,000 persons, 15 years old and over, seeking gainful occupations. If we accept these figures, there was an average of 12,931,000 unemployed for the year and 13,185,000 unemployed for the month of Jannary 1939

I have no desire to enter upon a political discussion at this time. However, the above figures ought to convince any fair-minded person that the course we have taken during the past 6 years has made no material reduction in either the number of unemployed or the number on relief. I want to discuss the problem affecting the number of unemployed; where they will probably have to find employment in the future; the industrial production and the income produced required to put these unemployed back at work and take these individuals off relief rolls.

In the course of my studies I have compiled two tables. Mr. Chairman, I ask unanimous consent to include in my remarks table No. I on occupational distribution, compiled by myself.

Table I.—Occupational distribution of population—Persons 10 years of and over engaged in or seeking gainful occupation in United States in April 1930

[Estimated on same ratio in 1938 by writer]

A Value of the second of the s	1930	Percent	1938
Total of all occupations	48, 829, 920	100.0	54, 874, 000
Agriculture and animal husbandryForestry	10, 471, 998 250, 469	21.4	11, 743, 038 274, 330
Extraction of minerals	984, 323	2.0	1, 097, 480
Manufacturing and mechanical industry	14, 110, 652	28.9	15, 868, 586
Manufacturing Transportation and communication	8, 740, 555 3, 843, 147	17.9	9, 822, 448 4, 335, 046
Trade	6, 081, 467	12.5	6, 859, 250
Public service not elsewhere classified	856, 205	1.8	987, 732
Professional service	3, 253, 884	6.7	3, 676, 558
Domestic and personal service Personal service and clerical occupation	4, 952, 451	10.1	5, 542, 274 4, 499, 668

Source: Figures on the total number of persons seeking employment for 1938 were then from the Department of Commerce figures based upon the unemployment

Table I shows the occupational distribution of the gainful workers of the United States, according to the Department of Commerce census figures as of April 1930, and which actually reflect the 1929 condition. The last column shows the occupational distribution which would have existed in 1938 if the 54,874,000 gainful workers had been able to find employment, using the same ratio of employment as actually existed in 1930.

It shows that out of every 1,000 persons employed in April 1930, during that peak employment and production period, 214 were employed in agricuture and animal husbandry, 5 in forestry and fishing, 20 in extraction of minerals, 289 in the manufacturing and mechanical industry, 79 in transportation and communication, 125 in trade or merchandising, 18 in miscellaneous classifications, 67 in professional service, 101 in domestic and personal service, and 82 in clerical occupations. While 289 persons were engaged in the manufacturing and mechanical industry, this included the building industry, and only 180 were actually employed in purely manufacturing.

The Labor Department records show that in 1929 there was an average of 8,767,000 persons engaged in purely manufacturing, while in 1938 there were 6,666,000 persons engaged in manufacturing; so if we went back to the 1929 basis we would only be furnishing employment in manufacturing to 2,101,000 persons. I mention this because we keep looking to the manufacturing interests to put the entire 11,000,000 unemployed back at work when, as a matter of fact, we I

never had more than 9,000,000 on the factory pay rolls. However, manufacturing and agriculture are the two hubs of the wheel that make the industrial cart go, and they are interdependent each upon the other. A one-wheeled cart will not go. Approximately 400 persons out of every thousand who can be employed in agriculture and manufacturing will incidentally furnish employment to 600 men who are engaged in other occupations such as merchandising, transportation, communication, and so forth.

I want to discuss today the manufacturing hub of this so-called wheel. I believe if we can put industry in a prosperous state, barring competitive imports, agricultural prosperity will follow. If for every 180 men we employ in purely manufacturing we can put 820 men at work in agriculture and supplementary work, then if we could put 1,800,000 people back on the factory pay roll, we would be able to put back to work a total of 10,000,000 persons, 6,200,000 of whom, according to the census figures, would be employed in supplementary occupations in transporting the goods to and from the factory, in mining the minerals, and so forth, and 2,000,000 more in agriculture.

Of course, this 1938 occupational production distribution based upon the 1930 averages would vary somewhat. The number of men employed in mining has probably decreased, while the number engaged in electric power, gas, and oil fields has increased. Transportation has probably increased despite a reduction in railroad employment because of the development of the automobile in transportation. However, there are no new figures on this phase of the question that I could find. This bill carries money which will enable Dr. Lubin, of the Department of Labor to make a study along the line. which ought to prove extremely interesting and helpful.

The next question I want to discuss is the question of the amount of industrial production and income produced required to put these unemployed back at work.

INDUSTRIAL PRODUCTION

We hear people continuously refer to the Federal Reserve Board's industrial production figures of 1923-25. We are too prone to use that 1923-25 average of 100 percent as an objective rather than as a point of beginning. We forget that the 1923-25 industrial production furnished employment to the number of gainful workers in 1923-25 and that it could not have furnished employment to the increased number of gainful workers in 1938. However, I have used the Federal Reserve Board figures as a base from which to work.

Mr. Chairman, I ask unanimous consent to place into the RECORD table No. II.

TABLE II

5 (425) Principle (475) 445-251 (425) 425 (475) 475 (475)										
Year	Average number of gainful workers	Average number of employed	Average number of unemployed	Average percentage of annual industrial production	Average number of employed for each percentage of industrial production	Average industrial production re- quired to place unemployed at work (percent)	Income produced (millions)	Income produced required each year to keep total number of gainful workers employed		
1929 1930 1931 1932 1933 1934 1936 1937 1938	48, 056, 000 48, 752, 000 49, 417, 000 50, 060, 000 51, 288, 000 51, 288, 000 51, 758, 980 52, 283, 038 52, 879, 211	46, 192, 000 43, 982, 000 40, 679, 000 36, 878, 000 36, 959, 000 38, 924, 000 40, 539, 049 42, 364, 426 44, 024, 851 41, 942, 945	1, 864, 000 4, 770, 000 8, 738, 000 13, 182, 000 12, 364, 000 10, 652, 224 9, 394, 553 8, 281, 982 10, 936, 265	119 96 81 64 76 79 90 105 110 86	394, 890 457, 000 500, 200 576, 000 486, 300 492, 700 400, 374 400, 220 476, 000	120 122 124 125 126 128 128 129 131 132	\$81, 128 68, 302 53, 822 40, 014 42, 256 50, 052 55, 186 63, 466 69, 817 1 60, 000	\$86, 500 87, 753 88, 950 90, 010 90, 227 92, 318 92, 145 93, 166 94, 109		

¹ Preliminary.

^{1.} The average number of gainful workers employed and unemployed was taken from the American Federation of Labor figures. 2. The average industrial production percentage was taken from the Federal Reserve Board's figures based upon the 1923-25 average. 3. Income produced figures are taken from the Department of Commerce reports. 4. Reports show that it required \$1,800 income produced to to keep 1 person employed. Column 8 shows the amount of income produced to twill be required to keep the total number of gainful workers occupied on this basis. 5. Department of Commerce figures show that there were 54,874,000 gainful workers in 1938. If we take these figures instead of the American Federation of Labor figures, it would require 137.2 percent of the 1923-25 average of industrial production and an income of \$98,773,000,000 to keep the total number of gainful workers employed.

This table shows the following information, year by year, from 1929 to 1938:

(1) The average number of gainful workers.

(2) The average number of employed.

(3) The average number of unemployed.

(4) The average percentages of industrial production based on the Federal Reserve Board's 1923–25 average as 100 percent.

(5) The average number of employed for each percent of industrial production.

(6) The income produced.

(7) The income produced required to put the total number

of gainful workers back to work.

It will be noted that the lower the industrial production, the more men were employed for each point or percent; the higher the industrial production, the smaller number of men employed for each percent. Thus we find that in 1932 when the industrial production dropped to 64 percent of the 1923-25 average, we had 576,000 men employed for each percent of industrial production. In 1935 we had an industrial production of 90 percent of the 1923-25 average with 450,000 persons employed for each percent. It will also be noted that the number of persons employed for each percent of industrial production did not vary much after we had reached 105 percent of the 1923-25 average. As soon as it dropped below that point, the number of employed men was increased. For instance, in 1936 the average industrial production was 105 percent of the 1923-25 average, and the average number of persons employed for each percent was 400,374. In 1937 the percent was 110 and the average number of employed for each percent was 400,220. In 1929 we had 119 percent of the 1923-25 average with the average number of men employed for each percent being 394,890. On the other hand, in 1938 when industrial production dropped to 86 percent of the 1923-25 average, the number of persons employed for each percent was 486,000. This is undoubtedly due to the fact that the administrative and supervising force such as bookkeepers, foremen, and so forth, were not being reduced proportionately with the average number of workers as production fell off.

It is fair to assume from the chart that once we reach a point in industrial production which equals 105 percent of the 1923–25 average, we will add approximately 400,000 persons to the pay rolls for every point that we can increase that production over and above that percent. On this basis, it will require 137.2 percent of the 1923–25 average to keep these 54,874,000 at work, who according to the Department of Commerce records are employed or seeking employment. Records further show that we are adding 400,000 persons a year to the total number seeking employment or gainfully occupied. If this is true, then we would have to increase industrial production one point each year over the preceding year to keep this ever-increasing number of persons employed.

INCOME PRODUCED

In 1929 the national income produced was \$81,000,000,000, while the average industrial production was about 123 percent of the 1923-25 average. We were able to furnish jobs to 46,192,000 people, leaving 1,864,000 people unemployed, if we take the American Federation of Labor figures as to the number of gainful workers, and 2,637,920 unemployed if we take the Department of Commerce figures as to the number of gainful workers.

The President in his message of January 3 said: "This country need not always be a \$60,000,000,000 country. We are going to make it an \$80,000,000,000 country." An \$81,-000,000,000 income produced with an industrial production average of 123 percent, which we had in 1929 during our most prosperous year, furnished jobs to 46,192,000. That same amount of industrial production and the same income produced would have left us in 1938 with 6,687,211 persons unemployed if we take the American Federation of Labor figures on the number of gainful workers that year, or with 8,682,000 persons unemployed if we take the Department of Commerce figures.

On a 1929 basis, we find that it requires approximately an \$1,800 income produced a year to furnish employment to one person a year. If this is true, then it would require an income produced of \$98,773,200,000 per year to keep these 54,874,000 persons employed. If we add 400,000 persons a year to the number who are gainfully occupied or who are seeking gainful occupation, we would have to add \$720,000,000 income produced each year to keep these ever-increasing unemployed at work. It is obvious that the difference between the 1938 income produced of \$60,000,000,000 and the required income produced of ninety-eight to one hundred billion dollars a year necessary to put these unemployed at work cannot be bridged by any public spending program. If bridged, it must be bridged by private employment brought about primarily through industrial production.

SUMMARIZING

In summarizing, we are forced to the following conclusions:

(1) That 6 years of spending has not brought about permanent recovery.

(2) That there are still from eleven to thirteen millions of unemployed and some twenty-two to twenty-three million persons receiving Government relief today.

(3) That an \$80,000,000,000 income produced would leave us with from 6,500,000 to 8,700,000 persons unemployed, with from fourteen to sixteen million persons receiving various kinds of Government aid.

(4) That it will require an income produced of from ninety-five to one hundred billions of dollars a year to put all the unemployed back to work.

(5) That the Federal Reserve Board's 1923–25 average industrial production will only provide employment on a 1928–25 basis and can only be used as a base from which to beging

(6) That it will require approximately 137 percent to 140 percent of the 1923-25 average production to put all the unemployed back to work.

(7) That industrial production will have to increase progressively 1 percent and income produced \$720,000,000 each year to take care of the 400,000 additional gainful workers added to the total each year.

(8) That if we assumed that we always have 2,000,000 unemployed because of shifting employment, we can reduce the industrial production one point for each 400,000 workers, or 5 percent, and the income produced approximately by \$3,600,-000,000, or \$1,800 for each worker.

(9) That our objective should be an income produced of \$100,000,000,000 instead of \$80,000,000,000, and an industrial production of at least 135 percent of the 1923-25 average.

(10) That for every 18 men we can put at work in the factory, we can expect 82 men to be employed in other auxiliary private employment lines and in agriculture.

(11) That the difference between a \$60,000,000,000 income produced and a ninety-eight to one hundred billion-dollar income produced required to put the unemployed at work cannot be bridged by any public spending program; that such public spending program must be ultimately paid for by the taxpayer and is a burden on and retards industrial production.

Mr. TABER. Mr. Chairman, will the gentleman yield? Mr. ENGEL. Yes.

Mr. TABER. What about the manufacturing and mechanical industry item that appears there?

Mr. ENGEL. That takes in the building and construction industry. The manufacturing item is included in the manufacturing and mechanical industry item.

Mr. HOLMES. Mr. Chairman, will the gentleman yield?

Mr. ENGEL. Yes.

Mr. HOLMES. I notice in 1930, in the beginning of the manufacturing item, you had employed about 8,740,000 people.

Mr. ENGEL. Yes.

Mr. HOLMES. And in the break-down the ratio in 1938 ought to be 9,822,000.

Mr. ENGEL. Yes.

Mr. HOLMES. How in the world can we expect that manufacturing can assume the 14,000,000 unemployed today?

Mr. ENGEL. That is what I am pointing out. Manufacturing cannot assume that. For every 18 men that we put back on the factory's pay roll, assuming that agriculture can go along, we put back at work 82 men in agriculture and auxiliary employments.

Mr. HOLMES. And industry is being blamed for all this

unemployment.

Mr. ENGEL. Yes; that is the reason I am bringing these

figures to your attention.

Mr. GEYER of California. Does not the gentleman think that taking in the fact of technological changes that perhaps the manufacturing and agriculture have been hit the worst, and does not that almost destroy the value of the carry-over in 1938?

Mr. ENGEL. No. I do not entirely agree with the gentleman. I am not one of those who believes that the technological or machine age is responsible for all unemployment. The machine age has brought into being millions of automobiles, radios, and so forth, all of which have furnished employment in spite of mass production.

[Here the gavel fell.]

Mr. PLUMLEY. Mr. Chairman, I yield 5 additional minutes to the gentleman from Michigan.

Mr. BATES of Massachusetts. Mr. Chairman, will the gentleman yield?

Mr. ENGEL. I yield.

Mr. BATES of Massachusetts. On the basis of a 1929 income of \$81,000,000,000 during that year there were 1,864,000 people unemployed; yet now on the same income, \$81,000.000,000, the gentleman shows between eight and nine million people unemployed. Is this occasioned by population increase between these dates?

Mr. ENGEL. It is caused by two things: Increase in the population and increase in the number of people seeking gainful occupation. In 1929, 48,829,920 persons were looking for jobs whereas in 1939 according to statistics of the Department of Commerce 54,874,000 people were looking for jobs.

Another thing to be borne in mind is that while the population increase was 5.7 percent from 1930 to 1938, the total number of people seeking gainful occupation increased more than 8 percent. These tables will appear in the Record.

Mr. BATES of Massachusetts. I presume the reason for the larger number seeking employment in 1939 over 1929 is

due to the population increase.

Mr. ENGEL. Only partly. As I said, the population increase was 5.7 percent. The increase in the number of people seeking gainful occupation was not 5.7 percent but was 8 percent. One reason accounting for this, I think, is that we have in the labor market today people 60 and 65 years of age looking for work who back in 1929 had some savings and some independent income or means to support themselves. In the bank crash that followed their savings and accumulations were wiped out and they are back in the labor market. Another factor bearing on this increase of people seeking employment is the fact that people have reached the age of 65 and have not been able to save sufficient money to make themselves independent and take themselves off the labor market.

Mr. RABAUT. Mr. Chairman, will the gentleman yield? Mr. ENGEL. I yield.

Mr. RABAUT. Is it not the gentleman's opinion that because of the instability of a great number of labor positions much of this increase has come about? For instance, the gentleman mentioned the case of the father of a family who was not certain of his position, for which reason his wife tries to obtain a position and some of the children of the family try to obtain positions. This greatly increases the number. Another factor is that we have more women applying for employment than ever before. Has the gentleman considered that?

Mr. ENGEL. That is the statement I made a moment ago. The question is aggravated by those conditions. The father

is out of work; the son, the daughter, and perhaps the mother is looking for a job—placing four on the unemployed list instead of one.

Mr. MARCANTONIO. Mr. Chairman, will the gentleman yield?

Mr. ENGEL. I yield.

Mr. MARCANTONIO. The gentleman has made a very interesting and exhaustive study of this subject. Has he been able to figure out the number of people who have been displaced from gainful employment as the result of the installation of machinery and the speed-up system?

Mr. ENGEL. Not a thorough study. That is a rather difficult field of investigation. There is no question in my mind but that the solution of the problem lies in various things. I do not, however, stress this factor as much as some people do. It certainly is responsible for part of the existing conditions and must be taken into consideration.

Mr. ALLEN of Pennsylvania. Mr. Chairman, will the gen-

tleman yield?

Mr. ENGEL. I yield.

Mr. ALLEN of Pennsylvania. According to the most accurate figures I have been able to find, mechanical productivity has increased about 25 percent since 1930 in a shrinking economy since 1929. I believe this seriously aggravates the situation the gentleman has described. The gentleman has made such a fine study of this particular field that I would like to see him take up this one, too.

Mr. ENGEL. Yes; consumption has been shrinking while production has been increasing. [Applause.]

[Here the gavel fell.]

Mr. PLUMLEY. Mr. Chairman, I yield 30 minutes to the gentleman from Michigan [Mr. Hoffman].

THE NATIONAL LABOR RELATIONS ACT IS A FRAUD UPON THE EMPLOYEE

Mr. HOFFMAN. Mr. Chairman, an editorial in this morning's Washington Post makes the same error that was made a week ago by the writer of the editorial in Collier's Weekly. The writer of the Post article evidently believes that delay in calling hearings on the proposed amendment of the Wagner law has been a good thing in that it has given the A. F. of L. and the C. I. O. an opportunity to get together.

Naturally, everyone would like to see peace between these two labor organizations. Striving, as they are, for the principle of collective bargaining, there would appear to be no reason why they should not compose their differences by

mediation and, if necessary, arbitration.

Unfortunately, many of us who are realists can see no reason why, because two great labor organizations are at odds, employers and employees and the general public should continue to suffer from the unjust provisions and the biased interpretation of the Wagner Act.

After all, giving credence to these organizations' most extravagant claims, the A. F. of L. and the C. I. O. represent no more than 8,000,000 workers, while there are 30,000,000 employees who are unrepresented and who do not belong to either organization. After all, the public has a greater stake in the issue than either or both of these organizations. Hence the widespread demand heard on every hand, and evidenced by the Gallup poll, which shows an overwhelming preponderance of public opinion to favor the amendment of this law.

The act was passed to lessen the causes of industrial disputes affecting commerce, on the assumption that by giving the employee the right to bargain collectively with industry through representatives of his own choosing its purpose would be accomplished.

Unfortunately, the act, as interpreted and administered, does not give workers the right to bargain collectively through representatives of their own choosing. This proposition cannot be successfully disputed.

It is my purpose to prove by the record not only that workers are deprived of the right to bargain collectively through representatives of their own choosing but that the law has been used to advance the cause of some unions by injuring and destroying others.

An examination of the record will show that in practice, instead of the employee receiving the benefits of a Magna Carta, which this law was hailed as being, the National Labor Relations Board has established a dictatorship over labor and wields the power of life or death among the organizations of labor.

Disregarding for the moment the questions of taxation, reduction in expenditures, and cessation of attacks on business, there is one way in which the President and his advisers can forthwith show by their acts, rather than by their words, that they are in favor of industrial peace. There is one way that we here in Congress can show that we are responsive to that ever-increasing protest which rolls up to us from the people against the activities of a Federal agency, the application of a Federal law, which is retarding reemployment, which is creating industrial strife within the ranks of labor itself, which has deprived workingmen of their rights under the Federal Constitution—that is by the amendment of the National Labor Relations Act.

However, to amend the act is not sufficient, for the reason that an amendment would not remove from their places of power those who have maladministered it. If we repeal the act, all those who now hold and exercise authority under it will be severed from their power, and if we then reenact those provisions which have proven their merit, and add provisions which will protect the employer and the employee from the arbitrary acts of another board and its employees, from unjust practices on the part of employer, from exploitation on the part of labor organizers, the purpose of the original act will have been served.

Republicans have been accused of failing to offer constructive suggestions to meet and overcome some of the acknowledged wrongs perpetrated by the present administration. This charge in the main has not been justified. It certainly has not been justified when we have criticized the Wagner Act, for many amendments have been offered. All have been disregarded.

In offering H. R. 4990 it was my purpose to introduce a bill which, if it became law, would not only protect the employee from the employer, but would protect him from professional organizers, who no more have his true interest at heart, who would exploit him as quickly as would the most greedy, selfish sweatshop employer.

It was my purpose to secure, not only to the man who furnishes the jobs and meets the pay roll, but to the man who performs the work, the protection to which every American citizen is entitled—all of the rights guaranteed under the Federal Constitution.

It was the announced purpose of the National Labor Relations Act to "diminish the causes of labor disputes burdening or obstructing interstate and foreign commerce."

Those who framed the act and sponsored it unfortunately overlooked several necessary factors which must be taken into consideration if we are to have industrial peace. Whatever organized labor may have had in mind, the act was not so drawn as to promote either the right of self-organization among employees or the right of employees to bargain collectively through representatives of their own choosing.

The terms of the act give reason for the belief that labor was seeking to establish one great, powerful, Nation-wide organization, which could and would act through the Board which was created by the act.

At the time the act was in course of preparation there was but one great labor union. That was the A. F. of L. In a circular letter sent out within the last few days the president of that organization made this statement:

The American Federation of Labor is the friend of the National Labor Relations Act. We sponsored it in the beginning. We helped draft it. We contributed largely toward its enactment into law. It was really an American Federation of Labor measure, a primary part of our legislative program.

At that time the A. F. of L. did not anticipate that the Board created by the act and given arbitrary and absolute authority over workers would one day be used to the prejudice of the A. F. of L. and those employees who were its members. It did not know, it could not know, that the

day would come when this Board, through the power given it, would be able to make or to break the A. F. of L. unless restrained by the courts.

Many times on the floor of this House and elsewhere have I charged that, by its acts, the N. L. R. B. was unfair, biased, and in effect, an ally in the C. I. O. organizing campaigns. My statements were at times ridiculed and some cited my criticism of the C. I. O., my criticism of the N. L. R. B., as evidence that I was not a friend of labor.

Let me call your attention to the fact that, when I assailed the C. I. O. as having within its membership Communists who were directing its policies and carrying out the methods of the Communists; when I condemned the sit-down strikes; when I charged that the C. I. O. and the Labor Board were engaged in an effort to destroy the A. F. of L., Members of this body who boasted, and rightfully so, of the fact that they hold membership cards in the A. F. of L., remained silent, and outside of this body, because I spoke of the injustices of this law, of the partisanship and the bias and the unfair conduct of the N. L. R. B., I was charged with being opposed to labor.

Let me tell you that the true friend of labor is the man who favors that legislation which is in the interest of the worker, rather than the legislation which will destroy jobs and enable labor organizers to levy and collect tribute.

But enough of that. No longer can we argue about the purpose or the effect of the decisions of this Board.

Let me again quote from this letter of the President of the American Federation of Labor. He said that the Board:

Through decisions clearly in favor of the C. I. O. and against the American Federation of Labor, is working out the destruction of the American Federation of Labor. We do not ask the Board to favor the American Federation of Labor in any decisions rendered. All we have asked is that it be fair and just in its administration of the act and that it apply the act in a judicious way.

Continuing, he wrote:

Naturally, the C. I. O. is violently opposed to any change. Its opposition is based upon the fact that it has been favored while the Board has struck blow after blow at the American Federation of Labor.

He then called attention to the fact that his letter is in furtherance of the action of the A. F. of L. at its Houston convention and wrote:

Let the Members of Congress know you are standing with the American Federation of Labor; that you are supporting your officers who are endeavoring to carry out orders and instructions.

Section 7 of the act expressly provides that employees shall have certain rights. Section 8 defines unfair labor practices. To make it possible for employees to exercise the rights guaranteed to them by section 7, section 9 provides for the choosing of representatives of the employees to bargain with the employer.

By section 10 the Board is given authority to prevent employers from engaging in the unfair labor practices which are defined in section 8.

Those who drew the act evidently assumed that, by creating a Board and giving it absolute authority, as set forth in section 9, to act for employees, the Board would at all times act in favor of employees, or, perhaps more accurately speaking, in favor of the organization which sponsored it. They were mistaken in this belief.

By section 9, which provides for representatives and elections, the Board was given the absolute right to determine for itself the unit, or, more correctly speaking, the "election precinct" or "district," either employer, craft, plant, or subdivision thereof, in which the vote should be taken for the election of representatives who were charged with the duty of bargaining collectively with the employer.

EMPLOYERS GIVEN DAY IN COURT BUT ONLY IN COMPLAINT CASES

Those who framed the act realized, when they gave authority to the Board to prevent unfair labor practices, that they must, if the law was to be held constitutional, provide for a judicial review of final orders of the Board requiring action by employers. This they did in complaint cases in section 10, subdivisions (e) and (f).

In complaint cases where employers have been charged with unfair labor practices and where the Board has made a final order which has not been withdrawn by it, where a transcript has been filed in the appellate court, the employer has his day in court when the Board seeks an order of court enforcing its final order; or where the employer appeals to the court for the modification or vacation of that order and the Board is not permitted to withdraw it.

But in those cases which are known as representation cases, where the Board does not make what the courts have been pleased to define as a "final order", as, for example, where the Board has determined the unit in which the election shall be held, has certified one group of representatives for collective bargaining, has denied a certificate to another group for the same purpose, in all of those cases where there is a conflict of jurisdiction between the unions, the employer, under the Wagner Act, can never successfully invoke the aid of the courts.

Because two unions representing two different groups of employees have for months been waging a jurisdictional fight, General Motors, although it agreed to the principle of collective bargaining in February of 1937, has now refused to bargain collectively with either group for the very evident reason that it has no way of determining which is the proper group of representatives for collective bargaining.

After the long sit-down strikes which cost millions of dollars, the Board has not yet determined the representatives to speak for labor in collective-bargaining negotiaions. This failure of the Board of itself is sufficient to justify its abolition and the appointment of a new board.

Even when the Board certifies bargaining agents, the employer is still at the mercy of those who would interfere with interstate commerce.

Let me cite you to another case decided day before yesterday, March 27, in the circuit court of appeals here in the District of Columbia. It is entitled "Fur Workers' Union, Local No. 72, et al., against Fur Workers' Union, No. 21238, affiliated with the American Federation of Labor, and H. Zirkin & Sons, Inc., a corporation."

In this plant there were 11 fur workers:

On several occasions prior to August 15, 1937, the appellant (C. I. O. union) had requested Zirkin's to acknowledge it as the sole representative of the fur workers for the purpose of collective bargaining, and to require the fur workers to join it and to negotiate a contract with it upon the subject of wages, hours, and conditions of employment. During this period prior to August 15, 1937, the appellant (C. I. O.) also tried, but without success except in respect to one of the employees—to wit, the appellant Schwartz—to persuade the fur workers at Zirkin's to join it.

Finally Schwartz did join, and thereafter Zirkin recognized the C. I. O. organization as the sole representative for Schwartz for collective bargaining, but refused to recognize it as the representative of the other fur workers, and also refused to encourage or require their membership in it.

It should be noted that, had Zirkin's required the other fur workers to join Schwartz's organization, it would have been guilty of an unfair labor practice.

On August 15, 1937, Schwartz went on strike and, with other C. I. O. members who were not employed at Zirkin's, picketed the plant. On the 27th another employee, Haley, joined the C. I. O.

On September 21, 1937, upon the application of 7 of the 9 fur workers, they received a certificate of affiliation from the A. F. of L., and shortly thereafter the 2 remaining workers joined the A. F. of L. unit. This unit, which numbered 9 of the 11 workers and which was an A. F. of L. affiliate, was then recognized by Zirkin's as the bargaining agent for its members, and a written agreement was entered into upon the subject of wages, hours, and conditions of employment, and the union was then recognized as the exclusive representative for collective bargaining of all the fur workers then in Zirkin's actual employment.

Among other things, the court said:

The picketing was in mass formation • • •. The purpose of the picketing was to coerce Zirkin's and its fur-worker employees to violate the agreement entered into with the appellee union and to cause Zirkin's to rescind its recognition of that union. The persons picketing Zirkin's place of business were disorderly in their

conduct, made assaults and attempted assaults upon the fur-worker employees at Zirkin's, intimidated and coerced them by threats of bodily harm, and interfered with customers of Zirkin's while they were entering or leaving the business establishment.

The court held that a labor dispute was involved and that, therefore, in view of the provisions of the Norris-LaGuardia Act, it was without jurisdiction to issue an injunction preventing the mass picketing, the violence, the intimidation, and the coercion.

There is no question but that, after the formation of the A. F. of L. union, it was the duty of Zirkin's, under the Wagner Act, to bargain collectively with the A. F. of L. union for its members. It would have been guilty under the act of an unfair labor practice had it refused so to do. Nevertheless, the court held that having complied with this law it could not protect Zirkin's from mass picketing, from violence, from a course of conduct that was injuring, and which might destroy, its business.

The court made these further statements:

The appellee Zirkin's separately urges upon the court the hardship to an employer who, indifferent to the choice of a collective bargaining agency by his employees, is caught between the upper and nether millstones of disputing groups or unions. The argument is that unless injunction can issue in such a situation the employer may well, for lack of other remedy, see his business destroyed, because neither union may be interested in applying to the National Labor Relations Board for an election and certification, and the employer is not, under the present terms of the National Labor Relations Act, given a right to invoke the jurisdiction of the Board to investigate and determine by election proceedings the appropriate bargaining unit and the agency reflective of the will of the majority of the employees.

And it is clear also that in the absence of a remedy for the employer the dispute may proceed indefinitely for lack of an invocation of jurisdiction of the Board by the competing unions.

It is clear further that in such a situation there is no remedy for the employer under the National Labor Relations Act. That act makes no provision for invocation of the election and certification powers of the Board by an employer. The result is an inequality before the law as between an employer and employees in this particular, namely, that while the employer has a substantive right to carry on his business, he lacks a legal remedy for protecting the same against injury through the struggle of competing unions, even though he be indifferent as to the choice of his employees between them; whereas the employees, in respect of their substantive rights of self-organization and collective bargaining, are afforded a protective remedy under the election and certification powers of the Board.

Such argument of hardship must be addressed to Congress in respect of the possibility of an amendment of the National Labor Relations Act in such manner as will give to employers a right to invoke the jurisdiction of the Board for a settlement of disputes concerning rights of representation.

The Supreme Court has held in Labor Board v. Jones & McLaughlin that the one-sidedness of the act is a matter of congressional policy which does not invade constitutional limitations.

There is nothing new in this latest decision except the statement of the Court pointing out to Congress that the remedy for the employer whose business is being destroyed by a jurisdictional dispute, by the failure of the N. L. R. B. to act, is by congressional action.

REPRESENTATION CASES

Complaint cases are those in which the employer has been charged with an unfair labor practice and arise under sections 8 and 10.

Representation cases grow out of the actions of the Board when section 7, which gives the employees certain rights, is involved, or the Board acts under section 9, which provides for the selection of representatives and elections.

In representation cases the Board makes findings, orders, and certificates, but not a "final order."

By section 9 the Board was, as stated, given authority to designate the proper unit, that is, the election precinct, or district, for the holding of an election for the choosing of representatives for collective bargaining.

The act, however, fails to provide for any judicial review of the orders, findings, or certificates of the Board made in, representation cases, which affect employees as vitally as doorders made in complaint cases, and, for that reason, employees are contesting the constitutionality of the act, on the ground that it is contrary to the fifth amendment, which provides in substance that no person shall be deprived of life, liberty, or property without due process of law.

It is the contention of some unions and of some employees that the contracts which exist between unions and their employees involve property rights; that the right to collect dues, that the right to enter into a contract, is a property right which cannot be taken from them without their day in court.

Those drawing the act apparently assumed that the acts of the Board in representation cases were similar to certain proceedings before the Interstate Commerce Commission providing for its procedure in valuation cases, and so indulged in the further presumption that the Board might be given power to do whatever it saw fit in representation cases.

It should not be forgotten that there are two distinct classes of cases which arise when the act is put in operation.

COMPLAINT CASES

In cases where it is alleged that an employer has been guilty of unfair labor practices the Board may on its own initiative, or at the request of a union or of workers, institute an investigation, and then, if it finds ground therefor, it may make a complaint for unfair labor practices against the employer. When this complaint has been made, a hearing may be had, testimony taken, and the issue may be decided, and that decision may be embodied in a final order. These cases are known as complaint cases.

From this order the employer may appeal, or it may acquiesce. If it acquiesces, and if it complies with the order, that is the end of the proceeding, and neither a rival union nor a worker, unless he has intervened in these proceedings, can appeal

If the Board desires to enforce the order against an employer who objects, it may then petition the circuit court of appeals for the enforcement of the order which it has made; and, again, the employer or a party who has been permitted to intervene may have his day in court.

EMPLOYEES DENIED DAY IN COURT

The other class of cases which arise under the operation of the act are the representation cases. These grow out of either voluntary proceedings taken by the Board itself or a request on the part of some person interested, by which the Board is asked to designate the appropriate unit for the election of representatives to carry on collective bargaining, or out of some finding, order, or certificate of the Board.

The Board may refuse to entertain such a request and from that refusal to call an election, or from the designation of a bargaining unit, or from the certification of representatives, neither the employer, the union, nor the individual who made the request can appeal.

If the Board grants the request, makes an investigation, and determines that the proper unit for the election of representatives is one plant, two plants, or all the employees of that particular company, or all the employees of all the employers in a designated locality, as, in the longshoremen's case, all the longshoremen on the Pacific coast, there is no way by which those aggrieved by such finding can appeal, for such finding is not a "final order."

WORKERS DENIED FAIR OPPORTUNITY TO SELECT THEIR REPRESENTATIVES

If the Board, after the investigation which it has made, determines that Union A has a majority of the employees in the bargaining unit, either plant, employer, craft, or subdivision thereof, neither the rival organization nor the independent employee has any right to appeal, for again a "final order" has not been made; there has been merely a certification.

About this rule there is no longer any doubt. It has been held by the circuit court of appeals that, even in complaint cases, where an unfair labor practice has been charged, if a final order has not been made by the Board, workers cannot claim to be aggrieved and have no standing in court.

If a final order be made in a complaint case and the Board appeals to the court for an enforcement of that order, or if the employer or a person intervening appeals to the court for the modification or the vacation of such final order, the Board

may then withdraw its final order and proceed anew, and employer and any intervening parties may again be subjected to another hearing (In re National Labor Relations Board, 304 U. S., 486; Ford Motor Co. v. National Labor Relations Board, Nos. 182, 183, present term, decided January 3, 1939).

Nor has the court as yet decided how many times the Board may vacate its final order when the validity of that order is challenged in court. It will be interesting to learn just how long this procedure of vacating final orders after a long period of time, during which employer, employees, and union have been at the mercy of the Board, can be continued.

The practice of permitting the Board to make a final order, to ask for its enforcement in the circuit court of appeals, and then to permit the vacation of that order which it had made, permit the Board to proceed anew and, for all that we know at this time, make another final order, again ask for its enforcement, and again, when challenged in the court, once more ask that the order be vacated, will eventually tax the patience of the people, if not of the courts.

The courts are not responsible for that provision of the law which permits such practice; we here in Congress are.

As the Board makes only orders, findings, and certificates in representation cases, no person, however greatly he may be "aggrieved," can appeal to the courts for a review of those orders, even though such order may in effect destroy his right to bargain collectively through representatives of his own choosing; even though such finding, order, or certification may destroy the union of which he is a member (Combustion Engineering Co., Inc., v. National Labor Relations Board, 95 Fed. (2d), 996; United Employees Association v. National Labor Relations Board, 96 Fed. (2d), 875; New York Handkerchief Co. v. National Labor Relations Board, 97 Fed. (2d), 1010; Unlicensed Employees Collective Bargaining Agency of the Marine Department of Sabine Transportation Co. of Dover, Del., Inc., v. National Labor Relations Board, decided November 12, 1937, by Circuit Court of Appeals, Fifth Circuit (unreported); Commercial Telegraphers Union v. J. Warren Madden et al., decided November 18, 1937, by Circuit Court of Appeals for District of Columbia (unreported); Supreme Court decision on December 6, 1937, 302 U. S. 654; American Federation of Labor, International Longshoremen's Association and Pacific Coast District International Longshoremen's Association, No. 38, v. National Labor Relations Board, decided February 27, 1939, by Circuit Court of Appeals for District of Columbia; Harris v. National Labor Relations Board, 100 Fed. (2d), 197; certiorari denied, United States Supreme Court, February 27, 1939).

The result of this interpretation and application of the law is that the Board may on occasion become, and, as charged by the American Federation of Labor, has become, a valuable ally of the C. I. O.

In the United Employees Association case, the United Electrical and Radio Workers was, on petition, certified by the Board as "the exclusive representative of all such employees for the purpose of collective bargaining in respect to rates of pay, wages, hours of employment, and other conditions of employment."

The Circuit Court of Appeals was asked by the rival union and by five employees as individuals to review the proceedings certifying the U. E. and R. W. as the agent for collective bargaining. On objection made by the Board, the Court said:

This is not a final order. It is in fact not an order at all. • • • Until the Board makes a final order by which some person is aggreeved, the proceedings of the Board may not be judicially reviewed or enjoined.

The effect of this is to deprive one union and all its members and all independent workers of their day in court.

Another case which shows how the Board can and does make a plaything of an employees' organization, defeat the purpose of the act, destroy a union, and deprive employees of the right to bargain collectively through representatives of their own choosing is that of *Harris* v. *National Labor Relations Board* (100 Fed. (2d) 197; U. S. Sup. Ct. No. 620, October term, 1938; decided February 27, 1939).

This decision was handed down by the Supreme Court on the same day the Court decided the Fansteel, the Sands Manufacturing Co., and the Columbian Enameling & Stamping Co. cases, and it attracted little, if any, attention.

It demonstrates as no argument could that the Board so far has been able to and has intentionally deprived employees of the right given them by section 7 of the act, to bargain collectively through representatives of their own choosing.

Let me repeat that charge: The National Labor Relations Board has knowingly and deliberately deprived employees of the right to bargain collectively through representatives of their own choosing. A charge of this kind is a serious one, but it cannot be successfully denied.

The facts are found in the records filed in the Harris case in the Supreme Court and in the Circuit Court of Appeals for the Third Circuit. An examination of the record and of the brief filed in the Supreme Court in behalf of the Board will disclose the following facts:

On July 13, 1937, a majority of the employees of the Calco Chemical Co., Inc., of Bound Brook, N. J., were members of an independent union—the Calcocraft—which was by the company recognized as the bargaining agent for its members.

A rival union, Chemical Workers' Local No. 20923, representing a minority of the employees, was recognized as the bargaining agent for its members.

The Calco Chemical Co. was owned by the American Cyanamid Co., which also owned and operated at Bound Brook another plant engaged in business somewhat similar to that of the Calco Chemical Co., and which was known as the Beetle plant.

the Beetle plant.

None of the employees in the Beetle plant were members of the Calcocraft union, but belonged to Chemical Workers' Local No. 20923, hereinafter referred to as chemical workers' local.

On the 13th of July 1937, the Calcocraft applied to the proper regional director of the Board, asking that it be designated as the bargaining agent for all of the employees in the Calco Chemical Co. plant.

On September 2, 1937, on charges filed by the chemical workers' local, the Board issued a complaint charging the Calco Chemical Co. and the American Cyanamid Co., which operated the Beetle plant, with unfair labor practices.

The Board on the next day consolidated the representation case wherein the Calcocraft had petitioned for a certificate of representation as the bargaining agent for all of the employees of the Calco Chemical Co, with the complaint case filed against the two companies.

Hearings were held, and on April 28, 1938, the Board decided the complaint case.

In the meantime, however, and I quote from pages 3 and 4 of the Board's brief filed in the Supreme Court in this case:

of the Board's brief filed in the Supreme Court in this case:

On March 28, 1938, the companies, the union, and counsel for the Board entered into an agreement of settlement, subject to the approval of the Board, with respect to the unfair labor practice charges alleged in the complaint as amended. Under the terms of the agreement the Calco Chemical Co., Inc., agreed to cease and desist from engaging in unfair labor practices and to take certain affirmative action, including the withdrawal of recognition from Calcocraft as collective bargaining representative of its employees and the "disestablishment of all relations to said organization." The agreement further provided that "On the basis of the record, the trial examiner's intermediate report, and this agreement, an order may be entered by the Board, and, if necessary, upon application by the Board, by the circuit court of appeals for the appropriate circuit" embodying the terms set out in the agreement. Accordingly, on April 28, 1938, the Board issued a decision and order setting forth its findings as to the jurisdiction of the Board and its order based on the agreement of settlement referred to above.

Vou will note by this agreement to which the Calcocraft

You will note by this agreement, to which the Calcocraft was not a party, the employees, members of the Calcocraft, were deprived of the right to bargain collectively through representatives of their own choosing. By this conspiracy on the part of the companies, the chemical workers' local, and counsel for the Board, section 7 of the N. L. R. A. was abrogated, rendered null and void.

Subsequently and on April 28, 1938, based upon this agreement of settlement, to which a majority of the employees in the Calco Chemical Co. were not a party, the Board entered an order dismissing in its entirety the complaint against the American Cyanamid Co., but requiring the Calco Chemical

Co., its officers, agents, successors, and assigns to withdraw all recognition at its Bound Brook, N. J., plant from the Calcocraft as representative of its employees for the purpose of dealing with them "concerning grievances, labor disputes, wages, rates of pay, hours of employment, or conditions of work, and disestablish all relations to said organization."

It also required the company to post in a conspicuous place for at least 30 days throughout all departments of its plants a copy of this order.

Now note this: There was no finding in this case by the Board that the Calcocraft was a company union; nor was there any decision by the Board that it was established, maintained, or assisted by any action defined in the act as an unfair labor practice.

Here was a union whose members were a majority of the employees in both of these plants, which represented a majority of the employees in the Calco Chemical Co. plant, which had been recognized by that company as the proper collective bargaining agent for its members, refused recognition as a bargaining agent.

July 7, 1938, almost a year after the filing of the petition by the Calcocraft asking that it be designated as the bargaining unit for all the employees in the Calco Chemical Co., the Board ordered an election and designated as the proper unit from which representatives for collective bargaining were to be chosen both the Beetle plant and the plant of the Calco Chemical Co., although employees of the Beetle plant belonged to the chemical workers' union, while employees of the Calco Chemical Co. were members, some of the chemical workers' local and some of the Calcocraft union.

The election was held, representatives of the chemical workers' union and of the two companies being allowed on the election board, while representatives of the Calcocraft were denied that privilege. The name of the chemical workers' union appeared on the ballot but the Calcocraft was denied a place thereon.

Notwithstanding these handicaps a majority of the employees in both plants, a majority of the employees in the Calco Chemical Co. plant, decided at the election conducted by the Board and by a ballot on which the name of the Calcocraft did not appear and on which appeared only the name of the chemical workers' local, that they did not want to be represented by the chemical workers' local.

Section 9 (a) of the act expressly provides that representatives designated or selected by the majority of the employees in a unit appropriate for that purpose shall be the exclusive representative of all the employees in such unit for the purposes of collective bargaining.

A subsequent proviso provides that any individual employee or group of employees shall have the right at any time to present grievances to their employers.

This National Labor Relations Board, which has had before it since July 13, 1937, a petition asking it to designate the Calcocraft as the proper bargaining agent, refuses to call an election submitting the question of whether the employees desired to be represented for bargaining purposes by the Calcocraft, forces the two companies into an agreement with the chemical workers' local and uses that forced agreement as the basis of an order denying a majority of the employees in the Calco Chemical Co. the rights given them by sections 7 and 9 (a).

The Board by its order not only forced the company, which had not been found guilty of an unfair labor practice by the Board, to withdraw recognition from the employees' union, but it expressly stated in its order that it must withdraw all recognition from the Calcocraft as representative of its employees for the purpose of dealing with them concerning grievances.

The inevitable result of this order of the Board was to destroy the organization of a majority of the employees. Does someone ask: Is there not some appeal from this arbitrary, this unfair action of the Board, which defeats the announced purpose of the act, which deprived the right of the employees to bargain collectively through representatives of their own choosing?

The answer, under the decisions of the courts, is an em-

For a review of the order so made by the Board on the 28th of April 1938 the Calcocraft filed a petition in the circuit court of appeals for the third circuit; and, among other things, as representing the workers, it challenged the constitutionality of the act, alleging that the employees and the union, the Calcocraft, had been deprived of their property without due process of law, in violation of the fifth amendment.

This petition was filed on July 28, 1938, and, on August 12, 1938, the Board gave notice that it intended to set aside its order of April 28, 1938, "for the purpose of further proceedings before the Board"; and, on August 18, 1938, the Board did set aside its order for the purpose of "taking such further proceedings herein as it may be advised are necessary or

Subsequently and on November 5, 1938, the circuit court of appeals, following the decision of the Supreme Court in Ex parte National Labor Relations Board (304 U. S. 486; 58 S. Ct. 1001; 82 L. ed. 1482), held that no transcript having been filed by the Board under section 10 (d), the Board might withdraw its order for further proceedings. This decision was affirmed by the Supreme Court of the United States on February 27, 1939.

The result is that since the 13th day of July 1937—a period of more than 1 year and 7 months—the employees of the Calco Chemical Co. who were members of the Calcocraft have been deprived of the right to bargain collectively through representatives of their own choosing.

It is indisputable that this act does not give to these union members, who constitute a majority of the employees of this company, the right to appeal from this decision of the Board, and that the Supreme Court of the United States has so held.

This being the situation, these being the facts-and they are the facts, and they cannot be successfully disputed—is there any reason why the N. L. R. A. should not be amended?

The purpose of the act is stated to be to give employees the right to bargain collectively through representatives of their own choosing. The Board so conducts its hearings, it so interprets the act, that this right is denied to employees, and the act as it stands denies to the employees so deprived of the rights guaranteed by the act a right of review in the courts.

In this particular case which has just been cited the employees were members of an independent union. In other cases, as in the Consolidated Edison Co. v. National Labor Relations Board case (59 U. S. S. C. Rept. 206; decided December 5, 1938), the Board has attempted to set aside contracts which existed between the A. F. of L. and the employer.

THE BOARD IS GUILTY OF SHARP PRACTICES

As showing the method followed by the Board, let me quote from a footnote on page 7 of the brief filed in the Calcocraft case, where it is said:

It may also be noted that this constitutional argument was not

And then let me call your attention to the fact that, on page 30 of the brief filed in behalf of the Calcocraft in that same case, we find this heading: "Summary of the Argument Against the Constitutionality of the Act."

That, again, on pages 7 and 8 of this same brief, we find the statement:

Petitioner also contends that he was prejudiced by the alleged failure of the Board to "grant a hearing" on the proposed vacation of its order. This contention as to the denial of a "hearing" is not properly before the Court, inasmuch as it was not urged in the court below in petitioner's "motion for decree granting relief sought by petitioner in his petition."

On page 39 of the petition for writ of certiorari filed in the Supreme Court we find a subheading referring to this hearing, printed in black-face type, where it was said, referring to the vacation of the order:

It was made without granting the petitioner a hearing.

On page 11 of the record filed in the Supreme Court setting forth the petition to the circuit court of appeals we find this statement in paragraph 18:

That said decision and order of April 28, 1938, were made without notice to the Calcocraft and without any hearing or opportunity for oral argument.

What opportunity is there for an employee or a representative of an employee to obtain justice when statements like these are found in briefs filed in the Supreme Court of the United States by the attorneys for the Board?

THE BOARD DESTROYS A. F. OF L. AFFILIATES

The power of the Board to force employees into one labor organization at the expense of another, to utterly destroy one labor union while building up another, is clearly illustrated by the decision of the Circuit Court of Appeals for the District of Columbia in a case entitled "American Federation of Labor et al., petitioner, against National Labor Relations Board, respondent," decided February 27, 1939.

In that case the C. I. O. filed a petition asking the Board to designate as the employer unit the entire west coast and to certify its affiliate as the exclusive bargaining agent.

The Board united in one unit for the purpose of electing representatives for collective bargaining some 200 or more employers operating in different coast ports from Canada to Mexico and it found that the C. I. O. organizations in this unit represented a majority of the employees of the whole.

The employers acquiesced in this finding, accepted the certification without question, and made a collective bargaining contract in which the C. I. O. was recognized as the exclusive representative of all west coast longshore employees.

In its brief filed in this case the Board, among other things,

The statute on its face denies to this court jurisdiction to entertain the petition or to take any action with respect to the Board's certification of representation because only final orders issued under ction 10 (c) of the act in unfair labor practice cases are reviewsection 10 (c) of the act in unfair labor practice cases are reviewable. The certification of representation here involved was not issued pursuant to section 10 (c), but pursuant to section 9 (c), and hence fails to come within the limited jurisdiction conferred upon this court, as has been uniformly held by the circuit court of appeals for the third, fifth, sixth, and seventh circuits, and hy this court (for the District of Columbia). Furthermore petitioner is not a person aggrieved by a final order. The court, therefore, has no jurisdiction to take any action in the matter.

It will be noted that the Board raised two questions: First, that the court had no jurisdiction to review its action establishing the unit for collective bargaining; and, second, that neither the A. F. of L. nor its employees was a "person aggrieved," under section 10 (f).

The circuit court of appeals held that the A. F. of L. was a "person aggrieved," but it agreed with the Board that, inasmuch as the certification, although final, was not a "final order," it had no jurisdiction to review the Board's finding.

Here we have a case where the Board threw into one unit the ports of Tacoma, Olympia, Port Angeles, San Francisco, Los Angeles, Seattle, and Portland, and about 25 smaller ports, and the total number of employees was said to be some 13,000.

The court in its opinion said:

The court in its opinion said:

Petitioner's (A. F. of L.) grievance grows out of the fact that in ascertaining the appropriate representative of the men the Board ignored the identity of separate employers or of separate ports and extended the employer unit to include the entire Pacific coast, with the result that the rival union was designated and certified as the sole representative—in consequence of which its own union was "put out of business" and its members obliged to become members of its rival and deal with the employer either exclusively through it or not at all. In short, that by reason of the Board's decision to enlarge the "unit" to embrace about 25 separate ports and the acceptance of its decision by the employers a situation has arisen as the result of which a so-called closed-shop contract may be entered into which will require petitioner's members, even where they predominate in a particular locality or business, to join the other union or possibly be displaced from their employment by members of that union.

Mr. SCHAFER of Wisconsin. Mr. Chairman, will the gentleman yield?

Mr. HOFFMAN. I yield for a question.

Mr. SCHAFER of Wisconsin. The American Federation of Labor has no cause for complaint about that decision, because it has taken the same action with reference to requiring closed-shop agreements in connection with the A. F. of L. and denying the right of individual citizens to bargain through representatives of their own choosing.

Mr. HOFFMAN. Of course, I am not speaking today for the A. F. of L. and I am not speaking for the C. I. O.; I am talking in the interest of the thirty-odd million workers who want to exercise the old American right to work wherever they can find a man who will give them a job and who will pay them. That is what I am talking about.

Mr. AUGUST H. ANDRESEN. Mr. Chairman, will the gen-

tleman yield?

Mr. HOFFMAN. I yield to the gentleman from Minnesota. Mr. AUGUST H. ANDRESEN. Does the gentleman believe the act needs amendment, or does the gentleman feel that if the Board should impartially and fairly carry out the law there would be no trouble?

Mr. HOFFMAN. No. The act must be amended for the reason that the employer nowhere is given the right to appeal in representation cases, nor in any case unless there is a final order; and for the reason that the Board, if it carries out the act-and I will read from the decision of the court-still denies to the employee the right to be represented in court or to have his day in court.

Let me quote further from the opinion in the Longshore-

men's case:

Enough has been said to show that we have here a controversy between two national labor organizations, both of which have appealed to the Board to resolve their conflicting rights and the rights of their members, and one of which claims that the unlawful action of the Board in the designation of an employer unit beyond the terms of the act has destroyed its property right and the property rights of its members and that, unless it can obtain a review by appeal to this court or some other circuit court of appeals it will be whelly without redress of early kind.

a review by appeal to this court or some other circuit court of appeals, it will be wholly without redress of any kind.

The Board denies jurisdiction on the ground that the action taken by it was the result of proceedings investigatory in character; that the act in the circumstances did not contemplate the issuance of any order, final, or otherwise; that its finding and decision do not require petitioner to do anything or to refrain from doing anything; and that petitioner is therefore not a person aggreeved nor the decision appealed from a final order which will confer jurisdiction upon a court.

Then, after finding that the certification and the decision of the court was not, within the meaning of the act, a "final order." the court said:

Accepting, as we must, this restrictive definition and applying it to the case at hand, we hold that, though the decision here was required by the act to be made and to be made on the evidence and argument after judicial hearing, and though it was definitive, adverse, binding, final, and in this case struck at the very roots of petitioner's union and destroyed its effectiveness in a large geographical area of the Nation, it was not an order because the act did not require it to be made in the language of command, and hence is reviewable, as was held in Shields case, supra, and in *Utah Fuel Co. v. National Bituminous Coal Commission* (— U.S. —, decided January 30, 1939), only in an independent suit in equity commenced in a district court.

In weighing the statement of the court in the Longshoremen's case that the remedy of the A. F. of L. was "only in an independent suit in equity commenced in the district court," we should have in mind the decision of the United States Supreme Court in the case of New Negro Alliance v. Grocery

Co. (303 U. S. 552).

In that case stores of the company were picketed by representatives of an alliance whose demand was that the management employ colored persons in its stores in certain localities. In answer to the company's petition for an injunction re-straining such picketing the Court held that there was a "labor dispute" within the meaning of the Norris-LaGuardia Act (29 U. S. C. sec. 113) and that, under that act, the Court was without jurisdiction to issue an injunction restraining such picketing.

If the Court cannot issue an injunction restraining picketing of, or interference with, the company's business when those making the demands are not even employees, how can a district court entertain an independent suit in equity to enjoin a Labor Board from issuing a certificate of representation to the representatives elected by the unit designated

by it?

Mr. WOOD. Mr. Chairman will the gentleman yield?

Mr. HOFFMAN. I yield for a question.

Mr. WOOD. The gentleman states that amendments have been introduced in the House and Senate and nothing has been done about them. Does not the gentleman know that after Senator Walsh introduced his amendments, which were sponsored by the American Federation of Labor, last month the executive council held a meeting in Miami, Fla., and until that council meeting adjourned we did not know exactly what changes the executive council would suggest or what amendments they would really sponsor?

Mr. HOFFMAN. I am aware of that?

Mr. WOOD. The inference has been made that the Senate and House Committees on Labor have been attempting to get away from this matter.

Mr. HOFFMAN. Pardon me. I did not yield for an argument. I yielded for a question. Mr. Chairman, I do not propose to yield further unless I can get more time. If I can, it is all right.

Mr. WOOD. I just want to make this statement so the gentleman may be clear on the matter and so there will not be any misunderstanding. I want the gentleman to be informed.

Mr. HOFFMAN. That is all right; go ahead.

Mr. WOOD. There is no disposition on the part of the House and Senate Committees on Labor—I know there is not on the part of the House committee—to smother these hearings. The hearings are going to start in the Senate on the 11th. The House committee has considered these amendments, and I myself believe there ought to be some amendment of the Wagner National Labor Relations Act.

That is a matter to be decided by the committee, and there has not been so much delay, because the executive council has not been adjourned very long, and we have several months left in this session of Congress, and I can assure the gentleman that the amendment will be con-

Mr. HOFFMAN. That is fine.

Mr. WOOD. By our House Labor Committee. I know they will be considered by the committee and not only by the House and by the Senate, but I am sure this Congress will be given an opportunity to vote on this matter before long.

Mr. HOFFMAN. I must decline to yield any further, and I thank the gentleman from Missouri, and the gentleman is absolutely right that the A. F. of L. did not decide until recently, but now they have proposed their amendment, and the President of the American Federation has made this statement:

Let the Members of Congress know you are standing with the American Federation of Labor, that you are supporting your offi-cers who are endeavoring to carry out orders and instructions of that convention.

Mr. WOOD. I want to say to the gentleman-

Mr. HOFFMAN. No; I do not yield further.

Mr. WOOD. Just for your information-this is not a matter of argument.

Mr. HOFFMAN. No; I am familiar with what the convention down at Houston did, and that is all right; but my complaint is that here in the House we have sat still and let this thing run along for a couple of years; and a further observation, in answer to the gentleman from Missouri, is that the A. F. of L. and the C. I. O. are not the only people who are interested in the Wagner Act. [Applause.]

Mr. WOOD. That is true.

Mr. HOFFMAN. Here are 30,000,000 other workers who are not represented by organized labor, and the general public is vitally interested in this law and its administration. Mr. WOOD. I may state to the gentleman that the Labor

Committee well realizes that.

Mr. HOFFMAN. Where a complaint that the company was engaging in unfair labor practices was made and the company and a group of employees sought to enjoin the holding of hearings, the Supreme Court, holding that the jurisdiction of the Board was exclusive until a final order of the Board was sought to be enforced or set aside, said:

The grant of that exclusive power is constitutional, because the act provided for appropriate procedure before the Board and in the review by the circuit court of appeals an adequate opportunity to secure judicial protection against possible illegal action on the part of the Board. No power to enforce an order is conferred upon the Board. To secure enforcement, the Board must apply to a

circuit court of appeals for its affirmance. And until the Board's order has been affirmed by the appropriate circuit court of appeals, no penalty accrues for disobeying it. The independent right to apply to a circuit court of appeals to have an order set aside is conferred upon any party aggrieved by the proceeding before the Board.

The order of the Board is subject to review by the designated court, and only when sustained by the court may the order be enforced. Upon that review all questions of the jurisdiction of the Board and the regularity of its proceedings, all questions of constitutional right or statutory authority, are open to examination by the court (Myers v. Bethlehem Shipbuilding Corporation, 303 U. S. 41, 48-49, Circuit Court of Appeals for the First Circuit).

It is all very well for the Supreme Court to say, as it said in the Myers case, that no power is conferred upon the Board to enforce an order; that to enforce an order it must go to the circuit court of appeals and that then an aggrieved party can secure a judicial review of the Board's action. Such a statement is like handing a stone to the man who asks for bread, when we remember that that Court, the United States Supreme Court, has also said in Harris against National Labor Relations Board, reported in One Hundred Federal (2d), page 197, and decided by the Supreme Court on February 27, 1939; and in the other cases to which reference has been made, that only when a final order has been made can such a review be claimed, and that findings and decisions of the Board destroying unions, depriving workers of their property, of their right to work, and to freedom of contract, are final findings and decisions, even though they be not, under the Court's interpretation, final orders subject to review.

As in the A. F. of L. Longshoremen's case, the certification of the Board sounds the death knell of the A. F. of L. affiliates. It takes from the A. F. of L. affiliates the right of property, their freedom to bargain, their ability to collect dues, which they have heretofore exercised under the A. F. of L.'s contracts with its members.

Nevertheless, although there is this deprivation of rights guaranteed under the Federal Constitution, there is forsooth no judicial review under the act, for the reason that there is no final order.

Oh, yes, do I hear you say, "But there is a remedy by an independent suit in equity, as was pointed out in the long-shoremen's decision by the Circuit Court of Appeals for the District of Columbia"?

Is not the losing union and the unattached employees in any jurisdictional dispute, where the employer has acquiesced in the certification of the Board or has entered into a voluntary contract with one union as the representative for all of its employees, caught between the decision of the Supreme Court in the Myers against Bethlehem Corporation case, the Harris against N. L. R. B. case, and other similar decisions, which hold that there is no appeal under the N. L. R. A. until a final order is made, and the decision in the New Negro Alliance against Grocery Co. case, which holds that, where a labor dispute is involved, the Court, except in certain specified instances, is without jurisdiction to give relief?

Of what practical value is the statement of the United States Supreme Court in the Myers against Bethlehem case, to the effect that all questions of the jurisdiction of the Board and the regularity of its proceedings, all questions of constitutional right or statutory authority, are open to examination by the Court, when that review is by the Court itself limited to those cases in which a final order has been made, and we know that there are cases like the Longshoremen's and the Calcocraft cases where no final order has been made; or, if made, has been by the Board vacated?

The truth is that this act, as interpreted by the Board and the courts up to this time at least, gives the Board authority to destroy a union and to deprive employees of the very rights guaranteed them by the act creating the Board.

How much longer will we sit here and permit this misinterpretation, this maladministration, of the law, which is causing so much strife; which is so hampering and hindering business; which is depriving employees of the rights which the act was passed to protect, to continue? Most humbly and with due deference, to assist in remedying the evils which have been pointed out, H. R. 4990 is submitted for your serious consideration. [Applause.]

[Here the gavel fell.]

Mr. TARVER. Mr. Chairman, I yield 20 minutes to the

gentleman from Kansas [Mr. Houston].

Mr. HOUSTON. Mr. Chairman, at the outset, I want to pay tribute to the chairman of this subcommittee. I do not believe I have ever come in contact with a man who was more amiable, more capable, more efficient, and who had a more analytical mind than the chairman of this subcommittee, the gentleman from Georgia [Mr. Tarver].

As he told you a few moments ago, I presume this is one of the few times in Congress when a subcommittee composed of both majority and minority Members unanimously agreed on an appropriation bill. That is the case in this instance—

100 percent agreement all the way along the line.

What I want to talk about this afternoon for a few minutes is one phase of this bill. That is, the Employment Service. I know when a bureau comes here and asks for a lot of money we never know what they are going to do with it. They may have it covered up or do something about which they have not informed the committee. For instance, there is a story: A fellow said he was put in jail. They asked him what he was in jail for. He said, "Because I did not build a church." "How is that?" He said, "Well, they passed the hat around and they collected \$25,000 and gave it to me, and I forgot to build the church. That is the reason I am in jail." So we want to know what they are doing with the money we have given them, and that they are justified in having it.

I want to explain some of the features of the Employment Service.

Finding jobs for its citizens is one of the major tasks of this Government. This consideration is basic in the present activities designed to encourage and stimulate employment opportunities in private enterprise. The same consideration underlies our thinking on the subject of public-work and work-relief programs.

The United States Employment Service in the Department of Labor is the one agency of the Federal Government which tackles this problem most directly and which uses all of its energies to help place men in jobs. Naturally the other side of the work of the Employment Service is to help employers find the best available workers to fill the jobs which they have open.

The Public Employment Service in this country is a Federal-State cooperative enterprise. That is as it should be, for while the problem of unemployment is a national problem, on the firing line the problem of matching jobs and men is essentially local. If public employment offices are to succeed as agencies for bringing together job seekers and employment opportunities, they must of necessity be closely related to their local community conditions.

The system of public employment offices in this country is composed of the United States Employment Service—created by the Wagner-Peyser Act of 1933—and of affiliated State employment services in each one of the 48 States and the Territories of Hawaii and Alaska. These State employment services operate at the present time nearly 1,700 local employment offices situated in all parts of the country.

Each of these local employment offices is an established community institution, where workers of all types in search of jobs may file their applications and may be aided in their search for employment. At the same time these local employment offices represent agencies to which employers can look for supplying every kind of labor requirement.

The qualification of the applicants represents the sole basis upon which they are selected from the files for referral to employers in response to their orders. The principle of the best man for each job and a fit job for each applicant underlies all the work of this agency.

This is a free service to both workers or employers. Therefore, no worker is obligated to pay a percentage of his first week's wages to the public employment agency for the help he has received in finding a job.

At these same local employment offices a worker covered by one of the various State unemployment compensation acts files his claim for unemployment compensation benefits when he is out of work. He comes to the office first of all seeking a job, and if a job is not to be had, to claim his benefits.

From these same offices workers are referred to publicworks projects and to work-relief projects; special attention is given to the employment needs of veterans, as is provided in the Federal statute; also assistance in the placement of the vocationally handicapped is rendered through these offices and juniors and other individuals in need of vocational information or counseling receive accurate employment information.

Thus, in a very effective and real sense the Employment Service of this country represents the center of what we might term a work approach to our solution of the unem-

ployment problem.

Any real American citizen would rather have a job than a dole, would rather have a job at prevailing rates of wages in private employment than in work relief, and certainly would rather have work than unemployment compensation benefits. The Employment Service is Government's agency

to find jobs.

How has the system worked? In the fiscal year ending June 30, 1938, a total of 2,900,000 jobs were filled by the Service. Of these 1,963,000 were in private employment, 895,000 on public-works projects, and 42,000 on work-relief projects. The total number of jobs in private industry which were filled represented 834,000 regular positions and 1,129,000 temporary.

During the same 12 months 12,014,000 applications for work in all occupations were filed at these employment offices. At the end of the fiscal year the active files of the employment offices contained 7,830,943 applications.

Looking over a still longer period of time, in 5 years of operation of the Employment Service in its present form from July 1, 1933, through June 30, 1938, over 23,000,000 jobs have been filled and almost 63,000,000 applications for work have been received in the offices. These registrations represent 33,500,000 new applications and 29,300,000 renewed applications. Special service for veterans as conducted by the Employment Service has resulted in, over the 5-year period, the filing of 2,133,000 jobs for veterans.

Mr. HINSHAW. Mr. Chairman, will the gentleman yield for a question?

Mr. HOUSTON. I yield; yes.

Mr. HINSHAW. What has been done toward consolidation of the Employment Service of the Department of Labor and the Social Security Board under the Employment Com-

pensation Act?

Mr. HOUSTON. I may say to the gentleman that there is a little controversy between the Social Security set-up and the Department of Labor, as I will explain in a moment. We get \$28,000,000 from the Social Security Board in furthering the field work of this office in the next fiscal year. There is a bill in another body to take this activity away from the Department of Labor and put it into the Social Security, and by the same token there is a bill of the House seeking to put it all under the Department of Labor.

Mr. HINSHAW. I do not know that it is a matter of great concern where it is, but does not the gentleman think that some false moves, so to speak, might be saved through

some consolidation or coordination?

Mr. HOUSTON. Absolutely. I would be in favor of it. My position is that it should remain in the Department of Labor in its entirety.

Mrs. ROGERS of Massachusetts. Mr. Chairman, will the gentleman yield?

Mr. HOUSTON. I yield.

Mrs. ROGERS of Massachusetts. The gentleman feels the Department of Labor was created to make jobs for people and to find jobs. They have all the statistics for that purpose. They know all the labor laws, and so forth.

Mr. HOUSTON. Absolutely. That is right. That is, the Employment Service of the Department of Labor; yes.

Mrs. ROGERS of Massachusetts. And it should go there, if consolidated, rather than go to the Social Security, which is an insurance and unemployment compensation commission, and it is the course of least resistance to pay that rather than to find jobs.

Mr. HOUSTON. I think that is true.

Mrs. ROGERS of Massachusetts. I think that has the endorsement of labor, has it not? Labor has endorsed it to me. I know the veterans have endorsed it also.

Mr. HOUSTON. I think it has the endorsement of labor

and the veterans both.

Public employment service in this country has become a permanent institution. It has a necessary job to go in good

times as well as in periods of depression.

The system of financing the public employment offices has been very complicated. Moneys have been received from an appropriation made under the terms of the Wagner-Peyser Act, which created the present United States Employment Service in 1933. This is the appropriation under consideration in the report of this committee. The States must appropriate for this activity in order to receive their apportionment of Federal funds provided for in this bill, and in many instances local communities also contribute financially to their local employment offices. In addition, there have been vast sums received for this purpose from work relief appropriations, and grants running into millions of dollars are now made by the Social Security Board.

The appropriation bill for this activity for the fiscal year 1940 represents a simplification and an economy in the

finance of this agency.

The report of this committee recommends an appropriation of \$4,622,640 for the United States Employment Service, exclusive of departmental allotments. This amount is \$1,829,640 more than the appropriation made under the Wagner-Peyser Act last year; but, as can be clearly demonstrated, the increase in this particular appropriation is more than offset by the fact that no moneys will be sought for the operation of this Service through emergency appropriations in the fiscal year 1940.

Of the total amount of the appropriation, \$3,480,000 are earmarked for payments to the States on a basis of population, to be matched by State moneys and used for the operation of State employment services. This part of the appropriation represents an increase of \$1,530,000 of the similar cash appropriation made last year. But the authorized apportionments among the States are in both years upon a basis of a total of \$3,000,000. Since funds appropriated under the Wagner-Peyser Act for allocation to the States do not revert to the General Treasury if unexpended during a single fiscal year, but remain available for reapportionment among the States, the United States Employment Service had, during the present fiscal year, an accumulated reserve of funds not used in the earlier years of operating the service.

With the complete expansion of the State employment service to cover all 48 States and the two Territories, this accumulated reserve has naturally been depleted, and the Congress is therefore called upon for the fiscal year 1940 to appropriate the full amount of the normal annual apportionment of \$3,000,000, plus an additional amount totaling \$480,000 to cover the difference between the cash appropriation made last year and the actual expenditures to be made during the fiscal year 1940 from the authorized allocation to the States upon a basis of \$3,000,000.

The balance of the total appropriation recommended by the committee for the United States Employment Service, exclusive of allotments from departmental funds, is \$1,142,640 which is to be used for the general administration of the service and for the conduct of the Veterans' Placement Service, the Farm Placement Service, and the District of Co-

lumbia Employment Center.

Again this amount indicates at first an increase over the similar appropriation for the fiscal year 1939, but attention should be called to the fact that during the present fiscal year there is being expended approximately \$1,612,000 for

these same purposes, the difference coming from the supplementary appropriation to the United States Employment Service made in the last Congress as a part of the Work Relief Appropriation Act. The committee is assured by the Department of Labor that no funds will be sought by this agency from emergency funds for the fiscal year 1940 provided this appropriation is made in accordance with the committee's recommendation.

Therefore, there is in this category of expenditures of the United States Employment Service a net saving between the current fiscal year and the proposed expenditures in 1940 of approximately \$236,000.

This is not an emergency activity which is now proposed to be carried on upon a permanent basis. The emergency activities of the United States Employment Service, which have been carried on by its branch organization known as the National Reemployment Service, will have been completely liquidated by the end of the current fiscal year.

The employment services of this country represent a permanent organization of State employment services in the 48 States with a Federal service in the Department of Labor, which is authorized by the Wagner-Peyser Act to promote and develop a national system of public employment offices. The Federal service assists the States financially and administratively. It coordinates the work of public employment offices throughout the country. It prescribes and maintains uniform standards of efficiency.

The State employment services in 1940 will cost approximately \$35,000,000, to be financed \$7,000,000 from State appropriations and Federal matching money appropriated under the Wagner-Peyser Act and \$28,000,000 through grants made by the Social Security Board to the State agencies administering unemployment compensation.

It is the responsibility of the United States Employment Service to supervise the total activities of these State employment services. Therefore, the funds totaling \$4,622,640 sought for the administration of this service-including the operation of Farm Placement Service, the Veterans' Service, and the District of Columbia office, but exclusive of departmental allotments-represent only 4 percent of the total cost of the public employment services in the United States. This ratio of administration to total cost has been reduced by the United States Employment Service from 11.6 percent in 1936. [Applause.]

Mr. ENGEL. Mr. Chairman, I yield 10 minutes to the gentleman from Wisconsin [Mr. Hawks].

Mr. HAWKS. Mr. Chairman, it should be apparent by this time that the Wage and Hour Act is absolutely impossible from an administrative standpoint. From all over the country are coming complaints that spring from practically every type of business or business organization. I have no desire to make a personal attack upon Administrator Andrews, because he probably is doing the best he can with a very bad law.

But I do believe that it is imperative that this Congress either abolish the act entirely or change it so that industry and labor will not be further penalized. The New Deal administration by ridiculous legislation of this character has completely hamstrung private enterprise in this country, has completely discouraged management, and driven capital into deeper despondency. We might just as well face the facts right now; and if this Congress is sincere in its desire to put private business back on its feet, it will change or completely abandon this socialistic type of legislation.

From my district come innumerable complaints from small telephone companies, from small canning factories, from farmers and others engaged in business related to agriculture. The act not only penalizes the business itself, but the evidence that I have received conclusively proves that labor will get the short end of the deal.

Agriculture today is completely demoralized, and this type of legislation just adds to the misery of those engaged in that industry. By limiting the operating time of our canning

factories and by restricting the hours of labor, the canner suffers, the man working in his plant is restricted, and the farmer is penalized because he cannot market his crops at the time they are ready to go to market. In this respect the law attempts to regulate nature; and somebody has more control over that than the New Deal administration. When peas, corn, tomatoes, and other crops are ready to harvest. they must be taken care of; and a law that says that your factory must be closed because you have already consumed the time allotted to you under the law, creates a situation wherein the farmer suffers a total loss. Anyone who has lived in a district wherein the canning of farm products is a major factor in the agricultural industry knows that there can be no restrictions on hours of labor or upon the number of days the factory can operate.

If this act was designed to help agriculture, industry, and labor, it certainly has completely missed its goal.

Mr. Chairman, I have a few of the letters that I have received from small, locally owned telephone companies in Wisconsin. Here is a part of one from the president of the Pacific-Wyocena Telephone Co., which says:

We are a company of 102 telephones. In 1938 our total revenues were \$1,654.85, while our total expenses were \$1,740.44, leaving a deficit of \$85.59. We hire one operator, who has the switchboard in her home, and to whom we paid \$965.35 for her services in 1938. As you can see, if we are forced to employ extra operators, we would have to increase the rates materially. We venture to say that most of our subscribers would discontinue the telephones rather than to pay considerably higher rates.

Most of their subscribers are farmers, and I am quite sure that the farmers would not pay the additional rate necessary to meet the additional labor cost involved in compliance with the wage and hour law.

Here is a letter from the recording secretary of the Wisconsin State Telephone Association, in which this statement is made:

If this law is enforced as written, it means that practically every telephone exchange with less than 1,000 subscribers, which is being operated manually in the State of Wisconsin, is going to be—

(1) Forced out of business entirely, or

(2) Obliged to curtail the service to 8 hours per day and eliminate night, holiday, and Sunday service, or
(3) Obliged to raise rates and at the same time curtail service, or

(4) Forced to install machine or automatic central office switch-

(4) Forced to install machine or automatic central office switching and discharge the present force of operators.

Scattered throughout Wisconsin there are upward of 600 telephone exchanges, serving approximately 2,250 localities, each with less than 1,000 subscribers, and if it were possible to increase rates to meet the requirements of the above law it would be necessary to add to the existing yearly rates from \$7.50 to \$15.40 for each telephone as the various steps in the act become effective. We know this is not practicable. The small town or rural subscriber could not afford to pay that much; indeed, in all too many instances, he cannot pay the present rates. Therefore, if such an increase were attempted, it would definitely result in wholesale disconnection of telephone service. disconnection of telephone service.

Mr. CLEVENGER. Mr. Chairman, will the gentleman yield?

Mr. HAWKS. I yield.

Mr. CLEVENGER. I may say to the gentleman from Wisconsin that I can produce 15 letters telling of exactly similar conditions in my district, tales of hardship on little telephone companies.

Mr. HAWKS. I thank the gentleman for his contribution. Not only is that the situation in Ohio, but I understand similar situations exist in Texas and many other States in the Union.

The entire wage and hour law, as it affects the small, locally owned telephone companies, apparently has a most terrible effect upon exchanges with less than 1,000 stations. A typical instance is represented by this letter from the Commonwealth Telephone Co., of Madison, Wis., from which I read the following:

The Commonwealth Telephone Co. at December 31, 1937, operated 110 exchanges and their surrounding territory in the State of Wisconsin serving 41,878 stations. Of these 110 exchanges, all but 7 serve less than 1,000 stations, and in order that you may be

.00

informed of the relative importance which the small exchange bears to our operations, the following tabulation is given:

	Nun	nber of exc	hanges	Number of stations			
Size of exchange	In group	Percent of total	Accumu- lative percent	In group	Percent of total	Accumu- lative percent	
1–250 stations	58 26 15 4 6	52.7 23.6 13.7 3.6 5.5	52. 7 76. 3 90. 0 93. 6 99. 1 100. 0	6, 629 8, 709 9, 042 3, 608 8, 217 5, 673	15.8 20.8 21.6 8.6 19.6 13.6	15. 8 36. 6 58. 2 66. 8 86. 4 100. 0	
Total	110	100.0		41, 878	100.0		

You will notice from the above that of our entire group of exchanges, 93.6 percent serve less than 1,000 stations each. In contrast to this, however, these same exchanges serve a total of only 27,988 stations, or 66.8 percent of the total stations served by the company, and contribute to the total earnings of the company to a still lesser percent. As regards this latter statement, the following is given:

Size of exchange	Net operating income	Percent contrib- uted	Cumula- tive percent
1–250 stations	\$2, 251. 42 23, 082, 37	0.9	0.9
501-750 stations	48, 943. 99	19.3	29.3
751-1,000 stations	17, 037. 53 57, 434. 29	6.7 22.6	36. 0 58. 6
Over 2,500 stations Toll system	70, 938. 77 34, 302. 61	27. 9 13. 5	86. 5 100. 0
Total	253, 990. 98	100.0	

From this analysis it may be seen that more than half (64 percent) of our income from which to pay bond interest and preferred-stock dividends is contributed by the toll or long-distance system and by those exchanges serving more than 1,000 stations. Incidentally, of the 2,049 shareholders of the preferred stock of the company, 1,921, or 94 percent, are residents of the State of Wisconsin. Shareholders are located in 54 of the 71 counties of the

Commonwealth Telephone Co.—Effect on net income, applying Fair Labor Standards Act of 1938, to operations for the year 1937

Total	operating	revenues				\$1,	145,910.08
Total	operating	expenses,	taxes,	and	depreciation		891, 919. 10

Total operating revenues	\$1, 145, 910, 08
Total operating expenses, taxes, and depreciation	891, 919. 10
Net operating income	253, 990. 98
Other income—net	2, 479. 00
Income available for fixed charges	256, 469. 98
Total fixed charges	113, 617. 10
Net income	142, 852. 88
Preferred stock dividend requirement	76, 177. 88
Income to surplus	66, 675, 00
Additional annual pay-roll costs:	Total Stores
First year	74, 407. 60
Second year	112, 634, 36
Third to sixth years	114, 280, 16
Seventh year and after	203, 503, 84
Income balance after payment of bond interest, revised to reflect additional pay-roll costs:	
First year	68, 445, 28
Second year	
Third to sixth years	
Seventh year and after	1 60, 650. 96
Income balance after payment of preferred-stock dividends, revised to reflect additional pay-roll	Z TOTAL
First year	17, 732, 60
Second year	
Third to sixth years	1 47, 605, 16
Seventh year and after	1 136, 828. 84

1 Deficit.

The effect of the law on another industry is shown in the following letter I received from the Kohler Co., of Kohler, Wis., dated March 10, 1939:

Bill H. R. 4645, by Mr. Thomas of Texas, has come to my attention. The purpose of the bill is to exclude from the maximum hours provision of the Federal wage-and-hour law clerical employees and the like who are employed on an annual salary of \$1,200 or more, with paid annual vacations and with no deductions in pay for reasonable sick leave.

Our company, like most Wisconsin employers, is not much concerned about the minimum-wage provisions of the act, because our wage scales are greatly in excess of the minimum. However, the maximum-hour provisions have proved to be a nuisance because the Administrator has construed the act very broadly to include many people whom Congress certainly did not have in mind when they passed the law. Under the Administrator's strained interpretations some of our salaried people receiving several hundred dollars a month are subject to the overtime provisions of the act.

It was the common understanding when the law was passed that its purpose was to help the lowest-income group. Mr. Thomas' amendment will help to restore the law to its proper field.

We respectfully request that you use your influence to bring Mr. Thomas' bill to a vote during this session and assist in its passage. If the administration is serious in its business-appeasement program, this bill affords an opportunity to show it.

Its effects on still another industry are reflected in the following portion of a letter I read from the Marathon Paper Mills Co., of Rothschild, Wis.:

We are fully in accord with full exemption for office employees for

we are fully in accord with full exemption for once employees for the following reasons:

1. The average of weekly hours worked by office employees throughout the year, taking into consideration vacation time, leave of absence on personal matters, and sickness, we believe, is less than 44-hours per week.

44-hours per week.

2. Most office workers are given 2 weeks of annual vacation with pay to compensate them for overtime and extra service rendered throughout the year.

3. In cases of sickness and for other personal absences very rarely is any deduction made from the employees' pay.

4. In most well-organized offices overtime is limited to monthly closing of the books, taking inventory, and other special matters desired by major executives, who are excluded from the hours' limitation under the act.

5. The pay of office workers is often influenced by length of service as well as the efficiency of the employee, and in the average business the weekly pay is well above the minimum provided by the Wage and Hour Act.

6. Office workers have, as a rule, a certain freedom of action and

and Hour Act.

6. Office workers have, as a rule, a certain freedom of action and cpportunity for advancement not accorded factory workers. Self-thinking is encouraged, initiative is welcomed, and a spirit of "your own boss" attitude is prevalent. Clock punching and other routine matters associated with hourly paid jobs are not welcomed by

matters associated with hourly paid jobs are not welcomed by salary-paid workers.

Finally, we are fully in accord with the primary purposes of the Wage and Hour Act in the elimination of starvation wages and excessive hours of work, but we do not feel that the law was framed

wage and Hour Act in the elimination of starvation wages and excessive hours of work, but we do not feel that the law was framed to apply to the average office worker, who has always enjoyed privileges not accorded the factory worker. We believe that any limitation of hours worked and salaries paid as affects office workers should be placed on an annual rather than a weekly basis, commensurate with the type of job and qualifications of the employee. We recognize that in minority cases the office workers require protection, but do not believe that the majority should be penalized for faults of the minority. So much for the office workers.

With regard to hourly paid employees, we believe that the present law penalizes employers for granting vacations to hourly paid employees, especially in continuous-process industries, such as ours. We suggest that the law be amended to exclude overtime bonus to be paid for time workers over the weekly fixed schedule because of absence due to vacations, sickness, and for other causes not attributable to the employer. At present when men are off because of injury, workmen's compensation is paid, and if a substitute employee is hired, unemployment insurance is paid at the time of his release. If no substitute is hired and another man works beyond the 44-hour limit voluntarily to hold the job for the incapacitated fellow employee, the employer must pay overtime bonus. These conditions penalize the employer and, in our opinion, should be corrected. be corrected.

[Here the gavel fell.]

Mr. TARVER. Mr. Chairman, I yield 5 minutes to the gentleman from Pennsylvania [Mr. Faddis].

Mr. FADDIS. Mr. Chairman, I rise today to make a few remarks in connection with the appropriation bill for the Department of Labor concerning the technological displacement of labor in the United States. This is one of the most serious problems, in my estimation, with which we have to deal, a problem that, dodge it as we may, eventually we must solve.

I am not one of those who wishes to be marked down as being opposed to progress, for I know the benefits that machinery has brought to mankind, I know the part machinery has played in the development of this Nation; but I believe we reached the point some years ago where we were beginning to be supersaturated with machinery. I believe that for the past 15 years we have been becoming more and more supersaturated with machinery. Let me illustrate: Food is improved by a certain amount of salt; it is made palatable. More salt makes it unpalatable, and still more salt makes

it absolutely inedible. Let us take the coal-mining industry. I am told that last year the displacement of labor by loading machines ran up nearly to 90,000 miners. This represents 90,000 men displaced by machinery and sent out into the country to search for jobs in an already glutted labor market; 90,000 men who were very poorly provided to go out and shift for themselves in any other industry.

The theoretical argument for this labor-saving machinery is that it would cheapen the product, but this has not been so in relation to bituminous coal, for the result has been that the operator has absorbed the profits and the miners have been put out of employment. Another example is afforded by the steel industry, in which today 15,000 men do the work that 100,000 men did 30 years ago. Thirty thousand men have displaced 85,000. Eighty-five thousand men have been thrown out of employment throughout the Nation to hunt employment, and no employment to be had.

Take the glass industry: Here the displacement of labor by machinery has been almost as large.

I spent 10 years of my life in the general contracting business, and during those 10 years I saw two-thirds of the labor in that industry displaced by machinery. I saw the roads costing the taxpayer one-third more. What had we accomplished by the installation of this machinery? We had gained merely in the element of time. We had displaced all this labor in order to gain a little advantage in time.

What about the displacement of both labor and animals by machinery in agriculture? Horses and men both are being displaced by machinery which eats no wheat or oats. At the same time production is being increased to the point where we have a large surplus. At one and the same time we are increasing production and cutting down consumption.

If you will take almost any industry of this Nation you will find that great inroads among the laborers have been made by machinery. Of course, I realize that there are machines which have been labor creating, such as the automobile, the radio, and various others. I realize also there are certain types of machinery which prevent men from being put at hard, arduous, and dangerous toil, and they are justified. I know and everyone else knows who is a close observer of this matter that throughout this Nation in a great many instances this machinery has been installed merely to displace men in the interest of time. The result is unemployment and its resultant poverty, distress, and labor disturbances

When a man is displaced by a machine he is a nonconsumer. He cannot buy the products made by that machine. Therefore, the buying power of the entire Nation is diminished.

Mr. Chairman, various solutions have been advanced, among them the proposition of shortening hours in order to take up this slack. Another solution which has been advanced is the taxing of machinery, so that the unemployed may be supported by money obtained in this manner. Neither one of these solutions will solve the problem. Both are paternalistic in nature. In applying them we are sure to run into the question of diminished returns, because the expense of the product is increased, and that falls back onto the ultimate consumer and there is less demand for the product which creates still more unemployment.

Mr. Chairman, I have introduced a resolution to have a committee appointed, not a congressional committee of investigation, but a committee which I hope will do something along this line, a committee to be composed of one man from the Department of Labor, one from the Department of Commerce, one from the A. F. of L., one from the C. I. O., and two from the United States Chamber of Commerce. I have introduced this resolution in the hope that we could get a committee appointed which would make a complete investigation of this matter and see to what extent labor is being displaced merely in the interest of gaining time. When this is known, then it will be possible perhaps to devise some remedy to solve this most serious problem.

It is all very well to attempt to solve this problem by resorting to theoretical answers and trick figures to show that machinery is creating more jobs than it is displacing workers. Such an answer may satisfy those who prefer not to think the matter through. As for me, I desire a practical solution. We have our mass of unemployed, which is constantly increasing. This is a concrete condition and one which is not to be banished by any set of trick figures or any number of theoretical answers. It is time we ceased to be lulled into a false sense of security in regard to this

matter by the sedative of theory. [Applause.]
Mr. ENGEL. Mr. Chairman, I yield 20 minutes to the gentleman from Montana [Mr. Thorkelson].

Mr. THORKELSON. Mr. Chairman, it is well for the majority Members in this Congress to realize that if we follow the same uncharted course we have sailed upon for the past 6 years, the ship of state will be wrecked upon the most unsound and treacherous policy ever conceived by any parliamentary body not bent upon willful national destruction. I say this deliberately without the slightest fear of successful contradiction. We have reached the period when it is no longer safe to remain indifferent to danger which will be more devastating than foreign war.

It occurs to me that encouragement should be given to anyone who still believes in the principle of constitutional government, and who has the patriotic fortitude to express such principles in spite of the fact that they are believed to be obsolete.

I have just about reached the conclusion that the cause for this indifference may be charged against failure of early training. We have too little patriotism at home, and hardly any in our schools. As a matter of fact, national idealism and familiarity with the characters of our early founders are practically unknown in our schools. Familiarity with basic constitutional principles, which in reality is the very foundation of national security, is practically unknown to high school students.

We hear instead that our Nation is a democracy in which the rules may be changed every day to suit the convenience of the proponents of such changes.

I wonder if it would be possible to enforce a curriculum in our high schools receptive to a republican form of government? It is the really fundamental principle of our Nation which we must observe in order to be sound. There is not a Nation in the world that can survive permanently under the guidance or upon the policy of a pure democracy, because such government is not only unstable but it is subject to the whims and moods of a majority. There is really nothing to tie to in a democratic government, for it has no permanent basis for existence. There is hardly any difference between a true democracy and a socialistic government, for both of them believe in common ownership of property when it belongs to someone else.

We have the Constitution of the United States, which gives us the rules of conduct upon which we must rely for perpetuation of sound government, and when we deviate from that we are lost. Such is our position today, and I am interested in passing this information on to every patriotic man and women who has the interest of our country at heart. If I can arouse such public interest, my cup of happiness will be full, and it shall be my greatest compensation. I believe that I understand the importance of sound government in its relation to the general welfare of future generations, and I am, because of that, an advocate of national security. I recognize the losses we have sustained to date, and I am apprehensive of the persistent attempts which are made to deprive us of further rights and liberties which we have enjoyed in the past.

If our people sit idly by and constantly take it on the chin. they invite destruction and become victims of their own indifference. Persistent attempts are being made to convert our republican democracy into a socialistic state to be ruled by a minority whose power is in the control of the Nation's gold and money. Let us not forget that money is a greater power than the Government itself, and that the New Deal administration has deprived us of gold security and made beggars of our people by placing them in subservience to this minority. The very power derived from control of money has made it possible for this small group to acquire control of news agencies for no other purpose than to keep the public ignorant of the real state of affairs. Many publications, pictures, and radio stations are controlled by this same group—for what purpose? To feed socialistic and communistic poison to our people. This same insidious group is entrenched not only in Washington but in the larger cities throughout the United States, and is in apparent harmony with various departments in the Federal Government.

How long will the American people tolerate this condition? How long do you suppose they will be satisfied as servants to our money barons? In the spirit of their forefathers I hope they will awaken and step forth for their own safety and for the protection of their children. I earnestly and sincerely hope that the people will insist that Congress adhere to the Constitution as it is and not as the New Deal and the Supreme Court believe it should be-to please an Executive.

I came to Congress a firm believer in the State and the people's rights, and I supposed Congress shared the same faith. I am now disillusioned, for there seems to be little respect for such rights in the New Deal membership. I say now that there will be no recovery or prosperity in this grand and glorious country of ours until the people insist that the States resume their sovereign rights. The States must re-sume complete powers as reserved by them in the Constitution to direct the destiny of the Federal Government and shape the national policy by control of Congress. Our Government was conceived with such idea in mind, and the Constitution of the United States reserves such power to the States and to the people, respectively. It is now up to the States and the people to take this power back and tell the Federal Government where to head in. If this is not done, something may happen that will not be for the general welfare of the people or for promotion of national security.

Speaking from personal observation, which is based upon my 3 months' membership in the House of Representatives, I do not hesitate to say that nothing constructive can be expected from the New Deal majority in the present Congress. This is not entirely based upon my personal opinion, but, rather, from expressions as propounded by the majority on the floor of the House. Only recently many of these Members said. "Congress cannot reorganize the Government, and is not going to do it." In this statement, in which incompetence is admitted, I concede they express the personal opinion of their own ability, which I shall not contradict.

I want my colleagues to know that this philosophy is not accepted by many of the minority Members in this House, because Congress has the ability and can accomplish such reorganization.

This New Deal majority appropriates billions with the utmost abandon for anything that the White House asks for. They enact any sort of legislation-Constitution be hangedto please some hypnotic power which they still believe controls the majority votes of our Nation. They are willing to sell constitutional government into exile, never realizing that when it is lost they will not only be useless in Congress but will also be spurned by their former master. The same majority rants and raves about Republican incompetence, and, having satisfactorily proven such incompetence in their own minds, they proceed to prove their self-assumed success upon such failure. I often wonder where the President, the Postmaster General, and many others in the New Deal have acquired the strange philosophy of proving their self-assumed success upon failure of a previous administration. The dark days of 1932 are an excuse for every blunder committed by the New Deal today; and if the New Deal is right in this strange assumption, it can only end in greater blunders, for one error cannot be justified by another.

After having heard much discussion on March 27 and much recapitulation of the errors committed by the Republican Party, I shall now take upon myself a brief résumé of such errors. I shall not deny that the Republican Members of Congress have been lax in performance of constitutional duty and that they have been sympathetic to the interests of big business. I shall not even deny that some Members sold themselves to large business and so dishonored the office-a reprehensible procedure which I condemn.

I therefore concede that this indifference and failure to protect the constitutional rights of the people has weakened the Republican Party, but it is now coming back because we believe in the fundamental principles of the Republic.

Credit, however, must be given to the Republican administrations for keeping business and industry operating and our people fully employed until 1930. No one except those sold on the New Deal will deny that massive operation of industry, commerce, and business are the creators of our wealth-that the wonderful structure in which we live is created by work of industry and accomplished with its own wealth. Neither will anyone deny that taxes were smaller under the Republican administration. I do not wish to dwell on the past or to recapitulate history, but in order to keep the records straight, let us discuss briefly happenings from 1914.

The seventeenth amendment was adopted on May 31, 1913. and it was the first step toward a democracy and destruction of a republican form of government. The adoption of this amendment, in my opinion, is the best reason why no further amendments should be incorporated in the Constitution, for it is the weak link in our government today and must be repealed before we can restore a sound republican form of

I do not believe there will be any opposition to this from those who have the country's interest at heart, but we may expect dissent from the politician and active opposition from those who favor socialism and socialistic governments. At any rate, whether you believe me or not. I say that we will never recover our former security, freedom, and liberty until the amendment is repealed.

We enjoyed considerable prosperity during the European War between 1914 and 1918. In 1917, we became involved in this war, as you know, to save the world for democracy. An attempt has already been made by President Roosevelt to save the world again from the same dilemma. I shall not comment upon this.

President Wilson was largely instrumental in dictating the terms of peace after the World War. This treaty was drafted with utter disregard for central European geography, for which President Wilson is not so much to blame as Great Britain, who should have known that the key to peace in Europe may be found in Germany. Alliance with Germany is sound for many reasons, and would have prevented war in the Occident and Orient. The Treaty of Versailles therefore left the European door wide open for another war, as is clearly evident today.

In 1919, we adopted another national mistake, the eighteenth amendment.

When President Wilson left office, we had a national debt of nearly \$28,000,000,000, and a currency inflation of \$1,800,-000,000. The purchasing value of the dellar in 1920 was 64 cents—a little more than the present international dollar. This picture should not be so encouraging to my colleagues who are sitting here always ready to criticize, and it is something to consider when the New Deal administration criticizes the Republican administration of from 1920 to 1929.

On March 4, 1921, there was \$6,207,000,000 in circulation, and 18 months later, this had been reduced to \$4,393,000,000. which established a balance between the currency in circulation and the gold in the Treasury. This is the only procedure which can be employed to correct inflation and stabilize the value of money.

To impress this upon you, I shall quote the distinguished Senator from Oklahoma [Mr. Thomas].

Senator from Oklahoma [Mr. Thomas].

From 1922 to 1928, the value of the dollar was adjusted, regulated, and stabilized at approximately 100. In 1926, at the middle of this period—that is, the period from 1922 to 1929—we had a stabilized price level and a stabilized dollar; and it is impossible to have a stabilized price level without having a stabilized dollar. In that year, 1926, every group of commodities represented in the Bureau of Labor system of statistics showed that the buying power of the dollar was 100, which means, of course, 100 cents.

It is because of the regulation and stabilization of the value of the dollar at 100 cents in 1926 that that year has been designated as the most satisfactory to consider as the normal or standard. During the period from 1922 to 1928, we had a general era of prosperity. Wage earners were generally employed at fair wages; commodity prices were adjusted to a level which enabled producers to receive the cost of production plus a degree of profit. It was

during this period that the national income increased perceptibly; it was during this period that the income of the Treasury derived from taxation was sufficient not only to meet the expenses of the Government but at the same time to reduce the national debt approximately \$1,000,000,000 a year.

I called your attention to this because it is the expression of a distinguished Senator and an expert on money. I shall ask my colleagues to remember this in its relation to further discussion.

During this era of prosperity, playing the market became a pastime which, no doubt, was encouraged by those in control of our money. Gambling on the stock market became a mad race in which personal property and real estate were mortgaged to secure a stake for gambling. It is only natural that the end had to come for stock has its value similar to all other commodities. This madness was doomed to failure and everyone was aware of it except the gambler. The larger banks, knowing the danger of this fatal tendency to gamble, and well aware of the ultimate results did not courageously advise against it, but instead withdrew money from outlying banks so it could be used for call money on the market. This, of course, brought about a scarcity of money and increased the purchasing power of the dollar to \$1.67. These larger banks, in order to further protect themselves from call by the smaller banks, organized several bank corporations or chain banks under the pretense of protection for country banks, when in reality it was to protect themselves. These chain banks still exist and are a retarding influence on economic development throughout the country. This same monetary minority at this point began to distribute propagandasmearing the administration, if you please, for reasons I shall not mention here, but this campaign finally ended in the election of a Democratic majority in Congress in 1930. This was a handicap that President Hoover could not overcome.

It is not my purpose to apologize for the administration, because I prefer to place the blame where it rightfully belongs and President Hoover was not free from blame for he started to plan for industry, business, and labor, which is a fatal mistake for any administration. This group encompasses all the people in the Nation, and must therefore do its own planning.

President Hoover made mistakes: First. In being too lenient with the money interests; second, in his failure to take the people into his confidence; third, when he began to plan and aid those who were to a certain extent the instigators of the administration's defeat.

But even with all of these mistakes, I contend that we were much better off in 1932 than we are today. The national debt was less than \$20,000,000,000, and our money was secured by gold in the Treasury. The dollar was worth 100 cents in gold, and, having a standard value, stabilized all securities, investments including insurance, and other valuable income.

It could have been corrected with very little trouble, but that was not to be. Hoover's administration has been and is still being used as a premise or law for the New Deal. The President, the Postmaster General, and other new dealers, constantly refer to the Hoover administration as a precedent to establish and prove their own success. This to me is a most stupid and inconsistent procedure, particularly in view of the fact that the same gentlemen accuse the Hoover administration of being incompetent.

The question now is, Are we better off today? And the answer is "No." We have more people unemployed and on part-time employment than we had in 1932, and our national debt is now over \$40,000,000,000, and will be close to \$50,000,000,000 at the end of June 1941. What does this mean to us? It can only mean one thing: A rapid exhaustion of credit and national bankruptcy awaiting us at the end of the New Deal road.

Runaway inflation is often spoken of today and looked upon by many as inescapable. I cannot accept this in good faith because I am afraid that it will set our own people thinking and cleaning the mess we are in, and I am afraid in this process someone may get hurt.

The New Deal that feels so solicitous and interested in our welfare has by foolish experiments brought about a situation

which is liable to end in internal strife, poverty, and suffering. The New Deal has deprived the people of the use and ownership of gold, gold securities, or gold secured currency. Gold bonds which were bought in good faith by our own people have been repudiated by the Government. This has made beggers of our people. The most contemptible part of this brazen procedure rests in the fact that \$12,000,000,000 of gold certificates are held by interests outside of the Treasury, a privilege denied to us. Further, all investments and interest thereon are payable to foreign government credit in gold—a privilege also denied to us. Out of the \$15,000,000,000 in gold now held in the United States Treasury, \$2,000,000,000 in gold is under the exclusive control of the President and the Secretary of the Treasury, and no officer in the United States is privileged to ask for an accounting of this fund.

We are no more important in the present socialistic set-up than the peons are in Mexico. We are compelled to use a commodity or managed money of no greater value than the merchandise it can buy and absolutely devoid of all permanent value. To me this is the most disgraceful treatment inflicted on an industrious people, who by hard work and close application have been instrumental in making the United States the greatest country on earth.

As a climax those upon relief and Federal aid are now to use a blue and yellow chip instead of money. To me it seems that we will soon be trading red beads for calico dresses. I am amazed at the patience the people display toward our un-American Federal Government.

The New Deal has practically destroyed our business structure. It has spread dissension among the people and instigated class hatreds. It has sown seeds of strife between labor and business, and within the ranks of labor itself. It has created private industries which are sustained by the taxpayers and created for no other purpose than to usurp private business and industry. The New Deal has created scores of corporations that serve no useful purpose but are in reality a burden upon the taxpayer, who in supporting them sustains an instrument for his own destruction. Attempts are constantly made to obtain greater power with little consideration of the procedure employed in acquiring such power.

I question whether this can even be corrected now, but dissolution is certain if no effort is made by the Seventy-sixth Congress to stop excessive spending and protect our business structure.

Our industries must be protected by establishing a tariff barrier on imports, so that our own farmers and business people may at least supply our tables with food and our families with personal necessities. We cannot borrow money to establish purchasing power. Such power can only be brought about by starting the wheels of industry and furnishing employment for our idle people.

We are now taxed to the limit, and the last straw in taxation is the mutual taxing act of State and Federal employees, which was upheld by the Supreme Court on Monday, March 27. This tax allows the Federal Government to tax State employees and the State to tax Federal employees. It can only end in mutual destructive taxation of both governments. It is difficult to foretell the final result, but I am of the opinion that many of the States will seriously object to this plan.

In the final analysis, however, the taxpayers will pay for the whole fiasco, from the beginning to the end, and it occurs to me that if the New Deal administration is set upon taxing the country into poverty, they have neglected a source, namely, the judges of the Supreme and Federal courts. The Supreme Court judges draw salaries of \$20,000 per year and they are pensioned at \$20,000 per year. The Federal judges receive a salary of \$10,000 per year and a pension of \$10,000 per year. None of them are taxed, because the Constitution provides—

The judges, both of the Supreme and inferior courts, shall hold their offices during good behavior, and shall, at stated times, receive for their services a compensation which shall not be diminished during their continuance in office.

Now let us be reasonable about this. Congress has the power to lay and collect taxes—upon what? Upon anything

Congress chooses to tax. That includes all incomes, no matter from what source derived. A tax does not diminish salaries in any sense whatsoever. It simply collects tribute toward the upkeep of the Government. A person drawing \$20,000 a year draws approximately \$1,666 per month, and this amount is not reduced or diminished at any time in spite of the fact that it is subject to taxation. Taxes are the fare we pay while living, and there is no reason why the judges should have a free pass.

The poor taxpayer who is required to furnish the money for the gentlemen of the Supreme Court—the same gentlemen who upheld the constitutionality of the Gold Reserve Act and the stabilization fund—may, when he thinks it over, question whether he has been treated justly or not.

In closing I want my colleagues to know that I have waited until today to express my sympathy for you, for the passing of the Reorganization Act. It is said, "If you give a person sufficient rope, he will eventually hang himself," and that is precisely what the Reorganization Act is going to do to the New Deal.

The act is passed for the purpose of consolidating Federal departments and bringing about economy to decrease the cost of the Federal administration. When the President begins to play with his departments he is going to create enemies, and when he discharges some of them they are going to pound him with a hammer—the hammer of unemployment, with which we have been pounded for years. He must, in order to uphold the confidence of his New Deal party, actually bring about a decrease in the cost of Federal operation, or else he fails his trust.

If he now sends a resolution to this House requesting certain things that may be detrimental to the welfare of the United States and to the people, it will be up to the New Deal Members of this House to deny him such destructive rights. The Republicans can sit smugly by and watch you smoke. If you deny his request, you have in a sense registered your loss of faith in him, and besides, he will resent your action. If the measure is of no consequence, we can all go fishing and it still becomes law. So it does not matter what you do, the responsibility rests upon you, and there is not one thing that you can do that is going to aid the United States or our people without creating dissension in your own ranks. In other words, the Reorganization Act, I want you to know, is the rope that is going to hang the New Deal.

Mr. Chairman, my impression, after considering the National Health Act of 1939, is that it is directly along the lines that this administration has pursued for the past 7 years, namely, the socialization and communization of the United States of America.

The Public Health Service, led by the Surgeon General, is at the head of the parade. I can readily understand the interest of these gentlemen in socializing medicine, for it secures a permanent position for them, and no doubt in the near future this branch of the Federal Government will occupy a magnificent structure in the city of Washington at the expense of the taxpayers throughout the Nation. If the National Health Act is enacted, it will cost the taxpayers a half a billion dollars.

There is not a doctor in the United States who is not and who has not been in favor of child welfare and improvement in public health. That work was done long before the Women's and Children's Bureaus or Public Health Service and improvement of public health were established, and has been the definite object of the medical profession since its inception. This work has been carried on unselfishly without Federal, State, or municipal aid, and today the structure is practically complete, for much of our illness is now well within medical control in prophylaxis and in treatment.

The appeal used in the National Health Act for the general welfare of children and those unable to secure adequate medical care is the same weapon that has been used for the past 6 years—a hammer to beat private industries and professions under centralized or Federal control. It is only natural that a great number, or I might even say all of us, favor a less costly passage from the cradle to the grave, not only in medicine but in everything that pertains to our com-

forts, and I am not opposed to medical aid, for I have spent the greater part of my life in such service.

However, the truth must eventually be told to prevent greater disappointment in the end. The purpose of this act is not to provide more efficient medical care, and it is not for the purpose of giving special help to anyone—it is more subtle than that. If the Federal Government acquires control of the medical profession, it is only reasonable to suppose that the same program will destroy private hospitals in the building of competitive structures. It will even reach a little further than that because the same department will eventually gain control of drug stores and everything that pertains to treatment and care of those who are ill.

The question may now be asked: Is this the real intent of this act? And the answer is "No." Federal control of medicine will permit Government agents entrance to every private home in the United States to disseminate such propaganda as has been spread in the past 6 or 7 years. In my opinion, this is not only uncalled for but it is a direct violation of States' and public rights as we understand them.

That is what I am afraid of, and my purpose in opposing this act is to warn the people of the danger now threatening their rights and liberties. It is my opinion that the spending proposed by this act, which is a little over half a billion dollars, will be a mere drop in the bucket of the final terrific cost, which will be for no other purpose than to build a monument to commemorate the destruction of free government. [Applause.]

Mr. TARVER. Mr. Chairman, I yield such time as he may desire to the gentleman from California [Mr. Geyer].

Mr. GEYER of California. Mr. Chairman, today I want to talk about politics and relief; about the right of every American to a job; about how to promote economic recovery; and about how the preservation of democracy begins at home.

ALL AGREED ON A FEW POINTS

These are all very popular subjects with the Members of this House. Members on both sides of the aisle have discoursed on them at length. And as a newcomer to this distinguished body, I must confess that I have been surprised to find the most perfect agreement between Republicans and Democrats, new dealers and antinew dealers.

Everybody, if I may be allowed to coin a phrase, abhors the practice of using human misery as a political football. Everybody defends the right of Americans to work and earn. Economic recovery is the ambition nearest to every heart. And the advocates of a firm foreign policy join with the strictest isolationists in affirming that the defense of democracy, like charity, begins at home.

As the Republican candidates for office in the last elections were wont to say, we are all agreed on the objectives. But unfortunately Congress does not legislate objectives. It cannot by fiat guarantee the divorce of relief and politics, abolish unemployment, boom private industry, and secure democracy from danger. Congress is obliged to pass bills, and those bills of necessity concern themselves with the methods by which objectives universally desired are to be achieved.

THOSE CRYING LOUDEST FOR RIGHT TO WORK-WOULD DENY IT

In the consideration of methods for reaching our common goal, harmony gives way to vigorous and often bitter debate.

For example, there are those who say that the right to work very nearly precludes the right to strike or picket, and that it is most frequently violated by Mr. John L. Lewis and on occasion by Mr. William Green. They say also that the National Labor Relations Board habitually interferes with and limits the right to work. They declare that the President himself has curtailed this fundamental right by hampering private industry in its efforts to offer jobs to American workers; and that the National Manufacturers Association and the chambers of commerce alone can restore to labor the rights it enjoyed in the good old days of Harding, Coolidge, and Hoover. Finally, these ardent apostles of the right to work tell us that the way to restore this right to millions of unemployed workers now is by hastening their retirement from the W. P. A. rolls.

Perhaps if I am permitted to serve a longer apprenticeship in this House I will find it easier to understand these gentlemen who in one and the same breath declare that their objective is to put America back to work and that the method for achieving this objective is to fire a million workers from W. P. A. jobs. But for the present, and without questioning their sincerity, I must say that I find their logic very unconvincing.

MY UNEMPLOYED ASK ONLY THE RIGHT TO WORK

I know the unemployed in my own district want nothing so much as to produce goods and services for their fellow citizens while earning a living for themselves and their families. The jobless workers in my district have no quarrel with private industry. They are not boycotting its offers of employment. They knock and they have continued to knock for the past 9 years at its doors. But when private industry tells them that it has no jobs to offer, these good and industrious Americans naturally look to their Government for an answer. They want to work and live; to live, not in the "luxury" of a dole but by the sweat of their toil. And when the President or their elected representatives in Congress tell them, "Yes; we agree with you. You have a right to a job," then these people naturally ask, "How are you going to help us secure that right of which, through no fault of our own, we are now deprived?"

ORATORY VERSUS COMMON SENSE

I myself am not sufficiently gifted with oratory to convince them that I would be doing my bit by voting against adequate work-relief appropriations. I am afraid that their common sense would cause them to reject that kind of reasoning. I prefer to tell them what I honestly believe to be the truth: "The only way I can help restore your right to work is by fighting for an appropriation big enough to give you a Government job at useful public work until such time as private industry is able to hire you again."

WILL NOT ALLOW A ROLL CALL

It is the same with the question of economic recovery. We have in Congress now a self-styled "economy bloc." The full membership of this block is, unfortunately, not a matter of public record. When this House cut the deficiency appropriation by \$1,500,000 below the Budget estimate, the economizers maintained a discreet anonymity by evading a roll call. I find their logic also somewhat specious.

WHAT ABOUT CONFIDENCE?

They tell us that business needs confidence. But when I talk to businessmen, I learn that what they need is customers. And I do not understand how they are going to derive confidence from a Congress that robs them of the custom of 4,000,000 Americans who will soon be bankrupt of purchasing power. I am forced also to consider that the 1,000,000 heads of families who will be out of work in a few weeks or months unless we restore that \$1,500,000 also have a right to confidence—confidence that their Government will not fail them; confidence that their families will not starve.

HOW ABOUT "ISMS"?—DOES PATRIOTISM FEED ON HUNGER?

Nor can I agree that the defense of democracy against foreign "isms" and subversive tendencies begins with the undermining of the economic foundations of democracy. As you know, I wholeheartedly support the President's foreign policy, and do not subscribe to the doctrine so popular with the Rome-Berlin-Tokyo axis that "nobody is thinking of attacking America." I believe that in the present unhappy state of world affairs we need to protect the peace and safety of our country with adequate defense measures, and by throwing all our moral and economic weight on the side of international law and against the Fascist aggressors. There are Members of this House who take a different view and tell us not to become hysterical merely because our sister democracies across the sea are one by one being gobbled up and destroyed. Those who counsel indifference to the affairs of Europe tell us that we have a job to do at home. They tell us that we can best serve the cause of peace and democracy by giving the world an object lesson in how democracy serves the best interests of all the people.

In this I agree with my esteemed colleagues, though I fear that object lessons alone will not suffice to check Mr. Hitler, who is disposed to teach the lesson of force and blackmail rather than to learn the ways of peace from us. But what puzzles me is this—those who say they stake everything on making democracy work are the very ones who throw a monkey wrench in the machinery of democracy. They fight foreign "isms" and subversive tendencies by sowing distrust in our democratic Government, by trying to rob our citizens of relief and work relief. Do they really believe that democracy will work better if the ruthless purging of W. P. A. rolls goes on through the coming months—as it must unless we here appropriate funds to maintain the present low rate of public employment? Do they really believe that patriotism feeds on hunger, that democracy proves itself by enforcing idleness, that it is American to starve?

CONGRESS, NOT W. P. A., GUILTY OF PLAYING POLITICS

I am afraid that, on the contrary, some of our colleagues are giving us a sorry example of how to play politics with relief when they make these claims. Not all the political misuse of relief is to be found among W. P. A. supervisors, foremen, and regional directors. We have in this House seen politics and relief played against each other on a grander and more dangerous scale.

In the face of abundant evidence submitted by the President and the W. P. A. Administrator to show that an emergency exists and that funds are needed to save 4,000,000 persons from destitution we of this House have week after week delayed action while we listened to political speeches about politics in relief. The burden of those speeches has been that we must investigate the W. P. A., purge it of politics, and make it into a perfect model of efficiency, and that while we are performing this laudable work the 4,000,000 men, women, and children should pull in their belts and wait.

MORE POLITICS

A resolution to investigate the W. P. A. has been reported out by the Rules Committee over the vigorous opposition of that committee's able chairman. That resolution has been passed by this House. I hope we will postpone our investigating until we have appropriated the full \$1,500,000 asked for by the President. If there are indeed some abuses of the W. P. A. and even perhaps a few malingerers on the rolls, it is better to delay remedying that, than to delay feeding hungry and innocent people.

WHAT ABOUT THE CENSUS OF 1937?

I would like to recall to those who are so eager for an investigation that last year we had a study made of unemployment conditions in the United States. I refer to the unemployment census of 1937. This, the first comprehensive census of the kind ever undertaken, revealed some important facts and figures, which we would be wise to take note of now. It showed that in November 1937 there were sixteen and one-half million totally or partially unemployed workers in the United States. It showed that there were 8,928,000 totally unemployed, to whom the Government programs gave no job assistance. Only 2,055,000 were at work on jobs provided by W. P. A., N. Y. A., and other Federal projects.

These figures give some picture of the pitiful inadequacy of our work-relief programs. They should stimulate us to expand, rather than curtail, the W. P. A. and other work programs.

SHALL DEMOCRACY AND STARVATION WORK IN SHIFTS?

Some Members, looking at these figures, say we should alternate the people between work relief and starvation. They say those who have received aid for any considerable period of time should now be laid off, should stand aside and let others eat for a while. But I do not subscribe to the doctrine that democracy should work in shifts, alternately feeding and starving the American people in shifts. I can see in the army of unemployed which remains with us only a challenge to put all of our people to work as quickly as possible, thus increasing purchasing power and speeding the recovery process.

LET US VOTE THE \$150,000,000

Mr. Chairman, we share the same objectives, all of us, without exception, by our own statement of the case. I submit that to achieve those objectives we must take the first

and immediate necessary step-appropriate the minimum of a million and a half thrice asked for by the President.

A million and a half appropriated now will be a small token of our good faith in asserting the right of every American to a job. It will be a step toward promoting economic re-covery. This appropriation will strengthen national unity and help to preserve democracy by narrowing the base of misery and unemployment on which fascism builds.

And if we will stop talking about the shortcomings of the W. P. A., stop hampering its activities by the guerrilla tactics of constant investigation, stop using relief as a stick with which to beat the Roosevelt administration-if we will do these things we shall have set the Nation a good example of how to keep relief clean of politics. [Applause.]

Mr. PLUMLEY. Mr. Chairman, I yield myself 30 minutes. Mr. Chairman, Earl Godwin, president of the White House correspondents group, in his radio broadcast yesterday morning said:

In haven't been around the corner to Zirkin's fur shop for some little time, but I remember the laugh I got there one day when I saw two bands of pickets, one picketin; the other. The pickets were picketing the pickets. Nobody who came along could tell what it was all about, while Zirkin, fur-shop man here from the days of old, seemed to be caught between the upper and nether millstones. Nobody could tell from reading the rather hysterical pickets' signs what it was all about. A court action yesterday throws a light. It seems the C. I. O. had an employee or two in Zirkin's. The A. F. of L. had a majority of workers. The C. I. O. worker went on strike and all by himself carried a sign that some-body or other was unfair. Well, this got to be a smelly fight between two sets of fur workers, with Zirkin in the middle. He took it to court, and after a couple of rounds with justice, the court of appeals says Zirkin has no remedy under the N. L. R. A., which the court says is "cockeyed" and unfair. The only place, says the court, is Congress, thus uttering a long, loud yell which will be heard by those in Congress who are dead set on putting some fairness in the Labor Relations Act. To you folks who are just my sort—the plain, ordinary, unvarnished taxpaying American male, who wears suspenders around the house and doesn't like people to call him up at dinner time to ask him to buy something. This means at last American justice has poked its fingers in the one-eyed situation which is presumed to smooth out labor difficulties, but gives labor all the privilege and none of the responsibility.

No down the has difficulties, has dignity if

which is presumed to smooth out labor difficulties, but gives labor all the privilege and none of the responsibility.

No doubt this administration has lifted labor to the dignity it has craved for a century. But the Wagner Act petted labor and treated it somewhat as if it were a drunken sailor. Give it lots of room and don't hamper it. Labor will be much more respectable to itself when they finally take the Wagner Labor Act and put equal responsibility on capital and labor. After that let employees become part of the ownership, and when this latter occurs there will be an end of professionalized agitation against the boss and the end of overweening superiority on the part of employers—because there is wrong on both sides.

Mr. Chairman, those who have served with me in this House would be the last to call me a reactionary. I might be called conservative and would not resent that appellation. I am still of the opinion that the state, instead of further absorbing and assimilating the functions performed heretofore by local officials, should decentralize. Administrative supervision may be necessary, and probably is wise, but the local units should be encouraged, instead of discouraged, in their attempts to strengthen and fortify themselves, preserve their integrity, and conserve their rights.

To maintain vitality in the center without sacrificing it in the parts; to preserve tranquillity in the mutual relations of powerful States, while keeping the people everywhere, as far as possible, in direct contact with the Government; such is said to be the political problem which the American Nation exists for the purpose of solving, and is the problem which

confronts us today.

I agree with the statement made sometime ago in the United States Senate by the late Senator Frank L. Greene, from Vermont, who took occasion to say that-

This country is going to wake up to the sober realization that for a long time back the legislative signboards have been misleading, and that America has actually left the straight and narrow path that the fathers laid out for it, and left it long ago, and is on the broad highway to all the ills of bureaucracy and the corruption that goes with it that those very same fathers fled from Europe to

He was opposed to the measure then under consideration because in his opinion it invoked a wrong theory and principle of civics or governmental policy, in that it would cause the Federal Government to do for its individual citizens that which they ought to do for themselves, or at least through their own voluntary and nonpolitical associations. "It is paternalism", said he, "the most subtle and sinister enemy of popular government."

Whatever history may teach with respect to the beneficent effects of paternalism and centralization in other countries and under other forms of government, we of the United States of America must oppose the further extension of both; must rely for the perpetuity of our institutions upon the functioning of the local governmental unit, for if experience teaches us anything, we must already have learned that John Fiske spoke truly when he said that "the preservation of local self-government is of the highest importance for the

maintenance of a rich and powerful national life."

The centralization tendencies in government have fastened their tentacles around the surviving representative of the most nearly perfect democracy ever created. The paternalistic state is cooperating to help strangle its child. The question which confronts you and me is, "Shall we stand idly by as accessories both before and after the crime?" I bebelieve that the Government should be for and by the people, and the nearer it is kept to and of the people the better Government we will have. "In proportion as government recedes from the people they become liable to abuse," says Governor Cass, and according to David Starr Jordan, "The end of government by the people is to fit the people to control their own affairs."

"This Government is built upon the principle that the locality is better qualified and better disposed to protect the citizen in the enjoyment of his essential rights and to serve him in all matters of social welfare than the Nation." John Sharpe Williams once said:

We hear a great deal about the horrors of war, but greater than these—in fact, the greatest of all horrors—is the murder of local self-government, the only possible field of development for individual manhood.

For some days I sat listening to the testimony of those who seek under this bill an appropriation in order to enable them to comply with the mandates of Congress. My quarrel is not with them. As a Congress we have impressed them for service and have commanded them to administer the laws we have enacted. I say "we," though I beg leave to exclude myself from that category for reasons which are of record. It is imperative that we supply the absolutely necessary money with which the duties imposed may be discharged. This your committee has undertaken to do and, may I say, with a unanimity of spirit and purpose in the ultimate. The bill before you represents our best effort genuinely to economize in the expenditure of the taxpayers' money for the purpose of carrying out the laws as passed by Congress.

Aye! there is the rub.

In the first place, as you will observe from the report, the bill carries a total appropriation of \$30,552,470. This compares with the total appropriation for the Department in 1939 of \$27,821,550, or an increase of \$2,730,920. The sum recommended for appropriation, namely, \$30,552,479, is, however, \$377,810 less than the total estimates approved in the Budget.

It is well to observe that of the total carried in the bill over \$11,500,000, or more than one-third of the total, represents grants or payments to States under the operation of the Social Security Act and the Wagner-Peyser Act establishing the United States Employment Service. The amount of Federal contribution required to carry out the expressed will of Congress under these two acts is fixed in the authorization, and the committee has little discretion in the matter of providing the appropriation essential to acquit the Government's commitments.

The increase over the total appropriation for the current fiscal year can be explained entirely through the necessity of providing funds to administer the Fair Labor Standards Act of 1938. Under the terms of that act a Wage and Hour Division was established in the Department of Labor, charged with administering certain features of the law respecting maximum hours and minimum wages of certain industries.

A responsibility was likewise placed on the Children's Bureau in the Department to administer and enforce provisions of the law aimed at protecting the minor child in his capacity as a wage earner.

And in this connection I wish to emphasize that so long as Congress continues to impose additional administrative burdens on the various departments, which require machinery to enforce new laws, just so long must the committee continue to add to the appropriations, year by year, if enforcement is to be had of such laws.

You will recall, and should remember in this connection, that Shakespeare's Julius Caesar said:

> Men at some times are masters of their fates: The fault, dear Brutus, is not in our stars, But in ourselves, that we are underlings.

TOTAL INCREASE

The total increase asked for in the Budget estimate of the Department of Labor for the next fiscal year was \$3,108,730, of which amount \$683,180 was for grants-in-aid to the States under the maternal and child-health provisions of the Social Security Act and for the administration of the child-labor provisions of the Fair Labor Standards Act of 1938: \$2,950,000 of the increase is for the new division—the Wage and Hour Division-created by the last Congress.

It is true, inescapably true, that the increased appropriation sought was occasioned and necessitated and caused by the enactment of new legislation. The Secretary of Labor said:

New functions have been added to the various divisions and the various bureaus of the Department. Those new functions account for such other increases as there are. There have, of course, been increases in the functions of the Children's Bure course, been increases in the functions of the Children's Bureau because of legislation passed in the last few years. These added functions are not only due to the social-security legislation which gave the Children's Bureau the duty of supervising the maternal- and child-welfare provisions the crippled children and child-health provisions but also to the Fair Labor Standards Act, otherwise known as the Wage and Hour Act, by which the enforcement of the child-labor provisions of that act is given to the Children's Bureau. Therefore it, of course, must take on those new functions, and must make provision for the administration of those functions, and it has done so with a great deal of ability and intelligence. As a matter of fact, I think its total Budget estimates for both services is \$850,000, including these entirely new functions which have been put upon them by legislation. have been put upon them by legislation.

So says Madam Secretary, who adds:

The Bureau of Labor Statistics also has constantly increasing duties and functions placed upon it, not entirely by legislation, but as the result of legislation. That is, every new act of Congress which is passed, which in any way affects the labor field, puts upon the Bureau of Labor Statistics the duty of collecting information in that particular field, first, for the purpose of administration, and, second, for making it possible to define the field, so that we can know what we are accomplishing, and what additions to or subtractions from the law should be made. So every new function of that kind that is added anywhere in the Department of Labor immediately puts a new activity upon the Bureau of Labor Statistics— Bureau of Labor Statistics

He who dances must pay the fiddler. The Wage and Hour Act added new functions and made new demands, as has been said-

partly because of the new demands which the States make for new information in this field of labor legislation on which the Bureau of Labor Standards service is working all the time, and partly also because of the requests which the States make upon us for training factory inspectors. All of that work goes through that Bureau. And we have many requests for the expansion of the Conciliation Service, the Division of Public Contracts, and the Women's Bureau. Service, the Division of Public Contracts, and the Women's Bureau. The number of cases referred to the Bureau of Conciliation is increasing all the time, and the total proportionate number of strikes in this country that are handled through the Conciliation Service in the various States is increasing all the time. As a result there are constantly fewer strikes, and yet more work is placed on those within the Conciliation Service in stepping in early enough to prevent strikes which would otherwise occur. The results of the Conciliation Service's work are shown, first, by the smaller number of industrial disturbances that come to an actual stoppage of work, and, second, in those cases where there is a stoppage of work, the length of time of stoppage, and the number of men involved is constantly decreasing. is constantly decreasing.

Some members of the committee were very favorably impressed by the accomplishments of the Department in respect to the apprentice-training program.

APPRENTICE-TRAINING PROGRAM

The apprentice-training program is a very important function, which requires the cooperation of organized labor groups, skilled craftsmen, and of their employers. It is true that very good results have followed the apprentice training. Due to the depression, and due to the fact that there has been so few opportunities for adult men to get work, there were very few boys put in training. Many of those trades require long and skilled training. So the time is admittedly ripe for an apprentice program, and it should go ahead rapidly. It is constantly growing and expanding and people are making more and more demands from it.

This is the least of the troubles and one of the items of the program to which no right-thinking person can well take exception. But it costs money.

Then there is the Bureau of Labor Statistics, which is the father and mother of a family which has increased so rapidly that neither the father nor mother nor the Bureau itself can offhand name its children nor what it costs to support them. BUREAU OF LABOR STATISTICS

The Bureau of Labor Statistics is, of course, the key and perhaps the central part of the work of the Department of Labor. As a matter of fact, it is the oldest part of the Department of Labor and was the first bureau established. Numerous functions have grown out of the knowledge which it has gathered and disseminated, which have been brought together by their Bureau and brought into focus. This Bureau makes not only general studies of the economic conditions of industry and labor in this country but makes special studies as well, and the people in the Bureau develop into what are known as labor economists. That is, it knows the economic problems of working people and is able to answer questions and to give advice, and to analyze labor situations anywhere in the country, and in any industry. More and more it is being called upon, not only by labor unions, but by industries who need information with regard to labor problems to come in and give them the answers to the problem of labor's opportunity to earn money and labor's opportunity to have a comfortable life, and the whole question of the relation of the hours of work to production.

Paternalism in government is exemplified to the nth degree in the Department of Labor. The Federal Government just will not let anybody in labor alone so long as Congress will command the Labor Department to extend its tentacles and will feed the central body the food to sustain it which is measured in dollars and cents of the taxpayers' hard-earned dollars. If we get value received, that is one thing; but the multiplication of bureaus and the triplication, not to say the duplication of effort is appalling, not only departmentally but governmentally. It is time to stop.

This leads me to discuss some of the measures which are responsible for the situation which obtains. I take them at random.

As someone has said, our changing attitude toward governmental interference in industry is reflected in the Social Security Act, the Wagner Act, and the Wage and Hour Act. There seems to be no question that labor laws should be passed, but the question is how far will the United State: go toward centralized governmental control or in the establishment of a coercive planned society. How far can or should we go without destroying our democratic institutions?

I am of that school of thought which believes that the less of government we have in business the more business and the better government we will have. I subscribe to the doc-trine that the Government should do for no individual or State that which he or it can or should do for himself. Any other policy or program so far as I am concerned and believe spells the end of democracy as we know it.

Methods may change, but progress is still the watchword. and the Nation still lives in the strength and devotion of citizens whose powers have been developed, whose self-respect has been aroused under the American principle of local selfgovernment. "Our purpose is to build in this Nation a human society, not an economic system." It has been well said, and the story of the ages teaches that "no method of procedure

has ever been devised by which liberty could be divorced from local self-government. No plan of centralization has ever been adopted which did not result in bureaucracy, tyranny, inflexibility, reaction, and decline."

Since this is so, and we know it is so, it is high time that we, as representatives of the people, charged with a great responsibility, attempt to legislate as prompted by our own consciences, preserving our own intellectual integrity. Public confidence in the integrity and effectiveness of our democracy must not be permitted to be destroyed.

BUREAUS GROW

If you are interested to know how bureaus grow and expand, take a look, for example, at the United States Employment Service, which was created as a permanent bureau in the Department of Labor by the Wagner-Peyser Act, effective June 6, 1933.

The purpose of the Service is to promote and develop a national system of public employment offices. Local employment offices are operated by State agencies. The Federal Service assists the States financially and administratively; it coordinates the work of public employment offices throughout the country; it prescribes and maintains uniform standards of efficiency.

Since the Nation-wide organization of State employment services has been established by cooperative Federal and State action, its growth has been gradual. In June of 1933 there were approximately 135 offices of 24 State employment services. By July 1, 1939, the total number of public employment offices will be nearly 1,700 and will represent the activities of the services in the 48 States, 2 Territories, and the District of Columbia.

In 1933, shortly after the passage of the Wagner-Peyser Act, the National Industrial Recovery Act created, in title II, the Federal Emergency Administration of Public Works, and indicated certain legal preferences-for local residents and for veterans-in employment on Public Works projects. The Federal Board of Public Works issued rules and regulations which required that workers on projects be obtained through offices designated by the United States Employment Servicewith an exception for union contracts. This rule called for the immediate establishment of public employment offices throughout the Nation in order that the needs of the Public Works program might be served.

The National Reemployment Service was created to fulfill this purpose. It has been financed entirely from allocations or direct appropriations made under the various public-works and work-relief appropriation acts. It has been operated as a temporary emergency Federal activity. It has functioned solely as a supplement to, and not as a duplication of, the work of permanent State employment services. It has been administered as an integral part of the United States Employment Service.

The policy of the United States Employment Service has been to withdraw the operations of the National Reemployment Service wherever the resources of a State service have enabled the State to take over the operation of a local office. These State resources have been materially increased in the last 2 years through Social Security Board grants, and as a result there has been a concurrent reduction of activities of the National Reemployment Service, which by June 30, 1939. will reach the state of complete and final liquidation.

The original rules of the Public Works Administration pertaining to the employment of workers through offices designated by the United States Employment Service have been continued-in a slightly modified form-by each ensuing public-work or work-relief program. Thus the Employment Service has had a relationship to the Civil Works Administration, the Works Progress Administration, the Bureau of Public Roads, and to all other agencies engaged in publicwork or work-relief activities.

It should be emphasized that the supervisory responsibility of the United States Employment Service to the State employment services relates to the total activities of these agencies, which represent approximately a \$35,000,000 enterprise, and operations in nearly 1,700 local employment offices.

The supervisory responsibilities of the Federal Service include the coordination of the various State employment services so that the objective stated in the Federal act of a "national system of employment offices" may be obtained; the administration of special services for veterans and farm labor; the maintenance of uniformity in administrative and reporting procedure; the establishment and maintenance of minimum standards for personnel and for operating methods; the auditing of all expenditures made by the State services; and numerous other functions designed to insure that the Federal expenditure for employment services in the several States is carried on in the manner and for the purposes contemplated in the Wagner-Peyser Act.

In the course of the hearings Chairman TARVER, of the subcommittee, asked Mr. Stead, of the United States Employment Service:

Mr. TARVER. Would there be any economy in having the Division of Unemployment Compensation in the Social Security Board and the United States Employment Service consolidated under the head of the United States Employment Service?

Mr. Stead Actually no direct economy because what has happened is this: We have worked these people as one unit here in Washington. Take the business of the reports which are coming here. We have had so many people handling reports which came in from a thousand offices which were State offices. We have had in from a thousand offices which were State offices. We have had another group of clerks right alongside of them handling reports from another 700 offices which were emergency Federal offices. Now, all 1,700 offices are State offices, and the same volume of reports come in, and they come to the same group of clerks. Therefore, very little saving has been possible.

Mr. TARVER. As one of those who voted for the pending reorganization bill, I am somewhat disappointed that you say that. It would seem to indicate that the possibilities for economies in the consolidation of various governmental activities are not as bright as we had hoped.

as we had hoped.

The truth is these bureaus, once planted, grow like mushrooms and multiply their functions and activities as rapidly and extensively as leaves appear on the branches and twigs of the trees in the spring. They are soon so numerous that they hide the real objective, overlap and interfere with one another in duplication of effort and inefficiency in performance, and are blown up and down by every redolent breeze which is charged with the ambrosial, intoxicating perfume of a salary increase, while the taxpayer stands by to pay the

We should realize that just so long as Congress continues to create these departments, just so long we will have to appropriate money to pay for an orderly and efficient administration of the law by them, and they will fall over one another in their proper selfish interest in their own departmental welfare as they undertake to see that they get their share. Their justifications are unimpeachable, which is more than Congress can say for itself in its endeavor to justify its action in initiating the necessity for the spending of the money appropriated.

With respect to the Social Security Act, that old-age insurance plan which is supposed to end the tribulations of the aged with dignity and decency, may I say that, despite the terrific expense and cost of administration incident to the proper discharge of the duties by those on whom rests the responsibility of executing the law, and despite the fact that people generally have an idea that the pension the beneficiary will receive will be substantial, inasmuch as the Government is allegedly collecting a sufficient sum to do this nicely nevertheless, a lot of people are going to be shocked into a sensible realization of the fact that they have been swindled when the first pension pay checks go out.

I have seen it stated that under the present plan of purchased insurance-

A man earning a hundred dollars a month will, in 1942, be obliged to give up his job and pauperize himself in order to draw the \$17 a month old-age insurance he has bought from the Government. The charity pensioners will give a horselaugh as he sinks back into the dignity and decency of retirement on \$17 a month.

It has been stated, and authoritatively, by John T. Flynn

The Government is collecting and will continue to collect in payroll taxes for a generation enough money to pay benefits many times this sum. But it will not pay adequate pensions—and this is the point I aim at—because all the time it will be spending

the old-age insurance-premium taxes for other things-paying the ordinary expenses of the Government.

If the reader is a little surprised at this, let me add three very serious statements:

First, the Government will in the years up to 1980 collect in taxes for old-age pensions about \$111,000,000,000.
Second, of this \$111,000,000,000, some 43 percent, or \$47,000,000,000,

will never be spent for old-age pensions at all but for every sort of Government expense, including, perhaps, building battleships. And, third, the Government will never return this \$47,000,000,000 to the Social Security Board.

Behind these facts is one of the weirdest and most fantastic

The plan began in 1936 with the 1-percent tax for boss and workers. Up to October 31, 1938, the collections amounted to \$910,165,940.84.

Now, what has become of this money? It has gone into the Treasury. As no pensions are payable until 1942, no pensions have been paid—only some refunds on account of death and the expenses of administration. The belonger come and control of the co penses of administration. The balance—some \$817,000,000—has been transferred to the reserve, called the old-age account. That is just an account in the Treasury. From there it has been transferred to the general funds of the Treasury. That is, the Treasury "borrowed" it and transferred to the account its own bonds. Having borrowed the money, the Treasury is at liberty to use it as it chooses. It has spent the money on the general expenses of the Government. Thus, as matters stand, the money is gone—spent; the old-age account or reserve has \$817,000,000 of Government I. O. U.'s, and the Government owes the account \$817,000,000.

spent; the old-age account or reserve has \$817,000,000 of Government in I. O. U.'s, and the Government owes the account \$817,000,000.

The explanation of this, of course, is that when needed the Government will pay this money back to the old-age account. Meantime it will pay interest at 3 percent each year. Each year the amount in the reserve will be greater. And each year the Government will pay 3-percent interest on that reserve. All the money will be loaned to the Government. Hence all of it will bear interest at the rate of 3 percent. The Government will collect taxes to pay the interest. But it will promptly borrow the interest just as it borrows the principal. And so by 1980 the Government will have collected in old-age taxes and in interest \$111,000,000,000. By that time it will have paid out in benefits \$64,000,000,000. There will be \$47,000,000,000 remaining in the reserve. Of course, there will be no money there—but just \$47,000,000,000 of Government paper. But why should anyone worry about this?

Many criticisms of the Social Security Act have been made. It is probably just to say that to set this system aright it may be necessary to start all over again. But of the other defects in the plan we need not speak. So far as the reserve is concerned, the wise course would seem to be fairly obvious.

The idea of a reserve should be taken out of the act altogether. The pay-as-you-go plan should be employed completely and for

The idea of a reserve should be taken out of the act altogether. The pay-as-you-go plan should be employed completely and for the very good reason that any other plan is impossible.

The rates should be promptly reduced. Of course, some reserve is inescapable—a billion or two, or even three or four. But the question would be well worth considering whether investment of such reserves ought not to be limited to the open-bond market to prevent a political government from exploiting the reserve as part of the public fiscal policies.

Congress and labor as well as the employers will do well to

of the public fiscal policies.

Congress and labor, as well as the employers, will do well to face this problem squarely and honestly in this session. There is going to be no end of pension tinkering. Behind every crackpot scheme of politicians competing for the votes of the aged will be the problem of money—where to get the money. This reserve fund offers a tempting reservoir of money upon which they will cast hungry eyes. Already the housing advocates have made a bid for it. Mr. Rooseveit thinks it looks good for his present spending purposes. The Townsendites will presently lay claim to it. The best thing to do with this monstrous child is to slay it at once and thus fructrate the kidnapers. frustrate the kidnapers.

FAIR LABOR STANDARDS ACT

Then the Department has the Fair Labor Standards Act to administer. It is recognized as revolutionary legislation and reflects a radical transformation in public policy with respect to the proper role of government, particularly the Federal Government, in relation to industry. It undertakes simultaneously to regulate both wages and hours. It is one of the plants which will grow into full size and be full of foliage so far as its demand for money to permit and insure its enforcement and administration are concerned, and it is not bashful or sensitive.

And so I might go on to enumerate the other labor laws we have enacted since 1933 which have laid so great a burden of expense incident to their administration on the backs of the taxpayers, but I have already said more than I intended to say.

Your subcommittee has done its best to keep down the expenses of operation and against great odds, namely, we were repeatedly advised, in effect: "What we are asking for is money to use to do those things Congress has ordered us to do. We have a mandate from you, gentlemen. Put up or shut up."

My notion is that it is time to "put up" the bars and to "shut up" those who would tempt us into any further fields of experimental legislation through which runs that path which finally will lead us into the blind alley of uncontrolled inflation, repudiation, or governmental bankruptcy. [Applause.]

The Clerk read as follows:

Printing and binding: For printing and binding for the Department of Labor, including all its bureaus, offices, institutions, and services located in Washington, District of Columbia, and elsewhere, \$444,700, of which amount not to exceed \$2,000 shall be available immediately.

Mr. TARVER. Mr. Chairman, I offer an amendment. The Clerk read as follows:

Amendment offered by Mr. Tarver: On page 4, line 2, strike out "\$444,700" and insert "\$438,800."

Mr. TARVER. Mr. Chairman, this amendment has been submitted to the gentlemen on the other side. It is merely to correct an error in calculation and makes no change in the bill as intended to be reported by the committee.

Mr. REED of New York. Mr. Chairman, I rise in opposition to the amendment.

Mr. Chairman, whenever imports produced by cheap foreign labor invade our market and undersell our domestic products, the demand for the higher-priced, American-made goods ceases. This means the ultimate ruin of our home industries, and as 13,000,000 idle men and women in this country well know, the consequent discharge of more and more of our American men and women who are willing and anxious to work. This tragedy has been going on from the day the first trade agreement went into operation. Factory after factory has been forced to close its doors as a result of this administration deliberately turning over the American market to foreign competition. To be specific, the pay rolls of the men and women of this country have been automatically transferred overseas, there to be spent and enjoyed by lowpaid, foreign employees. Low as the wages are in these foreign competing countries, it does mean income and jobs for their people, while it throws our own employed out of work, deprives them of their homes, breaks their spirit, and eventually forces them upon the relief rolls. The Roosevelt administration can boast of three principal exports-American pay rolls, American farms, and munitions. The first two of these exports have pauperized thousands of our farmers and laboring men and women, while the much heralded exports of munitions have resulted in the cold-blooded murder of thousands of innocent civilians-women and children-of a friendly nation. But we are told by the author of the trade agreements that this is the path to peace.

Mr. Chairman, not satisfied with the partial penetration of our market, even under the tariff rates of the Hawley-Smoot Act, President Roosevelt asked from the Congress plenary power to give foreign nations almost free access to our market. This power was granted, and as a result this once protected American market now belongs to the cheapproduction countries of the world.

Deprived of this protection, a principle that gave our men and women jobs at the highest average wage in the world, the foreigner now has the jobs, makes the goods, sells them here, while millions of thrifty American citizens are driven from their homes to seek relief from the very administration that has bartered away their livelihood.

Every shipload of foreign products, whether industrial or agricultural, daily entering our ports in competition with American products brings its toll of suffering and distress to farmers and to our working people.

How can there be recovery when the administration, under the trade agreements, fills our market with foreign beef, pork, poultry, grain, and other products in such volume and at prices so low that our farmers cannot obtain enough for what they have to sell to meet the cost of production? It requires no statistics of imports to establish the facts. All that is necessary to do is to examine the market quotations. Imports have driven the market price of farm products to a level so low that thousands of farmers are losing their farms

and turning to public relief. The men and women in our industries have had their jobs, their livelihood, their comforts, their hopes, and aspirations for their children exported to foreign shores.

The more abundant life of which so much has been said by the new dealers has been transferred to the "good neighbors" of Europe and of the Orient. The pay rolls that should be spent in the United States for homes, for automobiles, furniture, and all the comforts that go to make up the American standard of living have now become the spending power of the working men and women of other nations. They are living the more abundant life on what rightfully belongs to the 13,000,000 idle destitute of our own country. The farmers of our own country have seen millions and millions of acres of fertile land made idle by the stupid policy of handing over their market to the foreign farmers. Day by day the spending policy of this administration is increasing the cost of farm production by ever-increasing taxes, which opens wider and wider the door to our domestic market for the low-cost foreign producer.

I again call attention to the fact that 17 nations operate under totalitarian principles, the result of which has been to place their agriculture and industry under absolute state control for export purposes, thus taking full advantage of the surrender of our market to them under the trade-agreement

policy.

This Congress ought never to adjourn until it has restored to the Senate of the United States its power to ratify these foreign-trade treaties, as the Federal Constitution provides. Those who are being ruined by these trade treaties should have a legislative forum in which they may be heard and where their interests can be protected. There can be no permanent recovery until this invasion of our market is stopped. There can be no restoration of wage levels and price levels without protection from the cheap foreign products now flooding this country. [Applause.]

The CHAIRMAN. The question is on the amendment offered by the gentleman from Georgia [Mr. TARVER].

The amendment was agreed to. The Clerk read as follows:

Division of Labor Standards, salaries and expenses: For salaries and expenses, including purchase and distribution of reports, and of material for informational exhibits, in connection with the promotion of health, safety, employment, stabilization, and amicable industrial relations for labor and industry, \$228,800, of which amount not to exceed \$115,000 may be expended for personal services in the District of Columbia.

Mr. TARVER. Mr. Chairman, I offer an amendment. The Clerk read as follows:

Amendment offered by Mr. TARVER: On page 4, line 9, strike out "\$228,800" and insert "\$218,500."

Mr. TARVER. Mr. Chairman, this amendment, like the preceding one, is only the correction of a miscalculation and has been submitted to the gentlemen on the other side.

The amendment was agreed to.

Mr. TARVER. Mr. Chairman, I ask unanimous consent that all Members who have spoken as well as those who have not spoken on the pending bill may have permission to extend their own remarks in the RECORD.

The CHAIRMAN. Inasmuch as the request includes all Members it should be made in the House.

Mr. TARVER. Mr. Chairman, I limit the request, then, to Members who speak on the bill.

The CHAIRMAN. Is there objection to the request of the gentleman from Georgia?

There was no objection.

The Clerk read as follows:

The appropriation under title IV for traveling expenses shall be available in an amount not to exceed \$4,000 for expenses of attendance at meetings concerned with the work of the United States Employment Service when incurred on the written authority of the Secretary of Labor.

Mr. TARVER. Mr. Chairman, I offer an amendment. The Clerk read as follows:

Amendment offered by Mr. Tarver: On page 15, line 23, strike out the words "under title IV" and insert the word "herein."

Mr. TARVER. Mr. Chairman, this is merely an amendment which is necessary to correct a typographical error.

The amendment was agreed to.

The Clerk concluded the reading of the bill.

Mr. TARVER. Mr. Chairman, I move that the Committee do now rise and report the bill back to the House with sundry amendments, with the recommendation that the amendments be agreed to and that the bill as amended do pass.

The motion was agreed to.

Accordingly the Committee rose; and the Speaker having resumed the chair, Mr. WALTER, Chairman of the Committee of the Whole House on the state of the Union, reported that that Committee, having had under consideration the bill (H. R. 5427) making appropriations for the Labor Department for the fiscal year ending June 30, 1940, and for other purposes, had directed him to report the same back to the House with sundry amendments, with the recommendation that the amendments be agreed to and that the bill as amended do pass.

Mr. TARVER. Mr. Speaker, I move the previous question

on the bill and all amendments to final passage.

The previous question was ordered.

The SPEAKER. Is a separate vote demanded on any amendment? If not, the Chair will put them in gross.

The amendments were agreed to.

The SPEAKER. The question is on the engrossment and third reading of the bill.

The bill was ordered to be engrossed and read a third time and was read the third time.

The SPEAKER. The question is on the passage of the bill. The bill was passed, and, on motion of Mr. Tarver, a motion to reconsider was laid on the table.

RESIGNATION FROM COMMITTEES

The SPEAKER laid before the House the following resignation from committees: MARCH 29, 1939.

Speaker, House of Representatives, Washington, D. C.

DEAR MR. Speaker: I hereby respectfully tender my resignation from the following-named standing committees of the House of Representatives, to wit: Coinage, Weights, and Measures; Indian Affairs; Census; and Irrigation and Reclamation.

Respectfully yours

Respectfully yours.

HARRY R. SHEPPARD.

The SPEAKER. Without objection, the resignation will be accepted.

There was no objection.

ELECTION TO COMMITTEES

Mr. DOUGHTON. Mr. Speaker, I offer a privileged resolution, which I send to the Clerk's desk.

The Clerk read the resolution, as follows:

House Resolution 150

Resolved, That the following-named Members be, and they are hereby, elected members of the standing committees of the House of Representatives, as follows:

Appropriations: Harry R. Sheppard, California.

Military Affairs: Joseph W. Byrns, Jr., Tennessee.

Census: Charles Kramer, California.

Irrigation and Reclamation: Charles Kramer, California.

The resolution was agreed to, and a motion to reconsider was laid on the table.

The SPEAKER pro tempore (Mr. LARRABEE). Under a special order of the House heretofore made, the gentleman from Michigan [Mr. Hook] is recognized for 15 minutes.

Mr. HOOK. Mr. Speaker, I have always placed high value upon human rights. These I regard as basically more important to society than property rights. It necessarily follows as to the political aspect that the state exists for man; man does not exist for the state. If government is worth anything, it is what it wins for man. This was very clearly brought out in the case of Whitney against California in the year 1927, wherein the Court said:

Those who won our independence believed that the final end of the state was to make men free to develop their faculties, and that in its government the deliberative forces should prevail over the arbitrary. They valued liberty both as an end and as a means. They believed liberty to be the secret of happiness and courage to

be the secret of liberty. They believed that freedom to think as you will and to speak as you think are means indispensable to the discovery and spread of political truth.

It was brought out further in the case of Olmstead against the United States in 1927, wherein the Court said:

The makers of our Constitution undertook to secure conditions The makers of our Constitution undertook to secure conditions favorable to the pursuit of happiness. They recognized the significance of man's spiritual nature, of his feelings, and of his intellect. They knew that only a part of the pain, pleasure, and satisfactions of life are to be found in material things. They sought to protect Americans in their beliefs, their thoughts, their emotions, and their sensations. They conferred, as against the government, the right to be let alone—the most comprehensive of rights and the right most valued by civilized men. most valued by civilized men.

I have faith in democracy, industrial and political, and believe that it alone affords the conditions under which an individual is free to develop his power. I have faith in democracy and such distrust in the absence of it that I fear that the very foundation of democracy, of freedom, and of liberty is at stake if we carry out the unreasonable restriction contained in Public Resolution No. 1 of the Seventy-sixth Congress as interpreted by the officials of the W. P. A. in general letter No. 240, issued on March 7. I ask unanimous consent, Mr. Speaker, to insert in the RECORD at this point a copy of that letter.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Michigan?

There was no objection.

Mr. HOOK. Mr. Speaker, this letter is as follows:

WORKS PROGRESS ADMINISTRATION, Washington, D. C., March 7, 1939.

General letter No. 240.

To: All State Works Progress Administrators.

Subject: Political activity.

Public Resolution No. 1, Seventy-sixth Congress, approved February 4, 1939, provides, in sections 3 (a), 3 (b), and 5 (a), as follows:

ruary 4, 1939, provides, in sections 8 (a), 3 (b), and 5 (a), as follows:

"Sec. 3. (a) It shall be unlawful for any person, directly or indirectly, to promise any employment, position, work, compensation, or other benefit, provided for or made possible by the Emergency Relief Appropriation Act of 1938, or this joint resolution, or any other act of the Congress, to any person as consideration, favor, or reward for any political activity or for the support of or opposition to any candidate or any political party in any election.

"Sec. 3. (b) It shall be unlawful for any person to deprive, attempt to deprive, or threaten to deprive, by any means, any person of any employment, position, work, compensation, or other benefit provided for or made possible by the Emergency Relief Appropriation Act of 1938, or this joint resolution, on account of race, creed, color, or any political activity, support of, or opposition to, any candidate or any political party in any election.

"Sec. 5. (a) It shall be unlawful for any person knowingly to solicit, or knowingly be in any manner concerned in soliciting, any assessment, subscription, or contribution for the campaign expenses of any individual or political party from any person entitled to or receiving compensation or employment provided for by the Emergency Relief Appropriation Act of 1938 or this joint resolution."

Public Resolution No. 1, in sections 3 (c) and 5 (b), provides the following penalty for any person found guilty of violating the above-quoted sections:

"Any person who knowingly violates any provision of this section shall be guilty of a felony and, upon conviction, shall be fined not more than \$1,000 or imprisoned for not more than 1 year, or both. The provisions of this section shall be in addition to, not in substitution for, any other sections of existing law or of this joint resolution."

substitution for, any other sections of existing law or of this joint resolution."

The Division of Investigation of this Administration will be responsible for the investigation of all complaints or information alleging a violation of the above-quoted sections of Public Resolution No. 1. State Works Progress administrators are directed to forward all complaints and information indicating a possible violation of these sections to the Director, Division of Investigation, Works Progress Administration, Washington, D. C., for appropriate attention. In transmitting such complaints or information to the Division of Investigation, where a W. P. A. employee is alleged to be involved, the State administrator will include in his letter of transmittal the name, address, W. P. A. title, and W. P. A. employment record of the person charged with the violation of these provisions of Public Resolution No. 1.

Public Resolution No. 1, Seventy-sixth Congress, in section 4 (a) and 4 (b) provides that—

Public Resolution No. 1, Seventy-sixth Congress, in section 4 (a) and 4 (b) provides that—
"Sec. 4 (a) It shall be unlawful for any person employed in any administrative or supervisory capacity by any agency of the Federal Government, whose compensation or any part thereof is paid from funds authorized or appropriated by the Emergency Relief Appropriation Act of 1938 or this joint resolution, to use his official authority or influence for the purpose of interfering with an election or affecting the results thereof. While such persons shall retain the right to vote as they please and to express privately their opinions on all political subjects, they shall take no active part in political management or in political campaigns.

"SEC. 4. (b) Any person violating the provisions of this section shall be immediately removed from the position or office held by him, and thereafter no part of the funds appropriated by the Emergency Relief Appropriation Act of 1938 or this joint resolution shall be used to pay the compensation of such person. The provisions of this section shall be in addition to, not in substitution for, any other sections of existing law, or of this joint resolution."

The term "administrative."

resolution."

The term "administrative or supervisory capacity" as used in section 4 (a) is interpreted to include persons paid on administrative, general project supervisory or project pay rolls, who have actual supervision over any other employee or employees or who are in such positions that by reason thereof they may exercise authority or influence over other employees irrespective of whether they have actual supervision over the work of any employees.

they have actual supervision over the work of any employees. Any person in an administrative or supervisory capacity who violates the provisions of section 4 (a) shall be subject to immediate discharge, and thereafter such person shall not be eligible for any employment which is compensated from funds appropriated to the Works Progress Administration. Where alleged violations of section 4 (a) of Public Resolution No. 1 are investigated by the State administrator, a copy of the report of each administrative investigation, together with a report on the administrative action taken as a result of the findings of each investigation, shall be forwarded to the Deputy Administrator, Works Progress Administration, Washington, D. C., immediately upon completion of the inquiry.

inquiry.

To carry out rules and regulations relating to political activity and to effect compliance with the provisions of the Emergency Relief Appropriation Act of 1938 and of Public Resolution No. 1, Seventy-sixth Congress, no person employed by the Works Progress Administration in an administrative or supervisory capacity, as defined above, shall be retained in such employment if—

(1) Such person is a candidate for any Federal, State, district, county, or municipal office in any primary, general, or special election, or who is serving as a campaign manager or assistant thereto for any such candidate.

(2) Such person is holding an elective office the duties of which

thereto for any such candidate.

(2) Such person is holding an elective office the duties of which would necessitate being absent from a W. P. A. position during regular working hours or to which a salary in excess of \$200 per year is attached, provided that under no circumstances shall such person hold any public office through which such person would be involved in political management or political campaigns.

(3) Such person is a member of a party, committee, or organization the duties of which are concerned with political management or political campaigns.

The policy of the Works Progress Administration concerning the exercise of the voting franchise by W. P. A. employees remains as follows:

follows:

Every citizen who works for the Works Progress Administration, whatever his job, has a right to vote in any election, for any candidate he chooses. When the hours during which polling places are open or any other conditions prevent employees from freely exercising their voting privileges, scheduled hours of work may be adjusted to provide the necessary time for this purpose. Employees shall not be paid for time allowed during which to vote, but they shall be permitted, insofar as practicable through a rescheduling of working hours, to work their full quota of hours during the payroll month for which the time off is granted.

The regulations prescribed by this general letter shall be effective immediately, and State administrators are directed to take such action as may be required to effect compliance with these provisions. In order that these regulations shall be known by all W. P. A. employees and by other persons, the State Works Progress administrators shall arrange to have copies posted on bulletin boards at the site of every project and at all administrative offices throughout the State.

boards at the site of creat product throughout the State.

This letter supersedes and rescinds general letter No. 191, dated This letter supersedes and rescinds general letter No. 205, dated October 27, 1938.

July 2, 1938, and general letter No. 205, dated October 27, 1938.

F. C. Harrington, Administrator.

For your information, orders have been issued by the W. P. A. in the State of Michigan, and I presume in other States, that no person employed in either a supervisory capacity or in the capacity of a common laborer can be a member of any party, committee, or organization, the duties of which are concerned with political management or political campaigns. They have gone even further than thatthey have issued orders that no person is allowed to make any public utterances at a public meeting or in a public place as to his political beliefs for or against any candidate or any political philosophy. No person, according to their orders, is allowed to belong to any club that takes part in any political activity. This may be construed to be civic organizations, religious organizations, or any organizations interested in the management of this Government.

I charge that in the interest of liberty, in the interest of democracy, they have restricted man's liberty to such an extent that in return for a crust of bread he must give up his right to join organizations of his own choosing; he must give up the right of free speech; he must give up the right of joining any religious organization or club that might be

interested in expounding any political philosophy or interested in any bit of legislation considered or to be considered before this Congress.

I charge at this time that Public Resolution No. 1 of the Seventy-sixth Congress as interpreted by the officials of the W. P. A. has violated the first amendment of the Constitution of the United States which gives to the people protection against the abridging of the freedom of speech, freedom of the press, or the right of the people to peacefully assemble and to petition the Government for a redress of their grievances.

Let me warn those in charge of the administration of this legislation that they are headed toward destruction. If these unreasonable rules and orders are issued and carried out, they will be creating a menace far greater than the menace of communism, the menace of fascism, or the menace of nazi-ism. In fact, they will be creating a situation that will be far more disastrous to this Nation than even the despicable German Bund. Both liberty and democracy are seriously threatened by the growth of the power that has been placed in the hands of those administering the W. P. A.

You men and women of this House may have been, and I believe were, serious in your desire to keep the W. P. A. free from political activity, but in doing so you have set up laws that violate the rights of liberty and justice. The control here asserted does not protect against political activity but tends to foster it. The aim is not to encourage good citizens and good citizenry but to prevent it; not to regulate the proper administration of this agency and to protect citizens in their rights as guaranteed under the Constitution of the United States, but to preclude persons from exercising those rights which are so near and dear to those who live in a great democracy.

Mr. PARSONS. Mr. Speaker, will the gentleman yield just for an observation?

Mr. HOOK. Yes; I yield.

Mr. PARSONS. Does not the gentleman think that the language which the Congress placed in the last relief bill was what put politics into W. P. A.?

Mr. HOOK. There is not any doubt about that.

No regulation can be enforced which is not reasonable. Self-respect and prosperity are the most effective guardians of morals. Unenforceable and harassing laws, regulations, and orders issued with regard thereto tend to make violators of decent citizens. It was rightly said by a great legal mind that "In every extension of governmental functions lurks a new danger to civil liberty." Experience should teach us to be most on our guard to protect liberty and the Government's purposes that are beneficent. Men born to freedom are naturally alert to repel invasion of their liberty by evilminded rulers. The greatest dangers to liberty lurk in insidious encroachment by men of zeal, well-meaning, but without understanding.

I am an avowed partisan for the rights of the common man. My special concern is for those economically and financially dependent. I prefer human welfare to property rights. In the present day of economic and social lils I cannot remain aloof and indifferent, but with all the might and main at my command I attempt to seek the causes of each abuse and examine the merit of the proposed remedies.

I think we should ferret out the facts so as to enable us to decide whether the provision in question is so clearly arbitrary or capricious that we, as legislators acting reasonably, could not have believed it to be necessary or appropriate to the public welfare. It rests with us as representatives of the people to take the proper steps to furnish to this body relevant facts, and if we deliberately omit them we have not done our duty, because no law, written or unwritten, can be understood without a full knowledge of the facts from which it arises and to which it is to be applied. I am of the belief that in reordering the law to bring it in accord with life is partly the work of the courts, but it is more truly the function of the Congress. Because we have made a mistake, because we have erred, is no reason why that mistake should be a command that we err again when we have occasion to pass upon a different statute.

I believe that any man or woman in America in this great democracy has the right to vote as he pleases and to keep his view secret or express himself freely on it. Men in large jobs and small jobs, in private life and public life, do it every day of the year. Other men are just as free to disagree. That is the American way. Traditionally, American workers have rebelled against pay-envelope political pressure. They resent a slip pinned to the check which says that if a certain party is not elected the plant will go on a half-time basis. They resented in 1936 a pay-envelope attack on social security. The logic of some of the current opinion about so-called coercion on the W. P. A. is beyond my understanding. Certain letters have been inserted in the Congressional RECORD for no other reason than political blasphemy. They are so ridiculous, so untrue, that they are not even worthy of being dignified with an answer.

I have frequently stated that the workers of the W. P. A. are bound to be grateful to the present administration. I am wondering whether the implication is that this constitutes some terrible sort of turpitude presumably on the part of the administration. Is it a vice for the electorate or any part of it to take notice when public officials live up to their presentative government is incurably vicious. The history of this Nation is full of political movements which came into power by bringing in a new order of things and then earned the respect and gratitude of the people by keeping those promises. It seems to me that if there is any vice to be feared in representative government, it is the failure of candidates and movements to keep their promises to the people and not the gratitude of the electorate for promises kept.

We who believe in liberty and justice rebelled against the actions of the political czars who through economic pressure stifled the rights of free speech and free press. Are we now, who parade as the protectors of human liberty, going to use the same tactics on the W. P. A. workers? These men went into that Government program, not of their own accord, but because of the vicious mistakes of the economic structure of this Nation. Are we as representatives of a free nation going to take away the rights guaranteed them by the basic law of this Nation?

I believe that the administrators of the W. P. A. are well-meaning individuals trying to carry out the mandates of this Congress, but in doing so are abridging the rights of American citizens. Are we going to take away the self-respect of men and women of this Nation and make them serfs and slaves and refuse to allow them to take part in the development and the changes of the times?

In refusing to allow men and women to belong to organizations and discuss the political philosophy of the day and to peacefully assemble and petition this Congress for a redress of their wrongs, we are violating the first amendment of the Constitution of the United States of America.

When we discuss the eligibility of workers for this program, we should know the basic principles upon which that eligibility is founded. I have listened to Members of this House. including the gentleman from Massachusetts, when they inferred that the W. P. A. is responsible for the hiring of men and women in that program. In each locality the eligibility of needy workers for this program is determined, not by the W. P. A. but by the constituted local welfare authorities. If there is political discrimination at that point, it is a matter for the local citizenry to handle. Why did the gentleman from Massachusetts say that it may be handled that way in other States but it is not handled that way in Massachusetts? In answer to the gentleman from Massachusetts, I might say that I do not charge him with a deliberate misstatement of facts, but I do say that the gentleman is misinformed and is not conversant with the method of certification.

It is a general rule throughout this Nation that before any person becomes eligible for work on the W. P. A. that he be first investigated by the local relief authorities set up by the State administration, with the exception that 10 percent may be nonrelief in order to supply the proper number of skilled workers. It seems to me from what I can gather from a study of the situation that a great number of the Members

on the Republican side of this House are interested in their own political welfare rather than the real welfare of the people of this Nation.

A study must be made of the employment situation to such an extent that we will reemploy at least 9,000,000 men and women in industry with regular wages so as to make them self-respecting citizens. I have such a bill before this Congress and I do hope that it will be given serious consideration.

I belong to the school of thought that believes that as long as money is appropriated by a political government there will be a certain amount of political activity and it just depends on which party is in control.

We should encourage people to become interested in Government rather than to penalize them for becoming interested. It is the very foundation of democracy. Oh! what price liberty. The W. P. A. workers are respected citizens who believe in liberty and justice. They are not willing to surrender their liberty for a crust of bread. They will not peaceably surrender that right. I believe they are in accord as I am with the famous statement of Patrick Henry when he said, "Give me liberty or give me death."

The SPEAKER pro tempore (Mr. LARRABEE). Under the previous order of the House, the gentleman from New York [Mr. Dickstein] is recognized.

Mr. DICKSTEIN. Mr. Speaker, in view of the lateness of the hour, I ask unanimous consent that I may have the right to address the House on Wednesday next for 20 minutes after the disposition of matters on the Speaker's table and following the legislative program of the day.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from New York?

There was no objection.

EXTENSION OF REMARKS

Mr. HOFFMAN. Mr. Speaker, on behalf of my colleague the gentleman from Michigan [Mr. Bradley], I ask unanimous consent that he may extend his remarks in the RECORD at this point and include therein certain statements and affidavits he has received.

Mr. HOOK. Mr. Speaker, reserving the right to object, I want to know at this time whether or not those remarks will include any more of those vicious letters sent to him by a third party.

Mr. HOFFMAN. In answer to the gentleman I cannot say whether they are vicious or whether they are from officials, but, as I understand it, they are some affidavits that have been sworn to.

Mr. HOOK. If they are affidavits, or letters, or anything else, I will object until-

Mr. HOFFMAN. Until you see them?

Mr. HOOK. Until the gentleman shows them to me or I see them.

The SPEAKER. Objection is heard.

RESIGNATION FROM COMMITTEE

The SPEAKER. The Chair lays before the House the following resignation from committee:

MARCH 29, 1939.

Hon. WILLIAM B. BANKHEAD, Speaker of the House of Representatives,

DEAR MR. SPEAKER: I hereby tender my resignation as a member the Committee on the Post Office and Post Roads.

Very respectfully yours,

The SPEAKER. Without objection, the resignation will be accepted.

There was no objection.

LEAVE OF ABSENCE

By unanimous consent, leave of absence was granted to Mr. Vinson of Georgia, for 10 days, on account of important business.

AMENDMENTS TO THE FAIR LABOR STANDARDS ACT

Mrs. NORTON. Mr. Speaker, I ask unanimous consent to address the House for 1 minute.

The SPEAKER. Is there objection to the request of the gentlewoman from New Jersey?

There was no objection.

Mrs. NORTON. Mr. Speaker, I have, of course, watched with great interest the progress and success of the Fair Labor Standards Act, the so-called wage and hour law, during the 6 months of its existence. I feel safe in saying that I know of few laws which have met with the public approval and cooperation accorded this. It is a law designed to improve working conditions and to eliminate chiseling competition from the channels of interstate commerce, and I believe that already it has gone far toward attaining these objectives. I feel confident in assuming that this belief is widely shared.

However, as in most well-intentioned laws with such tremendous coverage, slight defects have become apparent through its application to business. A gigantic task faced Congress in attempting legislation which is so generally applicable since it covers all industry engaged in interstate commerce, with some few specific exemptions. We wrote and passed a law with what we felt then were adequate safeguards, both to employers and employees, so that business would not be disturbed. We still believe the Fair Labor Standards Act is workable and eminently fair to all affected, except in a few instances, which we now propose to correct. The practical application of the law has disclosed some situations where its rigid application causes undue hardship. This disturbance has tended to create hardship on employers, reduce employment, and in general dislocate the flow of business in a particular industry.

Both the Administrator of the Wage and Hour Division and the Members of the House and Senate have received suggestions which would correct these inequalities and also many objections to specific sections of the act. We have examined these and I believe that the amendments to the Fair Labor Standards Act which I am introducing in the House today will stop up the holes in the act and tend to equalize its application.

I believe that Puerto Rico and the Virgin Islands are entitled to consideration because of the prevailing conditions in the islands. It is my belief that a total exemption from the law for these territories would serve to create a great competitive advantage, is not fully justified in all industries, and would in general disturb business both here and in the islands. However, from the facts at my command, I believe it is obvious they need some relief. Therefore, in the amendments I propose the creation of industry committees to determine the minimum wage to be paid, which would be fair for each industry in Puerto Rico and the Virgin Islands. These committees would be composed of residents of continental United States and such island or islands in which the industry operates and would recommend minimum wages to be paid rather than those as now provided in section 6. The committees would include representatives of the public. employers, and employees. This would be accomplished by adding a new subsection (e) at the end of section 5.

I have felt since the wage and hour law became effective that the Administrator is working under a great disadvantage and that business is not able in many cases to adjust itself because of the lack of power the Administrator has to make valid rules and regulations. I am sure that business would be less jittery about this law if the Administrator had the right to define the application of the law. Without this amendment he may not do so and some business has suffered as a result. I believe that he further needs the power to define technical and trade terms used in the act and the power to make special provisions with respect to industrial home work and make special provision for constant-wage plans consistent with section 7 relating to hours of work. Home work has long been a blot on the economic picture of this country, and I regret to say that in some cases employers have resorted to this means of employment to escape the provisions of this law. This power would be granted the Administrator by adding two new subsections (d) and (e) at the end of section 11 and by striking out all of clause (2) of subsection (a) of section 15 and inserting a new clause.

It has been brought to my attention that a severe hardship has been worked by the application of this law to small telephone companies. It is felt that the only way to deal with the existing situation is by amendment, and therefore I am proposing an amendment to exempt telephone operators in exchanges serving 350 stations or less. A thorough investigation into this situation has led me to believe the amendment is warranted. This is accomplished by an amendment to subsection (a) of section 13, clause (11)

A good deal of the objection to the Fair Labor Standards Act comes from its application to so-called "white collar" workers-men and women engaged in work not of a clearly administrative or executive nature but which frequently requires overtime work. In the case of bookkeepers, private secretaries, and so forth, high salaried office workers in the main, it is felt that the application of the law works great hardship both on the employer and employees. In many instances employees such as those described actually work in a quasi-executive capacity and it is utterly impossible to regulate their hours of work. I feel that a salary of \$200 a month should protect a worker against exploitation and therefore I am proposing to exempt all employees receiving that salary or more from the hours provisions of the act by amending section 13 (a) to include persons on a guaranteed monthly salary of \$200 a month or more.

Congress, when drafting the Fair Labor Standards Act, gave a great deal of consideration to the real problem confronting the farmer and those connected with the movement from the farm and preparation for market of agricultural products. It was felt that limiting the exemption of workers engaged in movement from the farm and preparation for market of agricultural products to those within the area of production afforded the necessary safeguard. However, the application of the law has presented a very real problem in the attempt of the Administrator to define "area of production." To do so without clearly discriminating against certain classes of workers was utterly impossible and afforded the administration a real opportunity to judge hardship in the application of this law to the agricultural worker. I, therefore, believe it is necessary to amend the act by striking out all of subsection (c) of section 7 and inserting a new clause. This would eliminate the area of production and would instead base the application of the law and hours exemption under it on the seasonality and perishability of the product. I propose to grant an hour's exemption up to 12 hours a day and a 56-hour workweek to the industries specifically listed in the amendment. The ginning of cotton, however, is to be granted an exemption from both the wage and hour provisions.

Two other amendments necessary for the smooth working of the law have become important.

One is a change in venue and provides that civil actions to restrain violations of the act may be brought in any district wherein the defendant is found, or is inhabited, or transacts business. This is accomplished by striking out all of section 17 and inserting a new section.

The other deals with the release of so-called "hot goods" and provides that the Administrator is to exempt goods from the provisions of section 15 (a) if he finds that all persons having a substantial proprietary interest in such goods had no reason to believe at the time of acquiring such interest that such goods were produced in violation of the wage and hour provisions. This is accomplished by the addition of a new subsection to section 15.

ADJOURNMENT

Mr. RABAUT. Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to.

Accordingly, at 3 o'clock and 43 minutes p. m., the House adjourned until tomorrow, Thursday, March 30, 1939, at 12 o'clock noon.

COMMITTEE HEARINGS

COMMITTEE ON WAYS AND MEANS

Public hearings will continue on Thursday, March 30, 1939, at 10 a. m., on social-security legislation, in the Ways and Means Committee room in the New House Office Building. H. R. 2660, limitation of liability (Sirovich); House Joint

COMMITTEE ON INDIAN AFFAIRS

There will be a meeting of the Committee on Indian Affairs on Friday next, March 31, 1939, at 10:30 a. m., for the consideration of S. 18 and the continuation of hearing on H. R.

COMMITTEE ON IRRIGATION AND RECLAMATION

There will be a meeting of the Committee on Irrigation and Reclamation in room 128, House Office Building, at 10 a. m. Thursday, March 30, 1939, for the continuation of hearing on H. R. 5076.

COMMITTEE ON PATENTS

A subcommittee of the Committee on Patents, House of Representatives, will hold hearings in the caucus room of the House Office Building Thursday morning, March 30, 1939. beginning at 10 o'clock, and also on Thursday afternoon, on H. R. 4744, a bill to provide for the registration of trade-marks used in commerce, to carry out the provisions of certain international conventions, and for other purposes. Hon. Fritz G. LANHAM is chairman of the subcommittee.

Mr. Lanham announces that the procedure at these hearings will be the same as that he initiated at the hearings on trade-marks in the Seventy-fifth Congress, 1938; that is, the bill will be taken up section by section, so all testimony on a given section will be found at one place in the printed record.

COMMITTEE ON INTERSTATE AND FOREIGN COMMERCE

There will be a meeting of the Committee on Interstate and Foreign Commerce at 10 a.m. Thursday, March 30, 1939. Business to be considered: Railroad legislation-H. R. 2531.

There will be a meeting of the Business Research Subcommittee of the Committee on Interstate and Foreign Commerce at 10 a. m. Monday, April 3, 1939. Business to be considered: Hearing on H. R. 3395-business research bill.

There will be a meeting of the subcommittee of the Interstate and Foreign Commerce Committee on the trust indenture bill (H. R. 5220). The hearings are to be held in the Interstate and Foreign Commerce Committee room beginning April 4, 1939, at 10 a.m. The hearings will be continued on April 5 and 6. Proponents of the bill will be heard on the 4th and opponents on the 5th and 6th.

COMMITTEE ON RIVERS AND HARBORS

The Committee on Rivers and Harbors will meet Tuesday. April 4, 1939, at 10:30 a. m., to continue hearings on the project for the Connecticut River, Conn. and Mass.

COMMITTEE ON MERCHANT MARINE AND FISHERIES

The Committee on Merchant Marine and Fisheries will hold public hearings in room 219, House Office Building, at 10 a. m., on the bills and dates listed below:

Tuesday, April 4, 1939:

H. R. 3209, making it a misdemeanor to stow away on vessels; H. R. 3398, regarding the down payment for construction of new vessels; H. R. 3935, relating to the discharge

Wednesday, April 5, 1939:

H. R. 3052, uniform insignia for Naval Reserve radio operators; H. R. 1010, intercoastal subsidy bill (WELCH).

Thursday, April 6, 1939:

H. R. 1011, acquisition of drydock facilities for United States Maritime Commission on San Francisco Bay (Welch); H. R. 2870, acquisition of drydock facilities for United States Maritime Commission at Los Angeles (Thomas F. Ford); H. R. 3040, acquisition of drydock facilities for United States Maritime Commission at Los Angeles (Geyer of California).

Tuesday, April 11, 1939:

H. R. 1783, inspection of hulls of sail vessels and barges (Bland); H. R. 1785, motorboat bill (Bland); H. R. 1795, motorboat bill (HENDRICKS); H. R. 1809, inspection of motorboats, 15 gross tons up (Magnuson); H. R. 2398, regarding pilots on yachts (ANGELL); H. R. 3837, inspection of motorboats, 15 gross tons up (Connery).

Thursday, April 13, 1939:

H. R. 4220, load-line bill for seagoing vessels (Bland).

Tuesday, April 18, 1939:

H. R. 2404, surgeon and hospital on vessels (Sirovich):

Resolution 153 and House Joint Resolution 194, investigate conditions pertaining to lascar seamen (SIROVICH).

EXECUTIVE COMMUNICATIONS, ETC.

592. Under clause 2 of rule XXIV a letter from the Administrator, Civil Aeronautics Authority, transmitting the draft of a proposed bill making applicable certain reversionary provisions contained in the act of March 4, 1923 (42 Stat. 1450), was taken from the Speaker's table and referred to the Committee on Military Affairs.

REPORTS OF COMMITTEES ON PUBLIC BILLS AND RESOLUTIONS

Under clause 2 of rule XIII,

Mr. TAYLOR of Colorado: Committee on Appropriations. House Joint Resolution 246. Joint resolution making a further additional appropriation for work relief and relief for the fiscal year ending June 30, 1939; without amendment (Rept. No. 332). Referred to the Committee of the Whole House on the state of the Union.

Mr. TARVER: Committee on Appropriations. H. R. 5427. A bill making appropriations for the Labor Department for the fiscal year ending June 30, 1940, and for other purposes; without amendment (Rept. No. 333). Referred to the Committee of the Whole House on the state of the Union.

Mr. RANKIN: Committee on World War Veterans' Legislation. H. R. 2320. A bill to provide domiciliary care, medical and hospital treatment, and burial benefits to certain veterans of the Spanish-American War, the Philippine Insurrection, and the Boxer Rebellion; without amendment (Rept. No. 334). Referred to the Committee of the Whole House on the state of the Union.

Mr. RANKIN: Committee on World War Veterans' Legislation. H. R. 2296. A bill to restore certain benefits to World War veterans suffering with paralysis, paresis, or blindness, or who are helpless or bedridden, and for other purposes; without amendment (Rept. No. 335). Referred to the Committee of the Whole House on the state of the Union.

Mr. SMITH of Virginia: Committee on Rules. House Resolution 149. A resolution providing for the consideration of House Joint Resolution 246, making a further additional appropriation for work relief and relief for the fiscal year ending June 30, 1939; without amendment (Rept. No. 336). Referred to the House Calendar.

Mr. GAVAGAN: Committee on War Claims. House Joint Resolution 156. Joint resolution authorizing and directing the Comptroller General of the United States to certify for payment certain claims of grain elevators and grain firms to cover insurance and interest on wheat during the years 1919 and 1920 as per a certain contract authorized by the President; without amendment (Rept. No. 342). Referred to the Committee of the Whole House on the state of the Union.

Mr. GAVAGAN: Committee on War Claims. H. R. 289. A bill for the relief of officers and soldiers of the Volunteer service of the United States mustered into service for the War with Spain and who were held in service in the Philippine Islands after the ratification of the treaty of peace, April 11, 1899; without amendment (Rept. No. 343). Referred to the Committee on the Whole House on the state of the Union.

Mr. HALLECK: Committee on Interstate and Foreign Commerce. H. R. 4243. A bill granting the consent of Congress to the State of Indiana to construct, maintain, and operate a free highway bridge across the Wabash River at or near Peru, Ind.; without amendment (Rept. No. 349). Referred to the House Calendar.

Mr. CROSSER: Committee on Interstate and Foreign Commerce. H. R. 4432. A bill granting the consent of Congress to the city of Warren, Ohio, to construct, maintain, and operate a free footbridge over Mahoning River, near Stiles Street NW., Warren, Ohio; without amendment (Rept. No. 350). Referred to the House Calendar.

Mr. KELLY: Committee on Interstate and Foreign Commerce. H. R. 4527. A bill to extend the times for commencing and completing the construction of a bridge across the Mississippi River at or near Rock Island, Ill., to a place at or near the city of Davenport, Iowa; without amendment (Rept. No. 351). Referred to the House Calendar.

Mr. KELLY: Committee on Interstate and Foreign Commerce. H. R. 4370. A bill authorizing the city of Chester, Ill., to construct, maintain, and operate a toll bridge across the Mississippi River at or near Chester, Ill.; without amendment (Rept. No. 352). Referred to the House Calendar.

Mr. BOREN: Committee on Interstate and Foreign Commerce. S. 964. An act creating the Arkansas-Mississippi Bridge Commission; defining the authority, power, and duties of said commission; and authorizing said commission and its successors and assigns to construct, maintain, and operate a bridge across the Mississippi River at or near Friar Point, Miss., and Helena, Ark., and for other purposes; without amendment (Rept. No. 353). Referred to the House Calendar.

Mr. PATRICK: Committee on Interstate and Foreign Commerce. H. R. 3224. A bill creating the Louisiana-Vicksburg Bridge Commission; defining the authority, power, and duties of said commission; and authorizing said commission and its successors and assigns to purchase, maintain, and operate a bridge across the Mississippi River at or near Delta Point, La., and Vicksburg, Miss.; without amendment (Rept. No. 354). Referred to the House Calendar.

REPORTS OF COMMITTEES ON PRIVATE BILLS AND RESOLUTIONS

Under clause 2 of rule XIII,

Mr. HART: Committee on War Claims. H. R. 554. A bill for the relief of Meta De Rene McLoskey; without amendment (Rept. No. 337). Referred to the Committee of the Whole House.

Mr. GAVAGAN: Committee on War Claims. H. R. 1361. A bill for the relief of Henry Fischer; without amendment (Rept. No. 338). Referred to the Committee of the Whole House.

Mr. POAGE: Committee on War Claims. H. R. 2014. A bill for the relief of Margaret Redmond; without amendment (Rept. No. 339). Referred to the Committee of the Whole House.

Mr. HART: Committee on War Claims. H. R. 2853. A bill for the relief of Frank Burgess Bruce; without amendment (Rept. No. 340). Referred to the Committee of the Whole House.

Mr. POAGE: Committee on War Claims. H. R. 3550. A bill for the relief of the widow and children of James Patrick Mahar; without amendment (Rept. No. 341). Referred to the Committee of the Whole House.

Mr. POAGE: Committee on Claims. S. 303. An act for the relief of the Ocilla Star; without amendment (Rept. No. 344). Referred to the Committee of the Whole House.

Mr. POAGE: Committee on Claims. S. 463. An act for the relief of the Fitzgerald Leader; without amendment (Rept. No. 345). Referred to the Committee of the Whole House.

Mr. COFFEE of Washington: Committee on Claims. S. 529. An act for the relief of Margaret Rose Uncapher, Milton E. Uncapher, Jr., and Andrew G. Uncapher; without amendment (Rept. No. 346). Referred to the Committee of the Whole House.

Mr. POAGE: Committee on Claims. H. R. 4131. A bill for the relief of Melvin Gerard Alvey; without amendment (Rept. No. 347). Referred to the Committee of the Whole House.

Mr. COFFEE of Washington: Committee on Claims. H. R. 2044. A bill for the relief of R. Dove and Laura J. Dove; with amendment (Rept. No. 348). Referred to the Committee of the Whole House.

CHANGE OF REFERENCE

Under clause 2 of rule XXII, the Committee on Pensions was discharged from the consideration of the bill (H. R. 5423)

granting a pension to Eliza S. Rhodes, and the same was referred to the Committee on Invalid Pensions.

PUBLIC BILLS AND RESOLUTIONS

Under clause 3 of rule XXII, public bills and resolutions were introduced and severally referred as follows:

By Mr. ASHBROOK:

H. R. 5428. A bill to make the library, office of Solicitor, Department of Agriculture, a public depository for Government legal publications; to the Committee on Agriculture.

By Mr. JEFFRIES:

H.R. 5429. A bill to empower the Reconstruction Finance Corporation to guarantee character loans made to merchants by local banks and by Federal Reserve banks; to the Committee on Banking and Currency.

By Mr. NORRELL:

H. R. 5430. A bill to provide for a Federal contribution of \$15 per month to States for old-age assistance regardless of the amount expended for such purpose by the State; to the Committee on Ways and Means.

By Mr. BLAND:

H. R. 5431. A bill to improve the efficiency of the Lighthouse Service, and for other purposes; to the Committee on Merchant Marine and Fisheries.

By Mr. COFFEE of Washington:

H. R. 5432. A bill to prohibit the export of arms, ammunition, and implements and materials of war to Japan; to prohibit the transportation of arms, ammunition, implements, and materials of war by vessels of the United States for the use of Japan; to restrict travel by American citizens on Japanese ships; and otherwise to prevent private persons and corporations subject to the jurisdiction of the United States from rendering aid or support to the Japanese invasion of China; to the Committee on Foreign Affairs.

By Mr. RANKIN:

H. R. 5433. A bill to provide certain benefits for World War veterans and their dependents, and for other purposes; to the Committee on World War Veterans' Legislation. By Mr. SMITH of Washington:

H. R. 5434. A bill to provide for the construction of a postoffice building at Winlock, Wash.; to the Committee on Public Buildings and Grounds.

By Mrs. NORTON:

H.R. 5435. A bill to amend the Fair Labor Standards Act of 1938; to the Committee on Labor.

By Mr. ANDREWS:

H. R. 5436: A bill to authorize the grant of a sewer rightof-way and operation of sewage-treatment plant on the Fort Niagara Military Reservation, N. Y., by the village of Youngstown, N. Y.; to the Committee on Military Affairs.

By Mr. JONES of Texas:

H. J. Res. 247. Joint resolution to provide minimum national allotments for cotton; to the Committee on Agri-

H. J. Res. 248. Joint resolution to provide minimum national allotments for wheat; to the Committee on Agriculture

By Mr. MAAS:

H. J. Res. 249. Joint resolution designating August 19 of each year National Aviation Day; to the Committee on the Judiciary.

By Mr. McGRANERY:

H. Res. 151. Resolution authorizing the Committee on the District of Columbia to conduct an investigation of the uses of public schools and/or auditoriums under the jurisdiction of the Board of Education of the District of Columbia; to the Committee on Rules.

MEMORIALS

Under clause 3 of rule XXII, memorials were presented and referred as follows:

By the SPEAKER: Memorial of the Legislature of the State of Nevada, memorializing the President and the Congress of the United States to consider their Assembly Joint

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Resolutions No. 8 and No. 10, concerning Federal farm banks, and construction of Federal-aid highways; to the Committee on Appropriations.

PRIVATE BILLS AND RESOLUTIONS

Under clause 1 of rule XXII, private bills and resolutions were introduced and severally referred as follows:

By Mr. BROWN of Ohio:

H.R. 5437. A bill granting an increase of pension to Ella G. Swisher; to the Committee on Invalid Pensions.

By Mr. BUCKLEY of New York:

H. R. 5438. A bill granting an increase of pension to Hattie V. Holdsworth; to the Committee on Pensions.

By Mr. DUNCAN:

H.R. 5439. A bill for the relief of James Simmons, Laura Simmons, and Ruth Simmons, minor; to the Committee on

By Mr. GARTNER:

H. R. 5440. A bill for the relief of Norman E. Cremer; to the Committee on Naval Affairs.

By Mr. GOLDSBOROUGH:

H. R. 5441. A bill for the relief of certain former owners of real property in Cecil County, Md., acquired by the United States through condemnation proceedings; to the Committee on Claims.

By Mr. JENKINS of Ohio:

H. R. 5442. A bill granting a pension to Lizzie May Rogers; to the Committee on Invalid Pensions.

By Mr. PETERSON of Florida:

H. R. 5443. A bill for the relief of Homer C. Alldredge, also known as Homer B. Collins; to the Committee on Military

By Mr. SUTPHIN:

H. R. 5444. A bill granting a pension to Ruth L. McMeans; to the Committee on Invalid Pensions.

By Mr. VINCENT of Kentucky:

H. R. 5445. A bill for the relief of Charles B. Arrington: to the Committee on Military Affairs.

PETITIONS, ETC.

Under clause 1 of rule XXII, petitions and papers were laid on the Clerk's desk and referred as follows:

2159. By Mr. DONDERO: Petition of members of the Emor L. Calkins Local Union of the Woman's Christian Temperance Union of Pontiac, Mich., urging the Congress of the United States to pass legislation to prevent, as far as possible. the advertising of alcoholic beverages by press and radio; to the Committee on Interstate and Foreign Commerce.

2160. By Mr. FAY: Memorial of Frank Simons and 29 other residents of the Sixteenth Congressional District, New York City, respectfully petitioning the Seventy-sixth Congress to enact the improved General Welfare Act (H. R. 11). thus relieving the suffering of our needy citizens over 60 years of age and providing prosperity for America and security for all at 60; to the Committee on Ways and Means.

2161. By Mr. MARTIN J. KENNEDY: Petition of Lodge No. 249, International Association of Machinists, Russell, Ky., urging support of House bill 4862; to the Committee on Interstate and Foreign Commerce.

2162. Also, petition of Local No. 46 of the Wood, Wire, and Metal Lathers' International Union, New York City, urging passage of House bill 1979; to the Committee on the Civil Service.

2163. Also, petition of the New York State Forestry and Park Association and Hudson River Conservation Society, Albany, N. Y., concerning restoration of Dutch elm disease funds in agricultural appropriation; to the Committee on Appropriations.

2164. Also, petition of the Fish Forwarding Co., Inc., New York City, concerning exemption from the provisions of House bill 4827, a forwarding carrier handling exclusively fish, including shellfish; to the Committee on Interstate and Foreign Commerce.

2165. Also, petition of Joint Council No. 13, United Shoe Workers of America, New York City, expressing opposition to any amendments to the Wagner Labor Relations Act; to the Committee on Labor.

2166. Also, resolution of the United Federal Workers, New York City, concerning Senate bill 1314 and House bill 3664; to the Committee on the Civil Service.

2167. Also, petition of Local Union, No. 361, International Association of Bridge, Structural, and Ornamental Iron Workers, Brooklyn, N. Y., urging support of Senate bill 591 and House bill 4576; to the Committee on Appropriations.

2168. Also, petition of Capital City Lodge, No. 1145, International Association of Machinists, Albany, N. Y., urging support of House bill 4862; to the Committee on Interstate and Foreign Commerce.

2169. By Mr. KEOGH: Petition of the public schools of Kansas City, Mo., concerning House bill 3517, Federal-aid bill: to the Committee on Education.

2170. Also, petition of the Board of Public Instruction, Garsden County, Quincy, Fla., concerning the Harrison-Thomas bill (S. 1305); to the Committee on Education.

2171. Also, petition of the Marion Parent-Teacher Association, Marion Board of Education, Marion city schools, Marion Woman's Club, Marion, Ky., concerning Federal-aid legislation; to the Committee on Education.

2172. Also, petition of the Bell Memorial Library, Nunda, N. Y., concerning Federal-aid legislation; to the Committee on Education.

2173. By Mr. PFEIFER: Petition of the Pilgrim Laundry, Inc., Brooklyn, N. Y., protesting against the pay-roll tax imposed under the unemployment insurance provisions of the Social Security Act, which discriminates against service industries; to the Committee on Ways and Means.

2174. Also, petition of the New York State Conservation Council, New York City, urging support of restoration of Budget recommendation for Dutch elm disease control; to the Committee on Appropriations.

2175. By Mr. SCHIFFLER: Petition of the Board of Commissioners of the County of Ohio, Wheeling, W. Va., protesting against the construction of the Lake Erie-Ohio River Canal; to the Committee on Interstate and Foreign Commerce.

2176. By Mr. VAN ZANDT: Petition of Fort Fetter Post, No. 516, the American Legion, Hollidaysburg, Pa., urging the curtailment of immigration and placing of aliens residing in the United States under a close check, deporting alien criminals, and fingerprinting and registration of all unnaturalized residents; to the Committee on Immigration and Naturalization.

2177. By the SPEAKER: Petition of the General Welfare Federation of America, Washington, D. C., petitioning consideration of their resolution with reference to House bill 11, General Welfare Act; to the Committee on Ways and Means.

2178. Also, petition of the German-American League for Culture, Eastern District, New York, petitioning consideration of their resolution with reference to House bill 4860, an attempt to change the American form of government; to the Committee on Immigration and Naturalization.

2179. Also, petition of Mattie Tilly, of San Francisco, Calif., and others, petitioning consideration of their resolution with reference to Works Progress Administration deficiency appropriation: to the Committee on Appropriations.

2180. Also, petition of the Society of Americans, Washington, D. C., petitioning consideration of their resolution with reference to a bill for the forthwith registration of aliens employed by the United States or any agency, bureau, or corporation thereof; to the Committee on the Civil Service.